

# Yearly Portfolio Update

## *Pioneer Funds – Global Aggregate Bond*

*31 December 2009*

Bond

Pioneer Funds – Global Aggregate Bond (Class A, non-distributing, EUR units) performed well in absolute terms, but ended the year slightly behind its benchmark, the BarCap Global Aggregate Index. Positive contributors to performance included our FX and relative value strategies, as well as inflation trades and duration management. On the negative side, our underweight in the Agency sector detracted; we believe that the spreads offered by this asset class were already tight and did not present many opportunities. This strategy held back returns over the year. Our underweight positioning on US mortgages also hurt performance.

In terms of current Portfolio positioning, we hold some flattening positions and are still short agency, as we continue to believe that they offer a low risk/return profile. We are also long on the Europe yield curve.

Going into 2010, the Portfolio is positioned defensively, with a low level of risk, as the outlook is still unclear. Corporate bond spreads have already experienced considerable tightening, and, globally, the market is pricing in higher rates, which leaves very little opportunity. We wait for better market conditions before taking on any more risk.

### Important Information

Unless otherwise stated all information contained in this document is from Pioneer Investments and is as at 31 December 2009.

Pioneer Funds – Global Aggregate Bond 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. The Sub-Fund is actively managed, and current holdings may be different. References to individual stocks should not be taken as an investment recommendation to buy or sell any particular stock. 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.

**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 local 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 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. 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.

For Broker/Dealer Use Only and Not to be Distributed to the Public.

**Pioneer Investments is a trading name of the Pioneer Global Asset Management S.p.A. group of companies.**

Date of First Use 20 January 2010.