

Pioneer AMT-Free Municipal Fund

Performance Analysis and Commentary

December 2011

Fourth Quarter Review

- The Fund's Class A shares returned 1.61% at net asset value during the fourth quarter, while the Fund's benchmark, the Barclay's Capital Municipal Bond Index (the Barclays Index), returned 2.12%.
- The municipal bond market (investment grade), as measured by the Barclays Index, posted a positive return this quarter (2.12%), and was up by a strong 10.70% for the full 2011 calendar year. By comparison, the high-yield municipal bond market, as measured by the Barclay's Capital High Yield Municipal Bond Index, generated a 0.79% return for the fourth quarter and returned 9.25% for the full 2011 calendar year.
- Ten-year municipal-to-Treasury ratios declined during the fourth quarter, with the 30-year municipal-to-Treasury ratio remaining about the same.
- Despite the recent bankruptcy announcement of American Airlines, municipal defaults remained low during the fourth quarter.
- The strongest contributors to the Fund's benchmark-relative performance during the quarter were education bonds, health care bonds and housing bonds.

The investment-grade municipal bond market, as measured by the Barclays Index, generated a positive return of 2.12% during the fourth quarter. For the full 2011 calendar year, the asset class, along with high-yield municipals, was among the best performers as compared with other fixed-income (including Treasuries!) and equity categories.

The Fund's Class A shares underperformed the benchmark Barclays Index by 51 basis points (bps) during the quarter, due primarily to the portfolio having a small exposure to American Airlines (AMR)-related municipal bonds. On November 29, AMR Corporation, the parent company of American Airlines, filed for protection under Chapter 11 of the federal bankruptcy code. Despite AMR bankruptcy rumors and speculation in early October, the timing of the announcement was nonetheless unexpected, given AMR's healthy cash balance, a billion-plus dollars of debt maturing through 2014, as well as a recently concluded debt deal and ongoing negotiations with pilots. American thus became the final large U.S. full-fare airline to seek court protection from creditors.

Driving performance in the tax-exempt market during the fourth quarter were continued stronger demand combined with subdued supply, a low default rate and the improving fiscal conditions of many state and local governments.

Although municipal-to-Treasury ratios contracted slightly, especially on 10-year Treasuries, municipal bonds remained attractive relative to Treasuries in the fourth quarter. At the end of the quarter, 10-year ratios were at 98%, with 30-year ratios at 123%.

Flows into the municipal market continued to be strong during the fourth quarter, and the start of 2012 has continued the trend. Municipal bond funds alone have seen better than \$3 billion worth of inflows since November 2011.

Sector Allocation and Security Selection

The education, health care and housing sectors were the leading contributors to the Fund's benchmark-relative performance in the fourth quarter. The IDR/PCR (industrial development revenue/pollution control revenue) and transportation sectors had a negative effect on the Fund's relative performance.

The best-performing states in the Fund compared with the Barclays Index were California, Arizona, Louisiana, Massachusetts and Pennsylvania, while Illinois and Texas were among the weakest.

The Fund's top contributor holding during the quarter was an issue from California Statewide Community Development Authority (Revenue), followed by issues from District of Columbia Tobacco Settlement Financing Corporation, North Carolina Eastern Municipal Power Agency (Revenue), Louisiana Public Facility Authority (Revenue), and Public Authority for Colorado Energy.

Holdings that detracted from the Fund's performance included AMR-related municipal issues from Chicago (IL) O'Hare International Airport (Special Facilities Revenue-American Airlines) and Dallas-Ft. Worth (TX) International Airport (Facilities Revenue-American Airlines), as well as an issue from North Carolina Financial Agency (Student Revenue). It should be noted that by the end of November 2011, we had eliminated all of the Fund's positions in AMR-related unsecured municipal debt, including the issues mentioned here.

The Fund continued to have very little exposure to general obligation bonds (2.3%); that is, bonds that are financed by municipal tax revenue. Instead, the Fund favored revenue bonds, which by definition are secured by the income-producing facilities of the borrower.

Current Outlook and Positioning

As of December 31, 2011, the largest positions in the Fund were in health care (28%), tobacco (9%), education (8%) and IDR/PCR (5%).

The portfolio's state exposures were led by California, Massachusetts, Washington, Florida and Arizona.

The Fund did not invest in any bonds that may be subject to the Alternative Minimum Tax (AMT).

Overall, the municipal market continues to exhibit many strong traits, including attractive valuations relative to Treasuries, solid yields (taxable equivalent yields) compared with their taxable counterparts, low default rates, supportive supply/demand dynamics and tax exemption. Expectations, however, must be tempered in our view, as the market may be tested by a number of headwinds in 2012. These include ongoing fiscal challenges faced by many states, the usual uncertainty inherent in an election year, and an accelerating rate of supply in the market.

The fact that the financial markets have stabilized and the macroeconomic outlook was more positive at year-end has created, we think, an important backdrop for investment opportunity in municipal bonds.

We have continued to selectively choose the Fund's credits and have been emphasizing essential service revenue bonds, such as those in the health care, transportation and education sectors. Issuers would include airlines, hospitals, charter schools, power plants, gaming facilities, tobacco bonds and housing.

Performance Review

Pioneer AMT-Free Municipal Fund Class A shares returned 1.61% at net asset value during the fourth quarter, while the Fund's benchmark, the Barclays Capital Municipal Bond Index (the Barclays Index), returned 2.12%. Over the full calendar year ended December 31, 2011, the Fund's Class A shares returned 11.73% at net asset value while the Barclays Index returned 10.70%

Average Annual Total Returns (Class A shares)

December 31, 2011	(at NAV)	(at POP)	Barclays Capital Municipal Bond Index
1 year	11.73%	6.72%	10.70%
3 years	12.28%	10.58%	8.57%
5 years	4.09%	3.14%	5.22%
10 years	5.14%	4.66%	5.38%

Expense Ratio

(as of prospectus dated May 1, 2011)

Gross	0.85%
Net	0.82%

SEC Yield (Class A shares)

(As of December 31, 2011)

With fees waived	3.94%
Without fees waived	3.81%

Call 1-800-225-6292 or visit us.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.

NAV results represent the percent change in net asset value per share. Returns would have been lower had sales charges been reflected. POP returns reflect deduction of the maximum 4.50% sales charge at the beginning of the period. 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.

Pioneer AMT-Free Municipal Fund was created through the reorganization of predecessor fund, Safeco Municipal Bond Fund, on December 10, 2004. The performance shown for Class A shares of the Fund for periods prior to December 10, 2004, includes the performance of the predecessor fund's Class A shares, which has been restated to reflect differences in any applicable sales charges (but not differences in expenses). If all the expenses of the Fund were reflected, the performance would be lower.

The net expense ratio reflects the contractual expense limitation currently in effect through 5/1/12 for Class A shares. There can be no assurance that Pioneer will extend the expense limitation beyond such time. Please see the prospectus for more information.

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.

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.

A portion of income may be subject to local, state, federal, and/or alternative minimum tax. Capital gains, if any, are subject to a capital gains tax.

These risks may increase share price volatility.

The Barclays Capital Municipal Bond Index is a broad measure of the municipal bond market. Index returns are calculated monthly, assume reinvestment of dividends and, unlike Fund returns, do not reflect any fees, expenses or sales charges. 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.

Securities Discussed **% of Portfolio
as of December 31, 2011**

California Statewide Community Development, 5.00%, 8/15/47	2.09%
District of Columbia Tobacco Settlement, 6.75%, 5/15/40	1.14%
North Carolina Eastern Municipal Power Agency, 6.00%, 1/1/22	1.75%
Louisiana Public Facility Authority, 5.50%, 5/15/47	1.14%
Public Auth. for Colorado Energy, 6.50%, 11/15/38	1.57%
North Carolina Financial Agency Student Rev., 5.00%, 6/1/32	0.10%

Top 10 Holdings **% of Portfolio
as of December 31, 2011**

1. Blackrock Liquidity Funds MuniFund Portfolio	4.58%
2. California Statewide Community Development, 5.00%, 8/15/47	2.09%
3. North Carolina Eastern Municipal Power, 6.00%, 1/1/22	1.75%
4. Massachusetts State Housing Finance Agency, 5.40%, 12/1/28	1.68%
5. Public Auth. For Colorado Energy, 6.50%, 11/15/38	1.57%
6. Tampa-Hillsborough County (FL), 4.00%, 7/1/34	1.53%
7. Texas Private Activity, 7.00%, 6/30/40	1.30%
8. Philadelphia (PA) Hospital, 5.00%, 7/1/34	1.29%
9. FYI Properties, 5.50%, 6/1/39	1.24%
10. Tobacco Settlement Authority (WA), 6.625%, 6/1/32	1.23%

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 or summary prospectus containing this information. Please 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.

Not FDIC insured • May lose value • No bank guarantee