

MARCH 31, 2024

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 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	-2.50%	3.73%	-1.06%	0.22%	-0.44%	-0.39%
J.P. MORGAN GBI-EM GLOBAL DIVERSIFIED INDEX	-2.12%	4.91%	-1.60%	0.13%	-0.32%	0.08%

Calendar-Year Returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
12.42%	-11.06%	-7.50%	1.79%	13.92%	-8.17%	15.38%	9.12%	-14.79%	-6.64%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Nov 02, 2011
TICKER:	PYELX
CUSIP:	704329275
TOTAL NET ASSETS:	\$77.1 Million
INVESTMENT MINIMUM: ^B	\$5,000
IRA MINIMUM: ^B	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.279

FUND STATISTICS

EFFECTIVE DURATION: ^C	5.7 Years
AVERAGE MATURITY:	8.8 Years
30-DAY SEC YIELD:	6.84%
30-DAY SEC YIELD: (UNSUBSIDIZED)	6.66%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	1.30% ^D
WITH EXPENSE CAP:	0.99%

PORTFOLIO MANAGEMENT

	Years of Experience
Kristin J. Ceva, PhD, CFA	35
Nigel Jenkins, ASIP	35
Arthur Hovsepian, CFA	29
Zubin V. Kapadia, CFA	20

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: \$162 billion
(as of 03/31/24)

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Government/Gov't Related	90%
Corporates	5%
Money Markets	5%

CREDIT ALLOCATION^E

AAA	7%
AA	5%
A	30%
BBB	32%
BB	20%
B	6%

TOP-10 COUNTRY ALLOCATION

Brazil	11.0%
Mexico	9.0%
Malaysia	8.4%
China	8.0%
South Africa	7.9%
Indonesia	7.6%
Thailand	5.6%
Colombia	5.4%
Poland	4.4%
Peru	4.1%

Market

» Emerging markets (EM) debt delivered positive performance in March, supported by healthy demand for fixed-income securities and lower volatility for risk assets. Hard-currency sovereign credit performed well across the board, even as high-yield rated issuers continued to outpace investment-grade issuers. Hard-currency corporate credit also posted gains, though returns modestly trailed sovereigns. Local-currency bonds remained the weakest of the major EM debt sectors; returns were close to flat, with currencies and interest rates broadly stable for the month.

Outlook

- » Although inflation has fallen, developed-market central banks are wary of the final steps to meet long-run inflation targets. Still, monetary authorities in most major economies acknowledge that policy rates have peaked. The timing and magnitude of future easing are the main topics of debate. Many EM central banks have already responded to disinflation by cutting rates, though the pace of easing has diverged, given the unique conditions facing each country.
- » Consensus forecasts see global growth slowing in 2024, but to date, economic activity has been resilient, including in most EM countries. A reasonable growth backdrop, combined with lower inflation, has resulted in reduced market volatility and support for risk assets.
- » We believe systemically important EM countries and EM corporates are navigating an uncertain global environment well. That said, we remain alert to global and country-specific risk factors. Renewed bouts of inflationary pressure, weaker growth, as well as geopolitical and political risks, including the crowded 2024 election calendar, may generate volatility.
- » In our view, EM debt offers diversification benefits, and elevated yields have historically generated healthy long-term income for investors. An increase in EM bond supply to start 2024 has been met with robust demand, suggesting that market technicals are sound. Valuations in EM debt are compelling relative to peer sectors, and we see opportunities across a variety of hard and local currency markets.

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 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, 2025. Please note that the 0.99% 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.