
PIMCO Model Portfolio Strategies: Q4 2020 Update

MULTI-ASSET

Retirement Income

*Put the power of
PIMCO to work for
you.*

Investors should consider the investment objectives, risks, charges and expenses of the funds carefully before investing. This and other information are contained in the fund's prospectus and summary prospectus, if available. Encourage your clients to read them carefully.

PIMCO Investments LLC

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IMPORTANT NOTICE

Please note that the following 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.

Standardized Mutual Fund Performance

PIMCO Underlying Fund Performance

Average annual total returns (%) - after fees	Inception date	1-year	3-year	5-year	10-year	SI
PIMCO Dividend & Income Fund	14 Dec '11	-1.35%	1.33%	5.85%	-	6.07%
PIMCO Emerging Markets Local Currency and Bond Fund	29 Dec '06	2.15%	3.44%	7.15%	1.28%	3.86%
PIMCO Income Fund	30 Mar '07	5.80%	4.76%	6.30%	7.36%	8.06%
PIMCO Investment Grade Credit Bond Fund	28 Apr '00	7.51%	6.52%	6.90%	6.28%	7.55%
PIMCO Low Duration Income Fund	30 Jul '04	4.77%	4.31%	6.03%	3.81%	3.97%
PIMCO Mortgage Opportunities and Bond Fund	22 Oct '12	5.46%	4.00%	4.48%	-	5.42%
PIMCO RAE International Fund	5 Jun '15	2.29%	0.25%	6.37%	-	3.47%
PIMCO Real Return Fund	29 Jan '97	12.09%	6.04%	5.41%	3.79%	5.92%
PIMCO RealEstateRealReturn Strategy	30 Oct '03	-3.60%	5.33%	5.92%	10.50%	11.09%
PIMCO Total Return	11 May '87	8.88%	5.54%	4.86%	4.19%	7.16%

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. Current performance may be lower or higher than performance shown. For performance current to the most recent month-end, visit www.pimco.com or call (888) 87-PIMCO.

Performance is as of 31 December 2020 (latest quarter-end). Source: PIMCO
Performance is shown for the institutional class.

Economic & Market

Overview

Market Review

The fourth quarter started tentatively as renewed lockdowns in Europe, record U.S. COVID cases, and declining expectations of further fiscal stimulus weighed on investor sentiment. However, optimism was reignited following the resolution of a divisive U.S. election and positive news on several COVID-19 vaccines, fueling new highs in the S&P 500, tightening credit spreads, and increasing U.S. rates. While there continues to be areas of potential caution including hurdles in producing and distributing the vaccine

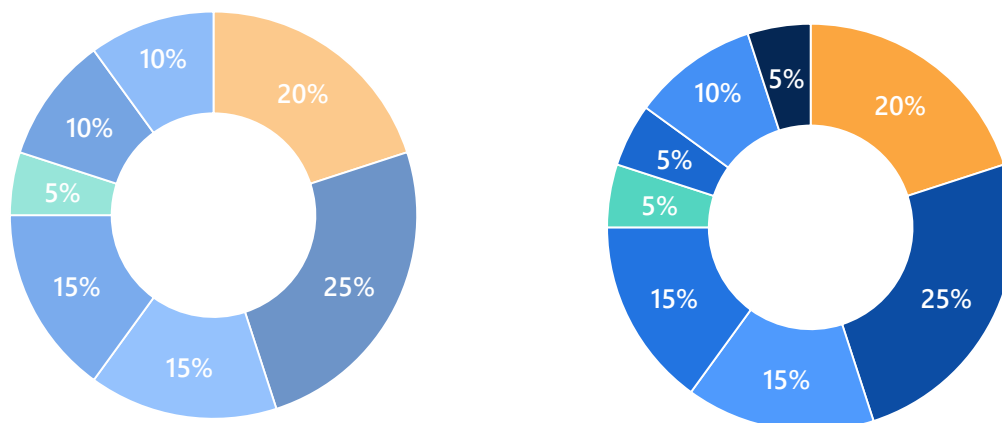
globally, delays in Brexit negotiations, and questions over the size and scope of further fiscal stimulus measures, further advancements in COVID testing and vaccine deployment are improving sentiment and risk appetites. While the economic and social impacts of the Q4 lockdowns and record virus cases may pause the recent improvements in employment and economic data, the broader trend of recovery and growth looks likely to continue in 2021.

Positioning

- We continued to focus equity allocations on fundamentally-weighted, income-oriented strategies and maintained our allocations to **PIMCO Dividend & Income** and **PIMCO RAE International Funds**.
- **We maintained allocations to PIMCO Income Fund** as the strategy continued to serve as a foundation of the models, sourcing attractive levels of consistent income across a diversified set of sectors, especially in the current low-yield environment.
- **We initiated allocations to PIMCO Emerging Markets Local Currency and Bond Fund** as a diversified return driver, especially in a cyclical recovery. We continued to favor high-quality exposure and believe select emerging market countries may perform relatively well in a risk-off scenario. The source of the allocation varied by model depending on the relative attractiveness of the new EM allocation vs. the existing credit sectors represented in each model.

Portfolio Adjustments

Multi-Asset Retirement Income: Conservative Model - Quarterly Update



	9/30/2020	12/31/2020	Change
Dividend and Income Fund (PQIIX)	20%	20%	-
Income Fund (PIMIX)	25%	25%	-
Low Duration Income Fund (PFIIX)	15%	15%	-
Total Return Fund (PTTRX)	15%	15%	-
Real Return Fund (PRRIX)	5%	5%	-
Investment Grade Credit Bond Fund (PIGIX)	10%	5%	-5%
Mortgage Opportunities and Bond Fund (PMZIX)	10%	10%	-
Emerging Markets Local Currency and Bond Fund (PELBX)	0%	5%	5%

Model Statistics (as of 12/31/2020)

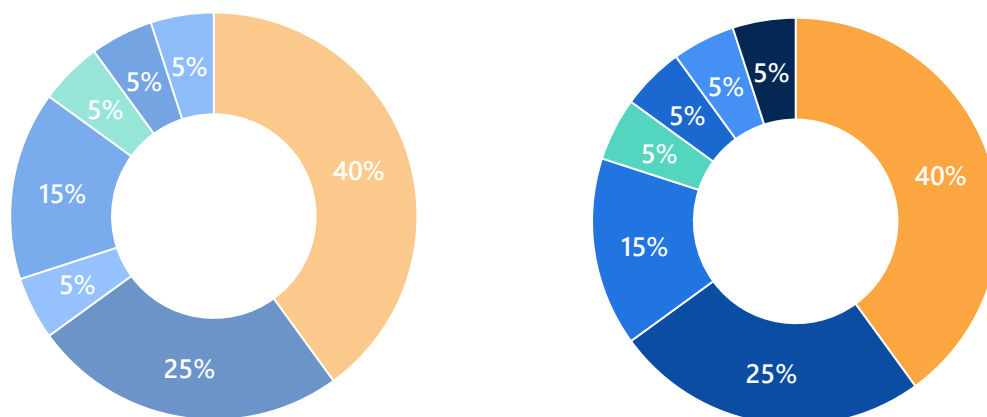
Duration	2.93 Years
Equity Beta	0.34
Estimated Volatility	6.25%

To learn more about PIMCO Model Portfolio Strategies, visit www.pimco.com/models.

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Portfolio Adjustments

Multi-Asset Retirement Income: Balanced Model - Quarterly Update



	9/30/2020	12/31/2020	Change
Dividend and Income Fund (PQIIX)	40%	40%	-
Income Fund (PIMIX)	25%	25%	-
Low Duration Income Fund (PFIIIX)	5%	0%	-5%
Total Return Fund (PTTRX)	15%	15%	-
Real Return Fund (PRRIX)	5%	5%	-
Investment Grade Credit Bond Fund (PIGIX)	5%	5%	-
Mortgage Opportunities and Bond Fund (PMZIX)	5%	5%	-
Emerging Markets Local Currency and Bond Fund (PELBX)	0%	5%	5%

Model Statistics (as of 12/31/2020)

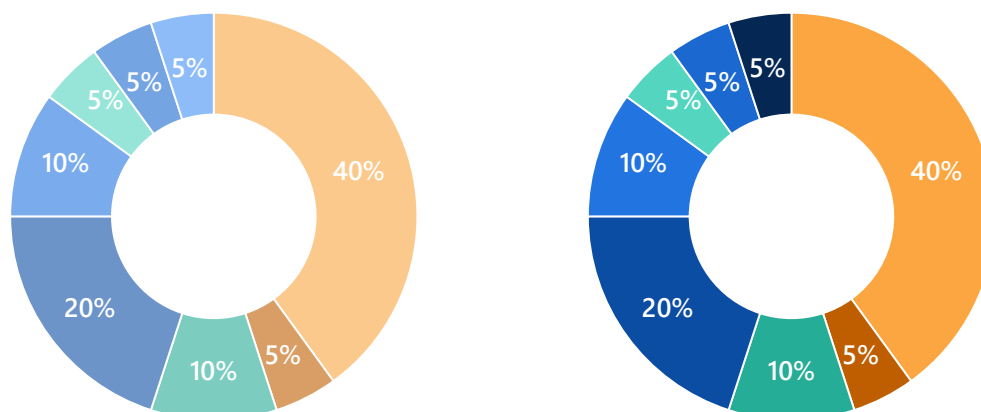
Duration	2.78 Years
Equity Beta	0.47
Estimated Volatility	8.15%

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Portfolio Adjustments

Multi-Asset Retirement Income: Moderate Growth Model - Quarterly Update



	9/30/2020	12/31/2020	Change
Dividend and Income Fund (PQIIX)	40%	40%	-
RAE International Fund (PPYIX)	5%	5%	-
RealEstateRealReturn Strategy Fund (PRRSX)	10%	10%	-
Income Fund (PIMIX)	20%	20%	-
Total Return Fund (PTTRX)	10%	10%	-
Real Return Fund (PRRIX)	5%	5%	-
Investment Grade Credit Bond Fund (PIGIX)	5%	5%	-
Mortgage Opportunities and Bond Fund (PMZIX)	5%	0%	-5%
Emerging Markets Local Currency and Bond Fund (PELBX)	0%	5%	5%

Model Statistics (as of 12/31/2020)

Duration	2.60 Years
Equity Beta	0.63
Estimated Volatility	10.54%

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Retirement Model Performance

Model	QTD	YTD	1-year	3-year	5-year	SI (6/30/14)
Conservative	5.72%	5.71%	5.71%	4.52%	6.04%	4.27%
Balanced	8.33%	4.30%	4.30%	3.91%	6.11%	4.09%
Moderate Growth	10.21%	3.17%	3.17%	4.01%	7.08%	4.60%

Index	QTD	YTD	1-year	3-year	5-year	SI (6/30/14)
20% MSCI World Index, 80% U.S. Agg	3.32%	9.68%	9.68%	6.65%	6.15%	4.98%
35% MSCI World Index, 65% U.S. Agg	5.31%	11.15%	11.15%	7.55%	7.38%	5.82%
50% MSCI World Index, 50% U.S. Agg	7.30%	12.49%	12.49%	8.38%	8.57%	6.61%

Standardized performance for each of the Funds contained in the model is available on page 2.

As of 31 December 2020. Source: PIMCO. **Hypothetical example for illustrative purposes only.**

Since Inception (S.I.) is the inception of the first funded account. Model performance shown is intended for investment professionals only and not the retail public. Performance includes data for the institutional class shares rebalanced quarterly to the model allocation. Model portfolio holdings and weightings are subject to change on a quarterly basis. Performance data does not reflect any wrap program fees charged by the implementing financial advisor or any other external fees or expenses. For a detailed description of historic holdings and weightings, please contact your PIMCO representative.

PIMCO

The PIMCO Models described in this material are available exclusively through investment professionals.

PIMCO Models are created based on what Pacific Investment Management Company LLC (together with its affiliates, "PIMCO") believes to be generally accepted investment theory. In adjusting PIMCO models PIMCO considers, among other things, the results of quantitative modeling. Such quantitative modeling is designed to optimize each Model's allocation and align with the Model's investment objective, and takes into account various factors or "inputs", determined by PIMCO, including third party data, to generate a suggested allocation for the PIMCO Models. PIMCO's investment team then reviews the quantitative output and adjusts the output to reflect variables, which may include, among other things, the anticipated trade size, target total expense ratio for the Model, and qualitative investment insights. PIMCO Model allocations are ultimately subject to the discretion of PIMCO's investment team. PIMCO Models are for illustrative purposes only and may not be appropriate for all investors. PIMCO Models are not based on any particularized financial situation, or need, and are not intended to be, and should not be construed as, a forecast, research, investment advice or a recommendation for any specific PIMCO or other strategy, product or service. Individuals should consult with their own financial advisors to determine the most appropriate allocations for their financial situation, including their investment objectives, time frame, risk tolerance, savings and other investments. Volatility is historical and is likely to change over time. PIMCO has not undertaken, and will not undertake, any analysis to determine any specific models' suitability for specific investors.

The risks of a PIMCO Model's allocations will be based on the risks of the PIMCO mutual funds (each, a "Fund") included in the PIMCO Model's allocation ("Underlying Fund"). The PIMCO Model's allocations are subject to the risk that the Underlying Funds and the allocations and reallocation (or "rebalancing") of the PIMCO Model among the various Underlying Funds may not produce the desired result. The PIMCO Model allocations to Underlying Funds have changed over time and are expected to change in the future. As described above, the selection and weighting process across Underlying Funds is informed based on return estimates driven by PIMCO's quantitative models and forecasts for key risk factor inputs and forward looking view and risk estimates informed by PIMCO's analytic infrastructure ("Systems"). These Systems rely heavily on the use of proprietary and nonproprietary data, software, hardware, and intellectual property, including data, software and hardware that may be licensed or otherwise obtained from third parties. The use of such Systems has inherent limitations and risks. Although we take reasonable steps to develop and use Systems appropriately and effectively, there can be no assurance that we will successfully do so. Errors may occur in the design, writing, testing, monitoring, and/or implementation of Systems, including in the manner in which Systems function together. The effectiveness of Systems may diminish over time, including as a result of market changes and changes in the behavior of market participants. The quality of the resulting analysis, including the PIMCO Model allocations depends on a number of factors including the accuracy and quality of data inputs into the Systems, the mathematical and analytical assumptions and underpinnings of the Systems' coding, the accuracy in translating those analytics into program code or interpreting the output of a System by another System in order to facilitate a change in market conditions, the successful integration of the various Systems into the portfolio selection and trading process and whether actual market events correspond to one or more assumptions underlying the Systems. Management risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results, and that certain policies or developments may affect the investment techniques available to PIMCO in connection with managing the strategy.

PIMCO Model allocations are licensed or otherwise made available to investment professionals. PIMCO Models' allocations are updated on a defined production cycle. The Underlying Funds are available by prospectus only. Implementing investment professionals may or may not implement the PIMCO Model's allocation as provided, and actual allocations to Underlying Funds may vary. There are expenses associated with the Underlying Funds in addition to any fees charged by implementing investment professionals. Additionally, the implementing investment professional may include cash allocations, which are not reflected herein.

Past performance is not a guarantee or a reliable indicator of future results. The performance figures presented reflect the total return performance, unless otherwise noted, for Institutional Class shares (after fees) and reflect changes in share price and reinvestment of dividend and capital gain distributions. All periods longer than one year are annualized. Periods less than one year are cumulative.

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 shareholder redemptions for cash, or hold a comparatively large portion of its portfolio in cash due to significant share purchases for cash, in each case when the Fund otherwise would not seek to do so, which may adversely affect performance.

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.

It is important to note that differences exist between the fund's daily internal accounting records, the fund's financial statements prepared in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. It is possible that the fund may not issue a Section 19 Notice in situations where the fund's financial statements prepared later and in accordance with U.S. GAAP and/or the final tax character of those distributions might later report that the sources of those distributions included capital gains and/or a return of capital. Please see the fund's most recent shareholder report for more details.

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 shares, 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.

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 in excess of the fund's 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.

The Expense Ratio is based on the Institutional Class Shares. Model expense ratio is subject to change at time of model rebalance. PIMCO intends for the model portfolios to be implemented using the lowest fee class available to the financial advisor, typically the Institutional Class Shares. Funds typically offer different share classes, which are subject to different fees and expenses (which may affect performance), having different minimum investment requirements, and are entitled to different services. The financial advisor, implementing the portfolio determines the appropriate share class for their client. The Expense Ratio for a financial advisor selecting a different share class will vary. Expense Ratio does not reflect any wrap program fees charged by the implementing financial advisor or any other external fees or expenses. The minimum initial investment for Institutional class shares is \$1 million; however, it may be modified for certain financial intermediaries who submit trades on behalf of eligible investors.

HYPOTHETICAL PERFORMANCE RESULTS HAVE MANY INHERENT LIMITATIONS, SOME OF WHICH ARE DESCRIBED BELOW. NO REPRESENTATION IS BEING MADE THAT ANY ACCOUNT WILL OR IS LIKELY TO ACHIEVE PROFITS OR LOSSES SIMILAR TO THOSE SHOWN. IN FACT, THERE ARE FREQUENTLY SHARP DIFFERENCES BETWEEN HYPOTHETICAL PERFORMANCE RESULTS AND THE ACTUAL RESULTS SUBSEQUENTLY ACHIEVED BY ANY PARTICULAR TRADING PROGRAM.

ONE OF THE LIMITATIONS OF HYPOTHETICAL PERFORMANCE RESULTS IS THAT THEY ARE GENERALLY PREPARED WITH THE BENEFIT OF HINDSIGHT. IN ADDITION, HYPOTHETICAL TRADING DOES NOT INVOLVE FINANCIAL RISK, AND NO HYPOTHETICAL TRADING RECORD CAN COMPLETELY ACCOUNT FOR THE IMPACT OF FINANCIAL RISK IN ACTUAL TRADING. FOR EXAMPLE, THE ABILITY TO WITHSTAND LOSSES OR TO ADHERE TO A PARTICULAR TRADING PROGRAM IN SPITE OF TRADING LOSSES ARE MATERIAL POINTS WHICH CAN ALSO ADVERSELY AFFECT ACTUAL TRADING RESULTS. THERE ARE NUMEROUS OTHER FACTORS RELATED TO THE MARKETS IN GENERAL OR TO THE IMPLEMENTATION OF ANY SPECIFIC TRADING PROGRAM WHICH CANNOT BE FULLY ACCOUNTED FOR IN THE PREPARATION OF HYPOTHETICAL PERFORMANCE RESULTS AND ALL OF WHICH CAN ADVERSELY AFFECT ACTUAL TRADING RESULTS.

PIMCO

We employed a block bootstrap methodology to calculate volatilities. We start by computing historical factor returns that underlie each asset class proxy from January 1997 through the present date. We then draw a set of 12 monthly returns within the dataset to come up with an annual return number. This process is repeated 25,000 times to have a return series with 25,000 annualized returns. The standard deviation of these annual returns is used to model the volatility for each factor. We then use the same return series for each factor to compute covariance between factors. Finally, volatility of each asset class proxy is calculated as the sum of variances and covariance of factors that underlie that particular proxy. For each asset class, index, or strategy proxy, we will look at either a point in time estimate or historical average of factor exposures in order to determine the total volatility. Please contact your PIMCO representative for more details on how specific proxy factor exposures are estimated.

A word about risk: 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. 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. **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. 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. **Equities** may decline in value due to both real and perceived general market, economic and industry conditions. **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. **Diversification** does not ensure against loss.

For risks specific to a particular fund, please refer to the fund's prospectus.

Bloomberg Barclays U.S. Aggregate Index 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. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 24 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. It is not possible to invest directly in an unmanaged index. It is not possible to invest in an unmanaged index. The **MSCI World Index** is a free float-adjusted market capitalization weighted index that is designed to measure the equity market performance of developed markets. The MSCI World Index consists of the following 24 developed market country indices: Australia, Austria, Belgium, Canada, Denmark, Finland, France, Germany, Greece, Hong Kong, Ireland, Israel, Italy, Japan, Netherlands, New Zealand, Norway, Portugal, Singapore, Spain, Sweden, Switzerland, the United Kingdom, and the United States. It is not possible to invest directly in an unmanaged index.

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. Investors should consult their investment professional prior to making an investment decision.

PIMCO does not provide legal or tax advice. Please consult your tax and/or legal counsel for specific tax or legal questions and concerns. The discussion herein is general in nature and is provided for informational purposes only. There is no guarantee as to its accuracy or completeness. Any tax statements contained herein are not intended or written to be used, and cannot be relied upon or used for the purpose of avoiding penalties imposed by the Internal Revenue Service or state and local tax authorities. Individuals should consult their own legal and tax counsel as to matters discussed herein and before entering into any estate planning, trust, investment, retirement, or insurance arrangement.

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