

# Pioneer Funds – Core European Equity

January 2010

Class A USD 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.

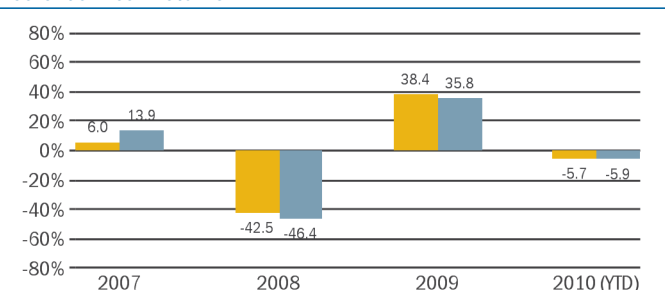
### Portfolio Details

|                          |              |
|--------------------------|--------------|
| End Month Nav            | \$5.87       |
| Fund Size (Mil)          | \$1,363.5    |
| Fund Inception           | 16/03/1998   |
| First Nav Date (A Class) | 27/12/2001   |
| ISIN Number              | LU0133630995 |
| Bloomberg Code           | PIOCEAU LX   |
| Cusip                    | L7599Q689    |
| Benchmark                | MSCI Europe  |

### Risk Analysis

|                              |         |
|------------------------------|---------|
| Standard Deviation (3 Years) | 23.21 % |
| Sharpe Ratio (3 Years)       | -0.45   |
| Alpha                        | 0.70 %  |
| Beta                         | 0.9147  |
| Relative Information Ratio   | 0.52    |
| Tracking Error               | 4.40 %  |

### Calendar Year Returns

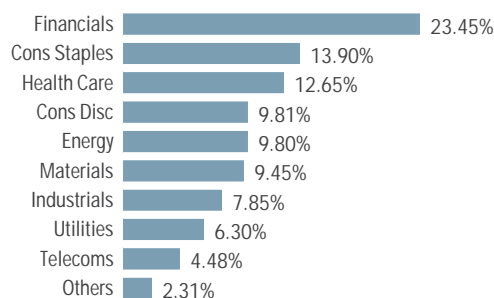


■ Pioneer Funds – Core European Equity Class A USD Non-Distributing  
■ Benchmark

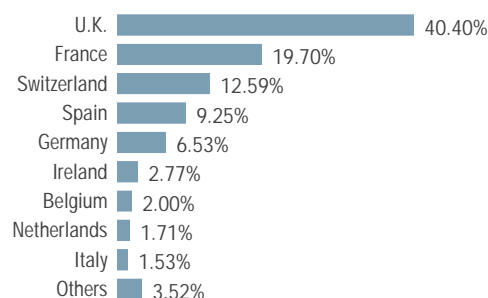
### Top 10 Holdings

| 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



This sub-fund uses derivatives.  
The derivative exposure is not reflected in this document.

# 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

Performance figures are in USD and have been converted from the Sub-Fund's base currency, the euro.

Risk Measures, except Standard Deviation and Sharpe Ratio, are based on Class E Units, which are only offered for public sale in Italy. Standard Deviation and Sharpe Ratio: Lipper.

Morningstar Ratings: Copyright © 2010 Morningstar UK Limited. All Rights Reserved. The information contained herein: (1) may not be copied or distributed; and (2) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information.

Performance data provided refers to Class A units only, and is based upon NAV net of fees. For details of other unit Classes available, please refer to the prospectus.

## Disclaimer

**This information is not for distribution and does not constitute an offer to sell or the solicitation of any offer to buy any securities or services in the United States or in any of its territories or possessions subject to its jurisdiction or for the benefit of any United States person (being residents and citizens of the United States or partnerships or corporations organized under United States laws). The Fund has not been registered in the United States under the Investment Company Act of 1940 and units of the Fund are not registered in the United States under the Securities Act of 1933. This document is not intended for and no reliance can be placed on this document by retail clients, to whom the document should not be provided.**

Unless otherwise stated all information contained in this document is from Pioneer Investments and is as at 29/01/2010. Pioneer Funds – Core European Equity is a sub-fund (the "Sub-Fund") of Pioneer Funds (the "Fund"), a fonds commun de placement with several separate sub-funds established under the laws of the Grand Duchy of Luxembourg. Past performance does not guarantee and is not indicative of future results. Unless otherwise stated, all views expressed are those of Pioneer Investments. These views are subject to change at any time based on market and other conditions and there can be no assurances that countries, markets or sectors will perform as expected. Investments involve certain risks, including political and currency risks. Investment return and principal value may go down as well as up and could result in the loss of all capital invested. More recent returns may be different than those shown. Please contact your sales representative for more current performance results. This material is not a prospectus and does not constitute an offer to buy or a solicitation to sell any units of the Fund or any services, by or to anyone in any jurisdiction in which such offer or solicitation would be unlawful or in which the person making such offer or solicitation is not qualified to do so or to anyone to whom it is unlawful to make such offer or solicitation. For additional information on the Fund, a free prospectus should be requested from Pioneer Global Investments Limited ("PGIL"), 1 George's Quay Plaza, George's Quay, Dublin 2, Ireland. Call +353 1 480 2000 Fax +353 1 449 5000. This content of this document is approved by PGIL. In the UK, it is directed at professional clients and not at retail clients and it is approved for distribution by Pioneer Global Investments Limited (London Branch), 123 Buckingham Palace Road, London SW1W 9SL, authorised by the Financial Regulator in Ireland and regulated by the Financial Services Authority for the conduct of UK business. The Fund is an unregulated collective investment scheme under the UK Financial Services and Markets Act 2000 and therefore does not carry the protection provided by the UK regulatory system.

Pioneer Funds Distributor, Inc., 60 State Street, Boston, MA 02109 ("PFD"), a U.S.-registered broker-dealer, provides marketing services in connection with the distribution of Pioneer Investments' products. PFD markets these products to financial intermediaries, both within and outside of the U.S. (in jurisdictions where permitted to do so) for sale to clients who are not United States persons. Pioneer Investments is a trading name of the Pioneer Global Asset Management S.p.A. group of companies. For Broker/Dealer use only and not to be distributed to the Public. Date of First Use 23/02/2010.