PORTFOLIO UPDTE

Pioneer Bond Fund

Commentary | March 11, 2020

Outlook for Broad US Fixed Income Markets

— The US Bond markets have experienced an historic change, driven by Coronavirus fears and plummeting oil prices. US Treasury yields have declined almost 1% over the past month, and USD corporate bond markets have experienced a rapid and significant **spread** repricing over the past three weeks. Elements of the spread move are comparable to the sell-offs in the fourth quarter of 2018, in late 2015 and early 2016, and even some periods of 2008. Given that the depth and duration of the Coronavirus impact on global growth and consumer behavior remain uncertain, we expect it will take time for investment markets to establish a bottom.

— We continue to evaluate our investment themes. We have selectively started to add **spread risk** to the Portfolio in sectors and issuers where we view spread widening has been in excess of changes in fundamental credit risk.

Focused on pursuing solid, risk-adjusted returns

— The Fund aims to deliver outperformance of its index (Bloomberg Barclays US Aggregate Bond Index) and peer group, by investing across a diverse range of USD fixed income sectors, while mitigating downside risk. The Fund's value-driven approach aims to deliver strong performance over the long-term relative to the benchmark and peers.

— The Fund reduced corporate risk early in the year, holding an overweight to securitized sectors that focused on the strongest part of the US economy – the US consumer and the US housing market – and reducing credit exposure to corporates, which had greater exposure to global growth, and less attractive relative valuations. The Fund continued to hold a significant underweight to US Treasuries, which offered low real yields, and overweights within its corporate exposures to pipelines and financials.

— The flight to quality over the past month saw a dramatic fall in Treasury yields, and indiscriminate selling of energy credits, including pipelines, as well as subordinated debt of financials.

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.

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 US Aggregate Bond Index is a broad-based flagship benchmark that measures the investment grade, US dollar-denominated, fixed-rate taxable bond market. Indices are unmanaged and their returns assume reinvestment of dividends and, unlike fund returns, do not reflect nay fees or expenses. You cannot invest directly in an index.

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

Amundi Pioneer
ASSET MANAGEMENT

Glossary of Frequently Used Terms

Credit spreads (or spreads) – The differences in yield between Treasuries and other types of fixed-income securities with similar maturities.
Spread risk-Refers to the danger that the interest rate on a loan or bond turns out to be too low relative to an investment with a lower default **risk** for it to be a good use of funds.
Spread sectors – Nongovernmental fixed-income market sectors that offer higher yields, at greater risk, than governmental investments.

The views expressed are those of Amundi Pioneer and are current through 3/11/20. 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. Prepayment risk is the chance that an issuer may exercise its right to prepay its security, if falling interest rates prompt the issuer to do so. Forced to reinvest the unanticipated proceeds at lower interest rates, the fund would experience a decline in income and lose the opportunity for additional price appreciation. Investments in high-yield or lower rated securities are subject to greater-than-average price volatility, illiquidity and possibility of default. The securities issued by U.S. Government-sponsored entities (e.g., FNMA, Freddie Mac) are neither guaranteed nor issued by the U.S. Government. The portfolio may invest in mortgage-backed securities, which during times of fluctuating interest rates may increase or decrease more than other fixed-income securities. Mortgage-backed securities are also subject to pre-payments. At times, the Fund's investments may represent industries or sectors that are interrelated or have common risks, making them more susceptible to any economic, political, or regulatory developments or other risks affecting those industries and sectors.
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.