

DECEMBER 31, 2025

**Investment Strategy**

The Payden Global Low Duration Fund seeks to benefit from the opportunities available through broadening the investment universe to include issuers and currencies outside of the U.S. while avoiding the volatility of longer-maturity bond funds. The Fund is primarily comprised of government securities, investment-grade and high-yield corporate bonds, mortgage- and asset-backed securities from U.S. and foreign issuers.

**Fund Highlights**

- » Invests primarily in government securities, investment-grade and high-yield corporate bonds, mortgage- and asset-backed securities from U.S. and foreign issuers.
- » Shorter maturity typically means volatility is less than an intermediate bond fund.
- » Ideal for investors with a short to intermediate time horizon who want exposure to the global investment universe.
- » No loads or 12b-1 fees (other fees apply).

**Performance<sup>A</sup>**

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (09-18-96)
PAYDEN GLOBAL LOW DURATION FUND	5.72%	5.72%	5.50%	2.59%	2.50%	3.44%
ICE BOFA 1-3 YEAR U.S. CORPORATE & GOVERNMENT INDEX	5.32%	5.32%	4.79%	1.97%	2.10%	3.27%

**Calendar-Year Returns**

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
5.72%	5.18%	5.61%	-3.38%	0.17%	3.14%	4.77%	0.58%	1.89%	1.70%

**FUND DESCRIPTION**

CLASS:	Investor
FUND INCEPTION:	Sep 18, 1996
TICKER:	PYGSX
CUSIP:	704329697
TOTAL NET ASSETS:	\$38.5 Million
INVESTMENT MINIMUM: <sup>B</sup>	\$5,000
IRA MINIMUM: <sup>B</sup>	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.451

**FUND STATISTICS**

EFFECTIVE DURATION: <sup>C</sup>	2.2 Years
AVERAGE MATURITY:	2.1 Years
30-DAY SEC YIELD: <sup>D</sup>	4.36%
30-DAY SEC YIELD: <sup>E</sup> (UNSUBSIDIZED)	3.96%

**EXPENSES**

TOTAL FUND OPERATING EXPENSES:	0.85% <sup>F</sup>
WITH EXPENSE CAP:	0.53%

**PORTFOLIO MANAGEMENT**

	Years of Experience
Mary Beth Syal, CFA	40
Nigel Jenkins, ASIP	36
Kerry G. Rapanot, CFA	29
Paul Saint-Pasteur, CFA	18
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](http://payden.com) or call 800 572-9336.*

## Role In Portfolio

Short-Term Global Bond – Appropriate for investors who desire the diversification available from sovereign and corporate debt of global issuers, but want the lower volatility of a short maturity profile.

## 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)

## FOOTNOTES

<sup>A</sup> Returns less than one year are not annualized. <sup>B</sup> 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. <sup>C</sup> Effective duration is a measure of the Fund's price sensitivity to changes in interest rates. <sup>D</sup> 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. <sup>E</sup> Represents a 30-day SEC yield without adjusting for fee waivers or expense reimbursements. <sup>F</sup> Payden & Rygel ("Payden") has contractually agreed that, for so long as it is the investment adviser to the Fund, Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement will not exceed 0.70%. Please note that the 0.70% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. Payden has contractually agreed to further waive its investment advisory fee or reimburse Fund expenses to the extent that the Total Annual Fund Operating Expenses After Further One-Year Fee Waiver or Expense Reimbursement exceed 0.53%. This agreement has a one-year term ending February 28, 2026. Please note that the 0.53% expense level does not include Acquired Fund Fees and Expenses, interest, taxes, and extraordinary expenses. <sup>G</sup> 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](http://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.

## Portfolio Characteristics & Market Commentary

### SECTOR ALLOCATION

Corporates	39%
Government/Gov't Related	23%
Mortgage-Backed	20%
Asset-Backed	15%
Other	3%

### CREDIT ALLOCATION<sup>G</sup>

AAA	33%
AA	23%
A	21%
BBB	15%
BB	3%
Unrated	5%

### TOP-10 COUNTRY ALLOCATION

United States	59.2%
Canada	9.8%
France	4.0%
Netherlands	3.4%
Cayman Islands	2.8%
Supranational	2.2%
Switzerland	2.1%
Germany	1.9%
Spain	1.7%
Sweden	1.3%

## Market

- » The Federal Reserve (Fed) cut rates for the third consecutive time since the summer, lowering the federal funds rate to a range of 3.50%–3.75%. This brings rates 1.75% below their peak reached in July 2023. While the rate cut was widely expected, the outlook for additional easing is less certain. Recent economic data remains clouded by the government shutdown. 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, including a recent increase in the unemployment rate.
- » Securitized and investment-grade corporate markets ended the year on a strong note, with a record amount of new bonds issued across both sectors. Risk premiums, the additional 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 particularly cheap, we remain selective, focusing on capturing income while controlling downside risk. We continue to allocate more of the portfolio to both higher-quality corporate and securitized bonds as we enter the new year. Our duration positioning remains modestly longer than the benchmark, as softening employment and progress toward lower inflation should allow the Fed to cut rates more than current market expectations.