

## Investment Objective

The investment objective of the Fund is to maximize capital appreciation. The Fund seeks to achieve this by investing in domestic growth-oriented, small capitalization common stocks of companies traded on the U.S. stock exchanges or in over-the-counter markets.

## N-SHARE Fund Performance As of 4/30/2022

Quarter: -16.46%	1-Year: -31.58%	3-Year: 7.47%
5-Year: 12.48%	Since Inception (12/10/04): 9.24%	Total Expense Ratio: 1.83%
10-Year: 11.56%		

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## Asset Class Recap

Small cap growth stocks continued to face a difficult macro environment in the most recent fiscal quarter as geopolitical and economic headwinds beset global markets. The war between Ukraine and Russia added uncertainty to the markets and investors reacted by taking a risk-off approach and moving away from small cap growth names. Additionally, the Federal Reserve signaled that the institution would potentially increase interest rates by 50 basis points at subsequent meetings, an indication that the FOMC is tackling inflation at a more aggressive clip than previously expected six months ago. Small cap names sold off significantly during the fiscal quarter due to the news. While large cap growth stocks, as measured by the Russell 1000® Growth Index, fell 12.5 percent over the fiscal quarter ending April 30, 2022 small cap growth stocks, as measured by the Russell 2000® Growth Index, outperformed their large cap counterparts, dropping 11.5 percent. In addition to the Fed's comments and the current war, Covid-19 outbreaks in China contributed to the supply chain woes felt globally due to strict lockdowns throughout major cities in the country. While small cap growth stocks have come down significantly from their highs back in November 2021, they appear to be trading at a significant discount and could be attractive to investors with a long-term time horizon and prudent stock selection. As the economy continues to expand, small cap stocks, which have historically outpaced large cap stocks in times of economic expansion, could be an attractive asset class.

## Allocation Review

The sector that contributed the most to Fund performance over the fiscal quarter was the energy sector. The energy sector contributed 0.2 percent to the Fund's return for the fiscal quarter, with strong stock selection contributing meaningfully to the positive return within the sector. Another sector that contributed to Fund performance over the fiscal quarter was the materials and processing sector, as the Fund's stellar stock selection added to positive Fund performance. The sector that detracted the most from Fund performance was the technology sector, as poor stock selection more than offset the Fund's relative overweight allocation, which marginally contributed to performance. As mentioned earlier, high-risk assets, such as those stocks in the technology sector, largely underperformed the broader market. Another sector that detracted from performance was the health care sector, as the Fund's relative underweight allocation and stock selection hurt performance.

## Sub-Adviser Background

Pier Capital, LLC (Pier) formerly known as SEB Asset Management America, Inc., is an independent investment adviser which was originally founded in 1987. Pier specializes in small cap growth stocks. Pier searches for companies that exhibit a long-term sustainable business model and invests at a discount to the growth rate.

## Holdings Insights

The largest contributor to Fund performance over the fiscal quarter was Meritor (MTOR) (holding weight\*: 0.45 percent). MTOR manufactures axles for heavy duty electric trucks and buses and climbed 54.5 percent during the fiscal quarter. Institutional end customers are using MTOR to help meet their carbon reduction goals. MTOR secured early commitments from some of the largest heavy truck OEMs. On February 22, Cummins (CMI) announced acquisition plans for MTOR. The next largest contributor was LHC Group (LHCG) (holding weight\*: 1.49 percent) provides skilled nursing services in a home setting, among other services. The shift of medical care into the home setting is an ongoing, multi-year theme. Covid-19 demonstrated the advantages and necessity of providing care at home and seemed to have accelerated this shift. At a micro, company-specific level, LHCG differentiates itself in the industry in terms of its quality-of-care ratings (or stars), as defined by CMS (Centers for Medicare and Medicaid Services). Over time, this led to new partnerships with many hospital systems nationwide to provide integrated care. In turn, these relationships served as a meaningful source of volume for the company. In a recognition of this strong reputation and accelerating shift to home-based medical care, UnitedHealth (UNH) recently offered to buy LHCG in an all-cash transaction. LHCG rose 33.6 percent for the fiscal quarter. Immunocore Holdings PLC-ADR(IMCR), a biotechnology company that develops medication for cancer, infection, and autoimmune disease, contributed meaningfully to the Fund's performance. Over the fiscal quarter, IMCR rose 44.5 percent after the FDA and the European Commission approved a treatment for a rare form of metastatic melanoma.

The largest detractor to Fund performance over the fiscal quarter was Bandwidth Inc. Class A (BAND) (holding weight\*: 0.93 percent), falling 64.7 percent. BAND provides a cloud-based communication platform for use with mobile and connected devices. The company underperformed recently, driven primarily by disappointing guidance for 2022, which reset growth expectations and flushed out most of the bad news. BAND's network endured the DDoS (denial-of-service) attack in late 2021, which compromised the company's reputation, however, according to management, BAND did not lose a single client because of it, however, new customer growth slowed dramatically in Q4 as a result. With these hurdles now in the rear-view mirror, growth expectations have been reset. The Sub-Adviser decided to remain in the name as Q4 demonstrated encouraging

\*Holdings percentage(s) of total investments, cash and unsettled trades excluding collateral for securities loaned as of 4/30/2022.

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

green shoots in some key performance indicators, and 2022 is facing easier comps and a valuation reset. The Sub-Adviser added to the position, based on the long-term growth view that BAND is largely intact, anchored by its IP-based telecommunication infrastructure that cloud players can lean on to avoid paying dues to the large telecom carriers. The next largest detractor to Fund performance over the fiscal quarter was VapoTherm, Inc. (VAPO) (holding weight\*: 0.68 percent). VAPO is a medical device manufacturer that focuses on breathing apparatuses for non-invasive respiratory treatment. The company expected a greater need for their medical devices due to Covid-19 surges, however, there has been less demand for respiratory intervention for the most recent outbreaks so far in 2022. Guidance for the year has been pulled by VAPO, prompting downgrades for the stock and negative revisions for profitability and revenue expected for the year. VAPO fell 72.5 percent during the fiscal quarter. Cardlytics, Inc. (CDLX) (holding weight\*: 1.00 percent), a marketing platform for financial institutions that aggregates data of customer's purchases to identify and track advertising opportunities, negatively impacted performance of the Fund by falling 49.1 percent. CDLX faced headwinds throughout the second fiscal quarter as the digital advertising industry as a whole saw a slowdown in the space. Macroeconomic factors such as inflation and supply chain challenges kept companies from spending on advertising through the second fiscal quarter. The Sub-Adviser sees CDLX as a leader in the financial services advertising space and sees promising results from its expansion into small and medium size businesses.

#### **Sub-Adviser Outlook**

The Sub-Adviser's underlining stock selection process remains unchanged and centers on identifying potentially exciting growth drivers. The Sub-Adviser is focused on making sure there is a clearly identifiable and relatively short path to potential profitability, or that the current state of profitability is relatively stable. While past performance is no guarantee of future results, this is particularly important, given that the recent market environment has been intolerant of companies that constantly spend to grow without signs of meaningful and sustainable incremental operating leverage in their business models. The Sub-Adviser also emphasized staying disciplined in terms of the valuations we are willing to pay for companies. Equally as important is the focus on identifying attractive opportunities, where valuations of strong, high-quality stories overshoot on the downside. As valuations have become more attractive, the current market environment is both interesting and opportunistic for active managers.

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## Class N Shares As of March 31, 2022

DUNHAM FUNDS	CUMULATIVE					
	INCEPTION DATE	NAV	MARCH	PREVIOUS 3 MONTHS	YEAR-TO-DATE	SINCE INCEPTION
Corporate/Government Bond Fund N <small>6,16,2,3,23,32,27,44,22,38,8,10,15,46,24,37</small>	12/10/2004	13.63	-2.20%	-4.91%	-4.91%	80.97%
Monthly Distribution Fund N <small>39,8,20,29,25,46,21,30,26,40,18,11,9,42,37</small>	9/29/2008	31.81	0.10%	-0.63%	-0.63%	45.65%
Floating Rate Bond Fund N <small>38,23,35,3,6,2,16,15,8,20,46,21,24</small>	11/1/2013	9.02	0.00%	-0.57%	-0.57%	22.57%
High-Yield Bond Fund N <small>23,6,16,2,3,32,46,21,24,37</small>	7/1/2005	8.87	-0.71%	-4.58%	-4.58%	125.99%
International Opportunity Bond Fund N <small>6,3,16,8,7,15,10,46,21,23,2,24,28,43,37</small>	11/1/2013	8.34	-1.04%	-6.79%	-6.79%	-8.37%
Dynamic Macro Fund N <small>4,8,11,17,20,12,1,10,15,7,44,26,6,16,3,23,40,34,46,21,42,24,37</small>	4/29/2010	10.96	0.27%	-3.94%	-3.94%	26.60%
Long/Short Credit Fund N <small>39,8,20,13,43,6,3,2,16,5,44,22,23,30,38,10,15,46,21,31,24,37</small>	12/10/2004	9.33	-0.23%	-1.35%	-1.35%	139.67%
Large Cap Value Fund N <small>19,42,14,46,24,37</small>	12/10/2004	18.67	2.02%	-0.74%	-0.74%	252.89%
Focused Large Cap Growth Fund N <small>19,42,41,28,46,24,15,37</small>	12/9/2011	33.51	1.64%	-14.62%	-14.62%	328.46%
Real Estate Stock Fund N <small>33,34,42,28,24,40,46,21,30,37</small>	12/10/2004	17.60	5.14%	-11.16%	-11.16%	233.66%
International Stock Fund N <small>15,10,42,7,30,24,46,21,37</small>	12/10/2004	16.72	-0.30%	-8.28%	-8.28%	160.29%
Small Cap Value Fund N <small>40,42,14,24,15,30,46,21,37</small>	12/10/2004	16.82	-0.77%	-2.49%	-2.49%	208.78%
Emerging Markets Stock Fund N <small>10,15,42,36,7,30,46,21,24,37</small>	12/10/2004	14.44	-4.87%	-11.41%	-11.41%	130.90%
Small Cap Growth Fund N <small>40,42,41,24,30,46,21,37</small>	12/10/2004	17.98	0.11%	-16.68%	-16.68%	447.92%

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## Class N Shares As of March 31, 2022

DUNHAM FUNDS	ANNUALIZED RETURNS					
	1 YEAR	3 YEAR	5 YEAR	10 YEAR	SINCE INCEPTION	EXPENSE RATIO <sup>45</sup>
Corporate/Government Bond Fund N <small>6,16,2,3,23,32,27,44,22,38,8,10,15,46,24,37</small>	-2.95%	2.32%	2.17%	2.28%	3.49%	1.25%
Monthly Distribution Fund N <small>39,8,20,29,25,46,21,30,26,40,18,11,9,42,37</small>	-1.67%	1.06%	1.53%	2.40%	2.82%	2.29%
Floating Rate Bond Fund N <small>38,23,35,3,6,2,16,15,8,20,46,21,24</small>	1.95%	2.32%	2.38%	N/A	2.45%	1.06%
High-Yield Bond Fund N <small>23,6,16,2,3,32,46,21,24,37</small>	-0.70%	4.62%	4.28%	4.39%	4.99%	1.17%
International Opportunity Bond Fund N <small>6,3,16,8,7,15,10,46,21,23,2,24,28,43,37</small>	-6.18%	-0.75%	0.26%	N/A	-1.03%	1.78%
Dynamic Macro Fund N <small>4,8,11,17,20,12,1,10,15,7,44,26,6,16,3,23,40,34,46,21,42,24,37</small>	5.08%	4.27%	3.23%	1.88%	2.00%	2.16%
Long/Short Credit Fund N <small>39,8,20,13,43,6,3,2,16,5,44,22,23,30,38,10,15,46,21,31,24,37</small>	0.12%	3.39%	5.35%	4.98%	5.18%	1.83%
Large Cap Value Fund N <small>19,42,14,46,24,37</small>	13.82%	14.10%	10.86%	10.60%	7.55%	1.10%
Focused Large Cap Growth Fund N <small>19,42,41,28,46,24,15,37</small>	-0.59%	17.87%	19.73%	14.30%	15.15%	1.12%
Real Estate Stock Fund N <small>33,34,42,28,24,40,46,21,30,37</small>	-4.84%	8.78%	7.84%	8.62%	7.21%	1.37%
International Stock Fund N <small>15,10,42,7,30,24,46,21,37</small>	-4.15%	9.72%	7.83%	6.77%	5.68%	1.92%
Small Cap Value Fund N <small>40,42,14,24,15,30,46,21,37</small>	7.57%	10.97%	8.00%	9.72%	6.73%	1.05%
Emerging Markets Stock Fund N <small>10,15,42,36,7,30,46,21,24,37</small>	-18.44%	4.78%	4.03%	2.02%	4.95%	1.69%
Small Cap Growth Fund N <small>40,42,41,24,30,46,21,37</small>	-16.04%	15.32%	16.64%	13.37%	10.32%	1.83%

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## Class N Shares As of May 31, 2022

DUNHAM FUNDS	CUMULATIVE					
	INCEPTION DATE	NAV	MAY	PREVIOUS 3 MONTHS	YEAR-TO-DATE	SINCE INCEPTION
Corporate/Government Bond Fund N <small>6,16,2,3,23,32,27,44,22,38,8,10,15,46,24,37</small>	12/10/2004	13.09	-0.44%	-5.78%	-8.39%	74.34%
Monthly Distribution Fund N <small>39,8,20,29,25,46,21,30,26,40,18,11,9,42,37</small>	9/29/2008	31.21	-0.96%	-1.16%	-1.89%	43.81%
Floating Rate Bond Fund N <small>38,23,35,3,6,2,16,15,8,20,46,21,24</small>	11/1/2013	8.70	-2.56%	-2.88%	-3.43%	19.04%
High-Yield Bond Fund N <small>23,6,16,2,3,32,46,21,24,37</small>	7/1/2005	8.50	0.17%	-4.09%	-7.82%	118.31%
International Opportunity Bond Fund N <small>6,3,16,8,7,15,10,46,21,23,2,24,28,43,37</small>	11/1/2013	7.92	-1.40%	-5.42%	-10.92%	-12.42%
Dynamic Macro Fund N <small>4,8,11,17,20,12,1,10,15,7,44,26,6,16,3,23,40,34,46,21,42,24,37</small>	4/29/2010	10.42	1.17%	-4.67%	-8.68%	20.36%
Long/Short Credit Fund N <small>39,8,20,13,43,6,3,2,16,5,44,22,23,30,38,10,15,46,21,31,24,37</small>	12/10/2004	9.28	-0.29%	-0.50%	-1.62%	139.03%
Large Cap Value Fund N <small>19,42,14,46,24,37</small>	12/10/2004	17.78	1.95%	-2.84%	-5.48%	236.07%
Focused Large Cap Growth Fund N <small>19,42,41,28,46,24,15,37</small>	12/9/2011	26.92	-4.37%	-18.35%	-31.41%	244.20%
Real Estate Stock Fund N <small>33,34,42,28,24,40,46,21,30,37</small>	12/10/2004	15.58	-6.20%	-6.93%	-21.35%	195.36%
International Stock Fund N <small>15,10,42,7,30,24,46,21,37</small>	12/10/2004	16.05	3.08%	-4.29%	-11.96%	149.86%
Small Cap Value Fund N <small>40,42,14,24,15,30,46,21,37</small>	12/10/2004	16.04	2.30%	-5.37%	-7.01%	194.47%
Emerging Markets Stock Fund N <small>10,15,42,36,7,30,46,21,24,37</small>	12/10/2004	13.72	1.40%	-9.62%	-15.83%	119.39%
Small Cap Growth Fund N <small>40,42,41,24,30,46,21,37</small>	12/10/2004	14.54	-4.84%	-19.04%	-32.62%	343.09%

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Corporate/Government Bond Fund N <small>6,16,2,3,23,32,27,44,22,38,8,10,15,46,24,37</small>	-7.56%	0.50%	1.09%	1.73%	3.23%	1.25%
Monthly Distribution Fund N <small>39,8,20,29,25,46,21,30,26,40,18,11,9,42,37</small>	-4.91%	0.53%	1.05%	2.41%	2.69%	2.29%
Floating Rate Bond Fund N <small>38,23,35,3,6,2,16,15,8,20,46,21,24</small>	-1.95%	0.93%	1.64%	N/A	2.05%	1.06%
High-Yield Bond Fund N <small>23,6,16,2,3,32,46,21,24,37</small>	-5.10%	3.35%	3.22%	4.07%	4.72%	1.17%
International Opportunity Bond Fund N <small>6,3,16,8,7,15,10,46,21,23,2,24,28,43,37</small>	-11.80%	-2.27%	-1.37%	N/A	-1.53%	1.78%
Dynamic Macro Fund N <small>4,8,11,17,20,12,1,10,15,7,44,26,6,16,3,23,40,34,46,21,42,24,37</small>	-3.87%	2.96%	1.63%	1.64%	1.54%	2.16%
Long/Short Credit Fund N <small>39,8,20,13,43,6,3,2,16,5,44,22,23,30,38,10,15,46,21,31,24,37</small>	-0.80%	3.03%	5.26%	5.76%	5.11%	1.83%
Large Cap Value Fund N <small>19,42,14,46,24,37</small>	2.43%	13.07%	10.08%	10.96%	7.18%	1.10%
Focused Large Cap Growth Fund N <small>19,42,41,28,46,24,15,37</small>	-23.59%	9.92%	13.13%	12.96%	12.52%	1.12%
Real Estate Stock Fund N <small>33,34,42,28,24,40,46,21,30,37</small>	-19.98%	4.43%	5.46%	7.62%	6.39%	1.37%
International Stock Fund N <small>15,10,42,7,30,24,46,21,37</small>	-12.35%	9.73%	5.91%	7.98%	5.38%	1.92%
Small Cap Value Fund N <small>40,42,14,24,15,30,46,21,37</small>	-3.11%	10.74%	7.88%	9.93%	6.37%	1.05%
Emerging Markets Stock Fund N <small>10,15,42,36,7,30,46,21,24,37</small>	-23.14%	4.30%	2.11%	2.76%	4.60%	1.69%
Small Cap Growth Fund N <small>40,42,41,24,30,46,21,37</small>	-32.79%	7.79%	10.98%	11.93%	8.89%	1.83%

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**Investing in a mutual fund involves risks, including the possible loss of principal. Investors should consider the investment objectives, risks, charges and expenses of the Dunham Funds carefully before investing. For this and other important information about the Dunham Funds please speak to your financial advisor or call us at (800) 442-4358 to request a current summary prospectus and/or prospectus and read it carefully before investing.**

## Index Definitions

**Barclays Merger Arbitrage U.S. Index** - The index aims to invest in a wide array of deals in the US and capture the deal spread between the price of the merger target shares and the terms of the deal. It takes a long position in the target company of the merger and a short position in the acquirer.

**Bloomberg Dollar Spot Index** - The Bloomberg Dollar Spot Index tracks the performance of a basket of ten leading global currencies versus the U.S. Dollar. Each currency in the basket and their weight is determined annually based on their share of international trade and FX liquidity. The BBDXY Index data starts from Dec 31, 2004 with a base level of 1000.

**Bloomberg Emerging Markets USD Aggregate Total Return Index Unhedged** - The Bloomberg Emerging Markets Hard Currency Aggregate Index is a flagship hard currency Emerging Markets debt benchmark that includes USD-denominated debt from sovereign, quasi-sovereign, and corporate EM issuers.

**Bloomberg Global Aggregate ex-US Bond Index** - measures the performance of global investment grade bonds. This index does not include bonds from the US. This characteristic allows this index to serve well for tracking international bond exposure.

**Bloomberg Global Aggregate ex-USD Total Return Index** - The Bloomberg Global Aggregate ex USD Index is a measure of investment grade debt from 24 local currency markets. This multi-currency benchmark includes treasury, government-related, corporate and securitized fixed-rate bonds from both developed and emerging markets issuers. Bonds issued in USD are excluded.

**Bloomberg Pan-European High-Yield Total Return Index Unhedged** - The Bloomberg Pan-European High Yield Index measures the market of non-investment grade, fixed-rate corporate bonds denominated in the following currencies: euro, pounds sterling, Danish krone, Norwegian krone, Swedish krona, and Swiss franc. Inclusion is based on the currency of issue, and not the domicile of the issuer.

**Bloomberg U.S. Aggregated Bond Index** - The Bloomberg U.S. Aggregate Bond Index is an unmanaged index which represents the U.S. investment-grade fixed-rate bond market (including government and corporate securities, mortgage pass-through securities and asset-backed securities).

**CBOE Volatility Index** - The VIX Index is a financial benchmark designed to be an up-to-the-minute market estimate of the expected volatility of the S&P 500® Index, and is calculated by using the midpoint of real-time S&P 500 Index (SPX) option bid/ask quotes.

**Credit Suisse Leveraged Loan Index** - tracks the performance of senior floating rate bank loans and is designed to mirror the investable universe of the \$US-denominated leveraged loan market. This index tracks the investable market of the U.S. dollar denominated leveraged loan market. It consists of issues rated "5B" or lower, meaning that the highest rated issues included in this index are Moody's/S&P ratings of Baa1/BB+ or Ba1/BBB+. All loans are funded term loans with a tenor of at least one year and are made by issuers domiciled in developed countries.

**Dow Jones U.S. Real Estate Total Return Index** - represents REITS & other companies that invest directly or indirectly in real estate through development, management or ownership, including property agencies. The index is a subset of the Dow Jones U.S. Index, which covers 95% of U.S. securities based on float-adjusted market capitalization

**ICE BofA AAA U.S. Corporate Index** - ICE BofA AAA US Corporate Index is a subset of ICE BofA US Corporate Index including all securities rated AAA. ICE BofA US Corporate Index tracks the performance of US dollar denominated investment grade corporate debt publicly issued in the US domestic market. Qualifying securities must have an investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. Index constituents are market capitalization weighted. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing.

**ICE BofA U.S. Corporate Index** - which tracks the performance of US dollar denominated investment grade rated corporate debt publicly issued in the US domestic market. To qualify for inclusion in the index, securities must have an investment grade rating (based on an average of Moody's, S&P, and Fitch) and an investment grade rated country of risk (based on an average of Moody's, S&P, and Fitch foreign currency long term sovereign debt ratings). Each security must have greater than 1 year of remaining maturity, a fixed coupon schedule,

and a minimum amount outstanding of \$250 million.

ICE BofA U.S. Cash Pay High-Yield Index- ICE BofA US Cash Pay High Yield Index tracks the performance of US dollar denominated below investment grade corporate debt, currently in a coupon paying period, that is publicly issued in the US domestic market. Qualifying securities must have a below investment grade rating (based on an average of Moody's, S&P and Fitch), at least 18 months to final maturity at the time of issuance, at least one year remaining term to final maturity as of the rebalancing date, a fixed coupon schedule and a minimum amount outstanding of \$250 million. Index constituents are market capitalization weighted. Accrued interest is calculated assuming next-day settlement. Cash flows from bond payments that are received during the month are retained in the index until the end of the month and then are removed as part of the rebalancing.

IQ Hedge Global Macro Beta Index (IQHGGMB) attempts to replicate the risk-adjusted return characteristics of the collective hedge funds using a global macro investment style. Global macro hedge fund managers typically employ top-down macro analysis (e.g., political trends, macro economics, etc.) to identify dislocations in equity, fixed income, currency and commodity markets that are expected to lead to large price movements.

MSCI ACWI index - captures large and mid cap representation across 23 Developed Markets (DM) and 25 Emerging Markets (EM) countries\*. With 2,964 constituents, the index covers approximately 85% of the global investable equity opportunity set.

MSCI All Country World ex USA Index (Net)-- market-capitalization-weighted index maintained by Morgan Stanley Capital International (MSCI). It is designed to provide a broad measure of stock performance throughout the world, with the exception of U.S.-based companies. The index captures large and mid-cap representation across 22 of 23 Developed Markets (DM) countries (excluding the US) and 25 Emerging Markets (EM) countries\*. With 2,336 constituents, the index covers approximately 85% of the global equity opportunity set outside the US.

MSCI EAFE Index - is an equity index which captures large and mid cap representation across 21 Developed Markets countries\* around the world, excluding the US and Canada. With 825 constituents, the index covers approximately 85% of the free float adjusted market capitalization in each country.

MSCI EAFE Net Total Return USD Index - The MSCI EAFE Index is a free-float weighted equity index. The index was developed with a base value of 100 as of December 31, 1969. The MSCI EAFE region covers DM countries in Europe, Australasia, Israel, and the Far East. Morgan Stanley Capital International Equity Indices in US Dollars. Indices with net dividends reinvested use the same dividend minus-tax-credit calculations, but subtract withholding taxes retained at the source for foreigners who do not benefit from a double taxation treaty.

MSCI Emerging Markets Index - captures large and mid-cap representation across 25 Emerging Markets (EM) countries\*. With 1,422 constituents, the index covers approximately 85% of the free float-adjusted market capitalization in each country.

MSCI Emerging Markets Net Total Return USD Index - The MSCI EM (Emerging Markets) Index is a free-float weighted equity index that captures large and mid cap representation across Emerging Markets (EM) countries. The index covers approximately 85% of the free float-adjusted market capitalization in each country. Morgan Stanley Capital International Equity Indices in US Dollars. Indices with net dividends reinvested use the same dividend minus-tax-credit calculations, but subtract withholding taxes retained at the source for foreigners who do not benefit from a double taxation treaty.

NASDAQ Composite Index - The Nasdaq Composite Index is the market capitalization-weighted index of over 3,000 common equities listed on the Nasdaq Stock Exchange.

Palmer Square CLO Debt Index ("CLO Debt Index") (ticker: CLODI) is a rules-based observable pricing and total return index for collateralized loan obligation ("CLO") debt for sale in the United States, original rated A, BBB, or BB or equivalent.

Russell 3000® Growth Index - Russell 3000® Growth Index measures the performance of those Russell 3000® Index companies with higher price-to-book ratios and higher forecasted growth values.

Russell 1000® Growth Index - measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 1000® companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 1000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.

Russell 2000® Growth Index - measures the performance of the large-cap growth segment of the US equity universe. It includes those Russell 2000® companies with relatively higher price-to-book ratios, higher I/B/E/S forecast medium term (2 year) growth and higher sales per share historical growth (5 years). The Russell 2000® Growth Index is constructed to provide a comprehensive and unbiased barometer for the large-cap growth segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect growth characteristics.



**Russell 2000® Index** - The Russell 2000® Index is comprised of the smallest 2000 companies in the Russell 3000® Index, representing approximately 8% of the Russell 3000® total market capitalization. The real-time value is calculated with a base value of 135.00 as of December 31, 1986. The end-of-day value is calculated with a base value of 100.00 as of December 29, 1978.

**Russell 1000® Value Index**-- market-capitalization-weighted index that measures the performance of the large cap value segment of the US equity universe. It includes those Russell 1000® companies with relatively lower price-to-book ratios, lower I/B/E/S forecast medium term (2 year) growth and lower sales per share historical growth (5 years). The Russell 1000® Value Index is constructed to provide a comprehensive and unbiased barometer for the large-cap value segment. The index is completely reconstituted annually to ensure new and growing equities are included and that the represented companies continue to reflect value characteristics

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**Russell 3000® Value Index** - Russell 3000® Value Index measures the performance of those Russell 3000® Index companies with lower price-to-book ratios and lower forecasted growth values.

**S&P 500®** is widely regarded as the best single gauge of large-cap U.S. equities and serves as the foundation for a wide range of investment products. The index includes 500 leading companies and captures approximately 80% coverage of available market capitalization.

**S&P 500 Equal-weighted Index** - The S&P 500® Equal Weight Index (EWI) is the equal-weight version of the widely-used S&P 500. The index includes the same constituents as the capitalization weighted S&P 500, but each company in the S&P 500 EWI is allocated a fixed weight - or 0.2% of the index total at each quarterly rebalance.

**S&P/LSTA U.S. Leveraged Loan 100 Index** is designed to reflect the performance of the largest facilities in the leveraged loan market.

The **VIX Index** is a calculation designed to produce a measure of constant, 30-day expected volatility of the U.S. stock market, derived from real-time, mid-quote prices of S&P 500® Index (SPX<sup>SM</sup>) call and put options. On a global basis, it is one of the most recognized measures of volatility -- widely reported by financial media and closely followed by a variety of market participants as a daily market indicator.

The **Wilshire Liquid Alternative Total Return Index** measures the performance of a focused basket of mutual funds that provides risk adjusted exposure to equity hedge, global macro, relative value, and event driven alternative investment strategies.

**Markit North American Investment Grade CDX Index** or the **CDX.NA.IG Index** (the "IG Index"), is composed of one hundred twenty five (125) of the most liquid North American entities with investment grade credit ratings that trade in the CDS market.

Past performance is no guarantee of future returns. All indices are unmanaged and measure common sectors of global asset markets. Securities in the indices do not match those in the Dunham Funds, and performance will differ. The Indices assume reinvestment of distributions and interest payments, and do not take into account brokerage fees and taxes. It is not possible to invest directly into an Index.