PIMCO

PIMCO Global Short Maturity Fund (Canada)

PERFORMANCE SUMMARY

The PIMCO Global Short Maturity Fund (Canada) returned 0.46% after fees in May, outperforming the Canadian Overnight Repo Rate (CORRA) by 0.04%. Year-to-date the Fund has returned 2.39% after fees.

Developed market yield movements were mixed as inflation data varied across regions. Equity markets broadly rose, driven by technology stocks, while bond indices saw modest increases. U.S. investment-grade credit spreads tightened, while U.S. high-yield spreads widened. In the U.S., the 10-year Treasury yield fell 18 bps to 4.50% as inflation data met expectations and consumer spending softened, while the dollar weakened. In Germany, the 10-year bund yield rose 8 bps to 2.66%. In the U.K., the 10-year Gilt yield fell 3 bps to 4.32%, while 10-year Japanese government bond yields rose 19 bps to 1.07%.

Contributors

- Holdings of investment grade corporate credit
- Select holdings of securitized credit

Detractors

- No notable detractors

Series A Morningstar Rating™

★★★★★

Overall Morningstar Rating ™

Fund information

Fund Inception Date	01 Feb 2019
Strategy	FIXED INCOME, SHORT TERM
Total Net Assets CAD (in millions)	$425.76

Expenses

Management Fee	0.60
MER[1]	0.70

[1]As of December 31 2023. Management expense ratio is based on total expenses (excluding distributions, commissions and other portfolio transaction costs) for the stated period and is expressed as an annualized percentage of daily average net asset value during the period.

Portfolio Manager

Jerome Schneider, Andrew Wittkop, Nathan Chiaverini

IMPORTANT NOTICE
Please note that this material contains the opinions of the manager as of the date noted, and may not have been updated to reflect real time market developments. All opinions are subject to change without notice.

	Month End Performance 31 May 2024				Quarter End Performance 31 Mar 2024			
	3 mos.	6 mos.	1 Yr.	YTD	1 Yr.	3 Yrs.	5 Yrs.	Since inception
■ (Fund)	1.35	2.81	5.60	2.39	5.48	1.97	1.70	1.74
■ (CORRA)	1.27	2.55	5.16	2.11	5.16	3.10	2.37	2.36

■ PIMCO Global Short Maturity Fund (Canada) Series A Unit net of fees (%)
■ Canadian Overnight Repo Rate (CORRA) (%)

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.

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.

PORTFOLIO POSITIONING

The fund is overweight duration versus the benchmark in its overall positioning. We currently source duration from high quality developed markets including the U.S. and Canada to help balance global risks and exploit relative value opportunities. We remain active with our interest rate exposure as global yield curves respond to monetary tightening and the potential for further uncertainty in 2024. We hold high quality floating rate securities as a way to potentially preserve capital and generate attractive income.

The fund is focused on maintaining liquidity by holding high quality securities that trade at an attractive risk-adjusted spread to Treasuries. In corporate credit markets, we favor issuers/sectors with solid fundamentals over generic credit beta – mindful of the less attractive risk/reward dynamics today. We prefer high quality, short dated asset backed securities compared to generic corporate credit to add an alternative source of spread. AAA CLOs and AAA CMBS can offer relatively attractive yields given levels across front-end spread sectors. We also hold high quality non-US denominated assets, hedged back to USD to potentially earn additional yield.

Sector Allocation (% Market Value)	
US Government Related	-3.81
Securitized[Φ]	26.21
Invest. Grade Credit	36.63
Non-USD Developed	21.44
Other[Δ]	0.75
Net Other Short Duration Instrumentsr[¶]	18.78

MONTH IN REVIEW

The Fund had positive after fee performance in May as spread strategies contributed to relative performance. Duration and currency strategies were neutral.

Spread strategies were positive for performance in May, as holdings of investment grade corporate credit and select holdings of securitized credit contributed to relative performance.

Duration and currency strategies were neutral to the performance of the fund.

Maturity (% Market Value)	
0-1 yrs	95.88
1-3 yrs	7.10
3-5 yrs	-3.07
5-10 yrs	0.09

OUTLOOK AND STRATEGY

We will continue to manage the strategy for investors who seek capital preservation and liquidity, while aiming to provide attractive returns above traditional cash investments for a modest increase in risk. We aim to position the portfolio for resiliency as economic fundamentals evolve and central banks weigh further monetary action in 2024. We are emphasizing opportunities that are designed to offer ample liquidity, compelling yields, and capital preservation.

We favor high quality corporate credit, with a preference for short-dated maturities. Individual credit selection remains a key component in identifying the most attractive issues. We believe high quality ABS provides a diversifying source of yield and complements unsecured corporate debt. Outside of the U.S., we find select opportunities in corporate bonds, U.S. dollar denominated foreign government bonds and agency debt. These typically offer modest spreads above comparable U.S. government securities.

As opportunities emerge from market dislocations, we seek to provide liquidity, aiming for attractive risk adjusted returns consistent with the strategy’s capital preservation, liquidity and current income goals.

FUND STATISTICS

Effective Duration (yrs)	0.17
Effective Maturity (yrs)	0.15
Sharpe Ratio (5 year)	-0.21
Volatility (5 year)	0.02

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

¶May include nominal and inflation-protected Treasuries, Treasury futures and options, agencies, FDIC-guaranteed and government-guaranteed corporate securities, and interest rate swaps.

ɸThe Securitized bucket will include Agency MBS, nonAgency MBS, CMBS, ABS, CDO, CLO, and Pooled Funds.

ΩShort duration emerging markets instruments includes an emerging market security or other instrument economically tied to an emerging market country by country of risk with an effective duration less than one year and rated investment grade or higher or if unrated, determined to be similar quality by PIMCO. Emerging Markets includes the value of short duration emerging markets instruments previously reported in another category.

ΔInvestment vehicles not listed, allowed by prospectus.

ՐՠNet Other Short Duration Instruments includes securities and other instruments (except instruments tied to emerging markets by country of risk) with an effective duration less than one year and rated investment grade or higher or, if unrated, determined by PIMCO to be of comparable quality, commingled liquidity funds, uninvested cash, interest receivables, net unsettled trades, broker money, short duration derivatives and derivatives offsets. With respect to certain categories of short duration securities, the Adviser reserves the discretion to require a minimum credit rating higher than investment grade for inclusion in this category. Derivatives Offsets includes offsets associated with investments in futures, swaps and other derivatives. Such offsets may be taken at the notional value of the derivative position.

Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

Effective maturity is a weighted average of all the maturities of the bonds in a portfolio, computed by weighting each bonds effective maturity by the market value of the security.

The **Sharpe Ratio** measures the risk-adjusted performance. The risk-free rate is subtracted from the rate of return for a portfolio and the result is divided by the standard deviation of the portfolio returns.

Volatility is measured by the standard deviation, or dispersion of a set of data from its mean, based on historical portfolio returns. A larger spread of data indicates higher standard deviation and higher volatility.

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.

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.

A word about risk: 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. 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.

Portfolio structure is subject to change without notice and may not be representative of current or future allocations.

There is no guarantee that these investment strategies will work under all market conditions or are appropriate for all investors and each investor should evaluate their ability to invest long-term, especially during periods of downturn in the market.

MV% may not equal 100 due to rounding.

Duration is a measure of a portfolio's price sensitivity expressed in years.

Canadian Overnight Repo Rate (CORRA) measures the cost of overnight general collateral funding in Canadian dollars using Government of Canada treasury bills and bonds as collateral for repurchase transactions.

The Morningstar Rating™for the A Series; other units may have different performance characteristics. The PIMCO Global Short Maturity Fund (Canada) was rated against the following numbers of Global Fixed Income funds over the following time periods: Overall 5 Stars (336 funds rated); 3 Yrs. 5 Stars (336 funds rated); 5 Yrs. 5 Stars (233 funds rated); 10 Yrs. - stars (85 funds rated). Past performance is no guarantee of future results. A rating is not a recommendation to buy, sell or hold a fund.The Morningstar Rating™ is calculated from a fund's 3, 5, and 10-year returns measured against a peer group of similar funds. Morningstar rates funds from one to five stars based on how well they've performed (after adjusting for risk) in comparison to their peer group. The top 10% of products in each product category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars, and the bottom 10% receive 1 star. Funds are rated for up to three time periods— three-, five-, and 10 years—and these ratings are combined to produce The Overall Morningstar Rating™. Funds with less than three years of history are not rated. The Morningstar Rating™ is based on an objective, mathematical calculation and is not to be construed as an endorsement of any fund(s). A rating is not a recommendation to buy, sell or hold a fund and ratings are subject to change monthly. For additional information please visit, www.morningstar.ca/

PIMCO as a general matter provides services to qualified institutions, financial intermediaries and institutional investors. Individual investors should contact their own financial professional to determine the most appropriate investment options for their financial situation. This material contains the current opinions of the manager and such opinions are subject to change without notice. This material has been distributed for informational purposes only and should not be considered as investment advice or a recommendation of any particular security, strategy or investment product. Information contained herein has been obtained from sources believed to be reliable, but not guaranteed.

PIMCO Canada has retained PIMCO LLC as sub-adviser. PIMCO Canada will remain responsible for any loss that arises out of the failure of its sub-adviser.

The products and services provided by PIMCO Canada Corp. may only be available in certain provinces or territories of Canada and only through dealers authorized for that purpose.

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For more information about the risk rating and specific risks that can affect the fund's returns, see the "What are the Risks of Investing in the Fund?" section of the fund's simplified prospectus.

Currency rates may fluctuate significantly over short periods of time and may reduce the returns of a portfolio.

The credit quality of a particular security or group of securities does not ensure the stability or safety of the overall portfolio.

Beta is a measure of price sensitivity to market movements. Market beta is 1.

Asset Backed Securities (ABS); Collateralized Loan Obligation (CLO); Commercial Mortgage-Backed Securities (CMBS).

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