

May 2023

PIMCO Monthly Income Fund (Canada) – Distribution Increase



Effective May 1st, 2023, the PIMCO Monthly Income Fund (Canada) (the “Fund”) is changing its daily distribution rate, which will lead to an increase in the Fund’s daily distribution rate from approximately **\$0.00155/unit to \$0.00186/unit** (F Series Unit) or an approximate monthly distribution of **\$0.04350 to \$0.05751**.¹

Distribution per Unit for each Series as of 4/30/2023 and 5/31/2023:

Series	Daily Distribution per Unit for each Series as of 4/30/2023	Daily Distribution per Unit for each Series as of 5/31/2023
Series M	\$0.00161	\$0.00191
Series A	\$0.00136	\$0.00168
Series F	\$0.00155	\$0.00186
Series I	\$0.00184	\$0.00211
Series O	\$0.00142	\$0.00173
Series H	\$0.00165	\$0.00194
Series N	\$0.00165	\$0.00194
Series M(US\$)	\$0.00119	\$0.00141
Series A (US\$)	\$0.00101	\$0.00125
Series F (US\$)	\$0.00115	\$0.00137
Series I (US\$)	\$0.00136	\$0.00156
Series O (US\$)	\$0.00105	\$0.00128

Performance ending 31 March 2023 (%)

Average annual returns	S.I.	10 yrs.	5 yrs.	3 yrs.	1 yr.	6 mos.	3 mos.
	20 Jan '11						
PIMCO Monthly Income (Canada) Fund F (%)	6.92	3.61	1.69	3.08	-0.60	5.20	2.20
Bloomberg US Agg Hedged CAD (%)	2.18	1.27	0.48	-3.05	-5.39	4.63	2.78

As of 31 March 2023. Source: PIMCO

Performance shown for Series F Units net of fees.

Differences in the Fund's performance versus the Bloomberg U.S. Aggregate Index CAD Hedged (the “Index”) and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the Index.

Commissions, trailing commissions, management fees and expenses all may be associated with mutual fund investments. Please read the prospectus before investing. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all dividends and does not take into account sales, redemption, distribution or optional charges or income taxes payable by any security holder that would have reduced returns. Mutual funds are not guaranteed, their values change frequently and past performance may not be repeated.

¹ The Fund's actual distribution rate may be higher or lower. Daily distributions are set for the PIMCO Monthly Income Fund (Canada). The Monthly Distribution will depend on the number of reporting days in each month. Additional year-end distributions are made with excess income accrued daily throughout the year. Year-end and monthly distribution payments are not guaranteed and are subject to fluctuation.

Additional Details

- In this environment, we believe it is critical to seek to generate income in a diversified and prudent manner as we aim to deliver on our primary objective of maximizing current income consistent with preservation of capital and prudent investment management, along with our secondary objective of long-term capital appreciation.
- As market yields have increased, we believe PIMCO Monthly Income Fund (Canada) can maintain this new daily distribution rate **\$0.00186/unit** (F Series Unit) while aiming to achieve the Fund's objectives, without stretching for yield. With that said, while the Fund may seek to maintain level distributions, there can be no assurance that market conditions or other factors will not result in a change to the Fund's distribution rate in the future.
- We recognize the importance of providing an attractive level of income to our investors and we strive to distribute a level of income that is consistent with the Fund's investment objectives and takes into account, among other things, current market conditions.
- Importantly, our portfolio management team will continue to use the Fund's full investment guideline flexibility to seek to achieve the Fund's investment objectives.
- Since its launch, PIMCO Monthly Income Fund (Canada) has delivered strong risk-adjusted returns, outpacing the Bloomberg U.S. Aggregate Bond Index (CAD Hedged).
- The distribution paid at month-end May 2023 to unitholders of record during the month will reflect the adjusted daily distribution rate. The new daily distribution rate will be reflected on the Fund's webpage under the "Yields and Distributions" tab in the section entitled "Historical Prices & Distributions".

No offering is being made by this material. Interested investors should obtain a copy of the prospectus, which is available from your Financial Advisor.

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The PIMCO Monthly Income Fund (Canada) has issued a distribution for each month since inception. No guarantee is being made that a future distribution will be issued.

Past performance is not a guarantee or a reliable indicator of future results. The performance figures presented reflect the total return performance and reflect changes in unit price and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Funds typically offer different series, which are subject to different fees and expenses (which may affect performance), having different minimum investment requirements and are entitled to different services.

Investments made by a Fund and the results achieved by a Fund are not expected to be the same as those made by any other PIMCO-advised Fund, including those with a similar name, investment objective or policies. A new or smaller Fund's performance may not represent how the Fund is expected to or may perform in the long-term. New Funds have limited operating histories for investors to evaluate and new and smaller Funds may not attract sufficient assets to achieve investment and trading efficiencies. A Fund may be forced to sell a comparatively large portion of its portfolio to meet significant unitholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant unit purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

Although the Fund may seek to maintain stable distributions, the Fund's distribution rates may be affected by numerous factors, including but not limited to changes in realized and projected market returns, fluctuations in market interest rates, Fund performance, and other factors. There can be no

assurance that a change in market conditions or other factors will not result in a change in the Fund's distribution rate or that the rate will be sustainable in the future.

For instance, during periods of low or declining interest rates, the Fund's distributable income and dividend levels may decline for many reasons. For example, the Fund may have to deploy uninvested assets (whether from purchases of Fund units, proceeds from matured, traded or called debt obligations or other sources) in new, lower yielding instruments. Additionally, payments from certain instruments that may be held by the Fund (such as variable and floating rate securities) may be negatively impacted by declining interest rates, which may also lead to a decline in the Fund's distributable income and dividend levels.

Differences in the Fund's performance versus the index and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the index. PIMCO Monthly Income Fund (Canada) versus the Bloomberg US Aggregate Hedged CAD Index (the "Index") and related attribution information with respect to particular categories of securities or individual positions may be attributable, in part, to differences in the pricing methodologies used by the Fund and the Index.

There is no assurance that any fund, including any fund that has experienced high or unusual performance for one or more periods, will experience similar levels of performance in the future. High performance is defined as a significant increase in either 1) a fund's [total] return in excess of that of the fund's benchmark between reporting periods or 2) a fund's total return as compared to its historical returns between reporting periods. Unusual performance is defined as a significant change in a fund's performance as compared to one or more previous reporting periods.

All investments contain risk and may lose value. Investing in the **bond market** is subject to risks, including market, interest rate, issuer, credit, inflation risk, and liquidity risk. The value of most bonds and bond strategies are impacted by changes in interest rates. Bonds and bond strategies with longer durations tend to be more sensitive and volatile than those with shorter durations; bond prices generally fall as interest rates rise, and low interest rate environments increase this risk. Reductions in bond counterparty capacity may contribute to decreased market liquidity and increased price volatility. Bond investments may be worth more or less than the original cost when redeemed. Investing in **foreign denominated and/or domiciled securities** may involve heightened risk due to currency fluctuations, and economic and political risks, which may be enhanced in emerging markets. **Mortgage- and asset-backed securities** may be sensitive to changes in interest rates, subject to early repayment risk, and while generally supported by a government, government-agency or private guarantor, there is no assurance that the guarantor will meet its obligations. **High-yield, lower-rated, securities** involve greater risk than higher-rated securities; portfolios that invest in them may be subject to greater levels of credit and liquidity risk than portfolios that do not. **Commodities** contain heightened risk, including market, political, regulatory and natural conditions, and may not be appropriate for all investors. **Equities** may decline in value due to both real and perceived general market, economic and industry conditions. Investing in **distressed companies** (both debt and equity) is speculative and may be subject to greater levels of credit, issuer and liquidity risks, and the repayment of default obligations contains significant uncertainties; such companies may be engaged in restructurings or bankruptcy proceedings. **Convertible securities** may be called before intended, which may have an adverse effect on investment objectives. Entering into **short sales** includes the potential for loss of more money than the actual cost of the investment, and the risk that the third party to the short sale may fail to honor its contract terms, causing a loss to the portfolio. **Currency rates** may fluctuate significantly over short periods of time and may reduce the returns of a portfolio. **Derivatives** may involve certain costs and risks such as liquidity, interest rate, market, credit, management and the risk that a position could not be closed when most advantageous. Investing in derivatives could lose more than the amount invested. **The Fund is non-diversified**, which means that it may concentrate its assets in a smaller number of issuers than a diversified fund.

Bloomberg U.S. Aggregate Index (CAD Hedged) represents securities that are SEC-registered, taxable, and dollar denominated. The index covers the U.S. investment grade fixed rate bond market, with index components for government and corporate securities, mortgage pass-through securities, and asset-backed securities. These major sectors are subdivided into more specific indices that are calculated and reported on a regular basis. It is not possible to invest directly in an unmanaged index.

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