

DECEMBER 31, 2022

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 or 12b-1 fees (other fees apply)
- » The value of an investment will generally fall when interest rates rise

Performance^B

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (12-17-98)
PAYDEN CALIFORNIA MUNICIPAL SOCIAL IMPACT FUND	-6.40%	-6.40%	-0.06%	1.60%	2.10%	3.38%
BLOOMBERG MUNICIPAL BOND 7-YEAR INDEX	-5.97%	-5.97%	-0.27%	1.48%	1.96%	3.89%
BLOOMBERG MUNICIPAL BOND CALIFORNIA INTERMEDIATE INDEX	-5.90%	-5.90%	-0.42%	1.30%	1.95%	3.88%

2022	2021	2020	2019	2018	2017	2016	2015	2014	2013
-6.40%	1.02%	5.57%	7.82%	0.58%	6.03%	-0.38%	2.38%	6.05%	-0.83%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Dec 17, 1998
TICKER:	PYCRX
CUSIP:	704329515
TOTAL NET ASSETS:	\$137.3 Million
INVESTMENT MINIMUM: ^C	\$5,000
IRA MINIMUM: ^C	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.176

FUND STATISTICS

EFFECTIVE DURATION: ^D	4.6 Years
AVERAGE MATURITY:	10.6 Years
30-DAY SEC YIELD:	2.96%
30-DAY SEC YIELD: (UNSUBSIDIZED)	2.78%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.71% ^E
WITH EXPENSE CAP:	0.45%

PORTFOLIO MANAGEMENT

	Years of Experience
Michael E. Salvay, CFA	37
Mary Beth Syal, CFA	37
James P. Sarni, CFA	31
Adam Congdon, CFA	16
Christian Leveque	16

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 has served the needs of institutional and individual investors for over a quarter century. We offer a full array of investment strategies and products, including equity, fixed-income and balanced portfolios as well as open-end mutual funds and offshore funds, to a varied client base around the world. While we have grown and expanded considerably since our inception, we remain committed to our mission of providing customized investment management services that focus on each client's specific needs and objectives.

Headquarters: Los Angeles

Founded: 1983

Assets Under Management: \$133 billion
(as of 12/31/22)

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Revenue	59%
General Obligation	37%
Other	4%

CREDIT ALLOCATION^F

AAA	23%
AA	61%
A	14%
BBB	2%

DURATION ALLOCATION

0-1 yr	24%
1-3 yrs	18%
3-5 yrs	11%
5-7 yrs	13%
7-10 yrs	26%
10+ yrs	8%

Market

- » The Bloomberg California Intermediate Municipal Bond Index posted a positive return of +3.89% for the quarter.
- » Municipal interest rates decreased during the quarter across all maturities as inflation concerns eased.
- » Notwithstanding strong performance during the quarter, municipal mutual funds posted another \$30 billion in outflows, creating a headwind for the market.

Outlook

- » Strong revenue collections and prior-year stimulus funding to state and local governments continue to support municipal credit quality.
- » A stabilization of municipal mutual fund flows may provide support to the market as we enter 2023.
- » With tax-exempt municipal to U.S. Treasury yield ratios rich to historical averages, an allocation to taxable municipals may provide diversification benefits.



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. Paydenfund's 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 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, 2023. Please note that the 0.45% expense level does not include Acquired Fund Fees and Expenses, interest, taxes and extraordinary expenses. ^F 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 Paydenfunds are distributed through Payden & Rygel Distributors, member FINRA.