

DECEMBER 31, 2025

Investment Strategy

The Payden Emerging Markets 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 U.S. dollar-denominated, but we also see attractive opportunities in select local markets.

Fund Highlights

- » Primarily sovereign focus - opportunistic exposure in corporates.
- » Managed by Payden & Rygel with over 25 years of experience managing emerging-market portfolios.
- » Local markets expertise - opportunistic exposure to local markets.
- » Pure bond strategy - limited use of credit default swaps or distressed debt.

FUND DESCRIPTION

CLASS:	Adviser
FUND INCEPTION:	Nov 02, 2009
TICKER:	PYEWX
CUSIP:	704329325
TOTAL NET ASSETS:	\$977.7 Million
INVESTMENT MINIMUM: ^B	\$5,000
IRA MINIMUM: ^B	\$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.713

FUND STATISTICS

EFFECTIVE DURATION: ^C	6.7 Years
AVERAGE MATURITY:	10.1 Years
30-DAY SEC YIELD: ^D	6.18%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.99% ^E
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PORTFOLIO MANAGEMENT

Years of Experience

Kristin J. Ceva, PhD, CFA	36
Nigel Jenkins, ASIP	36
Arthur Hovsepian, CFA	30
Zubin V. Kapadia, CFA	21

Performance^A

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11-02-09)
PAYDEN EMERGING MARKETS BOND FUND ADVISER CLASS	14.94%	14.94%	11.44%	2.16%	4.65%	4.93%
J.P. MORGAN EMBI GLOBAL DIVERSIFIED INDEX	14.30%	14.30%	10.59%	1.78%	4.39%	5.21%

Calendar-Year Returns

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
14.94%	7.62%	11.92%	-17.59%	-2.48%	5.90%	16.09%	-7.26%	11.72%	11.17%

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

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 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 and a Rule 12b-1 Distribution Fee of 0.25%. ^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.

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Government/Gov't Related	86%
Corporates	11%
Money Markets	3%

CREDIT ALLOCATION^F

AAA	2%
AA	6%
A	2%
BBB	37%
BB	26%
B	18%
CCC	7%
C	1%
Unrated	1%

TOP-10 COUNTRY ALLOCATION

Mexico	8.7%
Peru	6.5%
Brazil	4.8%
South Africa	4.8%
Nigeria	4.3%
Argentina	4.1%
Egypt	4.1%
Indonesia	3.6%
Saudi Arabia	3.5%
Turkey	3.5%

Market

» Emerging-markets (EM) debt indices finished a strong year on a positive note, extending gains in December. Yields in hard-currency sovereign and corporate credit narrowed by 0.16% and 0.14%, respectively, relative to similar-maturity U.S. Treasuries. Hard-currency sovereigns maintained their outperformance versus corporates, with high-yield-rated issuers continuing to lead the way. Local markets also closed out 2025 with strong performance, as currencies strengthened against the U.S. dollar and interest rates moved modestly lower.

Outlook

» Overall, EM country fundamentals are sound. EM sovereign credit ratings have been on a net upward path for more than two years, a trend that we believe can continue in 2026. EM growth is resilient, inflation is contained, and external accounts are in a healthy position. Over the past year, most EM central banks have been easing monetary policy, although they have been prudent, keeping a gap between policy rates and inflation.

» EM countries vary in their exposure to new U.S. trade barriers, and to date, the economic fallout has been manageable. For EM economies, the combination of lower energy prices, prevalent China exports, and currency appreciation against a weaker U.S. dollar may prove disinflationary. Financial conditions have loosened for EM countries due to strong equity returns and falling interest rates, helping to balance downside growth risks. Assuming global growth remains resilient, easing cycles across many central banks may reach a natural conclusion in 2026.

» Looking ahead, two structural forces work to the benefit of EM debt investors: 1) stronger long-term growth prospects relative to developed markets, and 2) a wide range of investment opportunities across roughly 90 countries, including sovereign, corporate, and local market bonds, spanning all relevant geographies and sectors. In our view, EM debt offers investors useful diversification benefits, while yields are attractive for generating income over time.