PIMCO
Marketing Communication

PIMCO Capital Securities Fund

PERFORMANCE SUMMARY

The PIMCO Capital Securities Fund returned 0.36% (Institutional, Accumulation shares net of fees) in June. Year-to-date the Fund has returned 4.45% (Institutional, Accumulation shares net of fees).

In June, the Bloomberg European Additional Tier 1 (AT1) Index returned +0.37% (USD hedged) and the Bloomberg Global Agg Corp Senior Financials Index (USD hedged) returned +0.65%. Over the month, spreads in European AT1s widened by 23 bps, while spreads in Senior Financials widened by 10 bps.

Contributors

- Exposure to Additional Tier 1 bonds, in particular from select UK issuers, contributed to performance as rates rallied over the period.
- Select interest rate positions contributed to performance as rates increased over the period.
- Exposure to Legacy Tier 1 instruments from a select UK issuer contributed to performance.

Detractors

- Exposure to Additional Tier 1 bonds from select French issuers detracted from performance as spreads widened due to political uncertainty.
- There were no other material detractors for this Fund.

Past performance is not a reliable indicator of future results

Performance (Net of Fees)	1 Mo.	3 Mos.	6 Mos.	1 Yr.	3 Yrs.	5 Yrs.	10 Yrs.	SI
Institutional, Acc (%)	0.36	1.50	4.45	15.31	0.57	3.76	4.43	5.31
Benchmark (%)	0.45	1.35	2.73	5.53	3.25	2.39	1.77	—

Past Performance is not a guarantee or reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future.

Performance (Net of Fees)	Jun'2019-Jun'2020	Jun'2020-Jun'2021	Jun'2021-Jun'2022	Jun'2022-Jun'2023	Jun'2023-Jun'2024
Institutional, Acc (%)	2.21	15.68	-13.60	2.11	15.31
Benchmark (%)	1.97	0.25	0.38	3.90	5.53

The following information is additional to, and should be read only in conjunction with, the calendar year performance data presented below.

Calendar Year (Net of Fees)	2014	2015	2016	2017	2018	2019	2020	2021	2022	2023	YTD
Institutional, Acc (%)	6.05	3.89	6.16	11.22	-4.42	17.38	6.32	5.09	-11.53	9.10	4.45
Benchmark (%)	0.24	0.29	0.68	1.20	2.20	2.49	0.98	0.18	1.78	5.20	2.73

Current MIFID legislation prevents us from reporting performance data for funds with less than a 12 month track record. The benchmark is the ICEBofA SOFR Overnight Rate Index
All periods longer than one year are annualised. SI is the performance since inception.

The fund is considered to be actively managed in reference to the below benchmark as further outlined in the prospectus and key investor information document/key information document.
ICE BofA SOFR Overnight Rate Index tracks the performance of a synthetic asset paying SOFR to a stated maturity. The index is based on the assumed purchase at par of a synthetic instrument having exactly its stated maturity and with a coupon equal to that days fixing rate. That issue is assumed to be sold the following business day (priced at a yield equal to the current day fixing rate) and rolled into a new instrument. SOFR (Secured Overnight Funding Rate) is an overnight rate (published in arrears) and was chosen by the Alternative Reference Rates Committee ("ARRC") as the successor to the USD LIBOR (London Interbank Offered Rate). SOFR is secured (collateralized by Treasuries), calculated by the Federal Reserve Bank of New York, and transactions based. It is not possible to invest directly in an unmanaged index.

Key Facts

	Accumulation
Bloomberg Ticker	PIMCINA
ISIN	IE00B6VH4D24
Sedol	B6VH4D2
CUSIP	G7112M633
Valoren	21366058
WKN	A1XDCY
Inception Date	31/07/2013
Distribution	-
Unified Management Fee	0.79% p.a.
Fund Type	UCITS
Portfolio Manager	Philippe Bodereau, Matthieu Loriferne, Michael Bogecho, Eusta Qin
Total Net Assets	4.7 (USD in Billions)
Fund Base Currency	USD
Share Class Currency	USD

Credit and Default Risk: A decline in the financial health of an issuer of a fixed income security can lead to an inability or unwillingness to repay a loan or meet a contractual obligation. This could cause the value of its bonds to fall or become worthless. Funds with high exposures to non-investment grade securities have a higher exposure to this risk. **Currency Risk**: Changes in exchange rates may cause the value of investments to decrease or increase. **Derivatives and Counterparty Risk**: The use of certain derivatives could result in the fund having a greater or more volatile exposure to the underlying assets and an increased exposure to counterparty risk. This may expose the fund to larger gains or losses associated with market movements or in relation to a trade counterparty being unable to meet its obligations. **Liquidity Risk**: Difficult market conditions could result in certain securities becoming hard to sell at a desired time and price. **Interest Rate Risk**: Changes in interest rates will usually result in the values of bond and other debt instruments moving in the opposite direction (e.g. a rise in interest rates likely leads to fall in bond prices).

MONTH IN REVIEW

Market Review

The month of June saw relatively subdued performance from the capital securities markets, with the Bloomberg European Banks Additional Tier 1 (AT1) Index generating total returns of +0.37% (USD hedged), while the Bloomberg Global Agg Corp Senior Financials Index (USD hedged) rose by +0.65%. By comparison, Global IG and Global HY generated returns of +0.70% and +0.89%, respectively. Over the month, spreads in European AT1s widened by 23 basis points (bps), while spreads in Senior Financials widened by 10bps.

French Elections

Following Macron's call for snap elections on June 9th, volatility in the European credit market rose, including for French banks, alongside French government bond markets. Banks have traditionally been more sensitive to European political uncertainty than non-financials, and this has been reflected in the recent performance of French bank spreads. Spreads for French senior financial debt widened (vs. EUR swaps) on average by 15-20bps between June 7th and month-end. We would view the widening as relatively modest given the more meaningful moves in French government bonds (the 10 year OAT/Bund spread increased by +32bps over the same period). The market has differentiated between banks whose business models are viewed as being more challenged versus stronger national champion banks. For example, Société Générale's senior spreads widened by ~22-30bps, while BNP's spread moves were more modest at 13-15bps. Furthermore, French national champion bank spreads have only widened marginally versus other European national champion banks. It is also important to highlight that French bank fundamentals remain stable, as the market moves have predominantly been driven by top-down considerations as opposed to bottom-up bank specific idiosyncrasies.

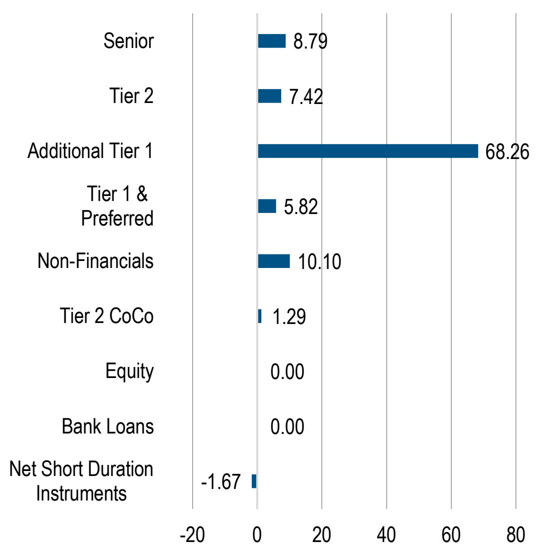
Fed Stress Test Results

The Fed's annual stress test results confirmed that the largest US banks have the capital to withstand a severe macro shock. All banks passed the tests and can begin announcing payouts. The peak-to-trough decline in aggregate CET1 ratios was slightly higher this year than last at -280bps (30bps higher compared to last year), indicating that the aggregate stress level in this year's exam was a bit more severe than in the prior year.

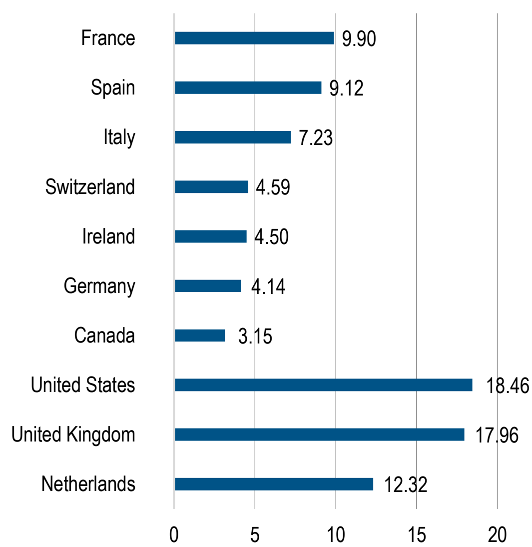
Supply Update

June was a busy month in terms of primary market activity. There were 7 European institutional sized AT1 deals from DB, HSBC, COVBS, BBVA, CMZB, UBS and NIBCAP. These deals totaled $5.8 billion and were issued in 4 different currencies. Year to date, there has been total issuance of €239.2 billion across the capital structure from European banks, which is considerably higher than the levels seen in 2022 and slightly lower than in 2023. In particular, the supply of AT1 and Tier 2 bonds has been more pronounced compared to the previous two years. The driver of this elevated supply of Tier 2 bonds has been the refinancing of upcoming calls in 2025 of bonds largely issued in the early part of 2020.

Capital Structure Positioning (% Market Value)



Top 10 Country Exposure (% Market Value)



The country exposures exclude cash and cash equivalents
Source: PIMCO

PORTFOLIO POSITIONING

The Fund favors AT1s from systemic banks and national champions with ample capital buffers, robust equity cushions and a diversified revenue stream. At the same time, the Fund remains cautious on smaller issuers and those with more limited scope for organic capital generation. Geographically, the Fund is well diversified and favors countries such as the UK, Netherlands and France where banks have the highest levels of capital. In senior and Tier 2 debt, the exposure remains mostly centered on UK banks, as well as select idiosyncratic opportunities in peripheral and core European banks offering upside through improving fundamentals and potential consolidation.

Over the course of June, the Fund has continued to take advantage of activity in the new issue market to increase its AT1 exposure via attractively priced opportunities from German, Spanish and Canadian issuers. The Fund also increased its exposure to non-financial subordinated debt through new issues. The Fund selectively reduced its T2 exposure while modestly increasing its dry powder to be well positioned to take advantage of primary market activity or market dislocations when they arise. Finally, the Fund continues to focus on more resilient issuers within the bank capital investment universe.

Fund Statistics

Effective Duration (yrs)	3.73
Current Yield (%)⊕	5.89
Estimated Yield to Maturity (%)⊕	8.09
Average Coupon (%)	5.70
Effective Maturity (yrs)	4.61

OUTLOOK AND STRATEGY

The banking sector continues to exhibit strong credit fundamentals. Banks' asset quality has remained resilient and capital buffers are at or close to record highs. While elevated inflation, higher interest rates and tighter financial conditions will inevitably have an impact on the broader economy, banks are well positioned given their strong fundamentals following more than a decade of restructuring, de-risking and de-leveraging and remain more insulated from inflationary pressures relative to other sectors in corporate credit.

Most banks are uniquely positioned to continue to benefit from higher rates, particularly in Europe. Banks in Europe are by far the biggest beneficiaries within the developed market banking system. Financial results published in the first quarter of 2024 continued to indicate that the benefits of abandoning negative rates have become visible on banks' P&Ls. While we believe 2023 likely marked peak earnings for banks in the US and Europe, it is important to stress that we do not expect a return to an environment of extremely low or negative interest rates, which was the case for much of the last decade and which put bank earnings under pressure.

Valuations look attractive compared to other parts of the fixed income universe, particularly given AT1 yields remain elevated versus history. AT1s are currently trading at the 20th percentile of daily spread data since inception of the index in 2014 and continue to screen attractive versus high yield. Elsewhere in the capital structure, senior financials are currently trading at the 47th percentile of daily spread data since the inception of the AT1 index in 2014, thus providing attractive spreads compared to historical levels. Looking at yields, AT1s are trading at the 80th percentile of daily YTW data since the inception of the AT1 Index in 2014, while senior financials are trading at the 90th percentile. These levels represent attractive starting levels for long-term investors.

Spreads referenced are the average option adjusted spread (OAS) level as generated by Bloomberg.
References to specific issuers are not intended and should not be interpreted as recommendations to purchase, sell or hold securities of those issuers. PIMCO products and strategies may or may not include the securities of the issuers referenced and, if such securities are included, no representation is being made that such securities will continue to be included.
⊕Yields reported gross of fees, the deduction of which will reduce the yield. Yields are reported in the base currency of the fund and are not specific to the share class. The current yield illustrates the income investors could get from the portfolio as a percentage of market value of the securities assuming a holding period of one year. The current yield does not take into account the future cash flows of bonds, but rather is a snapshot of the income in the portfolio as of a certain point in time.
⊕PIMCO calculates a Funds Estimated Yield to Maturity by averaging the yield to maturity of each security held in the Fund on a market weighted basis. PIMCO sources each securitys yield to maturity from PIMCOs Portfolio Analytics database. When not available in PIMCOs Portfolio Analytics database, PIMCO sources the securitys yield to maturity from Bloomberg. When not available in either database, PIMCO will assign a yield to maturity for that security from a PIMCO matrix based on prior data. The source data used in such circumstances is a static metric and PIMCO makes no representation as to the accuracy of the data for the purposes of calculating the Estimated Yield to Maturity. The Estimated Yield to Maturity is provided for illustrative purposes only and should not be relied upon as a primary basis for an investment decision and should not be interpreted as a guarantee or prediction of future performance of the Fund or the likely returns of any investment.
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Additional Information/Documentation A Prospectus is available for PIMCO Funds and UCITS Key Investor Information Documents (KIIDs) (for UK investors) and Packaged retail and insurance-based investment products (PRIIPS) key information document (KIDs) are available for each share class of each the sub-funds of the Company. The Company's Prospectus can be obtained from www.fundinfo.com and is available in English, French, German, Italian, Portuguese and Spanish. The KIIDs and KIDs can be obtained from www.fundinfo.com and are available in one of the official languages of each of the EU Member States into which each sub-fund has been notified for marketing under the Directive 2009/65/EC (the UCITS Directive). In addition, a summary of investor rights is available from www.pimco.com. The summary is available in English. The sub-funds of the Company are currently notified for marketing into a number of EU Member States under the UCITS Directive. PIMCO Global Advisors (Ireland) Limited can terminate such notifications for any share class and/or sub-fund of the Company at any time using the process contained in Article 93a of the UCITS Directive.

Benchmark: Unless referenced in the prospectus and relevant key investor information document/key information document, a benchmark or index in this material is not used in the active management of the Fund, in particular for performance comparison purposes. Where referenced in the prospectus and relevant key investor information document/key information document a benchmark may be used as part of the active management of the Fund including, but not limited to, for duration measurement, as a benchmark which the Fund seeks to outperform, performance comparison purposes and/or relative VaR measurement. Any reference to an index or benchmark in this material, and which is not referenced in the prospectus and relevant key investor information document / key information document, is purely for illustrative or informational purposes (such as to provide general financial information or market context) and is not for performance comparison purposes. Please contact your PIMCO representative for further details.

Correlation: As outlined under "Benchmark", where disclosed herein and referenced in the prospectus and relevant key investor information document / key information document, a benchmark may be used as part of the active management of the Fund. In such instances, certain of the Fund's securities may be components of and may have similar weightings to the benchmark and the Fund may from time to time show a high degree of correlation with the performance of any such benchmark. However the benchmark is not used to define the portfolio composition of the Fund and the Fund may be wholly invested in securities which are not constituents of the benchmark. Investors should note that a Fund may from time to time show a high degree of correlation with the performance of one or more financial indices not referenced in the prospectus and relevant key investor information document / key information document. Such correlation may be coincidental or may arise because any such financial index may be representative of the asset class, market sector or geographic location in which the Fund is invested or uses a similar investment methodology to that used in managing the Fund.

PERFORMANCE AND FEES
Past performance is not a guarantee or a reliable indicator of future results. The "gross of fees" performance figures, if included, are presented before management fees and custodial fees, but do reflect commissions, other expenses and reinvestment of earnings. The "net of fees" performance figures reflect the deduction of ongoing charges. All periods longer than one year are annualized. 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.

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 appropriate 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.

For Sustainable Finance Disclosure Regulation (SFDR) Categorization: Article 8
SFDR Categorization sets out how the fund is categorized for the purposes of Regulation (EU) 2019/ 2088 on Sustainability related Disclosures in the Financial Services Sector (SFDR) Article 8 Funds promote, among other characteristics, environmental or social characteristics. Further details are set out in the Prospectus and relevant Fund Supplement.
Investors should note that, relative to the expectations of the Autorité des Marchés Financiers, this Fund presents disproportionate communication on the consideration of non financial criteria in its investment policy
ESG Investment Risk: At PIMCO, we define ESG Integration as the consistent consideration of material ESG factors into our investment research process to enhance our clients' risk-adjusted returns. Material ESG factors may include but are not limited to: climate change risks, social inequality, shifting consumer preferences, regulatory risks, talent management or misconduct at an issuer, among others. We recognize that ESG factors are increasingly essential inputs when evaluating global economies, markets, industries and business models. Material ESG factors are important considerations when evaluating long-term investment opportunities and risks for all asset classes in both public and private markets. Integrating ESG factors into the evaluation process does not mean that ESG information is the sole or primary consideration for an investment decision; instead, PIMCO's portfolio managers and analyst teams evaluate and weigh a variety of financial and non-financial factors, which can include ESG considerations, to make investment decisions. The relevance of ESG considerations to investment decisions varies across asset classes and strategies. The Fund's ESG investing strategy may select or exclude securities of certain issuers for reasons other than financial performance. Such strategy carries the risk that the Fund's performance will differ from similar funds that do not utilize an ESG investing strategy. For example, the application of this strategy could affect the Fund's exposure to certain sectors or types of investments, which could negatively impact the Fund's performance. There is no guarantee that the factors utilized by the Investment Advisor will reflect the opinions of any particular investor, and the factors utilized by the Investment Advisor may differ from the factors that any particular investor considers relevant in evaluating an issuer's ESG practices. Future ESG development and regulation may impact the Fund's implementation of its investment strategy. In addition, there may be cost implications arising from ESG related due diligence, increased reporting and use of third-party ESG data providers.

PIMCO GIS Funds: Global Investors Series plc is an open-ended investment company with variable capital and with segregated liability between Funds incorporated on 10 December, 1997 and is authorised in Ireland by the Central Bank as an undertaking for collective investment in transferable securities pursuant to the European Communities (Undertakings for Collective Investment in Transferable Securities) Regulations, 2011 (S.I. No. 352 of 2011) as amended. The information is not for use within any country or with respect to any person(s) where such use could constitute a violation of the applicable law. The information contained in this communication is intended to supplement information contained in the prospectus for this Fund and must be read in conjunction therewith. Investors should consider the investment objectives, risks, charges and expenses of these Funds carefully before investing. This and other information is contained in the Funds prospectus. Please read the prospectus carefully before you invest or send money. Past performance is not a guarantee or a reliable indicator of future results and no guarantee is being made that similar returns will be achieved in the future. Returns are net of fees and other expenses and include reinvestment of dividends. The performance data represents past performance and investment return and principal value will fluctuate so that the PIMCO GIS Funds shares, when redeemed, may be worth more or less than the original cost. Potential differences in performance figures are due to rounding. The Fund may invest in non-U.S. or non-Eurozone securities which involves potentially higher risks including non-U.S. or non-Euro currency fluctuations and political or economic uncertainty. For informational purposes only. Please note that not all Funds are registered for sale in every jurisdiction. Please contact PIMCO for more information. For additional information and/or a copy of the Funds prospectus, please contact the Administrator: State Street Fund Services (Ireland) Limited, Telephone +353-1-776-0142, Fax +353-1-562-5517. ©2024

Investment Restrictions - In accordance with the UCITS regulations and subject to any investment restrictions outlined in the Fund's prospectus, the Fund may invest up to 100% of its net assets in different transferable securities and money market instruments issued or guaranteed by any of the following: OECD Governments (provided the relevant issues are investment grade), Government of Singapore, European Investment Bank, European Bank for Reconstruction and Development, International Finance Corporation, International Monetary Fund, Euratom, The Asian Development Bank, European Central Bank, Council of Europe, Eurofima, African Development Bank, International Bank for Reconstruction and Development (The World Bank), The Inter American Development Bank, European Union, Federal National Mortgage Association (Fannie Mae), Federal Home Loan Mortgage Corporation (Freddie Mac), Government National Mortgage Association (Ginnie Mae), Student Loan Marketing Association (Sallie Mae), Federal Home Loan Bank, Federal Farm Credit Bank, Tennessee Valley Authority, Straight-A Funding LLC, Government of the People's Republic of China, Government of Brazil (provided the issues are of investment grade), Government of India (provided the issues are of investment grade).