

MARCH 31, 2024

Investment Strategy

The Payden High Income Fund invests in corporate high-yield bonds, which provide a premium to U.S. Treasury bonds. The fund generally invests in the higher-quality segment of the market and looks for companies with good growth prospects, superior and defensible products and strong management teams.

Fund Highlights

- » Primary focus on the upper tier (BB or B rated) of the global high-yield bond market.^A
- » Potential for both income and capital appreciation.
- » The value of an investment will generally fall when interest rates rise.

Performance^B

MONTHLY	YTD	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (12-30-97)
PAYDEN HIGH INCOME FUND	1.89%	12.85%	3.48%	5.44%	4.74%	5.45%
ICE BOFA BB-B US CASH PAY HIGH YIELD CONSTRAINED INDEX	1.30%	10.11%	2.06%	3.97%	4.35%	5.97%

Calendar-Year Returns

2023	2022	2021	2020	2019	2018	2017	2016	2015	2014
14.71%	-9.76%	6.62%	7.38%	16.75%	-2.85%	6.53%	10.61%	-1.54%	2.86%

FUND DESCRIPTION

CLASS:	Investor
FUND INCEPTION:	Dec 30, 1997
TICKER:	PYHRX
CUSIP:	704329572
TOTAL NET ASSETS:	\$741.7 Million
INVESTMENT MINIMUM: ^C	\$100,000
IRA MINIMUM: ^C	\$100,000
DIVIDENDS PAID:	Monthly
DIVIDENDS (LAST 12 MOS):	\$0.427

FUND STATISTICS

EFFECTIVE DURATION: ^D	3.3 Years
AVERAGE MATURITY:	5.7 Years
30-DAY SEC YIELD:	6.62%
30-DAY SEC YIELD: (UNSUBSIDIZED)	6.63%

EXPENSES

TOTAL FUND OPERATING EXPENSES:	0.60% ^E
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PORTFOLIO MANAGEMENT

	Years of Experience
Natalie N. Trevithick, CFA	27
Timothy J. Crawmer, CFA	25
Alfred Giles III, CFA	23
Jordan H. Lopez, CFA	20
Nicholas Burns III, CFA	13

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

High-Yield Bond – Appropriate for investors who seek higher yields and diversification in the growing \$2 trillion high-yield bond market.

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: \$162 billion
(as of 03/31/24)

Portfolio Characteristics & Market Commentary

SECTOR ALLOCATION

Consumer Cyclical	16%
Energy	15%
Financials	15%
Consumer Non-Cyclical	11%
Communications	11%
Loans	7%
Industrials	6%
Cash	5%
Utilities	4%
Basic Materials	4%
Other	4%
Technology	2%

CREDIT ALLOCATION^A

AAA	5%
BBB	5%
BB	57%
B	24%
CCC	6%
Unrated	3%

TOP-10 HOLDINGS

Altice SA	0.6%
Fannie Mae-CAS Floater	0.6%
GGAM Finance Ltd	0.6%
Global Marine	0.6%
NextEra Energy Capital	0.6%
Tenneco	0.6%
Tullow Oil	0.6%
Valaris	0.6%
Verde Purchaser LLC	0.6%
IHO Verwaltungs	0.6%

Market

- » High yield posted a positive return during the first quarter as coupon income and lower spreads (i.e., the difference in yield between bonds and comparable maturity U.S. Treasuries) offset the impact of higher rates.
- » The ICE BofA BB-B US Cash Pay High Yield Constrained Index returned +1.3% during the quarter. Double BB-rated bonds returned +1.2%, single B-rated bonds returned +1.5%, and triple CCC-rated bonds returned +3.1%.
- » New issuance was \$88 billion (\$15 billion net of refinancing) in the first quarter, the largest one-quarter volume since the third quarter of 2021.
- » High-yield mutual fund and exchange-traded funds (ETF) flows were \$2.7 billion during the month.

Outlook

- » The fundamental outlook for high yield continues to improve as growth remains robust and earnings remain resilient.
- » Capital markets were active for high-yield companies as the first quarter saw the most new issue activity for any quarter since 2021, which enabled issuers to refinance and extend their maturity runways.
- » While data in aggregate has been positive, quality dispersion is accelerating. Active management is crucial in the current environment.

Payden Funds

FOOTNOTES

^A 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 lowest rating of Moody's, S&P, and Fitch. ^B Returns less than one year are not annualized. ^C The minimum initial investment may be modified for certain financial intermediaries that submit trades on behalf of underlying investors. Payden Fund's distributor may lower or waive the minimum initial investment for certain categories of investors at their discretion. ^D Effective duration is a measure of the Fund's price sensitivity to changes in interest rates. ^E 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.

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. 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.