QUARTERLY UPDATE

Pioneer AMT-Free Municipal Fund

Performance Analysis and Market Commentary | December 31, 2019

Average Annual Total Returns for Class Y Shares

	Month	Quarter-to-Date	YTD	1-Year	3-Year	5-Year	10-Year
AMT-Free Municipal Fund (PBYMX)	0.31%	0.60%	9.87%	9.87%	5.61%	4.26%	5.62%
Bloomberg Barclays Municipal Bond Index (Benchmark)	0.31%	0.74%	7.54%	7.54%	4.72%	3.53%	4.34%

Gross expense ratio: 0.65% Net Expense Ratio: 0.55%

Call 1-800-225-6292 or visit amundipioneer.com/us for the most recent month-end performance results. Current performance may be lower or higher than the performance data quoted. The performance data quoted represents past performance, which is no guarantee of future results. Investment return and principal value will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Class Y shares are not subject to sales charges and are available for limited groups of investors, including institutional investors. Initial investments are subject to a $5 million investment minimum, which may be waived in some circumstances. All results are historical and assume the reinvestment of dividends and capital gains. Other share classes are available for which performance and expenses will differ.

The net expense ratio reflects the contractual expense limitations currently in effect through May 1, 2020, for Class Y shares. There can be no assurance that Amundi Pioneer will extend the expense limitations beyond such time. Please see the prospectus and financial statements for more information.

Performance results reflect any applicable expense waivers in effect during the periods shown. Without such waivers, fund performance would be lower. Waivers may not be in effect for all funds. Certain fee waivers are contractual through a specified period. Otherwise, fee waivers can be rescinded at any time. See the prospectus and financial statements for more information.

Market Review

- Municipal bonds, as measured by the Fund’s benchmark, Bloomberg Barclays Municipal Bond Index (the Bloomberg Barclays Index), returned 0.74% during the fourth quarter of 2019. For the full 12 months ended December 31, 2019, the Bloomberg Barclays Index returned 7.54%.
- Municipal bonds have been benefiting from increased demand, as investors continue to seek tax-exempt income due to the effects of the US tax reform law passed in December 2017. In addition, an increase in taxable bond issuance has affected the supply in the municipal market.
- The 2017 tax law reduced allowable state and local tax (SALT) deductions, capping them at $10,000 annually. That provision in the law has affected many investors, but particularly those in higher-tax states such as California and New York.
- Total municipal bond issuance for 2019 came in at $418 billion, $70 billion of which came to market as taxable bonds. This is also a byproduct of the 2017 tax reform law. In addition to limiting SALT deductions, the law eliminated the tax exemption on investors’ income derived from **advance refunding bonds**. In recent months, we have seen municipalities beginning to issue more taxable bonds as the current low-interest-rate environment has created opportunities for issuers to realize interest-cost savings.
- For the fourth quarter, global economic data came in better than expectations and, more importantly, disappointed those on “recession watch.” The economic data was neither hot nor cold enough to get a further policy reaction out of the Federal Reserve (Fed), which elected to step to the policy sidelines in December after delivering its third quarter-point (0.25%) interest-rate cut of 2019 in late October.

See Glossary of Frequently Used Terms, for terms in bold.

Amundi Pioneer
ASSET MANAGEMENT

- The ratio of AAA-rated municipal bond yields to Treasury yields (**Municipal-to-Treasury Ratio**) for the 10-year and 30-year maturities stood at 76% and 88%, respectively, at the end of December, tighter than the approximate 85% and 95% figures, respectively, at the end of September.
- Monthly flows into municipal funds were positive from the start of the 2019 calendar year, and resulted in net inflows of $92 billion. On the supply side, as noted earlier, gross municipal issuance came in at $418 billion for 2019, which was 21% higher than this time in 2018.

Performance Attribution vs. Benchmark – Class Y Shares

Pioneer AMT-Free Municipal Fund's Class Y Shares returned 0.60% in the fourth quarter, while the Fund's benchmark, the Bloomberg Barclays Index, returned 0.74%.

Relative Detractors

- Our up-in-quality bias with regard to the portfolio's holdings was a detractor from the Fund's benchmark-relative performance this quarter, as we moved into more AA and AAA-rated paper given that **spreads** had compressed over time.
- The Fund's overweight to AAA-rated municipal bonds versus the benchmark detracted from relative returns, though that negative was slightly offset by the portfolio's exposure to below-investment-grade municipal bonds, which outperformed investment-grade municipals over the three-month period.

Relative Contributors

- The portfolio's longer-**duration** bias was a key positive contributor to the Fund's benchmark-relative performance in the fourth quarter, as longer-maturity municipal bonds outperformed shorter-maturity municipals.
- As noted above, another positive contributor to absolute and benchmark-relative performance in the fourth quarter was the Fund's out-of-benchmark allocation to below-investment-grade (high-yield) municipal bonds. The Fund is able to invest up to 10% of its assets under management in high-yield municipal bonds. We have concentrated those high-yield holdings in tobacco settlement bonds, which accounted for more than half of the Fund's top 10 individual performance contributors this quarter, on an absolute value basis.

Market Outlook and Positioning

- The tax-free bond market has been benefiting from its attractive tax-equivalent yields compared with Treasury issues, as well as the low default rate of municipals when compared with other asset classes. We believe we will continue to see strong cash flows into municipals as investors react to growing uncertainties surrounding economic, geopolitical, fiscal, and monetary policy issues.
- As we mentioned earlier, we have seen municipalities beginning to issue more taxable bonds, as the current low-rate environment has made that an attractive alternative in the wake of the elimination of the tax exemption on income earned from advanced refundings. We believe that development may continue to have an effect on municipal supply going forward. While analysts have been predicting another year with municipal issuance at above $400 billion, at least one-quarter of that issuance could be taxable bonds.
- We expect to continue to maintain a longer-duration stance in the portfolio, relative to the Bloomberg Barclays Index, as we have continued to find opportunities on the long end of the **curve** in the present environment featuring low interest rates. In addition, we have focused on holding higher-rated credits in the portfolio to increase its overall credit rating as spreads have continued to compress.
- During the fourth quarter, we continued to favor owning revenue bonds in the Fund's portfolio. Revenue bonds are, by definition, secured by income-producing facilities of the borrower.
- As of quarter-end, the largest sector weights in the portfolio were to education (20%), hospitals (12%), and local general obligation bonds (11%). Massachusetts, Texas, Florida, California, and Virginia represented the Fund's largest state exposures as of quarter-end.
- Finally, we expect to maintain the portfolio's exposures to higher-quality, below-investment-grade municipal bonds, as we seek to enhance the Fund's total return and to provide incremental tax-exempt income.

Performance Attribution: Additional Information
This performance attribution seeks to identify and quantify the drivers of portfolio performance relative to that of its benchmark. Using FactSet software, we create hypothetical subportfolios by segmenting the portfolio and its benchmark, then measure the value (weight) and returns of those hypothetical subportfolios. This lets us measure the performance impact of a decision to overweight or underweight a portfolio segment. It also lets us measure the performance impact of a specific security selection within each segment.

The Bloomberg Barclays Municipal Bond Index is an unmanaged, broad measure of the municipal bond market. Index returns are calculated monthly, assume reinvestment of dividends and, unlike Fund returns, do not reflect any fees, expenses or sales charges. You cannot invest directly in an index.

The portfolio is actively managed and current information is subject to change. The sectors/holdings discussed should not be considered recommendations to buy or sell any security.

Glossary of Frequently Used Terms
Advanced Refunding Bond – A bond issued to retire, or pre-refund, another outstanding bond more than 90 days in advance of the original bond's maturity date.
Basis Point – A unit of measure used to describe the percentage change in the value or rate of a financial instrument. One basis point is equivalent to 0.01% (1/100th of a percent) or 0.0001 in decimal form. In most cases, it refers to changes in interest rates and bond yields
Carry – Represents the cost or benefit of owning an asset.
Correlation – The degree to which assets or asset class prices have moved in relation to one another. Correlation ranges from -1 (always moving in opposite directions) through 0 (absolutely independent) to 1 (always moving together).
Duration – A measure of the sensitivity of the price (the value of principal) of a fixed income investment to a change in interest rates, expressed as a number of years.
Excess Returns - Represent investment performance generated by a security or portfolio that exceed the "riskless" performance of a security generally perceived by the market to be risk-free, such as a certificate of deposit or a government-issued bond.
Goldilocks – An economy that is not too hot or cold. In other words, it sustains moderate economic growth and features low inflation, which allows for a market-friendly central-bank monetary policy.
Hedge – An investment utilized to help reduce the risk of adverse price movements in an asset. Normally, a hedge consists of taking an offsetting position in a related security to help guard against a drop in price, such as purchasing a "put" (sell) option contract on a stock in which the investor already owns shares outright.
Insurance-linked securities – Investments sponsored by property-and-casualty insurers to help mitigate the risk of having to pay claims in the wake of natural disasters.
Loan Spread -- The interest rates over and above the LIBOR rate charged to borrowers by banks.
Municipal-to-Treasury Yield Ratio – A measure of municipal bond valuation. The higher the Municipal-to-Treasury ratio, the more attractive municipals are relative to Treasuries.
Real Yield – The yield provided by an investment once inflation is taken into account.
Sharpe Ratio - A measure of risk-adjusted return that describes how much excess return an investor receives in exchange for the volatility of holding a riskier asset.
Spreads (or Credit Spreads) – The differences in yield between Treasuries and other types of fixed-income securities with similar maturities.
Tax-Equivalent Yield – The pretax yield that a taxable bond needs to possess for its yield to be equal to that of a tax-free municipal bond.
Yield Curve (or Curve)- A yield curve is a line that plots the interest rates, at a set point in time, of bonds having equal credit quality but differing maturity dates.
Yield to Maturity – The total return anticipated on a bond if the bond is held until the end of its lifetime.
Yield to Worst (YTW) – The lowest potential yield that can be received on a bond without the issuer actually defaulting.

The views expressed are those of Amundi Pioneer and are current through 12/31/19. These views are subject to change at any time based on market or other conditions, and Amundi Pioneer disclaims any responsibility to update such views. These views may not be relied upon as investment advice and, because investment decisions for strategies are based on many factors, may not be relied upon as an indication of trading intent on behalf of any strategy or portfolio.

A Word about Risk
When interest rates rise, the prices of fixed-income securities in the Fund will generally fall. Conversely, when interest rates fall, the prices of fixed-income securities in the Fund will generally rise. Investments in the Fund are subject to possible loss due to the financial failure of issuers of underlying securities and their inability to meet their debt obligations. At times, the Fund's investments may represent industries or industry sectors that are interrelated or have common risks, making it more susceptible to any economic, political, or regulatory developments or other risks affecting those industries and sectors. The value of municipal securities can be adversely affected by changes in the financial condition of municipal issuers, lower revenues, and regulatory and political developments. A portion of income may be subject to local, state, federal, and/or alternative minimum tax. Capital gains, if any, are subject to a capital gains tax.
These risks may increase share price volatility.

Before investing, consider the product's investment objectives, risks, charges and expenses. Contact your advisor or Amundi Pioneer Asset Management for a prospectus or a summary prospectus containing this information. Read it carefully.

Individual are encouraged to seek advice from their financial, legal, tax and other appropriate advisers before making any investment or financial decisions or purchasing any financial, securities or investment-related product or service, including any product or service described in these materials. Amundi Pioneer does not provide investment advice or investment recommendations.

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Underwriter of Pioneer mutual funds, Member SIPC
60 State Street Boston, Massachusetts 02109
amundipioneer.com/us
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