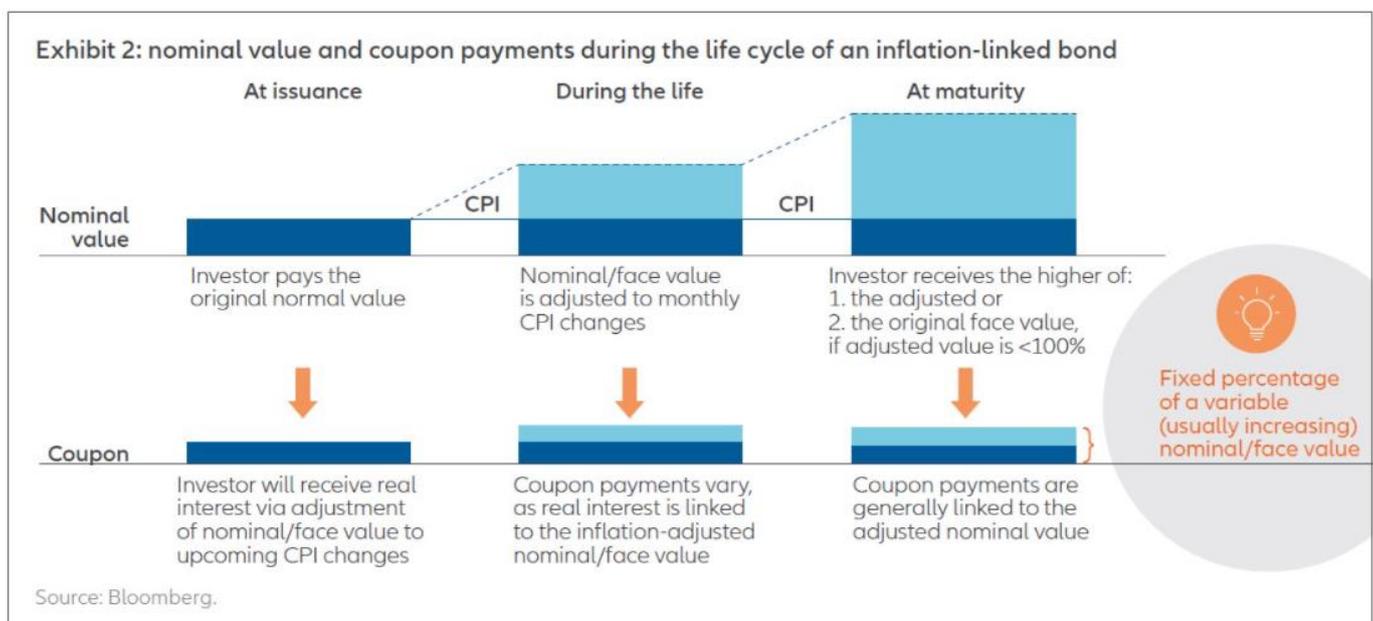


Fund in Focus: Pimco Global Real Return Fund

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	
Inception Date	Included under CPFIS		
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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