Dodge & Cox®

Investment Focus

Global Bond Fund

September 30, 2023

Performance[1]

Total Returns (%)

	3 Months	YTD	Average Annual Total Returns: 1 Year	3 Years	5 Years	10 Years	Since Inception (12/5/2012)
Global Bond Fund — Class I	-1.81%	3.37%	9.57%	-0.07%	3.24%	2.91%	2.76%
Global Bond Fund — Class X	-1.79%	3.51%	9.75%	-0.04%	3.26%	2.92%	2.77%
Bloomberg Global Aggregate Bond Index (USD Hedged)	-1.82%	1.09%	2.10%	-3.71%	0.57%	1.84%	1.67%

Returns represent past performance and do not guarantee future results. Investment return and share price will fluctuate with market conditions, and investors may have a gain or loss when shares are sold. Mutual Fund performance changes over time and currently may be significantly lower than stated above. Performance is updated and published monthly. Current month-end performance can be obtained at dodgeandcox.com or by calling 800-621-3979.

Market Commentary

Global bond markets had a challenging third quarter, as rising interest rates in almost every major market led the Bloomberg Global Aggregate USD Hedged Index to return -1.8%. In the United States, for example, the 10-year Treasury yield rose 73 basis points[2] (bps) reflecting continued economic strength and markets anticipating a soft landing rather than a deep recession. Similar factors led the U.S. dollar to strengthen by 2.4% on a broad trade-weighted basis.[3] Global credit spreads remained relatively unchanged, and the yield on the Bloomberg Global Aggregate Index ended the quarter at its highest level since 2008.

Portfolio Strategy

In this environment, we made numerous adjustments to the interest rate, credit, and currency exposures in the portfolio. In response to the higher level of government bond yields across many global fixed income markets, we extended the Fund's duration[4] by approximately 0.5 years, to 5.1 years as of September 30. While we extended duration primarily in the United States, we also continued to find incremental opportunities across several developed markets. During the quarter, we extended duration in Australia and Norway and initiated a new position in long-dated currency-hedged New Zealand government bonds.[5] We expect restrictive monetary policy to push down inflation and long-term rates in New Zealand over our investment horizon.

As recession fears receded, Credit was generally the best-performing part of the portfolio during the quarter. While we remain comfortable with the credit fundamentals of our portfolio holdings, we believe the risk/reward trade off is not as compelling as it has been in the recent past and reduced the Fund's exposure by 2.7 percentage points.

We made modest changes in the Fund's currency positioning during the quarter, and we added exposure to the South Korean won, Australian dollar, and Japanese yen. These currencies have weakened as U.S. interest rates and growth differentials widened. Developed market currencies now comprise nearly half of the Fund's 22% exposure to non-U.S. currencies.

In closing, we continue to be encouraged by ample investment opportunities and the higher level of overall interest rates in global fixed income markets. The Fund owns a carefully curated portfolio of credits, interest rate exposures, and currencies, and we remain optimistic about the long-term return potential. Thank you for your continued confidence in Dodge & Cox.

Performance Review (Fund's Class I Shares)

Third Quarter

Key contributors included the Fund's:

- Exposure to Corporate bonds (49%[6]), with British American Tobacco, Telecom Italia, and Charter Communications among stronger-performing holdings; and
- Exposure to government-related credits in Latin America, including Petrobras and Pemex.

Key detractors included the Fund's:

- Exposure to rising interest rates in the United States and several Latin American countries, including Mexico, Brazil, and Colombia; and
- Exposure to several depreciating currencies, including the Japanese yen and Brazilian real.

Year to Date

Key contributors included the Fund's:

- Exposure to Corporate bonds (54%[6]), with British American Tobacco, Telecom Italia, and Charter Communications among stronger-performing holdings;
- Exposure to interest rates in several Latin American countries, including Colombia, Brazil, and Peru; and
- Exposure to several Latin American currencies, including the Mexican peso, Colombian peso, and Brazilian real.

Key detractors included the Fund's:

- Exposure to rising interest rates in the United States; and
- Exposure to several depreciating currencies, including the Japanese yen, Malaysian ringgit, and Norwegian krone.

Top Ten Issuers

	% of Fund
Fannie Mae	7.0%
U.S. Treasury Note/Bond	6.5%
Freddie Mac	6.1%
Japan Government	3.7%
Brazil Government	3.4%
Mexico Government	3.0%
British American Tobacco PLC	2.3%
Petroleos Mexicanos	2.2%
Charter Communications, Inc.	2.2%
Norway Government	2.0%

Fund Expense Ratios

	Ticker	Net	Gross
Global Bond Fund — Class I	DODLX	0.45%*	0.52%
Global Bond Fund — Class X	DOXLX	0.37%*	0.47%

* Dodge & Cox has contractually agreed to reimburse the Fund for all ordinary expenses to the extent necessary to maintain Total Annual Fund Operating Expenses of the Class I shares at 0.45% and the Class X shares at 0.37% until April 30, 2026. These agreements cannot be terminated prior to April 30, 2026 other than by resolution of the Fund's Board of Trustees. For purposes of the foregoing, ordinary expenses shall not include nonrecurring shareholder account fees, fees and expenses associated with Fund shareholder meetings, fees on portfolio transactions such as exchange fees, dividends and interest on short positions, fees and expenses of pooled investment vehicles that are held by the Fund, interest expenses and other fees and expenses related to any borrowings, taxes, brokerage fees and commissions and other costs and expenses relating to the acquisition and disposition of Fund investments, other expenditures which are capitalized in accordance with generally accepted accounting principles, and other nonroutine expenses or extraordinary expenses not incurred in the ordinary course of the Fund's business, such as litigation expenses. The term of the agreement will automatically renew for subsequent three-year terms unless terminated with at least 30 days' written notice by either party prior to the end of the then-current term. The agreement does not permit Dodge & Cox to recoup any fees waived or payments made to the Fund for a prior year.

The Fund invests in individual bonds and other securities whose yields and market values fluctuate, so that your investment may be worth more or less than its original cost. The Fund's performance could be hurt by interest rate risk, credit risk, below investment-grade securities risk, non-U.S. currency risk, sovereign and government-related debt risk, derivatives risk, liquidity risk, mortgage- and asset-backed securities risk, to-be-announced transaction risk, call risk, manager risk, market risk, geographic risk, and hybrid securities risk. The Fund invests in foreign securities which involve political, economic and currency risks, greater volatility and differences in accounting methods. These risks are greater for emerging markets. The Fund may use derivatives to create or hedge investment exposure, which may involve additional and/or greater risks than investing in securities, including more liquidity risk and the risk of a counterparty default. Some derivatives create leverage.

Before investing in any Dodge & Cox Fund, you should carefully consider the Fund's investment objectives, risks, and charges and expenses. To obtain a Fund's prospectus and summary prospectus, which contain this and other important information, or for current month-end performance figures, visit dodgeandcox.com or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing.

Dodge & Cox Funds are distributed by Foreside Fund Services, LLC, which is not affiliated with Dodge & Cox.

1. All returns are stated in U.S. dollars, unless otherwise noted. The Funds' total returns include the reinvestment of dividend and capital gain distributions, but have not been adjusted for any income taxes payable by shareholders on these distributions or on Fund share redemptions. Index returns include dividend and/or interest income but, unlike Fund returns, do not reflect fees or expenses. The Class X shares inception date is May 2, 2022. The returns shown prior to that date are for the Class I shares. Dodge & Cox Global Bond Fund, L.L.C., a private fund managed by Dodge & Cox with proprietary assets was reorganized into the Dodge & Cox Global Bond Fund on April 30, 2014. Any Fund performance information for periods prior to May 1, 2014, are those of the private fund (inception date December 5, 2012). The Bloomberg Global Aggregate Bond Index is a widely recognized, unmanaged index of multi-currency, investment-grade fixed income securities. Bloomberg calculates a USD hedged return by applying one-month forward rates to seek to eliminate the effect of non-USD exposures.
2. One basis point is equal to 1/100th of 1%.
3. As measured by the Broad Trade-Weighted U.S. Dollar Index, which measures of the value of the United States dollar relative to other world currencies.
4. Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.
5. The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.
6. Figures in this section denote Fund positioning at the beginning of the period.