PAYDEN MANAGED INCOME FUND SI CLASS (PKBIX)

Payden Funds

MARCH 31, 2025

Investment Strategy

The Payden Managed Income Fund primarily invests in corporate, mortgage, and emerging-market debt along with other cash-flow-oriented securities. These holdings are complemented by securities positioned to take advantage of broader industry, interest rate, and currency views. The fund seeks to manage interest rate duration with the use of futures contracts, which seek to limit exposure to yield curve fluctuations. The value of an investment may fall if interest rates rise.

Fund Highlights

- Seeks to provide total return, whether through price appreciation, or income, or a combination of both.
- Utilizes all sectors of the fixed-income market with opportunistic equity usage.
- Portfolio is structured with relatively low interest rate sensitivity.
- Moderate use of hedging and defensive strategies.

Performance[A]

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (09-22-08)	2025 TARGET RATE[B]
PAYDEN MANAGED INCOME FUND SI CLASS	1.39%	6.95%	4.65%	6.28%	2.98%	2.85%	4.58%
ICE BOFA U.S. 1-MONTH TREASURY BILL INDEX[C]	1.05%	4.97%	4.23%	2.54%	1.79%	1.11%	

Calendar-Year Returns

	2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
PAYDEN MANAGED INCOME FUND SI CLASS	8.13%	6.20%	-3.89%	3.97%	1.89%	6.36%	0.79%	3.19%	2.69%	0.72%
TARGET RATE	4.15%	3.66%	1.85%	1.67%	2.30%	3.10%	2.77%	3.11%	2.97%	2.83%

FUND DESCRIPTION

CLASS:	SI
FUND INCEPTION:	Sep 22, 2008
TICKER:	PKBIX
CUSIP:	70432R200
TOTAL NET ASSETS:	$114.3 Million
INVESTMENT MINIMUM:[D]	$25,000
IRA MINIMUM:[D]	$25,000
DIVIDENDS PAID:	Annually
DIVIDENDS (LAST 12 MOS):	$0.698

FUND STATISTICS

INTEREST RATE DURATION:[E]	2.0 Years
CREDIT SPREAD DURATION:[F]	2.7 Years
30-DAY SEC YIELD:	5.98%
30-DAY SEC YIELD: (UNSUBSIDIZED)	5.01%

EXPENSES[G]

MANAGEMENT FEE:	1.10%
OTHER EXPENSES:	0.51%
TOTAL ANNUAL FUND OPERATING EXPENSES:	1.62%
WITH EXPENSE CAP:	0.66%

PORTFOLIO MANAGEMENT

	Years of Experience
Brian W. Matthews, CFA	42
Kristin J. Ceva, PhD, CFA	36
Nigel Jenkins, ASIP	36
Eric J. Souders, CFA	19
Alec B. Small, CFA	14

Quoted performance data represent past performance, which does not guarantee future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. For the most recent month-end performance, which may be higher or lower than that quoted, visit our website at payden.com or call 800 572-9336.

Role In Portfolio

Designed for investors seeking greater yield opportunity given credit focus with less interest rate sensitivity and reduced correlations to traditional asset classes. The fund is diversified across a wide menu of public fixed-income sectors with periodic equity exposure and is not intended to outperform stocks and bonds during strong market rallies.

Investment Manager

Payden & Rygel is one of the largest privately-owned global investment firms. Founded in Los Angeles in 1983, we have served the needs of institutional and individual investors for over 40 years. We offer a wide array of investment strategies and vehicles, including fixed-income, equity, and balanced portfolios, which can be accessed through separately managed accounts as well as comingled funds. We are committed to providing investment solutions focused on each client's specific needs and objectives.

Headquarters: Los Angeles
Founded: 1983
Assets Under Management: $165 billion (as of 03/31/25)

Payden Funds

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Asset-Backed Securities	22%
Mortgage-Backed Securities	22%
Emerging Markets	16%
Investment Grade Corporates	13%
High Yield	10%
CMBS	7%
Bank Loans	6%
Other	4%

Market

» Markets faced mixed signals in the first quarter of 2025, driven by the competing pressures from persistent inflation and slowing growth. The core personal consumption expenditures (PCE) price index rose, fueling concerns that inflation progress may have stalled. At the same time, growth indicators weakened. While consumer spending rebounded modestly in February, it failed to offset the decline seen in January. Fixed-income returns were generally positive for the quarter, although performance varied across sectors amid evolving macroeconomic dynamics and geopolitical tensions. Falling U.S. Treasury yields supported duration-sensitive assets, while more credit-sensitive sectors struggled with rising volatility and widening credit risk premiums in March. Market volatility increased notably in the latter half of the quarter as tariff announcements, equity market weakness, and policy uncertainty weighed on sentiment, resulting in a modest shift toward risk-off strategies.

Outlook

» Recent market movements suggest growing awareness of a more delicate economic balance, shaped by tight policy settings, weakening economic trends, and diminished fiscal support. The cycle appears to be moving beyond its late-stage phase, with the potential for further asset repricing to weigh on economic momentum. In this environment, we remain cautious about credit risk, particularly in the U.S., and prefer to add exposure to interest rates during periods of rising yields, given the current policy backdrop. Moving forward, our positioning will be guided by incoming data, market behavior, the Federal Reserve's policy decisions, and the new administration's evolving stance on deficit reduction and financial conditions.

FOOTNOTES

[A] Returns less than one year are not annualized. [B] The average daily yield of the 30-year U.S. Treasury Bond for the month of December of the prior year, as defined by the IRS. See https://www.irs.gov/retirement-plans/weighted-average-interest-rate-table. [C] Effective February 28, 2025, the Fund's benchmark changed from the 30-Year U.S. Treasury Bond Yield to the ICE BofA US 1-Month Treasury Bill Index. [D] The minimum initial investment may be modified for certain financial intermediaries that submit trades on behalf of underlying investors. Payden Funds' distributor may lower or waive the minimum initial investment for certain categories of investors at their discretion. [E] Interest rate duration is a measure of the Fund's price sensitivity to changes in interest rates. [F] Credit spread duration is a measure of the Fund's price sensitivity to changes in yield differences between non-government bonds and U.S. Treasuries. [G] Total Annual Fund Operating Expenses include all direct operating expenses of the Fund, as well as 0.01% Acquired Fund Fees and Expenses incurred indirectly by the Fund through its investment in other mutual funds. Payden & Rygel ("Payden") has contractually agreed that, for so long as it is the investment adviser to the Fund, Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement will not exceed 1.25%. Please note that the 1.25% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. Payden has contractually agreed to further waive its investment advisory fee or reimburse Fund expenses to the extent that the Total Annual Fund Operating Expenses After Further One-Year Fee Waiver or Expense Reimbursement exceed 0.65%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.65% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses.