Monthly Portfolio Update

Pioneer Funds – Global Trends
30 November 2010

Equity

Review

The Portfolio was up by 3.11% (Class A, non-distributing, EUR units) over the month, behind its benchmark, the MSCI World Index, which returned 4.47%.

Equities initially extended the rally that began at the start of September, with a big jump in the first week of the month. Indeed, the MSCI Index rallied over 17% in US-dollar terms in just over two months, hitting the highest level since September 2008 on 5 November. However, the euphoria soon faded as Chinese inflation came in above expectations and yields soared on Irish government debt, with a knock-on effect to other fiscally challenged European countries such as Spain, Portugal, Greece and Italy. Military tensions between North and South Korea added to the nervousness. Markets sold off sharply and ended November at a two-month low.

The main story in Europe was Ireland's bailout talks with the EU and IMF. The yield on Irish government debt started climbing rapidly from 18 October and spiked above 9% towards the end of November, after starting the month at less than 7%. As well negotiating the bailout package, believed to be worth around €85bn, Ireland unveiled a four-year austerity plan of tax and spending cuts designed to save €15bn. Nevertheless, investors were worried and yields on the weaker eurozone members spiked up.

Rising inflation in China was the other big story that caused increased risk aversion in November. Chinese consumer price inflation hit 4.4% year-on-year in October, up from 3.6% in September and considerably higher than median expectations of 4% (Bloomberg survey forecast). The government target for 2010 is 3%, which could be optimistic given the recent rise, although inflation was below 3% in the first half of the year. The rise in inflation was exacerbated by a sharp spike in food prices, which were 10.1% higher than a year earlier. The market reacted negatively to speculation that the government may have to raise interest rates and use other measures more aggressively than previously thought. China raised interest rates in October for the first time since 2007. In a further effort to control inflation and reduce liquidity, the central bank raised banks' reserve ratio requirements twice in November (five times this year).

Despite the concerns about Europe and China, there was also some positive data from Germany and the US. In Germany, domestic consumption is strong, the unemployment rate is at the lowest level since the end of 1992 and the Ifo Index of Business Confidence hit a 20-year high of 109.3 in November (up from 107.7), despite expectations of a fall. Germany's economy minister Rainer Bruederle made positive comments about the country's economic prospects, especially about how consumption will play an increasing part in overall growth through 2011.

November got off to a positive start in the US, with employment rising (by 151,000 payrolls) in October for the first time in five months, which was significantly better than expectations. The University of Michigan Consumer Sentiment Index also increased more than forecast in November (71.6); this was the fifth consecutive monthly rise. There was also positive news on jobless claims and consumer spending, and the savings rate has been declining since June. News that Q3 US economic growth was revised up to 2.5% (annualised) was balanced by the Federal Reserve's lower growth forecast for next year of 3% to 3.6% (down from 3.5% to 4.2%); it also revised up its expectations for unemployment, which at 9.6% is still the major economic issue holding back a more normal consumer-led recovery.

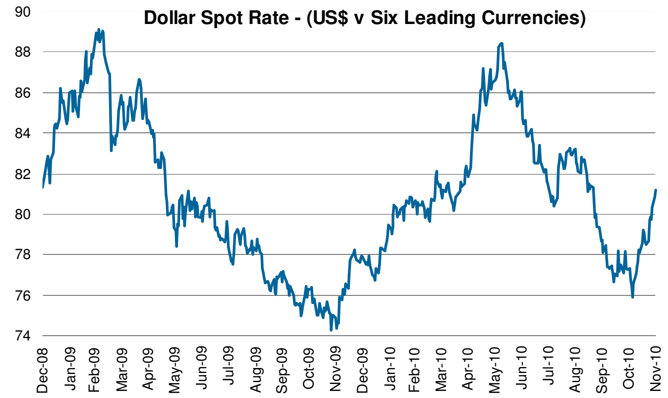
Developed equity markets outperformed developing markets in October (-0.5% capital return in local currency vs. -2.7%), although they are still lagging year-to-date (2.2% vs. 7.0%).

Japan was easily the strongest of the major developed markets in November, with the Topix Index gaining 6.2%. US equities outperformed Europe, with the S&P 500 Index returning -0.2% compared to -2.5% for the FTSE All Share Index and -4% for the MSCI Europe ex-UK Local Index.

Currency volatility remained elevated in November. The US dollar reversed its recent weakness to post gains against nearly all other currencies. Over the month, the US dollar spot was up by 5.1%, with the euro particularly weak. The worst emerging-market currencies were in Europe: the US dollar gained 11.2%, 8.9% and 8.9% respectively against the Hungarian forint, Polish zloty and Czech koruna. This was despite stronger-than-expected GDP of 1.6% year-on-year

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

in Hungary. Conversely, the Taiwan dollar and Chilean peso were the best-performing currencies.



Source: Bloomberg, daily data, 31 December 2008 – 30 November 2010

Commodities in general were up, with the Thomson Reuters/Jeffries CRB Index advancing 0.2%; gold performed better (2%) although it was very strong early in the month, hitting a new all-time high of US$1,409.5 on 8 November. The oil price (West Texas) hit its highest level (almost US$88/barrel) since early October 2008 on 11 November and, despite falling back, was 3.3% up on the month.

Outlook

We remain reasonably cautious on the outlook, although we have become less bearish over the last few months as valuations have become more interesting and corporate results have beaten expectations. There are still many headwinds that are going to be present over the medium term such as deleveraging, less government fiscal and monetary stimuli and consumers' incomes being squeezed by tax rises. Conversely, growth has remained relatively strong. Emerging markets are growing very strongly, which will help ease the burden on developed nations through the painful deleveraging process. This fact and the rising power of consumers in developing nations should also help to alleviate trade imbalances.

Important Information

Unless otherwise stated all information contained in this document is from Pioneer Investments and is as at 30 November 2010.
MSCI: The MSCI information may only be used for your internal use, may not be reproduced or redisseminated 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).
Pioneer Funds – Global Trends 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 figures are in euro. Performance data provided refers to Class A non-distributing 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 Central Bank of Ireland 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 14 December 2010.

PIONEER Investments®

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