QUARTERLY UPDATE

Pioneer Bond Fund

Performance Analysis and Market Commentary | March 31, 2020

Average Annual Total Returns for Class Y Shares

	Month	Quarter-to-Date	YTD	1-Year	3-Year	5-Year	10-Year
Pioneer Bond Fund (PICYX)	-8.35%	-5.81%	-5.81%	-0.34%	1.88%	2.00%	3.82%
Bloomberg Barclays US Aggregate Bond Index (Benchmark)	-0.59%	3.15%	3.15%	8.93%	4.82%	3.36%	3.88%

Gross expense ratio: 0.46%

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.

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 Otherwise, fee waivers can be rescinded at any time.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

— A poor month of March driven by the global impact of the pandemic spread of the COVID-19 virus has defined year-to-date financial market performance. Global economies ground to a near halt during March as public health concerns related to COVID-19 led to various world governments' rapid implementation of extreme preventative measures focused on virus containment. Oil prices plummeted to 20-year lows this quarter, with a decline in global demand due to COVID-19 as well as a supply shock caused by a Saudi Arabia/Russia price war spurring most of the collapse.

— In financial markets, anxiety over an uncertain future and an acute need for cash drove wholesale liquidations across most asset classes. Significant selling in US dollar (USD) fixed-income markets eventually stressed market functionality and led to price dislocations in all segments, even US Treasury bonds.

— Social-distancing and shelter-in-place measures enacted to help curb the spread of COVID-19 have had profound economic effects and resulted in significant reductions in services consumption, manufacturing activity, construction, and labor demand. The unprecedented decision to shut down much of the US economy necessitated unprecedented monetary and fiscal policy responses. The measures included the Federal Reserve (Fed) reducing the federal funds rate to zero and committing to unlimited purchases of US Treasuries and agency mortgage-backed securities (MBS), as well as providing support for commercial paper issuance, fund liquidity needs, and the issuance of asset-backed securities (ABS). With the announcement on March 23, 2020, of two investment-grade corporate bond purchasing programs (new-issue and secondary market), the Fed opened a new "2020 policy playbook".

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

- The 10-year US Treasury yield has declined by 1.3% (to 0.70%) since the beginning of the year, and dropped by 0.50% in March alone, as the Fed cut the federal funds rate as part of its emergency inter-meeting measures: by 50 **basis points** (bps) on March 3, and by another 100 bps on March 15. US Treasuries delivered strong returns over the quarter, amid massive investor demand for Treasuries in the flight-to-quality market environment.
- Among the US bond market sectors, the liquidity stress was greatest in the securitized credit sectors of ABS, commercial mortgage-backed securities (CMBS) and non-agency MBS, which have typically had a narrower buyer base than corporate bonds. During the quarter, the ABS, residential mortgage-backed securities (RMBS), and CMBS markets had to deal with forced selling by real estate investment trusts (REITs), other leveraged investors, and certain mutual funds, not to mention concerns about the impact of COVID-19 on US employment figures and the corresponding ability of homeowners and businesses to service their residential and commercial mortgages.
- Outside the US, global fixed-income markets did not escape the first-quarter carnage. While German government bonds returned 2% for the quarter, USD emerging markets sovereign and corporate issues fell sharply.

Performance Attribution vs. Benchmark – Class Y Shares

Pioneer Bond Fund's Class Y Shares returned -5.81% in the first quarter, while the Fund's benchmark, the Bloomberg Barclays US Aggregate Bond Index (the Bloomberg Barclays Index), returned 3.15%. For the full 12 months ended March 31, 2020, the Fund's Class Y shares returned -0.34%, while the Bloomberg Barclays Index returned 8.93%.

Relative Detractors

- Sector allocation was a major detractor from the Fund's benchmark-relative returns in the first quarter, primarily reflected by the negative impact of the portfolio's overweights to securitized and corporate credit, and an underweight to US Treasuries, which outperformed in the market sell-off. More specifically, the Fund's 24% exposure to non-agency MBS had the largest effect on benchmark-relative underperformance. Non-agency MBS sold off this quarter due to illiquidity and declining fundamentals. Other securitized portfolio exposures, including a 1.3% allocation to collateralized loan obligations (CLOs), a 7% ABS allocation, and a 6% CMBS allocation also underperformed and hurt the Fund's relative returns.
- The Fund's 40% underweight to nominal US Treasuries detracted significantly from benchmark-relative performance in the first quarter, as credit markets underperformed in the flight-to-quality environment. What Treasury exposure the Fund did have was a 5% allocation to Treasury inflation-protected securities (TIPS), which underperformed due to liquidity issues and falling inflation expectations. In addition, a modest overweight to industrials and a 4% overweight to financials had significant negative effects on the Fund's benchmark-relative results, while an 8% underweight to agency MBS also detracted from relative returns.
- From a quality perspective, the lower relative quality (versus the Bloomberg Barclays Index) of the portfolio's holdings within industrials, financials, ABS, and CMBS detracted from the Fund's benchmark-relative results this quarter, as investors sought out higher-quality assets. Quality underperformance within industrials and financials primarily reflected the negative effect of the Fund's holdings of BB-rated issues; in financials, those issues included the **subordinated debt** of investment-grade-rated banks. Within CMBS and ABS, overweights to single A and BBB issues detracted from the Fund's benchmark-relative performance.
- **Duration** positioning also detracted from the Fund's relative returns in the first quarter. The portfolio had an approximate 0.4-year short-US duration position relative to the Bloomberg Barclays Index, which hurt relative performance as average yields fell by approximately 1% over the three-month period.
- With regard to security selection, poor performance within financials, CMBS, and ABS detracted from the Fund's benchmark-relative performance. In financials, portfolio holdings of subordinated issues of European and US banks and insurers underperformed. In addition, non-benchmark CMBS and ABS portfolio exposures lagged the performance of benchmark issues.

Relative Contributors

- While sector allocation was the major detractor from the Fund's benchmark-relative performance in the first quarter, the portfolio's 2% cash exposure, a 2% underweight to the non-US government-related sector, and a 3% allocation to catastrophe bonds (which are **insurance-linked securities**) made modest contributions to relative returns.

Market Outlook and Positioning

- The US government has signaled a "whatever it takes" approach to combating the near-term economic impact of COVID-19, and we would expect the implementation of additional support programs from both the Fed and Congress/the Trump Administration over the coming months, if needed. With respect to the fiscal support packages for small workers and businesses, while such programs will be more challenging to implement, we expect the clearance of administrative and logistic roadblocks in short-order.
- Will more fiscal support be necessary for the US economy? That depends on the near-term success or failure of COVID-19 containment efforts as well as possible medical advances to combat the virus. Given the uncertain depth and duration of the pandemic on global economic growth, we believe it will take time for economies and investment markets to establish a bottom and start the journey back to a potential recovery.
- Key dashboard indicators we are watching that may support the bottoming process include: 1) a peak in global COVID-19 cases; 2) clearer visibility regarding the depth and duration of disruptions to economic activity; 3) coordinated fiscal responses from global governments to effectively offset the pandemic-caused economic declines; 4) coordinated monetary policy responses from global central banks; and (5) the development and broad roll-out of COVID-19 testing measures and potential therapeutic treatments.
- We expect a "U-shaped" economic recovery throughout the second half of 2020 as consumers adopt to a "new reality" and most businesses require additional time to resume normal operations. Of course, we believe the development of an effective COVID-19 vaccine will be essential for an ultimate recovery of global economic activity and consumption patterns. In the interim, the sharp economic slowdown will likely reduce cash flows and earnings for corporations in aggregate, and significantly so for sectors and businesses more directly affected by the pandemic-induced shutdowns. Fortunately, and in contrast to the 2008 financial crisis, we believe the financial system is on stronger footing today compared with 12 years ago, and that credit availability may not be materially impaired once economic activity resumes.
- In managing the Fund, we have continued to seek investment opportunities in markets that have experienced significant dislocations, while also attempting to maintain portfolio liquidity. The Fund's underweight to Treasuries and overweight to credit markets is consistent with the management team's view that Treasuries offer little value to investors. With current wide **credit spreads**, we believe that corporate credit offers attractive investment opportunities. Wider spreads among investment-grade corporates have resulted primarily from a liquidity squeeze, rather than from fundamental factors.
- In our opinion, the Fund's current positioning has it well prepared for any potential recovery in credit markets. Notably, with credit spreads across investment-grade, high-yield, and securitized credit sectors significantly wider than historical averages, investors could receive concurrently higher compensation for the credit risk they are taking. We believe recent price volatility in fixed-income markets reflects the aforementioned liquidity squeeze – which had begun to demonstrate early signals of being on the mend around the end of the quarter – rather than a prolonged economic downturn.

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.

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 (usually applies only to municipal bond funds) – 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 – The cost or benefit of owning that 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).
Credit spreads (or spreads) – The differences in yield between Treasuries and other types of fixed-income securities with similar maturities.
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.

Glossary of Frequently Used Terms (continued)

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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 is an economy that is not too hot or cold, in other words sustains moderate economic growth, and that has low inflation, which allows a market-friendly monetary policy.
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 (municipal bond funds only) – A measure of municipal bond valuation. The higher the Municipal-to-Treasury ratio, the more attractive municipals are relative to Treasuries.
Prepayment Risk – The risk involved with the premature return of principal on a fixed-income security. When principal is returned early, future interest payments will not be paid on that part of the principal.
Real Yield – The yield provided by an investment once inflation is taken into account.
Standard Deviation – A statistical measure of the historic volatility of a portfolio; a lower standard deviation indicates historically less volatility.
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.
Spread sectors – Nongovernmental fixed-income market sectors that offer higher yields, at greater risk, than governmental investments.
Tail Risk – The additional risk of an asset or portfolio of assets moving more than 3 standard deviations from the current price, above the risk of a normal distribution.
Subordinated Capital/Financing – Financing ranked behind that held by secured lenders with regard to the order of repayment. Subordinated financing can be a mix of debt and equity instruments. Equity components may include options and warrants. Debt components may include asset-backed securities.
Yield 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 3/31/20. 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
The market prices of securities may go up or down, sometimes rapidly or unpredictably, due to general market conditions, such as real or perceived adverse economic, political, or regulatory conditions, recessions, inflation, changes in interest or currency rates, lack of liquidity in the bond markets, the spread of infectious illness or other public health issues or adverse investor sentiment. 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.

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