

# Pioneer Funds – Core European Equity

January 2010

Class A EUR Non-Distributing

Morningstar Rating™ ★★★

European Equity

## Concentrated Exposure to European Equities

Suitable as a core holding

- Offers a well-balanced but actively managed Portfolio with exposure to European equity markets.
- Medium-term investment horizon with controlled Portfolio turnover.

Benefit from Portfolio concentration

- A single Portfolio Manager has ultimate responsibility for concentrated Portfolio construction.
- Each stock can have a material impact on overall returns.

Disciplined investment approach

- Stock selection across all capitalisation ranges based upon independent proprietary fundamental research and relative valuations.
- Designed to consistently add value relative to the benchmark within a risk-controlled environment.
- Integrated investment approach focusing on stock ratings, returns, earnings trends and strategic positioning.
- Invests in companies with strong balance sheets, reliable cash flow and managed by experienced professionals with strong track records.

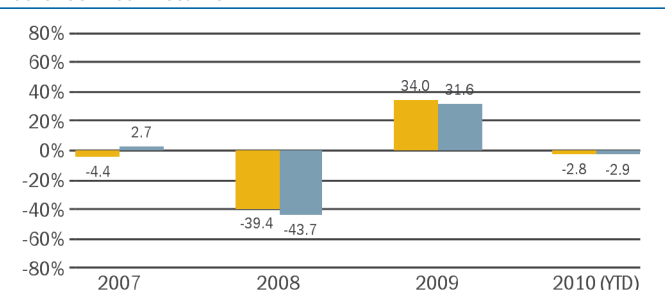
### Portfolio Details

End Month Nav	€4.49
Fund Size (Mil)	€976.3
Fund Inception	16/03/1998
First Nav Date (A Class)	18/12/2000
ISIN Number	LU0119364239
Bloomberg Code	PIOCEEA LX
Cusip	L7599Q507
Benchmark	MSCI Europe

### Risk Analysis

Standard Deviation (3 Years)	18.06 %
Sharpe Ratio (3 Years)	-0.73
Alpha	0.70 %
Beta	0.9147
Relative Information Ratio	0.52
Tracking Error	4.40 %

### Calendar Year Returns

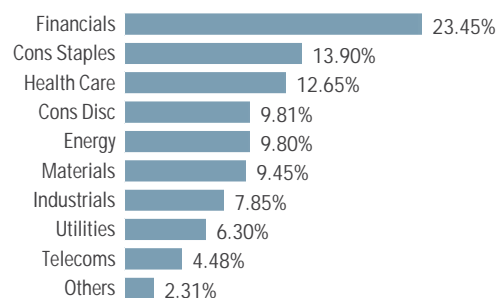


■ Pioneer Funds – Core European Equity Class A EUR Non-Distributing  
■ Benchmark

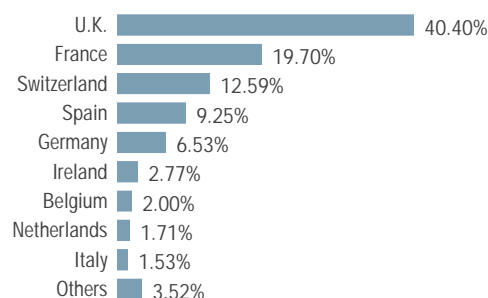
### Top 10 Holdings

Name	Sector	Country	%
Hsbc Holdings PLC	Financials	GB	4.6
Bp PLC	Energy	GB	4.1
Novartis AG	Health Care	CH	3.4
Roche Holding AG	Health Care	CH	3.3
Total Sa	Energy	FR	3.2
Banco Santander Central Hispano Sa	Financials	ES	3.1
Telefonica S.A.	Telecoms	ES	2.8
Bnp Paribas	Financials	FR	2.6
Rio Tinto PLC	Materials	GB	2.6
Bg Group PLC	Energy	GB	2.5

### Sector Breakdown



### Country Breakdown



# Investment Process

## Step 1 - Idea Generation

- Designed to provide exposure to European equities as a core option.
- Disciplined approach to stock selection across all capitalisation ranges based on news, sector developments, short qualitative scans and quantitative screening.

## Step 2 - Research

### *Fundamental Research team*

- Conducts detailed proprietary buy-side research.
- Develops valuation arguments.
- Assesses relative investment merits within sectors.
- Conducts approx. 1000 face-to-face meetings as part of bottom-up research.

### *Quantitative Research team*

- Screens stocks based on predefined fundamental valuation characteristics.
- Performance and risk analysis.
- Supports idea generation through stock screening.

## Step 3 - Security Selection Criteria

### *Portfolio Manager*

- Considers the company valuation in the context of a wider sector and market view.
- Defines why a stock is held & identifies possible risks.
- Identifies and selects well-managed companies with strong balance sheets, attractive valuations, a strong competitive position, a clear strategic vision with well-defined future growth and reliable cash generation.

## Step 4 - Portfolio Construction

- Number of holdings: approx. 40 stocks.
- Absolute stock weighting: max. 6%.\*
- Stock weighting relative to benchmark: max. 4%.\*
- Sector relative to benchmark: +/- 6%.\*
- Sell discipline: target price reached, change of investment case, or superior opportunities identified elsewhere.
- Four elements of Portfolio risk control: Portfolio-specific controls, research, organisation and risk vs. benchmark.

\*Note: these are internal guidelines and not prospectus limits and may be subject to change over time.

# About The Investment Team

Pioneer Funds – Core European Equity is managed by the European Equity team with Paul Gorman as the lead Portfolio Manager. Paul joined the team in July 2005 from the Equity Research group where he was the Portfolio Manager for our global sector funds. He has experience managing both fixed income and equity products at Pioneer Investments and has over 18 years' experience working with both asset classes. Paul joined the company in 2000 from Bank of Ireland Asset Management where he worked for 10 years as a Portfolio Manager on International Bonds, UK, Far Eastern, and US Equities.



## Notes

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