# PAYDEN GLOBAL FIXED INCOME FUND (PYGFX)

Payden Funds

DECEMBER 31, 2025

## Investment Strategy

The Payden Global Fixed Income Fund invests in bonds of all maturities issued by governments, agencies, and corporations around the world. Up to 35% of its assets may be invested in bonds rated below investment grade. The Fund purchases securities issued in the major industrialized countries as well as those that have strong ties to the world's major economies.

## Fund Highlights

- No loads or 12b-1 fees (other fees apply).
- Most currency exposure is hedged back to the U.S. dollar, removing one source of price volatility.

## Performance[A]

| MONTHLY | YTD | 1 YEAR | 3 YEAR | 5 YEAR | 10 YEAR | SINCE INCEPTION (09-01-92) |
|---|---|---|---|---|---|---|
| PAYDEN GLOBAL FIXED INCOME FUND | 5.20% | 5.20% | 5.47% | 0.37% | 2.35% | 4.54% |
| BLOOMBERG GLOBAL AGGREGATE INDEX (USD HEDGED) | 4.86% | 4.86% | 5.12% | 0.34% | 2.39% | 4.78% |

## Calendar-Year Returns

| 2025 | 2024 | 2023 | 2022 | 2021 | 2020 | 2019 | 2018 | 2017 | 2016 |
|---|---|---|---|---|---|---|---|---|---|
| 5.20% | 3.90% | 7.34% | -12.39% | -0.89% | 5.92% | 8.61% | -0.26% | 4.11% | 3.69% |

## FUND DESCRIPTION

| | |
|---|---|
| CLASS: | Investor |
| FUND INCEPTION: | Sep 01, 1992 |
| TICKER: | PYGFX |
| CUSIP: | 704329101 |
| TOTAL NET ASSETS: | $151.5 Million |
| INVESTMENT MINIMUM:[B] | $5,000 |
| IRA MINIMUM:[B] | $2,000 |
| DIVIDENDS PAID: | Monthly |
| DIVIDENDS (LAST 12 MOS): | $0.300 |

## FUND STATISTICS

| | |
|---|---|
| EFFECTIVE DURATION:[C] | 6.7 Years |
| AVERAGE MATURITY: | 7.5 Years |
| 30-DAY SEC YIELD:[D] | 4.15% |

## EXPENSES

| | |
|---|---|
| TOTAL FUND OPERATING EXPENSES: | 0.71%[E] |

## PORTFOLIO MANAGEMENT

| | Years of Experience |
|---|---|
| Michael E. Salvay, CFA | 41 |
| Kristin J. Ceva, PhD, CFA | 36 |
| Nigel Jenkins, ASIP | 36 |
| Timothy J. Crawmer, CFA | 26 |
| Paul Saint-Pasteur, CFA | 18 |

***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

Global Bond – Appropriate for investors with longer time horizons who seek diversification via sovereign and corporate debt of issuers in the developed markets of the world.

## 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)

Payden Funds

## Portfolio Characteristics & Market Commentary

### SECTOR ALLOCATION

| | |
|---|---|
| Governments/Cash | 38% |
| Corporates | 31% |
| Asset-Backed | 14% |
| Mortgage-Backed | 12% |
| Government Related | 5% |

### CREDIT ALLOCATION[F]

| | |
|---|---|
| AAA | 16% |
| AA | 27% |
| A | 15% |
| BBB | 28% |
| BB | 10% |
| B | 3% |
| Unrated | 1% |

### TOP-5 COUNTRY ALLOCATION

| | |
|---|---|
| United States | 50.7% |
| Euroland | 27.4% |
| Japan | 5.7% |
| United Kingdom | 3.9% |
| Canada | 3.0% |

### TOP-3 CURRENCY ALLOCATION*

| | |
|---|---|
| U.S. Dollar | 96.5% |
| Euro | 1.5% |
| Australian Dollar | 1.5% |

**All positions relative to 100% U.S. dollar, 0% all other currencies.*

### Market

» December closed the year with global fixed-income markets supported by easing central bank policy and growing confidence that peak policy rates are behind us. Softer growth data and continued disinflation weighed against resilient labor markets and persistent inflation in the services sector, keeping policymakers cautious. Overall, bond markets delivered solid returns for the year, with focus now turning to the pace of economic growth and the timing and scale of further policy easing.

### Outlook

» Our outlook for 2026 can be characterized as cautiously optimistic, though risks are skewed to the downside. The U.S. economy remains central to our global outlook, particularly given the unusual divergence between strong GDP growth and a weakening labor market, an imbalance we do not expect to persist in 2026. We expect U.S. inflation to continue moderating, which, combined with labor market weakness, should allow the Federal Reserve to continue easing policy toward neutral, and potentially beyond. Outside the U.S., most developed economies are likely to remain resilient, supported by benign economic growth, declining inflation, and accommodating, or further easing, monetary policy. Japan stands as an exception, where gradual policy tightening is expected to continue.

» In this environment, we prefer to distribute risk in our portfolios in a more balanced manner across duration and credit. We continue to hold modest overweight positions in higher-quality credit sectors, including investment-grade corporates and select high-quality securitized assets.

» Given the ongoing concerns around economic growth, we favor an overweight to duration, positioning portfolios to benefit from further declines in interest rates. Within this exposure, we prefer intermediate-maturity U.S. Treasuries and select emerging-market sovereign bonds. We are also positioned to benefit if the gap between short-term and long-term interest rates widens, especially in the U.S. and Germany, which we believe could provide some protection in the event of an economic slowdown or if fiscal policies become more expansionary.

» In our currency strategy, we maintain an underweight position in the U.S. dollar, although less pronounced than earlier in 2025. This positioning is expressed against a diversified basket of developed and emerging-market currencies, including the euro, Japanese yen, and Brazilian real.

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 0.02% Acquired Fund Fees and Expenses incurred indirectly by the Fund through its investment in other mutual funds. [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.*