PAYDEN GLOBAL LOW DURATION FUND (PYGSX)

Payden Funds

JUNE 30, 2025

Investment Strategy

The Payden Global Low Duration Fund seeks to benefit from the opportunities available through broadening the investment universe to include issuers and currencies outside of the U.S. while avoiding the volatility of longer-maturity bond funds. The fund is primarily comprised of government securities, investment-grade and high-yield corporate bonds, mortgage- and asset-backed securities from U.S. and foreign issuers.

Fund Highlights

- Invests primarily in government securities, investment-grade and high-yield corporate bonds, mortgage- and asset-backed securities from U.S. and foreign issuers.
- Shorter maturity typically means volatility is less than an intermediate bond fund.
- Ideal for investors with a short to intermediate horizon who want exposure to the global investment universe.
- No loads or 12b-1 fees (other fees apply).
- The value of an investment will generally fall when interest rates rise.

Performance[A]

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (09-18-96)
PAYDEN GLOBAL LOW DURATION FUND	3.18%	6.27%	4.58%	2.50%	2.18%	3.41%
ICE BOFA 1-3 YEAR U.S. CORPORATE & GOVERNMENT INDEX	2.89%	5.93%	3.76%	1.60%	1.86%	3.25%

Calendar-Year Returns

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
5.18%	5.61%	-3.38%	0.17%	3.14%	4.77%	0.58%	1.89%	1.70%	0.29%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Sep 18, 1996
TICKER:	PYGSX
CUSIP:	704329697
TOTAL NET ASSETS:	$41.4 Million
INVESTMENT MINIMUM:[B]	$5,000
IRA MINIMUM:[B]	$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	$0.461

FUND STATISTICS

EFFECTIVE DURATION:[C]	2.2 Years
AVERAGE MATURITY:	2.2 Years
30-DAY SEC YIELD:[D]	4.85%
30-DAY SEC YIELD:[E] (UNSUBSIDIZED)	4.40%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.85%[F]
WITH EXPENSE CAP:	0.53%

PORTFOLIO MANAGEMENT

	Years of Experience
Mary Beth Syal, CFA	40
Nigel Jenkins, ASIP	36
Kerry G. Rapanot, CFA	29
Paul Saint-Pasteur, CFA	18
Adam M. Congdon, 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

Short-Term Global Bond – Appropriate for investors who desire the diversification available from sovereign and corporate debt of global issuers, but want the lower volatility of a short maturity profile.

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

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Corporates	37%
Government/Gov't Related	31%
Asset-Backed	15%
Mortgage-Backed	14%
Other	3%

CREDIT ALLOCATION[G]

AAA	28%
AA	30%
A	19%
BBB	14%
BB	5%
Unrated	4%

TOP-10 COUNTRY ALLOCATION

United States	59.7%
Canada	10.7%
Netherlands	3.3%
Cayman Islands	3.2%
France	3.2%
Supranational	2.0%
Jersey, Channel Islands	1.8%
Sweden	1.7%
Spain	1.5%
Switzerland	1.5%

Market

» The U.S. Treasury yield curve steepened over the quarter, largely due to concern and debate around the "Big Beautiful Bill," which would increase spending and the U.S. budget deficit. Money market rates were relatively unchanged at 4.3% while 2- to 3-year maturities were lower by 15-20 basis points (bps) and 30-year maturities were higher by 20 bps. The Federal Reserve (Fed) left its target rate unchanged at 4.25%–4.5% in June, maintaining a cautious, data-dependent stance as it gauges the economic impact of new tariffs.

» While recent inflation data has eased, it remains above target. The Fed has expressed some concern that pass-through effects from tariffs could push prices higher over the summer. Markets are currently pricing in 2 to 3 rate cuts by year-end, slightly more than the end of the prior quarter and consistent with softening growth indicators and concerns about policy-induced demand destruction.

» Geopolitical tensions rose over the quarter following the U.S. military strike against Iran. While an escalation between the U.S. and Iran could be a source of risk premiums widening, the attack in June had minimal market impact.

» Corporate and securitized credit markets demonstrated relative resilience over the quarter, given the elevated uncertainty around tariffs and geopolitical risks. While credit premiums widened in April in response to initial tariff announcements, they recovered to pre-tariff levels by mid-May. Investment-grade credit premiums ended the quarter flat year-to-date and are about 10 bps from the 12-month lows. Similarly, in the securitized market, risk premiums on AAA-rated asset-backed securities (ABS) and collateralized loan obligations (CLOs) ended the period near historically low levels.

Outlook

» Our portfolio remains neutral to modestly long in duration versus its benchmark, grounded in the expectation that the market may be underestimating the likelihood of rate cuts in the second half of 2025. While the Fed remains cautious amid ongoing tariff uncertainty, we see a path for declining policy rates if inflation stabilizes and growth moderates. Given that credit and liquidity premiums are near multi-year lows, we are selective in adding exposure.

FOOTNOTES

[A] Returns less than one year are not annualized. [B] 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. [C] Effective duration is a measure of the Fund's price sensitivity to changes in interest rates. [D] 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. [E] Represents a 30-day SEC yield without adjusting for fee waivers or expense reimbursements. [F] 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 0.70%. Please note that the 0.70% 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 0.53%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.53% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. [G] 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.