

## Investment Objective

The investment objective of the Fund is to maximize total return under varying market conditions through both current income and capital appreciation.

## Sub-Adviser Background

MetLife Investment Management, LLC ("MetLife") is located at 1717 Arch Street, Suite 1500, Philadelphia, Pennsylvania 19103. MetLife is registered with the SEC as an investment adviser under the Investment Advisers Act of 1940, as amended (the "Advisers Act"). As of December 31, 2021, MetLife had approximately \$669 billion in assets under management.

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

Quarter: -0.92%	1-Year: -0.31%	3-Year: 3.17%
5-Year: 5.43%	Since Inception (12/10/04): 5.15%	Total Expense Ratio: 1.83%
10-Year: 5.11%	SEC 30-Day Yield (7/31/21): 0.25%	

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## Asset Class Recap

The fiscal quarter continued the theme of heightened volatility in both the equity and fixed income markets. The increased volatility had multiple underlying drivers, including supply chain issues, the Fed's plans and pace to potentially control inflation, sanctions, and additional global disruptions as Russia attacked Ukraine. This collection of factors led to substantial and broad declines in the fixed income markets, as the Bloomberg U.S. Aggregate Bond Index declined 7.5 percent. These historically poor total returns were primarily driven by the sharp increase in U.S. Treasury yields which saw 2-year yields rise more than 150 basis points and briefly invert to 10-year yields, which rose 110 basis points. This aggressive rise in yields was precipitated by a recognition from many members of the Fed that the pace of this hiking cycle may have to be faster than expected to stem the spike in inflation. Although high-yield bonds generally exhibit a lower interest rate sensitivity than investment-grade bonds, all else equal, the sell-off in the fixed income markets covered all credit qualities. Within the high-yield bond sector, CCC-rated bonds dropped 6.1 percent, faring worse than single-B rated bonds, which declined 4.6 percent, while BB-rated bonds decreased 5.8 percent. High-yield bonds in general, as measured by the ICE BofA U.S. Cash Pay High-Yield Index, declined 5.4 percent.

## Allocation Review

As the Sub-Adviser continued to limit the overall interest rate sensitivity of the Fund, the Fed's interest rate increases, along with concerns of additional larger raises, had a substantially muted impact on the Fund as a whole. The Sub-Adviser implemented its rate hedging strategy by utilizing Treasury Bond futures of various maturities to maintain an overall duration exposure for the Fund of close to one year. In addition, as the Sub-Adviser reduced the Fund's exposure to emerging market debt and other holdings that it perceived as higher risk. The reduction in these long-duration securities resulted in the overall duration exposure of the Fund dropping significantly below one year. Similarly, the net notional exposure of the Fund decreased below 10 percent as Sub-Adviser maintained a cautious view on the credit markets. The Fund continued to primarily hold high-yield bonds, although it also held some investment-grade bonds, and the Sub-Adviser continued to utilize derivatives such as credit default swaps to take short positions in baskets of high-yield and investment-grade securities. At the end of the most recent fiscal quarter, the notional value of these credit hedges comprised close to 28 percent of the Fund. This does not include the additional 9 percent in single-name credit default swaps, which are generally part of a pairs trade

strategy – therefore, the total allocation to pairs trading was close to 18 percent. The Fund had approximately 8 percent allocated to catalyst-driven prospects and close to 10 percent in opportunistic trading. The core long holdings, which included preferred stocks, accounted for approximately 24 percent of the Fund, while the rate hedging strategy accounted for 28 percent of the Fund's holdings.

## Holdings Insights

As nearly all sectors and credit qualities within the bond universe experienced losses, the strongest contributors to positive returns in the Fund were the holdings that provided short exposure to CDX high-yield and investment grade indices. This included the Fund's holdings in the Markit CDX North America High-Yield Index (CDXNAHY38) (holding notional weight\*: 11.94 percent), which is composed of one hundred liquid North American entities with high-yield credit ratings that trade in the CDS market, and holdings in the Markit North American Investment Grade CDX Index (CDXNAIG38) (holding notional weight\*: 15.80 percent), which is composed of one hundred twenty five of the most liquid North American entities with investment grade credit ratings that trade in the CDS market. The CDXNAHY and CDXNAIG are tradable indices that allow market participants to take a view on the overall credit quality and direction of the underlying basket in one tradable instrument. The long positions in these credit default swap indices, which generally represent a short position in the direction of the credit risk of the index constituents, appreciated 2.8 percent and 0.5 percent, respectively since their addition to the Fund in the final two months of the most recent fiscal quarter. Other short positions in the Fund during the fiscal quarter included credit default swaps in DR Horton Inc. (DRINC1718) (holding notional weight\*: 1.16 percent), a U.S. homebuilder. During the three-month period, the DR Horton credit default swap appreciated 1.3 percent, as credit spreads widened, particularly in the second fiscal quarter.

Although the pairs trading strategy does not generally result in a net short position, the effective netting out of the systematic risk between the two bonds in each pairs trade helped to reduce the adverse impact from the overall decline in bond values. During the fiscal quarter, the Fund had exposure to pairs trades between long Gap Inc. (GAPCD1718) (holding notional weight\*: -1.93 percent) and short Bath & Body Works, Inc. (BBWCD1718) (holding notional weight\*: 1.93 percent). This pairs trade was performed using credit default swaps on both the long and the short, by taking a long exposure to the credit risk of Gap Inc. via a short position in credit default swap and taking a short exposure to the credit risk of Bath & Body Works, Inc. with a long position in a credit default swap.

\*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.

Therefore, the notional holdings weights appear reversed compared to the exposure to the credit risk of the underlying. Although the first fiscal quarter generally saw the net effect of the pairs trade work favorably for the Fund, the second fiscal quarter generally detracted from performance overall as both spreads widened out and Gap Inc.'s spread appeared to widen even more than Bath & Body Work, Inc.'s.

Most long positions within the Fund performed poorly during the fiscal quarter. As the Sub-Adviser implemented its stop-loss parameters, some more volatile holdings were stopped out during the fiscal quarter. This included two emerging market positions, Alfa Desarrollo SpA 4.55% Due 9/27/2051 (01538TAA3) (holding notional weight<sup>\*\*</sup>: 0.88 percent), a Chilean energy and infrastructure company, and Aeropuerto Internacional de Tocumen S.A. 5.125% Due 8/11/2061 (00787CAE2) (holding notional weight<sup>\*\*</sup>: 1.26 percent), the international airport in Panama City. From the beginning of the fiscal quarter through mid-February when they were sold, the Alfa Desarrollo and Aeropuerto Internacional de Tocumen bonds declined 3.2 percent and 0.9 percent, respectively. When considering the performance of these same bonds since the start of the fiscal year, then decline to trigger the stop-loss was more pronounced at 8.3 percent and 6.3 percent, respectively. Although the Sub-Adviser believes that both bonds' declines were driven by technical pressure on emerging market credit rather than any deteriorating fundamental factors, it followed its discipline of using the stop loss for an exit. The result was that the triggering of these stops stemmed the extent of the Fund's losses in these holdings which each continued to decline approximately 10 percent after being sold.

### **Sub-Adviser Outlook**

The Sub-Adviser continues to take a cautious approach to the current market environment. This includes maintaining some cash and what the Sub-Adviser considers to be short-term high quality holdings in order to have the ability to move into attractive opportunities as may be uncovered by its selection process. The Sub-Adviser believes that managing the interest rate overlay is important to maintain a low overall duration for the Fund, so that changes in the yield curve, particularly upward movements, may be mitigated.

*\*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.*

## 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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*Hold Us To Higher Standards*

## Class N Shares As of May 31, 2022

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	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>	-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.