



## Is there a right time to invest?

Nervous about investing in today's markets? Interested in a strategy to alleviate emotional investing?

### Dunham's potential solution to help take the emotion out of investing

We believe that using 2 Dunham Funds and Dollar Cost Averaging is a prudent investment strategy when market uncertainty is high.

Dollar Cost Averaging is simply investing equal dollar amounts at fixed intervals regardless of share price. Typically, more shares are purchased when prices are low and fewer shares are purchased when prices rise therefore; investors automatically "buy low," stay disciplined and can potentially take advantage of market upswings.

**First:** Consider Two Dunham Funds, Dunham Monthly Distribution Fund and Dunham Appreciation and Income Fund

**Second:** Place Assets into the Dunham Monthly Distribution Fund

**Third:** Each Month, Dollar Cost Average into the Dunham Appreciation & Income Fund

### Potential benefits of dollar cost averaging for investors fearful of the current market

MARKET MOVES UP	MARKET MOVES DOWN	INVESTOR COMFORTABLE WITH MARKET
 Invested in market buying shares & participating in market	 Potentially buying more shares with each invested dollar & Invested for potential market upswing	Option to move assets into fully diversified asset allocation strategy

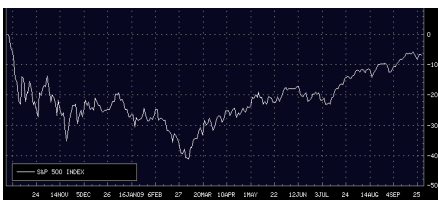


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## Hypothetical Look at Performance

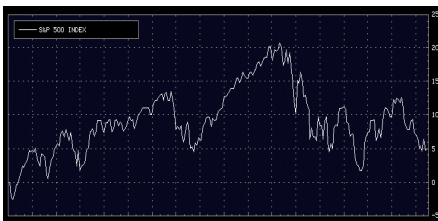
The graphs below show how the Dunham Monthly Distribution Fund (DNMDX) and Dunham Appreciation & Income Fund (DNAIX) N shares have historically performed in a variety of 12-month up and down market cycles. Examples are based on dollar cost averaging \$50,000 per month from the Dunham Monthly Distribution Fund into the Dunham Appreciation & Income Fund.

Market Going Down, Then Up  
October 31, 2008 – September 30, 2009\*



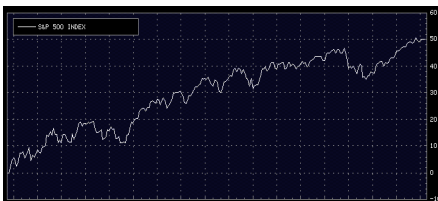
	MONTHLY DISTRIBUTION FUND BALANCE	APPRECIATION & INCOME FUND BALANCE	TOTAL BALANCE	DOLLAR COST AVERAGE RETURN FOR THREE MONTH PERIOD	S&P RETURN FOR THREE MONTH PERIOD
10/31/2008	\$600,000**	\$0	\$600,000		
12/31/2008	\$408,404	\$154,021	\$562,425	-6.26%	-21.94%
3/31/2009	\$256,572	\$309,493	\$566,066	0.65%	-11.01%
6/30/2009	\$115,783	\$505,391	\$621,174	9.74%	15.93%
9/30/2009	\$0***	\$704,004	\$704,004	13.33%	15.60%
Total Return				17.33%****	-6.91%

Market Going Up, Then Down  
August 31, 2009 - August 31, 2010\*



	MONTHLY DISTRIBUTION FUND BALANCE	APPRECIATION & INCOME FUND BALANCE	TOTAL BALANCE	DOLLAR COST AVERAGE RETURN FOR THREE MONTH PERIOD	S&P RETURN FOR THREE MONTH PERIOD
8/31/2009	\$600,000**	\$0	\$600,000		
11/30/2009	\$458,438	\$154,053	\$612,491	2.08%	7.91%
2/26/2010	\$317,777	\$304,606	\$622,383	1.62%	1.30%
5/28/2010	\$167,386	\$437,674	\$605,060	-2.78%	-0.89%
8/31/2010	\$24,268	\$593,234	\$617,502	2.06%	-3.17%
Total Return				2.92%****	4.90%

Market Generally Up  
March 31, 2009 – March 31, 2010\*



	MONTHLY DISTRIBUTION FUND BALANCE	APPRECIATION & INCOME FUND BALANCE	TOTAL BALANCE	DOLLAR COST AVERAGE RETURN FOR THREE MONTH PERIOD	S&P RETURN FOR THREE MONTH PERIOD
3/31/2009	\$600,000**	\$0	\$600,000		
6/30/2009	\$472,706	\$152,913	\$625,619	4.27%	15.93%
9/30/2009	\$336,245	\$331,962	\$668,207	6.81%	15.60%
12/31/2009	\$189,435	\$507,451	\$696,886	4.29%	6.04%
3/31/2010	\$41,802	\$672,159	\$713,961	2.45%	5.37%
Total Return				18.99%****	49.73%

\*Source: Bloomberg Finance \*\*\$600,000 initial investment reflects an example amount only. \*\*\*Sample Dollar Cost Averaging cycle complete.

PERFORMANCE 9/30/2017	PREVIOUS 3 MONTHS	1 YEAR	3 YEAR	5 YEAR	SINCE INCEPTION (09/29/08)	GROSS EXPENSE RATIO	NET EXPENSE RATIO <sup>1,2</sup>
DNMDX	1.51%	6.12%	1.85%	3.37%	3.73%	2.23%	1.62%

PERFORMANCE 9/30/2017	PREVIOUS 3 MONTHS	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION (12/10/04)	GROSS EXPENSE RATIO*
DNAIX	4.44%	5.12%	1.36%	5.28%	3.60%	5.18%	1.38%



**DUNHAM**

World-Class Trust & Investment Firm

# Dollar Cost Averaging

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## Disclosure

Investors should consider the investment objectives, risk factors, charges, and expenses of the Dunham Funds carefully before investing. This and other important information is contained in the Fund's summary prospectus and/or prospectus, which may be obtained by calling (800) 442-4358. Please read prospectus materials carefully before investing or sending money. Investing involves risk, including possible loss of principal.

Performance figures shown for N-share class only. Past performance is not indicative of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Performance may vary for other share classes. The Fund's performance is subject to change since quarter's end and may be lower or higher than the performance data shown. Please call (800) 442-4358 or log on to [www.dunham.com](http://www.dunham.com) to obtain changes to the Fund, if any, as well as performance data current to the most recent month end.

The Dunham Monthly Distribution Fund is subject to Principal Investment Risks including: Call or Redemption Risk, Credit Risk, Derivatives Risk, Distribution Policy Risk, Interest Rate Risk, Leveraging Risk, Liquidity Risk, Management Risk, Merger and Event-Driven Risk, Non-Diversification Risk, Portfolio Turnover, Purchasing Put Options, Selling (Writing) Covered Call Options Risk, Short-Selling Risk, Small and Medium Capitalization Risk, Stock Market Risk, and Tax Consequences Risk. For more information about these risks please request and read a prospectus and consult your financial professional before investing. COVERED OPTION WRITING AND EQUITY OWNERSHIP INVOLVES RISK.

The Fund may make distributions that are treated as a return of capital. In the past, there have been times when a portion of the Fund's monthly distribution included a return of capital. Return of capital, while providing cash flow to investors does not represent income or gains earned by the Fund but rather that the Fund returned a portion of the Shareholders investment. There is no guarantee that the investment objective will be met or the 12 monthly distributions will be paid.

<sup>1</sup>Expense Ratios reflect those in Dunham's most recent Prospectus. <sup>2</sup>Reflects net expense ratio excluding dividends and borrowing on short sales.

**Not FDIC Insured | May Lose Value/Not a Deposit/No Bank Guarantee | Not Insured by any Federal Government Agency**