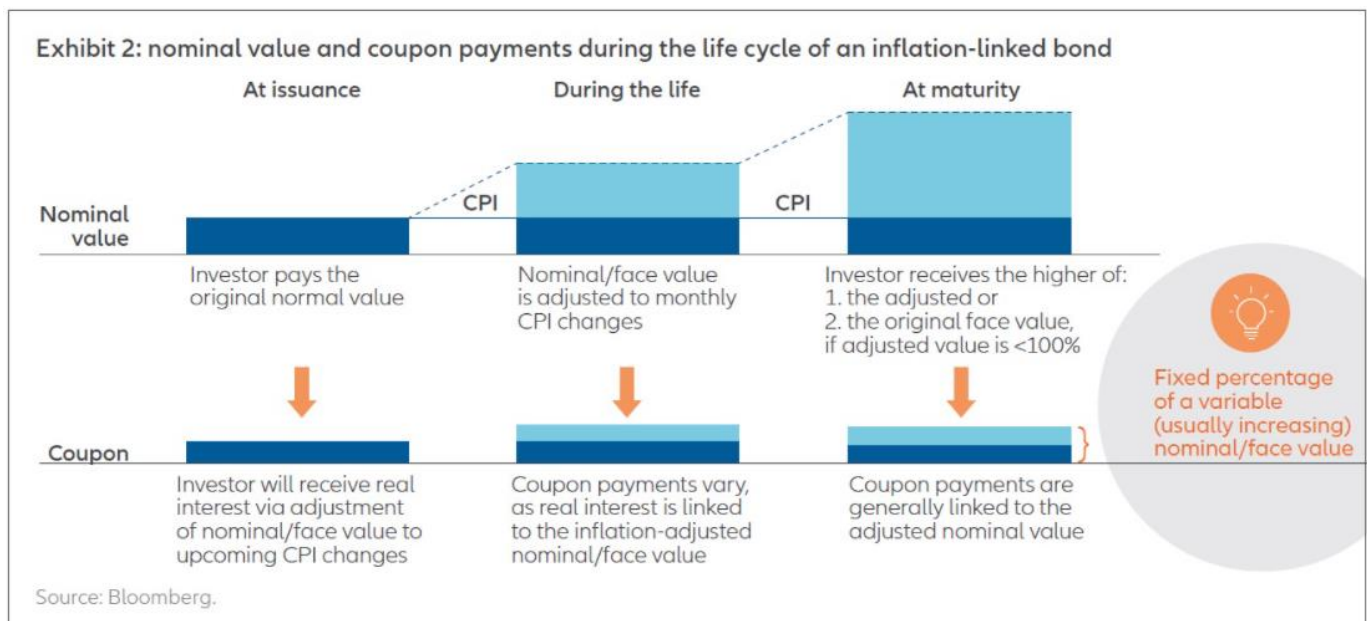


## Fund in Focus: Pimco Global Real Return Fund

All data as of end October 2021 unless otherwise stated

- US headline consumer price index (CPI) rose in November of +0.8% month-on-month. Headline CPI accelerated 6.8% year-on-year (yoy) in November, its highest reading since 1982. Beyond strong energy prices (+33.3% yoy), the increase was led by transportation (+21.1%) and housing (+4.8%). In Asia, China's headline CPI inflation jumped to 2.3% in November, from 1.5% yoy in October, driven primarily by food price inflation.
- The debate whether inflation is transitory or structural continues with the consensus view considering the rise of inflation to be a transitory phenomenon. However, there are also good reasons to think that structural forces like changes in the global labour market that could lead to persistently higher prices.
- Regardless, investors can consider positions to hedge their portfolio against inflation. One way to do so is through inflation-linked bonds, which are designed to protect investors from inflation, benefitting from rising inflation expectations, with rising prices directly translating to higher coupon rates and principal values.



## Our Recommended Fund: Pimco Global Real Return Fund

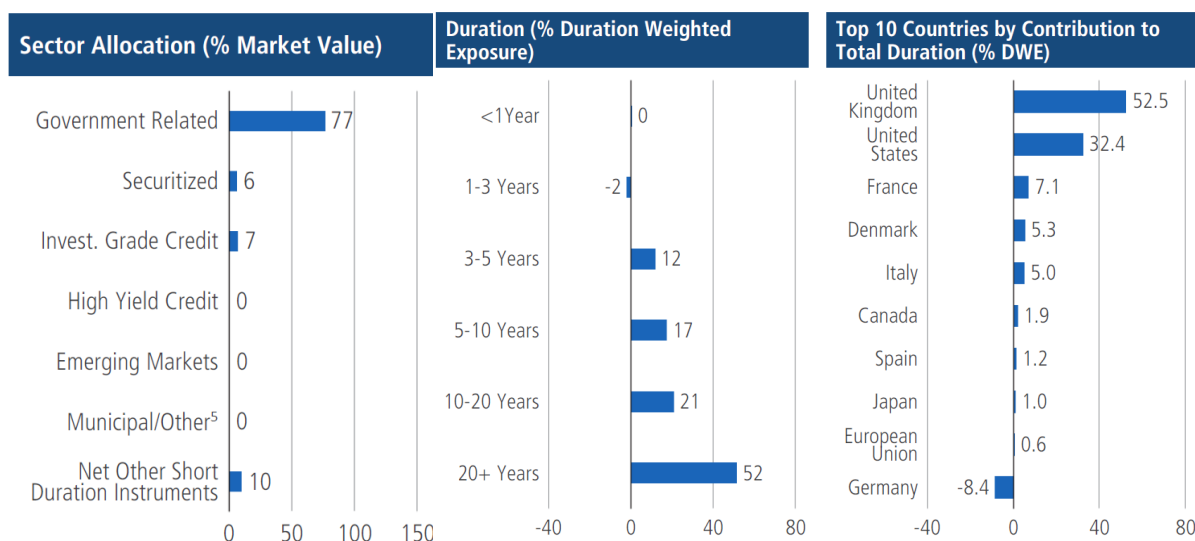
Category	Fund Size	Past Performance	
Global Inflation-Linked Bond	USD 3,572.4 million		Bloomberg World Government Inflation-Linked Bond USD Hedged Index
		PIMCO Global Real Return Fund Class E USD Acc	
<b>Inception Date</b>	<b>Included under CPFIS</b>		
30 September 2003	OA: No SA: No SRS: Yes	1 month	1.57
		3 months	-0.36
		6 months	4.95
		1 year	4.80
		3 years p.a.	6.84
		5 years p.a.	4.07
			1.88
			0.27
			6.16
			6.04
			7.62
			4.82

As of end October 2021

**Inflation-hedge.** Primarily invested in intermediate duration, global inflation-linked bonds issued by governments and their agencies, the fund provides an inflation-hedge with consistent real returns, low volatility, and broad diversification.

**Macro-driven strategy with micro-driven theme.** The team looks to obtain cost-efficient exposure to global inflation-linked bonds, employing strategies driven by real growth, inflation, and country-specific analysis, taking into consideration Consumer Price Index seasonality, on-the-run/off-the-run premiums, and implied inflation volatility.

**Consistent outperformer amongst its peers.** The fund has consistently outperformed other funds in its peer group. In the past 10 calendar years from 2011 to 2020, the fund delivered returns above its category average 7 out of 10 times. The fund is currently positioned at a better credit quality and yield to maturity than its peers.



Source: Fund Factsheet, as of end October 2021

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