



2018

Semi-Annual Report  
June 30, 2018

# Income Fund

ESTABLISHED 1989

TICKER: DODIX

## TO OUR SHAREHOLDERS

The Dodge & Cox Income Fund had a total return of -1.2% for the six months ended June 30, 2018, compared to a return of -1.6% for the Bloomberg Barclays U.S. Aggregate Bond Index (Bloomberg Barclays U.S. Agg).

### MARKET COMMENTARY

The U.S. investment-grade bond market delivered a negative return for the first half of 2018 as higher Treasury yields and wider credit spreads pushed bond prices lower. Interest rates fluctuated throughout the period as investors grappled with the offsetting influences of strong U.S. economic activity, rising inflation, geopolitical uncertainty, and intervals of volatility in financial markets. Overall, the two-year Treasury yield rose 65 basis points (bps)<sup>(a)</sup> to 2.53% and the ten-year yield rose 45 bps to 2.86%, resulting in the smallest gap between the yields since 2007.

Economic data released during the period was generally upbeat, indicating that the U.S. economy remained on a solid path of steady growth and higher inflation. Employers continued to add jobs at a consistent pace, and the unemployment rate declined to 3.8 percent, the lowest level since 2000. This was accompanied by strong retail sales, housing market data, and services sector activity. Meanwhile, Federal Reserve (Fed) officials raised short-term rates twice (by 25 bps each time) and revised their forecast upward to include a total of four hikes in 2018, citing the continued strength of the economy.

However, several geopolitical developments weighed on market sentiment. Investors grew concerned that escalating trade tensions between the United States and its key trading partners might lead to a broader trade war that could hurt economic growth. In addition, signs of political upheaval in Italy and elsewhere in Europe elevated volatility in financial markets.

The investment-grade Corporate sector generated a first half return of -3.3%,<sup>(b)</sup> underperforming comparable-duration<sup>(c)</sup> Treasuries by 1.8 percentage points. Reflecting the risk-averse tone in the market, credit yield premiums<sup>(d)</sup> widened to late 2016 levels. This underperformance occurred despite solid corporate earnings that reflected core business strength and as tax windfalls associated with the recent tax bill. Meanwhile, Agency<sup>(e)</sup> mortgage backed securities (MBS) returned -1.0%, underperforming comparable-duration Treasuries by 0.2 percentage points.

### INVESTMENT STRATEGY

The Fund features sizable positions in corporate bonds and Agency MBS (34%<sup>(f)</sup> each) and smaller positions in government-related securities (6%) and asset-backed securities (7%). The Fund's 17% position in U.S. Treasuries represents "dry powder" we can deploy as we uncover interesting opportunities. We have maintained the Fund's defensive duration position given our longer-term expectations for interest rates to rise more than implied by current market valuations. Modest changes to portfolio positioning over the first half of 2018 reflected decisions made at the individual security and issuer levels by our investment team.

### Credit: Continuing to Monitor Risks and Seek Opportunities

The Fund's weighting in credit-related issues declined by just one percentage point during the first half of 2018 to 41%, which understates a number of adjustments made at the individual security and issuer levels. For example, we trimmed certain holdings with somewhat less compelling risk/reward relationships after strong performance (e.g., Citigroup capital securities,<sup>(g)</sup> State of California, Telecom Italia). In addition, other holdings either matured (e.g., State of Illinois), were "make-whole" called<sup>(h)</sup> (e.g., Navient), or were redeemed by the issuer at a large premium to the market price (e.g., Bank of America capital securities).

The recent widening in credit spreads generally—from 85 bps in early February to 123 bps at the end of June—has created incremental opportunities. These types of market movements have enabled us to add value over longer time periods, as we often use market weakness to add to existing positions or build new ones. For example, we purchased CVS bonds in the first quarter in connection with the company's levered acquisition of Aetna, and we added to the Fund's Charter Communications position at an attractive valuation as investor sentiment regarding cable television providers soured somewhat amid merger and acquisition (M&A) rumors.

We also initiated a position in Bayer AG, which issued approximately \$20 billion of debt in June to fund its acquisition of Monsanto. The combination of Bayer and Monsanto creates a leader in crop science and pharmaceuticals, industries that are expected to benefit from global trends such as an aging population in developed markets, as well as population and income growth in emerging markets. In addition to the large scale and diverse nature of Bayer's business, we were attracted by the company's significant free cash flow, large equity cushion, and ample liquidity. The company's management is committed to rapidly delevering the balance sheet and returning the company to an A rating. Our firm's substantial knowledge of this company, based on the 14 years we've held Bayer equity in the Dodge & Cox International Stock Fund, facilitated our ability to comprehensively research its creditworthiness. We believe investors are being adequately compensated for the risks of high initial leverage for the combined companies, upcoming patent expirations, and potential M&A integration challenges.

We remain constructive on the Fund's credit holdings which, in our view, offer attractive long-term value relative to Treasuries. In general, fundamentals remain strong: corporate profitability is solid and the operating environment is healthy. There is sustained global growth, and the banking system remains well capitalized and liquid. That said, concerns about higher leverage, particularly in association with M&A activity, and macro uncertainty have weighed on credit spreads. We recognize certain factors could create volatility in credit markets (e.g., escalating trade tensions, geopolitical events, equity market volatility), but such short-term turbulence can provide opportunities as prices fluctuate. Our rigorous, downside-focused underwriting process is designed to

mitigate default risk, underpin the conviction necessary to maintain holdings through periods of stress, and facilitate the long-term compounding of incremental yield. The result is a credit portfolio that is significantly differentiated from the broad credit market. Demonstrating this fact, the Fund's credit holdings offer a yield premium of 186 bps versus 116 bps for the broad investment-grade Credit Index.<sup>(i)</sup>

### **Securitized: A Source of Consistency, Liquidity, and Incremental Yield**

The Fund's holdings in the Securitized sector consist predominantly of Agency MBS, with a small position in AAA-rated asset-backed securities (ABS). As a group, these securities add incremental yield over Treasuries in the intermediate portion of the yield curve and, given their high credit quality and strong liquidity, provide ballast for the overall Fund portfolio. As with credit investments, we utilize in-house fundamental research on securities in this sector to identify attractive total return opportunities over a broad range of scenarios.

In the first half of the year, we added modestly to the Fund's weighting (from 36% to 41%), slightly changing the composition of underlying Agency MBS holdings and also adding to ABS holdings. Within MBS, we added slightly to the Fund's position in Ginnie Mae-guaranteed Home Equity Conversion Mortgages. These floating rate securities offer attractive spreads and low prepayment risk with high interest rate caps. We also reduced the Fund's holdings of 15-year MBS and added to 30-year 4% coupon securities in response to changes in relative valuations. We continue to favor 30-year 4% and 4.5% MBS; their highly liquid and heterogeneous nature allows for deep security selection across various characteristics. Within ABS, we added to specific AAA-rated, floating rate ABS backed by 97% federally guaranteed student loans. These short-duration securities trade at attractive levels relative to ABS and MBS alternatives, and their floating rate coupon, based on LIBOR, adds a defensive duration element to the portfolio.

In the MBS market, the Fed's well-telegraphed, ongoing balance sheet reduction process, which began in October 2017, is expected to reach its maximum runoff target of \$20 billion of MBS per month by the end of the year. While well organized, this process presents a potential supply headwind with the possibility of incremental spread widening. We will continue to evaluate opportunities and risks in the MBS market as the Fed's policy normalizes.

### **Defensive Duration: Mitigating Interest Rate Risk**

We continue to position the Fund defensively with regard to interest rate risk, with a duration of 4.4 years (equal to 73% of the Bloomberg Barclays U.S. Agg's duration). This represents a slightly less defensive duration position versus the end of 2017—a change we made by reducing the Fund's short position in Treasury futures and extending certain short-duration Treasuries into the intermediate part of the curve as the gap has narrowed somewhat between market expectations for the pace of future federal funds rate increases (implied by the forward curve) and the Fed's stated

expectations. Despite the narrower gap and the Fed's recent federal funds rate hikes, we continue to believe that a shorter relative duration is prudent. The significant tightening in measures of unemployment is likely to lead to higher wages. Coupled with stimulative tax and spending measures, the prospects for more rapid economic growth and somewhat higher inflation have risen. Keeping in mind the Fed's dual mandate of full employment and stable inflation, these factors should keep the Fed nudging short-term rates higher and add upward pressure on longer-term rates.

### **IN CLOSING**

While we are pleased with the Fund's relative results, we continue to encourage shareholders to temper near-term total return expectations for bonds. The first half of 2018, in which the broad bond market was down 1.6%, illustrates the potential for low, and even negative, bond market returns over shorter time periods. That said, we are optimistic about the long-term prospects for the Fund. Bonds serve a vital defensive role in a diversified portfolio by offering liquidity, income generation, downside protection, and low correlation to riskier asset classes.

We continue to position the Fund defensively from a capital preservation standpoint, while seeking opportunities to build portfolio yield through our bottom-up, research-driven investment approach. 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

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- (a) One basis point (bps) is equal to 1/100th of one percent.
  - (b) Sector returns as calculated and reported by Bloomberg.
  - (c) Duration is a measure of a bond's (or a bond portfolio's) price sensitivity to changes in interest rates.
  - (d) 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.
  - (e) 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.
  - (f) Unless otherwise specified, all weightings and characteristics are as of June 30, 2018.
  - (g) The use of specific examples does not imply that they are more or less attractive investments than the Fund's other holdings.
  - (h) A make-whole call provision is a call provision attached to a bond, whereby the borrower must make a payment to the lender in an amount equal to the net present value of the coupon payments that the lender will forgo if the borrower pays the bonds off early.
  - (i) Credit Index refers to the Bloomberg Barclays U.S. Credit Index.

## YEAR-TO-DATE PERFORMANCE REVIEW

The Fund outperformed the Bloomberg Barclays U.S. Agg by 0.4 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 Macy's, Rio Oil Finance Trust, and Verizon.

### Key Detractors from Relative Results

- The Fund's overweight to corporate bonds and underweight to U.S. Treasuries detracted from relative returns given the poor performance of credit.
- Certain non-U.S. domiciled holdings underperformed, including HSBC, Pemex, and Telecom Italia.

## KEY CHARACTERISTICS OF DODGE & COX

### Independent Organization

Dodge & Cox is one of the largest privately owned investment managers in the world. We remain committed to independence, with a goal of providing the highest quality investment management service to our existing clients.

### Over 85 Years of Investment Experience

Dodge & Cox was founded in 1930. We have a stable and well-qualified team of investment professionals, most of whom have spent their entire careers at Dodge & Cox.

### Experienced Investment Team

The U.S. Fixed Income Investment Committee, which is the decision-making body for the Income Fund, is a ten-member committee with an average tenure at Dodge & Cox of 21 years.

### One Business with a Single Research Office

Dodge & Cox manages equity (domestic, international, and global), fixed income (domestic and global), and balanced investments, operating from one office in San Francisco.

### Consistent Investment Approach

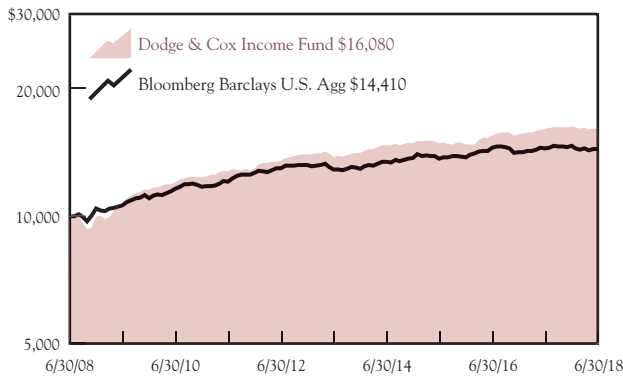
Our team decision-making process involves thorough, bottom-up fundamental analysis of each investment.

### Long-Term Focus and Low Expenses

We invest with a three- to five-year investment horizon, which has historically resulted in low turnover relative to our peers. We manage Funds that maintain low expense ratios.

**Risks:** The Fund invests in individual bonds whose yields and market values fluctuate, so that an 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. A low interest rate environment creates an elevated risk of future negative returns. Financial intermediaries may restrict their market making activities for certain debt securities, which may reduce the liquidity and increase the volatility of such securities. Please read the prospectus and summary prospectus for specific details regarding the Fund's risk profile.

**GROWTH OF \$10,000 OVER 10 YEARS  
FOR AN INVESTMENT MADE ON JUNE 30, 2008**



**AVERAGE ANNUAL TOTAL RETURN  
FOR PERIODS ENDED JUNE 30, 2018**

	1 Year	5 Years	10 Years	20 Years
Dodge & Cox Income Fund	0.37%	3.09%	4.86%	5.24%
Bloomberg Barclays U.S. Aggregate Bond Index (Bloomberg Barclays U.S. Agg)	-0.40	2.27	3.72	4.70

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. Performance is updated and published monthly. Visit the Fund’s website at [dodgeandcox.com](http://dodgeandcox.com) or call 800-621-3979 for current performance figures.

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 U.S. Aggregate Bond Index (Bloomberg Barclays U.S. Agg) is a widely recognized, unmanaged index of U.S. dollar-denominated, investment-grade, taxable debt securities.

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**FUND EXPENSE EXAMPLE**

As a Fund shareholder, you incur ongoing Fund costs, including management fees and other Fund expenses. All mutual funds have ongoing costs, sometimes referred to as operating expenses. The following example shows ongoing costs of investing in the Fund and can help you understand these costs and compare them with those of other mutual funds. The example assumes a \$1,000 investment held for the six months indicated.

**ACTUAL EXPENSES**

The first line of the table below provides information about actual account values and expenses based on the Fund’s actual returns. You may use the information in this line, together with your account balance, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number in the first line under the heading “Expenses Paid During Period” to estimate the expenses you paid on your account during this period.

**HYPOTHETICAL EXAMPLE FOR COMPARISON WITH OTHER MUTUAL FUNDS**

Information on the second line of the table can help you compare ongoing costs of investing in the Fund with those of other mutual funds. This information may not be used to estimate the actual ending account balance or expenses you paid during the period. The hypothetical “Ending Account Value” is based on the actual expense ratio of the Fund and an assumed 5% annual rate of return before expenses (not the Fund’s actual return). The amount under the heading “Expenses Paid During Period” shows the hypothetical expenses your account would have incurred under this scenario. You can compare this figure with the 5% hypothetical examples that appear in shareholder reports of other mutual funds.

Six Months Ended June 30, 2018	Beginning Account Value 1/1/2018	Ending Account Value 6/30/2018	Expenses Paid During Period*
Based on Actual Fund Return	\$1,000.00	\$ 987.70	\$2.10
Based on Hypothetical 5% Yearly Return	1,000.00	1,022.68	2.14

\* Expenses are equal to the Fund’s annualized expense ratio of 0.43%, multiplied by the average account value over the period, multiplied by 181/365 (to reflect the one-half year period).

The expenses shown in the table highlight ongoing costs only and do not reflect any transactional fees or account maintenance fees. Though other mutual funds may charge such fees, please note that the Fund does not charge transaction fees (e.g., redemption fees, sales loads) or universal account maintenance fees (e.g., small account fees).

## GENERAL INFORMATION

Net Asset Value Per Share	\$13.37
Total Net Assets (billions)	\$56.3
Expense Ratio	0.43%
Portfolio Turnover Rate (1/1/18 to 6/30/18, unannualized)	19%
30-Day SEC Yield <sup>(a)</sup>	3.21%
Number of Credit Issuers	52
Fund Inception	1989
<i>No sales charges or distribution fees</i>	

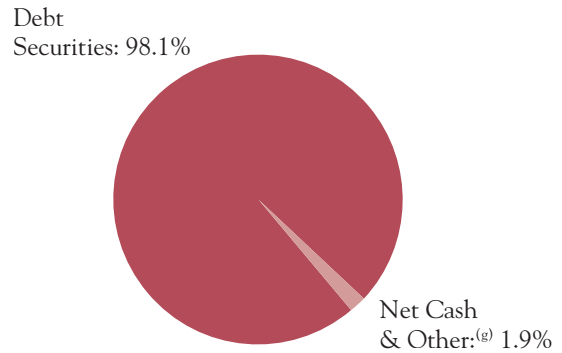
**Investment Manager:** Dodge & Cox, San Francisco. Managed by the U.S. Fixed Income Investment Committee, whose ten members' average tenure at Dodge & Cox is 21 years.

PORTFOLIO CHARACTERISTICS	Fund	BBG Barclays U.S. Agg
Effective Duration (years) <sup>(b)</sup>	<b>4.4</b>	6.0

FIVE LARGEST CREDIT ISSUERS (%) <sup>(c)</sup>	Fund
Charter Communications, Inc.	<b>2.6</b>
Petroleos Mexicanos	<b>1.8</b>
State of California GO	<b>1.7</b>
Cox Enterprises, Inc.	<b>1.5</b>
Wells Fargo & Co.	<b>1.5</b>

CREDIT QUALITY (%) <sup>(d)</sup>	Fund	BBG Barclays U.S. Agg
U.S. Treasury/Agency/GSE <sup>(e)</sup>	<b>51.4</b>	68.3
Aaa	<b>3.3</b>	4.3
Aa	<b>5.3</b>	3.2
A	<b>4.1</b>	11.0
Baa	<b>27.5</b>	13.2
Ba	<b>6.5</b>	0.0
B	<b>0.0</b>	0.0
Caa	<b>0.0</b>	0.0
Net Cash & Other <sup>(g)</sup>	<b>1.9</b>	0.0

## ASSET ALLOCATION



SECTOR DIVERSIFICATION (%)	Fund	BBG Barclays U.S. Agg
U.S. Treasury <sup>(e)</sup>	<b>17.4</b>	37.8
Government-Related <sup>(f)</sup>	<b>6.0</b>	6.6
Securitized	<b>40.6</b>	30.6
Corporate	<b>34.1</b>	25.0
Net Cash & Other <sup>(g)</sup>	<b>1.9</b>	0.0

MATURITY DIVERSIFICATION (%) <sup>(e)</sup>	Fund	BBG Barclays U.S. Agg
0-1 Years to Maturity	<b>4.9</b>	0.0
1-5	<b>34.6</b>	39.6
5-10	<b>44.1</b>	44.4
10-15	<b>2.3</b>	1.5
15-20	<b>4.5</b>	2.4
20-25	<b>3.6</b>	4.0
25 and Over	<b>6.0</b>	8.1

<sup>(a)</sup> 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.

<sup>(b)</sup> Interest rate derivatives reduce total Fund duration by 0.1 years (i.e., total Fund duration is 4.5 years without derivatives).

<sup>(c)</sup> 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.

<sup>(d)</sup> 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.

<sup>(e)</sup> Data as presented excludes the Fund's position in Treasury futures contracts.

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

<sup>(g)</sup> Net Cash & Other includes cash, short-term investments, derivatives, receivables, and payables.



**DEBT SECURITIES: 98.1%**

	PAR VALUE	VALUE		PAR VALUE	VALUE
<b>U.S. TREASURY: 17.4%</b>			<b>Petroleos Mexicanos (Mexico)</b>		
U.S. Treasury Note/Bond			4.875%, 1/18/24		
1.50%, 2/28/19	\$ 496,995,000	\$ 494,568,268	\$ 123,065,000	\$ 121,486,076	
1.25%, 4/30/19	300,000,000	297,339,843	120,490,000	126,634,990	
1.625%, 7/31/19	600,000,000	595,054,686	177,800,000	181,889,400	
0.875%, 9/15/19	600,000,000	589,007,814	112,290,000	109,763,475	
1.375%, 12/15/19	165,000,000	162,415,430	166,156,000	153,029,676	
1.625%, 12/31/19	500,000,000	493,750,000	140,341,000	133,394,120	
1.875%, 12/31/19	500,000,000	495,546,875	192,270,000	174,004,350	
1.375%, 1/15/20	250,000,000	245,781,250			1,184,506,470
1.50%, 5/31/20	175,000,000	175,000,000	<b>LOCAL AUTHORITY: 3.8%</b>		
1.625%, 6/30/20	200,000,000	196,445,312	L.A. Unified School District GO		
1.375%, 9/15/20	600,000,000	584,789,064	5.75%, 7/1/34		
1.75%, 11/15/20	350,000,000	343,300,783	6,075,000	7,365,573	
2.00%, 1/15/21	500,000,000	492,636,720	185,585,000	245,454,721	
2.25%, 2/15/21	951,780,000	943,340,386	New Jersey Turnpike Authority RB		
2.375%, 4/15/21	875,275,000	869,599,384	7.414%, 1/1/40		
2.625%, 5/15/21	400,000,000	399,984,376	41,065,000	59,722,061	
1.375%, 5/31/21	450,000,000	434,250,000	148,277,000	208,690,981	
1.125%, 7/31/21	250,000,000	238,867,188	New Valley Generation		
2.00%, 12/31/21	165,000,000	161,306,836	4.929%, 1/15/21		
1.875%, 7/31/22	200,000,000	193,570,312	197,230	203,820	
2.75%, 4/30/23	568,030,000	568,407,206	State of California GO		
2.75%, 5/31/23	400,000,000	400,359,376	7.50%, 4/1/34		
2.625%, 6/30/23	400,000,000	397,937,500	194,406,000	273,041,283	
		9,769,881,655	146,605,000	216,189,597	
			208,455,000	295,339,044	
			119,575,000	176,353,993	
			State of Illinois GO		
			120,575,000	122,711,589	
			145,585,000	151,213,316	
			117,990,000	123,801,008	
			306,400,000	289,964,704	
					2,170,051,690
					3,400,204,535
<b>GOVERNMENT-RELATED: 6.0%</b>			<b>SECURITIZED: 40.6%</b>		
<b>FEDERAL AGENCY: 0.1%</b>			<b>ASSET-BACKED: 6.7%</b>		
Small Business Admin.—504 Program			<b>Auto Loan: 0.5%</b>		
Series 1998-20H 1, 6.15%, 8/1/18	27,842	27,890	Ford Credit Auto Owner Trust		
Series 1998-20L 1, 5.80%, 12/1/18	14,599	14,669	Series 2015-REV1 A,		
Series 1999-20C 1, 6.30%, 3/1/19	20,200	20,316	2.12%, 7/15/26 <sup>(b)</sup>		
Series 1999-20E 1, 6.30%, 5/1/19	679	682	207,826,000	205,032,029	
Series 1999-20G 1, 7.00%, 7/1/19	59,886	60,552	Series 2017-REV1 A,		
Series 1999-20I 1, 7.30%, 9/1/19	31,924	32,382	2.62%, 8/15/28 <sup>(b)</sup>		
Series 2000-20C 1, 7.625%, 3/1/20	2,062	2,106	26,054,000	25,512,348	
Series 2000-20G 1, 7.39%, 7/1/20	1,672	1,705	Series 2017-REV2 A,		
Series 2001-20G 1, 6.625%, 7/1/21	436,645	448,308	2.36%, 3/15/29 <sup>(b)</sup>		
Series 2001-20L 1, 5.78%, 12/1/21	923,315	944,369	54,874,000	52,916,979	
Series 2002-20A 1, 6.14%, 1/1/22	7,883	8,132			283,461,356
Series 2002-20L 1, 5.10%, 12/1/22	284,817	292,041	<b>Credit Card: 1.0%</b>		
Series 2003-20G 1, 4.35%, 7/1/23	24,958	25,492	American Express Master Trust		
Series 2004-20L 1, 4.87%, 12/1/24	574,465	590,890	Series 2017-3 A, 1.77%, 4/15/20		
Series 2005-20B 1, 4.625%, 2/1/25	1,170,506	1,196,455	185,705,000	182,070,920	
Series 2005-20D 1, 5.11%, 4/1/25	42,430	43,731	21,942,000	21,753,180	
Series 2005-20E 1, 4.84%, 5/1/25	1,739,610	1,783,837	59,190,000	57,995,007	
Series 2005-20G 1, 4.75%, 7/1/25	2,020,547	2,068,503	Bank of America Credit Card Trust		
Series 2005-20H 1, 5.11%, 8/1/25	22,429	23,104	Series 2018-A1 A1, 2.70%, 7/17/23		
Series 2005-20I 1, 4.76%, 9/1/25	2,354,678	2,412,331	224,513,000	223,133,458	
Series 2006-20A 1, 5.21%, 1/1/26	2,121,099	2,189,660	Chase Issuance Trust		
Series 2006-20B 1, 5.35%, 2/1/26	642,438	665,236	Series 2012-A4 A4, 1.58%, 8/16/21		
Series 2006-20C 1, 5.57%, 3/1/26	2,905,205	3,021,849	14,693,000	14,508,368	
Series 2006-20G 1, 6.07%, 7/1/26	5,250,971	5,490,135	Citibank Credit Card Issuance Trust		
Series 2006-20H 1, 5.70%, 8/1/26	44,073	45,831	Series 2018-A1 A1, 2.49%, 1/20/23		
Series 2006-20I 1, 5.54%, 9/1/26	81,723	84,975	59,944,000	59,186,182	
Series 2006-20J 1, 5.37%, 10/1/26	1,926,676	1,996,887			558,647,115
Series 2006-20L 1, 5.12%, 12/1/26	1,814,912	1,873,401	<b>Other: 1.4%</b>		
Series 2007-20A 1, 5.32%, 1/1/27	3,683,519	3,803,930	Rio Oil Finance Trust (Brazil)		
Series 2007-20C 1, 5.23%, 3/1/27	5,842,280	6,006,429	9.25%, 7/6/24 <sup>(b)</sup>		
Series 2007-20D 1, 5.32%, 4/1/27	6,075,015	6,268,649	421,836,126	451,364,655	
Series 2007-20G 1, 5.82%, 7/1/27	4,031,700	4,201,898	243,796,693	261,291,543	
		45,646,375	66,400,000	67,263,200	
					779,919,398
<b>FOREIGN AGENCY: 2.1%</b>			<b>Student Loan: 3.8%</b>		
Petroleo Brasileiro SA (Brazil)			Navient Student Loan Trust		
6.25%, 3/17/24	31,505,000	31,237,208	USD LIBOR 1-Month		
5.999%, 1/27/28 <sup>(b)</sup>	169,135,000	153,067,175	+1.25%, 3.341%, 6/25/65 <sup>(b)</sup>		
			102,781,468	105,482,144	
			+1.15%, 3.241%, 3/25/66 <sup>(b)</sup>		
			56,703,718	57,768,693	

DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
+1.30%, 3.391%, 3/25/66 <sup>(b)</sup>	\$ 123,350,000	\$ 127,913,753	<b>MORTGAGE-RELATED: 33.7%</b>		
+0.80%, 2.891%, 7/26/66 <sup>(b)</sup>	151,345,786	152,741,845	<b>Federal Agency CMO &amp; REMIC: 5.1%</b>		
+1.05%, 3.141%, 7/26/66 <sup>(b)</sup>	254,268,000	260,076,879	Dept. of Veterans Affairs		
+1.15%, 3.241%, 7/26/66 <sup>(b)</sup>	218,262,000	223,570,481	Series 1995-2D 4A,		
+1.00%, 3.091%, 9/27/66 <sup>(b)</sup>	114,564,000	117,002,540	9.293%, 5/15/25	\$ 83,591	\$ 94,436
+1.05%, 3.141%, 12/27/66 <sup>(b)</sup>	88,043,339	89,378,111	Series 1997-2 Z, 7.50%, 6/15/27	6,225,159	6,833,276
+0.72%, 2.811%, 3/25/67 <sup>(b)</sup>	87,370,000	87,637,571	Series 1998-2 2A,		
+0.80%, 2.888%, 3/25/67 <sup>(b)</sup>	133,798,000	133,798,000	8.724%, 8/15/27 <sup>(e)</sup>	17,346	19,245
+0.70%, 2.791%, 2/25/70 <sup>(b)</sup>	217,372,164	218,182,875	Series 1998-1 1A,		
Navient Student Loan Trust			8.293%, 3/15/28 <sup>(e)</sup>	119,497	130,355
(Private Loans)			Fannie Mae		
Series 2014-AA A2A,			Trust 1998-58 PX, 6.50%, 9/25/28	234,579	253,999
2.74%, 2/15/29 <sup>(b)</sup>	23,919,513	23,581,875	Trust 1998-58 PC, 6.50%, 10/25/28	1,270,724	1,379,338
Series 2017-A A2A,			Trust 2001-69 PQ, 6.00%, 12/25/31	1,574,290	1,724,882
2.88%, 12/16/58 <sup>(b)</sup>	31,000,000	30,193,064	Trust 2002-33 A1, 7.00%, 6/25/32	1,765,219	2,015,391
SLM Student Loan Trust			Trust 2002-69 Z, 5.50%, 10/25/32	206,651	222,709
USD LIBOR 3-Month			Trust 2008-24 GD, 6.50%, 3/25/37	741,100	794,956
+0.17%, 2.53%, 7/25/40	13,626,000	13,143,986	Trust 2007-47 PE, 5.00%, 5/25/37	2,673,584	2,827,212
+0.75%, 3.11%, 10/25/40	78,120,000	78,112,399	Trust 2009-53 QM, 5.50%, 5/25/39	953,406	985,359
+0.60%, 2.96%, 1/25/41	124,361,000	124,620,579	Trust 2009-30 AG, 6.50%, 5/25/39	7,039,853	7,590,726
+0.55%, 2.91%, 10/25/64 <sup>(b)</sup>	6,718,000	6,693,132	Trust 2009-40 TB, 6.00%, 6/25/39	2,779,551	2,951,518
+0.55%, 2.91%, 10/25/64 <sup>(b)</sup>	47,950,000	47,772,503	Trust 2010-123 WT,		
SLM Student Loan Trust			7.00%, 11/25/40	29,791,540	33,464,021
(Private Loans)			Trust 2001-T3 A1, 7.50%, 11/25/40	100,628	112,799
Series 2013-A A2A,			Trust 2001-T7 A1, 7.50%, 2/25/41	58,636	66,368
1.77%, 5/17/27 <sup>(b)</sup>	23,793,159	23,694,905	Trust 2001-T5 A2,		
Series 2012-B A2,			7.00%, 6/19/41 <sup>(e)</sup>	38,600	42,368
3.48%, 10/15/30 <sup>(b)</sup>	789,664	790,013	Trust 2001-T5 A3,		
Series 2013-C A2A,			7.50%, 6/19/41 <sup>(e)</sup>	188,092	210,015
2.94%, 10/15/31 <sup>(b)</sup>	18,953,856	18,984,853	Trust 2011-58 AT, 4.00%, 7/25/41	7,870,585	8,085,908
Series 2012-E A2A,			Trust 2001-T4 A1, 7.50%, 7/25/41	1,681,979	1,914,496
2.09%, 6/15/45 <sup>(b)</sup>	4,665,378	4,653,536	Trust 2001-T10 A1,		
Series 2012-C A2,			7.00%, 12/25/41	1,948,670	2,210,659
3.31%, 10/15/46 <sup>(b)</sup>	11,105,307	11,114,378	Trust 2013-106 MA,		
SMB Private Education Loan Trust			4.00%, 2/25/42	17,455,753	17,792,650
(Private Loans)			Trust 2002-90 A1, 6.50%, 6/25/42	4,008,102	4,493,649
Series 2017-A A2A,			Trust 2002-W6 2A1,		
2.88%, 9/15/34 <sup>(b)</sup>	26,811,000	26,248,543	7.00%, 6/25/42 <sup>(e)</sup>	2,253,749	2,425,099
Series 2017-B A2A,			Trust 2002-W8 A2, 7.00%, 6/25/42	1,285,118	1,453,957
2.82%, 10/15/35 <sup>(b)</sup>	26,946,000	26,181,989	Trust 2003-W2 1A2,		
Series 2018-A A2A,			7.00%, 7/25/42	6,638,510	7,457,287
3.50%, 2/15/36 <sup>(b)</sup>	50,000,000	49,967,170	Trust 2002-T16 A3, 7.50%, 7/25/42	3,004,106	3,440,311
Series 2018-B A2A,			Trust 2003-W4 3A,		
3.60%, 1/15/37 <sup>(b)</sup>	68,386,000	68,652,370	7.00%, 10/25/42 <sup>(e)</sup>	1,905,595	2,056,362
		2,127,958,187	Trust 2012-121 NB,		
		3,749,986,056	7.00%, 11/25/42	971,762	1,082,549
<b>CMBS: 0.2%</b>			Trust 2003-W1 2A,		
<b>Agency CMBS: 0.2%</b>			5.963%, 12/25/42 <sup>(e)</sup>	2,400,780	2,614,770
Fannie Mae Multifamily DUS			Trust 2003-7 A1, 6.50%, 12/25/42	3,231,857	3,559,452
Pool AL6028, 2.70%, 7/1/21	2,252,722	2,229,050	Trust 2004-T1 1A2, 6.50%, 1/25/44	2,000,064	2,224,937
Pool AL6455, 2.765%, 11/1/21	9,283,719	9,267,030	Trust 2004-W2 2A2,		
Pool AL6445, 2.50%, 1/1/22	5,940,650	5,827,099	7.00%, 2/25/44	86,840	96,880
Freddie Mac Multifamily Interest			Trust 2004-W2 5A, 7.50%, 3/25/44	3,814,392	4,208,704
Only			Trust 2004-W8 3A, 7.50%, 6/25/44	2,890,847	3,275,525
Series K055 X1, 1.501%, 3/25/26 <sup>(e)</sup>	119,572,468	10,329,017	Trust 2004-W15 1A2,		
Series K056 X1, 1.401%, 5/25/26 <sup>(e)</sup>	41,457,993	3,347,625	6.50%, 8/25/44	687,134	759,977
Series K057 X1, 1.326%, 7/25/26 <sup>(e)</sup>	44,320,216	3,448,521	Trust 2005-W1 1A3,		
Series K064 X1, 0.744%, 3/25/27 <sup>(e)</sup>	106,857,680	4,834,915	7.00%, 10/25/44	5,381,771	6,061,539
Series K065 X1, 0.815%, 4/25/27 <sup>(e)</sup>	480,184,915	24,212,700	Trust 2001-79 BA, 7.00%, 3/25/45	602,332	676,658
Series K066 X1, 0.891%, 6/25/27 <sup>(e)</sup>	383,951,383	21,715,753	Trust 2006-W1 1A1,		
Series K067 X1, 0.714%, 7/25/27 <sup>(e)</sup>	481,206,323	21,718,285	6.50%, 12/25/45	340,641	379,945
Series K069 X1, 0.497%, 9/25/27 <sup>(e)</sup>	101,135,883	3,096,548	Trust 2006-W1 1A2,		
Series K070 X1,			7.00%, 12/25/45	2,460,950	2,770,853
0.457%, 11/25/27 <sup>(e)</sup>	122,097,927	3,384,664	Trust 2006-W1 1A3,		
Series K154 X1, 0.45%, 11/25/32 <sup>(e)</sup>	295,619,525	9,616,828	7.50%, 12/25/45	42,898	49,290
		123,028,035	Trust 2006-W1 1A4,		
			8.00%, 12/25/45	2,906,712	3,330,718



DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Trust 2007-W10 2A, 6.324%, 8/25/47 <sup>(e)</sup>	\$ 2,742,318	\$ 2,931,339	+0.10%, 2.33%, 2/20/68	\$ 50,011,328	\$ 50,009,897
Trust 2007-W10 1A, 6.331%, 8/25/47 <sup>(e)</sup>	9,126,379	9,765,247	+0.10%, 2.37%, 2/20/68	102,561,124	100,344,850
USD LIBOR 1-month +0.55%, 2.641%, 9/25/43	34,762,205	35,182,863	+0.07%, 2.40%, 2/20/68	50,415,282	50,312,304
USD LIBOR 1-Month +0.40%, 2.491%, 7/25/44	1,406,144	1,390,689	+0.15%, 2.45%, 2/20/68	34,030,374	34,111,209
Freddie Mac			+0.05%, 2.54%, 2/20/68	3,713,266	3,705,303
Series 3312 AB, 6.50%, 6/15/32	2,496,583	2,754,544	+0.04%, 2.56%, 2/20/68	54,798,042	54,669,026
Series 2456 CJ, 6.50%, 6/15/32	162,974	180,976	+0.06%, 2.58%, 3/20/68	15,057,409	15,049,105
Series T-41 2A, 5.50%, 7/25/32 <sup>(e)</sup>	219,797	232,853	+0.04%, 2.60%, 3/20/68	92,024,602	91,824,863
Series 2587 ZU, 5.50%, 3/15/33	3,613,957	3,869,992	+0.04%, 2.60%, 3/20/68	38,237,676	38,172,304
Series 2610 UA, 4.00%, 5/15/33	1,507,012	1,526,912	+0.05%, 2.71%, 3/20/68	47,710,360	47,650,484
Series T-48 1A, 5.015%, 7/25/33 <sup>(e)</sup>	2,445,673	2,533,845	+0.03%, 2.73%, 3/20/68	18,273,274	18,239,892
Series 2708 ZD, 5.50%, 11/15/33	14,289,707	15,623,098	+0.02%, 2.72%, 4/20/68	27,186,533	27,127,445
Series 3204 ZM, 5.00%, 8/15/34	6,552,756	6,911,809	+0.05%, 2.75%, 4/20/68	49,937,449	49,925,439
Series 3330 GZ, 5.50%, 6/15/37	1,337,981	1,446,105	+0.05%, 2.75%, 4/20/68	43,502,101	43,491,356
Series 3427 Z, 5.00%, 3/15/38	2,819,812	2,975,979	+0.04%, 2.80%, 5/20/68	50,056,410	50,030,220
Series T-51 1A, 6.50%, 9/25/43 <sup>(e)</sup>	55,716	62,426	+0.15%, 2.86%, 6/20/68	46,773,000	47,071,426
Series 4283 DW, 4.50%, 12/15/43 <sup>(e)</sup>	76,025,547	79,472,545			2,870,295,115
Series 4283 EW, 4.50%, 12/15/43 <sup>(e)</sup>	44,683,173	46,944,204	<b>Federal Agency Mortgage Pass-Through: 28.5%</b>		
Series 4281 BC, 4.50%, 12/15/43 <sup>(e)</sup>	125,284,704	131,215,055	Fannie Mae, 15 Year		
Series 4319 MA, 4.50%, 3/15/44 <sup>(e)</sup>	24,805,038	26,094,401	6.50%, 11/1/18-12/1/19	527	530
USD LIBOR 1-month +0.53%, 2.603%, 8/15/43	63,685,531	64,024,351	5.50%, 12/1/18-7/1/25	80,954,313	84,070,905
Ginnie Mae			6.00%, 1/1/19-3/1/23	21,007,076	21,710,420
USD LIBOR 1-Month			4.00%, 9/1/25	839,554	841,371
+0.65%, 2.567%, 10/20/64	8,031,894	8,090,291	5.00%, 9/1/25	33,006,533	34,333,152
+0.63%, 2.547%, 4/20/65	11,485,620	11,559,222	3.50%, 10/1/25-2/1/31	811,626,304	822,680,790
+0.60%, 2.517%, 7/20/65	8,358,003	8,402,307	4.50%, 3/1/29	21,631,412	22,249,099
+0.60%, 2.517%, 8/20/65	7,925,281	7,967,539	Fannie Mae, 20 Year		
+0.62%, 2.537%, 9/20/65	1,783,761	1,794,974	4.50%, 3/1/29 -1/1/34	399,050,391	416,926,194
+0.75%, 2.667%, 11/20/65	31,788,619	32,145,796	4.00%, 9/1/30-3/1/37	1,851,196,671	1,912,635,184
+0.90%, 2.817%, 3/20/66	20,205,804	20,575,881	3.50%, 11/1/35-4/1/37	432,778,743	437,566,750
+0.90%, 2.817%, 4/20/66	21,223,106	21,612,089	Fannie Mae, 30 Year		
+0.78%, 2.697%, 9/20/66	11,800,459	11,957,090	6.00%, 11/1/28 -2/1/39	101,579,212	111,942,917
+0.75%, 2.667%, 10/20/66	54,838,763	55,531,377	7.00%, 4/1/32-2/1/39	9,849,078	10,959,544
+0.80%, 2.717%, 11/20/66	24,098,547	24,463,026	6.50%, 12/1/32-8/1/39	41,195,427	45,860,247
+0.81%, 2.727%, 12/20/66	13,731,629	13,950,821	5.50%, 2/1/33-11/1/39	152,601,012	165,682,526
+0.57%, 2.487%, 9/20/67	32,882,270	33,195,723	4.50%, 11/1/35-6/1/48	3,413,698,907	3,569,898,373
USD LIBOR 12-Month			5.00%, 7/1/37-7/1/40	24,185,481	25,725,461
+0.30%, 2.026%, 9/20/66	20,161,334	20,333,125	4.00%, 10/1/40-5/1/48	1,104,037,231	1,127,735,082
+0.28%, 2.136%, 12/20/66	38,217,881	38,438,257	Fannie Mae, 40 Year		
+0.30%, 2.26%, 1/20/67	97,974,702	98,647,905	4.50%, 1/1/52-6/1/56	164,763,599	172,950,656
+0.31%, 2.27%, 1/20/67	41,438,412	41,734,395	Fannie Mae, Hybrid ARM 1-Year		
+0.25%, 2.513%, 2/20/67	20,421,105	20,540,162	U.S. Treasury CMT		
+0.20%, 2.463%, 3/20/67	3,486,013	3,496,648	+2.14%, 3.53%, 10/1/33	1,496,637	1,575,447
+0.30%, 2.797%, 4/20/67	24,701,199	24,935,295	+2.14%, 3.491%, 8/1/34	414,734	436,041
+0.20%, 2.863%, 5/20/67	48,725,524	48,999,912	+1.97%, 3.182%, 9/1/34	1,647,345	1,727,907
+0.30%, 2.963%, 5/20/67	21,614,738	21,830,299	+2.29%, 3.825%, 1/1/36	11,679,466	12,320,690
+0.20%, 2.977%, 6/20/67	107,468,024	108,211,424	+2.12%, 4.246%, 7/1/36	63,457	66,683
+0.20%, 1.93%, 8/20/67	23,930,003	24,063,959	+2.14%, 3.902%, 12/1/36	1,909,504	2,005,631
+0.25%, 1.98%, 9/20/67	24,691,932	24,861,939	USD LIBOR 12-Month		
+0.27%, 2.02%, 9/20/67	71,433,032	72,072,493	+1.67%, 3.803%, 7/1/34	1,792,817	1,879,182
+0.23%, 2.01%, 10/20/67	161,083,754	162,152,029	+1.34%, 3.092%, 10/1/34	1,016,767	1,055,120
+0.23%, 2.01%, 10/20/67	77,395,513	77,867,099	+1.94%, 3.704%, 1/1/35	825,549	874,641
+0.22%, 2.019%, 10/20/67	37,874,594	38,053,809	+1.39%, 3.523%, 4/1/35	2,067,191	2,146,014
+0.25%, 2.03%, 10/20/67	50,054,636	50,431,332	+1.75%, 4.254%, 6/1/35	619,971	653,470
+0.20%, 2.06%, 11/20/67	18,610,747	18,683,645	+1.44%, 3.562%, 7/1/35	400,014	415,057
+0.22%, 2.06%, 11/20/67	22,165,980	22,272,769	+1.40%, 3.846%, 7/1/35	785,168	818,181
+0.22%, 2.08%, 11/20/67	134,959,367	135,740,512	+1.52%, 4.121%, 7/1/35	1,119,979	1,171,355
+0.18%, 2.12%, 12/20/67	35,040,561	35,147,684	+1.75%, 4.27%, 7/1/35	1,116,444	1,172,980
+0.06%, 2.35%, 12/20/67	59,468,751	59,322,095	+1.37%, 3.12%, 8/1/35	1,177,111	1,220,359
+0.15%, 2.25%, 1/20/68	16,345,726	16,372,953	+1.42%, 3.165%, 8/1/35	3,668,982	3,842,830
+0.06%, 2.35%, 1/20/68	104,600,080	104,342,858	+1.75%, 3.552%, 8/1/35	2,453,591	2,587,720
+0.08%, 2.37%, 1/20/68	49,563,797	49,480,877	+1.77%, 3.517%, 9/1/35	1,681,344	1,765,978
			+1.60%, 3.347%, 10/1/35	2,338,050	2,451,328
			+1.75%, 3.498%, 10/1/35	1,251,371	1,316,668
			+1.62%, 3.374%, 12/1/35	644,497	672,908
			+1.62%, 3.369%, 1/1/36	2,097,600	2,193,624

DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
+1.71%, 3.573%, 1/1/36	\$ 3,524,628	\$ 3,710,450	+1.60%, 2.863%, 10/1/44	\$ 10,204,619	\$ 10,255,911
+1.72%, 3.995%, 11/1/36	1,364,245	1,435,353	+1.60%, 2.918%, 10/1/44	17,949,093	18,058,084
+1.74%, 3.493%, 12/1/36	795,183	831,906	+1.58%, 2.938%, 10/1/44	4,659,913	4,682,563
+1.55%, 3.332%, 1/1/37	1,964,758	2,043,144	+1.56%, 2.956%, 10/1/44	9,014,448	9,063,418
+2.02%, 3.851%, 2/1/37	3,520,906	3,712,074	+1.58%, 2.732%, 11/1/44	6,550,047	6,557,080
+1.93%, 4.303%, 4/1/37	351,806	372,748	+1.60%, 2.794%, 11/1/44	14,306,611	14,356,764
+1.19%, 2.94%, 8/1/37	113,487	113,421	+1.60%, 2.816%, 11/1/44	7,425,347	7,446,506
+1.82%, 4.492%, 8/1/37	1,700,900	1,794,139	+1.58%, 2.83%, 11/1/44	17,499,857	17,556,264
+1.48%, 3.619%, 11/1/37	477,397	494,961	+1.56%, 2.917%, 11/1/44	16,104,090	16,176,843
+2.02%, 4.39%, 4/1/38	153,184	157,367	+1.57%, 2.926%, 11/1/44	14,639,523	14,708,470
+1.73%, 3.844%, 5/1/38	113,831,868	119,864,549	+1.58%, 2.70%, 12/1/44	4,376,108	4,382,321
+1.91%, 4.371%, 5/1/38	1,753,919	1,853,281	+1.59%, 2.708%, 12/1/44	5,139,035	5,141,808
+1.88%, 3.627%, 9/1/38	727,067	768,207	+1.57%, 2.74%, 12/1/44	29,751,944	29,790,999
+1.69%, 3.524%, 10/1/38	2,608,014	2,723,458	+1.58%, 2.762%, 12/1/44	5,087,580	5,096,008
+1.74%, 3.612%, 10/1/38	1,356,409	1,422,772	+1.60%, 2.813%, 12/1/44	11,684,004	11,715,685
+1.64%, 3.652%, 10/1/38	5,498,100	5,744,041	+1.59%, 2.973%, 12/1/44	8,138,949	8,178,484
+1.72%, 3.817%, 6/1/39	506,825	530,119	+1.57%, 2.917%, 1/1/45	12,895,828	12,950,066
+1.76%, 4.119%, 12/1/39	2,144,521	2,193,683	+1.58%, 2.754%, 2/1/45	17,106,188	17,129,651
+1.71%, 2.603%, 4/1/42	10,853,441	11,281,934	+1.57%, 3.004%, 3/1/45	154,153,414	155,245,442
+1.67%, 2.326%, 9/1/42	8,853,781	9,004,315	+1.59%, 3.111%, 3/1/45	4,403,359	4,429,716
+1.68%, 2.471%, 11/1/42	8,118,126	8,278,295	+1.61%, 2.58%, 4/1/45	5,857,333	5,838,111
+1.57%, 2.285%, 12/1/42	14,589,870	14,409,580	+1.58%, 2.839%, 4/1/45	34,821,016	34,979,175
+1.59%, 2.362%, 2/1/43	14,606,268	14,737,324	+1.59%, 2.642%, 8/1/45	12,583,903	12,559,212
+1.79%, 3.66%, 2/1/43	2,855,621	2,989,969	+1.58%, 2.653%, 8/1/45	11,657,707	11,633,079
+1.56%, 2.291%, 5/1/43	3,201,994	3,156,208	+1.59%, 2.811%, 10/1/45	26,161,038	26,170,358
+1.47%, 3.932%, 6/1/43	1,967,062	2,010,238	+1.60%, 2.619%, 11/1/45	20,182,564	20,121,349
+1.44%, 2.757%, 9/1/43	6,414,381	6,571,341	+1.61%, 2.831%, 3/1/46	4,379,770	4,375,621
+1.56%, 2.918%, 9/1/43	4,979,913	5,033,126	+1.60%, 2.415%, 4/1/46	36,678,781	36,729,015
+1.56%, 3.263%, 9/1/43	2,671,884	2,689,886	+1.59%, 2.684%, 4/1/46	6,773,384	6,740,011
+1.61%, 2.294%, 10/1/43	36,314,215	36,214,728	+1.61%, 2.704%, 4/1/46	6,204,070	6,176,238
+1.53%, 2.65%, 11/1/43	11,873,530	11,972,843	+1.58%, 2.805%, 4/1/46	17,582,042	17,543,409
+1.60%, 2.865%, 11/1/43	13,826,039	13,795,476	+1.61%, 2.902%, 4/1/46	5,181,460	5,172,049
+1.56%, 3.079%, 12/1/43	5,776,864	5,846,711	+1.58%, 2.485%, 5/1/46	9,153,821	9,160,066
+1.55%, 2.429%, 2/1/44	2,347,523	2,433,845	+1.59%, 2.721%, 6/1/46	9,994,443	9,968,132
+1.59%, 2.704%, 2/1/44	5,624,458	5,654,500	+1.60%, 2.751%, 6/1/46	3,368,970	3,363,743
+1.58%, 2.958%, 2/1/44	7,964,750	8,038,345	+1.59%, 2.677%, 7/1/46	3,188,333	3,176,839
+1.56%, 2.694%, 4/1/44	14,017,353	14,541,834	+1.62%, 2.295%, 12/1/46	7,735,399	7,606,954
+1.59%, 2.934%, 4/1/44	6,066,988	6,114,441	+1.61%, 3.12%, 6/1/47	27,464,328	27,530,929
+1.59%, 2.946%, 4/1/44	4,914,132	4,951,119	+1.61%, 3.182%, 6/1/47	30,826,356	30,948,403
+1.58%, 3.188%, 4/1/44	18,665,790	18,778,610	+1.59%, 3.157%, 7/1/47	24,266,321	24,364,988
+1.66%, 3.481%, 4/1/44	25,375,992	26,245,957	+1.61%, 3.177%, 7/1/47	9,737,580	9,775,076
+1.57%, 2.454%, 5/1/44	12,474,933	12,913,246	+1.60%, 2.729%, 8/1/47	29,160,745	29,137,294
+1.57%, 3.056%, 5/1/44	22,944,664	23,175,277	+1.61%, 3.022%, 8/1/47	9,111,216	9,106,683
+1.58%, 2.838%, 7/1/44	10,998,141	11,047,540	+1.61%, 3.034%, 8/1/47	9,129,880	9,127,281
+1.59%, 2.859%, 7/1/44	16,097,205	16,179,284	+1.59%, 3.203%, 8/1/47	12,125,843	12,182,924
+1.59%, 2.943%, 7/1/44	4,980,129	5,002,815	+1.57%, 2.953%, 10/1/47	7,693,269	7,683,469
+1.56%, 2.944%, 7/1/44	7,968,313	8,018,243	+1.61%, 3.085%, 10/1/47	11,349,024	11,360,134
+1.57%, 2.964%, 7/1/44	5,556,553	5,591,252	+1.61%, 2.902%, 11/1/47	7,977,048	7,938,051
+1.58%, 3.092%, 7/1/44	12,388,187	12,486,707	+1.59%, 2.99%, 11/1/47	18,984,979	18,981,460
+1.58%, 2.791%, 8/1/44	9,924,899	9,949,221	+1.61%, 3.115%, 1/1/48	4,538,046	4,546,691
+1.57%, 2.792%, 8/1/44	21,952,931	22,007,476	+1.61%, 3.165%, 1/1/48	9,949,590	9,980,509
+1.58%, 2.923%, 8/1/44	6,766,372	6,801,660	+1.60%, 3.202%, 4/1/48	14,911,725	14,996,406
+1.57%, 3.007%, 8/1/44	7,351,342	7,403,771	USD LIBOR 6-Month		
+1.58%, 2.70%, 9/1/44	8,891,789	8,897,162	+1.42%, 3.703%, 8/1/34	1,809,711	1,860,772
+1.58%, 2.757%, 9/1/44	9,885,788	9,903,056	+1.50%, 3.732%, 1/1/35	1,270,805	1,311,940
+1.65%, 2.83%, 9/1/44	35,527,363	35,682,343	+1.57%, 3.54%, 11/1/35	1,643,683	1,704,467
+1.58%, 2.869%, 9/1/44	5,169,312	5,189,908	Freddie Mac, Hybrid ARM 1-Year		
+1.63%, 2.962%, 9/1/44	17,507,164	17,612,241	U.S. Treasury CMT		
+1.59%, 3.00%, 9/1/44	7,419,860	7,457,493	+2.25%, 3.726%, 2/1/34	3,635,175	3,836,410
+1.57%, 2.474%, 10/1/44	7,550,502	7,518,360	+2.25%, 3.50%, 11/1/34	1,125,201	1,188,496
+1.60%, 2.595%, 10/1/44	6,519,881	6,510,822	+2.25%, 3.965%, 2/1/35	806,192	851,429
+1.57%, 2.657%, 10/1/44	13,792,188	13,787,829	+2.13%, 4.00%, 4/1/35	507,383	526,070
+1.57%, 2.714%, 10/1/44	8,180,523	8,188,882	+1.67%, 3.006%, 1/1/36	2,296,494	2,372,044
+1.58%, 2.755%, 10/1/44	32,423,367	32,476,745	+2.25%, 3.594%, 1/1/36	4,575,516	4,822,149
+1.58%, 2.796%, 10/1/44	16,668,001	16,726,624	USD LIBOR 12-Month		
+1.56%, 2.84%, 10/1/44	7,355,608	7,380,978	+1.78%, 3.529%, 9/1/33	4,771,234	5,019,658
+1.60%, 2.851%, 10/1/44	14,691,276	14,761,162	+1.80%, 3.558%, 8/1/34	783,726	826,331

DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
+1.63%, 3.437%, 1/1/35	\$ 545,267	\$ 567,551	+1.63%, 2.828%, 1/1/45	\$ 9,916,455	\$ 9,941,540
+1.80%, 3.84%, 3/1/35	1,015,227	1,066,740	+1.62%, 2.858%, 1/1/45	9,283,015	9,298,750
+1.87%, 3.62%, 8/1/35	1,863,218	1,966,300	+1.62%, 2.913%, 1/1/45	17,375,080	17,416,687
+1.72%, 3.641%, 8/1/35	1,094,609	1,150,003	+1.63%, 3.078%, 1/1/45	26,641,023	26,778,386
+1.83%, 3.583%, 9/1/35	1,549,445	1,634,111	+1.62%, 2.91%, 2/1/45	14,483,124	14,513,915
+1.63%, 3.419%, 10/1/35	1,856,221	1,941,624	+1.62%, 2.668%, 4/1/45	7,820,603	7,803,934
+1.60%, 3.434%, 1/1/36	1,484,727	1,548,811	+1.63%, 2.602%, 5/1/45	46,410,190	46,196,329
+1.88%, 4.035%, 4/1/36	2,453,133	2,590,640	+1.63%, 2.767%, 6/1/45	5,630,682	5,628,565
+1.78%, 3.529%, 12/1/36	1,448,197	1,515,973	+1.63%, 2.636%, 8/1/45	12,420,259	12,368,984
+1.77%, 3.544%, 1/1/37	2,315,640	2,422,272	+1.63%, 2.732%, 8/1/45	37,492,220	37,445,579
+1.57%, 3.50%, 3/1/37	2,072,680	2,148,347	+1.60%, 2.799%, 8/1/45	9,440,250	9,441,371
+1.56%, 3.941%, 4/1/37	1,147,201	1,192,260	+1.63%, 2.81%, 9/1/45	10,520,697	10,506,954
+1.72%, 4.073%, 4/1/37	1,301,660	1,355,142	+1.63%, 2.726%, 5/1/46	238,146,560	237,621,500
+1.63%, 4.095%, 5/1/37	1,692,687	1,757,141	+1.62%, 2.734%, 5/1/46	18,591,630	18,520,287
+1.63%, 3.428%, 7/1/37	5,228,803	5,456,809	+1.62%, 2.637%, 7/1/46	25,926,643	25,751,620
+2.09%, 3.835%, 10/1/37	112,628	118,516	+1.63%, 2.532%, 9/1/46	44,259,460	43,740,573
+2.01%, 3.798%, 1/1/38	641,446	675,682	+1.63%, 3.16%, 6/1/47	12,970,979	12,971,597
+1.67%, 3.479%, 2/1/38	4,493,198	4,656,206	+1.63%, 3.196%, 8/1/47	9,247,605	9,270,233
+1.86%, 3.96%, 4/1/38	5,962,700	6,233,813	+1.64%, 3.095%, 10/1/47	9,198,185	9,192,955
+1.76%, 4.063%, 4/1/38	4,925,204	5,147,485	+1.64%, 3.13%, 11/1/47	3,952,469	3,954,240
+1.90%, 4.275%, 5/1/38	756,061	790,827	USD LIBOR 6-Month		
+1.68%, 3.889%, 6/1/38	2,840,675	2,965,574	+1.60%, 3.711%, 8/1/36	2,205,439	2,284,925
+1.63%, 4.146%, 6/1/38	572,681	583,046	Freddie Mac Gold,		
+1.73%, 3.653%, 10/1/38	492,065	514,780	15 Year 6.00%, 2/1/19-11/1/23	8,326,087	8,641,198
+1.73%, 3.757%, 10/1/38	2,352,030	2,460,049	5.50%, 10/1/20-12/1/24	3,340,517	3,408,353
+1.77%, 4.484%, 11/1/39	1,550,969	1,629,050	4.50%, 3/1/25-6/1/26	11,432,513	11,812,800
+1.85%, 4.013%, 7/1/43	2,020,604	2,111,233	Freddie Mac Gold, 20 Year		
+1.71%, 3.335%, 8/1/43	27,227,922	28,101,176	6.50%, 10/1/26	2,162,643	2,335,182
+1.64%, 2.778%, 10/1/43	2,104,592	2,117,531	4.50%, 5/1/30-1/1/34	100,455,373	104,873,294
+1.59%, 2.899%, 1/1/44	4,464,142	4,498,320	4.00%, 9/1/31-10/1/35	459,298,368	474,959,046
+1.61%, 3.09%, 1/1/44	3,560,338	3,594,982	3.50%, 7/1/35-1/1/36	178,307,782	180,275,546
+1.62%, 2.881%, 2/1/44	10,636,357	10,711,302	Freddie Mac Gold, 30 Year		
+1.64%, 3.104%, 4/1/44	3,390,678	3,423,324	7.90%, 2/17/21	89,902	90,497
+1.63%, 3.109%, 4/1/44	6,291,202	6,348,844	7.00%, 4/1/31-11/1/38	3,430,778	3,755,541
+1.63%, 3.001%, 5/1/44	92,064,296	92,685,722	6.50%, 12/1/32-10/1/38	9,990,124	11,082,602
+1.62%, 2.844%, 6/1/44	6,295,499	6,315,769	6.00%, 12/1/33-2/1/39	17,860,279	19,598,707
+1.62%, 3.104%, 6/1/44	19,549,091	19,735,733	5.50%, 3/1/34-12/1/38	51,944,146	56,268,795
+1.62%, 3.056%, 7/1/44	6,719,959	6,765,199	4.50%, 3/1/39-10/1/47	2,358,020,981	2,460,113,157
+1.63%, 3.057%, 7/1/44	4,828,159	4,858,694	4.00%, 11/1/45-11/1/47	932,277,996	953,294,384
+1.61%, 2.842%, 8/1/44	8,282,621	8,299,272	Ginnie Mae, 20 Year		
+1.62%, 3.032%, 8/1/44	8,414,593	8,464,708	4.00%, 1/20/35	9,004,691	9,214,505
+1.63%, 3.063%, 8/1/44	10,534,961	10,606,849	Ginnie Mae, 30 Year		
+1.62%, 2.729%, 9/1/44	10,328,083	10,323,798	7.80%, 6/15/20 -1/15/21	90,876	92,005
+1.62%, 2.761%, 9/1/44	12,904,542	12,921,827	8.00%, 9/15/20	1,283	1,303
+1.62%, 2.835%, 9/1/44	7,597,916	7,612,109	7.85%, 1/15/21	2,903	2,909
+1.62%, 2.771%, 10/1/44	5,851,183	5,860,264	7.50%, 12/15/23-5/15/25	772,135	836,893
+1.62%, 2.82%, 10/1/44	14,540,844	14,576,653	7.00%, 5/15/28	259,767	284,550
+1.61%, 2.872%, 10/1/44	12,671,270	12,700,749			16,042,534,773
+1.63%, 2.988%, 10/1/44	13,362,277	13,427,500	Private Label CMO & REMIC: 0.1%		
+1.63%, 3.021%, 10/1/44	13,619,274	13,701,556	GSMPS Mortgage Loan Trust		
+1.60%, 2.723%, 11/1/44	17,953,285	17,961,635	Series 2004-4 1A4,		
+1.63%, 2.766%, 11/1/44	7,033,025	7,034,414	8.50%, 6/25/34 <sup>(b)</sup>	3,457,908	3,975,097
+1.63%, 2.794%, 11/1/44	13,906,246	13,918,195	Seasoned Credit Risk Transfer Trust		
+1.61%, 2.896%, 11/1/44	8,644,193	8,665,030	Series 2017-4 M45T,		
+1.61%, 2.907%, 11/1/44	7,262,083	7,285,337	4.50%, 6/25/57	32,255,388	33,671,602
+1.62%, 2.913%, 11/1/44	13,206,785	13,257,494			37,646,699
+1.61%, 2.92%, 11/1/44	24,643,353	24,720,309			18,950,476,587
+1.63%, 2.946%, 11/1/44	10,050,930	10,081,247			22,823,490,678
+1.63%, 2.949%, 11/1/44	17,529,954	17,613,558	CORPORATE: 34.1%		
+1.62%, 2.957%, 11/1/44	11,724,522	11,764,084	FINANCIALS: 11.9%		
+1.60%, 2.959%, 11/1/44	6,390,087	6,418,114	Bank of America Corp.		
+1.63%, 2.778%, 12/1/44	4,286,837	4,287,981	3.004%, 12/20/23 <sup>(c)</sup>	422,916,000	410,089,173
+1.63%, 2.84%, 12/1/44	19,165,008	19,196,070	4.20%, 8/26/24	163,140,000	163,923,702
+1.62%, 2.877%, 12/1/44	13,757,009	13,803,784	4.25%, 10/22/26	185,082,000	182,827,546
+1.63%, 2.893%, 12/1/44	17,004,232	17,063,626			
+1.62%, 2.936%, 12/1/44	8,682,933	8,707,623			
+1.62%, 2.678%, 1/1/45	13,763,784	13,753,297			

DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
Barclays PLC (United Kingdom)			<b>INDUSTRIALS: 20.9%</b>		
4.375%, 9/11/24	\$ 239,204,000	\$ 232,405,822	AT&T, Inc.		
4.836%, 5/9/28	77,975,000	73,612,693	8.25%, 11/15/31 <sup>(b)</sup>	\$ 100,978,000	\$ 129,454,739
BNP Paribas SA (France)			5.35%, 9/1/40	59,744,000	58,269,011
4.25%, 10/15/24	380,966,000	375,752,770	4.75%, 5/15/46	112,670,000	100,569,434
4.375%, 9/28/25 <sup>(b)</sup>	165,756,000	161,725,096	5.65%, 2/15/47	120,390,000	121,144,158
4.375%, 5/12/26 <sup>(b)</sup>	118,904,000	115,321,337	5.45%, 3/1/47	124,855,000	122,465,285
4.625%, 3/13/27 <sup>(b)</sup>	106,000,000	104,005,096	4.50%, 3/9/48	250,175,000	214,734,221
Boston Properties, Inc.			Bayer AG (Germany)		
5.875%, 10/15/19	48,079,000	49,517,524	3.875%, 12/15/23 <sup>(b)</sup>	99,150,000	99,117,034
5.625%, 11/15/20	79,385,000	83,182,778	4.25%, 12/15/25 <sup>(b)</sup>	118,000,000	118,678,730
4.125%, 5/15/21	52,852,000	53,813,133	4.375%, 12/15/28 <sup>(b)</sup>	137,260,000	137,463,616
3.85%, 2/1/23	76,031,000	76,393,517	BHP Billiton, Ltd. (Australia)		
3.125%, 9/1/23	19,500,000	18,957,644	6.75%, 10/19/75 <sup>(a)(b)(f)</sup>	111,122,000	120,511,809
3.80%, 2/1/24	64,024,000	63,677,904	Burlington Northern Santa Fe LLC <sup>(d)</sup>		
3.20%, 1/15/25	47,075,000	44,797,485	4.70%, 10/1/19	33,445,000	34,200,723
3.65%, 2/1/26	19,580,000	18,878,726	8.251%, 1/15/21	1,805,271	1,912,413
Capital One Financial Corp.			3.05%, 9/1/22	39,535,000	39,064,488
3.50%, 6/15/23	155,385,000	151,738,052	5.943%, 1/15/23	19,861	20,645
3.75%, 4/24/24	36,940,000	36,217,798	3.85%, 9/1/23	79,525,000	81,067,146
3.20%, 2/5/25	52,515,000	49,285,604	5.72%, 1/15/24	11,608,351	12,363,416
4.20%, 10/29/25	121,149,000	117,618,855	5.342%, 4/1/24	3,431,597	3,573,218
Cigna Corp.			5.629%, 4/1/24	14,534,731	15,530,317
4.00%, 2/15/22	62,964,000	63,828,532	5.996%, 4/1/24	30,441,278	32,875,247
7.65%, 3/1/23	7,217,000	8,360,836	3.442%, 6/16/28 <sup>(b)</sup>	80,509,841	77,802,134
7.875%, 5/15/27	26,720,000	33,133,612	Cemex SAB de CV (Mexico)		
Citigroup, Inc.			6.00%, 4/1/24 <sup>(b)</sup>	113,175,000	114,731,156
3.50%, 5/15/23	72,730,000	71,099,067	5.70%, 1/11/25 <sup>(b)</sup>	217,411,000	214,910,774
4.00%, 8/5/24	31,300,000	30,760,581	6.125%, 5/5/25 <sup>(b)</sup>	105,300,000	107,037,450
USD LIBOR 3-Month			7.75%, 4/16/26 <sup>(b)</sup>	82,008,000	88,847,467
+6.37%, 8.729%, 10/30/40 <sup>(a)</sup>	417,021,400	452,051,198	Charter Communications, Inc.		
Equity Residential			8.75%, 2/14/19	130,460,000	134,814,112
4.75%, 7/15/20	5,200,000	5,342,877	8.25%, 4/1/19	237,543,000	246,389,880
4.625%, 12/15/21	108,687,000	112,650,037	5.00%, 2/1/20	20,700,000	21,131,492
3.00%, 4/15/23	47,300,000	46,142,787	4.125%, 2/15/21	33,095,000	33,261,404
3.375%, 6/1/25	77,890,000	76,021,012	4.00%, 9/1/21	40,609,000	40,604,758
HSBC Holdings PLC			4.908%, 7/23/25	122,505,000	123,680,244
(United Kingdom)			4.20%, 3/15/28	68,500,000	64,103,175
5.10%, 4/5/21	85,935,000	89,821,616	6.55%, 5/1/37	46,188,000	48,971,230
9.30%, 6/1/21	100,000	114,649	6.75%, 6/15/39	112,072,000	119,407,217
4.30%, 3/8/26	116,100,000	116,358,161	6.484%, 10/23/45	438,944,000	462,351,330
6.50%, 5/2/36	218,122,000	252,803,027	5.375%, 5/1/47	57,310,000	52,005,691
6.50%, 9/15/37	219,191,000	255,555,585	5.75%, 4/1/48	101,755,000	98,439,874
6.80%, 6/1/38	29,650,000	35,663,191	Comcast Corp.		
JPMorgan Chase & Co.			3.969%, 11/1/47	44,560,000	39,217,799
3.375%, 5/1/23	92,238,000	90,058,617	Cox Enterprises, Inc.		
4.125%, 12/15/26	106,000,000	104,624,061	3.25%, 12/15/22 <sup>(b)</sup>	94,333,000	91,602,072
4.25%, 10/1/27	125,244,000	124,280,834	2.95%, 6/30/23 <sup>(b)</sup>	251,295,000	237,989,814
8.75%, 9/1/30 <sup>(a)</sup>	62,983,000	86,612,011	3.85%, 2/1/25 <sup>(b)</sup>	263,159,000	257,716,440
Lloyds Banking Group PLC			3.35%, 9/15/26 <sup>(b)</sup>	139,412,000	128,846,489
(United Kingdom)			3.50%, 8/15/27 <sup>(b)</sup>	144,842,000	134,688,918
4.50%, 11/4/24	218,317,000	215,737,803	CRH PLC (Ireland)		
4.582%, 12/10/25	116,731,000	114,391,045	3.875%, 5/18/25 <sup>(b)</sup>	196,754,000	194,002,252
4.65%, 3/24/26	118,232,000	116,293,321	CSX Corp.		
Royal Bank of Scotland Group PLC			9.75%, 6/15/20	10,067,000	11,277,809
(United Kingdom)			6.251%, 1/15/23	12,935,299	13,961,068
6.125%, 12/15/22	331,036,000	348,281,790	CVS Health Corp.		
6.00%, 12/19/23	317,085,000	332,621,654	3.70%, 3/9/23	186,665,000	184,764,735
5.125%, 5/28/24	18,169,000	18,319,469	4.10%, 3/25/25	42,500,000	42,267,113
Unum Group			4.30%, 3/25/28	116,634,000	115,003,421
7.19%, 2/1/28	11,295,000	12,955,982	4.78%, 3/25/38	75,850,000	74,974,597
7.25%, 3/15/28	25,060,000	29,729,719	Dell Technologies, Inc.		
6.75%, 12/15/28	8,107,000	9,364,005	4.42%, 6/15/21 <sup>(b)</sup>	24,151,000	24,493,763
Wells Fargo & Co.			5.45%, 6/15/23 <sup>(b)</sup>	178,108,000	186,271,582
2.15%, 12/6/19	280,875,000	277,806,230	Dillard's, Inc. 7.13%, 8/1/18	23,565,000	23,635,710
4.10%, 6/3/26	120,170,000	117,715,253	7.875%, 1/1/23	275,000	306,000
4.30%, 7/22/27	323,175,000	318,366,088	7.75%, 7/15/26	21,016,000	23,654,105
USD LIBOR 3-Month					
+0.65%, 2.964%, 12/6/19	135,850,000	136,758,021			
		6,687,364,926			



## DEBT SECURITIES (continued)

	PAR VALUE	VALUE		PAR VALUE	VALUE
7.75%, 5/15/27	\$ 12,848,000	\$ 14,446,367	Verizon Communications, Inc.		
7.00%, 12/1/28	28,225,000	30,556,782	4.272%, 1/15/36	\$166,472,000	\$ 153,474,950
DowDuPont, Inc.			4.522%, 9/15/48	213,601,000	194,583,996
7.375%, 11/1/29	69,100,000	86,116,172	5.012%, 4/15/49	480,632,000	467,690,613
9.40%, 5/15/39	153,811,000	236,857,996	Xerox Corp.		
5.25%, 11/15/41	37,853,000	39,783,312	5.625%, 12/15/19	87,407,000	89,663,733
FedEx Corp.			2.75%, 9/1/20	22,690,000	22,225,826
8.00%, 1/15/19	16,875,000	17,340,483	4.50%, 5/15/21	63,744,000	64,572,224
Ford Motor Credit Co. LLC (d)			4.07%, 3/17/22	2,349,000	2,312,909
2.681%, 1/9/20	110,925,000	109,881,218	Zoetis, Inc.		
8.125%, 1/15/20	7,091,000	7,596,901	3.45%, 11/13/20	39,377,000	39,494,182
5.75%, 2/1/21	192,923,000	202,574,938	4.50%, 11/13/25	166,139,000	171,867,498
5.875%, 8/2/21	169,660,000	179,845,796			
3.219%, 1/9/22	30,125,000	29,454,018			11,733,634,986
Imperial Brands PLC (United Kingdom)			<b>UTILITIES: 1.3%</b>		
3.75%, 7/21/22 <sup>(b)</sup>	124,595,000	123,631,707	Dominion Energy, Inc.		
4.25%, 7/21/25 <sup>(b)</sup>	559,133,000	556,407,752	2.962%, 7/1/19	10,000,000	9,977,744
Kinder Morgan, Inc.			2.579%, 7/1/20	24,949,000	24,577,010
4.30%, 6/1/25	129,770,000	129,091,433	4.104%, 4/1/21	97,451,000	98,810,442
6.50%, 2/1/37	50,861,000	54,871,108	5.75%, 10/1/54 <sup>(a)(f)</sup>	232,036,000	241,781,512
6.95%, 1/15/38	92,139,000	104,952,257	Enel SPA (Italy)		
6.50%, 9/1/39	72,546,000	78,290,292	6.80%, 9/15/37 <sup>(b)</sup>	174,509,000	208,434,188
5.00%, 8/15/42	78,782,000	73,246,483	6.00%, 10/7/39 <sup>(b)</sup>	157,024,000	174,395,972
5.00%, 3/1/43	86,308,000	80,198,391			757,976,868
5.50%, 3/1/44	96,910,000	96,187,743			19,178,976,780
5.40%, 9/1/44	69,297,000	67,216,712	<b>TOTAL DEBT SECURITIES</b>		
Macy's, Inc.			(Cost \$55,385,319,939)		<b>\$55,172,553,648</b>
6.65%, 7/15/24	52,526,000	56,686,364			
7.00%, 2/15/28	17,160,000	18,622,252			
6.70%, 9/15/28	34,115,000	36,119,754			
6.90%, 4/1/29	81,337,000	87,319,416			
6.70%, 7/15/34	77,960,000	81,236,579			
4.50%, 12/15/34	154,923,000	133,618,435			
6.375%, 3/15/37	21,354,000	21,482,042			
Naspers, Ltd. (South Africa)					
6.00%, 7/18/20 <sup>(b)</sup>	220,010,000	229,490,231			
5.50%, 7/21/25 <sup>(b)</sup>	291,811,000	300,127,614			
4.85%, 7/6/27 <sup>(b)</sup>	108,648,000	106,342,707			
Nordstrom, Inc.					
6.95%, 3/15/28	20,107,000	22,423,713			
RELX PLC (United Kingdom)					
8.625%, 1/15/19	28,613,000	29,463,329			
3.125%, 10/15/22	146,687,000	143,871,435			
3.50%, 3/16/23	44,665,000	44,177,901			
Telecom Italia SPA (Italy)					
7.175%, 6/18/19	200,711,000	206,421,228			
5.303%, 5/30/24 <sup>(b)</sup>	178,471,000	176,017,024			
7.20%, 7/18/36	53,458,000	55,377,142			
7.721%, 6/4/38	145,274,000	156,169,550			
TransCanada Corp. (Canada)					
5.625%, 5/20/75 <sup>(a)(f)</sup>	237,639,000	231,698,025			
5.875%, 8/15/76 <sup>(a)(f)</sup>	84,536,000	83,690,640			
5.30%, 3/15/77 <sup>(a)(f)</sup>	250,014,000	236,391,987			
Twenty-First Century Fox, Inc.					
6.20%, 12/15/34	14,795,000	17,466,154			
6.40%, 12/15/35	49,525,000	59,373,466			
6.15%, 3/1/37	31,905,000	37,399,232			
6.65%, 11/15/37	79,075,000	98,093,329			
6.15%, 2/15/41	44,858,000	53,567,789			
Ultrapar Participacoes SA (Brazil)					
5.25%, 10/6/26 <sup>(b)</sup>	140,650,000	130,382,550			
Union Pacific Corp.					
7.60%, 1/2/20	242,539	253,829			
6.061%, 1/17/23	2,359,419	2,584,668			
4.698%, 1/2/24	2,066,012	2,126,548			
5.082%, 1/2/29	5,372,184	5,599,008			
5.866%, 7/2/30	31,848,176	34,587,341			
6.176%, 1/2/31	31,787,229	34,841,187			



**SHORT-TERM INVESTMENTS: 2.0%**

	PAR VALUE/ SHARES	VALUE
<b>COMMERCIAL PAPER: 0.9%</b>		
Ford Motor Credit Co. LLC <sup>(d)</sup>		
7/10/18 <sup>(b)</sup>	\$ 25,163,000	\$ 25,148,217
9/14/18 <sup>(b)</sup>	120,000,000	119,400,000
9/21/18 <sup>(b)</sup>	120,000,000	119,344,000
Mondelez International, Inc.		
9/13/18 <sup>(b)</sup>	100,000,000	99,482,000
9/19/18 <sup>(b)</sup>	80,000,000	79,555,555
AT&T, Inc.		
7/23/18 <sup>(b)</sup>	44,200,000	44,129,231
		487,059,003
<b>REPURCHASE AGREEMENT: 0.7%</b>		
Fixed Income Clearing Corporation <sup>(c)</sup>		
1.20%, dated 6/29/18, due 7/2/18, maturity value \$417,747,771	417,706,000	417,706,000
<b>MONEY MARKET FUND: 0.4%</b>		
State Street Institutional U.S. Government Money Market Fund	225,409,635	225,409,635
<b>TOTAL SHORT-TERM INVESTMENTS</b> (Cost \$1,130,174,638)		<b>\$ 1,130,174,638</b>
<b>TOTAL INVESTMENTS IN SECURITIES</b> (Cost \$56,515,494,577)	100.1%	<b>\$56,302,728,286</b>
<b>OTHER ASSETS LESS LIABILITIES</b>	(0.1%)	<b>(49,361,550)</b>
<b>NET ASSETS</b>	<b>100.0%</b>	<b>\$56,253,366,736</b>

**FUTURES CONTRACTS**

Description	Number of Contracts	Expiration Date	Notional Amount	Value / Unrealized Appreciation (Depreciation)
Ultra Long-Term U.S. Treasury Bond— Short Position	1,399	9/19/18	\$(223,227,938)	\$(4,288,765)

- (a) Hybrid security
- (b) Security exempt from registration under Rule 144A of the Securities Act of 1933. The security may be resold in transactions exempt from registration, normally to qualified institutional buyers. These securities have been deemed liquid by Dodge & Cox, investment manager, pursuant to procedures approved by the Fund's Board of Trustees.
- (c) Repurchase agreement is collateralized by U.S. Treasury Note 2.625%, 5/15/21. Total collateral value is \$426,061,008.
- (d) Subsidiary (see below)
- (e) Variable rate security: interest rate is determined by the interest rates of underlying pool of assets that collateralize the security. The interest rate of the security may change due to a change in the interest rates or the composition of underlying pool of assets. The interest rate shown is the rate as of period end.
- (f) Variable rate security: fixed-to-float security pays an initial fixed interest rate and will pay a floating interest rate established at a predetermined time in the future. The interest rate shown is the rate as of period end.

Debt securities are grouped by parent company unless otherwise noted. Actual securities may be issued by the listed parent company or one of its subsidiaries. In determining a parent company's country designation, the Fund generally references the country of incorporation.

Debt securities with floating interest rates are linked to the referenced benchmark; the interest rate shown is the rate as of period end.

- ARM: Adjustable Rate Mortgage
- CMBS: Commercial Mortgage-Backed Security
- CMO: Collateralized Mortgage Obligation
- CMT: Constant Maturity Treasury
- DUS: Delegated Underwriting and Servicing
- GO: General Obligation
- RB: Revenue Bond
- REMIC: Real Estate Mortgage Investment Conduit

**STATEMENT OF ASSETS AND LIABILITIES**  
(unaudited)

	June 30, 2018
<b>ASSETS:</b>	
Investments in securities, at value (cost \$56,515,494,577)	\$56,302,728,286
Cash	4,489,142
Deposits with broker for futures contracts	4,616,700
Receivable for variation margin for futures contracts	87,760
Receivable for investments sold	624,676,492
Receivable for Fund shares sold	47,246,217
Interest receivable	417,927,997
Prepaid expenses and other assets	86,405
	<u>57,401,858,999</u>
<b>LIABILITIES:</b>	
Payable for investments purchased	944,145,826
Payable for Fund shares redeemed	183,109,021
Management fees payable	18,482,114
Accrued expenses	2,755,302
	<u>1,148,492,263</u>
<b>NET ASSETS</b>	<u>\$56,253,366,736</u>
<b>NET ASSETS CONSIST OF:</b>	
Paid in capital	\$56,316,240,282
Undistributed net investment income	21,169,777
Undistributed net realized gain	133,011,733
Net unrealized depreciation	(217,055,056)
	<u>\$56,253,366,736</u>
Fund shares outstanding (par value \$0.01 each, unlimited shares authorized)	4,207,540,153
Net asset value per share	\$ 13.37

**STATEMENT OF OPERATIONS**  
(unaudited)

	Six Months Ended June 30, 2018
<b>INVESTMENT INCOME:</b>	
Dividends	\$ 16,053,267
Interest	890,651,114
	<u>906,704,381</u>
<b>EXPENSES:</b>	
Management fees	109,943,752
Custody and fund accounting fees	410,617
Transfer agent fees	4,066,917
Professional services	105,633
Shareholder reports	1,221,599
Registration fees	910,431
Trustees' fees	162,083
Miscellaneous	347,967
	<u>117,168,999</u>
<b>NET INVESTMENT INCOME</b>	<u>789,535,382</u>
<b>REALIZED AND UNREALIZED GAIN (LOSS):</b>	
Net realized gain	
Investments in securities	101,508,820
Futures contracts	36,244,375
Net change in unrealized appreciation/depreciation	
Investments in securities	(1,613,911,973)
Futures contracts	(5,528,842)
Net realized and unrealized loss	<u>(1,481,687,620)</u>
<b>NET CHANGE IN NET ASSETS FROM OPERATIONS</b>	<u>\$ (692,152,238)</u>

**STATEMENT OF CHANGES IN NET ASSETS**  
(unaudited)

	Six Months Ended June 30, 2018	Year Ended December 31, 2017
<b>OPERATIONS:</b>		
Net investment income	\$ 789,535,382	\$ 1,407,714,701
Net realized gain (loss)	137,753,195	238,365,078
Net change in unrealized appreciation/depreciation	(1,619,440,815)	498,474,373
	<u>(692,152,238)</u>	<u>2,144,554,152</u>
<b>DISTRIBUTIONS TO SHAREHOLDERS FROM:</b>		
Net investment income	(786,453,248)	(1,404,908,219)
Net realized gain	(126,561,039)	(140,759,824)
Total distributions	<u>(913,014,287)</u>	<u>(1,545,668,043)</u>
<b>FUND SHARE TRANSACTIONS:</b>		
Proceeds from sale of shares	8,132,257,405	14,912,910,845
Reinvestment of distributions	754,346,051	1,266,629,663
Cost of shares redeemed	(5,314,830,453)	(9,124,121,824)
Net change from Fund share transactions	<u>3,571,773,003</u>	<u>7,055,418,684</u>
Total change in net assets	1,966,606,478	7,654,304,793
<b>NET ASSETS:</b>		
Beginning of period	54,286,760,258	46,632,455,465
End of period (including undistributed net investment income of \$21,169,777 and \$18,087,643, respectively)	<u>\$56,253,366,736</u>	<u>\$54,286,760,258</u>

**SHARE INFORMATION:**

Shares sold	599,511,434	1,083,349,260
Distributions reinvested	56,268,185	92,213,550
Shares redeemed	(392,402,442)	(663,262,463)
Net change in shares outstanding	<u>263,377,177</u>	<u>512,300,347</u>

**NOTE 1—ORGANIZATION AND SIGNIFICANT ACCOUNTING POLICIES**

Dodge & Cox Income Fund (the “Fund”) is one of the series constituting the Dodge & Cox Funds (the “Trust” or the “Funds”). The Trust is organized as a Delaware statutory trust and is registered under the Investment Company Act of 1940, as amended, as an open-end management investment company. The Fund commenced operations on January 3, 1989, and seeks high and stable current income consistent with long-term preservation of capital. Risk considerations and investment strategies of the Fund are discussed in the Fund’s Prospectus.

The financial statements have been prepared in conformity with accounting principles generally accepted in the United States of America, which require the use of estimates and assumptions by management. Actual results may differ from those estimates. Significant accounting policies are as follows:

**Security valuation** The Fund’s net assets are normally valued as of the scheduled close of trading on the New York Stock Exchange (NYSE), generally 4 p.m. Eastern Time, each day that the NYSE is open for business.

Debt securities and derivatives traded over the counter are valued using prices received from independent pricing services which utilize dealer quotes, recent transaction data, pricing models, and other inputs to arrive at market-based valuations. Pricing models may consider quoted prices for similar securities, interest rates, cash flows (including prepayment speeds), and credit risk. Exchange-traded derivatives are valued at the settlement price determined by the relevant exchange. Short-term securities less than 60 days to maturity may be valued at amortized cost if amortized cost approximates current value. Mutual funds are valued at their respective net asset values. Security values are not discounted based on the size of the Fund’s position and may differ from the value a Fund receives upon sale of the securities. All securities held by the Fund are denominated in U.S. dollars.

If market quotations are not readily available or if normal valuation procedures produce valuations that are deemed unreliable or inappropriate under the circumstances existing at the time, the investment will be valued at fair value as determined in good faith by or under the direction of the Fund’s Board of Trustees. The Board of Trustees has appointed Dodge & Cox, the Fund’s investment manager, to make fair value determinations in accordance with the Dodge & Cox Funds Valuation Policies (“Valuation Policies”), subject to Board oversight. Dodge & Cox has established a Pricing Committee that is comprised of representatives from Treasury, Legal, Compliance, and Operations. The Pricing Committee is responsible for implementing the Valuation Policies, including determining the fair value of securities and other investments when necessary. The Pricing Committee considers relevant indications of value that are reasonably available to it in determining the fair value assigned to a particular security, such as the value of similar financial instruments, trading volumes, contractual restrictions on disposition, related corporate actions, and changes in economic conditions. In doing so, the Pricing Committee employs various

methods for calibrating fair valuation approaches, including a regular review of key inputs and assumptions, back-testing, and review of any related market activity.

Valuing securities through a fair value determination involves greater reliance on judgment than valuation of securities based on readily available market quotations. In some instances, lack of information and uncertainty as to the significance of information may lead to a conclusion that a prior valuation is the best indication of a security’s value. When fair value pricing is employed, the prices of securities used by the Fund to calculate its net asset value may differ from quoted or published prices for the same securities.

**Security transactions, investment income, expenses, and distributions** Security transactions are recorded on the trade date. Realized gains and losses on securities sold are determined on the basis of identified cost.

Interest income is recorded on the accrual basis. Interest income includes coupon interest, amortization of premium and accretion of discount on debt securities, and gain/loss on paydowns. The ability of the issuers of the debt securities held by the Fund to meet their obligations may be affected by economic developments in a specific industry, state, or region. Debt obligations may be placed on non-accrual status and related interest income may be reduced by ceasing current accruals and writing off interest receivables when the collection of all or a portion of interest has become doubtful. A debt obligation is removed from non-accrual status when the issuer resumes interest payments or when collectibility of interest is reasonably assured. Dividend income is recorded on the ex-dividend date.

Expenses are recorded on the accrual basis. Some expenses of the Trust can be directly attributed to a specific series. Expenses which cannot be directly attributed are allocated among the Funds in the Trust using methodologies determined by the nature of the expense.

Distributions to shareholders are recorded on the ex-dividend date.

**Repurchase agreements** Repurchase agreements are transactions under which a Fund purchases a security from a dealer counterparty and agrees to resell the security to that counterparty on a specified future date at the same price, plus a specified interest rate. The Fund’s repurchase agreements are secured by U.S. government or agency securities. It is the Fund’s policy that its custodian take possession of the underlying collateral securities, the fair value of which exceeds the principal amount of the repurchase transaction, including accrued interest, at all times. In the event of default by the counterparty, the Fund has the contractual right to liquidate the securities and to apply the proceeds in satisfaction of the obligation.

**Futures contracts** Futures contracts involve an obligation to purchase or sell (depending on whether the Fund has entered a long or short futures contract, respectively) an asset at a future date, at a price set at the time of the contract. Upon entering into a futures contract, the Fund is required to deposit an amount of cash or liquid assets (referred to as initial margin) in a segregated account with the clearing broker. Subsequent payments (referred

## NOTES TO FINANCIAL STATEMENTS (unaudited)

to as variation margin) to and from the clearing broker are made on a daily basis based on changes in the market value of futures contracts. Futures contracts are traded publicly and their market value changes daily. Changes in the market value of open futures contracts are recorded as unrealized appreciation or depreciation in the Statement of Operations. Realized gains and losses on futures contracts are recorded in the Statement of Operations at the closing or expiration of the contracts. Cash deposited with a broker as initial margin is recorded in the Statement of Assets and Liabilities. A receivable and/or payable to brokers for daily variation margin is also recorded in the Statement of Assets and Liabilities.

Investments in futures contracts may include certain risks, which may be different from, and potentially greater than, those of the underlying securities. To the extent the Fund uses futures, it is exposed to additional volatility and potential losses resulting from leverage.

The Fund has maintained short Treasury futures contracts to assist with the management of the portfolio's interest rate exposure. During the six months ended June 30, 2018, these Treasury futures contracts had notional values up to 2% of net assets.

**Indemnification** Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In addition, in the normal course of business the Trust enters into contracts that provide general indemnities to other parties. The Trust's maximum exposure under these arrangements is unknown as this would involve future claims that may be made against the Trust that have not yet occurred.

### NOTE 2—VALUATION MEASUREMENTS

Various inputs are used in determining the value of the Fund's investments. These inputs are summarized in the three broad levels listed below.

- Level 1: Quoted prices in active markets for identical securities
- Level 2: Other significant observable inputs (including quoted prices for similar securities, market indices, interest rates, credit risk, forward exchange rates, etc.)
- Level 3: Significant unobservable inputs (including Fund management's assumptions in determining the fair value of investments)

The inputs or methodology used for valuing securities are not necessarily an indication of the risk associated with investing in those securities.

The following is a summary of the inputs used to value the Fund's holdings at June 30, 2018:

Classification <sup>(a)</sup>	LEVEL 1 (Quoted Prices)	LEVEL 2 (Other Significant Observable Inputs)
<b>Securities</b>		
Debt Securities		
U.S. Treasury	\$ —	\$ 9,769,881,655
Government-Related	—	3,400,204,535
Securitized	—	22,823,490,678
Corporate	—	19,178,976,780
Short-term Investments		
Commercial Paper	—	487,059,003
Repurchase Agreement	—	417,706,000
Money Market Fund	225,409,635	—
Total Securities	\$225,409,635	\$56,077,318,651
<b>Other Investments</b>		
Futures Contracts		
Depreciation	\$ (4,288,765)	\$ —

<sup>(a)</sup> There were no transfers between Level 1 and Level 2 during the period. There were no Level 3 securities at June 30, 2018 and December 31, 2017, and there were no transfers to Level 3 during the period.

### NOTE 3—RELATED PARTY TRANSACTIONS

**Management fees** Under a written agreement approved by a unanimous vote of the Board of Trustees, the Fund pays a management fee monthly at an annual rate of 0.50% of the Fund's average daily net assets up to \$100 million and 0.40% of the Fund's average daily net assets in excess of \$100 million to Dodge & Cox, investment manager of the Fund. The agreement further provides that Dodge & Cox shall waive its fee to the extent that such fee plus all other ordinary operating expenses of the Fund exceed 1% of the average daily net assets for the year.

**Fund officers and trustees** All officers and two of the trustees of the Trust are officers or employees of Dodge & Cox. The Trust pays a fee only to those trustees who are not affiliated with Dodge & Cox.

### NOTE 4—INCOME TAX INFORMATION AND DISTRIBUTIONS TO SHAREHOLDERS

A provision for federal income taxes is not required since the Fund intends to continue to qualify as a regulated investment company under Subchapter M of the Internal Revenue Code and distribute all of its taxable income to shareholders. Distributions are determined in accordance with income tax regulations, and such amounts may differ from net investment income and realized gains for financial reporting purposes. Financial reporting records are adjusted for permanent book to tax differences at year end to reflect tax character. Book to tax differences are primarily due to differing treatments of wash sales, net short-term realized gain (loss), derivatives, and Treasury Inflation-Protected Securities.

NOTES TO FINANCIAL STATEMENTS (unaudited)

Distributions during the periods noted below were characterized as follows for federal income tax purposes:

	Six Months Ended June 30, 2018	Year Ended December 31, 2017
Ordinary income	\$ 786,453,248 (\$0.190 per share)	\$ 1,404,908,219 (\$0.380 per share)
Long-term capital gain	\$ 126,561,039 (\$0.031 per share)	\$ 140,759,824 (\$0.037 per share)

The components of distributable earnings on a tax basis are reported as of the Fund's most recent year end. At December 31, 2017, the tax basis components of distributable earnings were as follows:

Undistributed ordinary income	\$ 18,241,722
Undistributed long-term capital gain	123,344,088

At June 30, 2018, unrealized appreciation and depreciation for investments and derivatives based on cost for federal income tax purposes was as follows:

Tax cost	\$56,511,478,732
Unrealized appreciation	682,776,788
Unrealized depreciation	(895,815,999)
Net unrealized depreciation	(213,039,211)

Fund management has reviewed the tax positions for open periods (three years and four years, respectively, from filing the Fund's Federal and State tax returns) as applicable to the Fund, and has determined that no provision for income tax is required in the Fund's financial statements.

**NOTE 5—LOAN FACILITIES**

Pursuant to an exemptive order issued by the Securities and Exchange Commission (SEC), the Fund may participate in an interfund lending facility (Facility). The Facility allows the Fund to borrow money from or loan money to the Funds. Loans under the Facility are made for temporary or emergency purposes, such as to fund shareholder redemption requests. Interest on borrowings is the average of the current repurchase agreement rate and the bank loan rate. There was no activity in the Facility during the period.

All Funds in the Trust participate in a \$500 million committed credit facility (Line of Credit) with State Street Bank and Trust Company, to be utilized for temporary or emergency purposes to fund shareholder redemptions or for other short-term liquidity purposes. The maximum amount available to the Fund is \$250 million. Each Fund pays an annual commitment fee on its pro-rata portion of the Line of Credit. For the six months ended June 30, 2018, the Fund's commitment fee amounted to \$162,859 and is reflected as a Miscellaneous Expense in the Statement of Operations. Interest on borrowings is charged at the prevailing rate. There were no borrowings on the Line of Credit during the period.

**NOTE 6—PURCHASES AND SALES OF INVESTMENTS**

For the six months ended June 30, 2018, purchases and sales of securities, other than short-term securities and U.S. government securities, aggregated \$5,409,062,697 and \$1,919,434,377 respectively. For the six months ended June 30, 2018, purchases and sales of U.S. government securities aggregated \$8,850,367,455 and \$8,113,686,402 respectively.

**NOTE 7—NEW ACCOUNTING GUIDANCE**

In March 2017, the Financial Accounting Standards Board issued an update to amend the amortization period for certain purchased callable debt securities held at a premium. The amendments shorten the amortization period for premiums to the earliest call date, but do not require an accounting change for securities held at a discount. The amendments are effective for financial statements for fiscal years beginning after December 15, 2018, and interim periods within those fiscal years. Management is evaluating the impact, if any, of this guidance on the Fund's financial statements and disclosures.

**NOTE 8—SUBSEQUENT EVENTS**

Fund management has determined that no material events or transactions occurred subsequent to June 30, 2018, and through the date of the Fund's financial statements issuance, which require additional disclosure in the Fund's financial statements.



**FINANCIAL HIGHLIGHTS (unaudited)**
**SELECTED DATA AND RATIOS**

(for a share outstanding throughout each period)

	Six Months	Year Ended December 31,				
	Ended June 30,	2017	2016	2015	2014	2013
	2018					
<b>Net asset value, beginning of period</b>	\$13.76	\$13.59	\$13.29	\$13.78	\$13.53	\$13.86
<b>Income from investment operations:</b>						
Net investment income	0.19	0.38	0.42	0.40	0.39	0.42
Net realized and unrealized gain (loss)	(0.36)	0.21	0.32	(0.48)	0.35	(0.33)
Total from investment operations	(0.17)	0.59	0.74	(0.08)	0.74	0.09
<b>Distributions to shareholders from:</b>						
Net investment income	(0.19)	(0.38)	(0.42)	(0.40)	(0.39)	(0.42)
Net realized gain	(0.03)	(0.04)	(0.02)	(0.01)	(0.10)	—
Total distributions	(0.22)	(0.42)	(0.44)	(0.41)	(0.49)	(0.42)
<b>Net asset value, end of period</b>	\$13.37	\$13.76	\$13.59	\$13.29	\$13.78	\$13.53
<b>Total return</b>	(1.23)%	4.36%	5.62%	(0.59)%	5.48%	0.64%
<b>Ratios/supplemental data:</b>						
Net assets, end of period (millions)	\$56,253	\$54,287	\$46,632	\$43,125	\$39,128	\$24,654
Ratio of expenses to average net assets	0.43% <sup>(a)</sup>	0.43%	0.43%	0.43%	0.44%	0.43%
Ratio of net investment income to average net assets	2.87% <sup>(a)</sup>	2.80%	3.11%	2.97%	2.89%	3.00%
Portfolio turnover rate	19%	19%	27%	24%	27%	38%

<sup>(a)</sup> Annualized

See accompanying Notes to Financial Statements

## FUND HOLDINGS

The Fund provides a complete list of its holdings four times each fiscal year, as of the end of each quarter. The Fund files the lists with the Securities and Exchange Commission (SEC) on Form N-CSR (second and fourth quarters) and Form N-Q (first and third quarters). Shareholders may view the Fund's Forms N-CSR and N-Q on the SEC's website at [sec.gov](http://sec.gov). Forms N-CSR and N-Q may also be reviewed and copied at the SEC's Public Reference Room in Washington, DC. Information regarding the operations of the Public Reference Room may be obtained by calling 800-SEC-0330. A list of the Fund's quarter-end holdings is also available at [dodgeandcox.com](http://dodgeandcox.com) on or about 15 days following each quarter end and remains available on the web site until the list is updated in the subsequent quarter.

## PROXY VOTING

For a free copy of the Fund's proxy voting policies and procedures, please call 800-621-3979, visit the Fund's website at [dodgeandcox.com](http://dodgeandcox.com), or visit the SEC's website at [sec.gov](http://sec.gov). Information regarding how the Fund voted proxies relating to portfolio securities during the most recent 12-month period ending June 30 is also available at [dodgeandcox.com](http://dodgeandcox.com) or at [sec.gov](http://sec.gov).

## HOUSEHOLD MAILINGS

The Fund routinely mails shareholder reports and summary prospectuses to shareholders and, on occasion, proxy statements. In order to reduce the volume of mail, when possible, only one copy of these documents will be sent to shareholders who are part of the same family and share the same residential address.

If you have a direct account with the Funds and you do not want the mailing of shareholder reports and summary prospectuses combined with other members in your household, contact the Funds at 800-621-3979. Your request will be implemented within 30 days.

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## TRUSTEES AND EXECUTIVE OFFICERS

**Charles F. Pohl**, Chairman and Trustee

*Chairman, Dodge & Cox*

**Dana M. Emery**, President and Trustee

*Chief Executive Officer and President, Dodge & Cox*

**Caroline M. Hoxby**, Independent Trustee

*Professor of Economics, Stanford University; Senior Fellow, Hoover Institution*

**Thomas A. Larsen**, Independent Trustee

*Former Senior Counsel, Arnold & Porter Kaye Scholer LLP*

**Ann Mather**, Independent Trustee

*Former Executive Vice President, Chief Financial Officer, and Company Secretary, Pixar Animation Studios*

**Robert B. Morris III**, Independent Trustee

*Former Partner and Managing director - Global Investment Research, Goldman Sachs; former Advisory Director, The Presidio Group*

**Gary Roughead**, Independent Trustee

*Robert and Marion Oster Distinguished Military Fellow, Hoover Institution; former U.S. Navy Chief of Naval Operations*

**Mark E. Smith**, Independent Trustee

*Former Executive Vice President and Managing Director-Fixed Income, Loomis Sayles & Company, L.P.*

**John B. Taylor**, Independent Trustee

*Professor of Economics, Stanford University; Senior Fellow, Hoover Institution; and former Under Secretary for International Affairs, United States Treasury*

**Diana S. Strandberg**, Senior Vice President

*Senior Vice President and Director of International Equity, Dodge & Cox*

**David H. Longhurst**, Treasurer

*Vice President and Assistant Treasurer, Dodge & Cox*

**Katherine M. Primas**, Chief Compliance Officer

*Vice President and Chief Compliance Officer, Dodge & Cox*

**Roberta R.W. Kameda**, Secretary

*Vice President, General Counsel, and Secretary, Dodge & Cox*

**William W. Strickland**, Vice President, Assistant Secretary, and Assistant Treasurer

*Vice President and Chief Operating Officer, Dodge & Cox*

Additional information about the Trust's Trustees and Officers is available in the Trust's Statement of Additional Information (SAI). You can get a free copy of the SAI by visiting the Funds' website at [dodgeandcox.com](http://dodgeandcox.com) or calling 800-621-3979.



# Income Fund

[dodgeandcox.com](http://dodgeandcox.com)

For Fund literature, transactions, and account information, please visit the Funds' website.

or write or call:

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(800) 621-3979

**INVESTMENT MANAGER**

Dodge & Cox

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San Francisco, California 94104

(415) 981-1710

This report is submitted for the general information of the shareholders of the Fund. The report is not authorized for distribution to prospective investors in the Fund unless it is accompanied by a current prospectus.

This report reflects our views, opinions, and portfolio holdings as of June 30, 2018, the end of the reporting period. Any such views are subject to change at any time based upon market or other conditions and Dodge & Cox disclaims any responsibility to update such views. These views may not be relied on as investment advice and, because investment decisions for a Dodge & Cox Fund are based on numerous factors, may not be relied on as an indication of trading intent on behalf of any Dodge & Cox Fund.