



Q4 2017 Issue

Allianz European Equity Dividend

Shining the spotlight
on European dividends



Multiple currency share classes
(including currency-hedged)
available

- Seeks to achieve income through monthly payouts¹
- Seeks to maximise yield with a countercyclical investment approach
- Diversify your portfolio with a defensive European strategy

Allianz 
Global Investors

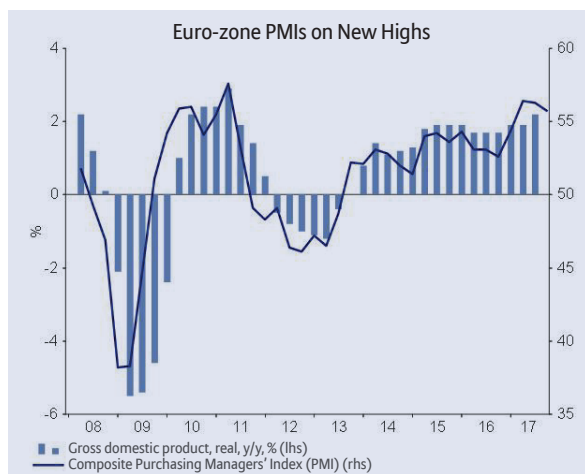
Understand. Act.

Why Invest in Allianz European Equity Dividend (the “Fund”)?

- Dividend strategies may offer the benefits of relatively attractive levels of dividend yields and historic low share price volatility.
- In a low real yield environment, dividends are expected to remain an important contributor to total returns.
- The Fund aims to provide long-term capital growth primarily through equity based investments in European markets that are expected to achieve adequate dividend returns.

European recovery has gained depth and resilience

- Despite headwinds, leading indicators, such as the euro-zone purchasing managers’ indices (PMIs), continue to signal solid economic growth, indicating that the European economy remains in good shape.
- European companies are also seeing a pick-up in earnings, with their earnings revision ratio (ERR) recording the strongest read in over 6 years, and outpacing that of the global data*.

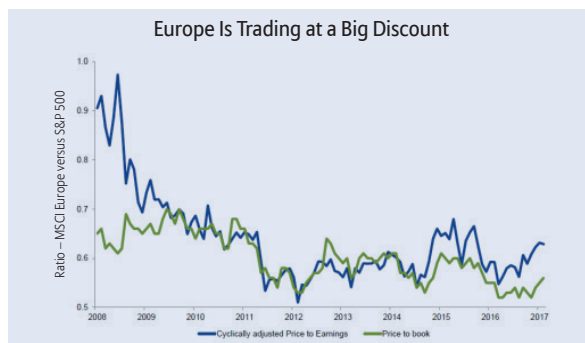


Source: Thomson Reuters Datastream, AllianzGI Global Capital Markets & Thematic Research, as of 22 August 2017. This is for guidance only and not indicative of future allocation.

*BofA Merrill Lynch European Quantitative Strategy, May 2017.

Attractive valuations of European equities

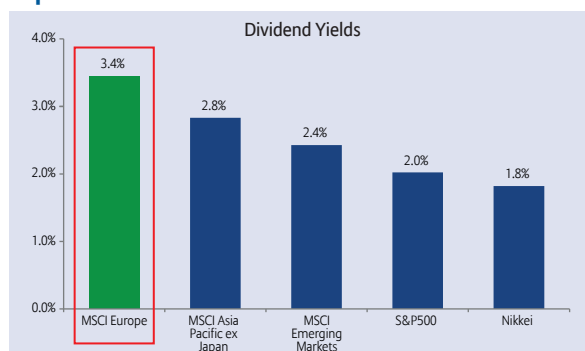
- Europe equities are trading at a large discount relative to other major equity regions, particularly the US. The valuation discount between Europe and the US has increased in recent years.
- The price-earnings (P/E) ratio of European companies is significantly lower than that of US companies. With Europe sitting on such a large discount relative to global equity markets, the valuations are very attractive.



Source: Datastream, as of June 2017. This is for guidance only and not indicative of future allocation.

European companies have attractive dividend policies

- European dividend policies seem to be the most shareholder-friendly. Investors who have invested in European equities in particular, have enjoyed good dividend payouts.
- The dividend yield for MSCI Europe Index as at September 2017 is 3.4% p.a., higher than other Asian and American indices. As such, European companies are comparatively more attractive for dividend-oriented investors.

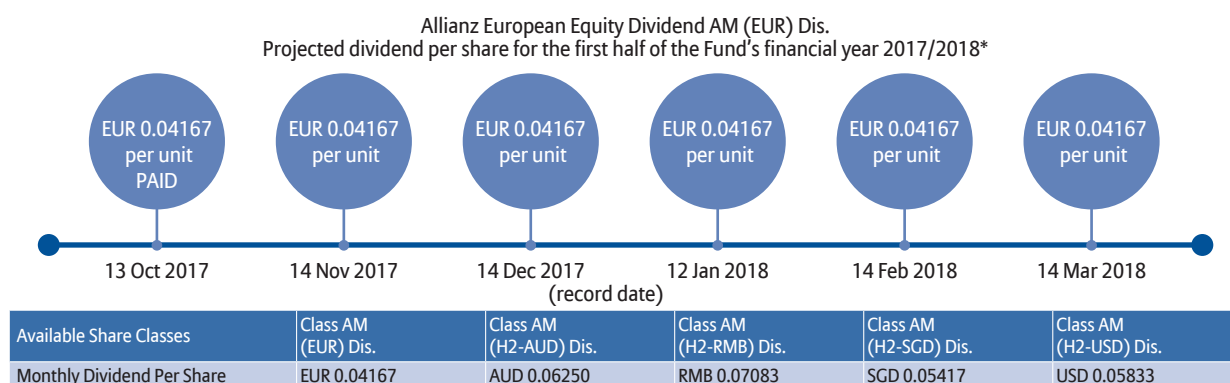


Source: Bloomberg, as of 30 September 2017. This is for guidance only and not indicative of future allocation.

Fund Features

Potential monthly payout¹

- The Fund seeks to achieve long-term capital growth.



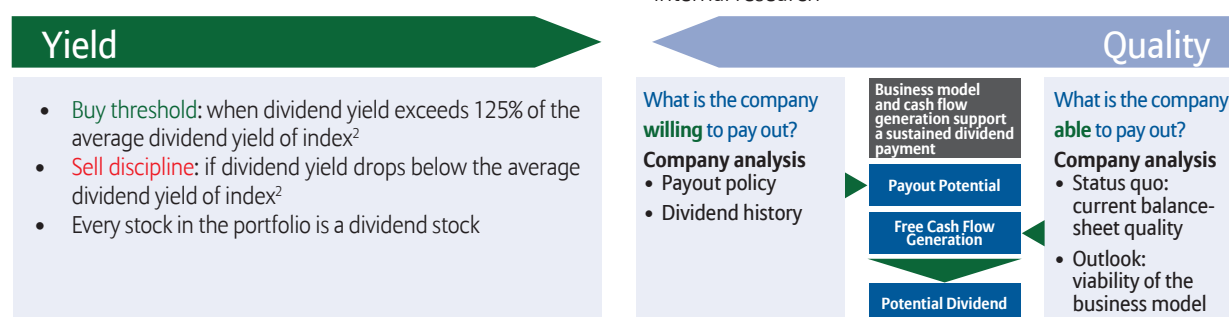
The projected level of monthly dividend is intended to cover the first half of the financial year of the Allianz Global Investors Fund, from October 2017 to March 2018. Currency hedged share classes (as denoted by the prefix "H2-") may be subject to shorter term changes, subject to foreign exchange implied interest rate movements.
* Actual review period and projected monthly payout covering period are subject to change without prior notice.

Maximise potential yield with a countercyclical investment approach

- The investment team makes use of proprietary in-house research to select stocks for the Fund based on past and future expectations of the dividend yield. Assessment of the upside potential and triggers are an integral part of the analysis and provides a solid basis for stock selection.
- The Fund adopts a countercyclical investment approach, i.e. a high dividend yield signals an attractive entry point while a decreasing dividend yield provides the basis for a sell discipline after stock price appreciation.

Clear and transparent buy and sell discipline

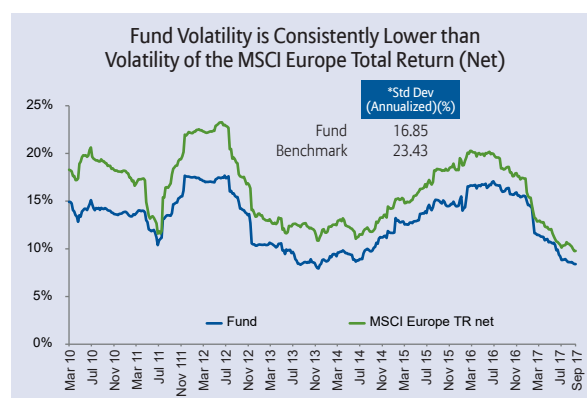
Dividend yields based on past and future outlook based on internal research



There is no guarantee that these investment strategies and processes will be effective under all market conditions and investors should evaluate their ability to invest for a long-term based on their individual risk profile especially during periods of downturn in the market.

Diversify your portfolio with a defensive european strategy

- The Fund's volatility is consistently lower than the volatility of the MSCI Europe Total Return (Net).



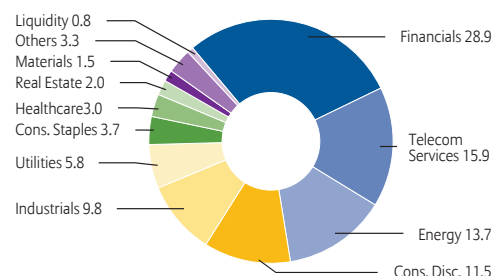
Source: Bloomberg/Allianz Global Investors, as at 30 September 2017. Fund performance net of fees. Total Return = TR. Benchmark is MSCI Europe TR (Net).
*Morningstar Direct as at 30 September 2017.

Fund Highlights

Top 10 Holdings (Country)

| | Sector | % |
|----------------------------------|------------------|-------------|
| ROYAL DUTCH SHELL PLC-A SHS (NL) | ENERGY | 5.0 |
| MUENCHENER RUECKVER AG-REG (DE) | FINANCIALS | 4.6 |
| SES (LU) | CONS. DISC. | 4.2 |
| ALLIANZ SE-REG (DE) | FINANCIALS | 4.0 |
| BP PLC (GB) | ENERGY | 3.9 |
| IMPERIAL BRANDS PLC (GB) | CONS. STAPLES | 3.7 |
| KONINKLIJKE KPN NV (NL) | TELECOM SERVICES | 3.7 |
| FERROVIAL SA (ES) | INDUSTRIALS | 3.5 |
| TELENOR ASA (NO) | TELECOM SERVICES | 3.3 |
| ING GROEP NV (NL) | FINANCIALS | 3.1 |
| Total | | 39.0 |

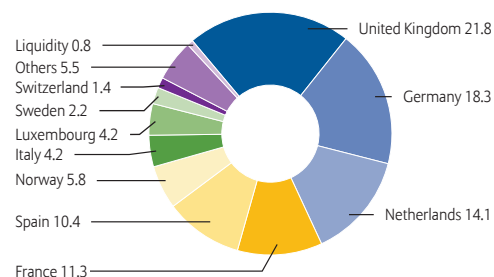
Sector Allocation (%)



Fund Details

| | Class AT (EUR) Acc. | Class AM (EUR) Dis. | Class AM (H2-AUD) Dis. | Class AM (H2-RMB) Dis. | Class AM (H2-SGD) Dis. | Class AM (H2-USD) Dis. |
|----------------------------------|--|------------------------|---------------------------|---------------------------|---------------------------|---------------------------|
| Benchmark | MSCI Europe Total Return (Net) | | | | | |
| Fund Manager | Joerg de Vries-Hippen, Gregor Rudolph-Dengel | | | | | |
| Fund Size ⁴ | EUR 2,873.56m | | | | | |
| Initial Fee | Up to 5% | | | | | |
| All-in-Fee ⁵ | 1.80% p.a. | | | | | |
| Total Expense Ratio ⁶ | 1.85% | | | | | |
| Unit NAV | EUR 277.42 | EUR 11.50 | AUD 11.40 | CNY 10.37 | SGD 10.44 | USD 11.48 |
| Inception Date | 10/03/2009 | 02/10/2013 | 02/10/2013 | 18/02/2014 | 14/04/2014 | 02/10/2013 |
| Dividend Frequency ¹ | N/A | Monthly | Monthly | Monthly | Monthly | Monthly |
| ISIN Code | LU0414045822 | LU0971552913 | LU0971552756 | LU1015033050 | LU1046248800 | LU0971552673 |
| Bloomberg Ticker | ARCMEAT LX | AEAMRIE LX | AEAMH2H LX | ALEH2CN LX | ALEAMHS LX | AEAH2US LX |

Country Allocation (%)



Source: All Funds data quoted are Allianz Global Investors/IDSGmbH/Morningstar, as at 30 September 2017, unless stated otherwise.

- Dividend payments are applicable for Class AM Dis (monthly distribution) and for reference only. Yields are not guaranteed, dividend may be paid out from capital (Class AM). This may result in an immediate decrease in the NAV per share and may reduce the capital available for the Fund for future investment and capital growth. Positive distribution yield does not imply positive return. For details, please refer to the Fund's distribution policy disclosed in the offering documents.
- MSCI Europe Total Return (Net). The buying threshold is based on Allianz Global Investors GmbH estimates for certain equities and will therefore depend on the ability of Allianz Global Investors GmbH to assess companies correctly.
- Source: Morningstar, as at 31 August 2017. Copyright © 2017 Morningstar Asia Limited ("Morningstar"). All Rights Reserved. The information contained herein: (1) is proprietary to Morningstar and/or its content providers; (2) may not be copied or distributed; and (3) is not warranted to be accurate, complete or timely. Neither Morningstar nor its content providers are responsible for any damages or losses arising from any use of this information. Past performance is no guarantee of future results.
- The Fund size quoted includes all share classes of the Fund.
- The All-in-Fee includes the expenses previously called management and administration fees.
- Total Expense Ratio (TER): Total cost (except transaction costs) charged to the Fund during the last financial year expressed as a ratio of the Fund's average NAV. For share classes that have been incepted for less than one year as at close of the last financial year (please refer to the Inception Date in the Fund Details table), the TER will be annualized. For share classes incepted after the close of the last financial year, the TER will be reflected as N/A.

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