

PAYDEN US GROWTH LEADERS FUND

MARCH 31, 2011

STOCK
GLOBAL BOND
US BOND
TAX-EXEMPT BOND

FUND HIGHLIGHTS

- » Provides exposure to industry-leading companies
- » Potential for capital gains
- » Focus on companies with highest earnings growth
- » Seasoned portfolio management team

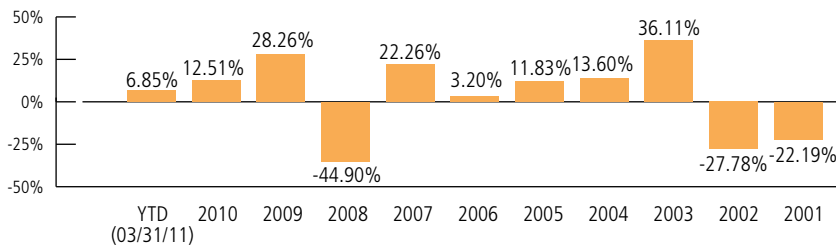
INVESTMENT STRATEGY

The Payden US Growth Leaders Fund invests in a diversified portfolio of domestic large-capitalization growth stocks that offer an opportunity for long-term capital price appreciation. These stocks generally have long-term earnings growth rates higher than that of the overall stock market. The fund may also invest in American Depository Receipts (ADRs) with similar characteristics.

ANNUALIZED TOTAL RETURNS TRAILING (as of 03/31/11)

	Last Quarter ^A	1 Year	5 Year	10 Year	Since Inception
PUGLX	6.85%	16.91%	0.24%	2.88%	0.06%

CALENDAR-YEAR TOTAL RETURNS



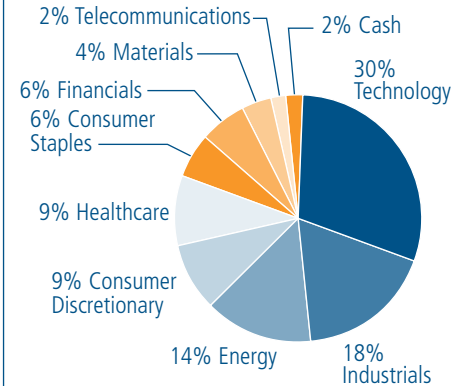
MARKET UPDATE & OUTLOOK

In March, global events trumped economic data as the primary market movers. Political upheaval across much of the Middle East and North Africa caused a spike in oil prices on supply shortage concerns. Higher oil prices fanned inflation concerns and put upward pressure on Treasury yields. However, countervailing pressure came from the Japanese earthquake, tsunami and nuclear crises, which sparked worries about a slowdown in global growth and prompted a sell-off in global equities and a flight into US Treasury bonds. Following the quake, the yen appreciated to a 15-year high, threatening to further harm the Japanese economy. This prompted a rare international currency intervention by the G7 countries.

Global economic growth will slow to 4% in 2011 from 5% in 2010. While the emerging economies will continue to outpace the developed ones, they are also further along in the economic cycle, facing inflation worries and monetary policy tightening. Meanwhile, growth in the developed economies is just gaining traction, so monetary policy should merely normalize rather than tighten aggressively in 2011. This, coupled with the fact that strong corporate earnings should continue to be robust as unit labor costs remain low, may make developed markets attractive. However, this story differs by region: the US should outperform both the UK and the euro area on growth and inflation fundamentals.

In this environment, equities look attractive on a fundamental and valuation basis. Strong corporate profitability and record corporate cash balances should continue to support higher equity prices. We favor the industrials and technology sectors as companies from those sectors should benefit the most from the global economic recovery.

SECTOR ALLOCATION



TOP-10 STOCK HOLDINGS

Company	Percentage
Exxon Mobil Corp.	5.2%
Apple	4.9%
Oracle Corp.	2.8%
Stericycle Inc.	2.7%
Cisco Systems Inc.	2.4%
BlackRock Inc.	2.7%
EMC Corp.	2.2%
Devon Energy Corp.	2.2%
Cognizant Technology Solutions	2.1%
Philip Morris International Inc.	2.1%

Total Operating Fund Expenses 1.00%

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 web site at payden.com or call 800 572-9336.

ROLE IN PORTFOLIO

Large-cap growth— Appropriate for equity investors who want exposure to large-capitalization stocks that offer an opportunity for long-term growth.

MANAGER OVERVIEW

INVESTMENT MANAGER

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.

Headquarters: Los Angeles

Founded: 1983

Assets Under Management: \$56 billion
(as of 03/31/10)



SHARE CLASS	INVESTOR
Ticker	PUGLX
Inception Date	06/17/99
Investment Minimum ^B	\$5,000
IRA Minimum ^B	\$2,000
30-Day Redemption Fee ^C	2.00%
Total Net Assets	\$47.33 million
Dividends Paid	Semi-annually
Dividends (last 12 months)	\$0.035
PORTFOLIO ANALYTICS	
Beta (to S&P 500)	1.0x
Weighted Average Market Cap	\$92.72 billion
Price-To-Book	3.2x
Price-To-Cash-Flow	12.8x
Price-To-Earnings (forward)	15.5x

PORTFOLIO MANAGERS



James T. Wong, CFA
Principal
Portfolio Manager
18 Years of Investment Experience



Frank J. Lee, CFA
Vice President
Portfolio Manager
13 Years of Investment Experience

FOOTNOTES

^A Not Annualized ^B 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. ^C Investments less than one month.

For more information and to obtain a 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 this document. The Paydenfunds are distributed through Payden & Rygel Distributors, member FINRA.