PAYDEN GLOBAL LOW DURATION FUND (PYGSX)

Payden Funds

MARCH 31, 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	1.67%	6.04%	3.72%	3.05%	2.05%	3.39%
ICE BOFA 1-3 YEAR U.S. CORPORATE & GOVERNMENT INDEX	1.61%	5.65%	3.12%	1.59%	1.74%	3.23%

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:	$41.9 Million
INVESTMENT MINIMUM:[B]	$5,000
IRA MINIMUM:[B]	$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	$0.458

FUND STATISTICS

EFFECTIVE DURATION:[C]	2.0 Years
AVERAGE MATURITY:	2.2 Years
30-DAY SEC YIELD:	4.60%
30-DAY SEC YIELD: (UNSUBSIDIZED)	4.27%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.85%[D]
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: $165 billion (as of 03/31/25)

Payden Funds

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Corporates	39%
Government/Gov't Related	28%
Asset-Backed	15%
Mortgage-Backed	15%
Other	3%

CREDIT ALLOCATION[E]

AAA	44%
AA	14%
A	18%
BBB	14%
BB	6%
Unrated	4%

TOP-10 COUNTRY ALLOCATION

United States	56.6%
Canada	13.4%
France	4.6%
Cayman Islands	3.6%
Supranational	2.5%
Netherlands	2.0%
Jersey, Channel Islands	1.8%
Sweden	1.7%
Germany	1.3%
Switzerland	1.2%

Market

» The quarter was characterized by concerns over the potential negative impact on economic growth from both active and expected tariff announcements. As a result, U.S. Treasury yields rallied 20-40 basis points with the 2-year U.S. Treasury closing the quarter at 3.90%. Central to the interest rate debate is the question of how tariffs will affect the economy. Will initial tariffs and reciprocity tariffs be more inflationary, or will they have a greater impact on economic growth? For now, the Federal Reserve (Fed) has maintained a "wait-and-see" approach, leaving their interest rate policy unchanged at both meetings during the quarter. While no changes were made to policy, the Fed announced that it would slow the pace of its balance sheet runoff. This move increases bank reserves and offers greater flexibility to respond to volatility, given the challenge of determining the appropriate level of bank reserves in real time.

» Recent inflation data revealed that price increases remain above the Fed's preferred 2.0% inflation target. The markets are currently pricing in nearly three interest rate cuts by the end of 2025, though we believe rates could drop more than what is currently priced in.

» Beyond the U.S. Treasury markets, both the corporate bond and securitized markets showed notable deterioration for the first time since the summer of 2024. While both sectors saw widening credit premiums, this occurred in an orderly manner, as each sector had very strong issuance. The risk-off sentiment in equities did little to fuel investor optimism, as markets weighed the potential impact of a slowing consumer on economic growth and corporate earnings.

Outlook

» Thematic risks are hanging over the marketplace as investors assess how the new administration's policies will affect the global order. For instance, Germany has lifted its "debt brake" to allow for a large fiscal expansion, as Europe takes on more responsibility to fund military defense. The potential for a smaller government and concomitant fiscal savings could be a benefit or a curse, only time will tell.

» Our portfolio duration positioning is neutral to long compared to benchmark portfolios. We urge clients with excess cash to move into longer maturities and lock in 4% yields, which may offer protection in the event the Fed sharply cuts rates due to slowing economic growth.

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] 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. [E] 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.

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. Investment in foreign securities entails certain risks from investing in domestic securities, including changes in exchange rates, political changes, differences in reporting standards, and, for emerging-market securities, higher volatility. 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. The Payden Funds are distributed through Payden & Rygel Distributors, member FINRA.