

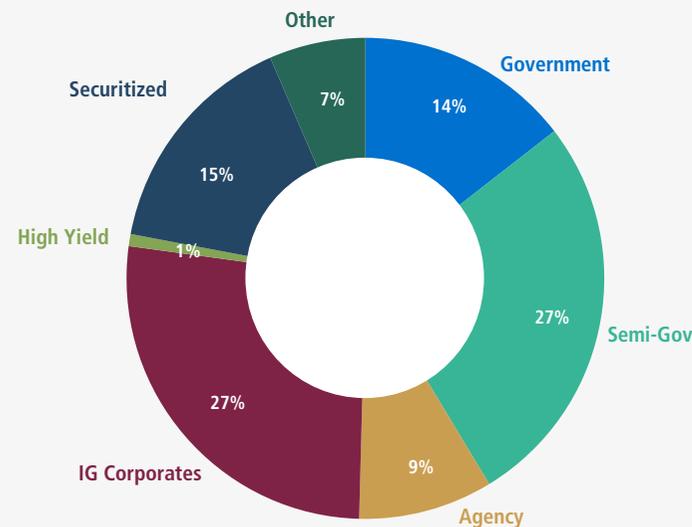
# PIMCO Australian Bond Fund

*Anchor your portfolio with domestic bonds*

## Why invest in the fund?

- TRUE CORE BOND HOLDING**  
 The fund seeks to provide reliable income and low volatility, which can help stabilise portfolio returns.
- DIVERSIFICATION BENEFITS**  
 The Australian Bond Fund may help diversify an investment portfolio because it is designed to have low or negative correlation to many asset classes, including equities, which have been prone to volatility when markets have become risk-averse.
- AUSTRALIAN HIGH-QUALITY YIELD OPPORTUNITIES**  
 Designed specifically for Australian investors, the fund invests predominantly in a wide range of high-quality bonds from issuers in Australia and New Zealand, ranging from Commonwealth and state government bonds to corporate bonds and mortgage-backed securities.

### DIVERSIFIED EXPOSURE TO A BROAD RANGE OF AUSTRALIAN FIXED INTEREST OPPORTUNITIES



SOURCE: PIMCO as of 31 March 2020

### THE FUND IN NUMBERS

**21 years**

Track record of the PIMCO Australian Bond Fund<sup>1</sup>

**6.08%**

The total return of the fund since inception<sup>2</sup>

**AA-**

Average Credit Quality<sup>3</sup>

<sup>1</sup> PIMCO Australian Bond Fund Inception date is 12 July 1999.

<sup>2</sup> Past performance is not a guarantee or a reliable indicator of future results. 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. Based on annualised returns for the PIMCO Australian Bond Fund Wholesale Class net of fees since class inception (28 April 2004) to 31 March 2020.

<sup>3</sup> This is the average credit quality of the bonds held in the fund. Source: PIMCO 31 March 2020.

# Role in a portfolio

## Core bond holding

The fund may serve as an anchor fixed income allocation, offering the potential for income, capital gains, diversification and a hedge against the volatility in higher-risk asset classes, including equities.

## Income

With quarterly distributions, the fund may provide a steady and reliable income stream.

## Capital Growth

The fund seeks price appreciation in order to achieve attractive total returns above its benchmark, potentially adding to overall portfolio return.

### FUND OBJECTIVE

To achieve maximum total return by investing in fixed interest securities predominantly denominated in Australian or New Zealand currencies, and to seek to preserve capital through prudent investment management.

### RATINGS



Rating assigned  
May 2019



Rating assigned  
May 2019



Rating assigned  
November 2019

\* Please refer to relevant research house disclaimer to obtain further information about the meaning of the rating and the rating scale. Rating is only one factor to be taken into account when deciding whether to invest.

## Our Expertise



**Robert Mead**  
Co-head of Asia-Pacific Portfolio Management  
Managing Director  
31 years investment experience



**Adam Bowe**  
Portfolio Manager, Fixed Income Australia  
18 years of investment experience



**Aaditya Thakur**  
Portfolio Manager, Australia and Global  
14 years investment experience



*Our Australian fixed income team is local so we can identify and evaluate local investment opportunities for the fund, but the team also enjoys the advantages and resources of PIMCO, one of the largest investment managers in the world.*

– Robert Mead, Co-head of Asia-Pacific Portfolio Management

To learn more about PIMCO please contact your local Account Manager.

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# PIMCO's time-tested investment process: Analysing the capital markets from top to bottom

PIMCO's investment process combines an informed global macroeconomic outlook with robust bottom-up analysis. Our Australian investment specialists contribute to our global top-down views and then implement these views through bottom-up strategies.

## STARTING AT THE TOP

PIMCO's investment process is anchored by our economic forums. At our annual Secular Forum, our global investment professionals gather with industry experts for a three-day discussion about the economic, social and political trends that are likely to affect the global economy and financial markets over the next three to five years. We also hold quarterly Cyclical Forums to refine our longer-term views and forecast shorter-term economic performance in all major regions as well as country-specific forums.

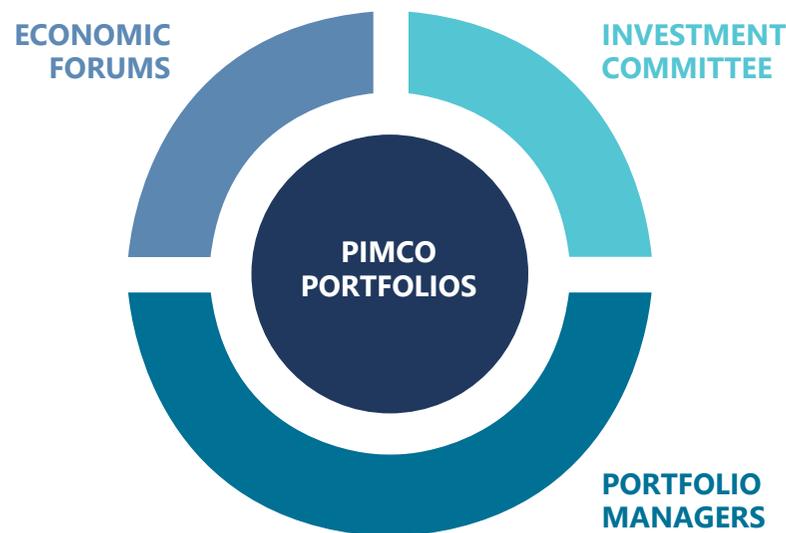
## FROM THE BOTTOM UP

Rigorous bottom-up analysis is meshed with our top-down themes to identify the most attractive securities for our clients' portfolios. PIMCO's regional and specialist portfolio managers work extensively with our robust global research team – industry sector specialists, who log millions of miles a year to target opportunities across the globe and capital structure before the market does.

## DEDICATED CLIENT SERVICE EXPERTISE

PIMCO's expansive team of dedicated investment professionals have weathered various market cycles, and are experts in generating alpha, managing risk and providing the highest level of client service to help meet the asset management needs of financial advisers and your clients.

## Adding Value From Top To Bottom



### ECONOMIC FORUMS

Four times a year (at the annual Secular Forum and three Cyclical Forums), our investment professionals around the world gather to identify the trends that will drive the global economy and markets. This macro-economic outlook informs all PIMCO portfolios.

### INVESTMENT COMMITTEE

The Investment Committee (IC) meets four times a week to distill our outlook and current events into specific investment themes and risk factor targets.

### PORTFOLIO MANAGERS

Portfolio managers are responsible for day-to-day strategy execution, leveraging our scores of sector and regional specialists.

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Investing in derivatives could lose more than the amount invested. Diversification does not ensure against loss. Investment involves risk including possible loss of the principal amount invested. Past performance is not a reliable indicator of future results. The value of units of the Fund and the Fund's distributions, if any, may fall or rise. Investment returns may be exposed to exchange rate fluctuations. In an environment where interest rates may trend upward, rising rates will negatively impact most bond funds, and fixed income securities held by a fund are likely to decrease in value. Bond funds and individual bonds with a longer duration (a measure of the expected life of a security) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities with shorter durations.

#### \*Research House Disclaimers

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