

SEPTEMBER 30, 2024

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.

Performance^B

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (12-17-98)
PAYDEN CALIFORNIA MUNICIPAL SOCIAL IMPACT FUND	3.06%	9.52%	1.05%	2.01%	2.65%	3.53%
BLOOMBERG MUNICIPAL BOND 7-YEAR INDEX	1.83%	8.42%	0.25%	1.37%	2.22%	3.89%
BLOOMBERG MUNICIPAL BOND CALIFORNIA INTERMEDIATE INDEX	1.58%	8.14%	0.22%	1.20%	2.06%	3.87%

Calendar-Year Returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
6.74%	-6.40%	1.02%	5.57%	7.82%	0.58%	6.03%	-0.38%	2.38%	6.05%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Dec 17, 1998
TICKER:	PYCRX
CUSIP:	704329515
TOTAL NET ASSETS:	\$163.6 Million
INVESTMENT MINIMUM: ^C	\$100,000
IRA MINIMUM: ^C	\$100,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.374

FUND STATISTICS

EFFECTIVE DURATION: ^D	5.1 Years
AVERAGE MATURITY:	14.2 Years
30-DAY SEC YIELD:	3.01%
30-DAY SEC YIELD: (UNSUBSIDIZED)	2.81%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.63% ^E
WITH EXPENSE CAP:	0.45%

PORTFOLIO MANAGEMENT

	Years of Experience
Michael E. Salvay, CFA	40
Mary Beth Syal, CFA	39
Adam M. Congdon, CFA	13

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: \$164 billion
(as of 09/30/24)

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 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, 2025. 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 Payden Funds are distributed through Payden & Rygel Distributors, member FINRA.

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Revenue	64%
General Obligation	27%
U.S. Treasuries	8%
Money Markets	1%

CREDIT ALLOCATION^F

AAA	32%
AA	56%
A	8%
BBB	3%
Unrated	1%

DURATION ALLOCATION

0-1 yr	19%
1-3 yrs	16%
3-5 yrs	21%
5-7 yrs	11%
7-10 yrs	23%
10+ yrs	10%

Market

- » The Bloomberg California Intermediate Municipal Bond Index posted a positive 0.926% for the month of September bringing the year-to-date (YTD) 2024 returns to 1.58%.
- » Municipal rates increased 2 basis points (bps) for the 1-year spot, and declined 11, 11, and 8 bps in the 5-, 10-, and 30-year spots on the curve, respectively, extending declines in tax-exempt yields across the curve. U.S. Treasury yields also declined during the month, falling 40, 14, 12, and 8 bps in the 1-, 5-, 10-, and 30-year tenors, respectively, matching municipal yield moves in most tenors.

Outlook

- » The municipal yield curve steepened as shorter maturity yields fell further than longer maturity yields, in-line with trends in the U.S. Treasury yield curve. The expectation of Federal Reserve (Fed) rate cuts this year was supported by the Fed's July meeting minutes, with the market consensus expecting a September rate cut.
- » Lower benchmark yields and looming uncertainty surrounding the outcome of the U.S. presidential election will likely lead to an acceleration of issuance pre-election, in a period where organic reinvestment is set to decline. This weak technical backdrop should lead to marginal cheapening of municipal yields relative to other high-grade fixed-income alternatives.
- » Looking forward, we view pockets of weakness as ideal entry points for municipal investors. As elevated supply fades post-election, the relative stability of municipalities and of municipal bonds throughout economic cycles should support strong demand as we expect that any weakness will likely be short lived.