

PAYDEN EMERGING MARKETS LOCAL BOND FUND (PYELX)

Payden Funds

JUNE 30, 2025

Investment Strategy

The Payden Emerging Markets Local Bond Fund invests in a diversified portfolio of emerging-market sovereign and corporate bonds. The fund invests in countries that are identified through extensive analysis of their macroeconomic variables, sovereign credit ratios, political stability, and the quality of the country's business environment. The fund maintains geographic diversification across Latin America, Europe and Asia. Most of our investments are local-currency denominated, although we can also take advantage of attractive opportunities in U.S. dollar-denominated investments.

Fund Highlights

- » Sovereign focus.
- » Managed by Payden & Rygel with over 20 years of experience managing emerging-market portfolios.
- » Exposure to fast-growing local currency segment of emerging markets.
- » Pure bond strategy - limited use of credit default swaps or distressed debt.
- » 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 (11-02-11)
PAYDEN EMERGING MARKETS LOCAL BOND FUND	12.24%	13.46%	8.33%	2.20%	1.84%	0.42%
J.P. MORGAN GBI-EM GLOBAL DIVERSIFIED COMPOSITE INDEX	12.26%	13.81%	8.46%	1.88%	2.11%	0.90%

Calendar-Year Returns

2024	2023	2022	2021	2020	2019	2018	2017	2016	2015
-3.48%	12.42%	-11.06%	-7.50%	1.79%	13.92%	-8.17%	15.38%	9.12%	-14.79%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Nov 02, 2011
TICKER:	PYELX
CUSIP:	704329275
TOTAL NET ASSETS:	\$84.8 Million
INVESTMENT MINIMUM: ^B	\$5,000
IRA MINIMUM: ^B	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.378

FUND STATISTICS

EFFECTIVE DURATION: ^C	6.2 Years
AVERAGE MATURITY:	8.8 Years
30-DAY SEC YIELD: ^D	7.48%
30-DAY SEC YIELD: ^E (UNSUBSIDIZED)	7.43%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	1.07% ^F
WITH EXPENSE CAP:	0.99%

PORTFOLIO MANAGEMENT

	Years of Experience
Kristin J. Ceva, PhD, CFA	36
Nigel Jenkins, ASIP	36
Arthur Hovsepian, CFA	30
Zubin V. Kapadia, CFA	21

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 investors with long investment time horizons who seek diversification via local-currency sovereign bonds issued by emerging-market countries.

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

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 has contractually agreed to limit Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement to 0.99%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.99% 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.

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.

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Government/Gov't Related	91%
Corporates	6%
Money Markets	3%

CREDIT ALLOCATION^G

AAA	11%
AA	5%
A	26%
BBB	33%
BB	22%
B	3%

TOP-10 COUNTRY ALLOCATION

Brazil	14.0%
Supranational	9.5%
Indonesia	9.3%
Mexico	8.1%
China	7.7%
South Africa	7.3%
Peru	6.5%
Malaysia	6.1%
Thailand	5.3%
Poland	4.6%

Market

» Emerging-markets (EM) debt indices posted positive returns, as a constructive backdrop for interest rate duration was complemented by a risk-supportive market tone. Yields on hard-currency sovereign and corporate credit narrowed by 0.12% and 0.06%, respectively, compared to similar-maturity U.S. Treasuries. In sovereigns, high-yield issuers outperformed their investment-grade peers, while corporate performance showed less variation between rating categories. EM local bond markets added to their robust performance thus far in 2025, with local interest rates shifting lower and currencies appreciating against the U.S. dollar.

Outlook

- » Overall, EM country fundamentals remain sound. EM growth has been steady, inflation is contained, and external accounts are in a healthy position, with limited signs of balance-of-payment pressure and comfortable foreign reserve levels. Over the past year, most EM central banks have cautiously eased monetary policy, maintaining a buffer between policy rates and inflation to guard against financial instability, while preserving their ability to respond to a more uncertain global environment.
- » Rising global trade tensions, particularly due to the United States' efforts to impose global trade barriers, have increased uncertainty. While EM countries vary in their exposure to U.S. trade, we believe the direct economic risks are manageable. That said, recent developments, along with lower energy prices and excess global supply, may act as headwinds to EM growth and contribute to disinflationary pressure. Despite these challenges, EM currencies have generally strengthened against a weaker U.S. dollar, giving EM central banks room to provide additional stimulus if needed.
- » Looking ahead, two key structural forces continue to benefit EM debt investors: 1) stronger long-term growth prospects relative to developed markets, and 2) a broadening range of investment opportunities across roughly 90 countries, including sovereign, corporate, and local market bonds, spanning various geographies and sectors. In our view, EM debt offers investors useful diversification benefits, while yields are attractive for generating income over time.