

DECEMBER 31, 2025

Investment Strategy

The Payden Corporate Bond Fund's strategy is to purchase investment-grade corporate bonds of companies that have leading market positions, strong cash flow generation, stable management teams and predictable earnings. The strategy's focus is on bottom-up credit selection with an emphasis placed on adding issues with a near-term catalyst to outperform. Our credit research process looks to capitalize on opportunities in the corporate bond market across sectors and maturities; including the early identification of potential rising stars - companies that we believe will be upgraded to investment grade in the near term. A forward-looking approach is taken to credit analysis. A priority is placed on assessing a company's future trajectory and the corresponding risk and opportunities for bondholders under various scenarios. Up to 20% of fund assets may be below investment grade.

Fund Highlights

- » The Fund is a well-diversified portfolio of U.S. dollar investment-grade corporate securities backed by extensive in-house credit research.
- » It invests in credits across the full maturity spectrum and its duration and curve positioning are actively managed.
- » The Fund has the flexibility to opportunistically invest in below investment-grade securities and emerging-market debt.
- » No loads (other fees apply).

Performance^A

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11-30-23)
PAYDEN CORPORATE BOND FUND ADVISER CLASS	7.20%	7.20%	-	-	-	7.39%
BLOOMBERG U.S. CORPORATE BOND INDEX	7.77%	7.77%	-	-	-	6.68%

Calendar-Year Returns

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
7.20%	3.77%	4.34%	-	-	-	-	-	-	-

FUND DESCRIPTION

CLASS:	Adviser
FUND INCEPTION:	Nov 30, 2023
TICKER:	PYAYX
CUSIP:	70432T834
TOTAL NET ASSETS:	\$426.5 Million
INVESTMENT MINIMUM: ^B	\$5,000
IRA MINIMUM: ^B	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.429

FUND STATISTICS

EFFECTIVE DURATION: ^C	6.9 Years
AVERAGE MATURITY:	10.5 Years
30-DAY SEC YIELD: ^D	4.25%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.93% ^E
WITH EXPENSE CAP:	0.91%

PORTFOLIO MANAGEMENT

	Years of Experience
Michael E. Salvay, CFA	41
Natalie N. Trevithick, CFA	28
Timothy J. Crawmer, CFA	26
Alfred Giles III, CFA	24

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 as a fixed-income holding for investors seeking a dedicated corporate bond strategy.

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: \$167 billion
(as of 12/31/25)

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Industrials	36%
Financial Institutions	36%
Mortgage-Backed	10%
Utilities	10%
Other	4%
Money Markets	2%
Asset-Backed	2%

CREDIT ALLOCATION^F

AAA	13%
AA	11%
A	31%
BBB	38%
BB	6%
Unrated	1%

DURATION ALLOCATION

0-1 yr	10%
1-3 yrs	16%
3-5 yrs	22%
5-7 yrs	17%
7-10 yrs	11%
10+ yrs	24%

Market

- » Long-awaited government data released in December suggests accelerating economic growth, a weakening labor market, and moderating inflation. The U.S. economy expanded at an annualized quarterly rate of 4.3% in the third quarter, driven by resilient consumer spending and private investment in artificial intelligence (AI). The U.S. Treasury yield curve steepened over the month, with the 2-year yield falling 0.02% to 3.47%, while the 10-year yield rose by 0.15% to 4.17%.
- » Given the lack of issuance in December, secondary trading of corporate bonds picked up, resulting in 1- to 30-year corporate yields over similar-maturity U.S. Treasuries falling 0.02% to 0.78%. As a result, the overall yield on 1- to 30-year corporate bonds rose 0.05% to 4.81%.
- » Companies issued \$36 billion of new corporate bonds in December. Issuance for 2025 finished at \$1.6 trillion, up 8% from 2024.

Outlook

- » During the month, the Fund reduced risk by decreasing exposure within high-yield and higher-beta investment-grade bonds. At the same time, it selectively invested in newly issued and existing bonds from higher-quality companies in the financials (banking) and industrials sectors. The Fund also increased its holdings in certain securitized investments that are not part of the benchmark, while maintaining its duration broadly in line with, or slightly longer than, the benchmark.
- » We expect corporate bonds to continue performing well in 2026, as strong investor demand suggests many still find corporate bond yields attractive at current levels. Corporate fundamentals remain generally solid; however, we are closely monitoring capital expenditures, particularly in the technology sector. Significant spending related to AI could lead to a materially increased supply and add higher debt to corporate balance sheets, which could create some pressure on bond performance over time.
- » This environment is likely to present both increased risks and opportunities. Careful credit selection will be essential, as we expect greater dispersion in performance across sectors and individual companies in the year ahead.

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 Total Annual Fund Operating Expenses include all direct operating expenses of the Fund, as well as 0.01% Acquired Fund Fees and Expenses incurred indirectly by the Fund through its investment in other mutual funds and a Rule 12b-1 Distribution Fee of 0.25%. Payden & Rygel has contractually agreed to limit Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement to 0.65%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.91% Expense Cap includes the 0.65% expense, the 0.25% 12b-1 Distribution Fees, and the 0.01% Acquired Fund Fees and Expenses. ^F 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. Interest Rate Risk: As with most funds that invest in debt securities, the income on and value of your shares in the Fund will fluctuate along with interest rates. When interest rates rise, the market prices of the debt securities the Fund owns usually decline. When interest rates fall, the prices of these securities usually increase. 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.