

DECEMBER 31, 2025

Investment Strategy

The Payden Limited Maturity Fund seeks to outperform current money market rates by utilizing short-term securities that are primarily investment grade. The Fund is primarily comprised of U.S. government securities, investment-grade corporate bonds, mortgage- and asset-backed securities, and money markets. The maximum average portfolio maturity is two and one-half years.

Fund Highlights

- » Invests primarily in high-quality, short-term securities.
- » Low annual expense ratio.^A
- » No loads (other fees apply).
- » Seeks to earn a higher yield than a traditional money market fund.^B

Performance^C

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (06-30-21)
PAYDEN LIMITED MATURITY FUND SI CLASS	5.24%	5.24%	5.87%	–	–	4.02%
ICE BOFA U.S. 3-MONTH TREASURY BILL INDEX	4.18%	4.18%	4.81%	–	–	3.51%

Calendar-Year Returns

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
5.24%	6.12%	6.27%	0.60%	0.04%	–	–	–	–	–

FUND DESCRIPTION

CLASS:	SI
FUND INCEPTION:	Jun 30, 2021
TICKER:	PYLSX
CUSIP:	70432T602
TOTAL NET ASSETS:	\$2.1 Billion
INVESTMENT MINIMUM: ^D	\$10,000,000
IRA MINIMUM: ^D	\$10,000,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.479

FUND STATISTICS

EFFECTIVE DURATION: ^E	0.7 Years
AVERAGE MATURITY:	1.3 Years
30-DAY SEC YIELD: ^F	4.00%
30-DAY SEC YIELD: ^G (UNSUBSIDIZED)	3.75%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.52% ^H
WITH EXPENSE CAP:	0.25%

PORTFOLIO MANAGEMENT

	Years of Experience
Mary Beth Syal, CFA	40
Nigel Jenkins, ASIP	36
Kerry G. Rapanot, CFA	29
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

Ultra Short-Term Bond – Appropriate for investors who desire yields greater than money market funds while maintaining a high degree of liquidity, but can tolerate fluctuations in the net asset value (NAV).

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

Corporates	36%
Asset-Backed	24%
Mortgage-Backed	21%
Money Markets	17%
Government/Gov't Related	2%

CREDIT ALLOCATION^I

AAA	38%
AA	28%
A	19%
BBB	10%
BB	4%
Unrated	1%

DURATION ALLOCATION

0-1 yr	72%
1-3 yrs	27%
3-5 yrs	1%

Market

- » The Federal Reserve (Fed) cut rates for the third consecutive time since September, lowering the federal funds rate to a range of 3.50%–3.75%. This brings rates about 1.75% below their peak reached in July 2023. While the rate cut was widely expected by financial markets, the outlook for additional easing is less certain. Recent economic data remains clouded by the government shutdown, making it harder for policymakers to assess economic conditions. Committee members were divided on whether to cut rates or leave them unchanged, but all agreed that there would be no interest rate hikes for the foreseeable future.
- » Markets now expect two to three rate cuts in 2026, down from expectations of three to four cuts before the December meeting. We anticipate more than two to three interest rate cuts, as inflation continues to move closer to the Fed's 2% target and the labor market shows signs of deterioration.
- » The Secured Overnight Financing Rate (SOFR) – a measure of the overnight secured borrowing rate in the U.S. – ended the month lower, closing at 3.87%. At month-end, the 3-month term SOFR rate was 3.66%, and the 3-month U.S. Treasury bill closed at 3.63%.
- » Securitized and investment-grade corporate bond markets ended the year on a strong note, with a record amount of new bonds issued across both sectors. Risk premiums, the extra yield investors receive for taking on credit risk, remained low but stable during the quarter. Credit markets provided additional returns from contracting risk premiums and their yield advantage over U.S. Treasuries. We expect continued strength as tailwinds from lower rates, a clearer outlook on tariffs, and a resilient economy provide support for risk assets.

Outlook

- » With valuations not overwhelmingly cheap, we remain selective, focusing on capturing income while controlling downside risk. We are maintaining a longer duration than the benchmark, as softening employment and progress toward lower inflation should allow the Fed to cut rates more than current market expectations.

FOOTNOTES

^A Expenses are lower than 79% of the funds reporting expense ratios included in the Morningstar U.S. Ultrashort Bond Category as of March 2025. ^B This is not a money market fund. The share price will fluctuate. ^C Returns less than one year are not annualized. ^D 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. ^E Effective duration is a measure of the Fund's price sensitivity to changes in interest rates. ^F 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. ^G Represents a 30-day SEC yield without adjusting for fee waivers or expense reimbursements. ^H Payden & Rygel has contractually agreed to limit Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement to 0.25%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.25% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. ^I 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.