Dodge & Cox Funds®

Global Bond Fund

TO OUR SHAREHOLDERS

The Dodge & Cox Global Bond Fund had a total return of –1.9% for the six months ended June 30, 2018, compared to a return of –1.5% for the Bloomberg Barclays Global Aggregate Bond Index (Bloomberg Barclays Global Agg).

MARKET COMMENTARY

Global bond market returns were challenged in the first half of 2018 as U.S. interest rates rose, the U.S. dollar strengthened, and corporate bonds underperformed. While the global economic expansion remains strong, momentum slowed in some regions, particularly Europe, and trade tensions rose, posing a mounting risk to the global outlook.

Expressing optimism about the U.S. economy, the Federal Reserve (Fed) hiked interest rates by 25 basis points (bps)[a] in both March and June, and signaled that two more increases are likely during the remainder of 2018. Notably, the Fed's preferred measure of inflation recently reached its 2% target for the first time since 2012. The U.S. 10-year Treasury yield briefly reached 3.11% in May, its highest level since 2011, before closing the first half at 2.86%. Consumer confidence and labor market data in the United States also showed sustained momentum, contrasting with somewhat lackluster economic data coming from Europe. The European Central Bank (ECB) announced that it would end its bond purchase program in December and keep rates steady through the summer of 2019. Ten-year German bund yields finished the first half of the year at a meager 0.30%.

Despite starting 2018 on a depreciating trend, the trade-weighted U.S. dollar rose 4.2%, reversing some of its decline in 2017. The ECB's dovish tone, combined with uncertainty around a new populist coalition government in Italy, put pressure on the euro (down 2.7%) and several related European currencies (e.g., Polish zloty, Swedish krona). The strong U.S. dollar and the prospects for higher U.S. interest rates and rising tariffs weighed on emerging market debt and currencies. This weaker external environment, combined with idiosyncratic political and economic vulnerabilities, caused significant sell-offs in Argentina, Brazil, and Turkey.

Weakness in corporate bond returns was widespread across industries. BBB-rated credits,[b] the lowest rung on the investment-grade ladder, fared worst as concerns grew about the growing size of this market segment and prospects rose for more debt-financed mergers and acquisitions, especially in the Communications and Health Care sectors. After reaching the lowest levels since the financial crisis, credit yield premiums[c] widened beginning in February. At June 30, the Bloomberg Barclays Global Agg Corporate OAS was 125 bps, the highest level since December 2016 and near long-term median levels. Despite this move, yield premiums remain fairly low in a long-term historical context, and the fundamental outlook for corporations appears strong.

INVESTMENT STRATEGY

Compared to 2016 and 2017, the market backdrop in 2018 has been a difficult one in which to generate returns from the three main return levers of our global bond strategy—credit, currency, and interest rates. Rising yields across broad swaths of the market (e.g., corporate bonds, emerging market local debt) and depreciation of almost every currency versus the dollar drove negative returns across most of our investment universe. While we are disappointed to report negative returns, we believe these recent trends create interesting opportunities. Bond yields and non-U.S. currencies now trade at more attractive entry points for investors. The yield of the Fund, which increased during the first half of the year, is the outcome of a dynamic and deliberate investment process that is anchored in fundamental research and designed to identify our best investment ideas across the globe.

During the first six months of 2018, as valuations for "risk assets" such as corporate bonds and emerging market debt fell, we actively increased our exposure to selected issuers in these areas of the market. The following sections provide more context and specifics around the Fund's positioning and outlook.

Credit: Opportunities Abound

As corporate bond prices fell over the period, our research team identified many compelling investment opportunities. In fact, the Fund's corporate bond weighting rose by nine percentage points (from 38% to 47%). This is a clear departure from positioning changes in the previous two years (when valuations were rising), during which we reduced the corporate weighting by approximately 20 percentage points. The additions to the Fund came from both the primary and secondary markets, and a variety of credit-rating categories and industries. At a high level, emerging markets, Italian corporates, and corporate hybrid securities of high-quality industrials (a subordinated bond structure) were key focus areas. However, as always, our portfolio construction is bottom-up, based on deep analysis on an issuer-by-issuer basis. For example, we initiated a position in CVS[d] and added to our Cemex position.

a One basis point is equal to 1/100th of 1%.

b Credit securities refers to corporate bonds and government-related securities, as classified by Bloomberg.

c Yield premiums are one way to measure a security's valuation. Narrowing yield premiums result in a higher valuation. Widening yield premiums result in a lower valuation.

d The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.

In March, the Fund purchased several bonds issued by CVS as part of a $40 billion new issue related to CVS's $77 billion purchase of Aetna, a health insurance provider. The transaction will create a large, diverse, and vertically integrated healthcare platform. We believe the income offered on the bonds was attractive given the immense scale of the combined company (one of the five largest companies in the United States in terms of revenue generation) and our confidence in the management team's ability and commitment to pay down debt in the coming years.

Cemex, a Mexico-domiciled global building materials company, has been a holding of the Fund for many years; we have adjusted our position size over time in response to valuation considerations. In recent months, the yield on our Cemex holding increased meaningfully, reflecting somewhat weaker operating profitability and concerns about the political and economic outlook in Mexico. We reviewed the risks and decided to increase the Fund's position from 1.2% to 1.7%. We believe the fears about Mexico are overdone and that Cemex's long-term operating prospects are strong. Importantly, over the last several years, the management team has prioritized reducing leverage and achieving an investment-grade credit rating, which aligns well with our interests as creditors.

Currency: Recent Emerging Market Pains Could Turn Into Gains

The Fund holds 18%[e] in local emerging market bonds, invested across seven countries and currencies. The Fund's investments in Colombia and Mexico government bonds performed strongly, while the Fund's investments in Argentina, India, Indonesia, Poland, and Turkey suffered. We believe fears regarding a broad emerging markets meltdown are unfounded. First, many emerging market economies have become more resilient over time. In many cases, current account deficits are lower, inflation is lower, and the composition of debt has improved as countries have developed their own capital markets, enabling lower foreign currency borrowing and longer average debt maturities. Second, while there are commonalities among emerging market countries, they are diverse in terms of politics, economic prospects, capital market developments, and other relevant factors. Third, the recent price declines have been significant and, in some cases, overdone relative to our assessment of fair value. For several countries, real rates and currency valuations look quite appealing, and we added incrementally to a number of positions during the period. We are optimistic regarding their total return prospects, given their attractive yield coupled with the potential for currency stability or appreciation.

For example, we modestly increased our exposure to the Argentine peso, following a significant weakening. One of the Fund's holdings is a Province of Buenos Aires bond that now yields over 50%, providing a significant cushion against further currency depreciation. 2018 has been a difficult year for Argentina. As the appetite for emerging market assets declined, fears escalated about Argentina's large external funding needs given its sizeable twin (fiscal and current account) deficits and still underdeveloped domestic capital markets. With confidence in policy makers and the inflation outlook faltering, the central bank was forced to raise rates by nearly 13 percentage points in order to anchor inflation expectations and stem currency depreciation. Despite some deterioration in the economic and political outlook, we believe that President Macri's institutional and macroeconomic reform agenda remains credible. We are also comforted by the $50 billion, 3-year IMF agreement reached in June, which should lessen tail risk and provide the authorities some time to continue advancing much-needed reforms.

Rates: Picking Our Spots

The Fund's aggregate duration[f] positioning (3.6 years) remained relatively unchanged over the period. The front-end of the U.S. yield curve has risen to attractive levels (e.g., 2-year U.S. Treasury rate of 2.5%) relative to the post-financial crisis era and to many other current developed market yields (e.g., Germany, Japan). However, longer-term U.S. interest rates (e.g., 10-years maturity and longer) have risen less and, in our view, warrant caution as increases in this part of the yield curve could have a big negative price impact. Furthermore, longer-term rates in developed markets outside the United States remain at historically low levels, providing little cushion against any negative price impact from rising rates.

In contrast, nominal and inflation-adjusted longer-term interest rates in several emerging market countries look quite attractive. For example, the Fund holds a small position in longer-term Indonesia local government bonds that yield 8.4%. We believe that this yield will fall over time given the inflation outlook, a proactive central bank, and the continuation of positive economic and institutional reforms.

IN CLOSING

Recent market dynamics have created short-term challenges for investors but also ample opportunities for active global bond managers. We have confidence in our well-established investment approach and believe the Fund is well positioned to meet our long-term investment objectives. Thank you for your continued confidence in our firm. As always, we welcome your comments and questions.

For the Board of Trustees,

Charles F. Pohl, Chairman	Dana M. Emery, President

August 1, 2018

e Unless otherwise specified, all weightings and characteristics are as of June 30, 2018.

f Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.

DODGE & COX FUNDS®

Global Bond Fund

June 30, 2018

Ticker Symbol DODLX

Objectives

- The Fund seeks a high rate of total return consistent with long-term preservation of capital.

Strategy

- The Fund invests in bonds and other debt instruments of issuers from at least three different countries, including emerging market countries. The Fund invests in both U.S. dollar-denominated and non-U.S.-currency-denominated debt instruments, including, but not limited to, government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities.
- The proportions of the Fund's assets held in various debt instruments will be revised in light of Dodge & Cox's appraisal of the global economy, the relative yields of securities in the various market sectors and countries, the potential for a currency's appreciation, the investment prospects for issuers, the countries' domestic and political conditions, and other factors. In selecting securities, Dodge & Cox considers many factors, including, without limitation, yield, structure, covenants, credit quality, liquidity, call risk, duration, and capital appreciation potential.
- The Fund may enter into currency or interest rate-related derivatives, including forwards, futures, swaps, and options.

Risks

- The yields and market values of the instruments in which the Fund invests may fluctuate. Accordingly, your investment may be worth more or less than its original cost. Debt securities are subject to interest rate risk, credit risk, and prepayment and call risk, all of which could have adverse effects on the value of the Fund. Investing in non-U.S. securities may entail risk due to foreign economic and political developments; this risk may be higher when investing in emerging markets. The Fund's use of derivatives involves risks different from, and possibly greater than, the risks associated with investing directly in securities and other more traditional investments. Please read the prospectus for specific details regarding the Fund's risk profile.

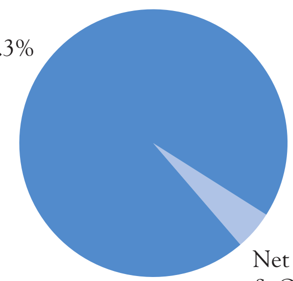
GENERAL INFORMATION

Net Asset Value Per Share	$10.69
Total Net Assets (millions)	$196.3
Net Expense Ratio[a]	0.45%
Gross Expense Ratio (1/1/18 to 6/30/18, annualized)	*0.96%*
Portfolio Turnover Rate (1/1/18 to 6/30/18, unannualized)	21%
30-Day SEC Yield (using net expenses)[a][b]	4.44%
30-Day SEC Yield (using gross expenses)	*3.93%*
Number of Credit Issuers	48
Fund Inception	May 1, 2014

No sales charges or distribution fees

Investment Manager: Dodge & Cox, San Francisco. Managed by the Global Fixed Income Investment Committee, whose six members' average tenure at Dodge & Cox is 20 years.

ASSET ALLOCATION



PORTFOLIO CHARACTERISTICS

	Fund	BBG Barclays Global Agg
Effective Duration (years)[c]	**3.6**	7.0
Emerging Markets[d]	**28.9%**	5.3%
Non-USD Currency Exposure[e]	**17.5%**	55.5%

FIVE LARGEST CREDIT ISSUERS (%)[f]

	Fund
Telecom Italia SPA	**2.1**
Kinder Morgan, Inc.	**2.1**
Charter Communications, Inc.	**2.0**
AT&T, Inc.	**2.0**
TransCanada Corp.	**2.0**

CREDIT QUALITY (%)[g][h]

	Fund	BBG Barclays Global Agg
Aaa	**21.3**	39.6
Aa	**2.0**	16.2
A	**13.7**	29.0
Baa	**43.2**	15.2
Ba	**12.9**	0.0
B	**2.2**	0.0
Caa	**0.0**	0.0
Net Cash & Other[i]	**4.7**	0.0

SECTOR DIVERSIFICATION (%)[h]

	Fund	BBG Barclays Global Agg
Government	**18.7**	54.2
Government-Related	**5.9**	12.1
Securitized	**24.1**	15.1
Corporate	**46.6**	18.6
Net Cash & Other[i]	**4.7**	0.0

REGION DIVERSIFICATION (%)[d][h]

	Fund	BBG Barclays Global Agg
United States	**48.5**	38.5
Latin America	**18.9**	1.1
Europe (excluding United Kingdom)	**10.9**	26.3
United Kingdom	**6.4**	5.5
Pacific (excluding Japan)	**6.3**	5.5
Africa	**2.3**	0.0[j]
Canada	**2.0**	3.2
Japan	**0.0**	17.1
Middle East	**0.0**	0.6
Other	**0.0**	2.2

(a) Dodge & Cox has contractually agreed to reimburse the Fund for all ordinary expenses to the extent necessary to maintain total annual fund operating expenses at 0.45% through April 30, 2019. The term of the agreement renews annually thereafter unless terminated with 30 days' written notice by either party prior to the end of the term.

(b) SEC Yield is an annualization of the Fund's net investment income for the trailing 30-day period. Dividends paid by the Fund may be higher or lower than implied by the SEC Yield.

(c) Interest rate derivatives reduce total Fund duration by 2.3 years (i.e., total Fund duration is 5.9 years without derivatives).

(d) The Fund may classify an issuer in a different category than the Bloomberg Barclays Global Aggregate Bond Index. The Fund generally classifies a corporate issuer based on the country of incorporation of the parent company, but may designate a different country in certain circumstances.

(e) Non-USD Currency Exposure for the Fund reflects the value of the portfolio's non-U.S. dollar denominated investments, as well as the impact of currency derivatives.

(f) The Fund's portfolio holdings are subject to change without notice. The mention of specific securities is not a recommendation to buy, sell, or hold any particular security and is not indicative of Dodge & Cox's current or future trading activity.

(g) The credit quality distributions shown for the Fund and the Index are based on the middle of Moody's, S&P, and Fitch ratings, which is the methodology used by Bloomberg in constructing its indices. If a security is rated by only two agencies, the lower of the two ratings is used. Please note the Fund applies the highest of Moody's, S&P, and Fitch ratings to comply with the quality requirements stated in its prospectus. On that basis, the Fund held 8.3% in securities rated below investment grade. The credit quality of the investments in the portfolio does not apply to the stability or safety of the Fund or its shares.

(h) Region, sector, and quality weights exclude the effect of the Fund's derivative contracts.

(i) Net Cash & Other includes cash, short-term investments, derivatives, receivables, and payables.

(j) Rounds to 0.0%.

Average Annual Total Return[1]

For periods ended June 30, 2018	1 Year	3 Years	5 Years	Since Inception (December 5, 2012)
Dodge & Cox Global Bond Fund	0.38%	3.41%	2.93%	2.24%
Bloomberg Barclays Global Agg Index	1.36	2.58	1.50	0.31

dodgeandcox.com

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. Fund performance changes over time and currently may be significantly lower than stated above. Performance is updated and published monthly. Visit the Fund's website at dodgeandcox.com or call 800-621-3979 for current month-end performance figures.

The Dodge & Cox Global Bond Fund had a total return of –2.4% for the second quarter of 2018, compared to –2.8% for the Bloomberg Barclays Global Aggregate Bond Index (Bloomberg Barclays Global Agg). For the six months ended June 30, 2018, the Fund had a total return of –1.9%, compared to –1.5% for the Bloomberg Barclays Global Agg.

INVESTMENT COMMENTARY

Global bond market returns were challenged in the second quarter as U.S. interest rates rose, the U.S. dollar strengthened, and corporate bonds underperformed. While the global economic expansion remains strong, rising trade tensions, particularly between the United States and China, pose a mounting risk to the global outlook.

In June, the Federal Reserve (Fed) hiked interest rates by 25 basis points[2] for the second time this year. Fed officials expressed optimism about the U.S. economy and signaled that two additional increases are likely this year. The Fed's preferred measure of inflation reached its 2% year-on-year target in May for the first time in over five years. The U.S. 10-year Treasury yield briefly reached 3.1% in May, its highest level since 2011, before ending the quarter at 2.9%. U.S. consumer confidence and labor market data also showed sustained momentum, contrasting with somewhat disappointing economic data from Europe, where the European Central Bank (ECB) announced that it will likely end its bond purchase program in December and keep rates steady through the summer of 2019. 10-year German bund yields fell 20 basis points, to a meager 0.3%. We continue to believe that longer-term developed government bonds are not attractive given low starting yields combined with the prospect for rising interest rates over our long-term time horizon. Consequently, the Fund maintains a relatively low duration (3.6 years versus 7.1 years for the Bloomberg Barclays Global Agg).

In global foreign exchange markets, the U.S. Broad Dollar Index rose 4.5% in the second quarter, its biggest rally since the fourth quarter of 2016, as almost every major currency depreciated against the U.S. dollar. The ECB's dovish tone, combined with uncertainty surrounding the new populist coalition in Italy, put pressure on the euro (down 5.2%) and several related European currencies.

Meanwhile, the prospect of higher U.S. interest rates and a strong U.S. dollar weighed on emerging market debt and currencies, especially in Argentina, Brazil, Turkey, and South Africa. Reversing gains in the first quarter, the Mexican peso fell 8.7% as concerns intensified about Mexico's political landscape as well as the outlook for NAFTA negotiations. Despite the more challenging external backdrop for emerging market debt, we are confident about the long-term prospects for our holdings based on a combination of attractive valuations (e.g., high real rates, undervalued currencies) and stable to improving economic fundamentals.

Credit yield premiums[3] widened for a second consecutive quarter, with the Bloomberg Barclays Global Agg Corporate yield premium finishing the quarter at its highest level since December 2016. Financials outperformed Industrials, and investment-grade underperformed high-yield debt. As corporate valuations fell, we purchased or added to several issuers (e.g., Bayer AG, Cemex, Charter Communications), increasing the Fund's aggregate corporate bond exposure from 41% to 47%.

Overall, we remain optimistic about the long-term prospects for the Fund based on current positioning. Thank you for your continued confidence in Dodge & Cox.

SECOND QUARTER PERFORMANCE REVIEW

The Fund outperformed the Bloomberg Barclays Global Agg by 0.4 percentage points during the quarter.

KEY CONTRIBUTORS TO RELATIVE RESULTS

- Lack of exposure to the euro, yen, and pound (versus combined 48%[4] in the Bloomberg Barclays Global Agg) contributed significantly to relative performance as most major currencies depreciated versus the U.S. dollar.
- The yield advantage of the Fund contributed positively to performance.
- The Fund's Bank of America trust preferred securities significantly outperformed after redemption by the issuer at a premium to the market price.

KEY DETRACTORS FROM RELATIVE RESULTS

- Several emerging market local currency bonds underperformed, including issues of Mexico, Indonesia, and India (combined 10% versus 0%[5] in the Bloomberg Barclays Global Agg).
- Several credit holdings also detracted from results, most notably Province of Buenos Aires, Telecom Italia, and AT&T.
- The Fund's high exposure to corporate bonds (41% versus 19% in the Bloomberg Barclays Global Agg) hurt relative performance as credit yield premiums rose.

YEAR-TO-DATE PERFORMANCE REVIEW

The Fund underperformed the Bloomberg Barclays Global Agg by 0.5 percentage points year to date.

KEY DETRACTORS FROM RELATIVE RESULTS

- Certain emerging market local currency bonds underperformed, including Province of Buenos Aires, Indonesia, and India (combined 5% versus 0% in the Bloomberg Barclays Global Agg).
- The Fund's lack of exposure to interest rates in the Eurozone hurt relative returns as interest rates fell.
- The Fund's high exposure to corporate bonds (38% versus 19% in the Bloomberg Barclays Global Agg) hurt relative performance as credit yield premiums rose.

KEY CONTRIBUTORS TO RELATIVE RESULTS

- Currency positioning contributed positively to relative performance, led by a large underweight in the euro (0%[5] versus 26% in the Bloomberg Barclays Global Agg), and overweights in the Mexican and Colombian pesos (combined 9% versus 0%[5]).
- The yield advantage of the Fund contributed positively to performance.
- Certain credits performed well, particularly Bank of America trust preferred securities, which outperformed after redemption by the issuer at a premium to the market price. Other outperformers included Citigroup capital securities, Rio Oil Finance Trust, and Macy's.

[1] The Fund's 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 interest income but, unlike Fund returns, do not reflect fees or expenses. The Bloomberg Barclays Global Aggregate Bond Index is a widely recognized, unmanaged index of multi-currency, investment-grade debt securities. All returns are stated in U.S. dollars, unless otherwise noted. A private fund managed and funded by Dodge & Cox (the "Private Fund") was reorganized into the Fund and the Fund commenced operations on May 1, 2014. The Private Fund commenced operations on December 5, 2012, and had an investment objective, policies, and strategies that were, in all material respects, the same as those of the Fund, and was managed in a manner that, in all material respects, complied with the investment guidelines and restrictions of the Fund. However, the Private Fund was not registered as an investment company under the Investment Company Act of 1940 (the "1940 Act"), and therefore was not subject to certain investment limitations, diversification requirements, liquidity requirements, and other restrictions imposed by the 1940 Act and the Internal Revenue Code, which, if applicable, may have adversely affected its performance. Expense reimbursements have been in effect for the Fund since its inception. Without the expense reimbursements, returns for the Fund would have been lower.

[2] One basis point is equal to 1/100th of 1%.

[3] Yield premiums are one way to measure a security's valuation. Narrowing yield premiums result in a higher valuation. Widening yield premiums result in a lower valuation.

[4] Unless otherwise noted, figures cited in this section denote positioning at the beginning of the period.

[5] Rounds to zero.

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, visit dodgeandcox.com or call 800-621-3979. Please read the prospectus and summary prospectus carefully before investing.