

Short-Term Fund

Inst. share Morningstar Rating™:



Overall Morningstar Rating™

Category: **Ultrashort Bond**

Number of funds in category: **145**

Criteria: **Risk-Adjusted Return**

A Shares:	PSHAX	I2 Shares:	PTSPX
ADM Shares:	PSFAX	I3 Shares:	PTSNX
C Shares:	PFTCX	R Shares:	PTSRX
I Shares:	PTSHX		

FUND DATA

Fund inception date: **7 October 1987**

Total Net Assets (in millions): **\$19,618.2**

Inst. share 30-day SEC yield: **3.01%**

Inst. share Total Expense Ratio: **0.57%**

The Net Expense Ratio excluding interest expense is 0.45%. Interest expense can result from portfolio investment transactions and is not paid to PIMCO.

PORTFOLIO MANAGER

Jerome Schneider

FUND STATISTICS

Effective duration: **0.17**

Effective maturity: **0.99**

Sharpe ratio (10 year): **1.50**

Volatility (10 year): **1.28%**



The Lipper Awards 2018 recognized the PIMCO Short-Term Fund, Institutional, for the 3, 5 and 10 year performance periods out of 40, 35 and 22 funds, respectively, under the Ultra-Short Obligations Funds Classification.

About PIMCO

PIMCO is one of the world's premier fixed income investment managers. Since our founding in 1971 in Newport Beach, California, we have continued to bring innovation and expertise to our partnership with clients seeking the best investment solutions. Today our professionals work in 14 offices across the globe, united by a single purpose: creating opportunities for investors in every environment.

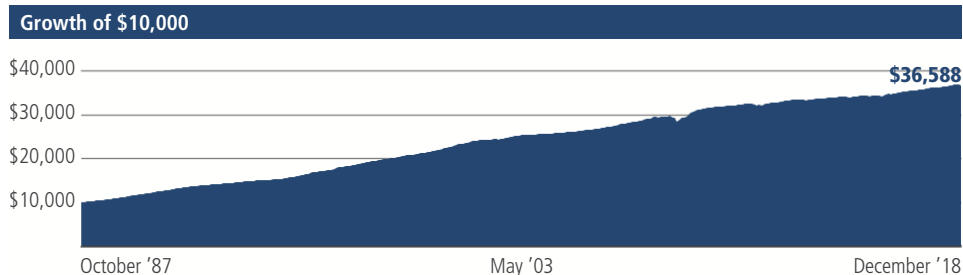
Visit our website for a full menu of products and services at pimco.com.

A company of **Allianz**

Potential to outperform cash investments, with low volatility

By focusing on ultra-short, high quality fixed income securities, the fund offers higher income potential than traditional cash investments, with modest additional risk.

- **Potential to provide a steady source of current income** Short-term bonds can function as an attractive option for investors looking to generate a higher level of income than savings accounts and CDs. However, short-term bond funds do not seek to maintain stable values and offer no guarantees.
- **Lower potential volatility** The fund's ultra-short duration is more resistant to interest rate fluctuations than longer-term bonds, resulting in generally lower price volatility. In fact, the fund's net asset value (NAV) has fluctuated only moderately since its 1987 inception. This low volatility is the result of the fund's overall ultra-short duration.
- **A risk-focused approach** The fund's total return approach means that it is designed to avoid sacrificing principal by simply reaching for the highest yields. In addition to employing sophisticated risk controls, the fund seeks to benefit from the firm's efforts to identify major market risks early and position portfolios accordingly.



Growth of \$10,000 is calculated at NAV and assumes that all dividend and capital gain distributions were reinvested. It does not take into account sales charges or the effect of taxes. Results are not indicative of future performance.

Average annual total returns (%) as of 31 Dec '18	1-yr.	3-yr.	5-yr.	10-yr.	Inception
PIMCO Short-Term Fund Inst. at NAV	1.51	2.17	1.77	2.46	4.26
FTSE 3-Month Treasury Bill Index	1.86	0.99	0.60	0.35	3.15
Lipper Ultra-Short Obligation Funds Average	1.34	1.35	0.91	1.34	4.18

Calendar year returns (%)	'09	'10	'11	'12	'13	'14	'15	'16	'17	'18
PIMCO Short-Term Fund Inst. at NAV	9.44	1.94	0.35	3.44	0.84	0.97	1.37	2.57	2.43	1.51
FTSE 3-Month Treasury Bill Index	0.16	0.13	0.08	0.07	0.05	0.03	0.03	0.27	0.84	1.86
Lipper Ultra-Short Obligation Funds Average	5.47	1.63	0.60	1.71	0.39	0.43	0.18	1.21	1.33	1.34

If this material is used after 31 March 2019, it must be accompanied by the most recent Performance Supplement.

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 PIMCO.com or by calling 888.87.PIMCO.

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. 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.

Performance reflects changes in share price, reinvestment of dividends and capital gains distributions. All periods longer than one year are annualized. The Lipper, Inc. Lipper Average is based on total return, with distributions reinvested and operating expenses deducted, though not reflecting sales charges. Fund classes share the same portfolio, but have different investment minimums and different fees and 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.

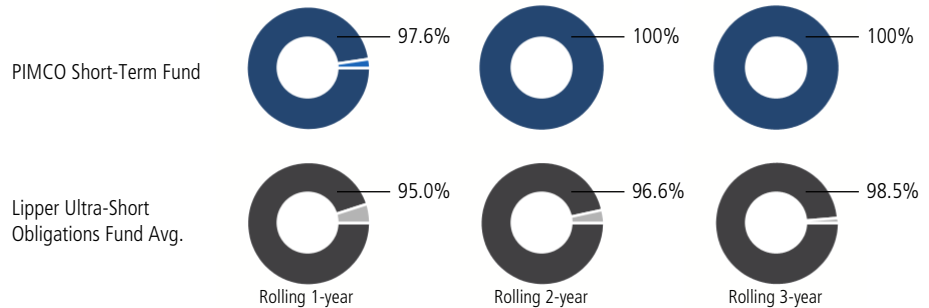
PORTFOLIO MANAGER



Jerome Schneider
Years of experience: 23

The portfolio manager for PIMCO Short-Term Fund is Jerome Schneider, a PIMCO Managing Director who started his investment career in 1996. Mr. Schneider is responsible for supervising all of the firm's short-term investment strategies.

A higher rate of positive returns than its peers



The chart above illustrates the percentage of time, over the rolling performance periods indicated, that the Fund and index generated positive performance. Within the periods illustrated there may have been additional shorter periods of negative performance. Inst. shares used for illustration.

Sector diversification (MV%)	31 Dec '18	30 Sep '18
US Government - Treasury ¹	16.5	27.1
US Government - Agency ²	0.0	0.0
Swaps and Liquid Rates ³	3.3	0.0
Mortgage	23.0	15.3
Invest. Grade Credit	50.1	45.5
High Yield Credit	-3.2	-2.7
Non-USD Developed	1.1	-3.5
Emerging Markets	4.7	4.8
Bonds and Other Long Duration Instruments	4.7	4.8
Short Duration Instruments ⁴	0.0	0.0
Municipal	0.5	0.5
Other ⁵	14.3	27.5
Net Other Short Duration Instruments ⁶	-10.3	-14.5

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, which may be obtained by contacting your PIMCO representative. Please read them carefully before you invest or send money.

¹ Includes U.S. Treasury notes, bonds, futures, and inflation-protected securities ² Includes U.S. agencies, FDIC-guaranteed and government-guaranteed corporate securities, and supranationals ³ Includes U.S. dollar denominated interest rate swaps, swaptions, options, and other rate related derivatives. Other portfolio derivatives, where applicable, may be included as part of other sectors based upon their underlying risk characteristics. ⁴ Short Duration 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. Includes the value of short duration emerging markets instruments previously reported in "Cash Equivalents". ⁵ Other may include convertibles, preferreds, and yankee bonds ⁶ Net Other Short Duration Instruments includes securities and other instruments (except those 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.

Interest expense results from the Fund's use of certain investments such as tender option bond floating rate certificates. Such expense is required to be treated as a Fund expense for accounting purposes and is not payable to Pacific Investment Management Company LLC ("PIMCO"). Any interest expense amount will vary based on the Fund's use of those investments as an investment strategy best suited to seek the objective of the Fund.

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.

A word about risk: 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 their value may fluctuate in response to the market's perception of issuer creditworthiness; while generally supported by some form of government or private guarantee there is no assurance that private guarantors will meet their 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. **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. **Portfolio turnover** may indicate higher transactions costs and may result in higher

taxes when fund shares are held in a taxable account. **Diversification** does not ensure against loss. The value of most bond funds and fixed income securities are impacted by **changes in interest rates**. Bonds and bond funds with longer durations tend to be more sensitive and more volatile than securities with shorter durations; bond prices generally fall as interest rates rise.

Morningstar Rating™ as of 31 December 2018 for the Inst. series; other classes may have different performance characteristics. The PIMCO Short-Term Fund was rated against the following numbers of Ultrashort Bond funds over the following time periods: Overall 5 Stars (145 funds rated); 3 Yrs. 5 Stars (145 funds rated); 5 Yrs. 5 Stars (122 funds rated); 10 Yrs. 4 stars (59 funds rated). **Past performance is no guarantee of future results.** The Morningstar Rating™ for funds, or "star rating", is calculated for managed products (including mutual funds, variable annuity and variable life subaccounts, exchange-traded funds, closed-end funds, and separate accounts) with at least a three-year history. Exchange-traded funds and open-ended mutual funds are considered a single population for comparative purposes. It is calculated based on a Morningstar Risk-Adjusted Return measure that accounts for variation in a managed product's monthly excess performance, placing more emphasis on downward variations and rewarding consistent performance. 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. The Overall Morningstar Rating for a managed product is derived from a weighted average of the performance figures associated with its three-, five-, and 10-year (if applicable) Morningstar Rating metrics. The weights are: 100% three-year rating for 36-59 months of total returns, 60% five-year rating/40% three-year rating for 60-119 months of total returns, and 50% 10-year rating/30% five-year rating/20% three-year rating for 120 or more months of total returns. While the 10-year overall star rating formula seems to give the most weight to the 10-year period, the most recent three-year period actually has the greatest impact because it is included in all three rating periods. Morningstar, Inc. © 2019. All rights reserved. The information contained herein: (1) is proprietary to Morningstar (2) may not be copied or distributed and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results. The Lipper Awards 2018 recognized the PIMCO Short-Term Fund, Institutional, for the 3, 5 and 10 year performance periods out of 40, 35 and 22 funds, respectively, under the Ultra-Short Obligations Funds Classification. The calculation periods extend over 36, 60, and 120 months. The highest Lipper Leader for Consistent Return (Effective Return) value within each eligible classification determines the fund classification winner over three, five, or 10 years. For a detailed explanation, please review the Lipper Leaders methodology document on lipperalpha.financial.thomsonreuters.com/lipper. From Thomson Reuters Lipper Awards, ©2018 Thomson Reuters. All rights reserved. Used by permission and protected by the Copyright Laws of the United States. The printing, copying, redistribution, or retransmission of this Content without express written permission is prohibited. MV% may not equal 100 due to rounding. The SEC yield is an annualized yield based on the most recent 30 day period. Duration is a measure of a portfolio's price sensitivity expressed in years. 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. FTSE 3-Month Treasury Bill Index is an unmanaged index representing monthly return equivalents of yield averages of the last 3 month Treasury Bill issues. It is not possible to invest directly in an unmanaged index. No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America L.P. in the United States and throughout the world. ©2019, PIMCO. **PIMCO Investments LLC**, distributor, 1633 Broadway, New York, NY, 10019 is a company of PIMCO.

Investment Products

Not FDIC Insured | May Lose Value | Not Bank Guaranteed