



P I M C O

PIMCO VARIABLE INSURANCE TRUST

# Semiannual Report

June 30, 2019

PIMCO International Bond Portfolio (U.S. Dollar-Hedged)



Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Portfolio's annual and semi-annual shareholder reports will no longer be sent by mail from the insurance company that offers your contract unless you specifically request paper copies of the reports from the insurance company or from your financial intermediary. Instead, the shareholder reports will be made available on a website, and the insurance company will notify you by mail each time a report is posted and provide you with a website link to access the report. Instructions for requesting paper copies will be provided by your insurance company.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the insurance company electronically by following the instructions provided by the insurance company.

You may elect to receive all future reports in paper free of charge from the insurance company. You should contact the insurance company if you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all portfolio companies available under your contract at the insurance company.



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\* Prior to July 30, 2018, the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) was named the PIMCO Foreign Bond Portfolio (U.S. Dollar-Hedged).

This material is authorized for use only when preceded or accompanied by the current PIMCO Variable Insurance Trust (the “Trust”) prospectus for the Portfolio. (The variable product prospectus may be obtained by contacting your Investment Consultant.)

### Dear PIMCO Variable Insurance Trust Shareholder,

Following this letter is the PIMCO Variable Insurance Trust Semiannual Report, which covers the six-month reporting period ended June 30, 2019. On the subsequent pages you will find specific details regarding investment results and discussion of the factors that most affected performance during the reporting period.

### For the six-month reporting period ended June 30, 2019

The U.S. economy continued to expand during the reporting period. Looking back, U.S. gross domestic product ("GDP") grew at an annual pace of 2.2% during the fourth quarter of 2018. For the first quarter of 2019, GDP growth rose to an annual pace of 3.1%. Finally, the Commerce Department's initial reading for second quarter 2019 GDP, released after the reporting period ended, showed that the U.S. economy grew at a 2.1% annual pace.

After raising rates four times in 2018, the Federal Reserve (the "Fed") reversed course and had a "dovish pivot." With its December 2018 rate hike, the Fed increased the federal funds rate to a range between 2.25% and 2.50%. However, at its meeting in January 2019, the Fed tapered its expectations for the pace of rate hikes in 2019. Then, after the Fed's meeting in June 2019, Fed Chair Jerome Powell said, "The case for somewhat more accommodative policy has strengthened." This stance was partially attributed to trade tensions and signs of slowing global growth, including weakening manufacturing data. Finally, at its meeting that concluded on July 31, 2019, after the reporting period ended, the Fed lowered the federal funds rate to a range between 2.00% and 2.25%. This represented the Fed's first rate cut since 2008.

Growth outside the U.S. continued, but the pace generally moderated. According to the International Monetary Fund ("IMF"), global growth is projected to be 3.3% in 2019, versus 3.6% in 2018. From a regional perspective, the U.S. economy is expected to expand 2.3% in 2019, compared to 2.9% in the prior year. Elsewhere, the IMF anticipates 2019 GDP growth in the eurozone, UK and Japan will be 1.3%, 1.2% and 1.0%, respectively. For comparison purposes, these economies expanded 1.8%, 1.4% and 0.8%, respectively, in 2018.

Against this backdrop, the European Central Bank (the "ECB") and the Bank of Japan largely maintained their highly accommodative monetary policies. The ECB ended its quantitative easing program in December 2018 and indicated that it does not expect to raise interest rates, "at least through the first half of 2020." Meanwhile, the Bank of England kept rates on hold for the reporting period.

Both short- and long-term U.S. Treasury yields declined. In our view, falling rates were partially due to signs of moderating global growth, the Fed's dovish pivot and periods of investor risk aversion. The yield on the two-year U.S. Treasury note was 1.75% at the end of the reporting period, compared to 2.48% on December 31, 2018. Meanwhile, the yield on the benchmark 10-year U.S. Treasury note was 2.00% at the end of the reporting period, versus 2.69% on December 31, 2018. The Bloomberg Barclays Global Treasury Index (USD hedged), which tracks fixed-rate, local-currency government debt of investment grade countries, including both developed and emerging markets, returned 5.52%. Meanwhile, the Bloomberg Barclays Global Aggregate Credit Index (USD hedged), a widely used index of global investment grade credit bonds, returned 8.22%. Riskier fixed income asset classes, including high yield corporate bonds and emerging market debt, also generated positive results. The ICE BofAML Developed Markets High Yield Constrained Index (USD hedged), a widely used index of below investment grade bonds, returned 10.05%, whereas emerging market external debt, as represented by the JPMorgan Emerging Markets Bond Index (EMBI) Global (USD hedged), returned 10.60%. Emerging market local bonds, as represented by the JPMorgan Government Bond Index-Emerging Markets Global Diversified Index (Unhedged), returned 8.72%.

Global equities also produced strong results. Despite periods of volatility, U.S. equities moved sharply higher. We believe this rally was driven by a number of factors, including corporate profits that often exceeded expectations and a more accommodative Fed. All told, U.S. equities, as represented by the S&P 500 Index, returned 18.54%. Emerging market equities, as measured by the MSCI Emerging Markets Index, returned 10.59%, whereas global equities, as

represented by the MSCI World Index, returned 16.98%. Meanwhile, Japanese equities, as represented by the Nikkei 225 Index (in JPY), returned 7.53%, and European equities, as represented by the MSCI Europe Index (in EUR), returned 16.24%.

Commodity prices fluctuated and largely moved higher. When the reporting period began, Brent crude oil was approximately \$54 a barrel, but by the end, it was roughly \$67 a barrel. Elsewhere, gold and copper prices also rose.

Finally, there were periods of volatility in the foreign exchange markets, due in part to signs of moderating global growth and changing central bank monetary policies, along with a number of geopolitical events. The U.S. dollar strengthened against a number of other major currencies. For example, the U.S. dollar returned 0.82% and 0.45% versus the euro and British pound, respectively. However, the U.S. dollar fell 1.71% versus the Japanese yen.

Thank you for the assets you have placed with us. We deeply value your trust, and we will continue to work diligently to meet your broad investment needs.



Sincerely,

A handwritten signature in dark ink, appearing to read 'Peter Strelow', written over a light background.

Peter G. Strelow  
Chairman of the Board  
PIMCO Variable Insurance Trust

Past performance is no guarantee of future results. Unless otherwise noted, index returns reflect the reinvestment of income distributions and capital gains, if any, but do not reflect fees, brokerage commissions or other expenses of investing. It is not possible to invest directly in an unmanaged index.

## Important Information About the PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

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PIMCO Variable Insurance Trust (the “Trust”) is an open-end management investment company that includes the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the “Portfolio”). The Portfolio is only available as a funding vehicle under variable life insurance policies or variable annuity contracts issued by insurance companies (“Variable Contracts”). Individuals may not purchase shares of the Portfolio directly. Shares of the Portfolio also may be sold to qualified pension and retirement plans outside of the separate account context.

We believe that bond funds have an important role to play in a well-diversified investment portfolio. It is important to note, however, that in an environment where interest rates may trend upward, rising rates would negatively impact the performance of most bond funds, and fixed income securities and other instruments held by the Portfolio are likely to decrease in value. A wide variety of factors can cause interest rates to rise (e.g., central bank monetary policies, inflation rates, general economic conditions, etc.). In addition, changes in interest rates can be sudden and unpredictable, and there is no guarantee that management will anticipate such movement accurately. The Portfolio may lose money as a result of movements in interest rates.

As of the date of this report, interest rates in the United States and many parts of the world, including certain European countries, are at or near historically low levels. Thus, the Portfolio currently faces a heightened level of interest rate risk, especially as the Federal Reserve Board ended its quantitative easing program in October 2014 and raised interest rates several times thereafter before lowering them in July 2019. Interest rates may change in the future depending upon the Federal Reserve Board’s view of economic growth, inflation, employment and other market factors. To the extent the Federal Reserve Board raises interest rates, there is a risk that rates across the financial system may rise. Further, while bond markets have steadily grown over the past three decades, dealer inventories of corporate bonds are near historic lows in relation to market size. As a result, there has been a significant reduction in the ability of dealers to “make markets.”

Bond funds and individual bonds with a longer duration (a measure used to determine the sensitivity of a security’s price to changes in interest rates) tend to be more sensitive to changes in interest rates, usually making them more volatile than securities or funds with shorter durations. All of the factors mentioned above, individually or collectively, could lead to increased volatility and/or lower liquidity in the fixed income markets or negatively impact the Portfolio’s performance or cause the Portfolio to incur losses. As a result, the Portfolio may experience increased shareholder redemptions which, among other things, could further reduce the net assets of the Portfolio.

The Portfolio may be subject to various risks as described in the Portfolio’s prospectus and in the Principal Risks in the Notes to Financial Statements.

With respect to certain securities, the Portfolio may make different asset class, sector or geographical classifications for the purpose of monitoring compliance with investment guidelines than the classifications disclosed in this report.

The geographical classification of foreign (non-U.S.) securities in this report are classified by the country of incorporation of a holding. In certain instances, a security’s country of incorporation may be different from its country of economic exposure.

The United States presidential administration’s enforcement of tariffs on goods from other countries, with a focus on China, has contributed to international trade tensions and may impact portfolio securities.

The Portfolio may have significant exposure to issuers in the United Kingdom. The United Kingdom’s decision to leave the European Union may impact Portfolio returns. This decision may cause substantial volatility in foreign exchange markets, lead to weakness in the exchange rate of the British pound, result in a sustained period of market uncertainty, and destabilize some or all of the other European Union member countries and/or the Eurozone.

The Portfolio may invest in certain instruments that rely in some fashion upon the London Interbank Offered Rate (“LIBOR”). LIBOR is an average interest rate, determined by the ICE Benchmark Administration, that banks charge one another for the use of short-term money. The United Kingdom’s Financial Conduct Authority, which regulates LIBOR, has announced plans to phase out the use of LIBOR by the end of 2021. There remains uncertainty regarding future utilization of LIBOR and the nature of any replacement rate, and any potential effects of the transition away from LIBOR on the Portfolio or on certain instruments in which the Portfolio invests are not known.

Under the direction of the Federal Housing Finance Agency, the Federal National Mortgage Association (“FNMA”) and the Federal Home Loan Mortgage Corporation (“FHLMC”) have entered into a joint initiative to develop a common securitization platform for the issuance of a uniform mortgage-backed security (the “Single Security Initiative”) that aligns the characteristics of FNMA and FHLMC certificates. The Single Security Initiative was implemented on June 3, 2019, and the effects it may have on the market for mortgage-backed securities are uncertain.

On the Portfolio Summary page in this Shareholder Report, the Average Annual Total Return table and Cumulative Returns chart measure performance assuming that any dividend and capital gain distributions were reinvested. The Cumulative Returns chart reflects only Administrative Class performance. Performance may vary by share class based on each class’s expense ratios. The Portfolio measures its performance against at least one broad-based securities market index (“benchmark index”). The benchmark index does not take into account fees, expenses, or taxes. The Portfolio’s past performance, before and

after taxes, is not necessarily an indication of how the Portfolio will perform in the future. There is no assurance that the Portfolio, even if the Portfolio 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) the

Portfolio's total return in excess of that of the Portfolio's benchmark between reporting periods or 2) the Portfolio's total return in excess of the Portfolio's historical returns between reporting periods. Unusual performance is defined as a significant change in the Portfolio's performance as compared to one or more previous reporting periods.

The following table discloses the inception dates of the Portfolio and its respective share classes along with the Portfolio's diversification status as of period end:

| Portfolio Name  | Portfolio Inception | Institutional Class | Administrative Class | Advisor Class | Diversification Status |
|---|---------------------|---------------------|----------------------|---------------|------------------------|
| PIMCO International Bond Portfolio (U.S. Dollar-Hedged) | 02/16/99            | 04/10/00            | 02/16/99             | 04/30/14      | Non-diversified        |

An investment in the Portfolio is not a bank deposit and is not guaranteed or insured by the Federal Deposit Insurance Corporation or any other government agency. It is possible to lose money on investments in the Portfolio.

The Trustees are responsible generally for overseeing the management of the Trust. The Trustees authorize the Trust to enter into service agreements with the Adviser, the Distributor, the Administrator and other service providers in order to provide, and in some cases authorize service providers to procure through other parties, necessary or desirable services on behalf of the Trust and the Portfolio. Shareholders are not parties to or third-party beneficiaries of such service agreements. Neither this Portfolio's prospectus nor summary prospectus, the Trust's Statement of Additional Information ("SAI"), any contracts filed as exhibits to the Trust's registration statement, nor any other communications, disclosure documents or regulatory filings (including this report) from or on behalf of the Trust or the Portfolio creates a contract between or among any shareholder of the Portfolio, on the one hand, and the Trust, the Portfolio, a service provider to the Trust or the Portfolio, and/or the Trustees or officers of the Trust, on the other hand. The Trustees (or the Trust and its officers, service providers or other delegates acting under authority of the Trustees) may amend the most recent prospectus or use a new prospectus, summary prospectus or SAI with respect to the Portfolio or the Trust, and/or amend, file and/or issue any other communications, disclosure documents or regulatory filings, and may amend or enter into any contracts to which the Trust or the Portfolio is a party, and interpret the investment objective(s), policies, restrictions and contractual provisions applicable to the Portfolio, without shareholder input or approval, except in circumstances in which shareholder approval is specifically required by law (such as changes to fundamental investment policies) or where a shareholder approval requirement is specifically disclosed in the Trust's then-current prospectus or SAI.

PIMCO has adopted written proxy voting policies and procedures ("Proxy Policy") as required by Rule 206(4)-6 under the Investment

Advisers Act of 1940, as amended. The Proxy Policy has been adopted by the Trust as the policies and procedures that PIMCO will use when voting proxies on behalf of the Portfolio. A description of the policies and procedures that PIMCO uses to vote proxies relating to portfolio securities of the Portfolio, and information about how the Portfolio voted proxies relating to portfolio securities held during the most recent twelve-month period ended June 30, are available without charge, upon request, by calling the Trust at (888) 87-PIMCO, on the Portfolio's website at [www.pimco.com/pvit](http://www.pimco.com/pvit), and on the Securities and Exchange Commission's ("SEC") website at [www.sec.gov](http://www.sec.gov).

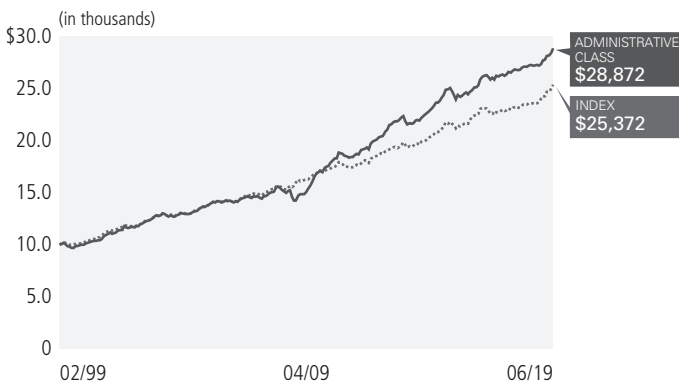
The Portfolio files a complete schedule of its portfolio holdings with the SEC for the first and third quarters of its fiscal year on Form N-PORT. The Portfolio's Form N-PORT reports are available on the SEC's website at [www.sec.gov](http://www.sec.gov) and are available without charge, upon request by calling the Portfolio at (888) 87-PIMCO. Prior to its use of Form N-PORT, the Portfolio filed its complete schedule of its portfolio holdings with the SEC on Form N-Q, which is available online at [www.sec.gov](http://www.sec.gov).

The SEC adopted a rule that, beginning in 2021, generally will allow shareholder reports to be delivered to investors by providing access to such reports online free of charge and by mailing a notice that the report is electronically available. Pursuant to the rule, investors may still elect to receive a complete shareholder report in the mail. Instructions for electing to receive paper copies of the Portfolio's shareholder reports going forward may be found on the front cover of this report.

The SEC adopted amendments to certain disclosure requirements relating to open-end investment companies' liquidity risk management programs. Effective December 1, 2019, large fund complexes will be required to include in their shareholder reports a discussion of their liquidity risk management programs' operations over the past year.

# PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

## Cumulative Returns Through June 30, 2019



\$10,000 invested at the end of the month when the Portfolio's Administrative Class commenced operations.

## Geographic Breakdown as of 06/30/2019†§

|                |       |
|----------------|-------|
| United States† | 43.3% |
| Japan          | 10.8% |
| United Kingdom | 8.2%  |
| Spain          | 4.0%  |
| Denmark        | 3.6%  |
| Sweden         | 3.3%  |
| Cayman Islands | 3.0%  |
| China          | 2.9%  |
| Italy          | 2.5%  |
| France         | 2.3%  |
| Germany        | 2.2%  |
| Canada         | 1.8%  |
| South Korea    | 1.7%  |
| Netherlands    | 1.4%  |
| Qatar          | 1.4%  |
| Saudi Arabia   | 1.2%  |
| Ireland        | 1.2%  |
| Other          | 4.8%  |

† % of Investments, at value.

§ Geographic Breakdown and % of investments exclude securities sold short and financial derivative instruments and short-term instruments, if any.

‡ Includes Central Funds Used for Cash Management Purposes.

## Investment Objective and Strategy Overview

PIMCO International Bond Portfolio (U.S. Dollar-Hedged) seeks maximum total return, consistent with preservation of capital and prudent investment management, by investing under normal circumstances at least 80% of its assets in Fixed Income Instruments that are economically tied to at least three non-U.S. countries. The Portfolio's investments in Fixed Income Instruments may be represented by forwards or derivatives such as options, futures contracts or swap agreements. "Fixed Income Instruments" include bonds, debt securities and other similar instruments issued by various U.S. and non-U.S. public- or private-sector entities. The Portfolio will normally limit its foreign currency exposure (from non-U.S. dollar-denominated securities or currencies) to 20% of its total assets. Portfolio strategies may change from time to time. Please refer to the Portfolio's current prospectus for more information regarding the Portfolio's strategy.

## Portfolio Insights

The following affected performance during the reporting period:

- » Overweight exposure to core eurozone duration contributed to relative performance, as core eurozone yields — as shown by the euro swaps curve — fell.
- » Overweight exposure to duration in the United States contributed to relative performance, as yields fell.
- » Holdings of emerging market external debt contributed to relative performance, as spreads tightened. The JP Morgan Emerging Market Bond Index, which generally tracks the spread of emerging market external debt, fell.
- » Underweight exposure to duration in peripheral eurozone countries, specifically Italy, detracted from relative performance, as yields fell.
- » Underweight exposure to duration in the United Kingdom and Japan detracted from relative performance, as yields fell.

## Average Annual Total Return for the period ended June 30, 2019

|  | 6 Months* | 1 Year | 5 Years | 10 Years | Inception≈ |
|--|-----------|--------|---------|----------|------------|
| PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Institutional Class  | 5.71%     | 6.36%  | 4.74%   | 6.43%    | 5.73%      |
| PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Administrative Class | 5.64%     | 6.20%  | 4.58%   | 6.27%    | 5.33%      |
| PIMCO International Bond Portfolio (U.S. Dollar-Hedged) Advisor Class        | 5.58%     | 6.10%  | 4.48%   | —        | 4.65%      |
| Bloomberg Barclays Global Aggregate ex-USD (USD Hedged) Index‡               | 5.79%     | 7.61%  | 4.43%   | 4.44%    | 4.68%♦     |

All Portfolio returns are net of fees and expenses.

\* Cumulative return.

≈ For class inception dates please refer to the Important Information.

♦ Average annual total return since 02/28/1999.

‡ Bloomberg Barclays Global Aggregate ex-USD (USD Hedged) Index provides a broad-based measure of the global investment-grade fixed income markets. The major components of this index are the Pan-European Aggregate and the Asian-Pacific Aggregate Indices. The index also includes Eurodollar and Euro-Yen corporate bonds and Canadian Government securities

It is not possible to invest directly in an unmanaged index.

Performance quoted represents past performance. Past performance is not a guarantee or a reliable indicator of future results. Current performance may be lower or higher than performance shown. Investment return and the principal value of an investment will fluctuate. Shares may be worth more or less than original cost when redeemed. The Portfolio's performance does not reflect the deduction of additional charges and expenses imposed in connection with investing in Variable Contracts, which will reduce returns. Differences in the Portfolio'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 prices of individual positions (which may be sourced from different pricing vendors or other sources) used by the Portfolio and the index. For performance current to the most recent month-end, visit [www.pimco.com/pvit](http://www.pimco.com/pvit) or via (888) 87-PIMCO.

The Portfolio's total annual operating expense ratio in effect as of period end were 0.81% for Institutional Class shares, 0.96% for Administrative Class shares, and 1.06% for Advisor Class shares. Details regarding any changes to the Portfolio's operating expenses, subsequent to period end, can be found in the Portfolio's current prospectus, as supplemented.



## Expense Example PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

### Example

As a shareholder of the Portfolio, you incur two types of costs: (1) transaction costs and (2) ongoing costs, including investment advisory fees, supervisory and administrative fees, distribution and/or service (12b-1) fees (if applicable), and other Portfolio expenses. The Example is intended to help you understand your ongoing costs (in dollars) of investing in the Portfolio and to compare these costs with the ongoing costs of investing in other mutual funds.

The Expense Example does not reflect any fees or other expenses imposed by the Variable Contracts. If it did, the expenses reflected in the Expense Example would be higher. The Example is based on an investment of \$1,000 invested at the beginning of the period and held from January 1, 2019 to June 30, 2019 unless noted otherwise in the table and footnotes below.

### Actual Expenses

The information in the table under the heading "Actual" provides information about actual account values and actual expenses. You may use this information, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.60), then multiply the result by the number in the appropriate row for your share class, in the column titled "Expenses Paid During Period" to estimate the expenses you paid on your account during this period.

### Hypothetical Example for Comparison Purposes

The information in the table under the heading "Hypothetical (5% return before expenses)" provides information about hypothetical account values and hypothetical expenses based on the Portfolio's actual expense ratio and an assumed rate of return of 5% per year before expenses, which is not the Portfolio's actual return. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. You may use this information to compare the ongoing costs of investing in the Portfolio and other portfolios. To do so, compare this 5% hypothetical example with the 5% hypothetical examples that appear in the shareholder reports of the other portfolios.

Please note that the expenses shown in the table are meant to highlight your ongoing costs only and do not reflect any transactional costs. Therefore, the information under the heading "Hypothetical (5% return before expenses)" is useful in comparing ongoing costs only, and will not help you determine the relative total costs of owning different portfolios. In addition, if these transactional costs were included, your costs would have been higher.

Expense ratios may vary period to period because of various factors, such as an increase in expenses that are not covered by the investment advisory fees and supervisory and administrative fees, such as fees and expenses of the independent trustees and their counsel, extraordinary expenses and interest expense.

|                      | Actual                                   |                                       |                                 | Hypothetical<br>(5% return before expenses) |                                       |                                 | Net Annualized<br>Expense Ratio** |
|----------------------|--|---------------------------------------|---------------------------------|---|---------------------------------------|---------------------------------|-----------------------------------|
|                      | Beginning<br>Account Value<br>(01/01/19) | Ending<br>Account Value<br>(06/30/19) | Expenses Paid<br>During Period* | Beginning<br>Account Value<br>(01/01/19)    | Ending<br>Account Value<br>(06/30/19) | Expenses Paid<br>During Period* |                                   |
| Institutional Class  | \$ 1,000.00                              | \$ 1,057.20                           | \$ 4.11                         | \$ 1,000.00                                 | \$ 1,020.66                           | \$ 4.04                         | 0.81%                             |
| Administrative Class | 1,000.00                                 | 1,056.40                              | 4.87                            | 1,000.00                                    | 1,019.92                              | 4.78                            | 0.96                              |
| Advisor Class        | 1,000.00                                 | 1,055.90                              | 5.37                            | 1,000.00                                    | 1,019.43                              | 5.28                            | 1.06                              |

\* Expenses Paid During Period are equal to the net annualized expense ratio for the class, multiplied by the average account value over the period, multiplied by 180/365 (to reflect the one-half year period). Overall fees and expenses of investing in the Portfolio will be higher because the example does not reflect variable contract fees and expenses.

\*\* Net Annualized Expense Ratio is reflective of any applicable contractual fee waivers and/or expense reimbursements or voluntary fee waivers. Details regarding fee waivers, if any, can be found in Note 9, Fees and Expenses, in the Notes to Financial Statements.

## Financial Highlights PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

|   |   | Investment Operations                       |                                      |         | Less Distributions <sup>(b)</sup> |                                |           |
|---|---|---|--------------------------------------|---------|-----------------------------------|--------------------------------|-----------|
|   | Net Asset Value Beginning of Year or Period | Net Investment Income (Loss) <sup>(a)</sup> | Net Realized/ Unrealized Gain (Loss) | Total   | From Net Investment Income        | From Net Realized Capital Gain | Total     |
| Selected Per Share Data for the Year or Period Ended <sup>^</sup> : |   |   |                                      |         |                                   |                                |           |
| Institutional Class   |   |   |                                      |         |                                   |                                |           |
| 01/01/2019 - 06/30/2019+  | \$ 10.84                                    | \$ 0.11                                     | \$ 0.51                              | \$ 0.62 | \$ (0.11)                         | \$ (0.08)                      | \$ (0.19) |
| 12/31/2018  | 10.79                                       | 0.20  | 0.05                                 | 0.25    | (0.16)                            | (0.04)                         | (0.20)    |
| 12/31/2017  | 11.02                                       | 0.15  | 0.17                                 | 0.32    | (0.55)                            | 0.00                           | (0.55)    |
| 12/31/2016  | 10.54                                       | 0.16  | 0.54                                 | 0.70    | (0.18)                            | (0.04)                         | (0.22)    |
| 12/31/2015  | 10.90                                       | 0.13  | (0.09)                               | 0.04    | (0.35)                            | (0.05)                         | (0.40)    |
| 12/31/2014  | 10.05                                       | 0.21  | 0.92                                 | 1.13    | (0.21)                            | (0.07)                         | (0.28)    |
| Administrative Class  |   |   |                                      |         |                                   |                                |           |
| 01/01/2019 - 06/30/2019+  | 10.84                                       | 0.10  | 0.51                                 | 0.61    | (0.10)                            | (0.08)                         | (0.18)    |
| 12/31/2018  | 10.79                                       | 0.18  | 0.05                                 | 0.23    | (0.14)                            | (0.04)                         | (0.18)    |
| 12/31/2017  | 11.02                                       | 0.13  | 0.17                                 | 0.30    | (0.53)                            | 0.00                           | (0.53)    |
| 12/31/2016  | 10.54                                       | 0.14  | 0.54                                 | 0.68    | (0.16)                            | (0.04)                         | (0.20)    |
| 12/31/2015  | 10.90                                       | 0.10  | (0.07)                               | 0.03    | (0.34)                            | (0.05)                         | (0.39)    |
| 12/31/2014  | 10.05                                       | 0.18  | 0.93                                 | 1.11    | (0.19)                            | (0.07)                         | (0.26)    |
| Advisor Class   |   |   |                                      |         |                                   |                                |           |
| 01/01/2019 - 06/30/2019+  | 10.84                                       | 0.10  | 0.51                                 | 0.61    | (0.10)                            | (0.08)                         | (0.18)    |
| 12/31/2018  | 10.79                                       | 0.17  | 0.05                                 | 0.22    | (0.13)                            | (0.04)                         | (0.17)    |
| 12/31/2017  | 11.02                                       | 0.12  | 0.17                                 | 0.29    | (0.52)                            | 0.00                           | (0.52)    |
| 12/31/2016  | 10.54                                       | 0.13  | 0.54                                 | 0.67    | (0.15)                            | (0.04)                         | (0.19)    |
| 12/31/2015  | 10.90                                       | 0.10  | (0.08)                               | 0.02    | (0.33)                            | (0.05)                         | (0.38)    |
| 04/30//2014 - 12/31/2014  | 10.34                                       | 0.13  | 0.62                                 | 0.75    | (0.12)                            | (0.07)                         | (0.19)    |

<sup>^</sup> A zero balance may reflect actual amounts rounding to less than \$0.01 or 0.01%.

+ Unaudited

\* Annualized

<sup>(a)</sup> Per share amounts based on average number of shares outstanding during the year or period.

<sup>(b)</sup> The tax characterization of distributions is determined in accordance with Federal income tax regulations. The actual tax characterization of distributions paid is determined at the end of the fiscal year. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

Ratios/Supplemental Data

Ratios to Average Net Assets

| Net Asset<br>Value End of<br>Year or<br>Period | Total Return | Net Assets<br>End of Year or<br>Period (000s) | Expenses | Expenses<br>Excluding<br>Waivers | Expenses<br>Excluding<br>Interest<br>Expense | Expenses<br>Excluding<br>Interest<br>Expense and<br>Waivers | Net<br>Investment<br>Income (Loss) | Portfolio<br>Turnover<br>Rate |
|--|--------------|---|----------|----------------------------------|--|---|------------------------------------|-------------------------------|
| \$ 11.27                                       | 5.71%        | \$ 8,398                                      | 0.81% *  | 0.81% *                          | 0.75% *                                      | 0.75% *   | 2.06% *                            | 117%                          |
| 10.84  | 2.27         | 7,483   | 0.81     | 0.81                             | 0.75   | 0.75  | 1.85                               | 185                           |
| 10.79  | 2.92         | 6,705   | 0.78     | 0.78                             | 0.75   | 0.75  | 1.37                               | 158                           |
| 11.02  | 6.63         | 5,045   | 0.78     | 0.78                             | 0.75   | 0.75  | 1.46                               | 330                           |
| 10.54  | 0.44         | 3,001   | 0.75     | 0.75                             | 0.75   | 0.75  | 1.15                               | 302                           |
| 10.90  | 11.32        | 879   | 0.76     | 0.76                             | 0.75   | 0.75  | 1.99                               | 176                           |
| 11.27  | 5.64         | 85,246  | 0.96*    | 0.96*                            | 0.90*  | 0.90*   | 1.91*                              | 117                           |
| 10.84  | 2.12         | 78,640  | 0.96     | 0.96                             | 0.90   | 0.90  | 1.70                               | 185                           |
| 10.79  | 2.76         | 76,989  | 0.93     | 0.93                             | 0.90   | 0.90  | 1.21                               | 158                           |
| 11.02  | 6.48         | 64,537  | 0.93     | 0.93                             | 0.90   | 0.90  | 1.31                               | 330                           |
| 10.54  | 0.29         | 73,278  | 0.90     | 0.90                             | 0.90   | 0.90  | 0.90                               | 302                           |
| 10.90  | 11.16        | 89,343  | 0.91     | 0.91                             | 0.90   | 0.90  | 1.73                               | 176                           |
| 11.27  | 5.58         | 470,128                                       | 1.06*    | 1.06*                            | 1.00*  | 1.00*   | 1.80*                              | 117                           |
| 10.84  | 2.02         | 444,881                                       | 1.06     | 1.06                             | 1.00   | 1.00  | 1.59                               | 185                           |
| 10.79  | 2.66         | 431,545                                       | 1.03     | 1.03                             | 1.00   | 1.00  | 1.11                               | 158                           |
| 11.02  | 6.37         | 341,567                                       | 1.03     | 1.03                             | 1.00   | 1.00  | 1.21                               | 330                           |
| 10.54  | 0.19         | 221,379                                       | 1.00     | 1.00                             | 1.00   | 1.00  | 0.90                               | 302                           |
| 10.90  | 7.31         | 69,716  | 1.01*    | 1.01*                            | 1.00*  | 1.00*   | 1.79*                              | 176                           |

# Statement of Assets and Liabilities PIMCO International Bond Portfolio (U.S. Dollar-Hedged) June 30, 2019 (Unaudited)

(Amounts in thousands<sup>†</sup>, except per share amounts)

|   |                   |
|---|-------------------|
| <b>Assets:</b>  |                   |
| <i>Investments, at value</i>                              |                   |
| Investments in securities*                                | \$ 667,977        |
| Investments in Affiliates                                 | 29,045            |
| <i>Financial Derivative Instruments</i>                   |                   |
| Exchange-traded or centrally cleared                      | 1,149             |
| Over the counter  | 2,468             |
| Cash  | 1                 |
| Deposits with counterparty                                | 2,515             |
| Foreign currency, at value                                | 3,422             |
| Receivable for investments sold                           | 13,522            |
| Receivable for TBA investments sold                       | 104,274           |
| Receivable for Portfolio shares sold                      | 308               |
| Interest and/or dividends receivable                      | 3,358             |
| Dividends receivable from Affiliates                      | 74                |
| Other assets  | 1                 |
| <b>Total Assets</b>                                       | <b>828,114</b>    |
| <b>Liabilities:</b>                                       |                   |
| <i>Borrowings &amp; Other Financing Transactions</i>      |                   |
| Payable for reverse repurchase agreements                 | \$ 25,664         |
| Payable for sale-buyback transactions                     | 1,070             |
| Payable for short sales                                   | 9,636             |
| <i>Financial Derivative Instruments</i>                   |                   |
| Exchange-traded or centrally cleared                      | 324               |
| Over the counter  | 6,023             |
| Payable for investments purchased                         | 20,466            |
| Payable for investments in Affiliates purchased           | 74                |
| Payable for TBA investments purchased                     | 199,651           |
| Deposits from counterparty                                | 972               |
| Payable for Portfolio shares redeemed                     | 36                |
| Accrued investment advisory fees                          | 107               |
| Accrued supervisory and administrative fees               | 215               |
| Accrued distribution fees                                 | 89                |
| Accrued servicing fees                                    | 10                |
| Other liabilities   | 5                 |
| <b>Total Liabilities</b>                                  | <b>264,342</b>    |
| <b>Net Assets</b>   | <b>\$ 563,772</b> |
| <b>Net Assets Consist of:</b>                             |                   |
| Paid in capital   | \$ 539,532        |
| Distributable earnings (accumulated loss)                 | 24,240            |
| <b>Net Assets</b>   | <b>\$ 563,772</b> |
| <b>Net Assets:</b>  |                   |
| Institutional Class                                       | \$ 8,398          |
| Administrative Class                                      | 85,246            |
| Advisor Class   | 470,128           |
| <b>Shares Issued and Outstanding:</b>                     |                   |
| Institutional Class                                       | 745               |
| Administrative Class                                      | 7,567             |
| Advisor Class   | 41,734            |
| <b>Net Asset Value Per Share Outstanding:</b>             |                   |
| Institutional Class                                       | \$ 11.27          |
| Administrative Class                                      | 11.27             |
| Advisor Class   | 11.27             |
| Cost of investments in securities                         | \$ 651,260        |
| Cost of investments in Affiliates                         | \$ 29,142         |
| Cost of foreign currency held                             | \$ 3,432          |
| Proceeds received on short sales                          | \$ 9,380          |
| Cost or premiums of financial derivative instruments, net | \$ 5,687          |
| * Includes repurchase agreements of:                      | \$ 1,061          |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

# Statement of Operations PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

|  | Six Months Ended<br>June 30, 2019<br>(Unaudited) |
|--|--|
| (Amounts in thousands <sup>†</sup> )                                   |  |
| <b>Investment Income:</b>  |  |
| Interest, net of foreign taxes*  | \$ 7,223   |
| Dividends  | 7  |
| Dividends from Investments in Affiliates                               | 461  |
| Total Income   | 7,691  |
| <b>Expenses:</b>   |  |
| Investment advisory fees   | 672  |
| Supervisory and administrative fees                                    | 1,343  |
| Servicing fees - Administrative Class                                  | 61   |
| Distribution and/or servicing fees - Advisor Class                     | 560  |
| Trustee fees   | 4  |
| Interest expense   | 154  |
| Miscellaneous expense  | 1  |
| Total Expenses   | 2,795  |
| <b>Net Investment Income (Loss)</b>                                    | 4,896  |
| <b>Net Realized Gain (Loss):</b>                                       |  |
| Investments in securities  | 1,262  |
| Investments in Affiliates  | (5)  |
| Exchange-traded or centrally cleared financial derivative instruments  | 6,733  |
| Over the counter financial derivative instruments                      | 7,216  |
| Short sales  | (891)  |
| Foreign currency   | (3,578)  |
| <b>Net Realized Gain (Loss)</b>  | 10,737   |
| <b>Net Change in Unrealized Appreciation (Depreciation):</b>           |  |
| Investments in securities  | 19,193   |
| Investments in Affiliates  | 9  |
| Exchange-traded or centrally cleared financial derivative instruments  | (4,956)  |
| Over the counter financial derivative instruments                      | (293)  |
| Short sales  | (309)  |
| Foreign currency assets and liabilities                                | 294  |
| <b>Net Change in Unrealized Appreciation (Depreciation)</b>            | 13,938   |
| <b>Net Increase (Decrease) in Net Assets Resulting from Operations</b> | \$ 29,571  |
| * Foreign tax withholdings   | \$ 4   |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

## Statements of Changes in Net Assets PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

(Amounts in thousands<sup>†</sup>)

|  | Six Months Ended<br>June 30, 2019<br>(Unaudited) | Year Ended<br>December 31, 2018 |
|--|--|---------------------------------|
| <b>Increase (Decrease) in Net Assets from:</b>                         |  |                                 |
| <b>Operations:</b>   |  |                                 |
| Net investment income (loss)   | \$ 4,896   | \$ 8,604                        |
| Net realized gain (loss)   | 10,737   | 19,859                          |
| Net change in unrealized appreciation (depreciation)                   | 13,938   | (17,696)                        |
| <b>Net Increase (Decrease) in Net Assets Resulting from Operations</b> | <b>29,571</b>                                    | <b>10,767</b>                   |
| <b>Distributions to Shareholders:</b>                                  |  |                                 |
| From net investment income and/or net realized capital gains           |  |                                 |
| Institutional Class  | (135)  | (130)                           |
| Administrative Class   | (1,346)  | (1,265)                         |
| Advisor Class  | (7,133)  | (6,925)                         |
| <b>Total Distributions<sup>(a)</sup></b>                               | <b>(8,614)</b>                                   | <b>(8,320)</b>                  |
| <b>Portfolio Share Transactions:</b>                                   |  |                                 |
| Net increase (decrease) resulting from Portfolio share transactions*   | 11,811   | 13,318                          |
| <b>Total Increase (Decrease) in Net Assets</b>                         | <b>32,768</b>                                    | <b>15,765</b>                   |
| <b>Net Assets:</b>   |  |                                 |
| Beginning of period  | 531,004  | 515,239                         |
| End of period  | \$ 563,772                                       | \$ 531,004                      |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

\* See Note 13, Shares of Beneficial Interest, in the Notes to Financial Statements.

<sup>(a)</sup> The tax characterization of distributions is determined in accordance with Federal income tax regulations. The actual tax characterization of distributions paid is determined at the end of the fiscal year. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged)

June 30, 2019 (Unaudited)

(Amounts in thousands\*, except number of shares, contracts and units, if any)

|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |    | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|----|-------------------------------|---------------------------|
| INVESTMENTS IN SECURITIES 118.5%                    |                               |                           |    |                               |                           |
| ARGENTINA 0.1%                                      |                               |                           |    |                               |                           |
| SOVEREIGN ISSUES 0.1%                               |                               |                           |    |                               |                           |
| Argentina Government International Bond             |                               |                           |    |                               |                           |
| 3.375% due 01/15/2023                               | EUR                           | 200                       | \$ |                               | 178                       |
| 52.006% (BADLARPP + 2.000%)<br>due 04/03/2022 ~ (a) | ARS                           | 8,070                     |    |                               | 164                       |
| 63.705% due 06/21/2020 ~ (a)                        |                               | 15,250                    |    |                               | 350                       |
| Total Argentina (Cost \$1,390)                      |                               |                           |    |                               | 692                       |
| AUSTRALIA 0.2%                                      |                               |                           |    |                               |                           |
| ASSET-BACKED SECURITIES 0.1%                        |                               |                           |    |                               |                           |
| Driver Australia Trust                              |                               |                           |    |                               |                           |
| 2.810% due 07/21/2026                               | AUD                           | 585                       |    |                               | 410                       |
| CORPORATE BONDS & NOTES 0.1%                        |                               |                           |    |                               |                           |
| Sydney Airport Finance Co. Pty. Ltd.                |                               |                           |    |                               |                           |
| 3.900% due 03/22/2023                               | \$                            | 300                       |    |                               | 313                       |
| SOVEREIGN ISSUES 0.0%                               |                               |                           |    |                               |                           |
| New South Wales Treasury Corp.                      |                               |                           |    |                               |                           |
| 2.750% due 11/20/2025 (f)                           | AUD                           | 131                       |    |                               | 107                       |
| Total Australia (Cost \$892)                        |                               |                           |    |                               | 830                       |
| BRAZIL 0.5%   |                               |                           |    |                               |                           |
| CORPORATE BONDS & NOTES 0.5%                        |                               |                           |    |                               |                           |
| Petrobras Global Finance BV                         |                               |                           |    |                               |                           |
| 5.999% due 01/27/2028                               | \$                            | 1,517                     |    |                               | 1,615                     |
| 6.125% due 01/17/2022                               |                               | 102                       |    |                               | 109                       |
| 7.375% due 01/17/2027                               |                               | 1,200                     |    |                               | 1,381                     |
| Total Brazil (Cost \$2,874)                         |                               |                           |    |                               | 3,105                     |
| CANADA 2.2%   |                               |                           |    |                               |                           |
| CORPORATE BONDS & NOTES 1.6%                        |                               |                           |    |                               |                           |
| Air Canada Pass-Through Trust                       |                               |                           |    |                               |                           |
| 3.300% due 07/15/2031                               | \$                            | 97                        |    |                               | 99                        |
| Bank of Nova Scotia                                 |                               |                           |    |                               |                           |
| 1.875% due 04/26/2021                               |                               | 1,200                     |    |                               | 1,196                     |
| Canadian Imperial Bank of Commerce                  |                               |                           |    |                               |                           |
| 3.150% due 06/27/2021                               |                               | 500                       |    |                               | 510                       |
| Enbridge, Inc.                                      |                               |                           |    |                               |                           |
| 2.984% due 01/10/2020 ~                             |                               | 1,200                     |    |                               | 1,200                     |
| 3.110% (US0003M + 0.700%)<br>due 06/15/2020 ~       |                               | 400                       |    |                               | 401                       |
| Fairfax Financial Holdings Ltd.                     |                               |                           |    |                               |                           |
| 2.750% due 03/29/2028                               | EUR                           | 500                       |    |                               | 610                       |
| HSBC Bank Canada                                    |                               |                           |    |                               |                           |
| 3.300% due 11/28/2021                               | \$                            | 1,200                     |    |                               | 1,236                     |
| Royal Bank of Canada                                |                               |                           |    |                               |                           |
| 2.200% due 09/23/2019                               |                               | 400                       |    |                               | 400                       |
| 2.300% due 03/22/2021                               |                               | 800                       |    |                               | 804                       |
| Toronto-Dominion Bank                               |                               |                           |    |                               |                           |
| 2.250% due 03/15/2021                               |                               | 800                       |    |                               | 802                       |
| 2.500% due 01/18/2023                               |                               | 2,000                     |    |                               | 2,023                     |
|   |                               |                           |    |                               | 9,281                     |
| NON-AGENCY MORTGAGE-BACKED SECURITIES 0.2%          |                               |                           |    |                               |                           |
| Canadian Mortgage Pools                             |                               |                           |    |                               |                           |
| 2.078% due 06/01/2020                               | CAD                           | 149                       |    |                               | 114                       |
| 2.278% due 07/01/2020                               |                               | 424                       |    |                               | 324                       |
| 2.278% due 08/01/2020                               |                               | 166                       |    |                               | 127                       |
| Real Estate Asset Liquidity Trust                   |                               |                           |    |                               |                           |
| 3.072% due 08/12/2053                               |                               | 539                       |    |                               | 419                       |
|   |                               |                           |    |                               | 984                       |

|                                      |     |       |    |  |        |
|--------------------------------------|-----|-------|----|--|--------|
| SOVEREIGN ISSUES 0.4%                |     |       |    |  |        |
| Canadian Government Real Return Bond |     |       |    |  |        |
| 1.500% due 12/01/2044 (f)            | CAD | 471   | \$ |  | 461    |
| Province of Alberta                  |     |       |    |  |        |
| 1.250% due 06/01/2020                |     | 1,100 |    |  | 836    |
| Province of Ontario                  |     |       |    |  |        |
| 6.200% due 06/02/2031                |     | 100   |    |  | 108    |
| Province of Quebec                   |     |       |    |  |        |
| 3.000% due 09/01/2023                |     | 1,100 |    |  | 882    |
|                                      |     |       |    |  | 2,287  |
| Total Canada (Cost \$12,422)         |     |       |    |  | 12,552 |
| CAYMAN ISLANDS 3.7%                  |     |       |    |  |        |
| ASSET-BACKED SECURITIES 2.5%         |     |       |    |  |        |
| Avery Point CLO Ltd.                 |     |       |    |  |        |
| 3.721% due 01/18/2025 •              | \$  | 536   |    |  | 537    |
| Cent CLO Ltd.                        |     |       |    |  |        |
| 3.667% due 10/15/2026 •              |     | 1,400 |    |  | 1,400  |
| Dryden Senior Loan Fund              |     |       |    |  |        |
| 3.497% due 10/15/2027 •              |     | 1,200 |    |  | 1,198  |
| Evans Grove CLO Ltd.                 |     |       |    |  |        |
| 3.441% due 05/28/2028 •              |     | 300   |    |  | 298    |
| Flagship Ltd.                        |     |       |    |  |        |
| 3.712% due 01/20/2026 •              |     | 430   |    |  | 430    |
| LCM LP                               |     |       |    |  |        |
| 3.632% due 10/20/2027 •              |     | 1,400 |    |  | 1,400  |
| Marathon CLO Ltd.                    |     |       |    |  |        |
| 3.392% due 11/21/2027 •              |     | 1,300 |    |  | 1,295  |
| Mountain View CLO Ltd.               |     |       |    |  |        |
| 3.397% due 10/15/2026 •              |     | 276   |    |  | 275    |
| Oaktree CLO Ltd.                     |     |       |    |  |        |
| 3.812% due 10/20/2026 •              |     | 1,732 |    |  | 1,734  |
| Octagon Investment Partners Ltd.     |     |       |    |  |        |
| 3.697% due 04/15/2026 •              |     | 515   |    |  | 515    |
| Stanford Street CLO Ltd.             |     |       |    |  |        |
| 3.590% due 06/15/2025 •              |     | 392   |    |  | 393    |
| THL Credit Wind River CLO Ltd.       |     |       |    |  |        |
| 0.000% due 01/15/2026 •(b)           |     | 1,400 |    |  | 1,400  |
| Tralee CLO Ltd.                      |     |       |    |  |        |
| 3.702% due 10/20/2028 •              |     | 1,300 |    |  | 1,297  |
| Venture CLO Ltd.                     |     |       |    |  |        |
| 3.667% due 04/15/2027                |     | 300   |    |  | 299    |
| WhiteHorse Ltd.                      |     |       |    |  |        |
| 3.518% due 04/17/2027 •              |     | 300   |    |  | 300    |
| Zais CLO Ltd.                        |     |       |    |  |        |
| 3.747% due 04/15/2028 •              |     | 1,400 |    |  | 1,403  |
|                                      |     |       |    |  | 14,174 |
| CORPORATE BONDS & NOTES 1.2%         |     |       |    |  |        |
| Goodman HK Finance                   |     |       |    |  |        |
| 4.375% due 06/19/2024                |     | 300   |    |  | 315    |
| KSA Sukuk Ltd.                       |     |       |    |  |        |
| 2.894% due 04/20/2022                |     | 500   |    |  | 506    |
| QNB Finance Ltd.                     |     |       |    |  |        |
| 3.872% due 05/31/2021 ~              |     | 4,500 |    |  | 4,562  |
| Sands China Ltd.                     |     |       |    |  |        |
| 4.600% due 08/08/2023                |     | 300   |    |  | 316    |
| 5.125% due 08/08/2025                |     | 200   |    |  | 215    |
| 5.400% due 08/08/2028                |     | 500   |    |  | 544    |
| Tencent Holdings Ltd.                |     |       |    |  |        |
| 3.595% due 01/19/2028                |     | 200   |    |  | 204    |
|                                      |     |       |    |  | 6,662  |
| Total Cayman Islands (Cost \$20,725) |     |       |    |  | 20,836 |
| CHINA 3.6%                           |     |       |    |  |        |
| SOVEREIGN ISSUES 3.6%                |     |       |    |  |        |
| China Development Bank               |     |       |    |  |        |
| 3.050% due 08/25/2026                | CNY | 5,200 |    |  | 723    |

|                                      |     |        |    |  |        |
|--------------------------------------|-----|--------|----|--|--------|
| 3.180% due 04/05/2026                | CNY | 16,800 | \$ |  | 2,362  |
| 3.680% due 02/26/2026                |     | 21,000 |    |  | 3,046  |
| 3.740% due 09/10/2025                |     | 10,200 |    |  | 1,487  |
| 4.040% due 04/10/2027                |     | 11,400 |    |  | 1,683  |
| 4.040% due 07/06/2028                |     | 3,300  |    |  | 488    |
| 4.150% due 10/26/2025                |     | 2,600  |    |  | 387    |
| 4.240% due 08/24/2027                |     | 30,200 |    |  | 4,520  |
| 4.880% due 02/09/2028                |     | 24,300 |    |  | 3,803  |
| China Government Bond                |     |        |    |  |        |
| 4.400% due 12/12/2046                |     | 500    |    |  | 79     |
| China Government International Bond  |     |        |    |  |        |
| 2.740% due 08/04/2026                |     | 800    |    |  | 112    |
| 2.950% due 06/16/2023                |     | 2,200  |    |  | 320    |
| 3.220% due 12/06/2025                |     | 2,200  |    |  | 320    |
| 3.290% due 10/18/2023                |     | 6,500  |    |  | 957    |
| Total China (Cost \$20,325)          |     |        |    |  | 20,287 |
| DENMARK 4.4%                         |     |        |    |  |        |
| CORPORATE BONDS & NOTES 4.4%         |     |        |    |  |        |
| Jyske Realkredit A/S                 |     |        |    |  |        |
| 1.500% due 10/01/2037                | DKK | 7,209  |    |  | 1,140  |
| 1.500% due 10/01/2050                |     | 4,000  |    |  | 623    |
| 2.000% due 10/01/2047                |     | 9,084  |    |  | 1,430  |
| 2.500% due 10/01/2047                |     | 71     |    |  | 11     |
| Nordea Kredit Realkreditaktieselskab |     |        |    |  |        |
| 1.500% due 10/01/2037                |     | 970    |    |  | 153    |
| 1.500% due 10/01/2050                |     | 6,600  |    |  | 1,021  |
| 2.000% due 10/01/2047                |     | 26,703 |    |  | 4,200  |
| 2.000% due 10/01/2050                |     | 2,899  |    |  | 456    |
| Nykredit Realkredit A/S              |     |        |    |  |        |
| 0.156% due 10/01/2022 ~              | EUR | 1,400  |    |  | 1,612  |
| 1.500% due 10/01/2037                | DKK | 2,159  |    |  | 342    |
| 1.500% due 10/01/2050                |     | 46,200 |    |  | 7,170  |
| 2.000% due 10/01/2047                |     | 14,964 |    |  | 2,357  |
| 2.000% due 10/01/2050                |     | 2,993  |    |  | 471    |
| 2.500% due 10/01/2036                |     | 250    |    |  | 41     |
| 2.500% due 10/01/2047                |     | 28     |    |  | 5      |
| Realkredit Danmark A/S               |     |        |    |  |        |
| 2.000% due 10/01/2047                |     | 25,108 |    |  | 3,951  |
| 2.500% due 07/01/2036                |     | 173    |    |  | 28     |
| 2.500% due 07/01/2047                |     | 70     |    |  | 11     |
| Total Denmark (Cost \$23,782)        |     |        |    |  | 25,022 |
| FRANCE 2.8%                          |     |        |    |  |        |
| CORPORATE BONDS & NOTES 0.6%         |     |        |    |  |        |
| Danone S.A.                          |     |        |    |  |        |
| 1.691% due 10/30/2019                | \$  | 700    |    |  | 698    |
| Dexia Credit Local S.A.              |     |        |    |  |        |
| 2.375% due 09/20/2022                |     | 600    |    |  | 606    |
| 2.500% due 01/25/2021                |     | 1,300  |    |  | 1,309  |
| Electricite de France S.A.           |     |        |    |  |        |
| 4.600% due 01/27/2020                |     | 1,000  |    |  | 1,012  |
|                                      |     |        |    |  | 3,625  |
| SOVEREIGN ISSUES 2.2%                |     |        |    |  |        |
| France Government International Bond |     |        |    |  |        |
| 2.000% due 05/25/2048                | EUR | 7,400  |    |  | 10,836 |
| 3.250% due 05/25/2045                |     | 800    |    |  | 1,440  |
|                                      |     |        |    |  | 12,276 |
| Total France (Cost \$13,076)         |     |        |    |  | 15,901 |
| GERMANY 2.7%                         |     |        |    |  |        |
| CORPORATE BONDS & NOTES 2.7%         |     |        |    |  |        |
| Deutsche Bank AG                     |     |        |    |  |        |
| 2.700% due 07/13/2020                | \$  | 600    |    |  | 598    |
| 3.150% due 01/22/2021                |     | 500    |    |  | 497    |
| 3.407% due 01/22/2021 ~              |     | 1,300  |    |  | 1,283  |
| 4.250% due 10/14/2021                |     | 1,800  |    |  | 1,824  |
| Deutsche Pfandbriefbank AG           |     |        |    |  |        |
| 1.625% due 08/30/2019                |     | 600    |    |  | 599    |
| 3.375% due 11/22/2021                |     | 600    |    |  | 617    |

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

|  | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|--|-------------------------------|---------------------------|
| <b>IHO Verwaltungs GmbH (3.625% Cash or 4.375% PIK)</b>  |                               |                           |
| 3.875% due 05/15/2027 (c)                                | EUR 200                       | \$ 231                    |
| <b>IHO Verwaltungs GmbH (6.000% Cash and 6.750% PIK)</b> |                               |                           |
| 6.000% due 05/15/2027 (c)                                | \$ 900                        | 907                       |
| <b>Kreditanstalt fuer Wiederaufbau</b>                   |                               |                           |
| 0.250% due 09/15/2025                                    | EUR 3,500                     | 4,125                     |
| 0.625% due 02/22/2027                                    | 3,500                         | 4,236                     |
| <b>Volkswagen Bank GmbH</b>                              |                               |                           |
| 1.250% due 08/01/2022                                    | 400                           | 467                       |
| <b>Total Germany (Cost \$15,046)</b>                     |                               | <b>15,384</b>             |
| <b>GUERNSEY, CHANNEL ISLANDS 0.1%</b>                    |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>                  |                               |                           |
| <b>Credit Suisse Group Funding Guernsey Ltd.</b>         |                               |                           |
| 3.800% due 06/09/2023                                    | \$ 800                        | 830                       |
| <b>Total Guernsey, Channel Islands (Cost \$799)</b>      |                               | <b>830</b>                |
| <b>HONG KONG 0.1%</b>                                    |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>                  |                               |                           |
| <b>AIA Group Ltd.</b>                                    |                               |                           |
| 3.900% due 04/06/2028                                    | \$ 400                        | 425                       |
| <b>Total Hong Kong (Cost \$399)</b>                      |                               | <b>425</b>                |
| <b>INDIA 0.1%</b>  |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>                  |                               |                           |
| <b>ICICI Bank Ltd.</b>                                   |                               |                           |
| 3.500% due 03/18/2020                                    | \$ 200                        | 201                       |
| <b>State Bank of India</b>                               |                               |                           |
| 4.000% due 01/24/2022                                    | 200                           | 205                       |
| <b>Total India (Cost \$399)</b>                          |                               | <b>406</b>                |
| <b>INDONESIA 0.1%</b>                                    |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>                  |                               |                           |
| <b>Indonesia Asahan Aluminium Persero PT</b>             |                               |                           |
| 5.230% due 11/15/2021                                    | \$ 300                        | 316                       |
| <b>Total Indonesia (Cost \$298)</b>                      |                               | <b>316</b>                |
| <b>IRELAND 1.4%</b>                                      |                               |                           |
| <b>ASSET-BACKED SECURITIES 0.8%</b>                      |                               |                           |
| <b>Arbour CLO DAC</b>                                    |                               |                           |
| 0.870% due 01/15/2030 •                                  | EUR 1,200                     | 1,364                     |
| <b>Black Diamond CLO Designated Activity Co.</b>         |                               |                           |
| 0.650% due 10/03/2029 •                                  | 650                           | 740                       |
| <b>CVC Cordatus Loan Fund Ltd.</b>                       |                               |                           |
| 0.970% due 04/22/2030 •                                  | 800                           | 914                       |
| <b>Toro European CLO DAC</b>                             |                               |                           |
| 0.900% due 10/15/2030 •                                  | 1,300                         | 1,482                     |
|  |                               | <b>4,500</b>              |
| <b>CORPORATE BONDS &amp; NOTES 0.4%</b>                  |                               |                           |
| <b>AerCap Ireland Capital DAC</b>                        |                               |                           |
| 4.625% due 10/30/2020                                    | \$ 800                        | 820                       |
| <b>AIB Group PLC</b>                                     |                               |                           |
| 4.750% due 10/12/2023                                    | 200                           | 210                       |
| <b>Iberdrola Finance Ireland DAC</b>                     |                               |                           |
| 5.000% due 09/11/2019                                    | 400                           | 402                       |
| <b>Shire Acquisitions Investments Ireland DAC</b>        |                               |                           |
| 1.900% due 09/23/2019                                    | 700                           | 699                       |
| <b>SumitG Guaranteed Secured Obligation Issuer DAC</b>   |                               |                           |
| 2.251% due 11/02/2020                                    | 400                           | 400                       |
|  |                               | <b>2,531</b>              |

|  | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|--|-------------------------------|---------------------------|
| <b>SOVEREIGN ISSUES 0.2%</b>                         |                               |                           |
| <b>Ireland Government International Bond</b>         |                               |                           |
| 5.400% due 03/13/2025                                | EUR 700                       | \$ 1,054                  |
| <b>Total Ireland (Cost \$7,960)</b>                  |                               | <b>8,085</b>              |
| <b>ISRAEL 0.1%</b>                                   |                               |                           |
| <b>SOVEREIGN ISSUES 0.1%</b>                         |                               |                           |
| <b>Israel Government International Bond</b>          |                               |                           |
| 3.250% due 01/17/2028                                | \$ 500                        | 529                       |
| 4.125% due 01/17/2048                                | 300                           | 329                       |
| <b>Total Israel (Cost \$794)</b>                     |                               | <b>858</b>                |
| <b>ITALY 3.0%</b>                                    |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.2%</b>              |                               |                           |
| <b>UniCredit SpA</b>                                 |                               |                           |
| 7.830% due 12/04/2023                                | \$ 1,200                      | 1,372                     |
| <b>SOVEREIGN ISSUES 2.8%</b>                         |                               |                           |
| <b>Italy Buoni Poliennali Del Tesoro</b>             |                               |                           |
| 0.350% due 11/01/2021                                | EUR 2,600                     | 2,952                     |
| 1.450% due 11/15/2024                                | 400                           | 457                       |
| 1.750% due 07/01/2024                                | 3,000                         | 3,481                     |
| 2.450% due 09/01/2033                                | 400                           | 461                       |
| 2.500% due 11/15/2025                                | 1,900                         | 2,283                     |
| 2.950% due 09/01/2038                                | 1,200                         | 1,424                     |
| 3.000% due 08/01/2029                                | 3,300                         | 4,070                     |
| 3.450% due 03/01/2048                                | 150                           | 188                       |
| <b>Italy Government International Bond</b>           |                               |                           |
| 6.000% due 08/04/2028                                | GBP 400                       | 598                       |
|  |                               | <b>15,914</b>             |
| <b>Total Italy (Cost \$16,763)</b>                   |                               | <b>17,286</b>             |
| <b>JAPAN 13.4%</b>                                   |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 1.5%</b>              |                               |                           |
| <b>Central Nippon Expressway Co. Ltd.</b>            |                               |                           |
| 2.091% due 09/14/2021                                | \$ 700                        | 693                       |
| 3.105% (US0003M + 0.540%)<br>due 08/04/2020 ~        | 2,600                         | 2,604                     |
| <b>Chugoku Electric Power Co., Inc.</b>              |                               |                           |
| 2.701% due 03/16/2020                                | 600                           | 601                       |
| <b>Meiji Yasuda Life Insurance Co.</b>               |                               |                           |
| 5.100% due 04/26/2048 •                              | 200                           | 218                       |
| <b>Mitsubishi UFJ Financial Group, Inc.</b>          |                               |                           |
| 2.950% due 03/01/2021                                | 230                           | 232                       |
| 3.455% due 03/02/2023                                | 600                           | 617                       |
| <b>Mizuho Financial Group, Inc.</b>                  |                               |                           |
| 3.331% due 09/11/2022 ~                              | 700                           | 704                       |
| 3.451% due 09/11/2024 ~                              | 900                           | 909                       |
| 3.922% due 09/11/2024 •                              | 500                           | 524                       |
| <b>ORIX Corp.</b>                                    |                               |                           |
| 3.250% due 12/04/2024                                | 200                           | 206                       |
| <b>Sumitomo Mitsui Financial Group, Inc.</b>         |                               |                           |
| 4.133% (US0003M + 1.680%)<br>due 03/09/2021 ~        | 600                           | 613                       |
| <b>Takeda Pharmaceutical Co. Ltd.</b>                |                               |                           |
| 1.125% due 11/21/2022                                | EUR 500                       | 589                       |
|  |                               | <b>8,510</b>              |
| <b>SOVEREIGN ISSUES 11.9%</b>                        |                               |                           |
| <b>Development Bank of Japan, Inc.</b>               |                               |                           |
| 1.625% due 09/01/2021                                | \$ 1,200                      | 1,189                     |
| <b>Japan Bank for International Cooperation</b>      |                               |                           |
| 2.375% due 07/21/2022                                | 300                           | 303                       |
| 2.375% due 11/16/2022                                | 200                           | 202                       |
| 3.250% due 07/20/2023                                | 700                           | 732                       |
| 3.375% due 10/31/2023                                | 300                           | 316                       |
| <b>Japan Finance Organization for Municipalities</b> |                               |                           |
| 2.125% due 04/13/2021                                | 2,100                         | 2,098                     |
| 2.625% due 04/20/2022                                | 1,600                         | 1,621                     |

|  | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|--|-------------------------------|---------------------------|
| <b>Japan Government International Bond</b>               |                               |                           |
| 0.100% due 03/10/2028 (f)                                | JPY 454,469                   | \$ 4,403                  |
| 0.100% due 03/20/2029                                    | 3,100,000                     | 29,505                    |
| 0.300% due 06/20/2046                                    | 620,000                       | 5,708                     |
| 0.500% due 09/20/2046                                    | 452,000                       | 4,376                     |
| 0.500% due 03/20/2049                                    | 568,000                       | 5,474                     |
| 0.700% due 12/20/2048                                    | 972,000                       | 9,871                     |
| <b>Tokyo Metropolitan Government</b>                     |                               |                           |
| 2.000% due 05/17/2021                                    | \$ 700                        | 698                       |
| 2.500% due 06/08/2022                                    | 600                           | 606                       |
|  |                               | <b>67,102</b>             |
| <b>Total Japan (Cost \$73,089)</b>                       |                               | <b>75,612</b>             |
| <b>KUWAIT 0.6%</b>                                       |                               |                           |
| <b>SOVEREIGN ISSUES 0.6%</b>                             |                               |                           |
| <b>Kuwait International Government Bond</b>              |                               |                           |
| 2.750% due 03/20/2022                                    | \$ 200                        | 203                       |
| 3.500% due 03/20/2027                                    | 2,800                         | 2,985                     |
| <b>Total Kuwait (Cost \$2,977)</b>                       |                               | <b>3,188</b>              |
| <b>LITHUANIA 0.2%</b>                                    |                               |                           |
| <b>SOVEREIGN ISSUES 0.2%</b>                             |                               |                           |
| <b>Lithuania Government International Bond</b>           |                               |                           |
| 6.125% due 03/09/2021                                    | \$ 1,000                      | 1,063                     |
| <b>Total Lithuania (Cost \$1,043)</b>                    |                               | <b>1,063</b>              |
| <b>LUXEMBOURG 0.3%</b>                                   |                               |                           |
| <b>ASSET-BACKED SECURITIES 0.0%</b>                      |                               |                           |
| <b>Bavarian Sky S.A.</b>                                 |                               |                           |
| 0.012% due 10/20/2024 •                                  | EUR 124                       | 142                       |
| <b>CORPORATE BONDS &amp; NOTES 0.3%</b>                  |                               |                           |
| <b>Aroundtown S.A.</b>                                   |                               |                           |
| 1.625% due 01/31/2028                                    | 700                           | 804                       |
| <b>Blackstone Property Partners Europe Holdings SARL</b> |                               |                           |
| 1.400% due 07/06/2022                                    | 400                           | 466                       |
| <b>Emerald Bay S.A.</b>                                  |                               |                           |
| 0.000% due 10/08/2020 (d)                                | 289                           | 318                       |
|  |                               | <b>1,588</b>              |
| <b>Total Luxembourg (Cost \$1,702)</b>                   |                               | <b>1,730</b>              |
| <b>MULTINATIONAL 0.2%</b>                                |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.2%</b>                  |                               |                           |
| <b>Preferred Term Securities Ltd.</b>                    |                               |                           |
| 2.810% (US0003M + 0.400%)<br>due 06/23/2035 ~            | \$ 937                        | 900                       |
| <b>Total Multinational (Cost \$702)</b>                  |                               | <b>900</b>                |
| <b>NETHERLANDS 1.8%</b>                                  |                               |                           |
| <b>ASSET-BACKED SECURITIES 0.4%</b>                      |                               |                           |
| <b>Chapel BV</b>   |                               |                           |
| 0.050% due 07/17/2066 •                                  | EUR 46                        | 52                        |
| <b>Dryden Euro CLO BV</b>                                |                               |                           |
| 0.880% due 01/15/2030 •                                  | 1,200                         | 1,366                     |
| <b>Penta CLO BV</b>                                      |                               |                           |
| 0.790% due 08/04/2028 •                                  | 600                           | 683                       |
|  |                               | <b>2,101</b>              |
| <b>CORPORATE BONDS &amp; NOTES 1.4%</b>                  |                               |                           |
| <b>Cooperatieve Rabobank UA</b>                          |                               |                           |
| 3.125% due 04/26/2021                                    | \$ 400                        | 406                       |
| 5.500% due 06/29/2020 •(g)(h)                            | EUR 200                       | 237                       |
| 6.875% due 03/19/2020 (h)                                | 700                           | 836                       |



|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|
| <b>ING Bank NV</b>                                    |                               |                           |
| 2.625% due 12/05/2022                                 | \$ 3,600                      | \$ 3,673                  |
| <b>Mondelez International Holdings Netherlands BV</b> |                               |                           |
| 2.000% due 10/28/2021                                 | 500                           | 495                       |
| <b>NXP BV</b>   |                               |                           |
| 4.125% due 06/01/2021                                 | 800                           | 821                       |
| <b>Stichting AK Rabobank Certificaten</b>             |                               |                           |
| 6.500% due 12/29/2049 (g)                             | EUR 150                       | 209                       |
| <b>Syngenta Finance NV</b>                            |                               |                           |
| 3.698% due 04/24/2020                                 | \$ 700                        | 705                       |
| <b>Teva Pharmaceutical Finance Netherlands BV</b>     |                               |                           |
| 3.250% due 04/15/2022                                 | EUR 300                       | 337                       |
| <b>Vonovia Finance BV</b>                             |                               |                           |
| 5.000% due 10/02/2023                                 | \$ 100                        | 106                       |
|   |                               | 7,825                     |
| <b>Total Netherlands (Cost \$9,815)</b>               |                               | <b>9,926</b>              |
| <b>NORWAY 0.3%</b>                                    |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.3%</b>               |                               |                           |
| <b>DNB Boligkreditt A/S</b>                           |                               |                           |
| 2.500% due 03/28/2022                                 | \$ 1,100                      | 1,114                     |
| 3.250% due 06/28/2023                                 | 500                           | 522                       |
|   |                               | 1,636                     |
| <b>SOVEREIGN ISSUES 0.0%</b>                          |                               |                           |
| <b>Norway Government International Bond</b>           |                               |                           |
| 3.750% due 05/25/2021                                 | NOK 1,800                     | 221                       |
| <b>Total Norway (Cost \$1,848)</b>                    |                               | <b>1,857</b>              |
| <b>PERU 0.7%</b>                                      |                               |                           |
| <b>SOVEREIGN ISSUES 0.7%</b>                          |                               |                           |
| <b>Peru Government International Bond</b>             |                               |                           |
| 5.940% due 02/12/2029                                 | PEN 1,800                     | 597                       |
| 6.350% due 08/12/2028                                 | 9,400                         | 3,206                     |
| <b>Total Peru (Cost \$3,589)</b>                      |                               | <b>3,803</b>              |
| <b>POLAND 0.3%</b>                                    |                               |                           |
| <b>SOVEREIGN ISSUES 0.3%</b>                          |                               |                           |
| <b>Poland Government International Bond</b>           |                               |                           |
| 2.250% due 04/25/2022                                 | PLN 6,600                     | 1,794                     |
| <b>Total Poland (Cost \$1,659)</b>                    |                               | <b>1,794</b>              |
| <b>QATAR 1.7%</b>                                     |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>               |                               |                           |
| <b>Ras Laffan Liquefied Natural Gas Co. Ltd.</b>      |                               |                           |
| 6.750% due 09/30/2019                                 | \$ 400                        | 404                       |
| <b>SOVEREIGN ISSUES 1.6%</b>                          |                               |                           |
| <b>Qatar Government International Bond</b>            |                               |                           |
| 3.375% due 03/14/2024                                 | 400                           | 414                       |
| 3.875% due 04/23/2023                                 | 3,800                         | 3,990                     |
| 4.000% due 03/14/2029                                 | 2,200                         | 2,374                     |
| 4.500% due 04/23/2028                                 | 1,800                         | 2,017                     |
| 4.817% due 03/14/2049                                 | 200                           | 230                       |
|   |                               | 9,025                     |
| <b>Total Qatar (Cost \$8,795)</b>                     |                               | <b>9,429</b>              |
| <b>SAUDI ARABIA 1.5%</b>                              |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>               |                               |                           |
| <b>Saudi Arabian Oil Co.</b>                          |                               |                           |
| 2.750% due 04/16/2022                                 | \$ 400                        | 404                       |

|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|
| <b>SOVEREIGN ISSUES 1.4%</b>                    |                               |                           |
| <b>Saudi Government International Bond</b>      |                               |                           |
| 2.375% due 10/26/2021                           | \$ 3,700                      | \$ 3,698                  |
| 2.875% due 03/04/2023                           | 1,000                         | 1,013                     |
| 3.250% due 10/26/2026                           | 400                           | 409                       |
| 3.625% due 03/04/2028                           | 500                           | 515                       |
| 4.000% due 04/17/2025                           | 1,900                         | 2,025                     |
| 4.375% due 04/16/2029                           | 400                           | 433                       |
|   |                               | 8,093                     |
| <b>Total Saudi Arabia (Cost \$8,252)</b>        |                               | <b>8,497</b>              |
| <b>SINGAPORE 0.6%</b>                           |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.6%</b>         |                               |                           |
| <b>BOC Aviation Ltd.</b>                        |                               |                           |
| 2.375% due 09/15/2021                           | \$ 1,000                      | 989                       |
| 3.500% due 09/18/2027                           | 300                           | 299                       |
| <b>Clifford Capital Pte. Ltd.</b>               |                               |                           |
| 3.380% due 03/07/2028                           | 600                           | 634                       |
| <b>DBS Bank Ltd.</b>                            |                               |                           |
| 3.300% due 11/27/2021                           | 400                           | 410                       |
| <b>Oversea-Chinese Banking Corp. Ltd.</b>       |                               |                           |
| 2.975% due 05/17/2021 ~                         | 700                           | 700                       |
| <b>PSA Treasury Pte. Ltd.</b>                   |                               |                           |
| 2.500% due 04/12/2026                           | 400                           | 396                       |
| <b>Total Singapore (Cost \$3,353)</b>           |                               | <b>3,428</b>              |
| <b>SLOVENIA 0.3%</b>                            |                               |                           |
| <b>SOVEREIGN ISSUES 0.3%</b>                    |                               |                           |
| <b>Slovenia Government International Bond</b>   |                               |                           |
| 5.250% due 02/18/2024                           | \$ 1,419                      | 1,597                     |
| <b>Total Slovenia (Cost \$1,483)</b>            |                               | <b>1,597</b>              |
| <b>SOUTH KOREA 2.2%</b>                         |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>         |                               |                           |
| <b>Kookmin Bank</b>                             |                               |                           |
| 2.125% due 10/21/2020                           | \$ 400                        | 398                       |
| <b>SOVEREIGN ISSUES 2.1%</b>                    |                               |                           |
| <b>Korea Government International Bond</b>      |                               |                           |
| 2.125% due 06/10/2027                           | KRW 1,225,000                 | 1,103                     |
| 2.375% due 12/10/2027                           | 1,350,000                     | 1,242                     |
| 2.375% due 12/10/2028                           | 5,820,000                     | 5,388                     |
| 2.625% due 06/10/2028                           | 2,450,000                     | 2,305                     |
| 5.500% due 03/10/2028                           | 1,350,000                     | 1,558                     |
| <b>Korea Hydro &amp; Nuclear Power Co. Ltd.</b> |                               |                           |
| 3.750% due 07/25/2023                           | \$ 200                        | 209                       |
|   |                               | 11,805                    |
| <b>Total South Korea (Cost \$12,137)</b>        |                               | <b>12,203</b>             |
| <b>SPAIN 4.9%</b>                               |                               |                           |
| <b>ASSET-BACKED SECURITIES 0.0%</b>             |                               |                           |
| <b>Driver Espana</b>                            |                               |                           |
| 0.009% due 12/21/2028 •                         | EUR 110                       | 125                       |
| <b>CORPORATE BONDS &amp; NOTES 0.8%</b>         |                               |                           |
| <b>Banco Bilbao Vizcaya Argentaria S.A.</b>     |                               |                           |
| 5.875% due 09/24/2023 •(g)(h)                   | 200                           | 236                       |
| 6.750% due 02/18/2020 •(g)(h)                   | 400                           | 468                       |
| <b>Banco Santander S.A.</b>                     |                               |                           |
| 3.848% due 04/12/2023                           | \$ 200                        | 208                       |
| 4.750% due 03/19/2025 •(g)(h)                   | EUR 200                       | 216                       |
| 6.250% due 09/11/2021 •(g)(h)                   | 400                           | 479                       |
| <b>Merlin Properties Socimi S.A.</b>            |                               |                           |
| 2.225% due 04/25/2023                           | 200                           | 243                       |
| <b>Telefonica Emisiones S.A.</b>                |                               |                           |
| 5.134% due 04/27/2020                           | \$ 800                        | 816                       |

|  | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|--|-------------------------------|---------------------------|
| 5.877% due 07/15/2019                            | \$ 2,000                      | \$ 2,002                  |
|  |                               | 4,668                     |
| <b>SOVEREIGN ISSUES 4.1%</b>                     |                               |                           |
| <b>Autonomous Community of Catalonia</b>         |                               |                           |
| 4.220% due 04/26/2035                            | EUR 200                       | 274                       |
| 4.900% due 09/15/2021                            | 1,000                         | 1,230                     |
| 4.950% due 02/11/2020                            | 1,370                         | 1,602                     |
| <b>Autonomous Community of Valencia</b>          |                               |                           |
| 4.900% due 03/17/2020                            | 600                           | 706                       |
| <b>Spain Government International Bond</b>       |                               |                           |
| 0.250% due 07/30/2024                            | 2,200                         | 2,555                     |
| 0.600% due 10/31/2029                            | 4,400                         | 5,080                     |
| 1.400% due 07/30/2028                            | 6,400                         | 7,983                     |
| 1.450% due 04/30/2029                            | 500                           | 627                       |
| 2.700% due 10/31/2048                            | 400                           | 599                       |
| 2.900% due 10/31/2046                            | 1,600                         | 2,474                     |
|  |                               | 23,130                    |
| <b>Total Spain (Cost \$26,306)</b>               |                               | <b>27,923</b>             |
| <b>SUPRANATIONAL 0.1%</b>                        |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>          |                               |                           |
| <b>European Investment Bank</b>                  |                               |                           |
| 0.500% due 06/21/2023                            | AUD 500                       | 337                       |
| 0.500% due 08/10/2023                            | 400                           | 269                       |
| <b>Total Supranational (Cost \$674)</b>          |                               | <b>606</b>                |
| <b>SWEDEN 4.1%</b>                               |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 4.1%</b>          |                               |                           |
| <b>Danske Hypotek AB</b>                         |                               |                           |
| 1.000% due 12/21/2022                            | SEK 18,000                    | 2,003                     |
| <b>Lansforsakringar Hypotek AB</b>               |                               |                           |
| 1.250% due 09/20/2023                            | 20,600                        | 2,324                     |
| 1.500% due 03/18/2021                            | EUR 700                       | 822                       |
| 2.250% due 09/21/2022                            | SEK 14,300                    | 1,652                     |
| <b>Nordea Hypotek AB</b>                         |                               |                           |
| 1.000% due 04/08/2022                            | 38,900                        | 4,311                     |
| <b>Skandinaviska Enskilda Banken AB</b>          |                               |                           |
| 1.500% due 12/15/2021                            | 12,000                        | 1,343                     |
| <b>Stadshypotek AB</b>                           |                               |                           |
| 1.500% due 12/15/2021                            | 31,000                        | 3,469                     |
| 2.500% due 04/05/2022                            | \$ 300                        | 303                       |
| 4.500% due 09/21/2022                            | SEK 22,000                    | 2,713                     |
| <b>Sveriges Sakerstallda Obligationer AB</b>     |                               |                           |
| 1.250% due 06/15/2022                            | 25,000                        | 2,795                     |
| 2.000% due 06/17/2026                            | 6,000                         | 712                       |
| <b>Swedbank Hypotek AB</b>                       |                               |                           |
| 1.000% due 09/15/2021                            | 3,900                         | 430                       |
| <b>Total Sweden (Cost \$23,534)</b>              |                               | <b>22,877</b>             |
| <b>SWITZERLAND 0.7%</b>                          |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.6%</b>          |                               |                           |
| <b>Credit Suisse AG</b>                          |                               |                           |
| 0.750% due 09/17/2021                            | EUR 200                       | 233                       |
| 6.500% due 08/08/2023 (h)                        | \$ 200                        | 221                       |
| <b>Credit Suisse Group AG</b>                    |                               |                           |
| 3.628% due 12/14/2023 ~                          | 800                           | 802                       |
| <b>UBS AG</b>                                    |                               |                           |
| 2.200% due 06/08/2020                            | 900                           | 900                       |
| 3.000% due 12/01/2020 ~                          | 1,200                         | 1,204                     |
|  |                               | 3,360                     |
| <b>SOVEREIGN ISSUES 0.1%</b>                     |                               |                           |
| <b>Switzerland Government International Bond</b> |                               |                           |
| 3.500% due 04/08/2033                            | CHF 300                       | 472                       |
| <b>Total Switzerland (Cost \$3,767)</b>          |                               | <b>3,832</b>              |

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|
| <b>UNITED ARAB EMIRATES 0.4%</b>                          |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 0.1%</b>                   |                               |                           |
| <b>First Abu Dhabi Bank PJSC</b>                          |                               |                           |
| 2.250% due 02/11/2020                                     | \$ 500                        | \$ 499                    |
| 3.000% due 03/30/2022                                     | 200                           | 202                       |
|   |                               | 701                       |
| <b>SOVEREIGN ISSUES 0.3%</b>                              |                               |                           |
| <b>Emirate of Abu Dhabi Government International Bond</b> |                               |                           |
| 2.500% due 10/11/2022                                     | 500                           | 505                       |
| 3.125% due 10/11/2027                                     | 900                           | 935                       |
|   |                               | 1,440                     |
| <b>Total United Arab Emirates (Cost \$2,090)</b>          |                               | <b>2,141</b>              |
| <b>UNITED KINGDOM 10.2%</b>                               |                               |                           |
| <b>CORPORATE BONDS &amp; NOTES 5.9%</b>                   |                               |                           |
| <b>Barclays Bank PLC</b>                                  |                               |                           |
| 7.625% due 11/21/2022 (h)                                 | \$ 3,300                      | 3,606                     |
| <b>Barclays PLC</b>                                       |                               |                           |
| 3.650% due 03/16/2025                                     | 600                           | 604                       |
| 3.948% due 02/15/2023 ~                                   | 700                           | 697                       |
| 4.610% due 02/15/2023 •                                   | 1,300                         | 1,348                     |
| 4.655% (US0003M + 2.110%)<br>due 08/10/2021 ~             | 600                           | 613                       |
| 6.500% due 09/15/2019 •(g)(h)                             | EUR 1,000                     | 1,151                     |
| 7.000% due 09/15/2019 •(g)(h)                             | GBP 200                       | 256                       |
| 7.125% due 06/15/2025 •(g)(h)                             | 500                           | 664                       |
| 7.750% due 09/15/2023 •(g)(h)                             | \$ 300                        | 308                       |
| 8.000% due 12/15/2020 •(g)(h)                             | EUR 200                       | 246                       |
| 8.000% due 06/15/2024 •(g)(h)                             | \$ 400                        | 420                       |
| <b>BAT International Finance PLC</b>                      |                               |                           |
| 1.625% due 09/09/2019                                     | 400                           | 399                       |
| <b>Co-operative Group Holdings Ltd.</b>                   |                               |                           |
| 6.875% due 07/08/2020 b                                   | GBP 400                       | 536                       |
| <b>FCE Bank PLC</b>                                       |                               |                           |
| 1.660% due 02/11/2021                                     | EUR 200                       | 232                       |
| <b>Frontier Finance PLC</b>                               |                               |                           |
| 8.000% due 03/23/2022                                     | GBP 1,500                     | 1,990                     |
| <b>HSBC Holdings PLC</b>                                  |                               |                           |
| 3.120% due 05/18/2021 ~                                   | \$ 600                        | 601                       |
| 3.520% due 05/18/2024 ~                                   | 300                           | 301                       |
| 4.583% due 06/19/2029 •                                   | 800                           | 874                       |
| 4.750% due 07/04/2029 •(g)(h)                             | EUR 200                       | 239                       |
| 5.875% due 09/28/2026 •(g)(h)                             | GBP 300                       | 401                       |
| <b>Imperial Brands Finance PLC</b>                        |                               |                           |
| 2.950% due 07/21/2020                                     | \$ 800                        | 802                       |
| <b>Lloyds Bank PLC</b>                                    |                               |                           |
| 4.875% due 03/30/2027                                     | GBP 500                       | 792                       |
| 5.125% due 03/07/2025                                     | 700                           | 1,073                     |
| <b>Nationwide Building Society</b>                        |                               |                           |
| 3.766% due 03/08/2024 •                                   | \$ 1,200                      | 1,225                     |
| <b>Natwest Markets PLC</b>                                |                               |                           |
| 0.625% due 03/02/2022                                     | EUR 300                       | 343                       |
| <b>RAC Bond Co. PLC</b>                                   |                               |                           |
| 4.870% due 05/06/2046                                     | GBP 300                       | 375                       |
| <b>Reckitt Benckiser Treasury Services PLC</b>            |                               |                           |
| 2.375% due 06/24/2022                                     | \$ 600                        | 599                       |
| <b>Royal Bank of Scotland Group PLC</b>                   |                               |                           |
| 3.875% due 09/12/2023                                     | 300                           | 308                       |
| 3.899% due 06/25/2024 ~                                   | 1,000                         | 999                       |
| 4.269% due 03/22/2025 •                                   | 1,100                         | 1,138                     |
| 4.519% due 06/25/2024 •                                   | 1,000                         | 1,042                     |
| 7.500% due 08/10/2020 •(g)(h)                             | 500                           | 514                       |
| 8.625% due 08/15/2021 •(g)(h)                             | 500                           | 540                       |
| <b>Santander UK Group Holdings PLC</b>                    |                               |                           |
| 0.505% due 03/27/2024 ~                                   | EUR 1,800                     | 2,012                     |
| 2.875% due 10/16/2020                                     | \$ 1,700                      | 1,705                     |
| 2.875% due 08/05/2021                                     | 400                           | 401                       |
| 7.375% due 06/24/2022 •(g)(h)                             | GBP 200                       | 270                       |
| <b>Santander UK PLC</b>                                   |                               |                           |
| 4.250% due 04/12/2021                                     | EUR 300                       | 369                       |

|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|
| <b>Tesco PLC</b>                                      |                               |                           |
| 6.125% due 02/24/2022                                 | GBP 50                        | \$ 71                     |
| <b>Tesco Property Finance PLC</b>                     |                               |                           |
| 5.411% due 07/13/2044                                 | 192                           | 312                       |
| 5.661% due 10/13/2041                                 | 98                            | 161                       |
| <b>Virgin Media Secured Finance PLC</b>               |                               |                           |
| 5.000% due 04/15/2027                                 | 500                           | 656                       |
| <b>Virgin Money PLC</b>                               |                               |                           |
| 2.250% due 04/21/2020                                 | 700                           | 896                       |
| <b>Vodafone Group PLC</b>                             |                               |                           |
| 3.591% due 01/16/2024 ~                               | \$ 500                        | 502                       |
| 3.750% due 01/16/2024                                 | 400                           | 419                       |
|   |                               | 33,010                    |
| <b>NON-AGENCY MORTGAGE-BACKED SECURITIES 3.5%</b>     |                               |                           |
| <b>Brunel Residential Mortgage Securitisation PLC</b> |                               |                           |
| 1.041% due 01/13/2039 •                               | GBP 1,075                     | 1,340                     |
| <b>Business Mortgage Finance PLC</b>                  |                               |                           |
| 2.806% due 02/15/2041 •                               | 222                           | 278                       |
| <b>Dukinfield PLC</b>                                 |                               |                           |
| 1.806% due 08/15/2045 •                               | 586                           | 746                       |
| <b>Eurohome UK Mortgages PLC</b>                      |                               |                           |
| 0.936% due 06/15/2044 •                               | 359                           | 440                       |
| <b>Eurosail PLC</b>                                   |                               |                           |
| 0.946% due 06/10/2044 •                               | 11                            | 14                        |
| 1.739% due 06/13/2045 •                               | 524                           | 661                       |
| <b>Finsbury Square PLC</b>                            |                               |                           |
| 1.743% due 09/12/2068 •                               | 967                           | 1,232                     |
| <b>Harben Finance PLC</b>                             |                               |                           |
| 1.604% due 08/20/2056 •                               | 1,091                         | 1,385                     |
| <b>Lanark Master Issuer PLC</b>                       |                               |                           |
| 1.619% due 12/22/2069 ~                               | 1,000                         | 1,275                     |
| <b>Mansard Mortgages PLC</b>                          |                               |                           |
| 1.436% due 12/15/2049 •                               | 144                           | 179                       |
| <b>Newgate Funding PLC</b>                            |                               |                           |
| 0.953% due 12/01/2050 •                               | 288                           | 347                       |
| 1.786% due 12/15/2050 •                               | 253                           | 310                       |
| <b>Paragon Mortgages PLC</b>                          |                               |                           |
| 1.061% due 01/15/2039 •                               | 708                           | 853                       |
| <b>Residential Mortgage Securities PLC</b>            |                               |                           |
| 1.732% due 12/20/2046 •                               | 939                           | 1,194                     |
| 1.982% due 09/20/2065 •                               | 918                           | 1,172                     |
| <b>Ripon Mortgages PLC</b>                            |                               |                           |
| 1.604% due 08/20/2056 •                               | 2,422                         | 3,073                     |
| <b>RMAC Securities PLC</b>                            |                               |                           |
| 0.943% due 06/12/2044 •                               | 446                           | 536                       |
| <b>Thrones PLC</b>                                    |                               |                           |
| 1.656% due 11/15/2049 •                               | 210                           | 267                       |
| <b>Towd Point Mortgage Funding PLC</b>                |                               |                           |
| 1.823% due 04/20/2045 •                               | 572                           | 727                       |
| 1.855% due 10/20/2051 ~                               | 1,700                         | 2,167                     |
| 2.004% due 02/20/2054 •                               | 1,023                         | 1,302                     |
|   |                               | 19,498                    |
|   | SHARES                        |                           |
| <b>PREFERRED SECURITIES 0.0%</b>                      |                               |                           |
| <b>Nationwide Building Society</b>                    |                               |                           |
| 10.250% ~   | 960                           | 185                       |
|   | PRINCIPAL<br>AMOUNT<br>(000S) |                           |
| <b>SOVEREIGN ISSUES 0.8%</b>                          |                               |                           |
| <b>United Kingdom Gilt</b>                            |                               |                           |
| 3.250% due 01/22/2044                                 | \$ 1,200                      | 2,081                     |
| 4.250% due 12/07/2040                                 | 1,200                         | 2,325                     |
|   |                               | 4,406                     |
| <b>Total United Kingdom (Cost \$56,983)</b>           |                               | <b>57,099</b>             |

|  | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|--|-------------------------------|---------------------------|
| <b>UNITED STATES 48.3%</b>   |                               |                           |
| <b>ASSET-BACKED SECURITIES 6.3%</b>  |                               |                           |
| <b>ACE Securities Corp. Home Equity Loan Trust</b>                         |                               |                           |
| 2.544% due 07/25/2036 •  | \$ 1,380                      | \$ 1,127                  |
| <b>Amortizing Residential Collateral Trust</b>                             |                               |                           |
| 3.104% due 10/25/2031 •  | 1                             | 1                         |
| <b>AMRESCO Residential Securities Corp. Mortgage<br/>Loan Trust</b>        |                               |                           |
| 3.344% due 06/25/2029 •  | 1                             | 1                         |
| <b>Argent Mortgage Loan Trust</b>  |                               |                           |
| 2.884% due 05/25/2035 •  | 1,762                         | 1,702                     |
| <b>Argent Securities, Inc. Asset-Backed Pass-<br/>Through Certificates</b> |                               |                           |
| 2.784% due 02/25/2036 •  | 587                           | 481                       |
| <b>Bayview Opportunity Master Fund Trust</b>                               |                               |                           |
| 4.090% due 02/28/2034 b  | 1,276                         | 1,301                     |
| <b>Citigroup Mortgage Loan Trust</b>                                       |                               |                           |
| 2.564% due 12/25/2036 •  | 568                           | 386                       |
| 2.664% due 03/25/2036 •  | 598                           | 555                       |
| <b>Citigroup Mortgage Loan Trust, Inc.</b>                                 |                               |                           |
| 2.664% due 06/25/2037 •  | 2,700                         | 2,629                     |
| 3.064% due 07/25/2035 •  | 1,200                         | 1,191                     |
| <b>Countrywide Asset-Backed Certificates</b>                               |                               |                           |
| 2.534% due 12/25/2036 ^•   | 412                           | 388                       |
| 2.544% due 06/25/2035 •  | 385                           | 353                       |
| 2.544% due 03/25/2037 •  | 1,800                         | 1,673                     |
| 2.544% due 06/25/2037 •  | 503                           | 477                       |
| 2.544% due 07/25/2037 •  | 357                           | 325                       |
| 2.544% due 06/25/2047 ^•   | 391                           | 353                       |
| 2.544% due 06/25/2047 •  | 1,232                         | 1,165                     |
| 2.554% due 04/25/2047 ^•   | 356                           | 346                       |
| 2.694% due 07/25/2036 •  | 365                           | 361                       |
| 4.758% due 08/25/2035 ^~   | 469                           | 430                       |
| <b>Countrywide Asset-Backed Certificates Trust</b>                         |                               |                           |
| 3.754% due 04/25/2035 •  | 1,000                         | 1,014                     |
| <b>Credit Suisse First Boston Mortgage Securities Corp.</b>                |                               |                           |
| 3.024% due 01/25/2032 •  | 1                             | 1                         |
| <b>First Franklin Mortgage Loan Trust</b>                                  |                               |                           |
| 2.519% due 07/25/2036 •  | 1,296                         | 1,232                     |
| <b>GSAMP Trust</b>   |                               |                           |
| 3.049% due 11/25/2035 ^•   | 1,337                         | 1,021                     |
| <b>Home Equity Mortgage Loan Asset-Backed Trust</b>                        |                               |                           |
| 2.644% due 04/25/2037 •  | 585                           | 448                       |
| <b>HSI Asset Securitization Corp. Trust</b>                                |                               |                           |
| 2.664% due 04/25/2037 •  | 788                           | 534                       |
| <b>Long Beach Mortgage Loan Trust</b>                                      |                               |                           |
| 2.964% due 10/25/2034 •  | 12                            | 12                        |
| <b>Merrill Lynch Mortgage Investors Trust</b>                              |                               |                           |
| 2.554% due 08/25/2037 •  | 1,423                         | 922                       |
| <b>Morgan Stanley ABS Capital, Inc. Trust</b>                              |                               |                           |
| 2.534% due 10/25/2036 •  | 152                           | 147                       |
| <b>Morgan Stanley Home Equity Loan Trust</b>                               |                               |                           |
| 2.504% due 12/25/2036 •  | 1,022                         | 596                       |
| 2.634% due 04/25/2037 •  | 852                           | 581                       |
| <b>Morgan Stanley Mortgage Loan Trust</b>                                  |                               |                           |
| 5.919% due 09/25/2046 ^b   | 168                           | 76                        |
| <b>Nomura Home Equity Loan, Inc. Home Equity<br/>Loan Trust</b>            |                               |                           |
| 2.694% due 03/25/2036 •  | 700                           | 690                       |
| <b>NovaStar Mortgage Funding Trust</b>                                     |                               |                           |
| 2.534% due 03/25/2037 •  | 750                           | 570                       |
| <b>Option One Mortgage Loan Trust</b>                                      |                               |                           |
| 2.544% due 01/25/2037 •  | 446                           | 336                       |
| <b>Renaissance Home Equity Loan Trust</b>                                  |                               |                           |
| 4.954% due 12/25/2032 •  | 387                           | 381                       |
| 5.294% due 01/25/2037 b  | 641                           | 339                       |
| 5.675% due 06/25/2037 ^b   | 1,053                         | 455                       |
| 5.731% due 11/25/2036 b  | 1,010                         | 558                       |
| <b>Residential Asset Mortgage Products Trust</b>                           |                               |                           |
| 2.624% due 12/25/2035 •  | 394                           | 364                       |
| 2.864% due 12/25/2035 •  | 964                           | 827                       |
| <b>Residential Asset Securities Corp. Trust</b>                            |                               |                           |
| 2.654% due 11/25/2036 ^•   | 2,023                         | 1,793                     |

|   | PRINCIPAL<br>AMOUNT<br>(000\$) | MARKET<br>VALUE<br>(000\$) |
|---|--------------------------------|----------------------------|
| <b>Continental Resources, Inc.</b>                  |                                |                            |
| 4.375% due 01/15/2028                               | \$ 200                         | \$ 211                     |
| <b>CVS Health Corp.</b>                             |                                |                            |
| 3.350% due 03/09/2021                               | 200                            | 203                        |
| 3.700% due 03/09/2023                               | 400                            | 413                        |
| <b>D.R. Horton, Inc.</b>                            |                                |                            |
| 4.000% due 02/15/2020                               | 1,200                          | 1,209                      |
| <b>Daimler Finance North America LLC</b>            |                                |                            |
| 2.250% due 03/02/2020                               | 400                            | 400                        |
| <b>Delta Air Lines, Inc.</b>                        |                                |                            |
| 2.875% due 03/13/2020                               | 1,400                          | 1,402                      |
| <b>DISH DBS Corp.</b>                               |                                |                            |
| 5.125% due 05/01/2020                               | 600                            | 605                        |
| <b>Dominion Energy Gas Holdings LLC</b>             |                                |                            |
| 3.010% due 06/15/2021 ~                             | 1,000                          | 1,005                      |
| <b>Duke Energy Corp.</b>                            |                                |                            |
| 3.101% due 03/11/2022 ~                             | 1,300                          | 1,307                      |
| <b>eBay, Inc.</b>                                   |                                |                            |
| 2.150% due 06/05/2020                               | 900                            | 898                        |
| <b>EQT Corp.</b>                                    |                                |                            |
| 2.500% due 10/01/2020                               | 500                            | 499                        |
| 3.000% due 10/01/2022                               | 400                            | 397                        |
| <b>ERAC USA Finance LLC</b>                         |                                |                            |
| 2.600% due 12/01/2021                               | 1,200                          | 1,203                      |
| <b>Fidelity National Information Services, Inc.</b> |                                |                            |
| 0.400% due 01/15/2021                               | EUR 200                        | 229                        |
| 0.750% due 05/21/2023                               | 300                            | 348                        |
| 1.700% due 06/30/2022                               | GBP 200                        | 256                        |
| <b>Ford Motor Credit Co. LLC</b>                    |                                |                            |
| 0.100% due 12/07/2022 ~                             | EUR 100                        | 109                        |
| 1.897% due 08/12/2019                               | \$ 1,800                       | 1,798                      |
| 3.592% (US0003M + 1.000%)<br>due 01/09/2020 ~       | 700                            | 701                        |
| <b>GATX Corp.</b>                                   |                                |                            |
| 3.285% due 11/05/2021 ~                             | 1,200                          | 1,195                      |
| <b>General Mills, Inc.</b>                          |                                |                            |
| 3.200% due 04/16/2021                               | 100                            | 102                        |
| 3.700% due 10/17/2023                               | 100                            | 105                        |
| <b>General Motors Financial Co., Inc.</b>           |                                |                            |
| 3.550% due 07/08/2022                               | 700                            | 713                        |
| <b>Georgia-Pacific LLC</b>                          |                                |                            |
| 3.163% due 11/15/2021                               | 400                            | 406                        |
| <b>Goldman Sachs Group, Inc.</b>                    |                                |                            |
| 3.752% (US0003M + 1.160%)<br>due 04/23/2020 ~       | 400                            | 403                        |
| 4.223% due 05/01/2029 •                             | 100                            | 107                        |
| <b>Goodman U.S. Finance Three LLC</b>               |                                |                            |
| 3.700% due 03/15/2028                               | 600                            | 607                        |
| <b>Harley-Davidson Financial Services, Inc.</b>     |                                |                            |
| 3.460% due 03/02/2021 ~                             | 400                            | 400                        |
| <b>Harris Corp.</b>                                 |                                |                            |
| 3.063% due 04/30/2020 ~                             | 600                            | 600                        |
| <b>International Lease Finance Corp.</b>            |                                |                            |
| 8.250% due 12/15/2020                               | 500                            | 540                        |
| <b>Jackson National Life Global Funding</b>         |                                |                            |
| 2.375% due 09/15/2022 «(b)                          | 1,400                          | 1,402                      |
| <b>JPMorgan Chase Bank N.A.</b>                     |                                |                            |
| 2.926% due 04/26/2021 ~                             | 400                            | 401                        |
| 3.086% due 04/26/2021 •                             | 800                            | 804                        |
| <b>Kilroy Realty LP</b>                             |                                |                            |
| 3.450% due 12/15/2024                               | 100                            | 103                        |
| <b>Kinder Morgan, Inc.</b>                          |                                |                            |
| 5.000% due 02/15/2021                               | 400                            | 415                        |
| <b>KLA-Tencor Corp.</b>                             |                                |                            |
| 4.125% due 11/01/2021                               | 400                            | 414                        |
| <b>Kraft Heinz Foods Co.</b>                        |                                |                            |
| 3.115% due 02/10/2021 ~                             | 900                            | 899                        |
| <b>MassMutual Global Funding</b>                    |                                |                            |
| 2.250% due 07/01/2022 (b)                           | 1,400                          | 1,401                      |
| <b>McDonald's Corp.</b>                             |                                |                            |
| 3.012% due 10/28/2021 ~                             | 700                            | 701                        |
| <b>Metropolitan Life Global Funding</b>             |                                |                            |
| 2.400% due 06/17/2022                               | 600                            | 603                        |

|   | PRINCIPAL<br>AMOUNT<br>(000S) | MARKET<br>VALUE<br>(000S) |
|---|-------------------------------|---------------------------|
| <b>Mid-America Apartments LP</b>                |                               |                           |
| 4.200% due 06/15/2028                           | \$ 600                        | \$ 645                    |
| <b>MUFG Americas Holdings Corp.</b>             |                               |                           |
| 3.000% due 02/10/2025                           | 560                           | 567                       |
| <b>Navient Corp.</b>                            |                               |                           |
| 8.000% due 03/25/2020                           | 300                           | 311                       |
| <b>Newmont Goldcorp Corp.</b>                   |                               |                           |
| 5.125% due 10/01/2019                           | 800                           | 805                       |
| <b>NextEra Energy Capital Holdings, Inc.</b>    |                               |                           |
| 2.835% due 09/03/2019 ~                         | 1,100                         | 1,100                     |
| 2.921% due 08/21/2020 ~                         | 500                           | 500                       |
| 3.241% due 02/25/2022 ~                         | 1,000                         | 1,006                     |
| <b>Nissan Motor Acceptance Corp.</b>            |                               |                           |
| 3.020% due 09/28/2022 ~                         | 1,000                         | 994                       |
| <b>Northwell Healthcare, Inc.</b>               |                               |                           |
| 4.260% due 11/01/2047                           | 400                           | 427                       |
| <b>Penske Truck Leasing Co. LP</b>              |                               |                           |
| 3.950% due 03/10/2025                           | 1,400                         | 1,470                     |
| <b>Protective Life Global Funding</b>           |                               |                           |
| 2.262% due 04/08/2020                           | 2,200                         | 2,197                     |
| <b>Public Service Co. of Oklahoma</b>           |                               |                           |
| 4.400% due 02/01/2021                           | 200                           | 206                       |
| <b>Public Service Enterprise Group, Inc.</b>    |                               |                           |
| 2.000% due 11/01/2021                           | 400                           | 396                       |
| <b>Rockwell Collins, Inc.</b>                   |                               |                           |
| 2.800% due 03/15/2022                           | 900                           | 909                       |
| <b>Sempra Energy</b>                            |                               |                           |
| 2.860% due 03/15/2021 ~                         | 800                           | 797                       |
| <b>SL Green Operating Partnership LP</b>        |                               |                           |
| 3.250% due 10/15/2022                           | 500                           | 507                       |
| <b>Southern Co.</b>                             |                               |                           |
| 2.350% due 07/01/2021                           | 500                           | 500                       |
| <b>Southern Power Co.</b>                       |                               |                           |
| 2.937% due 12/20/2020 ~                         | 600                           | 600                       |
| <b>Spectra Energy Partners LP</b>               |                               |                           |
| 3.179% (US0003M + 0.700%)<br>due 06/05/2020 ~   | 100                           | 100                       |
| <b>Spirit AeroSystems, Inc.</b>                 |                               |                           |
| 3.950% due 06/15/2023                           | 600                           | 619                       |
| <b>Sprint Communications, Inc.</b>              |                               |                           |
| 7.000% due 03/01/2020                           | 200                           | 206                       |
| <b>Sprint Spectrum Co. LLC</b>                  |                               |                           |
| 3.360% due 03/20/2023                           | 338                           | 338                       |
| 4.738% due 09/20/2029                           | 300                           | 312                       |
| <b>Textron, Inc.</b>                            |                               |                           |
| 3.095% due 11/10/2020 ~                         | 700                           | 700                       |
| <b>Time Warner Cable LLC</b>                    |                               |                           |
| 5.000% due 02/01/2020 ~                         | 300                           | 304                       |
| <b>UDR, Inc.</b>                                |                               |                           |
| 4.625% due 01/10/2022                           | 200                           | 209                       |
| <b>United Technologies Corp.</b>                |                               |                           |
| 3.175% due 08/16/2021 ~                         | 300                           | 300                       |
| <b>Verizon Communications, Inc.</b>             |                               |                           |
| 3.618% due 05/15/2025 ~                         | 700                           | 710                       |
| 4.329% due 09/21/2028                           | 1,012                         | 1,120                     |
| <b>Volkswagen Group of America Finance LLC</b>  |                               |                           |
| 2.450% due 11/20/2019                           | 1,100                         | 1,100                     |
| 3.305% due 11/13/2020 ~                         | 300                           | 301                       |
| 3.475% due 11/12/2021 ~                         | 300                           | 303                       |
| 3.875% due 11/13/2020                           | 200                           | 204                       |
| 4.000% due 11/12/2021                           | 300                           | 310                       |
| <b>WRKCo, Inc.</b>                              |                               |                           |
| 3.750% due 03/15/2025                           | 300                           | 312                       |
| <b>Zimmer Biomet Holdings, Inc.</b>             |                               |                           |
| 2.700% due 04/01/2020                           | 300                           | 300                       |
| 3.150% due 04/01/2022                           | 2,100                         | 2,136                     |
|   |                               | 76,109                    |
| <b>LOAN PARTICIPATIONS AND ASSIGNMENTS 0.2%</b> |                               |                           |
| <b>CenturyLink, Inc.</b>                        |                               |                           |
| 5.152% (LIBOR03M + 2.750%)<br>due 01/31/2025 ~  | 493                           | 482                       |

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

|   | PRINCIPAL<br>AMOUNT<br>(0005)   | MARKET<br>VALUE<br>(0005)       |
|---|---------------------------------|---------------------------------|
| <b>Charter Communications Operating LLC</b><br>4.330% (LIBOR03M + 2.000%)<br>due 04/30/2025 ~   | \$ 582                          | \$ 582                          |
|   |                                 | 1,064                           |
| <b>NON-AGENCY MORTGAGE-BACKED SECURITIES 1.5%</b>   |                                 |                                 |
| <b>American Home Mortgage Investment Trust</b><br>4.044% due 09/25/2045 •   | 17                              | 17                              |
| <b>Banc of America Alternative Loan Trust</b><br>6.500% due 04/25/2036 ^  | 418                             | 413                             |
| <b>Banc of America Mortgage Trust</b><br>4.479% due 02/25/2036 ^~   | 49                              | 47                              |
| <b>Bear Stearns Adjustable Rate Mortgage Trust</b><br>4.345% due 08/25/2033 ~   | 1                               | 1                               |
| <b>Bear Stearns ALT-A Trust</b><br>2.564% due 02/25/2034 •<br>4.016% due 08/25/2036 ^~<br>4.159% due 11/25/2035 ^~<br>4.253% due 03/25/2036 ^~<br>4.294% due 09/25/2035 ^~  | 38<br>36<br>25<br>112<br>22     | 39<br>25<br>22<br>96<br>19      |
| <b>Bear Stearns Structured Products, Inc. Trust</b><br>3.801% due 12/26/2046 ^~   | 24                              | 21                              |
| <b>Chase Mortgage Finance Trust</b><br>3.799% due 07/25/2037 ~  | 49                              | 45                              |
| <b>Citigroup Mortgage Loan Trust, Inc.</b><br>2.754% due 10/25/2035 •<br>4.680% due 09/25/2035 •  | 1,913<br>4                      | 1,470<br>4                      |
| <b>Citigroup Mortgage Loan Trust, Inc. Mortgage Pass-Through Certificates</b><br>4.243% due 09/25/2035 ^~   | 251                             | 235                             |
| <b>Countrywide Alternative Loan Trust</b><br>2.593% due 03/20/2046 •<br>2.684% due 02/25/2037 •<br>3.504% due 12/25/2035 •<br>4.004% due 11/25/2035 •<br>5.250% due 06/25/2035 ^  | 60<br>45<br>51<br>11<br>7       | 56<br>42<br>47<br>10<br>7       |
| <b>Countrywide Home Loan Mortgage Pass-Through Trust</b><br>2.864% due 05/25/2035 •<br>3.044% due 03/25/2035 •<br>3.064% due 02/25/2035 •<br>3.927% due 08/25/2034 ^~<br>4.280% due 11/25/2034 ~<br>5.500% due 01/25/2035 | 22<br>41<br>5<br>12<br>6<br>341 | 21<br>38<br>5<br>12<br>6<br>354 |
| <b>Credit Suisse First Boston Mortgage Securities Corp.</b><br>6.500% due 04/25/2033  | 0                               | 1                               |
| <b>Credit Suisse Mortgage Capital Mortgage-Backed Trust</b><br>5.500% due 08/25/2036 ^<br>5.863% due 02/25/2037 ^~  | 1,459<br>183                    | 1,408<br>85                     |
| <b>DBUBS Mortgage Trust</b><br>0.385% due 11/10/2046 ~(a)<br>0.885% due 11/10/2046 ~(a)   | 400<br>263                      | 2<br>2                          |
| <b>Deutsche ALT-A Securities, Inc. Mortgage Loan Trust</b><br>3.154% due 10/25/2047 •   | 820                             | 782                             |
| <b>GSR Mortgage Loan Trust</b><br>2.734% due 12/25/2034 •<br>4.396% due 01/25/2036 ^~<br>4.739% due 04/25/2035 ~  | 38<br>39<br>217                 | 36<br>40<br>223                 |
| <b>IndyMac Mortgage Loan Trust</b><br>2.614% due 05/25/2046 •<br>2.884% due 07/25/2035 •  | 456<br>19                       | 446<br>19                       |
| <b>JPMorgan Mortgage Trust</b><br>3.722% due 07/27/2037 ~<br>4.304% due 02/25/2036 ^~   | 77<br>22                        | 79<br>19                        |
| <b>Mellon Residential Funding Corp. Mortgage Pass-Through Trust</b><br>2.834% due 12/15/2030 •  | 5                               | 5                               |
| <b>Morgan Stanley Bank of America Merrill Lynch Trust</b><br>1.125% due 12/15/2048 ~(a)   | 930                             | 26                              |
| <b>Morgan Stanley Mortgage Loan Trust</b><br>4.485% due 06/25/2036 ~  | 25                              | 26                              |
| <b>Residential Accredited Loans, Inc. Trust</b><br>2.554% due 02/25/2047 •<br>2.584% due 06/25/2046 •<br>2.614% due 04/25/2046 •  | 31<br>280<br>458                | 18<br>113<br>212                |

|   | PRINCIPAL<br>AMOUNT<br>(0005)                          | MARKET<br>VALUE<br>(0005)                           |
|---|--|---|
| <b>Structured Adjustable Rate Mortgage Loan Trust</b><br>4.714% due 04/25/2034 ~  | \$ 3   | \$ 3  |
| <b>Structured Asset Mortgage Investments Trust</b><br>2.614% due 05/25/2036 •<br>2.624% due 05/25/2036 •<br>2.624% due 09/25/2047 •<br>2.864% due 05/25/2045 •<br>2.970% due 07/19/2034 •<br>3.050% due 09/19/2032 •<br>3.090% due 03/19/2034 •<br>4.004% due 08/25/2047 ^•               | 11<br>78<br>112<br>17<br>1<br>1<br>3<br>33             | 10<br>73<br>109<br>17<br>1<br>1<br>3<br>32          |
| <b>Structured Asset Securities Corp.</b><br>2.684% due 01/25/2036 •   | 246  | 229   |
| <b>Structured Asset Securities Corp. Mortgage Loan Trust</b><br>2.694% due 10/25/2036 •   | 509  | 453   |
| <b>TBW Mortgage-Backed Trust</b><br>5.970% due 09/25/2036 ^b  | 189  | 16  |
| <b>Thornburg Mortgage Securities Trust</b><br>3.452% due 06/25/2047 ^•<br>3.452% due 06/25/2047 •   | 30<br>4  | 28<br>3   |
| <b>Wachovia Mortgage Loan Trust LLC</b><br>4.604% due 10/20/2035 ^~   | 71   | 72  |
| <b>WaMu Mortgage Pass-Through Certificates Trust</b><br>2.345% due 02/27/2034 •<br>2.714% due 01/25/2045 •<br>3.484% due 06/25/2046 •<br>3.504% due 02/25/2046 •<br>3.833% due 12/25/2036 ^~<br>4.266% due 04/25/2035 ~<br>4.458% due 03/25/2035 ~<br>4.541% due 03/25/2033 ~             | 3<br>85<br>34<br>78<br>173<br>28<br>39<br>8            | 3<br>85<br>34<br>80<br>163<br>29<br>40<br>9         |
| <b>Washington Mutual Mortgage Pass-Through Certificates Trust</b><br>3.444% due 07/25/2046 ^•   | 23   | 17  |
| <b>Wells Fargo Mortgage-Backed Securities Trust</b><br>4.934% due 04/25/2036 ~<br>4.966% due 03/25/2036 ^~<br>4.992% due 07/25/2036 ^~<br>5.085% due 03/25/2035 ~<br>5.750% due 02/25/2037  | 1<br>97<br>26<br>46<br>55                              | 1<br>98<br>27<br>47<br>53                           |
|   |  | 8,330   |
| <b>U.S. GOVERNMENT AGENCIES 19.8%</b>   |  |   |
| <b>Fannie Mae</b><br>2.524% due 03/25/2034 •<br>2.554% due 08/25/2034 •<br>2.804% due 06/25/2036 •<br>2.827% due 09/25/2042 •<br>3.500% due 11/01/2021<br>3.682% due 10/01/2044 •<br>4.291% due 12/01/2034 •<br>4.393% due 05/25/2035<br>4.743% due 11/01/2034 •<br>6.000% due 07/25/2044 | \$ 3<br>2<br>24<br>12<br>86<br>12<br>2<br>7<br>19<br>8 | 3<br>2<br>24<br>12<br>88<br>12<br>2<br>7<br>20<br>9 |
| <b>Fannie Mae UMBS</b><br>3.500% due 03/01/2048   | 9,080  | 9,341   |
| <b>Fannie Mae UMBS, TBA</b><br>3.500% due 08/01/2049 -<br>09/01/2049  | 66,400<br>27,400                                       | 67,847<br>28,306                                    |
| <b>Freddie Mac</b><br>1.854% due 01/15/2038 ~(a)<br>2.859% due 01/15/2038<br>2.894% due 12/15/2032 •<br>2.994% due 12/15/2037 •<br>3.704% due 10/25/2044 •<br>4.629% due 04/01/2035 •<br>4.744% due 02/01/2029 •<br>4.750% due 03/01/2035 •   | 347<br>347<br>5<br>7<br>34<br>41<br>1<br>5             | 23<br>346<br>5<br>7<br>35<br>43<br>1<br>5           |
| <b>Ginnie Mae</b><br>3.267% due 06/20/2066 •<br>3.309% due 05/20/2066<br>3.359% due 11/20/2066<br>3.625% due 04/20/2028 -<br>06/20/2030 •   | 1,590<br>2,299<br>662<br>2                             | 1,603<br>2,317<br>668<br>2                          |

|   | PRINCIPAL<br>AMOUNT<br>(0005)   | MARKET<br>VALUE<br>(0005)   |
|---|---|---|
| <b>NCUA Guaranteed Notes</b><br>2.889% due 11/05/2020 •<br>2.979% due 12/08/2020 •  | \$ 594<br>179   | \$ 595<br>180   |
|   |   | 111,503   |
| <b>U.S. TREASURY OBLIGATIONS 7.0%</b>   |   |   |
| <b>U.S. Treasury Inflation Protected Securities (f)</b><br>0.125% due 01/15/2022 (n)<br>0.125% due 04/15/2022 (l)(n)<br>0.125% due 07/15/2024 (n)<br>0.375% due 07/15/2025 (j)(l)<br>0.500% due 01/15/2028 (j)<br>0.625% due 04/15/2023 (l)<br>0.625% due 01/15/2026 (n)<br>1.000% due 02/15/2048 (j)<br>1.375% due 02/15/2044 (n)<br>2.000% due 01/15/2026 (n)<br>2.500% due 01/15/2029 (n)<br>3.875% due 04/15/2029 (n) | 113<br>2,311<br>75<br>8,964<br>9,219<br>617<br>215<br>2,487<br>877<br>129<br>1,250<br>777 | 112<br>2,294<br>75<br>9,067<br>9,374<br>625<br>220<br>2,619<br>997<br>143<br>1,504<br>1,041 |
| <b>U.S. Treasury Notes</b><br>2.250% due 11/15/2025 (n)<br>2.625% due 06/15/2021<br>2.875% due 04/30/2025 (j)(l)(n)   | 100<br>300<br>10,600  | 102<br>305<br>11,214  |
|   |   | 39,692  |
| <b>Total United States (Cost \$266,375)</b>   |   | <b>272,435</b>  |
| <b>SHORT-TERM INSTRUMENTS 0.6%</b>  |   |   |
| <b>REPURCHASE AGREEMENTS (i) 0.2%</b>   |   |   |
|   |   | 1,061   |
| <b>SOUTH AFRICA TREASURY BILLS 0.4%</b>   |   |   |
| 7.511% due 12/04/2019 (d)(e) ZAR  | 31,300  | 2,161   |
| <b>Total Short-Term Instruments (Cost \$3,143)</b>  |   | <b>3,222</b>  |
| <b>Total Investments in Securities (Cost \$651,260)</b>   |   | <b>667,977</b>  |
| <b>SHARES</b>   |   |   |
| <b>INVESTMENTS IN AFFILIATES 5.1%</b>   |   |   |
| <b>SHORT-TERM INSTRUMENTS 5.1%</b>  |   |   |
| <b>CENTRAL FUNDS USED FOR CASH MANAGEMENT PURPOSES 5.1%</b>   |   |   |
| <b>PIMCO Short Asset Portfolio</b>  | 2,862,325   | 28,469  |
| <b>PIMCO Short-Term Floating NAV Portfolio III</b>  | 58,281  | 576   |
| <b>Total Short-Term Instruments (Cost \$29,142)</b>   |   | <b>29,045</b>   |
| <b>Total Investments in Affiliates (Cost \$29,142)</b>  |   | <b>29,045</b>   |
| <b>Total Investments 123.6% (Cost \$680,402)</b>  |   | <b>\$ 697,022</b>   |
| <b>Financial Derivative Instruments (k)(m) (0.4)% (Cost or Premiums, net \$5,687)</b>   |   | <b>(2,730)</b>  |
| <b>Other Assets and Liabilities, net (23.2)%</b>  |   | <b>(130,520)</b>  |
| <b>Net Assets 100.0%</b>  |   | <b>\$ 563,772</b>   |

**NOTES TO SCHEDULE OF INVESTMENTS:**

- \* A zero balance may reflect actual amounts rounding to less than one thousand.
- ^ Security is in default.
- « Security valued using significant unobservable inputs (Level 3).
- ~ Variable or Floating rate security. Rate shown is the rate in effect as of period end. Certain variable rate securities are not based on a published reference rate and spread, rather are determined by the issuer or agent and are based on current market conditions. Reference rate is as of reset date, which may vary by security. These securities may not indicate a reference rate and/or spread in their description.
- Rate shown is the rate in effect as of period end. The rate may be based on a fixed rate, a capped rate or a floor rate and may convert to a variable or floating rate in the future. These securities do not indicate a reference rate and spread in their description.
- þ Coupon represents a rate which changes periodically based on a predetermined schedule or event. Rate shown is the rate in effect as of period end.
  - (a) Interest only security.
  - (b) When-issued security.
  - (c) Payment in-kind security.
  - (d) Zero coupon security.
  - (e) Coupon represents a yield to maturity.
  - (f) Principal amount of security is adjusted for inflation.
  - (g) Perpetual maturity; date shown, if applicable, represents next contractual call date.
  - (h) Contingent convertible security.

**BORROWINGS AND OTHER FINANCING TRANSACTIONS****(i) REPURCHASE AGREEMENTS:**

| Counterparty                       | Lending Rate | Settlement Date | Maturity Date | Principal Amount | Collateralized By                         | Collateral (Received) | Repurchase Agreements, at Value | Repurchase Agreement Proceeds to be Received <sup>(1)</sup> |
|------------------------------------|--------------|-----------------|---------------|------------------|---|-----------------------|---------------------------------|---|
| FICC                               | 2.000%       | 06/28/2019      | 07/01/2019    | \$ 1,061         | U.S. Treasury Notes 2.250% due 03/31/2021 | \$ (1,084)            | \$ 1,061                        | \$ 1,061  |
| <b>Total Repurchase Agreements</b> |              |                 |               |                  |   | <b>\$ (1,084)</b>     | <b>\$ 1,061</b>                 | <b>\$ 1,061</b>   |

**REVERSE REPURCHASE AGREEMENTS:**

| Counterparty                               | Borrowing Rate <sup>(2)</sup> | Settlement Date | Maturity Date | Amount Borrowed <sup>(2)</sup> | Payable for Reverse Repurchase Agreements |
|--|-------------------------------|-----------------|---------------|--------------------------------|---|
| CIB  | 2.600%                        | 05/30/2019      | 07/10/2019    | \$ (3,697)                     | \$ (3,706)                                |
| GRE  | 2.610                         | 05/29/2019      | 07/10/2019    | (7,799)                        | (7,817)                                   |
| RCY  | 2.610                         | 06/05/2019      | 08/02/2019    | (14,114)                       | (14,141)                                  |
| <b>Total Reverse Repurchase Agreements</b> |                               |                 |               |                                | <b>\$ (25,664)</b>                        |

**SALE-BUYBACK TRANSACTIONS:**

| Counterparty                           | Borrowing Rate <sup>(2)</sup> | Borrowing Date | Maturity Date | Amount Borrowed <sup>(2)</sup> | Payable for Sale-Buyback Transactions <sup>(3)</sup> |
|--|-------------------------------|----------------|---------------|--------------------------------|--|
| UBS                                    | 2.600%                        | 06/11/2019     | 07/30/2019    | \$ (1,068)                     | \$ (1,070)   |
| <b>Total Sale-Buyback Transactions</b> |                               |                |               |                                | <b>\$ (1,070)</b>                                    |

**SHORT SALES:**

| Description  | Coupon | Maturity Date | Principal Amount | Proceeds          | Payable for Short Sales <sup>(4)</sup> |
|--|--------|---------------|------------------|-------------------|--|
| Canada (1.7)%<br>Sovereign Issues (1.7)%<br>Canadian Government Bond | 2.750% | 12/01/2048    | CAD 10,100       | \$ (9,380)        | \$ (9,636)                             |
| <b>Total Short Sales (1.7)%</b>                                      |        |               |                  | <b>\$ (9,380)</b> | <b>\$ (9,636)</b>                      |



## Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

### BORROWINGS AND OTHER FINANCING TRANSACTIONS SUMMARY

The following is a summary by counterparty of the market value of Borrowings and Other Financing Transactions and collateral pledged/(received) as of June 30, 2019:

| Counterparty   | Repurchase Agreement Proceeds to be Received <sup>(1)</sup> | Payable for Reverse Repurchase Agreements | Payable for Sale-Buyback Transactions | Payable for Short Sales <sup>(4)</sup> | Total Borrowings and Other Financing Transactions | Collateral Pledged/(Received) | Net Exposure <sup>(5)</sup> |
|--|---|---|---------------------------------------|--|---|-------------------------------|-----------------------------|
| Global/Master Repurchase Agreement                       |   |   |                                       |  |   |                               |                             |
| CIB  | \$ 0  | \$ (3,706)                                | \$ 0                                  | \$ 0                                   | \$ (3,706)  | \$ 3,742                      | \$ 36                       |
| FICC   | 1,061   | 0   | 0                                     | 0                                      | 1,061   | (1,084)                       | (23)                        |
| GRE  | 0   | (7,817)                                   | 0                                     | 0                                      | (7,817)   | 7,969                         | 152                         |
| RCY  | 0   | (14,141)                                  | 0                                     | 0                                      | (14,141)  | 14,132                        | (9)                         |
| Master Securities Forward Transaction Agreement          |   |   |                                       |  |   |                               |                             |
| TDM  | 0   | 0   | 0                                     | (9,636)                                | (9,636)   | 0                             | (9,636)                     |
| UBS  | 0   | 0   | (1,070)                               | 0                                      | (1,070)   | 1,072                         | 2                           |
| <b>Total Borrowings and Other Financing Transactions</b> | <b>\$ 1,061</b>   | <b>\$ (25,664)</b>                        | <b>\$ (1,070)</b>                     | <b>\$ (9,636)</b>                      |   |                               |                             |

### CERTAIN TRANSFERS ACCOUNTED FOR AS SECURED BORROWINGS

#### Remaining Contractual Maturity of the Agreements

|  | Overnight and Continuous | Up to 30 days      | 31-90 days         | Greater Than 90 days | Total              |
|--|--------------------------|--------------------|--------------------|----------------------|--------------------|
| <b>Reverse Repurchase Agreements</b>   |                          |                    |                    |                      |                    |
| U.S. Treasury Obligations  | \$ 0                     | \$ (11,523)        | \$ (14,141)        | \$ 0                 | \$ (25,664)        |
| <b>Total</b>   | <b>\$ 0</b>              | <b>\$ (11,523)</b> | <b>\$ (14,141)</b> | <b>\$ 0</b>          | <b>\$ (25,664)</b> |
| <b>Sale-Buyback Transactions</b>   |                          |                    |                    |                      |                    |
| U.S. Treasury Obligations  | 0                        | (1,070)            | 0                  | 0                    | (1,070)            |
| <b>Total</b>   | <b>\$ 0</b>              | <b>\$ (1,070)</b>  | <b>\$ 0</b>        | <b>\$ 0</b>          | <b>\$ (1,070)</b>  |
| <b>Total Borrowings</b>  | <b>\$ 0</b>              | <b>\$ (12,593)</b> | <b>\$ (14,141)</b> | <b>\$ 0</b>          | <b>\$ (26,734)</b> |
| <b>Payable for reverse repurchase agreements and sale-buyback financing transactions</b> |                          |                    |                    |                      | <b>\$ (26,734)</b> |

(j) Securities with an aggregate market value of \$27,185 have been pledged as collateral under the terms of the above master agreements as of June 30, 2019.

<sup>(1)</sup> Includes accrued interest.

<sup>(2)</sup> The average amount of borrowings outstanding during the period ended June 30, 2019 was \$(8,420) at a weighted average interest rate of 2.321%. Average borrowings may include reverse repurchase agreements and sale-buyback transactions, if held during the period.

<sup>(3)</sup> Payable for sale-buyback transactions includes \$(2) of deferred price drop.

<sup>(4)</sup> Payable for short sales includes \$22 of accrued interest.

<sup>(5)</sup> Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from borrowings and other financing transactions can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information regarding master netting arrangements.

### (k) FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED

#### PURCHASED OPTIONS:

##### OPTIONS ON EXCHANGE-TRADED FUTURES CONTRACTS

| Description  | Strike Price | Expiration Date | # of Contracts | Notional Amount | Cost        | Market Value |
|--|--------------|-----------------|----------------|-----------------|-------------|--------------|
| Put - CBOT U.S. Treasury 10-Year Note September 2019 Futures | \$ 115.000   | 08/23/2019      | 146            | \$ 146          | \$ 1        | \$ 0         |
| <b>Total Purchased Options</b>                               |              |                 |                |                 | <b>\$ 1</b> | <b>\$ 0</b>  |

#### WRITTEN OPTIONS:

##### OPTIONS ON EXCHANGE-TRADED FUTURES CONTRACTS

| Description  | Strike Price | Expiration Date | # of Contracts | Notional Amount | Premiums (Received) | Market Value   |
|--|--------------|-----------------|----------------|-----------------|---------------------|----------------|
| Put - CBOT U.S. Treasury 10-Year Note August 2019 Futures  | \$ 125.500   | 07/26/2019      | 72             | \$ 72           | \$ (24)             | \$ (4)         |
| Call - CBOT U.S. Treasury 10-Year Note August 2019 Futures | 127.000      | 07/26/2019      | 37             | 37              | (15)                | (45)           |
| Call - CBOT U.S. Treasury 10-Year Note August 2019 Futures | 129.000      | 07/26/2019      | 72             | 72              | (25)                | (19)           |
| <b>Total Written Options</b>                               |              |                 |                |                 | <b>\$ (64)</b>      | <b>\$ (68)</b> |

**FUTURES CONTRACTS:****LONG FUTURES CONTRACTS**

| Description  | Expiration Month | # of Contracts | Notional Amount | Unrealized Appreciation/ (Depreciation) | Variation Margin |           |
|--|------------------|----------------|-----------------|---|------------------|-----------|
|  |                  |                |                 |   | Asset            | Liability |
| Australia Government 3-Year Note September Futures   | 09/2019          | 242            | \$ 19,538       | \$ 33                                   | \$ 5             | \$ (28)   |
| Australia Government 10-Year Bond September Futures  | 09/2019          | 23             | 2,320           | 11                                      | 5                | (13)      |
| Canada Government 10-Year Bond September Futures   | 09/2019          | 86             | 9,386           | 177                                     | 22               | (3)       |
| Euro-Bobl September Futures  | 09/2019          | 188            | 28,740          | 162                                     | 26               | 0         |
| Euro-BTP Italy Government Bond September Futures   | 09/2019          | 17             | 2,596           | 95                                      | 12               | 0         |
| Euro-Bund 10-Year Bond September Futures   | 09/2019          | 2              | 393             | 4                                       | 1                | 0         |
| Euro-Buxl 30-Year Bond September Futures   | 09/2019          | 20             | 4,614           | 128                                     | 4                | (4)       |
| Euro-Schatz September Futures  | 09/2019          | 349            | 44,560          | 64                                      | 12               | 0         |
| Put Options Strike @ EUR 160.000 on Euro-Bund 10-Year Bond September 2019 Futures <sup>(1)</sup> | 08/2019          | 2              | 0               | 0                                       | 0                | 0         |
| U.S. Treasury 5-Year Note September Futures  | 09/2019          | 441            | 52,107          | 745                                     | 0                | 0         |
| U.S. Treasury 10-Year Note September Futures   | 09/2019          | 216            | 27,641          | 329                                     | 7                | 0         |
| U.S. Treasury Ultra Long-Term Bond September Futures   | 09/2019          | 27             | 4,794           | 182                                     | 0                | (5)       |
| United Kingdom 90-Day LIBOR Sterling Interest Rate September Futures                             | 09/2019          | 741            | 116,706         | 424                                     | 0                | 0         |
| United Kingdom Long Gilt September Futures   | 09/2019          | 82             | 13,569          | 30                                      | 0                | (26)      |
|  |                  |                |                 | \$ 2,384                                | \$ 94            | \$ (79)   |

**SHORT FUTURES CONTRACTS**

| Description  | Expiration Month | # of Contracts | Notional Amount | Unrealized Appreciation/ (Depreciation) | Variation Margin |                 |
|--|------------------|----------------|-----------------|---|------------------|-----------------|
|  |                  |                |                 |   | Asset            | Liability       |
| Euro-OAT France Government 10-Year Bond September Futures            | 09/2019          | 235            | \$ (44,056)     | \$ (898)                                | \$ 0             | \$ (64)         |
| U.S. Treasury 2-Year Note September Futures                          | 09/2019          | 25             | (5,379)         | (38)                                    | 1                | 0               |
| United Kingdom 90-Day LIBOR Sterling Interest Rate September Futures | 09/2020          | 741            | (116,753)       | (770)                                   | 23               | (6)             |
|  |                  |                |                 | \$ (1,706)                              | \$ 24            | \$ (70)         |
| <b>Total Futures Contracts</b>                                       |                  |                |                 | <b>\$ 678</b>                           | <b>\$ 118</b>    | <b>\$ (149)</b> |

**SWAP AGREEMENTS:****CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - BUY PROTECTION<sup>(2)</sup>**

| Reference Entity        | Fixed (Pay) Rate | Payment Frequency | Maturity Date | Implied Credit Spread at June 30, 2019 <sup>(4)</sup> | Notional Amount <sup>(5)</sup> | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value <sup>(6)</sup> | Variation Margin |           |
|-------------------------|------------------|-------------------|---------------|---|--------------------------------|--------------------------|---|-----------------------------|------------------|-----------|
|                         |                  |                   |               |   |                                |                          |   |                             | Asset            | Liability |
| BASF SE                 | (1.000)%         | Quarterly         | 12/20/2020    | 0.074%  | EUR 200                        | \$ (6)                   | \$ 3                                    | \$ (3)                      | \$ 0             | \$ 0      |
| Reynolds American, Inc. | (1.000)          | Quarterly         | 12/20/2020    | 0.141   | \$ 700                         | (15)                     | 6                                       | (9)                         | 0                | 0         |
| United Utilities PLC    | (1.000)          | Quarterly         | 12/20/2020    | 0.140   | EUR 200                        | (5)                      | 2                                       | (3)                         | 0                | 0         |
|                         |                  |                   |               |   |                                | \$ (26)                  | \$ 11                                   | \$ (15)                     | \$ 0             | \$ 0      |

**CREDIT DEFAULT SWAPS ON CORPORATE ISSUES - SELL PROTECTION<sup>(3)</sup>**

| Reference Entity               | Fixed Receive Rate | Payment Frequency | Maturity Date | Implied Credit Spread at June 30, 2019 <sup>(4)</sup> | Notional Amount <sup>(5)</sup> | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value <sup>(6)</sup> | Variation Margin |           |
|--------------------------------|--------------------|-------------------|---------------|---|--------------------------------|--------------------------|---|-----------------------------|------------------|-----------|
|                                |                    |                   |               |   |                                |                          |   |                             | Asset            | Liability |
| Berkshire Hathaway, Inc.       | 1.000%             | Quarterly         | 12/20/2022    | 0.285%  | \$ 700                         | \$ 13                    | \$ 4                                    | \$ 17                       | \$ 0             | \$ 0      |
| Daimler AG                     | 1.000              | Quarterly         | 12/20/2020    | 0.173   | EUR 200                        | 5                        | (2)                                     | 3                           | 0                | 0         |
| Shell International Finance BV | 1.000              | Quarterly         | 12/20/2026    | 0.494   | 500                            | 18                       | 4                                       | 22                          | 1                | 0         |
| Tesco PLC                      | 1.000              | Quarterly         | 06/20/2022    | 0.459   | 800                            | 0                        | 15                                      | 15                          | 0                | 0         |
| Tesco PLC                      | 1.000              | Quarterly         | 06/20/2025    | 1.213   | 400                            | (13)                     | 7                                       | (6)                         | 0                | 0         |
|                                |                    |                   |               |   |                                | \$ 23                    | \$ 28                                   | \$ 51                       | \$ 1             | \$ 0      |

**CREDIT DEFAULT SWAPS ON CREDIT INDICES - BUY PROTECTION<sup>(2)</sup>**

| Index/Tranches          | Fixed (Pay) Rate | Payment Frequency | Maturity Date | Notional Amount <sup>(5)</sup> | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value <sup>(6)</sup> | Variation Margin |           |
|-------------------------|------------------|-------------------|---------------|--------------------------------|--------------------------|---|-----------------------------|------------------|-----------|
|                         |                  |                   |               |                                |                          |   |                             | Asset            | Liability |
| CDX.IG-32 10-Year Index | (1.000)%         | Quarterly         | 06/20/2029    | \$ 21,500                      | \$ 87                    | \$ (36)                                 | \$ 51                       | \$ 0             | \$ (14)   |

## Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

### CREDIT DEFAULT SWAPS ON CREDIT INDICES - SELL PROTECTION<sup>(3)</sup>

| Index/Tranches                     | Fixed Receive Rate | Payment Frequency | Maturity Date | Notional Amount <sup>(5)</sup> | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value <sup>(6)</sup> | Variation Margin Asset Liability |      |
|------------------------------------|--------------------|-------------------|---------------|--------------------------------|--------------------------|---|-----------------------------|----------------------------------|------|
| CDX.IG-32 5-Year Index             | 1.000%             | Quarterly         | 06/20/2024    | \$ 14,500                      | \$ 286                   | \$ 27                                   | \$ 313                      | \$ 7                             | \$ 0 |
| iTraxx Crossover 31 5-Year Index   | 5.000              | Quarterly         | 06/20/2024    | EUR 1,000                      | 126                      | 5                                       | 131                         | 7                                | 0    |
| iTraxx Europe Main 31 5-Year Index | 1.000              | Quarterly         | 06/20/2024    | 8,000                          | 194                      | 26                                      | 220                         | 14                               | 0    |
|                                    |                    |                   |               |                                | \$ 606                   | \$ 58                                   | \$ 664                      | \$ 28                            | \$ 0 |

### INTEREST RATE SWAPS - BASIS SWAPS

| Pay Floating Rate Index          | Receive Floating Rate Index | Payment Frequency | Maturity Date | Notional Amount | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value | Variation Margin Asset Liability |      |
|----------------------------------|-----------------------------|-------------------|---------------|-----------------|--------------------------|---|--------------|----------------------------------|------|
| 3-Month USD-LIBOR                | 01-Month USD-LIBOR + 0.117% | Quarterly         | 03/02/2020    | \$ 33,900       | \$ 0                     | \$ 10                                   | \$ 10        | \$ 2                             | \$ 0 |
| 3-Month USD-LIBOR <sup>(7)</sup> | 01-Month USD-LIBOR + 0.091% | Quarterly         | 03/18/2022    | 132,700         | (1)                      | 14                                      | 13           | 12                               | 0    |
| 3-Month USD-LIBOR <sup>(7)</sup> | 01-Month USD-LIBOR + 0.084% | Quarterly         | 04/26/2022    | 30,400          | 0                        | 6                                       | 6            | 4                                | 0    |
| 3-Month USD-LIBOR                | 01-Month USD-LIBOR + 0.070% | Quarterly         | 06/12/2022    | 3,900           | 0                        | 4                                       | 4            | 1                                | 0    |
| 3-Month USD-LIBOR                | 01-Month USD-LIBOR + 0.084% | Quarterly         | 06/12/2022    | 5,100           | 0                        | 4                                       | 4            | 1                                | 0    |
| 3-Month USD-LIBOR                | 01-Month USD-LIBOR + 0.085% | Quarterly         | 06/19/2022    | 19,800          | (2)                      | 16                                      | 14           | 4                                | 0    |
| 3-Month USD-LIBOR <sup>(7)</sup> | 01-Month USD-LIBOR + 0.086% | Quarterly         | 04/12/2023    | 12,500          | 0                        | 3                                       | 3            | 3                                | 0    |
| 3-Month USD-LIBOR <sup>(7)</sup> | 01-Month USD-LIBOR + 0.073% | Quarterly         | 04/27/2023    | 17,000          | 0                        | 3                                       | 3            | 2                                | 0    |
| 3-Month USD-LIBOR <sup>(7)</sup> | 01-Month USD-LIBOR + 0.088% | Quarterly         | 05/23/2029    | 4,800           | 0                        | (1)                                     | (1)          | 0                                | 0    |
|                                  |                             |                   |               |                 | \$ (3)                   | \$ 59                                   | \$ 56        | \$ 29                            | \$ 0 |

### INTEREST RATE SWAPS

| Pay/Receive Floating Rate | Floating Rate Index                         | Fixed Rate | Payment Frequency | Maturity Date | Notional Amount | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value | Variation Margin Asset Liability |      |
|---------------------------|---|------------|-------------------|---------------|-----------------|--------------------------|---|--------------|----------------------------------|------|
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.673%     | Annual            | 04/30/2025    | 1,100           | \$ 0                     | \$ (69)                                 | \$ (69)      | \$ 1                             | \$ 0 |
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.683      | Annual            | 04/30/2025    | 3,500           | 1                        | (224)                                   | (223)        | 5                                | 0    |
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.684      | Annual            | 04/30/2025    | 1,200           | 0                        | (76)                                    | (76)         | 2                                | 0    |
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.696      | Annual            | 04/30/2025    | 1,100           | 0                        | (71)                                    | (71)         | 1                                | 0    |
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.710      | Annual            | 04/30/2025    | 1,200           | 0                        | (78)                                    | (78)         | 2                                | 0    |
| Receive                   | 1-Day USD-Federal Funds Rate Compounded-OIS | 2.714      | Annual            | 04/30/2025    | 2,300           | 0                        | (150)                                   | (150)        | 3                                | 0    |
| Receive                   | 1-Year BRL-CDI                              | 6.370      | Maturity          | 01/02/2020    | BRL 110,800     | 0                        | (50)                                    | (50)         | 0                                | (4)  |
| Receive                   | 1-Year BRL-CDI                              | 6.450      | Maturity          | 01/02/2020    | 169,000         | (2)                      | (101)                                   | (103)        | 0                                | (6)  |
| Pay                       | 1-Year BRL-CDI                              | 8.880      | Maturity          | 01/04/2021    | 800             | 1                        | 12                                      | 13           | 0                                | 0    |
| Pay                       | 3-Month CAD-Bank Bill                       | 2.500      | Semi-Annual       | 06/19/2029    | CAD 24,200      | 301                      | 824                                     | 1,125        | 65                               | 0    |
| Pay                       | 3-Month CAD-Bank Bill                       | 1.750      | Semi-Annual       | 12/16/2046    | 600             | (86)                     | 51                                      | (35)         | 5                                | 0    |
| Pay                       | 3-Month CAD-Bank Bill                       | 2.750      | Semi-Annual       | 12/18/2048    | 11,000          | 7                        | 1,281                                   | 1,288        | 97                               | 0    |
| Pay                       | 3-Month CHF-LIBOR                           | 0.050      | Annual            | 03/16/2026    | CHF 1,400       | (24)                     | 81                                      | 57           | 2                                | 0    |
| Pay                       | 3-Month NZD-BBR                             | 2.500      | Semi-Annual       | 02/14/2020    | NZD 7,520       | 9                        | 59                                      | 68           | 0                                | 0    |
| Pay                       | 3-Month PLN-WIBOR                           | 2.405      | Annual            | 01/30/2029    | PLN 1,700       | 0                        | 14                                      | 14           | 0                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.000      | Semi-Annual       | 12/20/2019    | \$ 25,300       | 220                      | (189)                                   | 31           | 2                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 1.750      | Semi-Annual       | 06/20/2020    | 63,700          | 1,091                    | (903)                                   | 188          | 14                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.750      | Semi-Annual       | 12/19/2020    | 46,900          | 319                      | (904)                                   | (585)        | 15                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.000      | Semi-Annual       | 06/20/2023    | 2,800           | 128                      | (156)                                   | (28)         | 3                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 1.750      | Semi-Annual       | 12/21/2023    | 9,200           | 479                      | (477)                                   | 2            | 9                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.460      | Semi-Annual       | 04/09/2024    | 4,500           | (8)                      | (134)                                   | (142)        | 4                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 3.000      | Semi-Annual       | 06/19/2024    | 5,200           | (280)                    | (28)                                    | (308)        | 5                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 3.000      | Semi-Annual       | 06/19/2026    | 5,900           | (168)                    | (284)                                   | (452)        | 7                                | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 1.750      | Semi-Annual       | 06/21/2026    | 7,200           | 580                      | (523)                                   | 57           | 10                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.250      | Semi-Annual       | 06/20/2028    | 34,600          | 1,832                    | (2,777)                                 | (945)        | 57                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 3.000      | Semi-Annual       | 06/19/2029    | 22,300          | (753)                    | (1,373)                                 | (2,126)      | 41                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.750      | Semi-Annual       | 12/20/2047    | 8,700           | 269                      | (1,239)                                 | (970)        | 52                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 2.500      | Semi-Annual       | 06/20/2048    | 4,000           | 445                      | (674)                                   | (229)        | 24                               | 0    |
| Receive                   | 3-Month USD-LIBOR                           | 3.000      | Semi-Annual       | 12/19/2048    | 7,100           | 195                      | (1,401)                                 | (1,206)      | 46                               | 0    |
| Receive <sup>(7)</sup>    | 3-Month USD-LIBOR                           | 2.953      | Semi-Annual       | 11/12/2049    | 800             | (5)                      | (123)                                   | (128)        | 5                                | 0    |
| Receive <sup>(7)</sup>    | 3-Month USD-LIBOR                           | 2.955      | Semi-Annual       | 11/12/2049    | 2,900           | (20)                     | (446)                                   | (466)        | 19                               | 0    |
| Receive <sup>(7)</sup>    | 3-Month USD-LIBOR                           | 3.000      | Semi-Annual       | 12/18/2049    | 400             | (73)                     | 2                                       | (71)         | 3                                | 0    |
| Pay                       | 3-Month ZAR-JIBAR                           | 7.250      | Quarterly         | 06/20/2023    | ZAR 7,600       | 4                        | 3                                       | 7            | 1                                | 0    |
| Pay                       | 6-Month CZK-PRIBOR                          | 1.913      | Annual            | 01/30/2029    | CZK 13,900      | 0                        | 18                                      | 18           | 1                                | 0    |



| Pay/Receive                  | Floating Rate | Floating Rate Index | Fixed Rate | Payment Frequency | Maturity Date | Notional Amount | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Market Value  | Variation Margin |                 |
|------------------------------|---------------|---------------------|------------|-------------------|---------------|-----------------|--------------------------|---|---------------|------------------|-----------------|
|                              |               |                     |            |                   |               |                 |                          |   |               | Asset            | Liability       |
| Receive <sup>(7)</sup>       |               | 6-Month EUR-EURIBOR | 0.000%     | Annual            | 09/18/2021    | EUR 60,900      | \$ (384)                 | \$ (170)                                | \$ (554)      | \$ 0             | \$ (35)         |
| Receive <sup>(7)</sup>       |               | 6-Month EUR-EURIBOR | 0.000      | Annual            | 12/18/2021    | 31,100          | (260)                    | (20)                                    | (280)         | 0                | (17)            |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 0.250      | Annual            | 09/18/2024    | 60,400          | 252                      | 1,371                                   | 1,623         | 125              | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 0.000      | Annual            | 12/18/2024    | 20,400          | 123                      | 98                                      | 221           | 41               | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 1.000      | Annual            | 03/08/2029    | 11,500          | (55)                     | 368                                     | 313           | 24               | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 1.310      | Annual            | 06/19/2029    | 23,500          | 768                      | 228                                     | 996           | 48               | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 0.750      | Annual            | 09/18/2029    | 26,400          | 232                      | 1,446                                   | 1,678         | 106              | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 0.500      | Annual            | 12/18/2029    | 20,700          | 401                      | 239                                     | 640           | 79               | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month EUR-EURIBOR | 1.250      | Annual            | 09/18/2049    | 500             | 77                       | 7                                       | 84            | 4                | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month GBP-LIBOR   | 1.000      | Semi-Annual       | 09/18/2021    | GBP 17,400      | (63)                     | 137                                     | 74            | 0                | 0               |
| Pay <sup>(7)</sup>           |               | 6-Month GBP-LIBOR   | 1.000      | Semi-Annual       | 12/18/2024    | 19,300          | 78                       | 22                                      | 100           | 0                | (13)            |
| Pay <sup>(7)</sup>           |               | 6-Month GBP-LIBOR   | 1.000      | Semi-Annual       | 12/18/2029    | 1,100           | (5)                      | (4)                                     | (9)           | 0                | (1)             |
| Pay <sup>(7)</sup>           |               | 6-Month GBP-LIBOR   | 1.500      | Semi-Annual       | 09/18/2049    | 3,200           | (51)                     | 327                                     | 276           | 0                | (15)            |
| Pay <sup>(7)</sup>           |               | 6-Month GBP-LIBOR   | 1.250      | Semi-Annual       | 12/18/2049    | 400             | 8                        | (7)                                     | 1             | 0                | (2)             |
| Pay                          |               | 6-Month JPY-LIBOR   | 0.380      | Semi-Annual       | 06/18/2028    | JPY 164,000     | 47                       | 7                                       | 54            | 1                | 0               |
| Pay                          |               | 6-Month JPY-LIBOR   | 0.200      | Semi-Annual       | 06/19/2029    | 420,000         | 45                       | 26                                      | 71            | 4                | 0               |
| Pay                          |               | 6-Month JPY-LIBOR   | 0.400      | Semi-Annual       | 06/19/2039    | 130,881         | (2)                      | 30                                      | 28            | 2                | 0               |
| Pay                          |               | 6-Month JPY-LIBOR   | 0.500      | Semi-Annual       | 06/19/2049    | 960,000         | (80)                     | 369                                     | 289           | 19               | 0               |
| Pay                          |               | 28-Day MXN-TIE      | 7.278      | Lunar             | 03/22/2022    | MXN 21,800      | (5)                      | 3                                       | (2)           | 6                | 0               |
| Pay                          |               | 28-Day MXN-TIE      | 7.317      | Lunar             | 03/23/2022    | 18,100          | (3)                      | 2                                       | (1)           | 5                | 0               |
| Pay                          |               | 28-Day MXN-TIE      | 5.825      | Lunar             | 01/12/2023    | 27,400          | (95)                     | 26                                      | (69)          | 8                | 0               |
|                              |               |                     |            |                   |               |                 | \$ 5,490                 | \$ (5,600)                              | \$ (110)      | \$ 973           | \$ (93)         |
| <b>Total Swap Agreements</b> |               |                     |            |                   |               |                 | <b>\$ 6,177</b>          | <b>\$ (5,480)</b>                       | <b>\$ 697</b> | <b>\$ 1,031</b>  | <b>\$ (107)</b> |

#### FINANCIAL DERIVATIVE INSTRUMENTS: EXCHANGE-TRADED OR CENTRALLY CLEARED SUMMARY

The following is a summary of the market value and variation margin of Exchange-Traded or Centrally Cleared Financial Derivative Instruments as of June 30, 2019:

|  | Financial Derivative Assets |                        |          |                 | Financial Derivative Liabilities |                            |                 |          |                 |       |
|--|-----------------------------|------------------------|----------|-----------------|----------------------------------|----------------------------|-----------------|----------|-----------------|-------|
|  | Market Value                | Variation Margin Asset |          |                 | Market Value                     | Variation Margin Liability |                 |          |                 |       |
|  |                             | Purchased Options      | Futures  | Swap Agreements |                                  | Total                      | Written Options | Futures  | Swap Agreements | Total |
|  |                             |                        |          |                 |                                  |                            |                 |          |                 |       |
| Total Exchange-Traded or Centrally Cleared | \$ 0                        | \$ 118                 | \$ 1,031 | \$ 1,149        | \$ (68)                          | \$ (149)                   | \$ (107)        | \$ (324) |                 |       |

(l) Securities with an aggregate market value of \$7,018 and cash of \$2,515 have been pledged as collateral for exchange-traded and centrally cleared financial derivative instruments as of June 30, 2019. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information regarding master netting arrangements.

(1) Future styled option.

(2) If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(3) If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

(4) Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(5) The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

(6) The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

(7) This instrument has a forward starting effective date. See Note 2, Securities Transactions and Investment Income, in the Notes to Financial Statements for further information.

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

## (m) FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER

### FORWARD FOREIGN CURRENCY CONTRACTS:

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) |           |
|--------------|------------------|--------------------------|-------------------------|---|-----------|
|              |                  |                          |                         | Asset                                   | Liability |
| BOA          | 07/2019          | AUD 791                  | \$ 543                  | \$ 0                                    | \$ (13)   |
|              | 07/2019          | CAD 1,486                | 1,118                   | 0                                       | (17)      |
|              | 07/2019          | EUR 1,466                | 1,662                   | 0                                       | (5)       |
|              | 07/2019          | JPY 66,600               | 615                     | 0                                       | (3)       |
|              | 07/2019          | \$ 2,258                 | AUD 3,241               | 17                                      | 0         |
|              | 07/2019          | 3,587                    | CAD 4,718               | 16                                      | 0         |
|              | 07/2019          | 41                       | EUR 36                  | 0                                       | 0         |
|              | 07/2019          | 540                      | GBP 425                 | 0                                       | 0         |
|              | 07/2019          | 19                       | NOK 166                 | 0                                       | 0         |
|              | 07/2019          | 2,773                    | NZD 4,264               | 91                                      | 0         |
|              | 08/2019          | CAD 4,718                | \$ 3,590                | 0                                       | (16)      |
|              | 09/2019          | SGD 3,731                | 2,726                   | 0                                       | (35)      |
|              | 09/2019          | \$ 2,050                 | IDR 30,185,831          | 66                                      | 0         |
| BPS          | 03/2020          | RON 1,843                | EUR 371                 | 0                                       | (9)       |
|              | 07/2019          | AUD 3,232                | \$ 2,250                | 0                                       | (19)      |
|              | 07/2019          | CAD 2,869                | 2,154                   | 0                                       | (37)      |
|              | 07/2019          | CHF 1,547                | 1,579                   | 3                                       | (10)      |
|              | 07/2019          | DKK 3,665                | 558                     | 0                                       | (1)       |
|              | 07/2019          | EUR 9,602                | 10,810                  | 7                                       | (116)     |
|              | 07/2019          | GBP 579                  | 738                     | 3                                       | 0         |
|              | 07/2019          | JPY 58,619               | 549                     | 5                                       | 0         |
|              | 07/2019          | NOK 2,269                | 260                     | 0                                       | (6)       |
|              | 07/2019          | \$ 7                     | ARS 355                 | 1                                       | 0         |
|              | 07/2019          | 834                      | CNH 5,716               | 0                                       | (2)       |
|              | 07/2019          | 8,581                    | EUR 7,608               | 73                                      | (3)       |
|              | 07/2019          | 36,775                   | GBP 28,997              | 51                                      | 0         |
|              | 07/2019          | 5,403                    | JPY 581,785             | 0                                       | (7)       |
|              | 07/2019          | 3,053                    | NOK 26,090              | 6                                       | (1)       |
|              | 08/2019          | EUR 1,980                | \$ 2,261                | 3                                       | 0         |
|              | 08/2019          | GBP 28,549               | 36,265                  | 0                                       | (47)      |
|              | 08/2019          | JPY 301,985              | 2,812                   | 4                                       | 0         |
|              | 08/2019          | NOK 14,275               | 1,676                   | 1                                       | 0         |
|              | 08/2019          | \$ 194                   | ARS 8,661               | 0                                       | (1)       |
|              | 08/2019          | 4,020                    | MXN 78,882              | 60                                      | 0         |
|              | 08/2019          | 2,837                    | SEK 26,270              | 0                                       | (1)       |
|              | 09/2019          | CNH 21,018               | \$ 3,057                | 0                                       | (1)       |
|              | 09/2019          | EUR 52                   | TRY 353                 | 0                                       | (1)       |
|              | 09/2019          | KRW 136,005              | \$ 115                  | 0                                       | (3)       |
|              | 09/2019          | \$ 2,644                 | CNH 18,338              | 24                                      | 0         |
|              | 09/2019          | 780                      | IDR 11,259,890          | 9                                       | 0         |
|              | 09/2019          | 77                       | PEN 260                 | 2                                       | 0         |
|              | 10/2019          | INR 147,634              | \$ 2,098                | 0                                       | (13)      |
|              | 03/2020          | RON 1,606                | EUR 323                 | 0                                       | (9)       |
|              | 05/2020          | \$ 4,740                 | INR 348,248             | 121                                     | 0         |
| BRC          | 07/2019          | DKK 13,035               | \$ 1,985                | 1                                       | (1)       |
|              | 07/2019          | \$ 630                   | CLP 437,472             | 16                                      | 0         |
|              | 07/2019          | 582                      | PEN 1,945               | 8                                       | 0         |
|              | 08/2019          | 691                      | HKD 5,405               | 1                                       | 0         |
|              | 12/2019          | HKD 5,405                | \$ 691                  | 0                                       | (2)       |
|              | 04/2020          | INR 349,803              | 4,822                   | 0                                       | (65)      |
| CBK          | 07/2019          | AUD 1,847                | 1,287                   | 0                                       | (10)      |
|              | 07/2019          | CAD 1,630                | 1,209                   | 0                                       | (36)      |
|              | 07/2019          | CHF 1,672                | 1,677                   | 0                                       | (36)      |
|              | 07/2019          | CNH 6,175                | 916                     | 17                                      | 0         |
|              | 07/2019          | DKK 28,750               | 4,374                   | 3                                       | (8)       |
|              | 07/2019          | EUR 19,747               | 22,389                  | 3                                       | (78)      |
|              | 07/2019          | GBP 565                  | 715                     | 0                                       | (2)       |
|              | 07/2019          | NOK 35,360               | 4,110                   | 7                                       | (41)      |
|              | 07/2019          | PEN 1,945                | 590                     | 0                                       | 0         |
|              | 07/2019          | SEK 21,286               | 2,265                   | 0                                       | (28)      |
|              | 07/2019          | \$ 1,678                 | AUD 2,412               | 16                                      | 0         |
|              | 07/2019          | 1,121                    | CAD 1,476               | 7                                       | (1)       |
|              | 07/2019          | 834                      | CNH 5,716               | 0                                       | (2)       |
|              | 07/2019          | 23,241                   | DKK 152,810             | 38                                      | 0         |
|              | 07/2019          | 115,440                  | EUR 101,645             | 141                                     | 0         |
|              | 07/2019          | 2,409                    | GBP 1,898               | 3                                       | (2)       |

| Counterparty | Settlement Month | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) |           |
|--------------|------------------|--------------------------|-------------------------|---|-----------|
|              |                  |                          |                         | Asset                                   | Liability |
|              | 07/2019          | \$                       | JPY 570                 | \$ 2                                    | \$ 0      |
|              | 07/2019          |                          | PLN 2,110               | 0                                       | 0         |
|              | 07/2019          |                          | SEK 4,508               | 41                                      | (1)       |
|              | 07/2019          |                          | TRY 232                 | 0                                       | 0         |
|              | 08/2019          | CAD                      | \$ 741                  | 1                                       | 0         |
|              | 08/2019          | EUR                      | 87,848                  | 0                                       | (55)      |
|              | 08/2019          | MXN                      | 60,492                  | 0                                       | (73)      |
|              | 08/2019          | \$                       | 1,286                   | 3                                       | 0         |
|              | 08/2019          |                          | NOK 2,459               | 0                                       | (7)       |
|              | 09/2019          | CNH                      | 46,098                  | 0                                       | (64)      |
|              | 09/2019          | EUR                      | 188                     | 0                                       | (2)       |
|              | 09/2019          | \$                       | 2,645                   | 119                                     | 0         |
|              | 09/2019          |                          | COP 588                 | 0                                       | 0         |
|              | 10/2019          | DKK                      | 152,810                 | 0                                       | (38)      |
|              | 10/2019          | \$                       | 1,137                   | 19                                      | 0         |
|              | 10/2019          |                          | PEN 1,207               | 35                                      | 0         |
|              | 10/2019          |                          | RON 5,174               | 0                                       | (4)       |
|              | 12/2019          | HKD                      | 10,068                  | 0                                       | (9)       |
|              | 03/2020          | RON                      | 1,618                   | 0                                       |           |
| DUB          | 07/2019          | \$                       | TRY 3,301               | 0                                       | (1)       |
|              | 09/2019          |                          | CNH 3,193               | 4                                       | 0         |
|              | 09/2019          |                          | IDR 144,360             | 0                                       | 0         |
| FBF          | 11/2019          |                          | TWD 6,280               | 3                                       | 0         |
|              | 12/2019          | ZAR                      | 30,170                  | 0                                       | (102)     |
| GLM          | 07/2019          | CHF                      | 534                     | 3                                       | 0         |
|              | 07/2019          | CLP                      | 826,216                 | 0                                       | (1)       |
|              | 07/2019          | DKK                      | 1,130                   | 0                                       | (2)       |
|              | 07/2019          | EUR                      | 66,999                  | 0                                       | (1,384)   |
|              | 07/2019          | \$                       | 82                      | 2                                       | 0         |
|              | 07/2019          |                          | CLP 559                 | 12                                      | 0         |
|              | 08/2019          | MXN                      | 17,912                  | 0                                       | (25)      |
|              | 08/2019          | \$                       | 2,926                   | 0                                       | (6)       |
|              | 08/2019          |                          | BRL 4,784               | 157                                     | 0         |
|              | 09/2019          | CNH                      | 3,193                   | 0                                       | (4)       |
|              | 09/2019          | JPY                      | 1,210,000               | 0                                       | (37)      |
|              | 09/2019          | \$                       | 1,219                   | 1                                       | 0         |
|              | 03/2020          | EUR                      | 242                     | 1                                       | 0         |
| HUS          | 07/2019          | CNH                      | 39,550                  | 37                                      | 0         |
|              | 07/2019          | EUR                      | 2,196                   | 4                                       | 0         |
|              | 07/2019          | KRW                      | 1,165                   | 0                                       | 0         |
|              | 07/2019          | NZD                      | 1,708                   | 0                                       | (16)      |
|              | 07/2019          | \$                       | 1,828                   | 35                                      | 0         |
|              | 07/2019          |                          | CAD 5,999               | 0                                       | (6)       |
|              | 07/2019          |                          | CNH 41,175              | 0                                       | (94)      |
|              | 07/2019          |                          | JPY 50,658              | 0                                       |           |
|              | 07/2019          |                          | NOK 2,227               | 48                                      | 0         |
|              | 07/2019          |                          | TRY 705                 | 0                                       | (2)       |
|              | 08/2019          | JPY                      | 5,451,600               | 92                                      | 0         |
|              | 08/2019          | \$                       | 1,523                   | 5                                       | 0         |
|              | 08/2019          |                          | HKD 408                 | 0                                       | (1)       |
|              | 09/2019          | CNH                      | 124,454                 | 0                                       | (196)     |
|              | 09/2019          | \$                       | 4,475                   | 14                                      | (7)       |
|              | 09/2019          |                          | CNH 297                 | 4                                       | 0         |
|              | 10/2019          | INR                      | 119,147                 | 0                                       | (83)      |
|              | 10/2019          | MXN                      | 7,860                   | 1                                       | 0         |
|              | 10/2019          | RON                      | 10,413                  | 0                                       | (4)       |
|              | 10/2019          | \$                       | 3,681                   | 134                                     | 0         |
|              | 10/2019          |                          | INR 1,210               | 29                                      | 0         |
|              | 11/2019          | TWD                      | 67,162                  | 0                                       | (36)      |
|              | 11/2019          | \$                       | 801                     | 10                                      | 0         |
|              | 12/2019          | HKD                      | 20,714                  | 0                                       | (5)       |
|              | 04/2020          | \$                       | 4,767                   | 120                                     | 0         |
| IND          | 07/2019          | SEK                      | 230,182                 | 0                                       | (775)     |
| JPM          | 07/2019          | CHF                      | 1,115                   | 0                                       | (29)      |
|              | 07/2019          | CNH                      | 1,835                   | 3                                       | 0         |
|              | 07/2019          | DKK                      | 109,464                 | 41                                      | (6)       |
|              | 07/2019          | EUR                      | 17,228                  | 0                                       | (131)     |
|              | 07/2019          | GBP                      | 1,728                   | 0                                       | (19)      |
|              | 07/2019          | INR                      | 334,170                 | 0                                       | (78)      |
|              | 07/2019          | JPY                      | 5,787,747               | 0                                       | (560)     |
|              | 07/2019          | KRW                      | 361,088                 | 310                                     | (2)       |

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

| Counterparty | Settlement Month                         | Currency to be Delivered | Currency to be Received | Unrealized Appreciation/ (Depreciation) |            |        |    |       |       |         |
|--------------|--|--------------------------|-------------------------|---|------------|--------|----|-------|-------|---------|
|              |  |                          |                         | Asset                                   | Liability  |        |    |       |       |         |
| MSB          | 07/2019                                  | \$                       | 150                     | CAD                                     | 200        | \$     | 3  | \$    | 0     |         |
|              | 07/2019                                  |                          | 5,079                   | CHF                                     | 4,981      |        | 27 |       | (3)   |         |
|              | 07/2019                                  |                          | 272                     | CLP                                     | 189,149    |        | 7  |       | 0     |         |
|              | 07/2019                                  |                          | 390                     | DKK                                     | 2,570      |        | 2  |       | 0     |         |
|              | 07/2019                                  |                          | 1,681                   | GBP                                     | 1,334      |        | 13 |       | 0     |         |
|              | 07/2019                                  |                          | 2,498                   | INR                                     | 173,974    |        | 23 |       | 0     |         |
|              | 07/2019                                  |                          | 1,312                   | NOK                                     | 11,155     |        | 0  |       | (4)   |         |
|              | 07/2019                                  |                          | 655                     | PLN                                     | 2,446      |        | 0  |       | 0     |         |
|              | 07/2019                                  |                          | 562                     | SEK                                     | 5,339      |        | 13 |       | 0     |         |
|              | 07/2019                                  |                          | 252                     | TRY                                     | 1,463      |        | 0  |       | 0     |         |
|              | 07/2019                                  |                          | 2,673                   | ZAR                                     | 38,921     |        | 89 |       | 0     |         |
|              | 08/2019                                  | CHF                      | 2,737                   | \$                                      | 2,816      |        | 3  |       | 0     |         |
|              | 08/2019                                  | MXN                      | 8,566                   |   | 432        |        | 0  |       | (11)  |         |
|              | 09/2019                                  | CNH                      | 4,605                   |   | 664        |        | 0  |       | (6)   |         |
|              | 09/2019                                  | \$                       | 1,093                   | IDR                                     | 15,778,468 |        | 13 |       | 0     |         |
|              | 10/2019                                  | PEN                      | 7,574                   | \$                                      | 2,272      |        | 0  |       | (18)  |         |
|              | 10/2019                                  | \$                       | 1,271                   | DKK                                     | 8,275      |        | 0  |       | (1)   |         |
|              | 10/2019                                  |                          | 401                     | MXN                                     | 7,860      |        | 2  |       | 0     |         |
|              | 11/2019                                  | TWD                      | 7,895                   | \$                                      | 252        |        | 0  |       | (5)   |         |
|              | 05/2020                                  | INR                      | 173,974                 |   | 2,414      |        | 0  |       | (14)  |         |
|              | MSB                                      | 07/2019                  | CNH                     | 5,047                                   |            | 739    |    | 4     |       | 0       |
|              |  | 07/2019                  | EUR                     | 87                                      | RON        | 414    |    | 0     |       | 0       |
|              |  | 07/2019                  | RUB                     | 136,534                                 | \$         | 2,103  |    | 0     |       | (52)    |
|              |  | 09/2019                  | \$                      | 1,443                                   | RUB        | 95,464 |    | 51    |       | 0       |
|              |  | 03/2020                  | RON                     | 1,621                                   | EUR        | 326    |    | 0     |       | (9)     |
|              | MYI                                      | 07/2019                  | AUD                     | 1,621                                   | \$         | 1,130  |    | 0     |       | (8)     |
| 07/2019      |  | CHF                      | 577                     |   | 579        |        | 0  |       | (12)  |         |
| 07/2019      |  | NOK                      | 19,183                  |   | 2,261      |        | 12 |       | 0     |         |
| 08/2019      |  | \$                       | 806                     | HKD                                     | 6,312      |        | 2  |       | 0     |         |
| 12/2019      |  | HKD                      | 6,312                   | \$                                      | 807        |        | 0  |       | (2)   |         |
| 06/2021      |  | \$                       | 38                      | EUR                                     | 30         |        | 0  |       | (3)   |         |
| NGF          | 09/2019                                  | TRY                      | 1,633                   |   | 240        |        | 2  |       | 0     |         |
| RBC          | 09/2019                                  | \$                       | 11,298                  | JPY                                     | 1,210,000  |        | 0  |       | (12)  |         |
| RYL          | 07/2019                                  |                          | 11                      | EUR                                     | 10         |        | 0  |       | 0     |         |
|              | 09/2019                                  | CNH                      | 548                     | \$                                      | 80         |        | 0  |       | 0     |         |
| SCX          | 07/2019                                  | CAD                      | 3,113                   |   | 2,327      |        | 0  |       | (51)  |         |
|              | 07/2019                                  | GBP                      | 30,517                  |   | 38,634     |        | 4  |       | (124) |         |
|              | 07/2019                                  | JPY                      | 303,881                 |   | 2,801      |        | 0  |       | (18)  |         |
|              | 07/2019                                  | KRW                      | 1,484,210               |   | 1,274      |        | 0  |       | (9)   |         |
|              | 07/2019                                  | \$                       | 2,767                   |   | 2,191      |        | 15 |       | 0     |         |
|              | 07/2019                                  |                          | 1,125                   | GBP                                     | 121,824    |        | 5  |       | 0     |         |
|              | 07/2019                                  |                          | 1,453                   | RUB                                     | 96,380     |        | 69 |       | 0     |         |
|              | 07/2019                                  |                          | 24,821                  | SEK                                     | 230,182    |        | 0  |       | (34)  |         |
|              | 08/2019                                  | SEK                      | 230,182                 | \$                                      | 24,879     |        | 33 |       | 0     |         |
|              | 08/2019                                  | \$                       | 1,694                   | GBP                                     | 1,329      |        | 0  |       | (4)   |         |
|              | 09/2019                                  | CNH                      | 5,340                   | \$                                      | 770        |        | 0  |       | (7)   |         |
|              | 09/2019                                  | \$                       | 1,120                   | CNH                                     | 7,744      |        | 7  |       | 0     |         |
|              | 11/2019                                  | TWD                      | 9,851                   | \$                                      | 315        |        | 0  |       | (5)   |         |
|              | 11/2019                                  | \$                       | 1,709                   | TWD                                     | 53,149     |        | 18 |       | 0     |         |
|              | SOG                                      | 07/2019                  | PLN                     | 6,770                                   | \$         | 1,798  |    | 0     |       | (16)    |
|              |  | 07/2019                  | RON                     | 10,827                                  | EUR        | 2,223  |    | 0     |       | (73)    |
| SSB          | 07/2019                                  | \$                       | 3,962                   |   | 3,500      |        | 27 |       | 0     |         |
|              | 07/2019                                  |                          | 2,305                   | INR                                     | 160,196    |        | 16 |       | 0     |         |
|              | 08/2019                                  | HKD                      | 42,331                  | \$                                      | 5,412      |        | 0  |       | (8)   |         |
|              | 05/2020                                  | INR                      | 174,274                 |   | 2,424      |        | 0  |       | (8)   |         |
| TOR          | 07/2019                                  | \$                       | 206                     | CLP                                     | 142,573    |        | 4  |       | 0     |         |
| UAG          | 07/2019                                  | NZD                      | 3,393                   | \$                                      | 2,247      |        | 0  |       | (33)  |         |
|              | 07/2019                                  | SEK                      | 26,285                  |   | 2,835      |        | 4  |       | 0     |         |
|              | 07/2019                                  | TRY                      | 10,194                  |   | 1,711      |        | 0  |       | (45)  |         |
|              | 07/2019                                  | \$                       | 2,310                   | EUR                                     | 2,059      |        | 31 |       | 0     |         |
|              | 08/2019                                  | HKD                      | 7,482                   | \$                                      | 957        |        | 0  |       | (1)   |         |
|              | 08/2019                                  | \$                       | 2,842                   | SEK                                     | 26,285     |        | 0  |       | (4)   |         |
|              | 09/2019                                  | KRW                      | 8,148,451               | \$                                      | 7,057      |        | 2  |       | (1)   |         |
|              | 03/2020                                  | EUR                      | 1,132                   | RON                                     | 5,509      |        | 3  |       | 0     |         |
|              | Total Forward Foreign Currency Contracts |                          |                         |   |            |        | \$ | 2,308 | \$    | (5,154) |

## PURCHASED OPTIONS:

## FOREIGN CURRENCY OPTIONS

| Counterparty | Description               | Strike Price | Expiration Date | Notional Amount <sup>(1)</sup> | Cost  | Market Value |
|--------------|---------------------------|--------------|-----------------|--------------------------------|-------|--------------|
| HUS          | Call - OTC AUD versus CAD | CAD 0.940    | 09/13/2019      | 4,000                          | \$ 11 | \$ 9         |
|              | Call - OTC USD versus INR | INR 82.000   | 10/16/2019      | 8,600                          | 61    | 1            |
|              |                           |              |                 |                                | \$ 72 | \$ 10        |

## INTEREST RATE SWAPIONS

| Counterparty                   | Description                         | Floating Rate Index | Pay/Receive Floating Rate | Exercise Rate | Expiration Date | Notional Amount <sup>(1)</sup> | Cost         | Market Value |
|--------------------------------|-------------------------------------|---------------------|---------------------------|---------------|-----------------|--------------------------------|--------------|--------------|
| MYC                            | Put - OTC 2-Year Interest Rate Swap | 3-Month JPY-LIBOR   | Receive                   | 0.147%        | 06/29/2020      | 459,000                        | \$ 5         | \$ 5         |
| <b>Total Purchased Options</b> |                                     |                     |                           |               |                 |                                | <b>\$ 77</b> | <b>\$ 15</b> |

## WRITTEN OPTIONS:

## CREDIT DEFAULT SWAPIONS ON CREDIT INDICES

| Counterparty | Description                             | Buy/Sell Protection | Exercise Rate | Expiration Date | Notional Amount <sup>(1)</sup> | Premiums (Received) | Market Value |
|--------------|---|---------------------|---------------|-----------------|--------------------------------|---------------------|--------------|
| BOA          | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.900%        | 08/21/2019      | 1,000                          | \$ (1)              | \$ 0         |
| CBK          | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.950         | 08/21/2019      | 1,200                          | (1)                 | 0            |
| DUB          | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.950         | 09/18/2019      | 1,100                          | (1)                 | 0            |
| FBF          | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 1.050         | 09/18/2019      | 300                            | (1)                 | 0            |
| GST          | Put - OTC CDX.IG-31 5-Year Index        | Sell                | 2.400         | 09/18/2019      | 1,200                          | (2)                 | 0            |
|              | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.900         | 08/21/2019      | 2,300                          | (2)                 | (1)          |
|              | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.950         | 09/18/2019      | 1,400                          | (2)                 | (1)          |
|              | Put - OTC iTraxx Europe 30 5-Year Index | Sell                | 2.400         | 09/18/2019      | 1,400                          | (3)                 | 0            |
| MYC          | Put - OTC CDX.IG-32 5-Year Index        | Sell                | 0.900         | 08/21/2019      | 1,100                          | (1)                 | 0            |
|              |   |                     |               |                 |                                | \$ (14)             | \$ (2)       |

## FOREIGN CURRENCY OPTIONS

| Counterparty | Description               | Strike Price  | Expiration Date | Notional Amount <sup>(1)</sup> | Premiums (Received) | Market Value |
|--------------|---------------------------|---------------|-----------------|--------------------------------|---------------------|--------------|
| GLM          | Put - OTC USD versus COP  | COP 3,165.000 | 08/29/2019      | 1,830                          | \$ (15)             | \$ (14)      |
|              | Put - OTC USD versus ZAR  | ZAR 14.200    | 07/18/2019      | 1,370                          | (8)                 | (23)         |
| HUS          | Put - OTC AUD versus CAD  | CAD 0.905     | 09/13/2019      | 4,000                          | (12)                | (14)         |
|              | Put - OTC USD versus CNH  | CNH 6.795     | 07/22/2019      | 2,810                          | (7)                 | (7)          |
|              | Call - OTC USD versus CNH | 6.945         | 07/22/2019      | 2,810                          | (5)                 | (8)          |
|              |                           |               |                 |                                | \$ (47)             | \$ (66)      |

## INTEREST RATE SWAPIONS

| Counterparty                 | Description                         | Floating Rate Index | Pay/Receive Floating Rate | Exercise Rate | Expiration Date | Notional Amount <sup>(1)</sup> | Premiums (Received) | Market Value   |
|------------------------------|-------------------------------------|---------------------|---------------------------|---------------|-----------------|--------------------------------|---------------------|----------------|
| MYC                          | Put - OTC 2-Year Interest Rate Swap | 3-Month JPY-LIBOR   | Pay                       | 0.047%        | 06/29/2020      | 918,000                        | \$ (3)              | \$ (3)         |
| <b>Total Written Options</b> |                                     |                     |                           |               |                 |                                | <b>\$ (64)</b>      | <b>\$ (71)</b> |

## SWAP AGREEMENTS:

CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - BUY PROTECTION<sup>(2)</sup>

| Counterparty | Reference Entity                          | Fixed (Pay) Rate | Payment Frequency | Maturity Date | Implied Credit Spread at June 30, 2019 <sup>(4)</sup> | Notional Amount <sup>(5)</sup> | Premiums Paid/(Received) | Unrealized Appreciation/(Depreciation) | Swap Agreements, at Value <sup>(6)</sup> |        |
|--------------|---|------------------|-------------------|---------------|---|--------------------------------|--------------------------|--|--|--------|
| BOA          | Japan Government International Bond       | (1.000)%         | Quarterly         | 06/20/2022    | 0.103%  | \$ 200                         | \$ (7)                   | \$ 2                                   | \$ 0                                     | \$ (5) |
| BPS          | Japan Government International Bond       | (1.000)          | Quarterly         | 06/20/2022    | 0.103   | 1,700                          | (61)                     | 16                                     | 0  | (45)   |
|              | South Korea Government International Bond | (1.000)          | Quarterly         | 06/20/2023    | 0.245   | 3,000                          | (73)                     | (15)                                   | 0  | (88)   |
| BRC          | China Government International Bond       | (1.000)          | Quarterly         | 06/20/2023    | 0.329   | 800                            | (15)                     | (6)                                    | 0  | (21)   |
|              | Japan Government International Bond       | (1.000)          | Quarterly         | 06/20/2022    | 0.103   | 1,200                          | (41)                     | 9                                      | 0  | (32)   |

## Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

| Counterparty | Reference Entity                             | Fixed<br>(Pay) Rate | Payment<br>Frequency | Maturity<br>Date | Implied<br>Credit Spread at<br>June 30, 2019 <sup>(4)</sup> | Notional<br>Amount <sup>(5)</sup> | Premiums<br>Paid/(Received) | Unrealized<br>Appreciation/<br>(Depreciation) | Swap Agreements,<br>at Value <sup>(6)</sup> |           |
|--------------|--|---------------------|----------------------|------------------|---|-----------------------------------|-----------------------------|---|---|-----------|
|              |  |                     |                      |                  |   |                                   |                             |   | Asset                                       | Liability |
|              | South Korea Government<br>International Bond | (1.000)%            | Quarterly            | 06/20/2023       | 0.245%  | \$ 2,000                          | \$ (51)                     | \$ (8)  | \$ 0  | \$ (59)   |
| CBK          | Japan Government International Bond          | (1.000)             | Quarterly            | 06/20/2022       | 0.103   | 1,000                             | (35)                        | 8   | 0   | (27)      |
| GST          | China Government International Bond          | (1.000)             | Quarterly            | 06/20/2023       | 0.329   | 1,600                             | (31)                        | (11)  | 0   | (42)      |
|              | Japan Government International Bond          | (1.000)             | Quarterly            | 06/20/2022       | 0.103   | 1,700                             | (60)                        | 15  | 0   | (45)      |
| HUS          | South Korea Government<br>International Bond | (1.000)             | Quarterly            | 06/20/2023       | 0.245   | 800                               | (20)                        | (4)   | 0   | (24)      |
| JPM          | South Korea Government<br>International Bond | (1.000)             | Quarterly            | 06/20/2023       | 0.245   | 200                               | (5)                         | (1)   | 0   | (6)       |
|              |  |                     |                      |                  |   |                                   | \$ (399)                    | \$ 5  | \$ 0  | \$ (394)  |

### CREDIT DEFAULT SWAPS ON SOVEREIGN ISSUES - SELL PROTECTION<sup>(3)</sup>

| Counterparty | Reference Entity                              | Fixed<br>Receive Rate | Payment<br>Frequency | Maturity<br>Date | Implied<br>Credit Spread at<br>June 30, 2019 <sup>(4)</sup> | Notional<br>Amount <sup>(5)</sup> | Premiums<br>Paid/(Received) | Unrealized<br>Appreciation/<br>(Depreciation) | Swap Agreements,<br>at Value <sup>(6)</sup> |           |
|--------------|---|-----------------------|----------------------|------------------|---|-----------------------------------|-----------------------------|---|---|-----------|
|              |   |                       |                      |                  |   |                                   |                             |   | Asset                                       | Liability |
| GST          | South Africa Government<br>International Bond | 1.000%                | Quarterly            | 06/20/2024       | 1.673%  | \$ 900                            | \$ (40)                     | \$ 12   | \$ 0  | \$ (28)   |
| JPM          | South Africa Government<br>International Bond | 1.000                 | Quarterly            | 06/20/2023       | 1.389   | 400                               | (20)                        | 15  | 0   | (5)       |
|              |   |                       |                      |                  |   |                                   | \$ (60)                     | \$ 27   | \$ 0  | \$ (33)   |

### INTEREST RATE SWAPS

| Counterparty | Pay/Receive<br>Floating Rate | Floating Rate Index | Fixed Rate | Payment<br>Frequency | Maturity<br>Date | Notional<br>Amount | Premiums<br>Paid/(Received) | Unrealized<br>Appreciation/<br>(Depreciation) | Swap Agreements,<br>at Value |           |
|--------------|------------------------------|---------------------|------------|----------------------|------------------|--------------------|-----------------------------|---|------------------------------|-----------|
|              |                              |                     |            |                      |                  |                    |                             |   | Asset                        | Liability |
| BPS          | Pay                          | 1-Year ILS-TELBOR   | 1.180%     | Annual               | 01/30/2024       | ILS 8,500          | \$ 0                        | \$ 61   | \$ 61                        | \$ 0      |
|              | Pay                          | 1-Year ILS-TELBOR   | 1.786      | Annual               | 05/01/2029       | 1,400              | 0                           | 12  | 12                           | 0         |
| CBK          | Pay                          | 1-Year ILS-TELBOR   | 1.755      | Annual               | 04/29/2029       | 2,100              | 0                           | 16  | 16                           | 0         |
| GLM          | Pay                          | 1-Year ILS-TELBOR   | 1.780      | Annual               | 04/22/2029       | 1,800              | 0                           | 16  | 16                           | 0         |
|              | Pay                          | 1-Year ILS-TELBOR   | 1.779      | Annual               | 04/30/2029       | 1,800              | 0                           | 15  | 15                           | 0         |
| HUS          | Pay                          | 1-Year ILS-TELBOR   | 1.785      | Annual               | 04/25/2029       | 800                | 0                           | 7   | 7                            | 0         |
| JPM          | Pay                          | 1-Year ILS-TELBOR   | 1.775      | Annual               | 04/25/2029       | 2,100              | 1                           | 17  | 18                           | 0         |
|              |                              |                     |            |                      |                  |                    | \$ 1                        | \$ 144  | \$ 145                       | \$ 0      |

### TOTAL RETURN SWAPS ON INTEREST RATE INDICES

| Counterparty          | Pay/Receive <sup>(7)</sup> | Underlying Reference              | # of Units | Financing Rate             | Payment Frequency | Maturity Date | Notional Amount | Premiums Paid/(Received) | Unrealized Appreciation/ (Depreciation) | Swap Agreements, at Value |           |
|-----------------------|----------------------------|-----------------------------------|------------|----------------------------|-------------------|---------------|-----------------|--------------------------|---|---------------------------|-----------|
|                       |                            |                                   |            |                            |                   |               |                 |                          |   | Asset                     | Liability |
| BRC                   | Receive                    | iBoxx USD Liquid High Yield Index | N/A        | 2.387% (3-Month USD-LIBOR) | Maturity          | 03/20/2020    | \$ 2,600        | \$ 16                    | \$ (89)                                 | \$ 0                      | \$ (73)   |
| GST                   | Receive                    | iBoxx USD Liquid High Yield Index | N/A        | 2.387% (3-Month USD-LIBOR) | Maturity          | 09/20/2019    | 1,800           | 0                        | (133)                                   | 0                         | (133)     |
|                       | Receive                    | iBoxx USD Liquid High Yield Index | N/A        | 2.387% (3-Month USD-LIBOR) | Maturity          | 12/20/2019    | 1,000           | 0                        | (61)                                    | 0                         | (61)      |
| JPM                   | Receive                    | iBoxx USD Liquid High Yield Index | N/A        | 2.387% (3-Month USD-LIBOR) | Maturity          | 09/20/2019    | 1,200           | 1                        | (70)                                    | 0                         | (69)      |
| MYC                   | Receive                    | iBoxx USD Liquid High Yield Index | N/A        | 2.387% (3-Month USD-LIBOR) | Maturity          | 09/20/2019    | 600             | 1                        | (36)                                    | 0                         | (35)      |
|                       |                            |                                   |            |                            |                   |               |                 | \$ 18                    | \$ (389)                                | \$ 0                      | \$ (371)  |
| Total Swap Agreements |                            |                                   |            |                            |                   |               |                 | \$ (440)                 | \$ (213)                                | \$ 145                    | \$ (798)  |

**FINANCIAL DERIVATIVE INSTRUMENTS: OVER THE COUNTER SUMMARY**

The following is a summary by counterparty of the market value of OTC financial derivative instruments and collateral pledged/(received) as of June 30, 2019:

| Counterparty                  | Financial Derivative Assets        |                   |                 |                        | Financial Derivative Liabilities   |                 |                 |                        | Net Market Value of OTC Derivatives | Collateral Pledged/(Received) | Net Exposure <sup>(8)</sup> |
|-------------------------------|------------------------------------|-------------------|-----------------|------------------------|------------------------------------|-----------------|-----------------|------------------------|-------------------------------------|-------------------------------|-----------------------------|
|                               | Forward Foreign Currency Contracts | Purchased Options | Swap Agreements | Total Over the Counter | Forward Foreign Currency Contracts | Written Options | Swap Agreements | Total Over the Counter |                                     |                               |                             |
| BOA                           | \$ 190                             | \$ 0              | \$ 0            | \$ 190                 | \$ (98)                            | \$ 0            | \$ (5)          | \$ (103)               | \$ 87                               | \$ 0                          | \$ 87                       |
| BPS                           | 373                                | 0                 | 73              | 446                    | (278)                              | 0               | (133)           | (411)                  | 35                                  | (270)                         | (235)                       |
| BRC                           | 26                                 | 0                 | 0               | 26                     | (68)                               | 0               | (185)           | (253)                  | (227)                               | 0                             | (227)                       |
| CBK                           | 455                                | 0                 | 16              | 471                    | (497)                              | 0               | (27)            | (524)                  | (53)                                | 0                             | (53)                        |
| DUB                           | 4                                  | 0                 | 0               | 4                      | (1)                                | 0               | 0               | (1)                    | 3                                   | 0                             | 3                           |
| FBF                           | 3                                  | 0                 | 0               | 3                      | (102)                              | 0               | 0               | (102)                  | (99)                                | 0                             | (99)                        |
| GLM                           | 176                                | 0                 | 31              | 207                    | (1,459)                            | (37)            | 0               | (1,496)                | (1,289)                             | 1,374                         | 85                          |
| GST                           | 0                                  | 0                 | 0               | 0                      | 0                                  | (2)             | (309)           | (311)                  | (311)                               | 284                           | (27)                        |
| HUS                           | 533                                | 10                | 7               | 550                    | (450)                              | (29)            | (24)            | (503)                  | 47                                  | 140                           | 187                         |
| IND                           | 0                                  | 0                 | 0               | 0                      | (775)                              | 0               | 0               | (775)                  | (775)                               | 759                           | (16)                        |
| JPM                           | 239                                | 0                 | 18              | 257                    | (887)                              | 0               | (80)            | (967)                  | (710)                               | 764                           | 54                          |
| MSB                           | 55                                 | 0                 | 0               | 55                     | (61)                               | 0               | 0               | (61)                   | (6)                                 | 0                             | (6)                         |
| MYC                           | 0                                  | 5                 | 0               | 5                      | 0                                  | (3)             | (35)            | (38)                   | (33)                                | (397)                         | (430)                       |
| MYI                           | 14                                 | 0                 | 0               | 14                     | (25)                               | 0               | 0               | (25)                   | (11)                                | 0                             | (11)                        |
| NGF                           | 2                                  | 0                 | 0               | 2                      | 0                                  | 0               | 0               | 0                      | 2                                   | 0                             | 2                           |
| RBC                           | 0                                  | 0                 | 0               | 0                      | (12)                               | 0               | 0               | (12)                   | (12)                                | 0                             | (12)                        |
| SCX                           | 151                                | 0                 | 0               | 151                    | (252)                              | 0               | 0               | (252)                  | (101)                               | 0                             | (101)                       |
| SOG                           | 0                                  | 0                 | 0               | 0                      | (89)                               | 0               | 0               | (89)                   | (89)                                | 0                             | (89)                        |
| SSB                           | 43                                 | 0                 | 0               | 43                     | (16)                               | 0               | 0               | (16)                   | 27                                  | 0                             | 27                          |
| TOR                           | 4                                  | 0                 | 0               | 4                      | 0                                  | 0               | 0               | 0                      | 4                                   | 0                             | 4                           |
| UAG                           | 40                                 | 0                 | 0               | 40                     | (84)                               | 0               | 0               | (84)                   | (44)                                | 0                             | (44)                        |
| <b>Total Over the Counter</b> | <b>\$ 2,308</b>                    | <b>\$ 15</b>      | <b>\$ 145</b>   | <b>\$ 2,468</b>        | <b>\$ (5,154)</b>                  | <b>\$ (71)</b>  | <b>\$ (798)</b> | <b>\$ (6,023)</b>      |                                     |                               |                             |

**(n) Securities with an aggregate market value of \$3,354 have been pledged as collateral for financial derivative instruments as governed by International Swaps and Derivatives Association, Inc. master agreements as of June 30, 2019.**

<sup>(1)</sup> Notional Amount represents the number of contracts.

<sup>(2)</sup> If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

<sup>(3)</sup> If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash, securities or other deliverable obligations equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index.

<sup>(4)</sup> Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on sovereign issues as of period end serve as indicators of the current status of the payment/performance risk and represent the likelihood or risk of default for the credit derivative. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

<sup>(5)</sup> The maximum potential amount the Portfolio could be required to pay as a seller of credit protection or receive as a buyer of credit protection if a credit event occurs as defined under the terms of that particular swap agreement.

<sup>(6)</sup> The prices and resulting values for credit default swap agreements serve as indicators of the current status of the payment/performance risk and represent the likelihood of an expected liability (or profit) for the credit derivative should the notional amount of the swap agreement be closed/sold as of the period end. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced indices' credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

<sup>(7)</sup> Receive represents that the Portfolio receives payments for any positive net return on the underlying reference. The Portfolio makes payments for any negative net return on such underlying reference. Pay represents that the Portfolio receives payments for any negative net return on the underlying reference. The Portfolio makes payments for any positive net return on such underlying reference.

<sup>(8)</sup> Net Exposure represents the net receivable/(payable) that would be due from/to the counterparty in the event of default. Exposure from OTC financial derivative instruments can only be netted across transactions governed under the same master agreement with the same legal entity. See Note 8, Master Netting Arrangements, in the Notes to Financial Statements for more information regarding master netting arrangements.

## Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.)

### FAIR VALUE OF FINANCIAL DERIVATIVE INSTRUMENTS

The following is a summary of the fair valuation of the Portfolio's derivative instruments categorized by risk exposure. See Note 7, Principal Risks, in the Notes to Financial Statements on risks of the Portfolio.

Fair Values of Financial Derivative Instruments on the Statement of Assets and Liabilities as of June 30, 2019:

|  | Derivatives not accounted for as hedging instruments |                     |                     |                                  |                            |          |
|--|--|---------------------|---------------------|----------------------------------|----------------------------|----------|
|  | Commodity<br>Contracts                               | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Exchange<br>Contracts | Interest<br>Rate Contracts | Total    |
| Financial Derivative Instruments - Assets      |  |                     |                     |                                  |                            |          |
| Exchange-traded or centrally cleared           |  |                     |                     |                                  |                            |          |
| Futures  | \$ 0   | \$ 0                | \$ 0                | \$ 0                             | \$ 118                     | \$ 118   |
| Swap Agreements                                | 0  | 29                  | 0                   | 0                                | 1,002                      | 1,031    |
|  | \$ 0   | \$ 29               | \$ 0                | \$ 0                             | \$ 1,120                   | \$ 1,149 |
| Over the counter                               |  |                     |                     |                                  |                            |          |
| Forward Foreign Currency Contracts             | \$ 0   | \$ 0                | \$ 0                | \$ 2,308                         | \$ 0                       | \$ 2,308 |
| Purchased Options                              | 0  | 0                   | 0                   | 10                               | 5                          | 15       |
| Swap Agreements                                | 0  | 0                   | 0                   | 0                                | 145                        | 145      |
|  | \$ 0   | \$ 0                | \$ 0                | \$ 2,318                         | \$ 150                     | \$ 2,468 |
|  | \$ 0   | \$ 29               | \$ 0                | \$ 2,318                         | \$ 1,270                   | \$ 3,617 |
| Financial Derivative Instruments - Liabilities |  |                     |                     |                                  |                            |          |
| Exchange-traded or centrally cleared           |  |                     |                     |                                  |                            |          |
| Written Options                                | \$ 0   | \$ 0                | \$ 0                | \$ 0                             | \$ 68                      | \$ 68    |
| Futures  | 0  | 0                   | 0                   | 0                                | 149                        | 149      |
| Swap Agreements                                | 0  | 14                  | 0                   | 0                                | 93                         | 107      |
|  | \$ 0   | \$ 14               | \$ 0                | \$ 0                             | \$ 310                     | \$ 324   |
| Over the counter                               |  |                     |                     |                                  |                            |          |
| Forward Foreign Currency Contracts             | \$ 0   | \$ 0                | \$ 0                | \$ 5,154                         | \$ 0                       | \$ 5,154 |
| Written Options                                | 0  | 2                   | 0                   | 66                               | 3                          | 71       |
| Swap Agreements                                | 0  | 427                 | 0                   | 0                                | 371                        | 798      |
|  | \$ 0   | \$ 429              | \$ 0                | \$ 5,220                         | \$ 374                     | \$ 6,023 |
|  | \$ 0   | \$ 443              | \$ 0                | \$ 5,220                         | \$ 684                     | \$ 6,347 |

The effect of Financial Derivative Instruments on the Statement of Operations for the period ended June 30, 2019:

|  | Derivatives not accounted for as hedging instruments |                     |                     |                                  |                            |           |
|--|--|---------------------|---------------------|----------------------------------|----------------------------|-----------|
|  | Commodity<br>Contracts                               | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Exchange<br>Contracts | Interest<br>Rate Contracts | Total     |
| Net Realized Gain (Loss) on Financial Derivative Instruments |  |                     |                     |                                  |                            |           |
| Exchange-traded or centrally cleared                         |  |                     |                     |                                  |                            |           |
| Purchased Options  | \$ 0   | \$ 0                | \$ 0                | \$ 0                             | \$ (3)                     | \$ (3)    |
| Written Options  | 0  | 0                   | 0                   | 0                                | 61                         | 61        |
| Futures  | 0  | 0                   | 0                   | 0                                | 652                        | 652       |
| Swap Agreements  | 0  | (379)               | 0                   | 0                                | 6,402                      | 6,023     |
|  | \$ 0   | \$ (379)            | \$ 0                | \$ 0                             | \$ 7,112                   | \$ 6,733  |
| Over the counter   |  |                     |                     |                                  |                            |           |
| Forward Foreign Currency Contracts                           | \$ 0   | \$ 0                | \$ 0                | \$ 11,479                        | \$ 0                       | \$ 11,479 |
| Purchased Options  | 0  | 0                   | 0                   | (59)                             | 0                          | (59)      |
| Written Options  | 0  | 51                  | 0                   | 140                              | 9                          | 200       |
| Swap Agreements  | 0  | (130)               | 0                   | (4,442)                          | 168                        | (4,404)   |
|  | \$ 0   | \$ (79)             | \$ 0                | \$ 7,118                         | \$ 177                     | \$ 7,216  |
|  | \$ 0   | \$ (458)            | \$ 0                | \$ 7,118                         | \$ 7,289                   | \$ 13,949 |



| Derivatives not accounted for as hedging instruments  |                        |                     |                     |                                  |                            |            |
|---|------------------------|---------------------|---------------------|----------------------------------|----------------------------|------------|
|   | Commodity<br>Contracts | Credit<br>Contracts | Equity<br>Contracts | Foreign<br>Exchange<br>Contracts | Interest<br>Rate Contracts | Total      |
| <b>Net Change in Unrealized Appreciation (Depreciation) on Financial Derivative Instruments</b> |                        |                     |                     |                                  |                            |            |
| Exchange-traded or centrally cleared  |                        |                     |                     |                                  |                            |            |
| Purchased Options   | \$ 0                   | \$ 0                | \$ 0                | \$ 0                             | \$ 1                       | \$ 1       |
| Written Options   | 0                      | 0                   | 0                   | 0                                | (4)                        | (4)        |
| Futures   | 0                      | 0                   | 0                   | 0                                | 1,238                      | 1,238      |
| Swap Agreements   | 0                      | (1,536)             | 0                   | 0                                | (4,655)                    | (6,191)    |
|   | \$ 0                   | \$ (1,536)          | \$ 0                | \$ 0                             | \$ (3,420)                 | \$ (4,956) |
| Over the counter  |                        |                     |                     |                                  |                            |            |
| Forward Foreign Currency Contracts  | \$ 0                   | \$ 0                | \$ 0                | \$ (905)                         | \$ 0                       | \$ (905)   |
| Purchased Options   | 0                      | 0                   | 0                   | (51)                             | 0                          | (51)       |
| Written Options   | 0                      | 20                  | 0                   | 13                               | 0                          | 33         |
| Swap Agreements   | 0                      | 44                  | 0                   | 736                              | (150)                      | 630        |
|   | \$ 0                   | \$ 64               | \$ 0                | \$ (207)                         | \$ (150)                   | \$ (293)   |
|   | \$ 0                   | \$ (1,472)          | \$ 0                | \$ (207)                         | \$ (3,570)                 | \$ (5,249) |

## FAIR VALUE MEASUREMENTS

The following is a summary of the fair valuations according to the inputs used as of June 30, 2019 in valuing the Portfolio's assets and liabilities:

| Category and Subcategory                   | Level 1 | Level 2 | Level 3 | Fair<br>Value at<br>06/30/2019 | Category and Subcategory | Level 1 | Level 2  | Level 3 | Fair<br>Value at<br>06/30/2019 |
|--|---------|---------|---------|--------------------------------|--------------------------|---------|----------|---------|--------------------------------|
| <b>Investments in Securities, at Value</b> |         |         |         |                                | Kuwait                   |         |          |         |                                |
| Argentina                                  |         |         |         |                                | Sovereign Issues         | \$ 0    | \$ 3,188 | \$ 0    | \$ 3,188                       |
| Sovereign Issues                           | \$ 0    | \$ 692  | \$ 0    | \$ 692                         | Lithuania                |         |          |         |                                |
| Australia                                  |         |         |         |                                | Sovereign Issues         | 0       | 1,063    | 0       | 1,063                          |
| Asset-Backed Securities                    | 0       | 410     | 0       | 410                            | Luxembourg               |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 313     | 0       | 313                            | Asset-Backed Securities  | 0       | 142      | 0       | 142                            |
| Sovereign Issues                           | 0       | 107     | 0       | 107                            | Corporate Bonds & Notes  | 0       | 1,588    | 0       | 1,588                          |
| Brazil                                     |         |         |         |                                | Multinational            |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 3,105   | 0       | 3,105                          | Corporate Bonds & Notes  | 0       | 900      | 0       | 900                            |
| Canada                                     |         |         |         |                                | Netherlands              |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 9,281   | 0       | 9,281                          | Asset-Backed Securities  | 0       | 2,101    | 0       | 2,101                          |
| Non-Agency Mortgage-Backed Securities      | 0       | 984     | 0       | 984                            | Corporate Bonds & Notes  | 0       | 7,825    | 0       | 7,825                          |
| Sovereign Issues                           | 0       | 2,287   | 0       | 2,287                          | Norway                   |         |          |         |                                |
| Cayman Islands                             |         |         |         |                                | Corporate Bonds & Notes  | 0       | 1,636    | 0       | 1,636                          |
| Asset-Backed Securities                    | 0       | 14,174  | 0       | 14,174                         | Sovereign Issues         | 0       | 221      | 0       | 221                            |
| Corporate Bonds & Notes                    | 0       | 6,662   | 0       | 6,662                          | Peru                     |         |          |         |                                |
| China                                      |         |         |         |                                | Sovereign Issues         | 0       | 3,803    | 0       | 3,803                          |
| Sovereign Issues                           | 0       | 20,287  | 0       | 20,287                         | Poland                   |         |          |         |                                |
| Denmark                                    |         |         |         |                                | Sovereign Issues         | 0       | 1,794    | 0       | 1,794                          |
| Corporate Bonds & Notes                    | 0       | 25,022  | 0       | 25,022                         | Qatar                    |         |          |         |                                |
| France                                     |         |         |         |                                | Corporate Bonds & Notes  | 0       | 404      | 0       | 404                            |
| Corporate Bonds & Notes                    | 0       | 3,625   | 0       | 3,625                          | Sovereign Issues         | 0       | 9,025    | 0       | 9,025                          |
| Sovereign Issues                           | 0       | 12,276  | 0       | 12,276                         | Saudi Arabia             |         |          |         |                                |
| Germany                                    |         |         |         |                                | Corporate Bonds & Notes  | 0       | 404      | 0       | 404                            |
| Corporate Bonds & Notes                    | 0       | 15,384  | 0       | 15,384                         | Sovereign Issues         | 0       | 8,093    | 0       | 8,093                          |
| Guernsey, Channel Islands                  |         |         |         |                                | Singapore                |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 830     | 0       | 830                            | Corporate Bonds & Notes  | 0       | 3,428    | 0       | 3,428                          |
| Hong Kong                                  |         |         |         |                                | Slovenia                 |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 425     | 0       | 425                            | Sovereign Issues         | 0       | 1,597    | 0       | 1,597                          |
| India                                      |         |         |         |                                | South Korea              |         |          |         |                                |
| Corporate Bonds & Notes                    | 0       | 406     | 0       | 406                            | Corporate Bonds & Notes  | 0       | 398      | 0       | 398                            |
| Indonesia                                  |         |         |         |                                | Sovereign Issues         | 0       | 11,805   | 0       | 11,805                         |
| Corporate Bonds & Notes                    | 0       | 316     | 0       | 316                            | Spain                    |         |          |         |                                |
| Ireland                                    |         |         |         |                                | Asset-Backed Securities  | 0       | 125      | 0       | 125                            |
| Asset-Backed Securities                    | 0       | 4,500   | 0       | 4,500                          | Corporate Bonds & Notes  | 0       | 4,668    | 0       | 4,668                          |
| Corporate Bonds & Notes                    | 0       | 2,531   | 0       | 2,531                          | Sovereign Issues         | 0       | 23,130   | 0       | 23,130                         |
| Sovereign Issues                           | 0       | 1,054   | 0       | 1,054                          | Supranational            |         |          |         |                                |
| Israel                                     |         |         |         |                                | Corporate Bonds & Notes  | 0       | 606      | 0       | 606                            |
| Sovereign Issues                           | 0       | 858     | 0       | 858                            | Sweden                   |         |          |         |                                |
| Italy                                      |         |         |         |                                | Corporate Bonds & Notes  | 0       | 22,877   | 0       | 22,877                         |
| Corporate Bonds & Notes                    | 0       | 1,372   | 0       | 1,372                          | Switzerland              |         |          |         |                                |
| Sovereign Issues                           | 0       | 15,914  | 0       | 15,914                         | Corporate Bonds & Notes  | 0       | 3,360    | 0       | 3,360                          |
| Japan                                      |         |         |         |                                | Sovereign Issues         | 0       | 472      | 0       | 472                            |
| Corporate Bonds & Notes                    | 0       | 8,510   | 0       | 8,510                          | United Arab Emirates     |         |          |         |                                |
| Sovereign Issues                           | 0       | 67,102  | 0       | 67,102                         | Corporate Bonds & Notes  | 0       | 701      | 0       | 701                            |
|  |         |         |         |                                | Sovereign Issues         | 0       | 1,440    | 0       | 1,440                          |

# Schedule of Investments PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (Cont.) June 30, 2019 (Unaudited)

| Category and Subcategory                        | Level 1   | Level 2    | Level 3  | Fair Value at 06/30/2019 | Category and Subcategory                              | Level 1   | Level 2    | Level 3  | Fair Value at 06/30/2019 |
|---|-----------|------------|----------|--------------------------|---|-----------|------------|----------|--------------------------|
| United Kingdom                                  |           |            |          |                          | <b>Short Sales, at Value - Liabilities</b>            |           |            |          |                          |
| Corporate Bonds & Notes                         | \$ 0      | \$ 33,010  | \$ 0     | \$ 33,010                | Canada  |           |            |          |                          |
| Non-Agency Mortgage-Backed Securities           | 0         | 19,498     | 0        | 19,498                   | Sovereign Issues                                      | \$ 0      | \$ (9,636) | \$ 0     | \$ (9,636)               |
| Preferred Securities                            | 0         | 185        | 0        | 185                      |   |           |            |          |                          |
| Sovereign Issues                                | 0         | 4,406      | 0        | 4,406                    | <b>Financial Derivative Instruments - Assets</b>      |           |            |          |                          |
| United States                                   |           |            |          |                          | Exchange-traded or centrally cleared                  | 118       | 1,031      | 0        | 1,149                    |
| Asset-Backed Securities                         | 0         | 35,737     | 0        | 35,737                   | Over the counter                                      | 0         | 2,468      | 0        | 2,468                    |
| Corporate Bonds & Notes                         | 0         | 74,707     | 1,402    | 76,109                   |   | \$ 118    | \$ 3,499   | \$ 0     | \$ 3,617                 |
| Loan Participations and Assignments             | 0         | 1,064      | 0        | 1,064                    | <b>Financial Derivative Instruments - Liabilities</b> |           |            |          |                          |
| Non-Agency Mortgage-Backed Securities           | 0         | 8,330      | 0        | 8,330                    | Exchange-traded or centrally cleared                  | (153)     | (171)      | 0        | (324)                    |
| U.S. Government Agencies                        | 0         | 111,503    | 0        | 111,503                  | Over the counter                                      | 0         | (6,023)    | 0        | (6,023)                  |
| U.S. Treasury Obligations                       | 0         | 39,692     | 0        | 39,692                   |   | \$ (153)  | \$ (6,194) | \$ 0     | \$ (6,347)               |
| Short-Term Instruments                          |           |            |          |                          |   |           |            |          |                          |
| Repurchase Agreements                           | 0         | 1,061      | 0        | 1,061                    | Total Financial Derivative Instruments                | \$ (35)   | \$ (2,695) | \$ 0     | \$ (2,730)               |
| South Africa Treasury Bills                     | 0         | 2,161      | 0        | 2,161                    |   |           |            |          |                          |
|   | \$ 0      | \$ 666,575 | \$ 1,402 | \$ 667,977               | Totals  | \$ 29,010 | \$ 654,244 | \$ 1,402 | \$ 684,656               |
| <b>Investments in Affiliates, at Value</b>      |           |            |          |                          |   |           |            |          |                          |
| Short-Term Instruments                          |           |            |          |                          |   |           |            |          |                          |
| Central Funds Used for Cash Management Purposes | \$ 29,045 | \$ 0       | \$ 0     | \$ 29,045                |   |           |            |          |                          |
| Total Investments                               | \$ 29,045 | \$ 666,575 | \$ 1,402 | \$ 697,022               |   |           |            |          |                          |

There were no significant transfers into or out of Level 3 during the period ended June 30, 2019.

## 1. ORGANIZATION

PIMCO Variable Insurance Trust (the "Trust") is a Delaware statutory trust established under a trust instrument dated October 3, 1997. The Trust is registered under the Investment Company Act of 1940, as amended (the "Act"), as an open-end management investment company. The Trust is designed to be used as an investment vehicle by separate accounts of insurance companies that fund variable annuity contracts and variable life insurance policies and by qualified pension and retirement plans. Information presented in these financial statements pertains to the Institutional Class, Administrative Class and Advisor Class shares of the PIMCO International Bond Portfolio (U.S. Dollar-Hedged) (the "Portfolio") offered by the Trust. Pacific Investment Management Company LLC ("PIMCO") serves as the investment adviser (the "Adviser") for the Portfolio.

## 2. SIGNIFICANT ACCOUNTING POLICIES

The following is a summary of significant accounting policies consistently followed by the Portfolio in the preparation of its financial statements in conformity with accounting principles generally accepted in the United States of America ("U.S. GAAP"). The Portfolio is treated as an investment company under the reporting requirements of U.S. GAAP. The functional and reporting currency for the Portfolio is the U.S. dollar. The preparation of financial statements in accordance with U.S. GAAP requires management to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amounts of increases and decreases in net assets from operations during the reporting period. Actual results could differ from those estimates.

**(a) Securities Transactions and Investment Income** Securities transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date. Realized gains (losses) from securities sold are recorded on the identified cost basis. Dividend income is recorded on the ex-dividend date, except certain dividends from foreign securities where the ex-dividend date may have passed, which are recorded as soon as the Portfolio is informed of the ex-dividend date. Interest income, adjusted for the accretion of discounts and amortization of premiums, is recorded on the accrual basis from settlement date, with the exception of securities with a forward starting effective date, where interest income is recorded on the accrual basis from effective date. For convertible securities, premiums attributable to the conversion feature are not amortized. Estimated tax liabilities on certain foreign securities are recorded on an accrual basis and are reflected as components of interest income or net change in unrealized appreciation (depreciation) on investments on the Statement of

Operations, as appropriate. Tax liabilities realized as a result of such security sales are reflected as a component of net realized gain (loss) on investments on the Statement of Operations. Paydown gains (losses) on mortgage-related and other asset-backed securities, if any, are recorded as components of interest income on the Statement of Operations. Income or short-term capital gain distributions received from registered investment companies, if any, are recorded as dividend income. Long-term capital gain distributions received from registered investment companies, if any, are recorded as realized gains.

Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivable when the collection of all or a portion of interest has become doubtful based on consistently applied procedures. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectability of interest is probable.

**(b) Foreign Currency Translation** The market values of foreign securities, currency holdings and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars based on the current exchange rates each business day. Purchases and sales of securities and income and expense items denominated in foreign currencies, if any, are translated into U.S. dollars at the exchange rate in effect on the transaction date. The Portfolio does not separately report the effects of changes in foreign exchange rates from changes in market prices on securities held. Such changes are included in net realized gain (loss) and net change in unrealized appreciation (depreciation) from investments on the Statement of Operations. The Portfolio may invest in foreign currency-denominated securities and may engage in foreign currency transactions either on a spot (cash) basis at the rate prevailing in the currency exchange market at the time or through a forward foreign currency contract. Realized foreign exchange gains (losses) arising from sales of spot foreign currencies, currency gains (losses) realized between the trade and settlement dates on securities transactions and the difference between the recorded amounts of dividends, interest, and foreign withholding taxes and the U.S. dollar equivalent of the amounts actually received or paid are included in net realized gain (loss) on foreign currency transactions on the Statement of Operations. Net unrealized foreign exchange gains (losses) arising from changes in foreign exchange rates on foreign denominated assets and liabilities other than investments in securities held at the end of the reporting period are included in net change in unrealized appreciation (depreciation) on foreign currency assets and liabilities on the Statement of Operations.

**(c) Multi-Class Operations** Each class offered by the Trust has equal rights as to assets and voting privileges (except that shareholders of a class have exclusive voting rights regarding any matter relating solely to that class of shares). Income and non-class specific expenses are

allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains (losses) are allocated daily based on the relative net assets of each class of the Portfolio. Class specific expenses, where applicable, currently include supervisory and administrative and distribution and servicing fees. Under certain circumstances, the per share net asset value ("NAV") of a class of the Portfolio's shares may be different from the per share NAV of another class of shares as a result of the different daily expense accruals applicable to each class of shares.

**(d) Distributions to Shareholders** Distributions from net investment income, if any, are declared daily and distributed to shareholders monthly. Net realized capital gains earned by the Portfolio, if any, will be distributed no less frequently than once each year.

Income distributions and capital gain distributions are determined in accordance with income tax regulations which may differ from U.S. GAAP. Differences between tax regulations and U.S. GAAP may cause timing differences between income and capital gain recognition. Further, the character of investment income and capital gains may be different for certain transactions under the two methods of accounting. As a result, income distributions and capital gain distributions declared during a fiscal period may differ significantly from the net investment income (loss) and realized gains (losses) reported on the Portfolio's annual financial statements presented under U.S. GAAP.

If the Portfolio estimates that a portion of its distribution may be comprised of amounts from sources other than net investment income in accordance with its policies and accounting practices, the Portfolio will notify shareholders of the estimated composition of such distribution through a Section 19 Notice. For these purposes, the Portfolio estimates the source or sources from which a distribution is paid, to the close of the period as of which it is paid, in reference to its internal accounting records and related accounting practices. If, based on such accounting records and practices, it is estimated that a particular distribution does not include capital gains or paid-in surplus or other capital sources, a Section 19 Notice generally would not be issued. It is important to note that differences exist between the Portfolio's daily internal accounting records and practices, the Portfolio's financial statements presented in accordance with U.S. GAAP, and recordkeeping practices under income tax regulations. For instance, the Portfolio's internal accounting records and practices may take into account, among other factors, tax-related characteristics of certain sources of distributions that differ from treatment under U.S. GAAP. Examples of such differences may include, among others, the treatment of paydowns on mortgage-backed securities purchased at a discount and periodic payments under interest rate swap contracts. Accordingly, among other consequences, it is possible that the Portfolio may not issue a Section 19 Notice in situations where the Portfolio'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. Final determination of a distribution's tax character will be provided to shareholders when such information is available.

Distributions classified as a tax basis return of capital at the Portfolio's fiscal year end, if any, are reflected on the Statements of Changes in Net Assets and have been recorded to paid in capital on the Statement of Assets and Liabilities. In addition, other amounts have been reclassified between distributable earnings (accumulated loss) and paid in capital on the Statement of Assets and Liabilities to more appropriately conform U.S. GAAP to tax characterizations of distributions.

**(e) New Accounting Pronouncements** In August 2018, the Financial Accounting Standards Board ("FASB") issued an Accounting Standards Update ("ASU"), ASU 2018-13, which modifies certain disclosure requirements for fair value measurements in Accounting Standards Codification ("ASC") 820. The ASU is effective for annual periods beginning after December 15, 2019, and interim periods within those annual periods. At this time, management has elected to early adopt the amendments that allow for removal of certain disclosure requirements. Management plans to adopt the amendments that require additional fair value measurement disclosures for annual periods beginning after December 15, 2019, and interim periods within those annual periods. Management is currently evaluating the impact of these changes on the financial statements.

### 3. INVESTMENT VALUATION AND FAIR VALUE MEASUREMENTS

**(a) Investment Valuation Policies** The price of the Portfolio's shares is based on the Portfolio's NAV. The NAV of the Portfolio, or each of its share classes, as applicable, is determined by dividing the total value of portfolio investments and other assets, less any liabilities attributable to the Portfolio or class, by the total number of shares outstanding of the Portfolio or class.

On each day that the New York Stock Exchange ("NYSE") is open, Portfolio shares are ordinarily valued as of the close of regular trading (normally 4:00 p.m., Eastern time) ("NYSE Close"). Information that becomes known to the Portfolio or its agents after the time as of which NAV has been calculated on a particular day will not generally be used to retroactively adjust the price of a security or the NAV determined earlier that day. The Portfolio reserves the right to change the time as of which its NAV is calculated if the Portfolio closes earlier, or as permitted by the U.S. Securities and Exchange Commission ("SEC").

For purposes of calculating a NAV, portfolio securities and other assets for which market quotes are readily available are valued at market value. Market value is generally determined on the basis of official closing prices or the last reported sales prices, or if no sales are reported, based on quotes obtained from established market makers or prices (including evaluated prices) supplied by the Portfolio's approved pricing services, quotation reporting systems and other third-party sources (together, "Pricing Services"). The Portfolio will normally use pricing data for domestic equity securities received shortly after the NYSE Close and does not normally take into account trading, clearances or settlements that take place after the NYSE Close. If market value pricing is used, a foreign (non-U.S.) equity security traded on a foreign exchange or on more than one exchange is typically valued using pricing information from the exchange considered by the Adviser to be the primary exchange. A foreign (non-U.S.) equity security will be valued as of the close of trading on the foreign exchange, or the NYSE Close, if the NYSE Close occurs before the end of trading on the foreign exchange. Domestic and foreign (non-U.S.) fixed income securities, non-exchange traded derivatives, and equity options are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services using data reflecting the earlier closing of the principal markets for those securities. Prices obtained from Pricing Services may be based on, among other things, information provided by market makers or estimates of market values obtained from yield data relating to investments or securities with similar characteristics. Certain fixed income securities purchased on a delayed-delivery basis are marked to market daily until settlement at the forward settlement date. Exchange-traded options, except equity options, futures and options on futures are valued at the settlement price determined by the relevant exchange. Swap agreements are valued on the basis of bid quotes obtained from brokers and dealers or market-based prices supplied by Pricing Services. The Portfolio's investments in open-end management investment companies, other than exchange-traded funds ("ETFs"), are valued at the NAVs of such investments. Open-end management investment companies may include affiliated funds.

If a foreign (non-U.S.) equity security's value has materially changed after the close of the security's primary exchange or principal market but before the NYSE Close, the security may be valued at fair value based on procedures established and approved by the Board of Trustees of the Trust (the "Board"). Foreign (non-U.S.) equity securities that do not trade when the NYSE is open are also valued at fair value. With respect to foreign (non-U.S.) equity securities, the Portfolio may determine the fair value of investments based on information provided by Pricing Services and other third-party vendors, which may recommend fair value or adjustments with reference to other securities, indices or assets. In considering whether fair valuation is required and in determining fair values, the Portfolio may, among other things,

consider significant events (which may be considered to include changes in the value of U.S. securities or securities indices) that occur after the close of the relevant market and before the NYSE Close. The Portfolio may utilize modeling tools provided by third-party vendors to determine fair values of foreign (non-U.S.) securities. For these purposes, any movement in the applicable reference index or instrument ("zero trigger") between the earlier close of the applicable foreign market and the NYSE Close may be deemed to be a significant event, prompting the application of the pricing model (effectively resulting in daily fair valuations). Foreign exchanges may permit trading in foreign (non-U.S.) equity securities on days when the Trust is not open for business, which may result in the Portfolio's portfolio investments being affected when shareholders are unable to buy or sell shares.

Senior secured floating rate loans for which an active secondary market exists to a reliable degree are valued at the mean of the last available bid/ask prices in the market for such loans, as provided by a Pricing Service. Senior secured floating rate loans for which an active secondary market does not exist to a reliable degree are valued at fair value, which is intended to approximate market value. In valuing a senior secured floating rate loan at fair value, the factors considered may include, but are not limited to, the following: (a) the creditworthiness of the borrower and any intermediate participants, (b) the terms of the loan, (c) recent prices in the market for similar loans, if any, and (d) recent prices in the market for instruments of similar quality, rate, period until next interest rate reset and maturity.

Investments valued in currencies other than the U.S. dollar are converted to the U.S. dollar using exchange rates obtained from Pricing Services. As a result, the value of such investments and, in turn, the NAV of the Portfolio's shares may be affected by changes in the value of currencies in relation to the U.S. dollar. The value of investments traded in markets outside the United States or denominated in currencies other than the U.S. dollar may be affected significantly on a day that the Trust is not open for business. As a result, to the extent that the Portfolio holds foreign (non-U.S.) investments, the value of those investments may change at times when shareholders are unable to buy or sell shares and the value of such investments will be reflected in the Portfolio's next calculated NAV.

Investments for which market quotes or market based valuations are not readily available are valued at fair value as determined in good faith by the Board or persons acting at their direction. The Board has adopted methods for valuing securities and other assets in circumstances where market quotes are not readily available, and has delegated to the Adviser the responsibility for applying the fair valuation methods. In the event that market quotes or market based valuations are not readily available, and the security or asset cannot be



valued pursuant to a Board approved valuation method, the value of the security or asset will be determined in good faith by the Board. Market quotes are considered not readily available in circumstances where there is an absence of current or reliable market-based data (e.g., trade information, bid/ask information, indicative market quotations ("Broker Quotes"), Pricing Services' prices), including where events occur after the close of the relevant market, but prior to the NYSE Close, that materially affect the values of the Portfolio's securities or assets. In addition, market quotes are considered not readily available when, due to extraordinary circumstances, the exchanges or markets on which the securities trade do not open for trading for the entire day and no other market prices are available. The Board has delegated, to the Adviser, the responsibility for monitoring significant events that may materially affect the values of the Portfolio's securities or assets and for determining whether the value of the applicable securities or assets should be reevaluated in light of such significant events.

When the Portfolio uses fair valuation to determine the value of a portfolio security or other asset for purposes of calculating its NAV, such investments will not be priced on the basis of quotes from the primary market in which they are traded, but rather may be priced by another method that the Board or persons acting at their direction believe reflects fair value. Fair valuation may require subjective determinations about the value of a security. While the Trust's policy is intended to result in a calculation of the Portfolio's NAV that fairly reflects security values as of the time of pricing, the Trust cannot ensure that fair values determined by the Board or persons acting at their direction would accurately reflect the price that the Portfolio could obtain for a security if it were to dispose of that security as of the time of pricing (for instance, in a forced or distressed sale). The prices used by the Portfolio may differ from the value that would be realized if the securities were sold. The Portfolio's use of fair valuation may also help to deter "stale price arbitrage" as discussed under the "Frequent or Excessive Purchases, Exchanges and Redemptions" section in the Portfolio's prospectus.

**(b) Fair Value Hierarchy** U.S. GAAP describes fair value as the price that the Portfolio would receive to sell an asset or pay to transfer a liability in an orderly transaction between market participants at the measurement date. It establishes a fair value hierarchy that prioritizes inputs to valuation methods and requires disclosure of the fair value hierarchy, separately for each major category of assets and liabilities, that segregates fair value measurements into levels (Level 1, 2, or 3). The inputs or methodology used for valuing securities are not necessarily an indication of the risks associated with investing in those securities. Levels 1, 2, and 3 of the fair value hierarchy are defined as follows:

- Level 1 — Quoted prices in active markets or exchanges for identical assets and liabilities.
- Level 2 — Significant other observable inputs, which may include, but are not limited to, quoted prices for similar assets or liabilities in markets that are active, quoted prices for identical or similar assets or liabilities in markets that are not active, inputs other than quoted prices that are observable for the assets or liabilities (such as interest rates, yield curves, volatilities, prepayment speeds, loss severities, credit risks and default rates) or other market corroborated inputs.
- Level 3 — Significant unobservable inputs based on the best information available in the circumstances, to the extent observable inputs are not available, which may include assumptions made by the Board or persons acting at their direction that are used in determining the fair value of investments.

In accordance with the requirements of U.S. GAAP, the amounts of transfers into and out of Level 3, if material, are disclosed in the Notes to Schedule of Investments for the Portfolio.

For fair valuations using significant unobservable inputs, U.S. GAAP requires a reconciliation of the beginning to ending balances for reported fair values that presents changes attributable to realized gain (loss), unrealized appreciation (depreciation), purchases and sales, accrued discounts (premiums), and transfers into and out of the Level 3 category during the period. The end of period value is used for the transfers between Levels of the Portfolio's assets and liabilities. Additionally, U.S. GAAP requires quantitative information regarding the significant unobservable inputs used in the determination of fair value of assets or liabilities categorized as Level 3 in the fair value hierarchy. In accordance with the requirements of U.S. GAAP, a fair value hierarchy, and if material, a Level 3 reconciliation and details of significant unobservable inputs, have been included in the Notes to Schedule of Investments for the Portfolio.

### **(c) Valuation Techniques and the Fair Value Hierarchy**

**Level 1 and Level 2 trading assets and trading liabilities, at fair value** The valuation methods (or "techniques") and significant inputs used in determining the fair values of portfolio securities or other assets and liabilities categorized as Level 1 and Level 2 of the fair value hierarchy are as follows:

Fixed income securities including corporate, convertible and municipal bonds and notes, U.S. government agencies, U.S. treasury obligations, sovereign issues, bank loans, convertible preferred securities and non-U.S. bonds are normally valued on the basis of quotes obtained from brokers and dealers or Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The Pricing Services' internal models use inputs that are

observable such as issuer details, interest rates, yield curves, prepayment speeds, credit risks/spreads, default rates and quoted prices for similar assets. Securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Fixed income securities purchased on a delayed-delivery basis or as a repurchase commitment in a sale-buyback transaction are marked to market daily until settlement at the forward settlement date and are categorized as Level 2 of the fair value hierarchy.

Mortgage-related and asset-backed securities are usually issued as separate tranches, or classes, of securities within each deal. These securities are also normally valued by Pricing Services that use broker-dealer quotations, reported trades or valuation estimates from their internal pricing models. The pricing models for these securities usually consider tranche-level attributes, current market data, estimated cash flows and market-based yield spreads for each tranche, and incorporate deal collateral performance, as available. Mortgage-related and asset-backed securities that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Common stocks, ETFs, exchange-traded notes and financial derivative instruments, such as futures contracts, rights and warrants, or options on futures that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy.

Valuation adjustments may be applied to certain securities that are solely traded on a foreign exchange to account for the market movement between the close of the foreign market and the NYSE Close. These securities are valued using Pricing Services that consider the correlation of the trading patterns of the foreign security to the intraday trading in the U.S. markets for investments. Securities using these valuation adjustments are categorized as Level 2 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are also categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment companies (other than ETFs) will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy. Investments in unregistered open-end investment companies will be calculated based upon the NAVs of such investments and are considered Level 1 provided that the NAVs are observable, calculated daily and are the value at which both purchases and sales will be conducted.

Equity exchange-traded options and over the counter financial derivative instruments, such as forward foreign currency contracts and options contracts derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. These contracts are normally valued on the basis of quotes obtained from a quotation reporting system, established market makers or Pricing Services (normally determined as of the NYSE Close). Depending on the product and the terms of the transaction, financial derivative instruments can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models use inputs that are observed from actively quoted markets such as quoted prices, issuer details, indices, bid/ask spreads, interest rates, implied volatilities, yield curves, dividends and exchange rates. Financial derivative instruments that use similar valuation techniques and inputs as described above are categorized as Level 2 of the fair value hierarchy.

Centrally cleared swaps and over the counter swaps derive their value from underlying asset prices, indices, reference rates, and other inputs or a combination of these factors. They are valued using a broker-dealer bid quotation or on market-based prices provided by Pricing Services (normally determined as of the NYSE close). Centrally cleared swaps and over the counter swaps can be valued by Pricing Services using a series of techniques, including simulation pricing models. The pricing models may use inputs that are observed from actively quoted markets such as the overnight index swap rate ("OIS"), London Interbank Offered Rate ("LIBOR") forward rate, interest rates, yield curves and credit spreads. These securities are categorized as Level 2 of the fair value hierarchy.

**Level 3 trading assets and trading liabilities, at fair value** When a fair valuation method is applied by the Adviser that uses significant unobservable inputs, investments will be priced by a method that the Board or persons acting at their direction believe reflects fair value and are categorized as Level 3 of the fair value hierarchy.

Short-term debt instruments (such as commercial paper) having a remaining maturity of 60 days or less may be valued at amortized cost, so long as the amortized cost value of such short-term debt instruments is approximately the same as the fair value of the instrument as determined without the use of amortized cost valuation. These securities are categorized as Level 2 or Level 3 of the fair value hierarchy depending on the source of the base price.

## 4. SECURITIES AND OTHER INVESTMENTS

### (a) Investments in Affiliates

The Portfolio may invest in the PIMCO Short Asset Portfolio and the PIMCO Short-Term Floating NAV Portfolio III ("Central Funds") to the



## Notes to Financial Statements (Cont.)

extent permitted by the Act and rules thereunder. The Central Funds are registered investment companies created for use solely by the series of the Trust and other series of registered investment companies advised by the Adviser, in connection with their cash management activities. The main investments of the Central Funds are money market and short maturity fixed income instruments. The Central Funds may incur expenses related to their investment activities, but do not pay Investment Advisory Fees or Supervisory and Administrative Fees to the Adviser. The Central Funds are considered to be affiliated with the Portfolio. A complete schedule of portfolio holdings for each affiliate fund is filed with the SEC for the first and third quarters of each fiscal year on Form N-PORT and is available at the SEC's website at [www.sec.gov](http://www.sec.gov). A copy of each affiliate fund's shareholder report is also available at the SEC's website at [www.sec.gov](http://www.sec.gov), on the Funds' website at [www.pimco.com](http://www.pimco.com), or upon request, as applicable. The tables below show the Portfolio's transactions in and earnings from investments in the affiliated Funds for the period ended June 30, 2019 (amounts in thousands<sup>†</sup>):

### Investment in PIMCO Short Asset Portfolio

| Market Value<br>12/31/2018 | Purchases<br>at Cost | Proceeds<br>from Sales | Net<br>Realized<br>Gain (Loss) | Change in<br>Unrealized<br>Appreciation<br>(Depreciation) | Market Value<br>06/30/2019 | Dividend<br>Income <sup>(1)</sup> | Realized Net<br>Capital Gain<br>Distributions <sup>(1)</sup> |
|----------------------------|----------------------|------------------------|--------------------------------|---|----------------------------|-----------------------------------|--|
| \$ 10,988                  | \$ 19,486            | \$ (1,999)             | \$ (16)                        | \$ 10   | \$ 28,469                  | \$ 285                            | \$ 0   |

### Investment in PIMCO Short-Term Floating NAV Portfolio III

| Market Value<br>12/31/2018 | Purchases<br>at Cost | Proceeds<br>from Sales | Net<br>Realized<br>Gain (Loss) | Change in<br>Unrealized<br>Appreciation<br>(Depreciation) | Market Value<br>06/30/2019 | Dividend<br>Income <sup>(1)</sup> | Realized Net<br>Capital Gain<br>Distributions <sup>(1)</sup> |
|----------------------------|----------------------|------------------------|--------------------------------|---|----------------------------|-----------------------------------|--|
| \$ 7,191                   | \$ 112,176           | \$ (118,801)           | \$ 11                          | \$ (1)  | \$ 576                     | \$ 176                            | \$ 0   |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

<sup>(1)</sup> The tax characterization of distributions is determined in accordance with Federal income tax regulations and may contain a return of capital. The actual tax characterization of distributions received is determined at the end of the fiscal year of the affiliated fund. See Note 2, Distributions to Shareholders, in the Notes to Financial Statements for more information.

#### (b) Investments in Securities

The Portfolio may utilize the investments and strategies described below to the extent permitted by the Portfolio's investment policies.

**Inflation-Indexed Bonds** are fixed income securities whose principal value is periodically adjusted by the rate of inflation. The interest rate on these bonds is generally fixed at issuance at a rate lower than typical bonds. Over the life of an inflation-indexed bond, however, interest will be paid based on a principal value which is adjusted for inflation. Any increase or decrease in the principal amount of an inflation-indexed bond will be included as interest income on the Statement of Operations, even though investors do not receive their principal until maturity. Repayment of the original bond principal upon maturity (as adjusted for inflation) is guaranteed in the case of U.S. Treasury Inflation-Protected Securities ("TIPS"). For bonds that do not provide a similar guarantee, the adjusted principal value of the bond repaid at maturity may be less than the original principal.

**Loans and Other Indebtedness, Loan Participations and Assignments** are direct debt instruments which are interests in amounts owed to lenders or lending syndicates by corporate, governmental, or other borrowers. The Portfolio's investments in loans may be in the form of participations in loans or assignments of all or a portion of loans from third parties or investments in or originations of loans by the Portfolio. A loan is often administered by a bank or other financial institution (the

"agent") that acts as agent for all holders. The agent administers the terms of the loan, as specified in the loan agreement. The Portfolio may invest in multiple series or tranches of a loan, which may have varying terms and carry different associated risks. When the Portfolio purchases assignments from agents it acquires direct rights against the borrowers of the loans. These loans may include participations in bridge loans, which are loans taken out by borrowers for a short period (typically less than one year) pending arrangement of more permanent financing through, for example, the issuance of bonds, frequently high yield bonds issued for the purpose of acquisitions.

The types of loans and related investments in which the Portfolio may invest include, among others, senior loans, subordinated loans (including second lien loans, B-Notes and mezzanine loans), whole loans, commercial real estate and other commercial loans and structured loans. The Portfolio may originate loans or acquire direct interests in loans through primary loan distributions and/or in private transactions. In the case of subordinated loans, there may be significant indebtedness ranking ahead of the borrower's obligation to the holder of such a loan, including in the event of the borrower's insolvency. Mezzanine loans are typically secured by a pledge of an equity interest in the mortgage borrower that owns the real estate rather than an interest in a mortgage.

Investments in loans may include unfunded loan commitments, which are contractual obligations for funding. Unfunded loan commitments may include revolving credit facilities, which may obligate the Portfolio to supply additional cash to the borrower on demand. Unfunded loan commitments represent a future obligation in full, even though a percentage of the committed amount may not be utilized by the borrower. When investing in a loan participation, the Portfolio has the right to receive payments of principal, interest and any fees to which it is entitled only from the agent selling the loan agreement and only upon receipt of payments by the agent from the borrower. The Portfolio may receive a commitment fee based on the undrawn portion of the underlying line of credit portion of a loan. In certain circumstances, the Portfolio may receive a penalty fee upon the prepayment of a loan by a borrower. Fees earned or paid are recorded as a component of interest income or interest expense, respectively, on the Statement of Operations. Unfunded loan commitments are reflected as a liability on the Statement of Assets and Liabilities.

**Mortgage-Related and Other Asset-Backed Securities** directly or indirectly represent a participation in, or are secured by and payable from, loans on real property. Mortgage-related securities are created from pools of residential or commercial mortgage loans, including mortgage loans made by savings and loan institutions, mortgage bankers, commercial banks and others. These securities provide a monthly payment which consists of both interest and principal. Interest may be determined by fixed or adjustable rates. The rate of prepayments on underlying mortgages will affect the price and volatility of a mortgage-related security, and may have the effect of shortening or extending the effective duration of the security relative to what was anticipated at the time of purchase. The timely payment of principal and interest of certain mortgage-related securities is guaranteed with the full faith and credit of the U.S. Government. Pools created and guaranteed by non-governmental issuers, including government-sponsored corporations, may be supported by various forms of insurance or guarantees, but there can be no assurance that private insurers or guarantors can meet their obligations under the insurance policies or guarantee arrangements. Many of the risks of investing in mortgage-related securities secured by commercial mortgage loans reflect the effects of local and other economic conditions on real estate markets, the ability of tenants to make lease payments, and the ability of a property to attract and retain tenants. These securities may be less liquid and may exhibit greater price volatility than other types of mortgage-related or other asset-backed securities. Other asset-backed securities are created from many types of assets, including, but not limited to, auto loans, accounts receivable, such as credit card receivables and hospital account receivables, home equity loans, student loans, boat loans, mobile home loans, recreational vehicle loans, manufactured housing loans, aircraft leases, computer leases and syndicated bank loans.

**Collateralized Debt Obligations ("CDOs")** include Collateralized Bond Obligations ("CBOs"), Collateralized Loan Obligations ("CLOs") and other similarly structured securities. CBOs and CLOs are types of asset-backed securities. A CBO is a trust which is backed by a diversified pool of high risk, below investment grade fixed income securities. A CLO is a trust typically collateralized by a pool of loans, which may include, among others, domestic and foreign senior secured loans, senior unsecured loans, and subordinate corporate loans, including loans that may be rated below investment grade or equivalent unrated loans. The risks of an investment in a CDO depend largely on the type of the collateral securities and the class of the CDO in which the Portfolio invests. In addition to the normal risks associated with fixed income securities discussed elsewhere in this report and the Portfolio's prospectus and statement of additional information (e.g., prepayment risk, credit risk, liquidity risk, market risk, structural risk, legal risk and interest rate risk (which may be exacerbated if the interest rate payable on a structured financing changes based on multiples of changes in interest rates or inversely to changes in interest rates)), CBOs, CLOs and other CDOs carry additional risks including, but not limited to, (i) the possibility that distributions from collateral securities will not be adequate to make interest or other payments, (ii) the quality of the collateral may decline in value or default, (iii) the risk that the Portfolio may invest in CBOs, CLOs, or other CDOs that are subordinate to other classes, and (iv) the complex structure of the security may not be fully understood at the time of investment and may produce disputes with the issuer or unexpected investment results.

**Collateralized Mortgage Obligations ("CMOs")** are debt obligations of a legal entity that are collateralized by whole mortgage loans or private mortgage bonds and divided into classes. CMOs are structured into multiple classes, often referred to as "tranches", with each class bearing a different stated maturity and entitled to a different schedule for payments of principal and interest, including prepayments. CMOs may be less liquid and may exhibit greater price volatility than other types of mortgage-related or asset-backed securities.

**Stripped Mortgage-Backed Securities ("SMBS")** are derivative multi-class mortgage securities. SMBS are usually structured with two classes that receive different proportions of the interest and principal distributions on a pool of mortgage assets. An SMBS will have one class that will receive all of the interest (the interest-only or "IO" class), while the other class will receive the entire principal (the principal-only or "PO" class). Payments received for IOs are included in interest income on the Statement of Operations. Because no principal will be received at the maturity of an IO, adjustments are made to the cost of the security on a monthly basis until maturity. These adjustments are included in interest income on the Statement of Operations. Payments received for POs are treated as reductions to the cost and par value of the securities.

Payment In-Kind Securities ("PIKs") may give the issuer the option at each interest payment date of making interest payments in either cash and/or additional debt securities. Those additional debt securities usually have the same terms, including maturity dates and interest rates, and associated risks as the original bonds. The daily market quotations of the original bonds may include the accrued interest (referred to as a dirty price) and require a pro rata adjustment from the unrealized appreciation (depreciation) on investments to interest receivable on the Statement of Assets and Liabilities.

**Perpetual Bonds** are fixed income securities with no maturity date but pay a coupon in perpetuity (with no specified ending or maturity date). Unlike typical fixed income securities, there is no obligation for perpetual bonds to repay principal. The coupon payments, however, are mandatory. While perpetual bonds have no maturity date, they may have a callable date in which the perpetuity is eliminated and the issuer may return the principal received on the specified call date. Additionally, a perpetual bond may have additional features, such as interest rate increases at periodic dates or an increase as of a predetermined point in the future.

**Securities Issued by U.S. Government Agencies or Government-Sponsored Enterprises** are obligations of and, in certain cases, guaranteed by, the U.S. Government, its agencies or instrumentalities. Some U.S. Government securities, such as Treasury bills, notes and bonds, and securities guaranteed by the Government National Mortgage Association ("GNMA" or "Ginnie Mae"), are supported by the full faith and credit of the U.S. Government; others, such as those of the Federal Home Loan Banks, are supported by the right of the issuer to borrow from the U.S. Department of the Treasury (the "U.S. Treasury"); and others, such as those of the Federal National Mortgage Association ("FNMA" or "Fannie Mae"), are supported by the discretionary authority of the U.S. Government to purchase the agency's obligations. U.S. Government securities may include zero coupon securities which do not distribute interest on a current basis and tend to be subject to a greater risk than interest-paying securities of similar maturities.

Government-related guarantors (i.e., not backed by the full faith and credit of the U.S. Government) include FNMA and the Federal Home Loan Mortgage Corporation ("FHLMC" or "Freddie Mac"). FNMA is a government-sponsored corporation. FNMA purchases conventional (i.e., not insured or guaranteed by any government agency) residential mortgages from a list of approved seller/servicers which include state and federally chartered savings and loan associations, mutual savings banks, commercial banks and credit unions and mortgage bankers. Pass-through securities issued by FNMA are guaranteed as to timely payment of principal and interest by FNMA, but are not backed by the full faith and credit of the U.S. Government. FHLMC issues Participation

Certificates ("PCs"), which are pass-through securities, each representing an undivided interest in a pool of residential mortgages. FHLMC guarantees the timely payment of interest and ultimate collection of principal, but PCs are not backed by the full faith and credit of the U.S. Government.

Roll-timing strategies can be used where the Portfolio seeks to extend the expiration or maturity of a position, such as a TBA security on an underlying asset, by closing out the position before expiration and opening a new position with respect to substantially the same underlying asset with a later expiration date. TBA securities purchased or sold are reflected on the Statement of Assets and Liabilities as an asset or liability, respectively.

**When-Issued Transactions** are purchases or sales made on a when-issued basis. These transactions are made conditionally because a security, although authorized, has not yet been issued in the market. Transactions to purchase or sell securities on a when-issued basis involve a commitment by the Portfolio to purchase or sell these securities for a predetermined price or yield, with payment and delivery taking place beyond the customary settlement period. The Portfolio may sell when-issued securities before they are delivered, which may result in a realized gain (loss).

## 5. BORROWINGS AND OTHER FINANCING TRANSACTIONS

The Portfolio may enter into the borrowings and other financing transactions described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on the Portfolio's ability to lend or borrow cash or securities to the extent permitted under the Act, which may be viewed as borrowing or financing transactions by the Portfolio. The location of these instruments in the Portfolio's financial statements is described below.

**(a) Repurchase Agreements** Under the terms of a typical repurchase agreement, the Portfolio purchases an underlying debt obligation (collateral) subject to an obligation of the seller to repurchase, and the Portfolio to resell, the obligation at an agreed-upon price and time. In an open maturity repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The underlying securities for all repurchase agreements are held by the Portfolio's custodian or designated subcustodians under tri-party repurchase agreements and in certain instances will remain in custody with the counterparty. The market value of the collateral must be equal to or exceed the total amount of the repurchase obligations, including interest. Repurchase agreements, if any, including accrued interest, are included on the Statement of

Assets and Liabilities. Interest earned is recorded as a component of interest income on the Statement of Operations. In periods of increased demand for collateral, the Portfolio may pay a fee for the receipt of collateral, which may result in interest expense to the Portfolio.

**(b) Reverse Repurchase Agreements** In a reverse repurchase agreement, the Portfolio delivers a security in exchange for cash to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed upon price and date. In an open maturity reverse repurchase agreement, there is no pre-determined repurchase date and the agreement can be terminated by the Portfolio or counterparty at any time. The Portfolio is entitled to receive principal and interest payments, if any, made on the security delivered to the counterparty during the term of the agreement. Cash received in exchange for securities delivered plus accrued interest payments to be made by the Portfolio to counterparties are reflected as a liability on the Statement of Assets and Liabilities. Interest payments made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under reverse repurchase agreements.

**(c) Sale-Buybacks** A sale-buyback financing transaction consists of a sale of a security by the Portfolio to a financial institution, the counterparty, with a simultaneous agreement to repurchase the same or substantially the same security at an agreed-upon price and date. The Portfolio is not entitled to receive principal and interest payments, if any, made on the security sold to the counterparty during the term of the agreement. The agreed-upon proceeds for securities to be repurchased by the Portfolio are reflected as a liability on the Statement of Assets and Liabilities. The Portfolio will recognize net income represented by the price differential between the price received for the transferred security and the agreed-upon repurchase price. This is commonly referred to as the 'price drop'. A price drop consists of (i) the foregone interest and inflationary income adjustments, if any, the Portfolio would have otherwise received had the security not been sold and (ii) the negotiated financing terms between the Portfolio and counterparty. Foregone interest and inflationary income adjustments, if any, are recorded as components of interest income on the Statement of Operations. Interest payments based upon negotiated financing terms made by the Portfolio to counterparties are recorded as a component of interest expense on the Statement of Operations. In periods of increased demand for the security, the Portfolio may receive a fee for use of the security by the counterparty, which may result in interest income to the Portfolio. The Portfolio will segregate assets determined to be liquid by the Adviser or will otherwise cover its obligations under sale-buyback transactions.

**(d) Short Sales** Short sales are transactions in which the Portfolio sells a security that it may not own. The Portfolio may make short sales of securities to (i) offset potential declines in long positions in similar securities, (ii) to increase the flexibility of the Portfolio, (iii) for investment return, (iv) as part of a risk arbitrage strategy, and (v) as part of its overall portfolio management strategies involving the use of derivative instruments. When the Portfolio engages in a short sale, it may borrow the security sold short and deliver it to the counterparty. The Portfolio will ordinarily have to pay a fee or premium to borrow a security and be obligated to repay the lender of the security any dividend or interest that accrues on the security during the period of the loan. Securities sold in short sale transactions and the dividend or interest payable on such securities, if any, are reflected as payable for short sales on the Statement of Assets and Liabilities. Short sales expose the Portfolio to the risk that it will be required to cover its short position at a time when the security or other asset has appreciated in value, thus resulting in losses to the Portfolio. A short sale is "against the box" if the Portfolio holds in its portfolio or has the right to acquire the security sold short, or securities identical to the security sold short, at no additional cost. The Portfolio will be subject to additional risks to the extent that it engages in short sales that are not "against the box." The Portfolio's loss on a short sale could theoretically be unlimited in cases where the Portfolio is unable, for whatever reason, to close out its short position.

## 6. FINANCIAL DERIVATIVE INSTRUMENTS

The Portfolio may enter into the financial derivative instruments described below to the extent permitted by the Portfolio's investment policies.

The following disclosures contain information on how and why the Portfolio uses financial derivative instruments, and how financial derivative instruments affect the Portfolio's financial position, results of operations and cash flows. The location and fair value amounts of these instruments on the Statement of Assets and Liabilities and the net realized gain (loss) and net change in unrealized appreciation (depreciation) on the Statement of Operations, each categorized by type of financial derivative contract and related risk exposure, are included in a table in the Notes to Schedule of Investments. The financial derivative instruments outstanding as of period end and the amounts of net realized gain (loss) and net change in unrealized appreciation (depreciation) on financial derivative instruments during the period, as disclosed in the Notes to Schedule of Investments, serve as indicators of the volume of financial derivative activity for the Portfolio.

**(a) Forward Foreign Currency Contracts** may be engaged, in connection with settling planned purchases or sales of securities, to hedge the currency exposure associated with some or all of the Portfolio's securities or as part of an investment strategy. A forward foreign currency contract is an agreement between two parties to buy and sell a currency at a set price on a future date. The market value of



a forward foreign currency contract fluctuates with changes in foreign currency exchange rates. Forward foreign currency contracts are marked to market daily, and the change in value is recorded by the Portfolio as an unrealized gain (loss). Realized gains (losses) are equal to the difference between the value of the contract at the time it was opened and the value at the time it was closed and are recorded upon delivery or receipt of the currency. These contracts may involve market risk in excess of the unrealized gain (loss) reflected on the Statement of Assets and Liabilities. In addition, the Portfolio could be exposed to risk if the counterparties are unable to meet the terms of the contracts or if the value of the currency changes unfavorably to the U.S. dollar. To mitigate such risk, cash or securities may be exchanged as collateral pursuant to the terms of the underlying contracts.

**(b) Futures Contracts** are agreements to buy or sell a security or other asset for a set price on a future date and are traded on an exchange. The Portfolio may use futures contracts to manage its exposure to the securities markets or to movements in interest rates and currency values. The primary risks associated with the use of futures contracts are the imperfect correlation between the change in market value of the securities held by the Portfolio and the prices of futures contracts and the possibility of an illiquid market. Futures contracts are valued based upon their quoted daily settlement prices. Upon entering into a futures contract, the Portfolio is required to deposit with its futures broker an amount of cash, U.S. Government and Agency Obligations, or select sovereign debt, in accordance with the initial margin requirements of the broker or exchange. Futures contracts are marked to market daily and based on such movements in the price of the contracts, an appropriate payable or receivable for the change in value may be posted or collected by the Portfolio ("Futures Variation Margin"). Futures Variation Margins, if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Gains (losses) are recognized but not considered realized until the contracts expire or close. Futures contracts involve, to varying degrees, risk of loss in excess of the Futures Variation Margin included within exchange traded or centrally cleared financial derivative instruments on the Statement of Assets and Liabilities.

**(c) Options Contracts** may be written or purchased to enhance returns or to hedge an existing position or future investment. The Portfolio may write call and put options on securities and financial derivative instruments it owns or in which it may invest. Writing put options tends to increase the Portfolio's exposure to the underlying instrument. Writing call options tends to decrease the Portfolio's exposure to the underlying instrument. When the Portfolio writes a call or put, an amount equal to the premium received is recorded and subsequently marked to market to reflect the current value of the option written. These amounts are included on the Statement of Assets and Liabilities. Premiums received from writing options which expire are treated as realized gains. Premiums received from writing options which are exercised or closed are added to the proceeds or offset against amounts paid on the underlying futures, swap, security or currency

transaction to determine the realized gain (loss). Certain options may be written with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The Portfolio as a writer of an option has no control over whether the underlying instrument may be sold ("call") or purchased ("put") and as a result bears the market risk of an unfavorable change in the price of the instrument underlying the written option. There is the risk the Portfolio may not be able to enter into a closing transaction because of an illiquid market.

Purchasing call options tends to increase the Portfolio's exposure to the underlying instrument. Purchasing put options tends to decrease the Portfolio's exposure to the underlying instrument. The Portfolio pays a premium which is included as an asset on the Statement of Assets and Liabilities and subsequently marked to market to reflect the current value of the option. Premiums paid for purchasing options which expire are treated as realized losses. Certain options may be purchased with premiums to be determined on a future date. The premiums for these options are based upon implied volatility parameters at specified terms. The risk associated with purchasing put and call options is limited to the premium paid. Premiums paid for purchasing options which are exercised or closed are added to the amounts paid or offset against the proceeds on the underlying investment transaction to determine the realized gain (loss) when the underlying transaction is executed.

**Credit Default Swaptions** may be written or purchased to hedge exposure to the credit risk of an investment without making a commitment to the underlying instrument. A credit default swaption is an option to sell or buy credit protection on a specific reference by entering into a pre-defined swap agreement by some specified date in the future.

**Foreign Currency Options** may be written or purchased to be used as a short or long hedge against possible variations in foreign exchange rates or to gain exposure to foreign currencies.

**Interest Rate Swaptions** may be written or purchased to enter into a pre-defined swap agreement or to shorten, extend, cancel or otherwise modify an existing swap agreement, by some specified date in the future. The writer of the swaption becomes the counterparty to the swap if the buyer exercises. The interest rate swaption agreement will specify whether the buyer of the swaption will be a fixed-rate receiver or a fixed-rate payer upon exercise.

**Options on Exchange-Traded Futures Contracts ("Futures Option")** may be written or purchased to hedge an existing position or future investment, for speculative purposes or to manage exposure to market movements. A Futures Option is an option contract in which the underlying instrument is a single futures contract.

**(d) Swap Agreements** are bilaterally negotiated agreements between the Portfolio and a counterparty to exchange or swap investment cash flows, assets, foreign currencies or market-linked returns at specified,

future intervals. Swap agreements may be privately negotiated in the over the counter market ("OTC swaps") or may be cleared through a third party, known as a central counterparty or derivatives clearing organization ("Centrally Cleared Swaps"). The Portfolio may enter into asset, credit default, cross-currency, interest rate, total return, variance and other forms of swap agreements to manage its exposure to credit, currency, interest rate, commodity, equity and inflation risk. In connection with these agreements, securities or cash may be identified as collateral or margin in accordance with the terms of the respective swap agreements to provide assets of value and recourse in the event of default or bankruptcy/insolvency.

Centrally Cleared Swaps are marked to market daily based upon valuations as determined from the underlying contract or in accordance with the requirements of the central counterparty or derivatives clearing organization. Changes in market value, if any, are reflected as a component of net change in unrealized appreciation (depreciation) on the Statement of Operations. Daily changes in valuation of centrally cleared swaps ("Swap Variation Margin"), if any, are disclosed within centrally cleared financial derivative instruments on the Statement of Assets and Liabilities. Centrally Cleared and OTC swap payments received or paid at the beginning of the measurement period are included on the Statement of Assets and Liabilities and represent premiums paid or received upon entering into the swap agreement to compensate for differences between the stated terms of the swap agreement and prevailing market conditions (credit spreads, currency exchange rates, interest rates, and other relevant factors). Upfront premiums received (paid) are initially recorded as liabilities (assets) and subsequently marked to market to reflect the current value of the swap. These upfront premiums are recorded as realized gain (loss) on the Statement of Operations upon termination or maturity of the swap. A liquidation payment received or made at the termination of the swap is recorded as realized gain (loss) on the Statement of Operations. Net periodic payments received or paid by the Portfolio are included as part of realized gain (loss) on the Statement of Operations.

For purposes of applying certain of the Portfolio's investment policies and restrictions, swap agreements, like other derivative instruments, may be valued by the Portfolio at market value, notional value or full exposure value. In the case of a credit default swap, in applying certain of the Portfolio's investment policies and restrictions, the Portfolio will value the credit default swap at its notional value or its full exposure value (*i.e.*, the sum of the notional amount for the contract plus the market value), but may value the credit default swap at market value for purposes of applying certain of the Portfolio's other investment policies and restrictions. For example, the Portfolio may value credit default swaps at full exposure value for purposes of the Portfolio's credit quality guidelines (if any) because such value in general better

reflects the Portfolio's actual economic exposure during the term of the credit default swap agreement. As a result, the Portfolio may, at times, have notional exposure to an asset class (before netting) that is greater or lesser than the stated limit or restriction noted in the Portfolio's prospectus. In this context, both the notional amount and the market value may be positive or negative depending on whether the Portfolio is selling or buying protection through the credit default swap. The manner in which certain securities or other instruments are valued by the Portfolio for purposes of applying investment policies and restrictions may differ from the manner in which those investments are valued by other types of investors.

Entering into swap agreements involves, to varying degrees, elements of interest, credit, market and documentation risk in excess of the amounts recognized on the Statement of Assets and Liabilities. Such risks involve the possibility that there will be no liquid market for these agreements, that the counterparty to the agreements may default on its obligation to perform or disagree as to the meaning of contractual terms in the agreements and that there may be unfavorable changes in interest rates or the values of the asset upon which the swap is based.

The Portfolio's maximum risk of loss from counterparty credit risk is the discounted net value of the cash flows to be received from the counterparty over the contract's remaining life, to the extent that amount is positive. The risk may be mitigated by having a master netting arrangement between the Portfolio and the counterparty and by the posting of collateral to the Portfolio to cover the Portfolio's exposure to the counterparty.

To the extent the Portfolio has a policy to limit the net amount owed to or to be received from a single counterparty under existing swap agreements, such limitation only applies to counterparties to OTC swaps and does not apply to centrally cleared swaps where the counterparty is a central counterparty or derivatives clearing organization.

**Credit Default Swap Agreements** on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues are entered into to provide a measure of protection against defaults of the issuers (*i.e.*, to reduce risk where the Portfolio owns or has exposure to the referenced obligation) or to take an active long or short position with respect to the likelihood of a particular issuer's default. Credit default swap agreements involve one party making a stream of payments (referred to as the buyer of protection) to another party (the seller of protection) in exchange for the right to receive a specified return in the event that the referenced entity, obligation or index, as specified in the swap agreement, undergoes a certain credit event. As a seller of protection on credit default swap agreements, the Portfolio will generally receive from the buyer of protection a fixed rate of income throughout the term of the swap provided that there is no credit event. As the seller, the Portfolio

would effectively add leverage to its portfolio because, in addition to its total net assets, the Portfolio would be subject to investment exposure on the notional amount of the swap.

If the Portfolio is a seller of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) pay to the buyer of protection an amount equal to the notional amount of the swap and take delivery of the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) pay a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. If the Portfolio is a buyer of protection and a credit event occurs, as defined under the terms of that particular swap agreement, the Portfolio will either (i) receive from the seller of protection an amount equal to the notional amount of the swap and deliver the referenced obligation, other deliverable obligations or underlying securities comprising the referenced index or (ii) receive a net settlement amount in the form of cash or securities equal to the notional amount of the swap less the recovery value of the referenced obligation or underlying securities comprising the referenced index. Recovery values are estimated by market makers considering either industry standard recovery rates or entity specific factors and considerations until a credit event occurs. If a credit event has occurred, the recovery value is determined by a facilitated auction whereby a minimum number of allowable broker bids, together with a specified valuation method, are used to calculate the settlement value. The ability to deliver other obligations may result in a cheapest-to-deliver option (the buyer of protection's right to choose the deliverable obligation with the lowest value following a credit event).

Credit default swap agreements on credit indices involve one party making a stream of payments to another party in exchange for the right to receive a specified return in the event of a write-down, principal shortfall, interest shortfall or default of all or part of the referenced entities comprising the credit index. A credit index is a basket of credit instruments or exposures designed to be representative of some part of the credit market as a whole. These indices are made up of reference credits that are judged by a poll of dealers to be the most liquid entities in the credit default swap market based on the sector of the index. Components of the indices may include, but are not limited to, investment grade securities, high yield securities, asset-backed securities, emerging markets, and/or various credit ratings within each sector. Credit indices are traded using credit default swaps with standardized terms including a fixed spread and standard maturity dates. An index credit default swap references all the names in the index, and if there is a default, the credit event is settled based on that name's weight in the index. The composition of the indices changes

periodically, usually every six months, and for most indices, each name has an equal weight in the index. The Portfolio may use credit default swaps on credit indices to hedge a portfolio of credit default swaps or bonds, which is less expensive than it would be to buy many credit default swaps to achieve a similar effect. Credit default swaps on indices are instruments for protecting investors owning bonds against default, and traders use them to speculate on changes in credit quality.

Implied credit spreads, represented in absolute terms, utilized in determining the market value of credit default swap agreements on corporate, loan, sovereign, U.S. municipal or U.S. Treasury issues as of period end, if any, are disclosed in the Notes to Schedule of Investments. They serve as an indicator of the current status of payment/performance risk and represent the likelihood or risk of default for the reference entity. The implied credit spread of a particular referenced entity reflects the cost of buying/selling protection and may include upfront payments required to be made to enter into the agreement. Wider credit spreads represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement. For credit default swap agreements on asset-backed securities and credit indices, the quoted market prices and resulting values serve as the indicator of the current status of the payment/performance risk. Increasing market values, in absolute terms when compared to the notional amount of the swap, represent a deterioration of the referenced entity's credit soundness and a greater likelihood or risk of default or other credit event occurring as defined under the terms of the agreement.

The maximum potential amount of future payments (undiscounted) that the Portfolio as a seller of protection could be required to make under a credit default swap agreement equals the notional amount of the agreement. Notional amounts of each individual credit default swap agreement outstanding as of period end for which the Portfolio is the seller of protection are disclosed in the Notes to Schedule of Investments. These potential amounts would be partially offset by any recovery values of the respective referenced obligations, upfront payments received upon entering into the agreement, or net amounts received from the settlement of buy protection credit default swap agreements entered into by the Portfolio for the same referenced entity or entities.

**Cross-Currency Swap Agreements** are entered into to gain or mitigate exposure to currency risk. Cross-currency swap agreements involve two parties exchanging two different currencies with an agreement to reverse the exchange at a later date at specified exchange rates. The exchange of currencies at the inception date of the contract takes place at the current spot rate. The re-exchange at maturity may take place at the same exchange rate, a specified rate, or the then current spot rate.



Interest payments, if applicable, are made between the parties based on interest rates available in the two currencies at the inception of the contract. The terms of cross-currency swap contracts may extend for many years. Cross-currency swaps are usually negotiated with commercial and investment banks. Some cross-currency swaps may not provide for exchanging principal cash flows, but only for exchanging interest cash flows.

**Interest Rate Swap Agreements** may be entered into to help hedge against interest rate risk exposure and to maintain the Portfolio's ability to generate income at prevailing market rates. The value of the fixed rate bonds that the Portfolio holds may decrease if interest rates rise. To help hedge against this risk and to maintain its ability to generate income at prevailing market rates, the Portfolio may enter into interest rate swap agreements. Interest rate swap agreements involve the exchange by the Portfolio with another party for their respective commitment to pay or receive interest on the notional amount of principal. Certain forms of interest rate swap agreements may include: (i) interest rate caps, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates exceed a specified rate, or "cap", (ii) interest rate floors, under which, in return for a premium, one party agrees to make payments to the other to the extent that interest rates fall below a specified rate, or "floor", (iii) interest rate collars, under which a party sells a cap and purchases a floor or vice versa in an attempt to protect itself against interest rate movements exceeding given minimum or maximum levels, (iv) callable interest rate swaps, under which the buyer pays an upfront fee in consideration for the right to early terminate the swap transaction in whole, at zero cost and at a predetermined date and time prior to the maturity date, (v) spreadlocks, which allow the interest rate swap users to lock in the forward differential (or spread) between the interest rate swap rate and a specified benchmark, or (vi) basis swaps, under which two parties can exchange variable interest rates based on different segments of money markets.

**Total Return Swap Agreements** are entered into to gain or mitigate exposure to the underlying reference asset. Total return swap agreements involve commitments where single or multiple cash flows are exchanged based on the price of an underlying reference asset and on a fixed or variable interest rate. Total return swap agreements may involve commitments to pay interest in exchange for a market-linked return. One counterparty pays out the total return of a specific underlying reference asset, which may include a single security, a basket of securities, or an index, and in return receives a fixed or variable rate. At the maturity date, a net cash flow is exchanged where the total return is equivalent to the return of the underlying reference asset less a financing rate, if any. As a receiver, the Portfolio would receive payments based on any net positive total return and would

owe payments in the event of a net negative total return. As the payer, the Portfolio would owe payments on any net positive total return, and would receive payments in the event of a net negative total return.

## 7. PRINCIPAL RISKS

The principal risks of investing in the Portfolio, which could adversely affect its net asset value, yield and total return, are listed below. Please see "Description of Principal Risks" in the Portfolio's prospectus for a more detailed description of the risks of investing in the Portfolio.

**Interest Rate Risk** is the risk that fixed income securities will decline in value because of an increase in interest rates; a portfolio with a longer average portfolio duration will be more sensitive to changes in interest rates than a portfolio with a shorter average portfolio duration.

**Call Risk** is the risk that an issuer may exercise its right to redeem a fixed income security earlier than expected (a call). Issuers may call outstanding securities prior to their maturity for a number of reasons (e.g., declining interest rates, changes in credit spreads and improvements in the issuer's credit quality). If an issuer calls a security that the Portfolio has invested in, the Portfolio may not recoup the full amount of its initial investment and may be forced to reinvest in lower-yielding securities, securities with greater credit risks or securities with other, less favorable features.

**Credit Risk** is the risk that the Portfolio could lose money if the issuer or guarantor of a fixed income security, or the counterparty to a derivative contract, is unable or unwilling, or is perceived (whether by market participants, rating agencies, pricing services or otherwise) as unable or unwilling, to meet its financial obligations.

**High Yield Risk** is the risk that high yield securities and unrated securities of similar credit quality (commonly known as "junk bonds") are subject to greater levels of credit, call and liquidity risks. High yield securities are considered primarily speculative with respect to the issuer's continuing ability to make principal and interest payments, and may be more volatile than higher-rated securities of similar maturity.

**Market Risk** is the risk that the value of securities owned by the Portfolio may go up or down, sometimes rapidly or unpredictably, due to factors affecting securities markets generally or particular industries.

**Issuer Risk** is the risk that the value of a security may decline for a reason directly related to the issuer, such as management performance, financial leverage and reduced demand for the issuer's goods or services.

**Liquidity Risk** is the risk that a particular investment may be difficult to purchase or sell and that the Portfolio may be unable to sell illiquid investments at an advantageous time or price or achieve its desired level of exposure to a certain sector. Liquidity risk may result from the

lack of an active market, reduced number and capacity of traditional market participants to make a market in fixed income securities, and may be magnified in a rising interest rate environment or other circumstances where investor redemptions from fixed income mutual funds may be higher than normal, causing increased supply in the market due to selling activity.

Derivatives Risk is the risk of investing in derivative instruments (such as futures, swaps and structured securities), including leverage, liquidity, interest rate, market, credit and management risks, mispricing or valuation complexity. Changes in the value of the derivative may not correlate perfectly with, and may be more sensitive to market events than, the underlying asset, rate or index, and the Portfolio could lose more than the initial amount invested. The Portfolio's use of derivatives may result in losses to the Portfolio, a reduction in the Portfolio's returns and/or increased volatility. Over-the-counter ("OTC") derivatives are also subject to the risk that a counterparty to the transaction will not fulfill its contractual obligations to the other party, as many of the protections afforded to centrally-cleared derivative transactions might not be available for OTC derivatives. For derivatives traded on an exchange or through a central counterparty, credit risk resides with the Portfolio's clearing broker, or the clearinghouse itself, rather than with a counterparty in an OTC derivative transaction. Changes in regulation relating to a mutual fund's use of derivatives and related instruments could potentially limit or impact the Portfolio's ability to invest in derivatives, limit the Portfolio's ability to employ certain strategies that use derivatives and/or adversely affect the value of derivatives and the Portfolio's performance.

Equity Risk is the risk that the value of equity securities, such as common stocks and preferred securities, may decline due to general market conditions which are not specifically related to a particular company or to factors affecting a particular industry or industries. Equity securities generally have greater price volatility than fixed income securities.

Mortgage-Related and Other Asset-Backed Securities Risk is the risk of investing in mortgage-related and other asset-backed securities, including interest rate risk, extension risk, prepayment risk and credit risk.

Foreign (Non-U.S.) Investment Risk is the risk that investing in foreign (non-U.S.) securities may result in the Portfolio experiencing more rapid and extreme changes in value than a portfolio that invests exclusively in securities of U.S. companies, due to smaller markets, differing reporting, accounting and auditing standards, increased risk of delayed settlement of portfolio transactions or loss of certificates of portfolio securities, and the risk of unfavorable foreign government actions, including nationalization, expropriation or confiscatory taxation,

currency blockage, or political changes or diplomatic developments. Foreign securities may also be less liquid and more difficult to value than securities of U.S. issuers.

Emerging Markets Risk is the risk of investing in emerging market securities, primarily increased foreign (non-U.S.) investment risk.

Sovereign Debt Risk is the risk that investments in fixed income instruments issued by sovereign entities may decline in value as a result of default or other adverse credit event resulting from an issuer's inability or unwillingness to make principal or interest payments in a timely fashion.

Currency Risk is the risk that foreign (non-U.S.) currencies will change in value relative to the U.S. dollar and affect the Portfolio's investments in foreign (non-U.S.) currencies or in securities that trade in, and receive revenues in, or in derivatives that provide exposure to, foreign (non-U.S.) currencies.

Issuer Non-Diversification Risk is the risk of focusing investments in a small number of issuers, including being more susceptible to risks associated with a single economic, political or regulatory occurrence than a more diversified portfolio might be. Portfolios that are "non-diversified" may invest a greater percentage of their assets in the securities of a single issuer (such as bonds issued by a particular state) than portfolios that are "diversified".

Leveraging Risk is the risk that certain transactions of the Portfolio, such as reverse repurchase agreements, loans of portfolio securities, and the use of when-issued, delayed delivery or forward commitment transactions, or derivative instruments, may give rise to leverage, magnifying gains and losses and causing the Portfolio to be more volatile than if it had not been leveraged. This means that leverage entails a heightened risk of loss.

Management Risk is the risk that the investment techniques and risk analyses applied by PIMCO will not produce the desired results and that legislative, regulatory, or tax restrictions, policies or developments may affect the investment techniques available to PIMCO and the individual portfolio manager in connection with managing the Portfolio. There is no guarantee that the investment objective of the Portfolio will be achieved.

Short Exposure Risk is the risk of entering into short sales, including the potential loss of more money than the actual cost of the investment, and the risk that the third party to the short sale will not fulfill its contractual obligations, causing a loss to the Portfolio.

## 8. MASTER NETTING ARRANGEMENTS

The Portfolio may be subject to various netting arrangements ("Master Agreements") with select counterparties. Master Agreements govern

the terms of certain transactions, and are intended to reduce the counterparty risk associated with relevant transactions by specifying credit protection mechanisms and providing standardization that is intended to improve legal certainty. Each type of Master Agreement governs certain types of transactions. Different types of transactions may be traded out of different legal entities or affiliates of a particular organization, resulting in the need for multiple agreements with a single counterparty. As the Master Agreements are specific to unique operations of different asset types, they allow the Portfolio to close out and net its total exposure to a counterparty in the event of a default with respect to all the transactions governed under a single Master Agreement with a counterparty. For financial reporting purposes the Statement of Assets and Liabilities generally presents derivative assets and liabilities on a gross basis, which reflects the full risks and exposures prior to netting.

Master Agreements can also help limit counterparty risk by specifying collateral posting arrangements at pre-arranged exposure levels. Under most Master Agreements, collateral is routinely transferred if the total net exposure to certain transactions (net of existing collateral already in place) governed under the relevant Master Agreement with a counterparty in a given account exceeds a specified threshold, which typically ranges from zero to \$250,000 depending on the counterparty and the type of Master Agreement. United States Treasury Bills and U.S. dollar cash are generally the preferred forms of collateral, although other securities may be used depending on the terms outlined in the applicable Master Agreement. Securities and cash pledged as collateral are reflected as assets on the Statement of Assets and Liabilities as either a component of Investments at value (securities) or Deposits with counterparty. Cash collateral received is not typically held in a segregated account and as such is reflected as a liability on the Statement of Assets and Liabilities as Deposits from counterparty. The market value of any securities received as collateral is not reflected as a component of NAV. The Portfolio's overall exposure to counterparty risk can change substantially within a short period, as it is affected by each transaction subject to the relevant Master Agreement.

Master Repurchase Agreements and Global Master Repurchase Agreements (individually and collectively "Master Repo Agreements") govern repurchase, reverse repurchase, and certain sale-buyback transactions between the Portfolio and select counterparties. Master Repo Agreements maintain provisions for, among other things, initiation, income payments, events of default, and maintenance of collateral. The market value of transactions under the Master Repo Agreement, collateral pledged or received, and the net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

Master Securities Forward Transaction Agreements ("Master Forward Agreements") govern certain forward settling transactions, such as TBA

securities, delayed-delivery or certain sale-buyback transactions by and between the Portfolio and select counterparties. The Master Forward Agreements maintain provisions for, among other things, transaction initiation and confirmation, payment and transfer, events of default, termination, and maintenance of collateral. The market value of forward settling transactions, collateral pledged or received, and the net exposure by counterparty as of period end is disclosed in the Notes to Schedule of Investments.

Customer Account Agreements and related addenda govern cleared derivatives transactions such as futures, options on futures, and cleared OTC derivatives. Such transactions require posting of initial margin as determined by each relevant clearing agency which is segregated in an account at a futures commission merchant ("FCM") registered with the Commodity Futures Trading Commission ("CFTC"). In the United States, counterparty risk may be reduced as creditors of an FCM cannot have a claim to Portfolio assets in the segregated account. Portability of exposure reduces risk to the Portfolio. Variation margin, or changes in market value, are exchanged daily, but may not be netted between futures and cleared OTC derivatives unless the parties have agreed to a separate arrangement in respect of portfolio margining. The market value or accumulated unrealized appreciation (depreciation), initial margin posted, and any unsettled variation margin as of period end are disclosed in the Notes to Schedule of Investments.

International Swaps and Derivatives Association, Inc. Master Agreements and Credit Support Annexes ("ISDA Master Agreements") govern bilateral OTC derivative transactions entered into by the Portfolio with select counterparties. ISDA Master Agreements maintain provisions for general obligations, representations, agreements, collateral posting and events of default or termination. Events of termination include conditions that may entitle counterparties to elect to terminate early and cause settlement of all outstanding transactions under the applicable ISDA Master Agreement. Any election to terminate early could be material to the financial statements. In limited circumstances, the ISDA Master Agreement may contain additional provisions that add counterparty protection beyond coverage of existing daily exposure if the counterparty has a decline in credit quality below a predefined level. These amounts, if any, may be segregated with a third-party custodian. The market value of OTC financial derivative instruments, collateral received or pledged, and net exposure by counterparty as of period end are disclosed in the Notes to Schedule of Investments.

## 9. FEES AND EXPENSES

(a) **Investment Advisory Fee** PIMCO is a majority-owned subsidiary of Allianz Asset Management of America L.P. ("Allianz Asset Management") and serves as the Adviser to the Trust, pursuant to an investment advisory contract. The Adviser receives a monthly fee from

## Notes to Financial Statements (Cont.)

the Portfolio at an annual rate based on average daily net assets (the “Investment Advisory Fee”). The Investment Advisory Fee for all classes is charged at an annual rate as noted in the table in note (b) below.

**(b) Supervisory and Administrative Fee** PIMCO serves as administrator (the “Administrator”) and provides supervisory and administrative services to the Trust for which it receives a monthly supervisory and administrative fee based on each share class’s average daily net assets (the “Supervisory and Administrative Fee”). As the Administrator, PIMCO bears the costs of various third-party services, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs.

The Investment Advisory Fee and Supervisory and Administrative Fees for all classes, as applicable, are charged at the annual rate as noted in the following table (calculated as a percentage of the Portfolio’s average daily net assets attributable to each class):

| Investment Advisory Fee | Supervisory and Administrative Fee |                      |               |
|-------------------------|------------------------------------|----------------------|---------------|
| All Classes             | Institutional Class                | Administrative Class | Advisor Class |
| 0.25%                   | 0.50%                              | 0.50%                | 0.50%         |

**(c) Distribution and Servicing Fees** PIMCO Investments LLC, a wholly-owned subsidiary of PIMCO, serves as the distributor (“Distributor”) of the Trust’s shares.

The Trust has adopted an Administrative Services Plan with respect to the Administrative Class shares of the Portfolio pursuant to Rule 12b-1 under the Act (the “Administrative Plan”). Under the terms of the Administrative Plan, the Trust is permitted to compensate the Distributor, out of the Administrative Class assets of the Portfolio, in an amount up to 0.15% on an annual basis of the average daily net assets of that class, for providing or procuring through financial intermediaries administrative, recordkeeping and investor services for Administrative Class shareholders of the Portfolio.

The Trust has adopted a separate Distribution and Servicing Plan for the Advisor Class shares of the Portfolio (the “Distribution and Servicing Plan”). The Distribution and Servicing Plan has been adopted pursuant to Rule 12b-1 under the Act. The Distribution and Servicing Plan permits the Portfolio to compensate the Distributor for providing or procuring through financial intermediaries, distribution, administrative, recordkeeping, shareholder and/or related services with respect to Advisor Class shares. The Distribution and Servicing Plan permits the Portfolio to make total payments at an annual rate of up to 0.25% of its average daily net assets attributable to its Advisor Class shares.

|                      | Distribution Fee | Servicing Fee |
|----------------------|------------------|---------------|
| Administrative Class | —                | 0.15%         |
| Advisor Class        | 0.25%            | —             |

**(d) Portfolio Expenses** PIMCO provides or procures supervisory and administrative services for shareholders and also bears the costs of various third-party services required by the Portfolio, including audit, custodial, portfolio accounting, legal, transfer agency and printing costs. The Trust is responsible for the following expenses: (i) taxes and governmental fees; (ii) brokerage fees and commissions and other portfolio transaction expenses; (iii) the costs of borrowing money, including interest expense; (iv) fees and expenses of the Trustees who are not “interested persons” of PIMCO or the Trust, and any counsel retained exclusively for their benefit; (v) extraordinary expense, including costs of litigation and indemnification expenses; (vi) organizational expenses; and (vii) any expenses allocated or allocable to a specific class of shares, which include service fees payable with respect to the Administrative Class Shares, and may include certain other expenses as permitted by the Trust’s Multi-Class Plan adopted pursuant to Rule 18f-3 under the Act and subject to review and approval by the Trustees. The ratio of expenses to average net assets per share class, as disclosed on the Financial Highlights, may differ from the annual portfolio operating expenses per share class.

The Trust pays no compensation directly to any Trustee or any other officer who is affiliated with the Administrator, all of whom receive remuneration for their services to the Trust from the Administrator or its affiliates.

**(e) Expense Limitation** Pursuant to the Expense Limitation Agreement, PIMCO has agreed to waive a portion of the Portfolio’s Supervisory and Administrative Fee, or reimburse the Portfolio, to the extent that the Portfolio’s organizational expenses, pro rata share of expenses related to obtaining or maintaining a Legal Entity Identifier and pro rata share of Trustee Fees exceed 0.0049%, the “Expense Limit” (calculated as a percentage of the Portfolio’s average daily net assets attributable to each class). The Expense Limitation Agreement will automatically renew for one-year terms unless PIMCO provides written notice to the Trust at least 30 days prior to the end of the then current term.

Under certain conditions, PIMCO may be reimbursed for amounts waived pursuant to the Expense Limitation Agreement in future periods, not to exceed thirty-six months after the waiver. At June 30, 2019, there were no recoverable amounts.

## 10. RELATED PARTY TRANSACTIONS

The Adviser, Administrator, and Distributor are related parties. Fees paid to these parties are disclosed in Note 9, Fees and Expenses, and the accrued related party fee amounts are disclosed on the Statement of Assets and Liabilities.

The Portfolio is permitted to purchase or sell securities from or to certain related affiliated portfolios under specified conditions outlined

in procedures adopted by the Board. The procedures have been designed to ensure that any purchase or sale of securities by the Portfolio from or to another fund or portfolio that are, or could be, considered an affiliate, or an affiliate of an affiliate, by virtue of having a common investment adviser (or affiliated investment advisers), common Trustees and/or common officers complies with Rule 17a-7 under the Act. Further, as defined under the procedures, each transaction is effected at the current market price. Purchases and sales of securities pursuant to Rule 17a-7 under the Act for the period ended June 30, 2019, were as follows (amounts in thousands<sup>†</sup>):

| Purchases | Sales    |
|-----------|----------|
| \$ 8,368  | \$ 1,534 |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

## 11. GUARANTEES AND INDEMNIFICATIONS

Under the Trust's organizational documents, each Trustee, officer, employee or other agent of the Trust (including the Trust's investment manager) is indemnified, to the extent permitted by the Act, against certain liabilities that may arise out of performance of their duties to the Portfolio. Additionally, in the normal course of business, the Portfolio enters into contracts that contain a variety of indemnification clauses. The Portfolio's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Portfolio that have not yet occurred. However, the Portfolio has not had prior claims or losses pursuant to these contracts.

## 13. SHARES OF BENEFICIAL INTEREST

The Trust may issue an unlimited number of shares of beneficial interest with a \$0.001 par value. Changes in shares of beneficial interest were as follows (shares and amounts in thousands<sup>†</sup>):

|  | Six Months Ended<br>06/30/2019 |           | Year Ended<br>12/31/2018 |           |
|--|--------------------------------|-----------|--------------------------|-----------|
|  | Shares                         | Amount    | Shares                   | Amount    |
| <b>Receipts for shares sold</b>  |                                |           |                          |           |
| Institutional Class  | 62                             | \$ 681    | 124                      | \$ 1,359  |
| Administrative Class   | 1,496                          | 16,539    | 3,018                    | 32,763    |
| Advisor Class  | 1,117                          | 12,382    | 2,955                    | 32,037    |
| <b>Issued as reinvestment of distributions</b>                             |                                |           |                          |           |
| Institutional Class  | 12                             | 135       | 12                       | 130       |
| Administrative Class   | 121                            | 1,346     | 116                      | 1,264     |
| Advisor Class  | 639                            | 7,133     | 638                      | 6,925     |
| <b>Cost of shares redeemed</b>   |                                |           |                          |           |
| Institutional Class  | (19)                           | (205)     | (68)                     | (743)     |
| Administrative Class   | (1,305)                        | (14,432)  | (3,016)                  | (32,728)  |
| Advisor Class  | (1,068)                        | (11,768)  | (2,552)                  | (27,689)  |
| <b>Net increase (decrease) resulting from Portfolio share transactions</b> | 1,055                          | \$ 11,811 | 1,227                    | \$ 13,318 |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

As of June 30, 2019, one shareholder owned 10% or more of the Portfolio's total outstanding shares comprising 84% of the Portfolio.

## 12. PURCHASES AND SALES OF SECURITIES

The length of time the Portfolio has held a particular security is not generally a consideration in investment decisions. A change in the securities held by the Portfolio is known as "portfolio turnover." The Portfolio may engage in frequent and active trading of portfolio securities to achieve its investment objective, particularly during periods of volatile market movements. High portfolio turnover may involve correspondingly greater transaction costs, including brokerage commissions or dealer mark-ups and other transaction costs on the sale of securities and reinvestments in other securities, which are borne by the Portfolio. Such sales may also result in realization of taxable capital gains, including short-term capital gains (which are generally taxed at ordinary income tax rates when distributed to shareholders). The transaction costs associated with portfolio turnover may adversely affect the Portfolio's performance. The portfolio turnover rates are reported in the Financial Highlights.

Purchases and sales of securities (excluding short-term investments) for the period ended June 30, 2019, were as follows (amounts in thousands<sup>†</sup>):

| U.S. Government/Agency |            | All Other  |           |
|------------------------|------------|------------|-----------|
| Purchases              | Sales      | Purchases  | Sales     |
| \$ 593,951             | \$ 581,807 | \$ 186,207 | \$ 88,341 |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.



## 14. REGULATORY AND LITIGATION MATTERS

The Portfolio is not named as a defendant in any material litigation or arbitration proceedings and is not aware of any material litigation or claim pending or threatened against it.

The foregoing speaks only as of the date of this report.

## 15. FEDERAL INCOME TAX MATTERS

The Portfolio intends to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code (the "Code") and distribute all of its taxable income and net realized gains, if applicable, to shareholders. Accordingly, no provision for Federal income taxes has been made.

The Portfolio may be subject to local withholding taxes, including those imposed on realized capital gains. Any applicable foreign capital gains tax is accrued daily based upon net unrealized gains, and may be payable following the sale of any applicable investments.

In accordance with U.S. GAAP, the Adviser has reviewed the Portfolio's tax positions for all open tax years. As of June 30, 2019, the Portfolio has recorded no liability for net unrecognized tax benefits relating to uncertain income tax positions it has taken or expects to take in future tax returns.

As of its last fiscal year ended December 31, 2018, the Portfolio had the following post-effective capital losses with no expiration (amounts in thousands<sup>†</sup>):

|   | Short-Term | Long-Term |
|---|------------|-----------|
| PIMCO International Bond Portfolio (U.S. Dollar-Hedged) | \$ 0       | \$ 0      |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

As of June 30, 2019, the aggregate cost and the net unrealized appreciation/(depreciation) of investments for Federal income tax purposes are as follows (amounts in thousands<sup>†</sup>):

| Federal Tax Cost | Unrealized Appreciation | Unrealized (Depreciation) | Net Unrealized Appreciation/(Depreciation) <sup>(1)</sup> |
|------------------|-------------------------|---------------------------|---|
| \$ 677,707       | \$ 31,701               | \$ (24,270)               | \$ 7,431  |

<sup>†</sup> A zero balance may reflect actual amounts rounding to less than one thousand.

<sup>(1)</sup> Primary differences, if any, between book and tax net unrealized appreciation/(depreciation) are attributable to wash sale loss deferrals for Federal income tax purposes.

The Portfolio files U.S. federal, state, and local tax returns as required. The Portfolio's tax returns are subject to examination by relevant tax authorities until expiration of the applicable statute of limitations, which is generally three years after the filing of the tax return but which can be extended to six years in certain circumstances. Tax returns for open years have incorporated no uncertain tax positions that require a provision for income taxes.

Shares of the Portfolio currently are sold to segregated asset accounts ("Separate Accounts") of insurance companies that fund variable annuity contracts and variable life insurance policies ("Variable Contracts"). Please refer to the prospectus for the Separate Account and Variable Contract for information regarding Federal income tax treatment of distributions to the Separate Account.

Under the Regulated Investment Company Modernization Act of 2010, a fund is permitted to carry forward any new capital losses for an unlimited period. Additionally, such capital losses that are carried forward will retain their character as either short-term or long-term capital losses rather than being considered all short-term under previous law.

**Counterparty Abbreviations:**

|             |                                    |            |  |            |                                 |
|-------------|------------------------------------|------------|--|------------|---------------------------------|
| <b>BOA</b>  | Bank of America N.A.               | <b>GST</b> | Goldman Sachs International                        | <b>RCY</b> | Royal Bank of Canada            |
| <b>BPS</b>  | BNP Paribas S.A.                   | <b>HUS</b> | HSBC Bank USA N.A.                                 | <b>RYL</b> | Royal Bank of Scotland PLC      |
| <b>BRC</b>  | Barclays Bank PLC                  | <b>IND</b> | Crédit Agricole Corporate and Investment Bank S.A. | <b>SCX</b> | Standard Chartered Bank         |
| <b>CBK</b>  | Citibank N.A.                      | <b>JPM</b> | JP Morgan Chase Bank N.A.                          | <b>SOG</b> | Societe Generale Paris          |
| <b>CIB</b>  | Canadian Imperial Bank of Commerce | <b>MSB</b> | Morgan Stanley Bank, N.A.                          | <b>SSB</b> | State Street Bank and Trust Co. |
| <b>DUB</b>  | Deutsche Bank AG                   | <b>MYC</b> | Morgan Stanley Capital Services, Inc.              | <b>TDM</b> | TD Securities (USA) LLC         |
| <b>FBF</b>  | Credit Suisse International        | <b>MYI</b> | Morgan Stanley & Co. International PLC             | <b>TOR</b> | Toronto Dominion Bank           |
| <b>FICC</b> | Fixed Income Clearing Corporation  | <b>NGF</b> | Nomura Global Financial Products, Inc.             | <b>UAG</b> | UBS AG Stamford                 |
| <b>GLM</b>  | Goldman Sachs Bank USA             | <b>RBC</b> | Royal Bank of Canada                               | <b>UBS</b> | UBS Securities LLC              |
| <b>GRE</b>  | RBS Securities, Inc.               |            |  |            |                                 |

**Currency Abbreviations:**

|            |                             |            |                    |                    |                      |
|------------|-----------------------------|------------|--------------------|--------------------|----------------------|
| <b>ARS</b> | Argentine Peso              | <b>EUR</b> | Euro               | <b>PEN</b>         | Peruvian New Sol     |
| <b>AUD</b> | Australian Dollar           | <b>GBP</b> | British Pound      | <b>PLN</b>         | Polish Zloty         |
| <b>BRL</b> | Brazilian Real              | <b>HKD</b> | Hong Kong Dollar   | <b>RON</b>         | Romanian New Leu     |
| <b>CAD</b> | Canadian Dollar             | <b>IDR</b> | Indonesian Rupiah  | <b>RUB</b>         | Russian Ruble        |
| <b>CHF</b> | Swiss Franc                 | <b>ILS</b> | Israeli Shekel     | <b>SEK</b>         | Swedish Krona        |
| <b>CLP</b> | Chilean Peso                | <b>INR</b> | Indian Rupee       | <b>SGD</b>         | Singapore Dollar     |
| <b>CNH</b> | Chinese Renminbi (Offshore) | <b>JPY</b> | Japanese Yen       | <b>TRY</b>         | Turkish New Lira     |
| <b>CNY</b> | Chinese Renminbi (Mainland) | <b>KRW</b> | South Korean Won   | <b>TWD</b>         | Taiwanese Dollar     |
| <b>COP</b> | Colombian Peso              | <b>MXN</b> | Mexican Peso       | <b>USD (or \$)</b> | United States Dollar |
| <b>CZK</b> | Czech Koruna                | <b>NOK</b> | Norwegian Krone    | <b>ZAR</b>         | South African Rand   |
| <b>DKK</b> | Danish Krone                | <b>NZD</b> | New Zealand Dollar |                    |                      |

**Exchange Abbreviations:**

|             |                        |            |                  |
|-------------|------------------------|------------|------------------|
| <b>CBOT</b> | Chicago Board of Trade | <b>OTC</b> | Over the Counter |
|-------------|------------------------|------------|------------------|

**Index/Spread Abbreviations:**

|                 |   |                 |                   |                |                       |
|-----------------|---|-----------------|-------------------|----------------|-----------------------|
| <b>BADLARPP</b> | Argentina Badlar Floating Rate Notes        | <b>LIBOR03M</b> | 3 Month USD-LIBOR | <b>US0003M</b> | 3 Month USD Swap Rate |
| <b>CDX.IG</b>   | Credit Derivatives Index - Investment Grade |                 |                   |                |                       |

**Other Abbreviations:**

|            |                                |                |  |               |  |
|------------|--------------------------------|----------------|--|---------------|--|
| <b>ABS</b> | Asset-Backed Security          | <b>EURIBOR</b> | Euro Interbank Offered Rate  | <b>PIK</b>    | Payment-in-Kind  |
| <b>ALT</b> | Alternate Loan Trust           | <b>JIBAR</b>   | Johannesburg Interbank Agreed Rate   | <b>PRIBOR</b> | Prague Interbank Offered Rate  |
| <b>BBR</b> | Bank Bill Rate                 | <b>LIBOR</b>   | London Interbank Offered Rate  | <b>TBA</b>    | To-Be-Announced  |
| <b>BTP</b> | Buoni del Tesoro Poliennali    | <b>Lunar</b>   | Monthly payment based on 28-day periods.<br>One year consists of 13 periods. | <b>TELBOR</b> | Tel Aviv Inter-Bank Offered Rate   |
| <b>CDI</b> | Brazil Interbank Deposit Rate  | <b>NCUA</b>    | National Credit Union Administration   | <b>TIIE</b>   | Tasa de Interés Interbancaria de Equilibrio<br>"Equilibrium Interbank Interest Rate" |
| <b>CLO</b> | Collateralized Loan Obligation | <b>OAT</b>     | Obligations Assimilables du Trésor   | <b>UMBS</b>   | Uniform Mortgage-Backed Security   |
| <b>DAC</b> | Designated Activity Company    | <b>OIS</b>     | Overnight Index Swap   | <b>WIBOR</b>  | Warsaw Interbank Offered Rate  |



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## General Information

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This report is submitted for the general information of the shareholders of the PIMCO Variable Insurance Trust.

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