

Payden Global Income Opportunities Fund

February 2025

Fund Overview

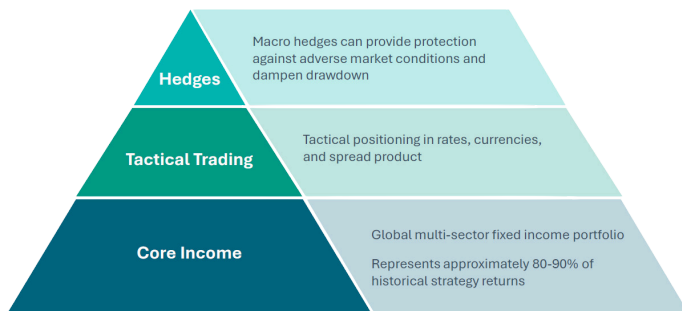
INVESTMENT PHILOSOPHY

- Produce Positive Returns** Staying true to the basic definition of “Absolute Return”, our strategy aims to produce positive returns with a performance objective of +2.5% above the benchmark over the medium term.
- Protect Downside Risk** Before we consider the direction of markets or the value opportunities that are presented, our first responsibility is to protect an investor’s principal against the potential for loss. Risk management is paramount.
- Capture “Smart” Yield** Benefitting from more than 36 years in fixed income management, the foundation of our strategy is a low duration fixed income portfolio where risk premia from global interest rate curves and credit markets provide dependable and repeatable returns.

INVESTMENT APPROACH

The Fund is managed using the Payden Absolute Return Investing – or PARI – strategy; the process focuses on constructing the portfolio from a top down view and emphasises income generation in its core positions.

Payden’s investment approach focuses on three areas:

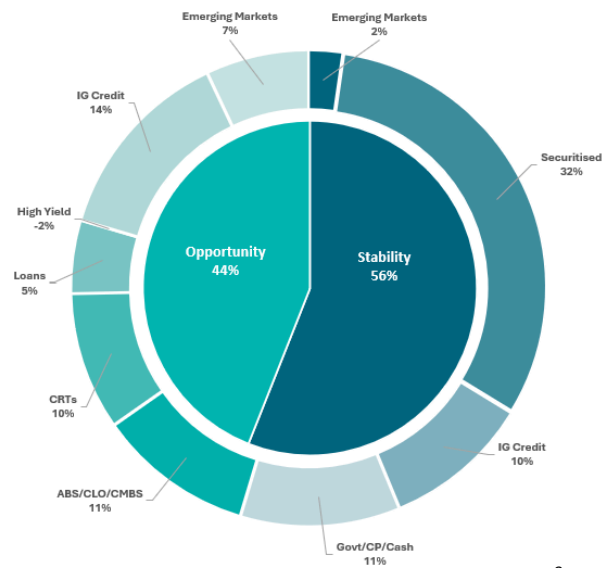


Fund Characteristics

SUMMARY DATA

Number of positions	216
Average rating	BAA1
Current Yield	5.58%
Duration	1.49
Spread Duration	2.75
Yield to Maturity	5.16%

SECTOR ALLOCATION



Source: Payden & Rygel

REGIONAL ALLOCATION

MidEast/Africa	2.5%
Asia/Oceania	1.4%
Europe	13.9%
Latin America	3.3%
North America	78.8%

Performance

as at 28 February 2025

	1 month %	3 months %	1 year %	3 years %	5 years % pa	7 years % pa	10 years % pa	Since Inception % pa
Fund ²	0.50	1.64	5.22	2.86	1.48	1.96	2.43	2.81
Benchmark ³	0.34	1.10	4.48	3.44	2.10	1.97	1.98	2.15
Value Added	0.16	0.54	0.74	(0.58)	(0.62)	(0.01)	0.45	0.66

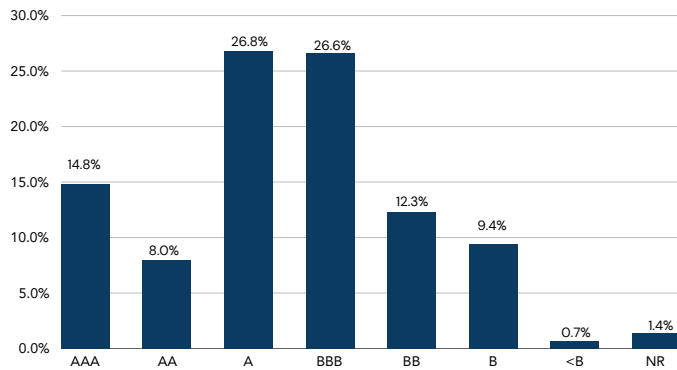
1. Inception date: 18 September 2012

2. Fund returns are calculated net of management fees and assuming all distributions are reinvested

3. Bloomberg AusBond Bank Bill Index

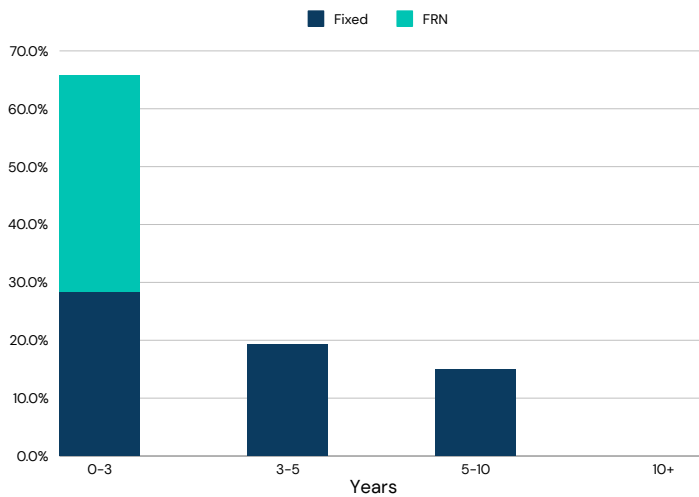
Past performance is not a guide to future performance

RATING



Source: Payden & Rygel

DURATION



Source: Payden & Rygel

Performance

Against this backdrop, Fund performance was positive for the month, largely driven by rate-sensitive asset classes such as investment-grade credit and emerging market debt. Meanwhile, securitized products, though less sensitive to rate movements, still generated positive returns, primarily through carry (income). With elevated growth expectations, extended asset prices, and an uncertain policy environment, the team maintained a measured approach to risk. Credit exposure was modestly reduced relative to the end of 2024, with additional downside protection added via CDX HY in February. On the rates side, the Fund adjusted portfolio duration to 1.5 years, primarily by trimming exposure at the front end of the yield curve (2-year KRDs), while maintaining the existing short position in the long end (10+ year KRDs).

Outlook

Going forward, we are sceptical that rates can substantially fall without risk assets responding in spades. Valuation concerns remain central to positioning, with risk assets appearing more vulnerable to the trade-off between disinflation and slower growth. In this environment, the team favours measured adjustments over aggressive shifts, maintaining a cautious stance on credit while looking for opportunities in duration exposure as monetary and fiscal policy trajectories become clearer. Moving forward, positioning will be guided by incoming data, Fed policy direction, and the evolving stance of the new administration, particularly as it relates to deficit reduction and financial conditions.

Manager Commentary

U.S. Treasury yields declined in February, with the 10-year yield falling from 4.5% to 4.2%, as investors shifted focus from persistent inflation to rising economic risks. Concerns over trade policy uncertainty, federal spending cuts, and government employee layoffs drove demand for Treasuries, despite a higher-than-expected 0.3% rise in core PCE for January (2.8% YoY). The Fed held rates steady, maintaining a cautious stance as markets debated the timing of potential cuts later in 2025. Amid this uncertainty, credit spreads widened across both investment-grade and high-yield sectors, reflecting a shift toward safer assets.

FUND DISCLOSURE

The Fund has certain regular reporting and continuous disclosure obligations pursuant to the Corporations Act. All continuous disclosure notices are available at gsfm.com.au.

See gsfm.com.au for more information about the Payden Global Income Opportunities Fund.

FUND FACTS

INVESTMENT MANAGER Payden & Rygel	RESPONSIBLE ENTITY GSFM Responsible Entity Services Limited
MFUND CODE GSFO8	APIR CODE GSFOO8AU
DISTRIBUTIONS Quarterly	MANAGEMENT FEE 0.70% P.A.
INCEPTION DATE 18 September 2012	BUY / SELL SPREAD Buy +0.10% / Sell -0.10%

Important Information

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GSFM Responsible Entity Services Pty Limited ABN 48 129 256 104 AFSL 321517 (GRES) is the responsible entity of the Payden Global Income Opportunities Fund ARSN 130 353 310 (Fund) and is the issuer of this information. This information has been prepared without taking account of the objectives, financial situation or needs of individuals. Before making an investment decision in relation to the Fund, investors should consider the appropriateness of this information, having regard to their own objectives, financial situation and needs and read and consider the product disclosure statement for the Fund (PDS) and the Additional Information to the Product Disclosure Statement which can be obtained from www.gsfm.com.au or by calling 1300 133 451.

GSFM Responsible Entity Services has produced a Target Market Determination (TMD) in relation to the Payden Global Income Opportunities Fund. The TMD sets out the class of persons who comprise the target market for the Payden Global Income Opportunities Fund and is available at www.gsfm.com.au

Past performance information given in this document is given for illustrative purposes only and should not be relied upon as (and is not) an indication of future performance. None of GRES, its related bodies or associates nor any other person guarantees the repayment of capital or the performance of the Fund or any particular returns from the Fund. No representation or warranty is made concerning the accuracy of any data contained in this document. This document is issued on 11 March 2025.