

Pioneer Mid Cap Value Fund

Performance Analysis and Commentary

December 2009

Fourth Quarter Review

- The Fund's Class A shares underperformed the benchmark Russell Mid Cap Value Index (the Russell Index) for the quarter amidst the extraordinary rally that occurred in lower-quality stocks beginning in March 2009.
- The Financials sector detracted the most from the Fund's returns, as lower portfolio exposure to the companies we view as the least healthiest in the sector fared best during the rally due to investors' increased appetite for risk.
- In Technology, where the Fund was focused on higher-quality stocks at attractive valuations, Teradata was the portfolio's top contributor for the quarter. (It also was the portfolio's biggest individual contributor overall for the 2009 calendar year.)
- We feel lower-quality securities are unlikely to continue their strong relative performance indefinitely. Market movements suggest to us that the sector rotation that started in 2007 and ran through all of 2008 is subsiding and evolving back to an individual stock-picking market, which will better suit the Fund's investment style.

The "Risk Rally" that began in early March 2009 has been one of the sharpest on record, aptly named for its beneficiaries that have been mainly riskier, lower-quality companies. The Standard and Poor's 500 Index (the S&P 500) jumped 68% from its early-March low through December 31, 2009. The Fund's benchmark, the Russell Index, rose by more than 92% in that same time, driven largely by a sharp rebound in the equities of companies that had been deemed likely to be the "first to fail" — those with lower-quality businesses or balance sheets during the market meltdown at the end of 2008 and beginning of 2009.

After a pause in October, the market resumed its upward move. From that point, both bulls and bears have been seeking confirmation of their theses, while economic and political events over the next few months likely will be critical to clarifying the market outlook.

With the exception of Financials, all sectors of the Russell Index gained solidly during the fourth quarter, led by Telecommunications (+12.4%), Health Care (+11.9%), Materials (+11.2%), Utilities (+8.6%), and Information Technology (+7.6%). At the lower end of the returns spectrum in the Russell Index were Financials (+0.9%), Consumer Staples (3.1%), Consumer Discretionary, (+4.4%), Industrials (+5.3%), and Energy (+5.3%). Across the Russell size distinctions, mid-cap stocks outperformed small- and large-caps for the calendar year, while growth outperformed value across the Russell style spectrum.

Sector Allocation and Security Selection

Amidst the extraordinary rally that occurred in lower-quality stocks, the Fund's relative performance was primarily impacted by security selection stemming from our emphasis on quality businesses. Low-quality stocks had outperformed in every month of the 2009 rally until only recently. By most measures that rally appears to have run its course and waned in favor of higher-quality stocks (as defined by earnings)—a shift corroborated by a recent narrowing of the returns dispersion between the portfolio and the Russell Index benchmark.

While stock selection in the fourth quarter was the primary driver of the Fund's benchmark-relative underperformance, as the accompanying charts show, sector allocation added value, helped by overweights in Health Care and Information Technology, and an underweight in Financials.

Security selection in Financials detracted most from the Fund's returns during the quarter. The portfolio's low exposure to the companies we view as the least healthiest—commercial banks and real estate—hurt returns, as those areas outperformed strongly, reflective of the risk-taking that had been prevalent for most of 2009. This, combined with the outperformance of companies in those groups with weaker balance sheets, which we have tried to avoid, were the main factors behind the Fund's below-benchmark results.

One Fund holding that sold off but has since recovered was capital markets company Lazard. Heavy trading surrounding the liquidation of the company's Wasserstein Trust Fund following the death of its CEO created volatility, but that activity had nothing to do with the fundamental story of the firm. We still like the stock and continue to hold the Fund's position. Regional banks sold off in the fourth quarter due to sector rotation after gains in the previous two quarters. KeyCorp, which the Fund owns, declined even though there was no change in company fundamentals.

Stocks in the Consumer discretionary sector were the next-biggest detractor from the Fund's performance, driven mostly by ad agency Interpublic. Up by more than 100% from its February 2009 low through December 31, 2009, Interpublic's shares still took a breather in the fourth quarter, and due to the size of the Fund's position this had a disproportionate effect on relative returns.

In Health Care, shares of Boston Scientific sold off sharply, along with most of its peers, due to earnings disappointments. We had been reducing the Fund's position for some time and finished selling out of it entirely in October.

Helping the Fund's performance during the quarter was stock selection in Industrials, which outperformed the Russell Index's sector. SPX, the data warehousing company, was a key contributor. A spin-off from automated teller machine maker NCR, its business specializes in data augmentation of consumer profile data and purchasing behaviors. In our view, that is a more high-value business with better returns trapped inside of a higher-growth story, as well as a lower valuation.

In Technology, where we were focused on higher-quality stocks at attractive valuations, Teradata, which provides data warehousing solutions, was the portfolio's top contributor for the quarter. (It also was the portfolio's biggest individual contributor overall for the 2009 calendar year.) Copper and gold miner Freeport McMoRan, the second-highest contributing position to Fund returns for the full year due to record-high gold prices, was also a top contributor for the Fund during the fourth quarter.

In Consumer Staples, cosmetics company Estee Lauder helped Fund returns. The majority-owned family business brought in a new CEO to run the range of its businesses and has since restructured to become more profitable, hitting with higher margins.

One newer holding in the portfolio, container maker and building products company Temple-Inland, which we believe is attractively valued, has seen its packaging business start to yield incremental improvements due to positive pricing power. Temple-Inland also was among the Fund's top contributor positions.

Trading Activity

In fourth quarter trading, we increased the Fund's exposure to Health Care, adding more providers & services companies, many of which breathed a sigh of relief at Congress's eventual exclusion of the public provider option from its proposed health care reform bills. We also added to the Fund's holdings in Consumer Staples, increasing the weighting in the food products area. We decreased the Fund's Industrials holdings, selling Southwest Airlines as well as aerospace and defense firm Raytheon. We also reduced the Fund's Consumer Discretionary weighting, eliminating Gamestop, J.C. Penney, and Nike. In other trading, we closed Fund positions in Xerox, XTO Energy, Zions Bancorp, City National, Axis Capital, Windstream, STMicroelectronics, and Boston Scientific.

Current Outlook and Positioning

In our view, the outlook for the economy is more positive than six months ago, and we believe lower-quality securities are unlikely to continue their strong relative performance indefinitely. Market movements suggest to us that the sector rotation that started in 2007 and ran through all of 2008 is subsiding and evolving back to an individual stock-picking market, which will better suit the Fund's investment style. We continue to emphasize quality franchises, managements, operating models, and businesses in our company selection, and valuation in our security selection.

We increased the Fund's exposure to the Financials sector by year end, as the most dire economic possibilities that nearly became a reality in March 2009 became less probable. We continue to be focused on having the Fund own the stronger companies in the Financials sector overall, as we believe over the longer term those businesses will prevail.

We also have moved the Fund to a somewhat more aggressive positioning in other sectors. However, while economic conditions have shown signs of improvement, they are far from good, and while these moves have reduced the overtly defensive posture of the portfolio, it remains on balance somewhat less aggressive than the Russell Index and, in all likelihood, its peers.

Performance Review

Pioneer Mid Cap Value Fund Class A shares returned 3.10% at net asset value in the fourth quarter, compared with a 5.21% return for the Fund's benchmark, the Russell Mid Cap Value Index (the Russell Index). Full-year returns through December 31, 2009, were 24.69% for the Fund's Class A shares and 34.21% for the Russell Index, respectively.

Average Annual Total Returns (Class A Shares)

December 31, 2009	(at NAV)	(at POP)
1 year	24.69%	17.51%
3 years	-4.51%	-6.38%
5 years	1.04%	-0.15%
10 years	6.72%	6.09%

Expense Ratio

(As of prospectus dated March 1, 2009, as revised June 1, 2009)

Gross	1.50%
Net	1.50%

Call 1-800-225-6292 or visit pioneerinvestments.com 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.

POP returns reflect deduction of maximum 5.75% sales charge. NAV results represent the percent change in net asset value per share. Returns would have been lower had sales charges been reflected. 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 for more information.

A Word About Risk:

Investments in mid-sized companies may offer the potential for higher returns, but are also subject to greater short-term price fluctuations than larger, more established companies. Investing in foreign and/or emerging markets securities involves risks relating to interest rates, currency exchange rates, economic, and political conditions. 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 Russell Midcap Value Index measures the performance of U.S. mid-cap value stocks. Index returns assume reinvestment of dividends and, unlike mutual fund returns, do not reflect any fees or expenses associated with a mutual fund. It is not possible to invest directly in an index.

The views expressed in this commentary are those of the portfolio manager and are subject to change at any time. These views do not necessarily reflect the views of Pioneer or others in the Pioneer organization, and should not be relied upon as investment advice, as securities recommendations, or as an indication of trading intent on behalf of any Pioneer investment product.

The Fund performance attribution information shown below does not reflect the deduction of fees, charges and expenses associated with investing in the Fund, such as sales charges, management fees, distribution and service (12b-1) fees, or any other fees associated with the fund. Such expenses would reduce the overall returns shown.

Please refer to the average annual total returns previously stated for performance that reflects the deduction of these fees and charges.

Chart 1- Average Weight

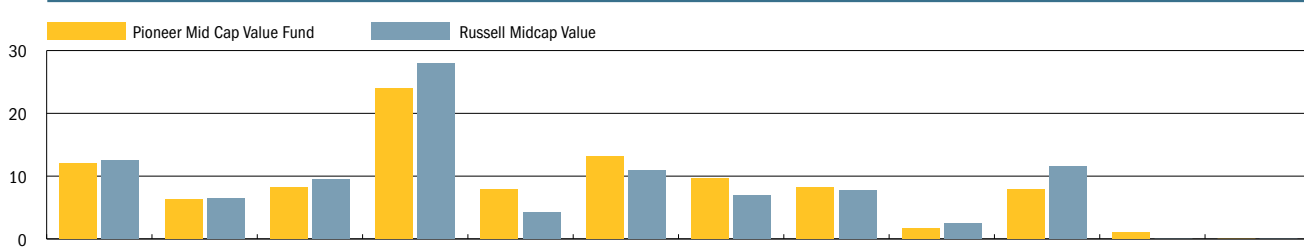


Chart 2- Return

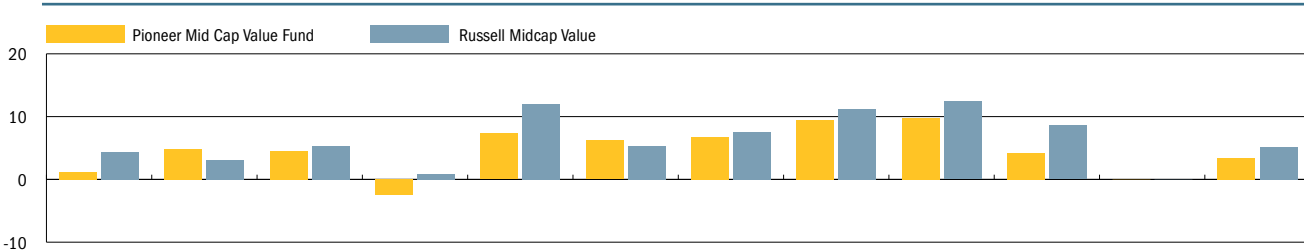
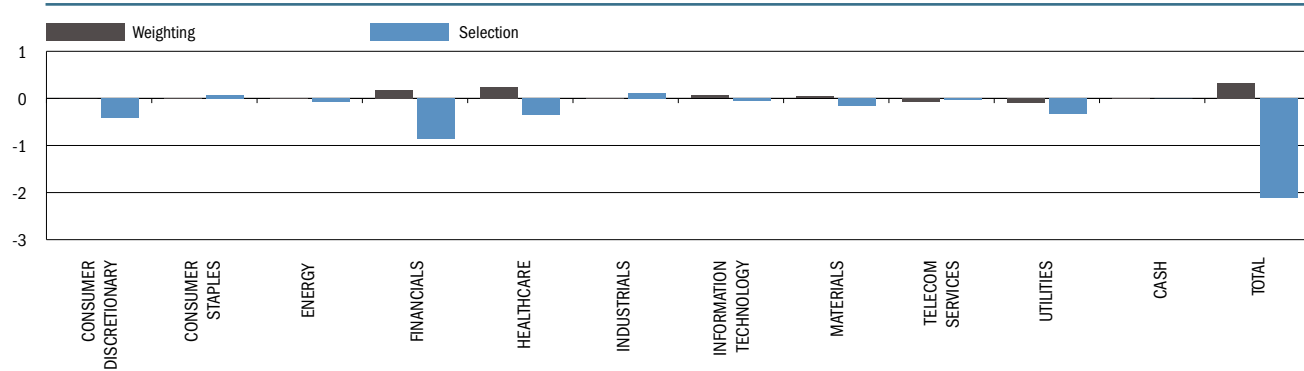


Chart 3- Performance Attribution



Please see the last page for more background information about Performance Attribution. The portfolio is actively managed, and current holdings may be different.

Actual portfolios have fees and expenses. Our performance attributions ignore fees and expenses. The hypothetical portfolios used in performance attribution are before fees and costs.

Securities Discussed	% of Portfolio as of December 31, 2009
Interpublic Group of Companies	2.35%
Lazard	2.03%
Teradata	1.49%
Estee Lauder	1.18%
SPX	1.15%
KeyCorp	1.08%
Temple-Inland	1.05%
Freeport-McMoRan Copper & Gold	1.00%

Top 10 Holdings	% of Portfolio as of December 31, 2009
1. Omnicare	2.88%
2. Ball	2.69%
3. Unum Group	2.38%
4. The Interpublic Group of Companies	2.35%
5. Sempra Energy	2.16%
6. Lazard	2.03%
7. Northern Trust	2.00%
8. Renaissancere Holdings	1.95%
9. Computer Sciences	1.76%
10. Devon Energy	1.64%

The portfolio is actively managed, and current holdings may be different. The holdings listed should not be considered recommendations to buy or sell any security listed.

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

The investments you choose should correspond to your financial needs, goals, and risk tolerance. For assistance in determining your financial situation, please consult an investment professional.

Performance Attribution: Background

This performance attribution seeks to identify and quantify the drivers of portfolio performance relative to that of a benchmark. How much of a return difference was due to different exposures to asset class, country, sector or similar factors? How much was due to specific securities?

Here's how we answer the question for equity portfolios:

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.

GRAPHIC PRESENTATION

We present attribution results using three graphs. Graph 1 shows the allocation of the portfolio across different segments (industries/sectors/countries, etc.). Overweights and underweights are visible. Graph 2 shows the returns of each portfolio and corresponding benchmark segment. Success at security selection is easily spotted. By using the data underlying the first two graphs, we calculate the data for Graph 3, the impact of Weighting and Selection decisions on benchmark-relative return.

WEIGHTING IMPACT

It pays to overweight portfolio segments which perform better than average. The weighting impact measures the impact of the decision to overweight or underweight particular asset classes relative to benchmark weightings. In our model, the value added by an overweight, or its weighting impact is defined as the size of the overweight (portfolio weight minus benchmark weight) times the payback (the return of the overweighted asset minus the return of the entire benchmark).

A positive allocation effect arises from being overweight sectors/countries that produce a greater return than the benchmark average or being underweight a sector/country that underperforms the benchmark return. The formula for calculating the weighting impact is: $(\text{Portfolio weight} - \text{Benchmark weight}) \times (\text{Benchmark segment return} - \text{Benchmark total return})$

SELECTION IMPACT

Within each segment, it pays to overweight securities which outperform. The selection effect evaluates the manager's skill at choosing outperforming securities.

In our model, the value added by specific selection, or selection impact, is defined as the weight of the portfolio position times the difference between the position's return and the benchmark return. The formula for calculating the weighting impact is: $(\text{Portfolio weight}) \times (\text{Portfolio segment return} - \text{Benchmark segment return})$.

IMPORTANT NOTES

We are presenting results of a two-factor model. We also use a three-factor model, which has an "interaction effect." The two- and three-factor models are quite similar; we have chosen the two-factor approach for its greater ease of use.

The real world is far more complex than any two-factor model can accurately describe. Performance attribution models can deepen understanding, but their limitations – they are just estimates – must be remembered.

Actual portfolios have fees and expenses. Our performance attributions ignore fees and expenses: the hypothetical portfolios used in performance attribution are before fees and costs.

Not FDIC insured	May lose value	No bank guarantee
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