



Retirement Income and Appreciation Fund

Portfolio Information as of June 30, 2010

Fund Overview

Total Fund Assets: \$116.9 Million

Fund Class	Inception Date	Fund NAV	CUSIP	Trading Symbol
Y	3/1/2010	10.37	024524605	ACRYX
Investor	6/30/2003	10.37	02368A398	AANPX
A*	5/17/2010	10.38	024524811	AAPAX

*Net asset value (NAV) is the value of one share of the portfolio excluding any sales charges.

Investment Sub-Advisors

American Beacon Advisors, Inc.	75.3%
Calamos Advisors LLC	24.7%

Lipper Rankings

Category: Intermediate Investment Grade Funds

	1 Yr	3 Yr	5 Yr	10 Yr
Investor	390	338	192	N/A
Y	N/A	N/A	N/A	N/A
A	N/A	N/A	N/A	N/A
# of Funds in the Category	559	474	392	N/A

Lipper Quartile

Investor	3rd	3rd	2nd	N/A
Y	N/A	N/A	N/A	N/A
A	N/A	N/A	N/A	N/A

Lipper is an independent rating service that ranks mutual funds in various categories by making comparative calculations using total returns.

Securities of the Fund may only be sold by offering the Fund's Prospectus and Summary Prospectus. You should consider the investment objectives, risks, charges and expenses of the Fund carefully before investing. The Prospectus and Summary Prospectus contains this and additional information regarding the Fund. To obtain a Prospectus and Summary Prospectus, please contact your Financial Advisor, call 1-800-967-9009 or visit www.americanbeaconfunds.com. The Prospectus and Summary Prospectus should be read carefully before investing.

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Investment Objective

A multi-manager Fund seeking income and capital appreciation by investing primarily in investment-grade fixed-income securities and, to a lesser degree, in convertible and non-convertible debt obligations without regard to credit quality, as well as equity securities, warrants and options.

Investing Style

Approximately 75% of the Fund's total assets are invested in fixed-income securities considered investment-grade at the time of purchase. This investment-grade portion of the Fund seeks to maintain a weighted average duration of three to seven years.

In an attempt to enhance the return of the Fund beyond the income offered by investment-grade fixed-income securities, the Fund's remaining total assets (approximately 25%) are invested in a convertibles strategy comprised of convertible and non-convertible debt obligations including non-investment-grade, convertible and non-convertible equity securities, warrants and options.

Prior to December 31, 2009, The American Beacon Retirement Income and Appreciation Fund was known as The American Beacon Enhanced Income Fund.

Asset Allocation

Fixed Income	77.6%
Convertible Obligations	12.6%
Cash Equivalent	4.9%
Equity	4.9%

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Sector Weightings

Corporate	55.2%
U.S. Treasury	18.5%
U.S. Agency Mortgage Backed Obligations	14.6%
Asset-Backed	6.1%
Commercial Mortgage Backed Securities	3.0%
Agency	2.2%
Other Government	0.3%
Municipal Obligations	0.2%

Credit Quality (Moody's)

Aaa	29.0%
Aa	10.0%
A	18.7%
Baa	8.4%
Less than Baa	7.7%
Agency	16.7%
Cash Equivalents	5.8%
Not Rated	3.7%

Portfolio Statistics

Fixed Income:

Weighted Average Maturity	6.7
Weighted Average Duration	4.6
Weighted Average Coupon	4.7

Top 10 Holdings

Federal Home Loan Mortgage Corporation, Pool # G08079, 5.000%, Due 9/1/2035	1.6%
Federal Farm Credit Bank, 3.000%, Due 9/22/2014	1.3%
JPMorgan Chase & Co., 3.700%, Due 1/20/2015	1.3%
Federal Home Loan Mortgage Corporation, Pool # A73703, 5.000%, Due 3/1/2038	1.1%
EMC Corp., 1.750%, Due 12/1/2013	1.0%
Federal National Mortgage Association, Pool # 745418, 5.500%, Due 4/1/2036	0.9%
American Express Credit Account Master Trust, 5.350%, Due 1/15/2014	0.9%
General Electric Capital Corp., 0.495%, Due 1/8/2016	0.8%
Government National Mortgage Association, Pool # 781589, 5.500%, Due 4/15/2033	0.8%
Ford Credit Auto Lease Trust, 1.040%, Due 3/15/2013	0.8%
Total Fund Holdings:	276

Expense Ratios

	Gross	Net ¹
Investor	1.02%	1.01%
Y	0.77%	0.76%
A	1.15%	1.14%

¹ The net expense ratio is net of acquired fund fees and expenses that the Fund incurred indirectly as a result of investment in certain pooled investment vehicles. The Fund's A Class expenses are based on estimated expenses expected to be incurred for the fiscal year ending October 31, 2010.

Total Returns	QTR	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr*	Since Inception*
Investor	0.99	2.69	10.98	5.58	5.01	N/A	4.55
Y	1.03	2.67	10.96	5.57	5.01	N/A	4.55
A (w/out max sales charge)	1.03	2.73	11.02	5.59	5.02	N/A	4.56
A (with max 4.75% sales charge)	-3.81	-2.14	5.76	3.89	3.99	N/A	3.83
Lipper Intrm Investment Grade Debt Fund Index **	3.07	6.05	14.30	6.53	4.91	6.02	4.53
Linked 75/25 BC Agg/25ML All Conv***	1.14	3.94	12.84	5.33	5.18	5.35	4.82

Performance shown is historical and may not be indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit www.americanbeaconfunds.com or call 1-800-967-9009. Please note that the recent market performance has helped to produce short-term returns that are not typical and may not continue in the future.

Important Information: There is no guarantee that the investment objectives will be met. Indices are unmanaged and one cannot invest directly in an index. Investing in debt securities entails interest rate risk which is the risk that debt securities will decrease in value with increases in market interest rates. Performance shown prior to the 3/1/10 inception of the Y Class is that of the Investor Class. The returns have not been adjusted for any difference between the fees and expenses of the Y Class and the historical fees and expenses of the Investor Class. Because the Investor Class had a different expense structure, its performance was different than the Y Class would have realized in the same period. Performance shown prior to the 5/17/10 inception of the A Class is that of the Investor Class. The returns have not been adjusted for any difference between the fees and expenses of the A Class and the historical fees and expenses of the Investor Class. Because the Investor Class had lower expenses, its performance was better than the A Class would have realized during the same period. Maximum Sales Charge is the maximum front-end sales charge (load) imposed on purchases (as a % of offering price). *Annualized. **The Lipper Intermediate Investment Grade Debt Funds Index tracks the results of the 30 largest mutual funds in the Lipper Intermediate Investment Grade Debt Funds category. Lipper is an independent mutual fund research and ranking service. ***75% Lehman Gov/Cr Int/25% BofA Merrill Lynch All Convertibles prior to 10/31/06 and 75% Barclays Capital Aggregate Bond/25% BofA Merrill Lynch All Convertibles since 11/01/06. The Barclays Capital U.S. Aggregate Bond Index is an unmanaged index of investment grade corporate and government debt issues with maturities between one and ten years. The BofA Merrill Lynch All U.S. Convertibles Index is an unmanaged index of domestic securities of all quality grades that are convertible into U.S. dollar-denominated common stock, ADRs or cash equivalents. The four highest Moody's ratings for long-term obligations (or issuers thereof) are Aaa, Aa, A and Baa. Obligations rated Aaa are judged to be of the highest quality, with minimal credit risk. Obligations rated Aa are judged to be of high quality and are subject to very low credit risk. Obligations rated A are considered upper-medium grade and are subject to low credit risk. Obligations rated Baa are subject to moderate credit risk. They are considered medium-grade and as such may possess certain speculative characteristics. Moody's appends numerical modifiers 1, 2, and 3 to each generic rating classification from Aa through Caa. The modifier 1 indicates that the obligation ranks in the higher end of its generic rating category; the modifier 2 indicates a mid-range ranking; and the modifier 3 indicates a ranking in the lower end of that generic rating category.