Dodge & Cox®
Worldwide Funds

Global Bond Fund

30 June 2024

Performance[1]

Total Returns (%)	Unannualised Returns		Average Annual Total Returns				
	3 Months	YTD	1 Year	3 Years	5 Years	Since Inception	Inception Date
Global Bond Fund							
USD Accumulating Class	-0.22	-0.60	6.02	0.38	3.15	2.91	01/05/14
GBP Distributing Class	-0.30	0.26	6.45	3.43	3.24	5.87	01/05/14
GBP Distributing Class (H)	-0.30	-0.86	5.38	-0.35	2.21	2.01	01/05/14
EUR Accumulating Class	0.58	2.49	8.05	3.84	4.39	5.55	01/05/14
EUR Accumulating Class (H)	-0.54	-1.33	4.10	-1.53	1.21	1.09	01/05/14
EUR Distributing Class	0.55	2.45	8.03	3.86	4.40	5.56	01/05/14
EUR Distributing Class (H)	-0.56	-1.36	4.21	-1.50	1.21	1.10	01/05/14
CHF Distributing Class (H)	-1.16	-2.65	1.49	-2.82	-	-2.82	01/07/21
BBG Global Agg (H, in USD)	0.12	0.13	4.20	-1.57	0.25	2.12	01/05/14

Returns represent past performance and do not guarantee future results. Investment return, costs, and share price will fluctuate with market conditions and may be affected by currency fluctuations. Investors may have a gain or loss when shares are sold. Fund performance changes over time and currently may be significantly lower than stated above. Visit the Fund's website at dodgeandcox.com for current month-end performance figures.

Market Commentary

Long-term interest rates rose in most global markets during the second quarter of 2024, reflecting upward pressure from U.S. rates and a mix of domestic developments. In the United States, the Federal Reserve delayed cutting interest rates in the face of stronger economic data and lingering price pressures. Meanwhile, several global central banks continued to cut policy interest rates, including Brazil, Chile, and Colombia, while the European Central Bank started a cautious easing cycle. In this mixed environment, global credit spreads modestly increased.

The U.S. dollar generally appreciated during the quarter, while country-specific factors caused some currencies to be notable outliers. The Mexican peso, for example, markedly underperformed following the outcome of the presidential and congressional elections in June, while persistently low interest rates in Japan continued to weigh on the yen.

Portfolio Strategy

Amidst these market movements, we adjusted the Fund's interest rate, currency, and credit exposures. Based on our view that long-term interest rates are likely to decline in several countries, we increased the Fund's duration[2] from 5.5 to 6.0 years by extending duration in the United States and Eurozone, where yields are near decade-high levels.[3] We also modestly increased duration in Peru, Brazil, and Mexico in response to attractive valuations.

We maintained the Fund's non-U.S. dollar currency exposure at 24% but adjusted its composition. In Peru and Mexico, we partially hedged the currency exposure, which we now find less compelling on a relative basis. We reinitiated a position in the Indonesian rupiah and added to the Korean won as we believed their recent underperformance was inconsistent with the countries' fundamental strengths.

In credit, we continued to trim select intermediate- and longer-dated corporate bonds with valuations that we no longer found compelling. Reflecting this view, the Fund's Credit[4] exposure ended the quarter near a multi-year low of 42.9%. Despite credit spreads being at expensive levels, we identified new opportunities, including initiating a 0.5% position in seven-year Romanian government bonds. We believe Romania's fundamental outlook is strong relative to regional peers, and spreads offer attractive compensation given our assessment of long-term country risks.

In this environment of numerous and sometimes conflicting global crosscurrents, we remain focused on valuation and positioning the Fund for the long term. Thank you for your continued confidence in Dodge & Cox.

Performance Review (USD Accumulating Class)[5]

Second Quarter

Key contributors to relative results included the Fund's:

- Exposure to Corporate bonds (38%), with Prosus, Bayer, and Telecom Italia among the strongest-performing holdings; and
- Exposure to interest rates in several emerging market countries, including South Africa, Peru, and South Korea.

Key detractors from relative results included the Fund's:

- Exposure to local currency government bonds in Brazil and Mexico; and
- Exposure to the Japanese yen.

Year to Date

Key contributors to relative results included the Fund's:

- Exposure to Corporate bonds (41%), with British American Tobacco, Prosus, and TC Energy among the strongest-performing holdings; and
- Exposure to several government-related credits, including Pemex.

Key detractors from relative results included the Fund's:

- Exposure to U.S. interest rates, as Treasury yields rose;
- Exposure to local currency government bonds in Brazil and Mexico; and
- Exposure to several currencies, including the Japanese yen, Norwegian krone, and Korean won.

1. All returns are stated in U.S. dollars, unless otherwise noted. The Fund's total returns include dividends and interest income and reflect the deduction of expenses charged to the Fund. Index returns include dividends but, unlike Fund returns, do not reflect fees or expenses. The Fund is actively managed and uses the benchmark index for performance comparison purposes only. The Bloomberg Global Aggregate Bond Index is a widely recognised, 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. Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.
3. The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.
4. Credit refers to corporate bonds and government-related securities, as classified by Bloomberg.
5. Figures in this section denote Fund positioning at the beginning of the period.