

- Objectives**
- The Fund seeks a high and stable rate of current income, consistent with long-term preservation of capital. A secondary objective is to take advantage of opportunities to realize capital appreciation.
- Strategy**
- The Fund invests in a diversified portfolio consisting primarily of investment-grade debt securities, including government and government-related obligations, mortgage- and asset-backed securities, corporate and municipal bonds, and other debt securities. To a lesser extent, the Fund may also invest in below investment-grade debt securities.
 - The proportions held in various debt securities will be revised in light of Dodge & Cox's appraisal of the economy, the relative yields of securities in the various market sectors, the investment prospects for issuers, and other factors. In selecting securities, Dodge & Cox considers many factors, including yield, credit rating, liquidity, call risk, duration, structure, and capital appreciation potential.
- Risks**
- The Fund invests in individual bonds whose yields and market values fluctuate, so that 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. Please read the prospectus for specific details regarding the Fund's risk profile.

GENERAL INFORMATION

Net Asset Value Per Share	\$13.36
Total Net Assets (billions)	\$56.9
Expense Ratio	0.43%
Portfolio Turnover Rate (1/1/18 to 6/30/18, unannualized)	19%
30-Day SEC Yield ^(a)	3.36%
Number of Credit Issuers	55
Fund Inception	1989

No sales charges or distribution fees

Investment Manager: Dodge & Cox, San Francisco. Managed by the U.S. Fixed Income Investment Committee, whose ten members' average tenure at Dodge & Cox is 21 years.

PORTFOLIO CHARACTERISTICS

	Fund	BBG Barclays U.S. Agg
Effective Duration (years) ^(b)	4.4	6.0

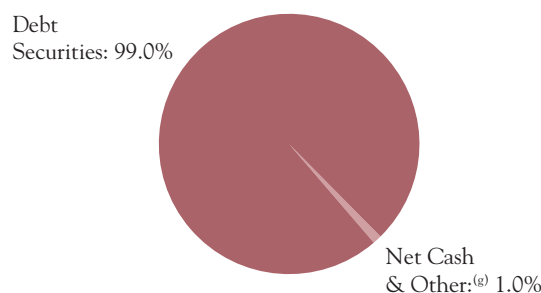
FIVE LARGEST CREDIT ISSUERS (%)^(c)

	Fund
Charter Communications, Inc.	2.6
Wells Fargo & Co.	1.9
Petroleos Mexicanos	1.8
State of California GO	1.7
BNP Paribas SA	1.6

CREDIT QUALITY (%)^(d)

	Fund	BBG Barclays U.S. Agg
U.S. Treasury/Agency/GSE ^(e)	47.3	68.3
Aaa	3.9	4.1
Aa	6.4	3.2
A	4.7	10.9
Baa	31.2	13.5
Ba	5.5	0.0
B	0.0	0.0
Caa	0.0	0.0
Net Cash & Other ^(g)	1.0	0.0

ASSET ALLOCATION



SECTOR DIVERSIFICATION (%)

	Fund	BBG Barclays U.S. Agg
U.S. Treasury ^(e)	12.3	38.0
Government-Related ^(f)	5.9	6.3
Securitized	43.0	30.6
Corporate	37.8	25.1
Net Cash & Other ^(g)	1.0	0.0

MATURITY DIVERSIFICATION (%)^(e)

	Fund	BBG Barclays U.S. Agg
0-1 Years to Maturity	2.5	0.0
1-5	34.1	39.4
5-10	47.0	44.4
10-15	2.2	1.6
15-20	5.2	2.4
20-25	2.8	4.2
25 and Over	6.2	8.0

^(a) 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.

^(b) Interest rate derivatives reduce total Fund duration by 0.2 years (i.e., total Fund duration is 4.6 years without derivatives).

^(c) 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.

^(d) 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 determine compliance with the quality requirements stated in its prospectus. On that basis, the Fund held 2.9% 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.

^(e) Data as presented excludes the Fund's position in Treasury futures contracts.

^(f) The portfolio's Government-Related holdings include tax-exempt municipal securities; the Index classifies these securities as Municipal Bonds.

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

Average Annual Total Return¹

For periods ended	1 Year	3 Years	5 Years	10 Years	20 Years
September 30, 2018					
Dodge & Cox Income Fund	-0.12%	3.14%	3.05%	5.33%	5.11%
Bloomberg Barclays U.S. Agg Index	-1.22	1.31	2.16	3.77	4.48

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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 Income Fund had a total return of 0.6% for the third quarter of 2018, compared to a total return of 0.0% for the Bloomberg Barclays U.S. Aggregate Bond Index (Bloomberg Barclays U.S. Agg). For the nine months ended September 30, 2018, the Fund had a total return of -0.6%, compared to -1.6% for the Bloomberg Barclays U.S. Agg.

INVESTMENT COMMENTARY

The U.S. investment-grade bond market return was flat for the third quarter as strong performance from the corporate bond sector was largely offset by price declines associated with rising Treasury yields. Solid economic data and robust corporate earnings bolstered investor sentiment and overshadowed concerns regarding U.S. trade policy and geopolitical uncertainty.

Economic data released during the quarter indicated that the broad U.S. economy remains on a solid path of steady growth. The labor market continued to improve as weekly jobless claims fell to the lowest level in almost 50 years and the unemployment rate hovered near its lowest level in 18 years (at 3.9%). Meanwhile, annual wage growth hit a nine-year high. Not surprisingly, a key index of U.S. consumer confidence climbed to its highest level since 2000. In September, the Federal Reserve (Fed) announced a widely-anticipated 25 basis point² rate hike—the third such increase this year. Fed officials also reiterated their plans to raise rates again in December and additionally in 2019 in order to keep the strong economy on an even keel.

To be sure, the U.S. economy is facing some headwinds. On the trade front, tensions between the United States and China escalated as the countries announced alternating rounds of tariff hikes on an ever-increasing universe of imports. Meanwhile, deepening crises in Argentina and Turkey raised concerns about emerging market debt, particularly in countries with significant fiscal and current account deficits. However, earlier fears of contagion enveloping other risk assets eased as the quarter progressed.

The investment-grade Corporate sector returned 1.0%,³ outperforming comparable-duration⁴ Treasuries by 1.7 percentage points. Corporate credit fundamentals remain strong, supported by continued profit growth due to both core business strength and tax savings associated with last year's tax overhaul. Corporate issuance remained robust, driven in part by mergers and acquisitions, and many of these new deals were met with strong demand. Meanwhile, Agency⁵ MBS returned -0.1% for the quarter and modestly outperformed comparable-duration Treasuries.

During the third quarter, we made modest changes to the Fund's holdings across all segments of the portfolio. We added to several corporate issuers, including Cigna, Ford Motor Credit, and United Technologies, at attractive valuations. Within MBS, we added to Agency 30-year 4.5% coupon securities as relative pricing became more compelling. We also added to short duration, AAA-rated student loan asset-backed securities. To fund these purchases, we trimmed the Fund's holdings in U.S. Treasuries. Amid these changes, however, we maintained the Fund's defensive duration position, reflecting our longer-term expectations for interest rates to rise more than implied by current market valuations.

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.

THIRD QUARTER PERFORMANCE REVIEW

The Fund outperformed the Bloomberg Barclays U.S. Agg by 0.6 percentage points during the quarter.

KEY CONTRIBUTORS TO RELATIVE RESULTS

- The Fund's shorter relative duration (73%⁶ of the Bloomberg Barclays U.S. Agg's duration) added to relative returns.
- Security selection within credit was positive as several holdings outperformed, including Charter Communications, Kinder Morgan, Pemex, and Verizon.
- The Fund's overweight to corporate bonds and underweight to U.S. Treasuries added to relative returns given the strong performance of credit.

KEY DETRACTORS FROM RELATIVE RESULTS

- The Fund's Agency MBS holdings slightly underperformed the MBS in the Bloomberg Barclays U.S. Agg after adjusting for duration differences.

YEAR-TO-DATE PERFORMANCE REVIEW

The Fund outperformed the Bloomberg Barclays U.S. Agg by 1.0 percentage points year to date.

KEY CONTRIBUTORS TO RELATIVE RESULTS

- The Fund's shorter relative duration (71% of the Bloomberg Barclays U.S. Agg's duration) added significantly to relative returns.
- Security selection within credit was positive as several holdings performed well, particularly Bank of America capital securities, which outperformed due to redemption by the issuer at a premium to the market price. Other outperformers included Kinder Morgan, Macy's, Rio Oil Finance Trust, and Verizon.
- The Fund's nominal yield advantage added to relative returns.

KEY DETRACTORS FROM RELATIVE RESULTS

- Despite the overall move higher in rates, the Fund's lower exposure to long-term (10+ years) bonds detracted from relative returns as the yield curve flattened.
- Certain non-U.S. domiciled holdings underperformed, including Enel and Telecom Italia.

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 dividends and/or interest income but, unlike Fund returns, do not reflect fees or expenses. The Bloomberg Barclays U.S. Aggregate Bond Index is a widely recognized, unmanaged index of U.S. dollar-denominated investment-grade fixed income securities.

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

³ Sector returns as calculated and reported by Bloomberg.

⁴ Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.

⁵ The U.S. Government does not guarantee the Fund's shares, yield, or net asset value. The agency guarantee (by, for example, Ginnie Mae, Fannie Mae, or Freddie Mac) does not eliminate market risk.

⁶ Unless otherwise noted, figures cited in this section denote Fund positioning at the beginning of the period.

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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.