

American Beacon Short-Term Bond Fund

Portfolio Information as of June 30, 2010

Fund Overview

Total Fund Assets: \$159.4 Million

Fund Class	Inception Date	Fund NAV	CUSIP	Trading Symbol
Institutional	12/3/1987	8.83	02368A562	AASBX
Y	3/1/2010	8.84	024524803	ACOYX
Investor	8/1/1994	8.83	02368A786	AALPX
A*	5/17/2010	8.84	024524787	ANSAX

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

Investment Sub-Advisor

American Beacon Advisors, Inc. 100.0%

Lipper Rankings

Category: Short Investment Grade Bond Funds

	1 Yr	3 Yr	5 Yr	10 Yr
Institutional	204	88	49	22
Investor	207	109	81	46
A	N/A	N/A	N/A	N/A
Y	N/A	N/A	N/A	N/A
# of Funds in the Category	255	236	184	98

Lipper Quartile

Institutional	4th	2nd	2nd	1st
Investor	4th	2nd	2nd	2nd
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.

Distributed by Foreside Fund Services, LLC. American Beacon Funds and American Beacon Short-Term Bond Fund are service marks of American Beacon Advisors, Inc.

Investment Objective

The Fund seeks income and capital appreciation through investments in investment grade debt obligations.

Investing Style

The Fund maintains a relatively short weighted average duration of one to three years. This policy is intended to lessen the Fund's sensitivity to changes in interest rates. By emphasizing investment grade securities, the Fund seeks to provide shareholders with a regular stream of income, while minimizing principal volatility.

American Beacon Advisors, Inc. utilizes a top-down approach, analyzing macroeconomic data to anticipate economic momentum shifts, inflationary trends, the shape of the yield curve and Federal Reserve policy. American Beacon strives to increase returns by actively managing the duration and quality of the portfolio, consistent with historical relationships among economic growth, inflation and the direction of interest rates.

The Fund typically invest in a diversified mix of debt securities, including obligations of the U.S. Government, its agencies and instrumentalities; corporate bonds, notes and debentures; certificates of deposit; and mortgage-backed securities.

At the time of purchase, all securities are rated in one of the four highest rating categories or, if unrated, deemed to be of comparable quality by American Beacon.

Sector Weightings

Corporate	55.2%
Asset-Backed	23.9%
U.S. Treasury	8.8%
U.S. Agency Mortgage Backed Obligations	6.7%
Commercial Mortgage Backed Securities	3.3%
Agency	1.9%
Municipal Obligations	0.2%

Asset Allocation

Fixed Income	99.7%
Cash Equivalent	0.3%



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Credit Quality (Moody's)

Aaa	38.4%
Aa	15.8%
A	17.3%
Baa	17.2%
Agency	5.4%
Cash Equivalent	0.3%
Unclassified	5.5%

Maturity Distribution

0 to 1 Year	21.4%
1 to 3 Years	52.1%
3 to 5 Years	23.4%
10+ Years	3.1%

Expense Ratios

	Gross	Net ¹
Institutional	0.33%	0.33%
Investor	0.85%	0.74%
Y	0.43%	0.43%
A	1.08%	0.85%

¹ The Investor Class' net expense ratio is net of expense reimbursements that American Beacon Advisors has contractually agreed to maintain through February 28, 2011.

Top 10 Holdings

Bank of America Corp., 2.375%, Due 6/22/2012	1.9%
Chrysler Financial Lease Trust, 1.780%, Due 6/15/2011	1.9%
Dexia Credit Local N.Y., 0.938%, Due 3/5/2013	1.9%
GNR 2010-52 A, 3.069%, Due 6/16/2036	1.9%
John Deere Owner Trust, 0.720%, Due 7/16/2012	1.9%
JPMorgan Chase & Co., 0.902%, Due 2/26/2013	1.9%
USAA Auto Owner Trust, 5.550%, Due 2/15/2013	1.8%
AT&T Wireless Services, Inc., 7.875%, Due 3/1/2011	1.6%
Citigroup, Inc., 0.558%, Due 11/5/2014	1.5%
Progress Energy, Inc., 7.100%, Due 3/1/2011	1.4%

Total Fund Holdings: 108

Portfolio Statistics

Fixed Income:

Weighted Average Maturity	2.9
Weighted Average Duration	1.5
Weighted Average Coupon	3.3

SEC 30-Day Yield (%)

Institutional Class	1.82
Investor Class	1.38
A Class	1.32
Y Class	1.45

Total Returns

	QTR	YTD	1 Yr	3 Yr*	5 Yr*	10 Yr*	Since Inception*
Institutional	0.77	1.72	4.48	4.32	4.21	4.55	5.65
Investor	0.67	1.57	4.25	3.95	3.77	4.07	5.31
Y	0.78	1.83	4.59	4.36	4.23	4.56	5.66
A (w/out max sales charge)	0.67	1.57	4.25	3.95	3.77	4.07	5.31
A (with max 2.50% sales charge)	-1.88	-1.01	1.69	3.09	3.24	3.80	5.19
Lipper Short Investment Grade Bond Funds Index **	1.25	2.84	7.97	3.59	3.58	3.93	N/A
BofA Merrill Lynch 1-3 Yr. Gov./Corp. Index ***	1.01	1.94	3.79	5.04	4.47	4.69	N/A

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.

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. A portion of the fees charged to the Fund has been waived. Performance prior to waiving fees was lower than the actual returns shown. Performance shown reflects the Fund's receipt in December 2006 and March 2008 of class action settlement proceeds that were related to investment activity in 2002. The Fund's performance that includes these months was higher than it would have been absent receipt of the settlement proceeds. Performance shown prior to the 3/1/10 inception of the Y Class is that of the Institutional 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 Institutional Class. Because the Institutional Class had lower expenses, its performance was better than the Y Class would have realized during 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 Short Investment Grade Debt Funds Index tracks the results of the 30 largest mutual funds in the Lipper Short Investment Grade Debt Funds category. Lipper is an independent mutual fund research and ranking service. ***BofA Merrill Lynch 1-3 Yr. Gov./Corp. Index is a market value weighted performance benchmark for government and corporate fixed-rate debt securities with maturities between one and three years. Duration is a measure of price sensitivity relative to changes in interest rates. 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.