

Key Information

Portfolio Managers

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Threadneedle Global Extended Alpha Fund

Performance

Threadneedle Global Extended Alpha Fund (the Fund) Class A shares declined 10.93% (excluding sales charge) for the quarter ended June 30, 2010. The Fund outperformed its benchmark, the Morgan Stanley Capital International (MSCI) All Country World Index (MSCI Index), which declined 11.96% for the period.

Environment

The past quarter was difficult for global equity markets. Investors worried about the fiscal situation in Europe, particularly Greece, and the balance sheets of European companies, mainly banks. These regional issues raised wider global concerns about the sustainability of economic growth, leading to an increase in risk aversion. Consequently, equity markets declined.

The Fund's relative performance was strong. Effective stock selection helped the Fund perform better than the MSCI Index during the difficult quarter. Having a larger allocation to emerging markets and a smaller allocation to Japan compared to the MSCI Index was also advantageous. Japan underperformed, while emerging markets held up better than their developed market counterparts. The Fund's cash position also helped, given the declining market.

In general, the Fund's industrial holdings added value. Exposure to financial stocks in the emerging markets was also advantageous. Banks in India and Indonesia were notable contributors as they continued to benefit from expansion of financial services in those countries. Individual stocks that added to relative performance included a U.K. provider of mobile electricity generators, which benefited from significant exposure to emerging markets, a U.S. technology company that had strong operating results and a successful product launch and a U.K. luxury goods company that benefited from a revitalized brand and emerging market growth.

A U.S. pharmacy chain was a leading detractor after the company issued disappointing earnings results. We subsequently sold the position because we are concerned about how drug price deflation and downward pressure on insurance reimbursement rates will affect the company's operating margins.

Average annual total returns (%) for periods ending June 30, 2010			
Class A shares	1-year	Since inception (8/1/2008)	Total Expense ratio
With sales charge	9.89%	-8.99	3.78

The average annual total returns reflect the maximum initial sales charge of 5.75%.

The performance information shown represents past performance and is not a guarantee of future results. The investment return and principal value of your investment will fluctuate so that your shares, when redeemed, may be worth more or less than their original cost. Current performance may be lower or higher than the performance information shown. To obtain performance information current to the most recent month-end by visiting riversource.com/investments.

**Top Holdings (% of net assets)
as of June 30, 2010**

International Business Machines	3.91
Nestle	3.05
Linde	2.59
Thermo Fisher Scientific	2.54
Oracle	2.53
NHN	2.46
Laboratory Corp Of America	2.45
McDonald's	2.33
Colgate-Palmolive	2.27
Coca-Cola	2.18

Top 10 holdings are shown in descending order of value and exclude short-term holdings and cash, if applicable. Fund holdings are as of the date given, are subject to change at any time, and are not recommendations to buy or sell any security.

The portfolio's short position detracted slightly from relative performance. A U.S. provider of services to the utility industry performed better than we anticipated. However, we continue to believe the stock is expensive and that the company faces a somewhat tepid growth environment for its business. A U.S. water utility, where the Fund had a short position, also rallied. We still believe the stock is overvalued given mediocre long-term growth prospects.

Outlook

We added to the Fund's holdings in Europe, reducing the underweight there. We began to find opportunities in well-managed European businesses whose stocks, in our view, were being adversely impacted by broader economic concerns. In Europe, we bought an Italian cable manufacturer that we think is well-managed, well-placed for the long term and trading at an attractive valuation. We also continued to add to the emerging markets allocation because we found undervalued businesses that we believe are well-managed and well-positioned to capitalize on long-term growth in emerging markets. One example is a provider of software to the Chinese telecommunications industry. The firm generates significant cash and has an attractive long-term growth rate as Chinese telecom networks use more sophisticated billing software. The company's penetration into other services such as cable and Internet is also increasing.

To fund the increases in Europe and the emerging markets, we reduced the Fund's U.S. exposure. Compared to the MSCI Index, the Fund has a larger weighting in emerging markets and a significantly smaller weighting in Japan. We recognize that there is some value in Japanese stocks, but have struggled to find well-run businesses that we want to invest in.

In terms of sectors, the Fund had a significantly larger weighting in information technology stocks than the MSCI Index. We are attracted by the technology sector's low valuations, strong cash flow generation and strong balance sheets, as well as an apparent bottoming of global capital spending. The Fund's allocations to the materials, financials and utilities sectors were smaller than those of the MSCI Index.

We increased the Fund's net equity exposure by shorting the Index EPF and reinvesting the proceeds into the long positions in which we have the highest conviction.

From an economic perspective, we are still reasonably upbeat about global growth, which we expect to be driven by the emerging markets. We are somewhat concerned about slowing growth in Europe and the U.S. as government fiscal stimulus wanes. We think slowing growth could temper the performance of some stocks where continued profitability is already reflected in stock prices. However, we consider overall market valuations attractive and we continue to find good businesses with favorable prospects for profit growth, trading at very attractive valuations

Investors should consider the investment objectives, risks, charges and expenses of a mutual fund carefully before investing. For a free prospectus, which contains this and other important information about the funds, visit riversource.com. Read the prospectus carefully before investing.

The views expressed are as of the date given, may change as market or other conditions change, and may differ from views expressed by other Columbia Management Investment Advisers, LLC (CMIA) associates or affiliates. This information is not intended to provide investment advice and does not account for individual investor circumstances. Investment decisions should always be made based on an investor's specific financial needs, objectives, goals, time horizon, and risk tolerance. Asset classes described may not be suitable for all investors. Past performance does not guarantee future results and no forecast should be considered a guarantee either. Since economic and market conditions change frequently, there can be no assurance that the trends described here will continue or that the forecasts are accurate.

It is not possible to invest directly in an index.

International investing involves increased risk and volatility due to potential political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are particularly significant in emerging markets.

Threadneedle Global Extended Alpha Fund is designed for long-term investors with an above average risk tolerance. The Fund may make short sales, which involves selling a security the Fund does not own in anticipation that the security's price will decline. The Fund's potential losses could exceed those of other mutual funds which hold only long security positions if the value of the securities held long decrease and the value of the securities sold short increase. The Fund's use of short sales in effect "leverages" the Fund, as the Fund intends to use the proceeds from the short sales to invest in additional long securities. Leveraging exposes the Fund to greater risks due to unanticipated market movements, which may magnify losses and increase volatility of returns. There is no assurance that a leveraging strategy will be successful. Both long and short positions may be obtained through buying or selling individual securities or creating similar long or short exposure through the use of derivative instruments. Derivative instruments are financial instruments that have a value dependent on the value of something else, such as one or more underlying securities. Gains or losses may be substantial, because a relatively small price movement in an underlying security may result in a substantial gain or loss for the Fund. See the Fund's prospectus for information on these and other risks associated with the Fund. International investing involves increased risk and volatility due to potential political and economic instability, currency fluctuations, and differences in financial reporting and accounting standards and oversight. Risks are particularly significant in emerging markets.

The **Morgan Stanley Capital International (MSCI) All Country World Index**, an unmanaged index of equity securities, is designed to measure equity market performance in the global developed and emerging markets. The index reflects reinvestment of all distributions and changes in market prices. The Fund's performance will be measured against this index for purposes of determining the performance incentive adjustment.

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