

JUNE 30, 2021

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	0.58%	2.60%	3.07%	2.26%	1.96%	3.56%
ICE BOFA 1-3 YEAR US CORPORATE & GOVERNMENT INDEX	0.03%	0.54%	2.98%	1.90%	1.40%	3.25%

Calendar-Year Returns

2020	2019	2018	2017	2016	2015	2014	2013	2012	2011
3.14%	4.77%	0.58%	1.89%	1.70%	0.29%	1.03%	0.71%	6.16%	0.39%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Sep 18, 1996
TICKER:	PYGSX
CUSIP:	704329697
TOTAL NET ASSETS:	\$87.7 Million
INVESTMENT MINIMUM: ^B	\$5,000
IRA MINIMUM: ^B	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.130

FUND STATISTICS

EFFECTIVE DURATION: ^C	1.8 Years
AVERAGE MATURITY:	2.3 Years
30-DAY SEC YIELD:	0.66%
30-DAY SEC YIELD: (UNSUBSIDIZED)	0.45%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.72% ^D
WITH EXPENSE CAP:	0.53%

PORTFOLIO MANAGEMENT

	Years of Experience
Brian W. Matthews, CFA	39
Mary Beth Syal, CFA	36
David P. Ballantine, CFA, CFP	32
Nigel Jenkins, ASIP	32

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 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: \$146 billion
(as of 06/30/21)



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. Paydenfund's 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 has contractually agreed to limit Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement to 0.53%. This agreement has a one-year term ending February 28, 2022. 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.

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 Paydenfunds are distributed through Payden & Rygel Distributors, member FINRA.

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Corporates	44%
Government/Gov't Related	21%
Asset-Backed	18%
Mortgage-Backed	16%
Money Markets	1%

CREDIT ALLOCATION^E

AAA	20%
AA	23%
A	12%
BBB	31%
BB	5%
B	1%
Unrated	8%

Lower of Moody's and S&P

TOP-10 COUNTRY ALLOCATION

United States	65.7%
Cayman Islands	10.8%
Japan	5.7%
France	2.6%
United Kingdom	2.6%
Italy	2.2%
Germany	2.1%
Canada	1.9%
Australia	1.8%
Spain	1.5%

Market

- » U.S. Treasury yields were modestly higher in June, with short maturity securities continuing to trade in a narrow range.
- » The yield above U.S. Treasuries for front-end investment-grade corporates tightened further from already tight levels, closing at 0.39% which is near all-time tight.
- » Total U.S. investment-grade corporate issuance was \$111 billion in June, which exceeded the \$90-\$100 billion estimate and represents the largest first six-month supply excluding 2020.

Outlook

- » We remain constructive on short-dated credit, with both income and rolldown as drivers of total return.
- » The U.S. economy grew at a solid 6.4% during the first quarter, starting off what economists predict may be the strongest year in decades. That growth continued through the second quarter. The June Federal Open Market Committee meeting revealed the official opening of discussions on the tapering of bond purchases, and nearly half of the 18 members now project at least one fed funds rate hike by year-end 2022. U.S. Treasuries steepened at quarter-end, and the yield curve unwound much of the flattening that occurred post-meeting. The Federal Reserve (Fed) increased the interest rate on excess reserves (IOER) and the overnight reverse repurchase (ON RRP) by 0.05% "to keep the federal funds rate well within the target range and support smooth functioning money markets." Officials changed neither the level nor the pace of the bond purchase program. Fed Chair Powell reiterated that further economic strength and inflation are needed before any hikes in rates.
- » While all-in yields are low, the incremental yield over U.S. Treasuries remains attractive and demand for short-dated credit remains robust. We continue to emphasize balance, credit diversification, and quality through corporates, asset-backed securities and mortgage-backed securities sectors, to maintain diversified sources of high-quality income. We utilized corporate issuance to optimize positioning and increased usage of floating-rate issues to generate portfolio income without increasing duration. The continued reopening of the economy and improvement in the employment outlook, along with price pressures in some sectors could continue to place upward pressure on U.S. Treasury yields. We shortened the overall portfolio duration to help mitigate the impact of rising rates while maintaining exposure to the long end of respective benchmarks to maximize opportunities for income.