PIMCO Target Return Fund

PERFORMANCE SUMMARY

The PIMCO Target Return Fund (the "Fund") returned 1.17% (Institutional Class, net of fees) in February outperforming the Bloomberg AusBond Bank Bills Index by 0.82%. Year-to-date the Fund has returned 2.54% (Institutional Class, net of fees), while the benchmark returned 0.72%.
Tech stocks led a broad market rally fueled by advancements in artificial intelligence, while bond indexes faced challenges as yields rose. The Reserve Bank of Australia (RBA) met for the first of 8 times this year and decided to hold the cash rate at 4.35%. This decision did not surprise the markets who had priced this in at ~95% probability, however, slightly hawkish comments 'not ruling out rate hikes' did.

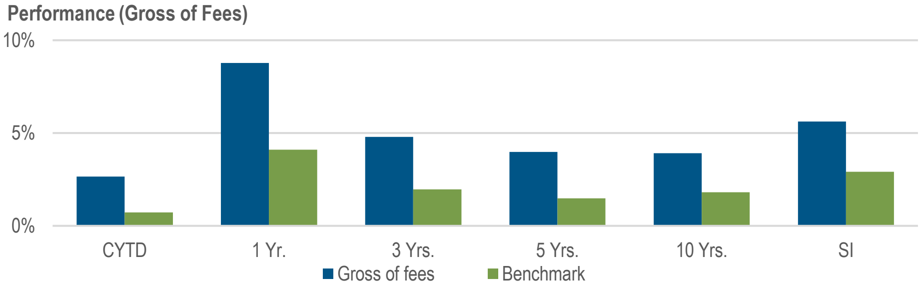
Contributors

- Macroeconomic strategies
- Systematic alternative risk premia strategies
- Trend-following strategies

Detractors

- Australian Credit and Rate Strategies

Performance (Gross of Fees)



Performance	CYTD	1 mos.	3 mos.	FYTD	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	SI
Net of fees (%)	2.54	1.17	3.25	7.27	8.10	4.14	3.33	3.27	4.97
Benchmark (%)	0.72	0.34	1.09	2.88	4.10	1.95	1.47	1.80	2.92
Outerperformance (%)	1.82	0.82	2.16	4.39	3.99	2.19	1.86	1.46	2.05

Past performance is not a reliable indicator of future results

Returns for periods longer than 1 year are annualised

Net of Fees - Fund performance is quoted net of fees and expenses and assumes the reinvestment of all distributions but does not take into account personal income tax
SI is the performance since inception. Inception date is 06/09/2007

The benchmark is the Bloomberg AusBond Bank Bills Index

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Key Facts

Bloomberg Ticker	PIMTRGR
ISIN	AU60ETL00501
APIR	ETL0050AU
Inception date	06 September 2007
Distribution	Quarterly
Management Fee[1]	0.62% p.a.
Portfolio Managers	Robert Mead, Adam Bowe
Total Net Assets	102.9 (AUD in Millions)

[1]In addition to the Management Fee there may be other fees and costs associated with an investment in this fund. For a detailed explanation on fees and costs please refer to the Product Disclosure Statement.

Investment Statistics

Fund Duration (yrs)	-1.08
Benchmark Duration (yrs)	0.13
Estimated Yield to Maturity (%)⊕	5.40
Average Coupon (%)	3.40
Effective Maturity (yrs)	6.16

⊕Yield to Maturity **(YTM)** is the estimated annual rate of return that would be received if the Fund's current securities were all held to their maturity and all coupons and principal were made as contracted. YTM does not account for fees or taxes. YTM is not a forecast, and is not a guarantee of, the future return of the Fund. The Fund's actual return will depend on a range of factors, including fluctuations in the value of the Fund's securities held from time to time.

Risk Profile

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.

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PORTFOLIO POSITIONING

The Fund aims to maintain a structural allocation to global macroeconomic and quantitative strategies. Within quantitative strategies, the Fund aims to harness exposures to systematic alternative risk premia and trend-following strategies. The Fund may also be looking to take advantage of idiosyncratic global credit opportunities.

The Fund maintains an allocation to Australian rate and credit strategies made of what we consider to be predominantly high-quality, domestic fixed-interest securities that aim to form a 'bedrock' of absolute return generation sought by the Fund. This allocation also aims to take advantage of PIMCO's directional views on domestic rates.

MONTH IN REVIEW

Tech stocks led a broad market rally fueled by advancements in artificial intelligence, while bond indexes faced challenges as yields rose. The U.S. 2y yield rose 41bps to 4.62%, and the U.S. 10y yield rose 34bps to 4.25%. The 10-year Australian Commonwealth Government Bond (ACGB) yields rose 12 bps to 4.14%. The Australian dollar fell 1.08% against the US dollar.

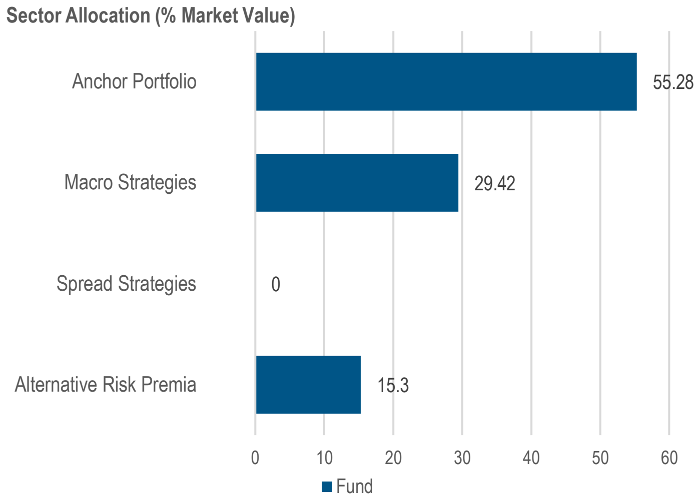
In the monetary space, in Australia, the RBA met for the first of 8 times this year and decided to hold the cash rate at 4.35%. This decision did not surprise the markets who had priced this in at ~95% probability, however, slightly hawkish comments 'not ruling out rate hikes' did. The RBA noted in its statement that whilst headline inflation had almost halved from 7.8% over 2022 to 4.1% at the year end, it was still far from the ideal mid 2-3% range and the battle is not yet won. Sticky services inflation, driven by continuing excess demand in the economy and strong domestic cost pressures, remains a lingering concern for the Board. The baseline is that the RBA will need to see enough progress on inflation to begin the easing cycle.

The real side of the economy is slowing, with the unemployment rate climbing 20 bps to 4.1% against consensus estimates of 4% and the previous 3.9%. Underemployment also increased, rising to 6.6% with total hours worked falling by -0.5% or -9.6 million hours.

OUTLOOK AND STRATEGY

Further disinflation and the potential for a faster cutting cycle should, in our view, raise the prospects for a soft landing. However, this is not to say that we believe that the path toward a soft landing is the only possible path. It is our view that the tighter-for-longer strategy that central banks have been communicating along with the strong possibility of stagnation in developed market supply and demand growth leave recession risks elevated.

In this uncertain environment, we favour portfolio flexibility and liquidity to respond to events and potentially take advantage of opportunities.



Additional information: This material may contain additional information, not explicit in the prospectus, on how the Fund or strategy is currently managed. Such information is current as at the date of the material and may be subject to change without notice.

Benchmark; Unless otherwise stated in the prospectus or in the relevant key investor information document, the Fund referenced in this material is not managed against a particular benchmark or index, and any reference to a particular benchmark or index in this material is made solely for risk or performance comparison purposes.

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

Charts: Performance results for certain charts and graphs may be limited by date ranges specified on those charts and graphs; different time periods may produce different results. Charts are provided for illustrative purposes and are not indicative of the past or future performance of any PIMCO product.

Correlation: Correlation is a statistical measure of how two securities move in relation to each other. The correlation of various indexes or securities against one another or against inflation is based upon data over a certain time period. These correlations may vary substantially in the future or over different time periods that can result in greater volatility.

Credit Quality: The credit quality of a particular security or group of securities does not ensure the stability or safety of an overall portfolio. The quality ratings of individual issues/issuers are provided to indicate the credit worthiness of such issues/issuer and generally range from AAA, Aaa, or AAA (highest) to D, C, or D (lowest) for S

Diversification: Diversification does not ensure against losses.

Duration: Duration is the measure of a bond's price sensitivity to interest rates and is expressed in years.

Fluctuation: There can be no guarantee that the trends above will continue. Statements concerning financial market trends are based on current market conditions, which will fluctuate.

Forecast: These forecasts are predictive in nature. Actual results may differ materially from these projections.

All periods longer than one year are annualised.

Certain information contained in this material constitutes "forward-looking statements," which can be identified by the use of forward-looking terminology such as "may," "will," "should," "expect," "anticipate," "target," "project," "estimate," "intend," "continue," or "believe," or the negatives thereof or other variations thereon or comparable terminology. Due to various risks and uncertainties, actual events or results or the actual performance of any investment may differ from those reflected or contemplated in such forward-looking statements. Prospective investors should not rely on these forward-looking statements when making an investment decision.

Index: It is not possible to invest directly in an unmanaged index.

Investment Strategies: There is no guarantee that these investment strategies will work under all market conditions and each investor should evaluate their ability to invest for a long-term especially during periods of downturn in the market. No representation is being made that any account, product, or strategy will or is likely to achieve profits, losses, or results similar to those shown.

Opinions: The materials contain statements of opinion and belief. Any views expressed herein are those of PIMCO as of the date indicated, are based on information available to PIMCO as of such date, and are subject to change, without notice, based on market and other conditions. No representation is made or assurance given that such views are correct. PIMCO has no duty or obligation to update the information contained herein.

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Outlook: Statements concerning financial market trends or portfolio strategies are based on current market conditions, which will fluctuate. There is no guarantee that these investment strategies will work under all market conditions or are suitable for all investors and each investor should evaluate their ability to invest for the long term, especially during periods of downturn in the market. Outlook and strategies are subject to change without notice.

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 the current low interest rate environment increases this risk. Current 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. Commodities contain heightened risk, including market, political, regulatory and natural conditions, and may not be suitable for all investors. 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. Equities may decline in value due to both real and perceived general market, economic and industry conditions.

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. Sovereign securities are generally backed by the issuing government. Obligations of U.S. government agencies and authorities are supported by varying degrees, but are generally not backed by the full faith of the U.S. government. Portfolios that invest in such securities are not guaranteed and will fluctuate in value. 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. 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, governmentagency or private guarantor, there is no assurance that the guarantor will meet its obligations. Income from municipal bonds may be subject to state and local taxes and at times the alternative minimum tax. Swaps are a type of derivative; swaps are increasingly subject to central clearing and exchange-trading. Swaps that are not centrally cleared and exchangetraded may be less liquid than exchange-traded instruments. Inflation-linked bonds (ILBs) issued by a government are fixed income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. Treasury Inflation-Protected Securities (TIPS) are ILBs issued by the U.S. government. Certain U.S. government securities are backed by the full faith of the government. Obligations of U.S. government agencies and authorities are supported by varying degrees but are generally not backed by the full faith of the U.S. government. Portfolios that invest in such securities are not guaranteed and will fluctuate in value.

Securities Referenced: References to specific securities and their issuers are for illustrative purposes only and are not intended and should not be interpreted as recommendations to purchase or sell such securities.

No guarantee is being made that the structure or actual account holdings of any account will remain the same. PIMCO may or may not own the securities referenced and, if such securities are owned, no representation is being made that such securities will continue to be held.

Strategy Availability: Strategy availability may be limited to certain investment vehicles; not all investment vehicles may be available to all investors. Please contact your PIMCO representative for more information.

Interest rate strategies encompass the Fund’s duration, yield curve, and convexity strategies.

Benchmark: Bloomberg AusBond Bank Bills Index.

The Bloomberg AusBond Bank Bills Index is an unmanaged index representative of the total return performance of Australian money market securities. It is not possible to invest in an unmanaged index..

Spreads referenced are the average option adjusted spread level as generated by Barclays.