

# Pioneer Funds – Emerging Europe and Mediterranean Equity

## December 2011

Class A USD Non-Distributing

S&P Fund Management Rating A  
Morningstar Rating™ ★★★★★

Emerging Markets &amp; Far East Equity

## A Region Rich In Opportunities

### Broad investment universe

- An equity Portfolio with exposure to companies located in Central and Eastern Europe, as well as selected countries of the Mediterranean basin (including Israel and Egypt).
- Looks beyond the benchmark for opportunities in the mid- and small-cap arena, and also in non-benchmark countries.

### Research-intensive process

- An active and research-intensive investment process designed to capture the most promising opportunities at a country, sector and stock level.

- Employs top-down country evaluation and thematic considerations, and bottom-up stock selections.
- No style bias - focuses on identifying "growth at a reasonable price".

### Strong management

- Managed by a strong, experienced and well resourced team, that can also draw on the expertise of the Emerging Markets Bond team and in-house global sector analysts.

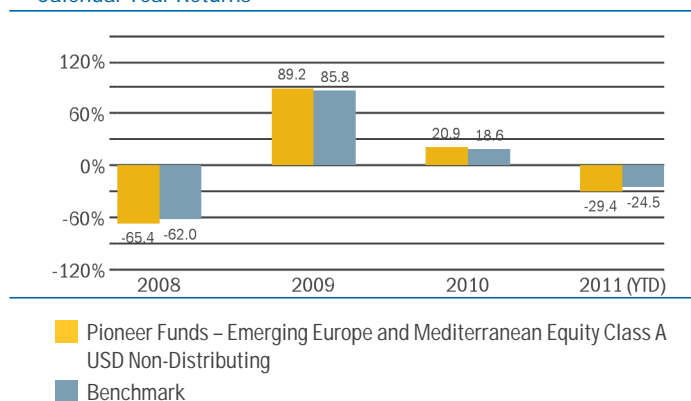
### Portfolio Details

End Month Nav	\$19.20
Fund Size (Mil)	\$705.7
Fund Inception	30/11/1998
First Nav Date (A Class)	27/12/2001
ISIN Number	LU0132177006
Bloomberg Code	PIOEEAU LX
Cusip	L7599Q671
Benchmark	MSCI Emerging Markets Europe & Middle East 10/40

### Risk Analysis (3 Years)

Standard Deviation	29.70 %
Sharpe Ratio	0.67
Alpha	3.42 %
Beta	0.8794
Relative Information Ratio	0.18
Tracking Error	6.92 %

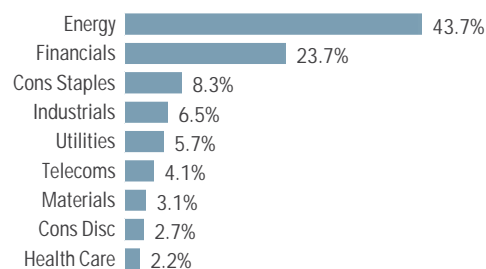
### Calendar Year Returns



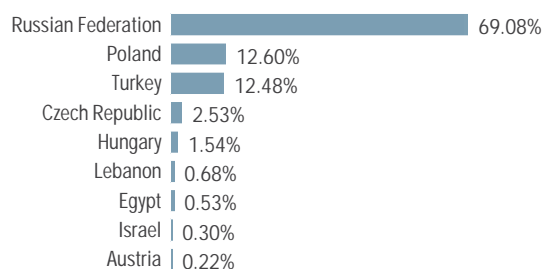
### Top 10 Holdings

Name	Sector	Country	%
Gazprom OAO	Energy	RU	9.4
Sberbank	Financials	RU	8.8
Lukoil OAO	Energy	RU	6.7
Rosneft Oil Co	Energy	RU	5.3
Surgutneftegas OJSC	Energy	RU	5.0
NovaTek OAO	Energy	RU	4.3
AK Transneft OAO	Energy	RU	2.6
MMC Norilsk Nickel OJSC	Materials	RU	2.2
X5 Retail Group NV	Consumer Staples	RU	2.1
Magnit OJSC	Consumer Staples	RU	2.1

### Sector Breakdown



### Country Breakdown



# About The Investment Team

Pioneer Funds – Emerging Europe and Mediterranean Equity is managed by Marcin Fiejka. Prior to joining Pioneer Investments in April 2005, Marcin worked with Activest Investment as a Senior Portfolio Manager for six years. Previously he was a Fund Manager with Bayerische HypoVereinsbank (HVB). Marcin joined HVB upon obtaining his MBA from the Stern School of Business at New York University. In addition, he has an MSc in Politics from the London School of Economics, and a BA in Biology and Philosophy from State University of New York at Binghamton. Marcin is also a CFA Charterholder.



## Investment Process

### Step 1 - Idea Generation

- We focus on securities with a market cap > €500m.
- Broad investment universe of approx. 3,600 stocks.
- Potential holdings are screened on a liquidity and valuation basis.
- The resultant 250 companies are then subjected to a detailed analysis of their balance sheet strength, value creation potential and cash flow growth.

### Step 2 - Fundamental Research

- The bias of the Portfolio is towards fundamental, research-based stock selection.
- The team undertakes in-depth analysis of companies' businesses and the industry in which they operate.
- A strong emphasis on risk control: risk is managed on three levels - absolute, portfolio and organisational risk.

### Step 3 - Security Selection

- Stock selection is based upon valuation and growth sustainability, and on the evaluation of the companies' operating environment.
- Our investment process is bottom-up driven with top-down risk controls and thematic considerations. Our bias is towards mid- and small-cap companies, as this is where we see the biggest growth opportunities and entrepreneurial spirit.
  - On a top-down basis, the Portfolio Manager monitors and evaluates economic, political and social trends within each of the countries in the investment universe.
  - On a bottom-up stock-selection level, the Portfolio Manager focuses on identifying companies that can demonstrate sustainable growth in operating profits.

### Step 4 - Portfolio Construction

- On average, the Portfolio contains 60 - 80 stocks.
- No single holding is allowed to exceed 8%.
- The final weighting of a stock in the Portfolio will be driven by the upside potential. However, we also have to consider the risk from a stock, sector and country perspective as well factors such as liquidity and the ownership structure of a company.

## Notes

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: Morningstar.

Morningstar Ratings: Copyright © 2011 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.

S&P Rating: Source Standard and Poors Copyright © The McGraw Hill Companies Ltd (2011).

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

The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. (www.mscibarra.com).

The Global Industry Classification Standard (GICS) SM was developed by and is the exclusive property and a service mark of Standard & Poor's and MSCI. Neither Standard & Poor's, MSCI nor any other party involved in making or compiling any GICS classifications makes any express or implied warranties or representations with respect to such standard or classification (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such standard or classification. Without limiting any of the foregoing, in no event shall Standard & Poor's, MSCI, any of their affiliates or any third party involved in making or compiling any GICS classification have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages.

## 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 to 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 30/12/2011. Pioneer Funds – Emerging Europe and Mediterranean 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), Portland House, 8th Floor, Bressenden Place, London SWE 5BH, authorised by the Central Bank of 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 06/02/2012.