PIMCO | SEI Trust Company

PIMCO Diversified Real Asset Collective Trust

PIMCO Collective Investment Trusts | STRATEGY: **INFLATION PROTECTION** | AS OF: **6/30/2017**

TRUST INCEPTION DATE: **10/30/2009**
TRUST ASSETS(MM): **$243.8**

Portfolio Manager
Nicholas J. Johnson
Mihir P. Worah

Trust Statistics

Effective Duration (yrs)	2.99

Sector Diversification (%)

	Market Value Weighted
Real Return Strategies	39
Commodities Strategies	25
Real Estate Strategies	36

The information contained in this material is provided to you by your employer through your employer's retirement plan. Please contact your plan administrator to obtain additional information.

TRUST DESCRIPTION

The Diversified Real Asset Collective Trust (the "Trust") is an actively managed portfolio designed to provide strategic exposure to three core real assets: Treasury Inflation-Protected Securities ("TIPS"), commodities, and real estate. The Trust seeks to achieve its objective by investing under normal circumstances substantially all of its assets in units of the PIMCO Real Return Collective Trust, the PIMCO CommoditiesPLUS® Collective Trust, and the PIMCO RealEstatePLUS Collective Trust (the "Underlying Trusts"). The Trust benchmark is 40% Barclays U.S. TIPS Index, 25% Bloomberg Commodity IndexSM, and 35% Dow Jones U.S. Real Estate Investment Trust Index. The Trust and Underlying Trusts are not mutual funds. SEI Trust Company serves as the trustee of the Trust and maintains ultimate fiduciary authority over the management of, and investments made in, the Trust. The trustee has engaged PIMCO to act as investment adviser to the Trust. The Trust is part of a collective investment trust that is exempt from registration under the Investment Company Act of 1940.

INVESTOR BENEFITS

This Trust offers investors "3-in-1" exposure to three core real assets represented by Underlying Trusts, actively manages each, and actively manages the mix, seeking to provide real return potential for investors. The active management and asset allocation decisions are driven by PIMCO's "top down" and "bottom up" investment process.

Potential benefits of this Trust include:

- Inflation Hedging Strategies: TIPS, commodities, and real estate have returns that are either contractually or economically related to inflation and therefore may be used to potentially hedge future inflation risk
- Diversification: Real assets returns respond differently to changing macroeconomic factors and micro factors than do core stocks and bonds and therefore may provide portfolio diversification
- Actively Managed Exposures: The underlying TIPS, commodities, and real estate portfolios of the Underlying Trusts, as well as the mix between them, are each actively managed in an effort to provide returns relative to each asset class's respective benchmark

THE TRUST ADVANTAGE

The Trust combines the strategic investment opportunities of real assets with the investment management expertise of PIMCO. As a pioneer in fixed income, real return, and asset allocation, PIMCO is positioned to help integrate these core competencies in the context of the Diversified Real Asset strategy. Fixed income and real return expertise are essential to obtaining exposure to the real asset classes within the Trust and actively managing them in an effort to enhance return potential.

VALUE OF INFLATION PROTECTION STRATEGIES

An allocation to PIMCO inflation-protection strategies may be beneficial as part of a diversified portfolio. Real assets, which include inflation-linked bonds, commodities, and real estate, tend to exhibit a positive correlation to inflation. By contrast, traditional assets such as stocks and bonds have historically underperformed when inflation has surprised to the upside. The benefit of this positive correlation to inflation is that real assets can potentially improve portfolio diversification, help hedge inflation risk, and help preserve enhance and preserve the future purchasing power of investments.

PIMCO Diversified Real Asset Collective Trust

AS OF: **6/30/2017**

Performance (Net of Fees)

	Since Inception 10/30/2009	5 Yr.	3 Yr.	1 Yr.	6 Mos.	3 Mos.
Fund (%)	3.89	-0.04	-2.68	-2.05	-0.15	-0.37
Benchmark (%)	4.14	0.10	-2.07	-3.10	-0.50	-0.34

All periods longer than one year are annualized.

Past performance is not a guarantee or a reliable indicator of future results.

Basic Facts

Total Expense Ratio 0.41%

ABOUT SEI

SEI Trust Company is a trust company organized under the laws of the Commonwealth of Pennsylvania. SEI Trust Company is a wholly owned subsidiary of SEI Investments Company. SEI (NASDAQ:SEIC) is a leading global provider of asset management services and investment technology solutions.

ABOUT PIMCO

PIMCO is a leading global investment management firm, with offices in 11 countries throughout North America, Europe and Asia. Founded in 1971, PIMCO offers a wide range of innovative solutions to help millions of investors worldwide meet their needs. Our goal is to provide attractive returns while maintaining a strong culture of risk management and long-term discipline. PIMCO is owned by Allianz S.E., a leading global diversified financial services provider.

ABOUT THE BENCHMARKS

40% Barclays U.S. TIPS Index, 25% Bloomberg Commodity Index[SM], 35% Dow Jones U.S. Real Estate Investment Trust Index. The Barclays U.S. TIPS Index is an unmanaged market index comprised of all U.S. Treasury Inflation Protected Securities rated investment grade (Baa3 or better), have at least one year to final maturity, and at least $250 million par amount outstanding. Performance data for this index prior to 10/97 represents returns of the Barclays Inflation Notes Index. The Bloomberg Commodity Index Total Return is an unmanaged index composed of futures contracts on 20 physical commodities. The index is designed to be a highly liquid and diversified benchmark for commodities as an asset class. The DJ U.S. Select Real Estate Investment Trust (REIT) Index is an unmanaged index comprised of U.S. publicly traded Real Estate Investment Trusts. Prior to April 1st, 2009, this index was named the Dow Jones Wilshire REIT Index. It is not possible to invest directly in an unmanaged index. Prior to August 1, 2016, benchmark performance reflects the following index composition: 1/3 each- Barclays U.S. TIPS Index, Bloomberg Commodity Index SM, Dow Jones U.S. Real Estate Investment Trust Index

Investment objectives, risks, charges, fees and expenses, and other important information about the Trust are contained in the Trust's Disclosure Memorandum.

The PIMCO Diversified Real Asset Collective Trust is a series of PIMCO Collective Investment Trust. The PIMCO Diversified Real Asset Collective Trust is a trust for the collective investment of assets of participating tax qualified pension and profit sharing plans and related trusts, and governmental plans as more fully described in the Declaration of Trust. The terms of the plan and Declaration of Trust are incorporated by reference and should be reviewed for a complete statement of its terms and provisions. The PIMCO Diversified Real Asset Collective Trust is managed by SEI Trust Company, the trustee, based on the investment advice of PIMCO, the investment adviser to the trust. SEI Trust Company has claimed an exclusion from the definition of the term "commodity pool operator" under the Commodity Exchange Act and, therefore, is not subject to registration or regulation as a pool operator under the Act. As a bank collective trust, PIMCO Diversified Real Asset Collective Trust is exempt from registration as an investment company.

The performance figures presented reflect the total return performance and reflect changes in portfolio value and reinvestment of dividend and capital gain distribution. The Trust incurs other expenses in addition to management fees, which could reduce the Trust's performance relative to the performance shown in the chart. A word about risk: The Trust's investment performance depends on how its assets are allocated and reallocated between the Underlying Trusts according to the Trust's asset allocation target and range. Because the Trust invests all of its assets in Underlying Trusts, the risks associated with investing in the Trust are closely related to the risks associated with the securities and other investments held by the Underlying Trusts. Investing in the bond market is subject to certain risks including market, interest-rate, issuer, credit, and inflation risk; investments may be worth more or less than the original cost when redeemed. Inflation-linked bonds (ILBs) issued by a government are fixed-income securities whose principal value is periodically adjusted according to the rate of inflation; ILBs decline in value when real interest rates rise. REITs are subject to risk, such as poor performance by the manager, adverse changes to tax laws, or failure to qualify for tax-free pass-through of income. Commodities contain heightened risk including market, political, regulatory, and natural conditions, and may not be suitable for all investors. Derivatives and commodity-linked derivatives may involve certain costs and risks such as liquidity, interest rate, market, credit, management, and the risk that a position could not be closed when most advantageous. Commodity-linked derivative instruments may involve additional costs and risks such as changes in commodity index volatility or factors affecting a particular industry or commodity, such as drought, floods, weather, livestock disease, embargoes, tariffs, and international economic, political, and regulatory developments. Investing in derivatives could lose more than the amount invested. Diversification does not ensure against loss.

Effective duration is the duration for a bond with an embedded option when the value is calculated to include the expected change in cash flow caused by the option as interest rates change.

This material is for general informational purposes only. The information should not be considered as investment, legal, accounting, or tax advice or a recommendation of any particular security, strategy, or investment product. The information contained herein does not take into account the investment objectives, financial situation, or needs of any particular investor. An investor should consider whether it is suitable for his particular circumstances and, if necessary, seek professional advice before investing in this or any investment.

No part of this material may be reproduced in any form, or referred to in any other publication, without express written permission. PIMCO is a trademark of Allianz Asset Management of America L.P. in the United States and throughout the world. ©2017.

The Trust is not FDIC-insured, may lose value, and is not guaranteed by a bank or other financial institution. Neither the Trust nor the units representing beneficial interest therein are registered with SEC.