

PAYDEN/KRAVITZ CASH BALANCE PLAN FUND

APRIL 30, 2012

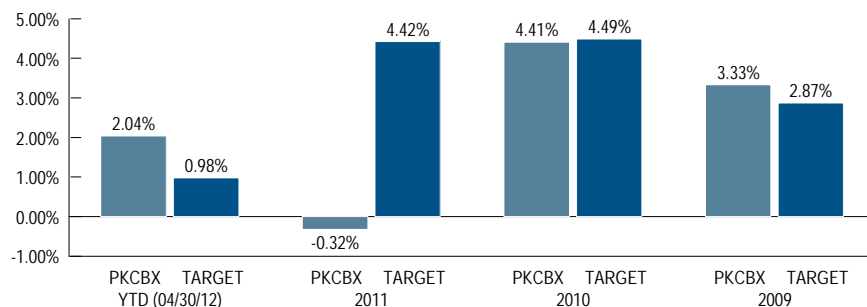
INVESTMENT STRATEGY

The Payden/Kravitz Cash Balance Plan Fund primarily invests in corporate, mortgage, and emerging-market debt along with other cash-flow oriented securities. These holdings are complemented by securities positioned to take advantage of broader industry, interest rate and currency views. The fund maintains a diversified basket of over 100 market-leading and well-valued issuers. The interest rate duration of the portfolio is managed with the use of futures contracts to limit exposure to yield curve fluctuations.

TOTAL RETURNS^A

Adviser Share Class							2012 Target Rate ^B
As Of Date	Ticker	Year To Date	1 Year	5 Year	10 Year	Since Inception	
04/30/12	PKCBX	2.04%	-0.18%	N/A	N/A	3.04%	2.98%
03/31/12	PKCBX	1.65%	0.19%	N/A	N/A	3.00%	

CALENDAR-YEAR RETURNS



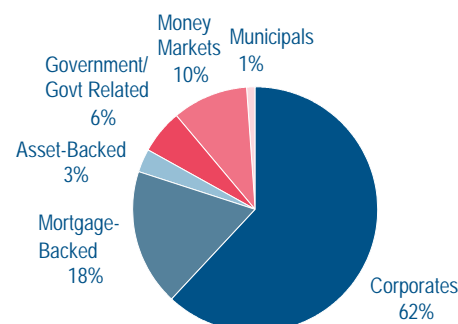
MARKET UPDATE AND OUTLOOK

Markets were up and down through the month of April. In the US, with the Federal Reserve (Fed) still on hold, less than desirable labor market indicators and a slower-than-expected GDP number tempered market optimism. In Europe, doubts flared once again. High unemployment, region-wide credit shortages, and elevated borrowing costs in the periphery continued to pose major macro headwinds for the euro area. Additionally, a disappointing GDP print for the UK signaled that the British were headed for their first "double-dip" recession since 1975. In general, global government bond yields drifted lower in April, as equity markets in the US outperformed their European counterparts.

We expect the US economy to expand at a 2% annual rate in the first half of 2012. However, this below-trend growth will keep the unemployment rate hovering around 9% over the next 6-12 months. As a result, we do not foresee interest rate hikes from the Federal Reserve until 2013, at the earliest. This implies front-end rates will remain low until more progress is made on the job creation front. In this environment, longer-term Treasury rates will also remain low and only rise gradually as economic growth gains traction. This slow-to-moderate economic growth, low-inflation scenario is still favorable for an array of fixed-income sectors that offer a "pick up" in additional yield over US Treasuries.

Investments in corporate, mortgage and emerging credit which seek to benefit from yield premium and potential spread tightening are balanced with high-quality assets such as government securities. We also look for opportunities to add value via tactical rates and currency positioning should a volatile but range-bound environment persist.

SECTOR ALLOCATION



EXPENSES^C

Management Fee	1.10%
Other Expenses	0.15%
Distribution (Rule 12b-1)	0.25%
Total Annual Fund Operating Expenses	1.50%

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.

INVESTMENT MANAGER

Payden/Kravitz is a joint venture between Payden & Rygel and Kravitz Investment Services. Kravitz is one of the nation's largest independent firms focusing on the design and administration of Cash Balance Plans.

Payden & Rygel has served the needs of institutional and individual investors for over a quarter century. We offer a full array of investment strategies and products, including equity, fixed-income and balanced portfolios as well as open-end mutual funds and offshore funds, to a varied client base around the world. While we have grown and expanded considerably since our inception, we remain committed to our mission of providing customized investment management services that focus on each client's specific needs and objectives.



SHARE CLASS	ADVISER
Ticker	PKCBX
Inception Date	09/22/08
Investment Minimum ^D	\$25,000
IRA Minimum ^D	\$25,000
Total Net Assets (all share classes)	\$110.9 million
Dividends Paid	Annually
Dividends (last 12 months)	\$0.216
PORTFOLIO ANALYTICS	
Interest Rate Duration ^E	3.0 years
Credit Spread Duration ^F	3.4 years
30-Day SEC Yield (04/30/12)	1.69%
30-Day SEC Yield (unsubsidized)	1.43%

PORTFOLIO TEAM

Brian W. Matthews, CFA
1986 – Joined Payden & Rygel

Brian Matthews is a managing principal and the chief financial officer at Payden & Rygel, with 29 years of investment experience. He is a member of the Executive Committee of the board of directors and the firm's Investment Policy Committee. He also serves as a senior portfolio manager.

Scott J. Weiner, Ph.D.
1993 – Joined Payden & Rygel

Scott Weiner is a managing principal at Payden & Rygel, with 27 years of investment experience. He is member of the Executive Committee of the board of directors and the firm's Investment Policy Committee. He also serves as a senior portfolio manager.

Daniel Kravitz
2004 - Joined Kravitz, Inc.

Daniel Kravitz is president of Kravitz and its affiliate Kravitz, Inc., with 17 years of experience in the retirement plan business. Kravitz is also the owner of Cash Balance Online, Inc. He is a specialist in retirement plan design, having successfully revised many programs to include a Cash Balance Plan.

FOOTNOTES

^A Returns less than one year are not annualized. ^B The 30-year Treasuries Securities Interest Rate as defined by the IRS. See <http://www.federalreserve.gov/Releases/H15/Current/h15.pdf>. ^C The Adviser has contractually agreed, with respect to the fund's Adviser Class, that the Total Annual Fund Operating Expenses (excluding interest and expenses but including Rule 12b-1 fees) will not exceed 1.50%. ^D The minimum initial investment may be modified for certain financial intermediaries that submit trades on behalf of underlying investors. Paydenfund's distributor may lower or waive the minimum initial investment for certain categories of investors at their discretion. ^E Interest rate duration is a measure of the fund's price sensitivity to changes in interest rates. ^F Credit spread duration is a measure of the fund's price sensitivity to changes in yield differences between non-government bonds and US Treasuries.

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