



## Investor Profile

The Fund invests in bank loans and seeks to provide a high level of current income, with capital appreciation as a secondary goal.

## Investment Strategy

The Sub-Adviser seeks to achieve the Fund's investment objective versus the Credit Suisse Leveraged Loan Index by investing, under normal market conditions, in at least 80% of the Fund's assets (defined as net assets plus borrowings for investment purposes) in bonds.

## Fund Objective

The Fund seeks to provide a high level of current income, with capital appreciation as a secondary goal.

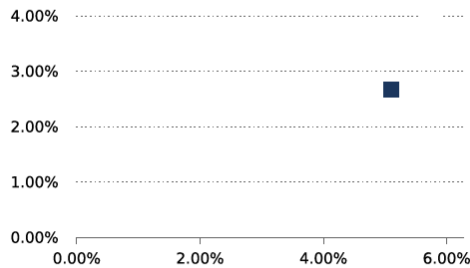
**Fund Inception Date:** November 1, 2013

**Benchmark:** Credit Suisse Leveraged Loan Index

## Fund Specifics as of September 30, 2021

Ticker DNFRX Inception 11/01/2013 Manager Ossino/Jennings/Albrycht Expense Ratio 0.98%

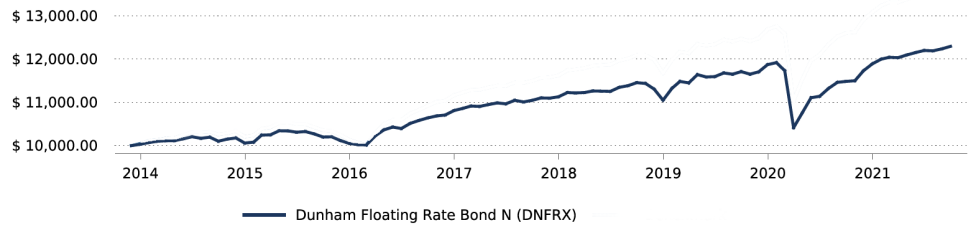
### Risk vs. Return



■ Dunham Floating Rate Bond N (DNFRX)

	1 Year	3 Years	5 Years	Since 12/1/13
Standard Deviation	2.08%	7.90%	6.13%	5.10%
Sharpe Ratio	3.37	0.17	0.30	0.38
Max. Drawdown	-0.07%	-12.63%	-12.63%	-12.63%

### Historical Performance 12/1/13-9/30/21



	Trailing Non-Standardized Returns					See Open End Mutual Fund Holding Returns – Standardized Returns				
	1 Month	YTD	3 Months	1 Year	3 Yrs. Cml.	3 Yrs. Ann.	5 Yrs. Cml.	5 Yrs. Ann.	Incept. Cml.	Incept. Ann.

DNFRX	0.47%	3.40%	0.78%	7.06%	7.34%	2.39%	15.56%	2.93%	22.96%	2.67%
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### Calendar Year Performance

	2021	2020	2019	2018	2017	2016	2015	2014	2013
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DNFRX	3.40%	0.16%	7.44%	-0.71%	2.95%	7.56%	-0.08%	0.28%	0.31%
	Best Period	Cmltv. Return	Worst Period	Cmltv. Return	Up Periods	Down Periods			
3 Months	End-6/30/20	6.98%	End-3/31/20	-12.29%	72	20			
1 Year	End-3/31/21	15.56%	End-3/31/20	-9.06%	69	14			
3 Years	End-2/28/19	14.67%	End-3/31/20	-4.52%	57	2			

Past performance does not guarantee 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 to obtain changes to the Fund, if any as well as performance data current to the most recent month-end.



# DUNHAM

World-Class Trust & Investment Firm

# Floating Rate Bond Fund

Ticker Symbols: DNFRX, DAFRX, DCFRX

*Hold Us To Higher Standards*

## ABOUT THE SUB-ADVISER\*

THE DUNHAM FLOATING RATE BOND FUND is managed by Newfleet Asset Management LLC (Newfleet). Founded in 1989, Newfleet is an independently operated investment management firm located in Hartford, CT. The firm manages assets for a national and international client base that includes individuals and institutions.

Newfleet leverages the knowledge and skill of a team of investment professionals with expertise in every sector of the bond market, including evolving, specialized, and out-of-favor sectors.

## PORTFOLIO MANAGERS

David L. Albrycht, CFA, President & CIO

Mr. Albrycht is president and chief investment officer of Newfleet. Prior to joining Newfleet in 2011, Mr. Albrycht was executive managing director and senior portfolio manager with Goodwin Capital Advisers, a former Virtus investment management subsidiary. Mr. Albrycht joined the Goodwin multi-sector fixed income team in 1985 as a credit analyst and has managed fixed income portfolios since 1991.

Kyle A. Jennings, CFA, Senior Managing Director, Head of Credit Research

Mr. Jennings has been a member of Newfleet's corporate credit research team since 1998 and currently covers the gaming, healthcare, and automotive industries. Mr. Jennings is also a member of the team that formulates the leveraged finance strategy for the multi-sector fixed income strategies.

Francesco Ossino, Senior Managing Director and Senior Portfolio Manager

Mr. Ossino is senior managing director, senior portfolio manager, and sector head of the bank loan asset class at Newfleet. Prior to joining Newfleet in 2012, Mr. Ossino worked at Hartford Investment Management as a bank loan portfolio manager from 2004 to 2012.

## PRINCIPAL INVESTMENT RISKS

**Senior Bank Loans Risk** – Senior loans are subject to the risk that a court could subordinate a senior loan, which typically holds the most senior position in the issuer's capital structure, to presently existing or future indebtedness or take other action detrimental to the holders of senior loans. Senior loans settle on a delayed basis, potentially leading to the sale proceeds of such loans not being available to meet redemptions for a substantial period of time after the sale of the senior loans. The market prices of floating rate loans are generally less sensitive to interest rate changes than are the market prices for securities with fixed interest rates. Certain senior loans may not be considered "securities," and purchasers, such as the Fund, therefore may not be entitled to rely on the protections of federal securities laws, including anti-fraud provisions.

**Lower-Rated Securities Risk** – Securities rated below

investment-grade, sometimes called "high-yield" or "junk" bonds, are speculative investments that generally have more credit risk than higher-rated securities. Companies issuing high-yield fixed-income securities are not as strong financially as those issuing securities with higher credit ratings and are more likely to encounter financial difficulties. Lower rated issuers are more likely to default and their securities could become worthless.

**Risks Associated with the Discontinuation of the London Interbank Offered Rate ("LIBOR")** – The Fund invests significantly in floating rate loans that have interest rate provisions linked to LIBOR. LIBOR is used extensively in the U.S. and globally as a "benchmark" or "reference rate" for such loans. It is expected that a number of private-sector banks currently reporting information used to set LIBOR will stop doing so after 2021 when their current reporting commitment ends, which could either cause LIBOR to stop publication immediately or cause LIBOR's regulator to determine that its quality has degraded to the degree that it is no longer representative of its underlying market. The expected discontinuation of LIBOR may impact the functioning, liquidity, and value of these investments.

**Changing Fixed Income Market Conditions Risk** – During periods of sustained rising rates, fixed income risks will be amplified. If the U.S. Federal Reserve's Federal Open Market Committee ("FOMC") raises the federal funds interest rate target, interest rates across the U.S. financial system may rise. Rising rates tend to decrease liquidity, increase trading costs, and increase volatility, all of which make portfolio management more difficult and costly to the Fund and its shareholders.

**Credit Risk** – Issuers of debt securities may suffer from a reduced ability to repay their interest and principal obligations. They may even default on interest and/or principal payments due to the Fund. An increase in credit risk or a default will cause the value of Fund debt securities to decline. Issuers with lower credit quality are more susceptible to economic or industry downturns and are more likely to default.

**Call or Redemption Risk** – If interest rates decline, issuers of debt securities may exercise redemption or call provisions. This may force the Fund to reinvest redemption or call proceeds in securities with lower yields, which may reduce Fund performance.

**Interest Rate Risk** – In general, the price of a debt security falls when interest rates rise. Debt securities have varying levels of sensitivity to changes in interest rates. Securities with longer maturities may be more sensitive to interest rate changes.

**Foreign Investing Risk** – Investments in foreign countries are subject to currency risk and country-specific risks such as political, diplomatic, regional conflicts, terrorism, war, social and economic instability and policies that have the effect of decreasing the value of foreign securities. Foreign countries may be subject to different trading settlement practices, less government supervision, less publicly available information, limited trading markets and greater volatility than U.S. investments.

**Derivatives Risk** – Financial derivatives may not produce the desired investment results because they are not perfect substitutes for the underlying securities, indices or currencies from which they are derived. Derivatives may also create leverage which will amplify the effect on

the Fund, which may produce significant losses. Over the counter derivatives, such as swaps, are also subject to counterparty risk, which is the risk that the other party in the transaction will not fulfill its contractual obligation.

**Leveraging Risk** – Using derivatives can create leverage, which can magnify the Fund's potential for gain or loss and, therefore, amplify the effects of market volatility on the Fund's share price.

**Natural Disaster/Epidemic Risk** – Natural or environmental disasters, such as earthquakes, fires, floods, hurricanes, tsunamis, and other severe weather-related phenomena generally, and widespread disease and illness, including pandemics and epidemics, have been and can be highly disruptive to economies and markets. They may adversely impact individual companies, sectors, industries, markets, currencies, interest and inflation rates, credit ratings, investor sentiment, and other factors affecting the value of the Fund's investments. For example, the novel coronavirus (COVID -19), which was first detected in 2019, has resulted in, among other things, stressors to healthcare service infrastructure, country border closings, business and school closings, and disruptions to supply chains and customer activity. Natural disaster/epidemic risk could have a significant adverse impact on the Fund's portfolio investments.

**Liquidity Risk** – Some securities may have few market-makers and low trading volume, which tend to increase transaction costs and may make it impossible for the Fund to dispose of a security position at all or at a price which represents current or fair market value.

**Management Risk** – The Fund is subject to management risk because it is an actively managed investment portfolio. The Sub-Adviser will apply its investment techniques and risk analyses in making investment decisions for the Fund, but there is no guarantee that its decisions will produce the intended result. The successful use of hedging and risk management techniques may be adversely affected by imperfect correlation between movements in the price of the hedging vehicles and the securities being hedged.

## CHARACTERISTICS DEFINITIONS

### FUND CHARACTERISTICS DEFINITIONS

**Max Drawdown:** The largest consecutive monthly decline, measured by magnitude.

### RISK CHARACTERISTICS DEFINITIONS

**Annualized Standard Deviation:** Measures the average deviations of a return series from its mean, and is often used as a measure of risk.

**Sharpe Ratio:** Measures the incremental assumed return provided by the fund for taking additional risk above risk-free rate. Higher values of the Sharpe Ratio are generally desirable.

## Disclosures

*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 contacting your financial advisor, or by calling (800) 442-4358. Please read prospectus materials carefully before investing or sending money. Investing involves risk, including possible loss of principal.*

The Credit Suisse Leveraged Loan Total Return Index tracks the investable market of the U.S. dollar denominated leveraged loan market. Investors cannot invest directly in an index or benchmark.

Top 10 Region, and Fund Sector Allocations are presented to illustrate examples of the securities, regions, and sectors in which the Fund may invest. Because they are presented as of the dates indicated and change from time to time,

they may not be representative of the Fund's current or future investments or allocations.

The average annualized total return figures include changes in principal value, reinvested dividends and capital gains distributions. Periods of less than one year are not annualized.

Performance figures shown for N-shares only. Past performance does not guarantee 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 N share class is offered either through brokerage platforms under contractual agreement with the Registered Investment

Adviser or through Registered Investment Advisers as part of an advisory program, which includes advisory fees in addition to those presented in the prospectus.

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The Fund's Expense Ratio reflect that of Dunham's most recent Prospectus.

\*Other than their contractual agreement to manage their respective Dunham Fund(s), Sub-Advisers and Portfolio Managers are not affiliated with Dunham & Associates Investment Counsel, Inc.

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