PAYDEN ABSOLUTE RETURN BOND FUND ADVISER CLASS (PYABX)

Payden Funds

MARCH 31, 2026

Investment Strategy

The Payden Absolute Return Bond Fund's strategy seeks to have positive absolute returns over the long term, regardless of different market environments. To achieve this goal, the Fund seeks to provide total return, whether through price appreciation, or income, or a combination of both. It seeks opportunities by employing a flexible approach that evaluates security attractiveness globally, both inside and outside the U.S. A special emphasis is placed on risk management seeking to mitigate potential downside.

Fund Highlights

» Seeks to have positive absolute returns over the long term, regardless of different market environments.
» Utilizes all sectors of the fixed-income market.
» Portfolio is structured with relatively low interest rate sensitivity.
» The Fund may not achieve its goals if the economy weakens.

Performance[A]

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (11-30-23)
PAYDEN ABSOLUTE RETURN BOND FUND ADVISER CLASS	-0.74%	3.58%	–	–	–	5.45%
ICE U.S. 1-MONTH TREASURY BILL INDEX	0.88%	4.08%	–	–	–	4.65%

Calendar-Year Returns

2025	2024	2023	2022	2021	2020	2019	2018	2017	2016
5.57%	7.38%	0.61%	–	–	–	–	–	–	–

FUND DESCRIPTION

CLASS:	Adviser
FUND INCEPTION:	Nov 30, 2023
TICKER:	PYABX
CUSIP:	70432T792
TOTAL NET ASSETS:	$608.0 Million
INVESTMENT MINIMUM:[B]	$5,000
IRA MINIMUM:[B]	$2,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	$0.576

FUND STATISTICS

EFFECTIVE DURATION:[C]	2.4 Years
AVERAGE MATURITY:	5.4 Years
30-DAY SEC YIELD:[D]	5.38%
30-DAY SEC YIELD:[E] (UNSUBSIDIZED)	5.31%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	1.03%[F]
WITH EXPENSE CAP:	0.96%

PORTFOLIO MANAGEMENT

	Years of Experience
Brian W. Matthews, CFA	43
Kristin J. Ceva, PhD, CFA	37
Nigel Jenkins, ASIP	37
Eric J. Souders, CFA	20
Alec B. Small, CFA	15

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

Absolute Return – appropriate for investors seeking steady returns, limited downside and reduced correlations with traditional asset classes. Not intended to outperform stocks and bonds during strong market rallies.

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: $169 billion (as of 03/31/26)

Payden Funds

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Emerging Markets	20%
Mortgage-Backed Securities	18%
High Yield	17%
CMBS	16%
Asset-Backed Securities	14%
Bank Loans	12%
Other	3%

CREDIT ALLOCATION[G]

AAA	12%
AA	5%
A	10%
BBB	29%
BB and Below	34%
Unrated	10%

DURATION ALLOCATION

0-1 yr	-14%
1-3 yrs	103%
3-5 yrs	1%
5-7 yrs	11%
7+ yrs	-1%

Market

» In the first quarter of 2026, fixed-income markets were shaped by a combination of resilient but moderating U.S. macroeconomic fundamentals and rising geopolitical uncertainty. Growth remained near trend (~2%) following a strong end to 2025, while a weakening labor market and gradually cooling core inflation pointed to limited upside pressure on underlying inflation. However, escalating tensions in Iran, particularly risks to energy flows through the Strait of Hormuz, introduced episodic volatility and pushed yields higher amid concerns over an energy-driven inflation shock. Despite this, credit risk premiums remained relatively contained and did not meaningfully reprice, even as the broader macroeconomic backdrop became less supportive and pockets of weakness emerged across labor markets and risk assets. The Federal Reserve maintained a cautious stance, holding rates steady as it balanced near-term inflation risks against signs of softening economic momentum.

Outlook

» Looking ahead, the outlook remains highly path-dependent, with energy markets and policy responses likely to be the primary drivers of fixed-income performance. A wide range of outcomes persists: de-escalation could lower yields and support risk assets, while a sustained energy shock could tighten financial conditions and weigh on growth, ultimately leading to lower yields through demand destruction, albeit with near-term volatility. This dynamic creates an asymmetry between rates and credit where duration is positioned to perform across a broader set of scenarios, but credit remains more contingent on a benign growth and inflation backdrop. At the same time, both rates and credit remain vulnerable to a persistent energy-driven inflation shock, where yields and credit risk premiums could come under pressure simultaneously. In this environment, maintaining flexibility, incremental positioning, and valuation discipline remains critical, as markets have yet to fully price the range of potential outcomes.

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] Represents a 30-day SEC yield without adjusting for fee waivers or expense reimbursements. [F] 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 0.70%. This agreement has a one-year term ending February 28, 2027. Please note that the 0.96% Expense Cap includes the 0.70% expense, the 0.25% 12b-1 Distribution Fees, and the 0.01% Acquired Fund Fees and Expenses. [G] 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. If a security is unrated by Moody's, S&P, and Fitch, then we use the rating from other nationally recognized statistical ratings organizations (NRSROs).

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. The Payden Funds are distributed through Payden & Rygel Distributors, member FINRA.

Foreign Securities Risk: 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. High-Yield Securities Risk: Investment 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.