



Investment Objective

The Fund seeks to maximize total return from capital appreciation and dividends. The Sub-Adviser's objective is to outperform the MSCI All Country World ex USA Index (Net) through investments in publicly traded equity securities that are traded on U.S. and foreign exchanges, over-the-counter markets and by directly purchasing securities of foreign issuers.

Sub-Adviser Background

Arrowstreet Capital, Limited Partnership (Arrowstreet) was founded in June 1999 as an independent private partnership that serves as a discretionary institutional global asset manager. Headquartered in Boston, MA, the firm is structured as a limited partnership that is wholly-owned and controlled by members of the firm's senior management team and non-executive directors. Arrowstreet has been a registered investment adviser with the SEC under the U.S. Investment Advisers Act of 1940, as amended, since July 1999.

N-SHARE Fund Performance As of 7/31/2022

Quarter: -4.24%	1-Year: -17.87%	3-Year: 5.58%
5-Year: 3.67%	Since Inception (12/10/04): 4.89%	Total Expense Ratio: 1.92%
10-Year: 6.29%		

The foregoing Fund Performance has been furnished by the Fund. Arrowstreet makes no representation or warranty relating to the accuracy or completeness of such data.

Prices and returns quoted represent past results and are no guarantee of future results. Current performance may be higher or lower than the performance shown. Investment return and principal value will fluctuate, so your shares, when redeemed, may be worth more or less than their original cost. To obtain performance data current to the most recent month-end, call us at (800) 442-4358. Dunham Class N Shares have no initial sales charge or contingent deferred sales charge (CDSC).

Asset Class Recap

International equity markets, as measured by the MSCI All Country World ex USA Index (Net) (referred to as the "Index"), lost 4.8 percent during the three-month period ending July 31, 2022 (the "fiscal quarter"). Across sectors, notable outperformers included consumer discretionary, energy, and industrials. Conversely, materials, communication services, and real estate were the top underperforming sectors. The best performing developed market countries as measured by the Index in local terms during the fiscal quarter were Portugal, up 8.5 percent, and the Netherlands, up 2.8 percent. The worst performing developed market countries were Switzerland, down 7.7 percent, and Austria, down 7.2 percent. The best performing emerging market countries during the fiscal quarter as measured by the Index were Chile, up 13.6 percent, and the Czech Republic, up 1.9 percent. The worst performing emerging market countries were Colombia, down 14.5 percent, and Egypt, down 14.1 percent.

Allocation Review

The Sub-Adviser's investment process is best characterized as a dynamic process that uses quantitative models to evaluate securities to exploit opportunities across companies, sectors, and countries while seeking to avoid long-term systematic biases toward any particular country, sector, style, or market capitalization. These stock selection models are designed to understand what information is likely to impact stock prices with a predictable and measurable lag that allows time to invest and profit. The models obtain the information to forecast individual stock returns by evaluating a stock's potential on the basis of (1) direct effects - characteristics of the company itself; and (2) indirect effects - characteristics of other companies that are related by virtue of a common country and sector affiliation (called country/sector baskets); a common country affiliation; and a common global sector affiliation, and/or other common linkages. Over any time period, the strategy's performance relative to the Index is driven by allocations to country/sector baskets, stock selection, and the effects of currency exposures differing from those of the Index.

Countries contributing the most to returns relative to the Index during the fiscal quarter were: Brazil, mainly due to overweight positioning and positive stock selection within Brazilian energy; and China, primarily due to overweight positioning and positive selection within Chinese energy, as well as underweight positioning to Chinese communication services. Countries contributing the most to underperformance relative to the Index included: Germany, mainly due to negative stock selection within German health care and materials.

Sectors contributing the most to returns relative to the Index during the fiscal quarter included: energy, primarily due to the above-mentioned overweight positioning and positive selection within Brazilian and Chinese energy, as well as within UK energy; and financials, mainly due to overweight positioning and positive selection within Japanese financials as well as positive selection within Chinese financials. Sectors contributing the most to underperformance relative to the Index included: health care, mainly due to negative selection within UK, German (noted above), and Swiss health care; and consumer discretionary, mainly due to underweight positioning and negative selection within Chinese consumer discretionary as well as underweight positioning to French and Japanese consumer discretionary.

Holdings Insights

Stocks contributing the most to returns relative to the Index during the fiscal quarter included: Petrobras - Petroleo Bras-PR (PETR4 BZ) (holding weight*: 1.69 percent), a Brazilian energy company; and Guanghui Energy Co LTD-A (BP3R3N6) (holding weight*: 1.19 percent), a Chinese energy company. PETR4 B and BP3R3N6 rose 20.0 percent and 11.9 percent, respectively over the three-month period. Stocks contributing the most to underperformance relative to the Index included: Anglo American PLC (AAL LN) (holding weight*: 0.80 percent), a UK materials company; and BHP Group LTD (BHP AU) (holding weight*: 1.27 percent), an Australian materials company. AAL LN and BHP AU declined 20.4 percent and 10.9 percent, respectively over the three-month period.

*Holdings percentage(s) of total investments, cash and unsettled trades excluding collateral for securities loaned as of 7/31/2022.

**Holdings percentage(s) as of the date prior to the sale of the security.



Sub-Adviser Outlook

The Sub-Adviser generally constructs its portfolios by using proprietary econometric models and a proprietary optimization process that balances the trade-off between a stock's expected return, its contribution to portfolio level risk, portfolio specific restrictions, and its opportunity costs relative to trading costs. As this is performed quantitatively, the Sub-Adviser's outlook does not play a role in the disciplined investment process.

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