

JUNE 30, 2025

Investment Strategy

The Payden California Municipal Social Impact Fund generally invests in intermediate-maturity municipal bonds that are exempt from federal, state, and local taxes for California residents. The fund seeks to provide attractive current income while preserving capital. Holdings are diversified across sectors and issuers.

Fund Highlights

- » Most income is exempt from federal and California State taxes.
- » Targets investments in which the use of proceeds are consistent with positive social and environmental outcomes.
- » Portfolio diversification tool.^A
- » No loads (other fees apply).
- » The value of an investment will generally fall when interest rates rise.

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Dec 17, 1998
TICKER:	PYCRX
CUSIP:	704329515
TOTAL NET ASSETS:	\$198.1 Million
INVESTMENT MINIMUM: ^C	\$100,000
IRA MINIMUM: ^C	\$100,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.343

FUND STATISTICS

EFFECTIVE DURATION: ^D	6.6 Years
AVERAGE MATURITY:	16.4 Years
30-DAY SEC YIELD: ^E	3.63%
30-DAY SEC YIELD: ^F (UNSUBSIDIZED)	3.44%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.69% ^G
WITH EXPENSE CAP:	0.45%

PORTFOLIO MANAGEMENT

	Years of Experience
Michael E. Salvay, CFA	41
Mary Beth Syal, CFA	40
Adam M. Congdon, CFA	14

Performance^B

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (12-17-98)
PAYDEN CALIFORNIA MUNICIPAL SOCIAL IMPACT FUND	0.72%	2.48%	3.32%	1.55%	2.52%	3.42%
BLOOMBERG MUNICIPAL BOND M.F. CALIFORNIA INTERMEDIATE INDEX*	1.46%	3.40%	2.61%	0.51%	1.95%	3.76%
BLOOMBERG MUNICIPAL BOND 7-YEAR INDEX	2.04%	3.94%	2.80%	0.87%	2.18%	3.80%

* Effective February 28, 2025, the Fund will no longer use the Bloomberg Municipal Bond 7-Year Index as a benchmark. The Bloomberg Municipal Bond M.F. California Intermediate Index will remain as the Fund's benchmark.

Calendar-Year Returns

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
1.99%	6.74%	-6.40%	1.02%	5.57%	7.82%	0.58%	6.03%	-0.38%	2.38%

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

Appropriate for California taxpayers who would like to shelter income from state and Federal taxes.

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: \$160 billion
(as of 06/30/25)

Payden Funds

FOOTNOTES

^A Diversification does not ensure a profit or guarantee against loss. ^B Returns less than one year are not annualized. ^C 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. ^D Effective duration is a measure of the Fund's price sensitivity to changes in interest rates. ^E The 30-day SEC yield represents the dividends and interest earned for a 30-day period, annualized, and divided by the net asset values per share at the end of the period. The SEC yield is computed under a standardized formula which assumes all portfolio securities are held to maturity. This value may differ from the actual distribution rate of the fund. ^F Represents a 30-day SEC yield without adjusting for fee waivers or expense reimbursements. ^G Payden & Rygel has contractually agreed to limit Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement to 0.45%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.45% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. ^H Ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest) and are subject to change. Security ratings are assigned using the highest rating of Moody's, S&P, and Fitch.

Social Impact Investing Risk: The Fund's policy of investing in municipal securities for which, in the Adviser's opinion, the proceeds raised are used consistent with positive social and/or environmental practices and outcomes could cause the Fund to perform differently compared to other mutual funds that do not have such a policy. The factors that the Adviser considers in evaluating an investment's positive social and/or environmental benefits are part of a proprietary security selection methodology and may change over time. There are differences in interpretations of what it means to promote positive social and/or environmental benefits. While the Adviser believes its definitions are reasonable, the portfolio decisions it makes may differ with others' views.

For more information and to obtain a prospectus or summary prospectus, visit payden.com or call 800 572-9336. Before investing, investors should carefully read and consider investment objectives, risks, charges, expenses and other important information about the Fund, which is contained in these documents. Investing in high-yield securities entails certain risks from investing in investment-grade securities, including higher volatility, greater credit risk, and the issues' more speculative nature. Income from municipal securities may be subject to the Federal alternative minimum tax. The Payden Funds are distributed through Payden & Rygel Distributors, member FINRA.

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Revenue	62%
General Obligation	32%
Money Markets	6%

CREDIT ALLOCATION^H

AAA	19%
AA	65%
A	12%
BBB	2%
Unrated	2%

DURATION ALLOCATION

0-1 yr	8%
1-3 yrs	10%
3-5 yrs	17%
5-7 yrs	23%
7-10 yrs	17%
10+ yrs	25%

Market

- » The Bloomberg California Intermediate Municipal Bond Index returned 0.99% in June, extending gains through quarter-end and bringing year-to-date returns to 1.46%.
- » Municipal bond yields declined for shorter maturity bonds, with 1-, 3-, and 5-year yields decreasing by 22, 19, and 17 basis points (bps), respectively. In contrast, longer maturity bonds were modestly higher, with 30-year yields rising by 2 bps, while 15- to 20-year yields remained unchanged. Tax-exempt municipal bonds posted positive performance across the yield curve for the month.

Outlook

- » After a period of uncertainty surrounding tax exemption and fiscal policy during the first quarter, the second quarter saw market participants adjusting expectations as tax policy came into focus and the municipal tax exemption appeared secure in the current iteration of the "Big Beautiful" tax bill.
- » New money supply remained elevated through the end of June, as bond issuers rushed to market amid ongoing fears that their ability to issue tax-exempt debt could be limited, while higher inflation further increased municipalities' demand for infrastructure funding. Thus, tax-exempt supply this year is expected to exceed the record-setting pace of 2024.
- » While supply and demand dynamics are expected to improve in the second half of the year, we expect volatility to persist due to ongoing uncertainty over Federal Reserve policy and the overall trajectory of the economy. Yields remain elevated, and longer maturity bonds offer attractive yield advantages over shorter maturity bonds, but with uncertainty on the horizon, we favor high-grade credit and intermediate-duration targets.