

FUND HIGHLIGHTS

- » Seeks to provide current income and equity market participation through a variety of stocks, sectors and security types such as common and preferred stocks, master limited partnerships (MLPs) and real estate investment trusts (REITs)
- » Expects a large component of the total return to come from dividends
- » Seeks to achieve lower volatility and better risk-adjusted returns than competitors and the broad market^A
- » Fund price may fall when the US stock market declines

INVESTMENT STRATEGY

The fund invests primarily in large-capitalization common stocks with above-average dividend yields and other income-producing securities such as preferred stocks, master limited partnerships and real estate investment trusts. The fund focuses on companies that have strong fundamentals and are expected to achieve positive earnings and dividend growth.

TOTAL RETURNS^B

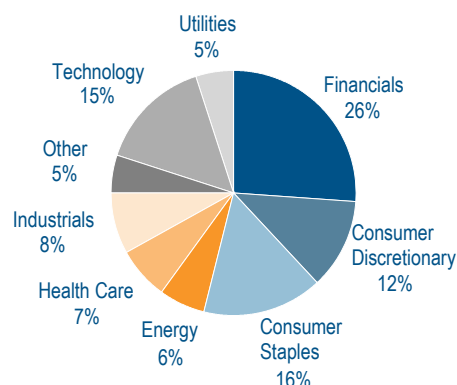
As Of Date	Ticker	Year To Date	1 Year	5 Year	10 Year	Since Inception
12/31/15	PYVLX (Investor)	1.75%	1.75%	12.43%	5.92%	6.04%
12/31/15	PYVAX (Adviser)	1.49%	1.49%	N/A	N/A	12.41%

MARKET

- » US large-cap stocks ended 2015 relatively unchanged as the highly anticipated Federal (Fed) rate hike in December, the first in nearly a decade, was a non-event for the stock market.
- » Market volatility, on average, was higher this year than prior years due to the turmoil seen in China and the deterioration in commodity prices.
- » On a sector level, consumer discretionary stocks were the best performers for the year, led by the mega cap names such as Amazon.com and Home Depot. Conversely, energy stocks were the worst performers for 2015, reflecting the weakness in crude oil prices.
- » Security type performance was mixed for the year with preferred stocks and real estate investment trusts posted small gains, while high-dividend common stocks and master limited partnerships posted negative returns.

OUTLOOK

- » We maintain a positive outlook on equity markets based on moderate economic growth of 2-3% and continued low interest rates in 2016.
- » Corporate earnings growth is facing headwinds from a stronger US dollar and lower oil prices, but should remain positive.
- » Dividends should be intact. Stable corporate profits and record amounts of cash on balance sheets should support increased dividend payouts.
- » We favor areas that provide both above-average dividend yields and high dividend growth, such as the technology and financial sectors.

SECTOR ALLOCATION

SECURITY TYPE ALLOCATION

	Percentage
Common Stock	83.0%
REIT	8.0%
Preferred Stock	6.0%
Master Limited Partnerships	3.0%

TOP-10 STOCK HOLDINGS

Company	Percentage
Altria Group	3.3%
Lockheed Martin	3.2%
JPMorgan Chase	3.0%
Wells Fargo	2.9%
General Electric	2.8%
Six Flags Entertainment	2.7%
Pfizer	2.6%
McDonald's	2.6%
Paychex	2.5%
Public Storage	2.5%

Investor Share Class	
Total Operating Fund Expenses	0.83% ^C
Expenses Cap	0.80%
Adviser Share Class	
Total Operating Fund Expenses	1.08% ^D
Expenses Cap	0.80%
PLEASE SEE FOOTNOTE ON REVERSE	

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

Large-Capitalization Value – Appropriate for conservative equity investors who seek current income and moderate exposure to equity markets.

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

Assets Under Management: \$95 billion

(as of 12/31/15)

Founded: 1983

PORTFOLIO TEAM

James T. Wong, CFA

Managing Principal

1995 - Joined Payden & Rygel

Frank J. Lee, CFA

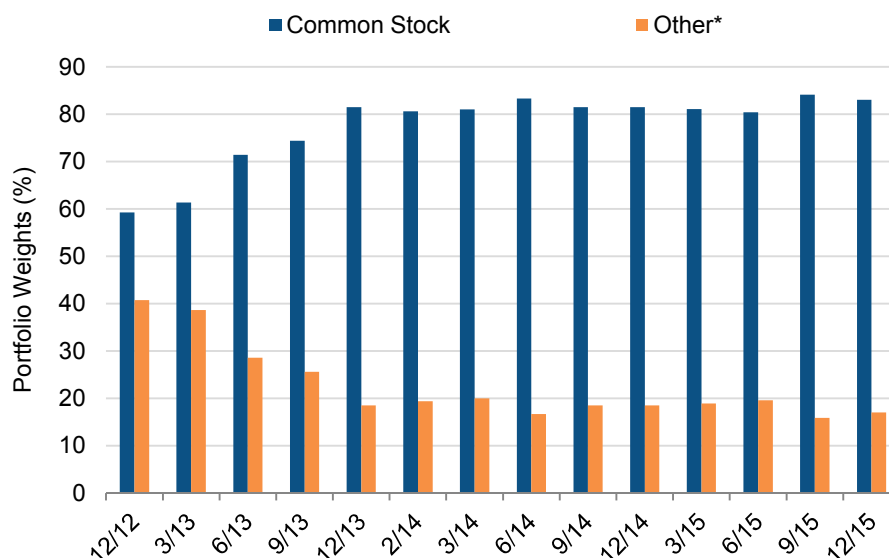
Senior Vice President

2004 - Joined Payden & Rygel



SHARE CLASS	INVESTOR	ADVISER
Ticker	PYVLX	PYVAX
Inception Date	11/01/96	12/01/11
Investment Minimum ^E	\$100,000	\$5,000
IRA Minimum ^E	\$100,000	\$2,000
Total Net Assets	\$277.3 million	\$4.6 million
Dividends Paid	Quarterly	Quarterly
Dividends (last 12 months)	\$0.345	\$0.310
PORTFOLIO ANALYTICS		
Beta (to S&P 500) ^F	0.8x	0.8x
Price-To-Book Ratio ^G	2.8x ^K	2.8x ^K
Price-To-Cash-Flow Ratio ^H	11.3x ^K	11.3x ^K
Price-To-Earnings Ratio (forward) ^I	16.9x ^K	16.9x ^K
Weighted Average Market Capitalization ^J	\$104.8 billion	\$104.8 billion

SECURITY TYPE WEIGHTINGS



*REITs, MLPs and Preferred Stocks

FOOTNOTES

^A A risk-adjusted return measures the amount of total return per unit of risk. ^B Returns less than one year are not annualized. ^C Payden & Rygel has contractually agreed that for so long as it is the investment adviser to the fund, the Total Annual Fund Operating Expenses After Fee Waiver or Expense Reimbursement (excluding interest and taxes) will not exceed 0.80%. ^D Total Annual Fund Operating Expenses include all direct operating expenses of the fund and a Rule 12b-1 Distribution Fee of 0.25%. Payden & Rygel has contractually agreed that for so long as it is the investment adviser to the fund, the Total Annual Fund Operating Expenses (excluding 12b-1 Distribution Fees, Acquired Fund Fees and Expenses, interest and taxes) will not exceed 0.80%. ^E 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. ^F Beta is a measure of sensitivity of a portfolio's movement versus that of the overall market. ^G Price-to-book is the current stock price divided by the book (net asset) value per share. ^H Price-to-cash-flow is the current stock price divided by the trailing 12-month cash flow per share. ^I Price-to-earnings is a stock's current price divided by next year's expected earnings per share. ^J Weighted average market capitalization is the market capitalization (number of outstanding shares multiplied by the current share price) of each holding weighted by its percentage allocated within the portfolio. ^K Multiples represent the common stock portion of the fund only and exclude preferred stock, real estate investment trusts and master limited partnerships.

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 Paydenfunds are distributed through Payden & Rygel Distributors, member FINRA.