

# Threadneedle Emerging Markets Fund

## FUND DESCRIPTION

### Asset Class

Global Stock

### Investment Category

Diversified Emerging Markets

### Objective

Long-term capital growth

### Strategy

The Fund invests primarily in equity securities of emerging market companies worldwide. Security selection is based on favorable global trends, valuation levels and underlying company fundamentals and may focus on any market capitalization. A tactical approach to portfolio management gives the Fund exposure to growth, value, or a blend of the two styles. Potential for short-term share price volatility makes the Fund a candidate for long-term investors.

## PORTFOLIO MANAGEMENT

**Jules Mort**

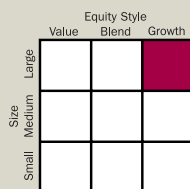
**Julian Thompson**

YEARS IN: FIRM IND.

9 13

7 17

## MORNINGSTAR STYLE BOX™



The Morningstar Style Box™ reveals a fund's investment strategy. For equity funds, the vertical axis shows the market capitalization of the stocks owned, and the horizontal axis shows investment style (value, blend, or growth). Information shown is based on the most recent data provided by Morningstar.

## FUND DETAILS

	Inception Date	
Class A	11/13/1996	
Class B	11/13/1996	
Class C	6/26/2000	
Ticker		CUSIP
Class A	IDEAX	768914103
Class B	IEMBX	768914202
Class C	RMCEX	768914301

## TOTAL NET ASSETS

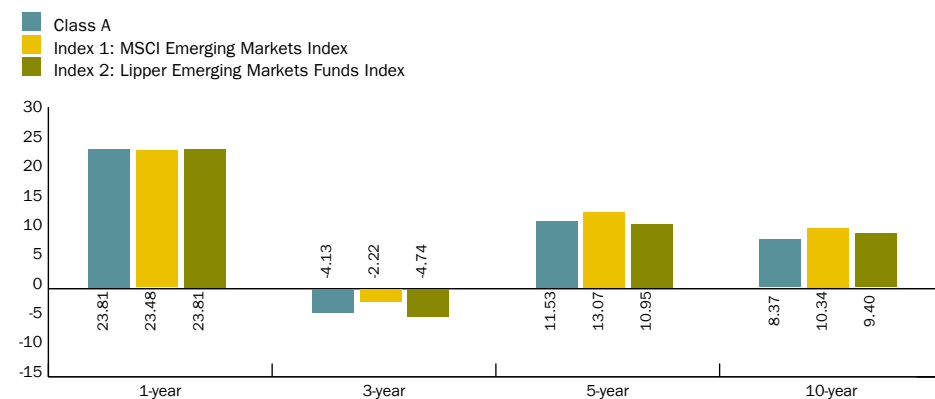
Fund Net Assets (\$M) 574.6

## FUND PERFORMANCE (%)

Without Sales Charges	1-year	3-year	5-year	10-year	Since Inception	Max Sales Charge	Maximum CDSC	* Expense Ratio Gross	Expense Ratio Net
Class A	23.81	-4.13	11.53	8.37	7.55	-	-	1.90	-
Class B	22.87	-4.89	10.67	7.52	6.72	-	-	2.68	-
Class C	22.72	-4.86	10.67	7.56	7.69	-	-	2.60	-
With Sales Charges									
Class A	16.69	-6.00	10.21	7.73	7.08	5.75	-	1.90	-
Class B	17.87	-5.63	10.41	7.52	6.72	-	5.00	2.68	-
Class C	21.72	-4.86	10.67	7.56	7.69	-	1.00	2.60	-
Index 1	23.48	-2.22	13.07	10.34	-	-	-	-	-
Index 2	23.81	-4.74	10.95	9.40	-	-	-	-	-

The performance information shown represents past performance and is not a guarantee of future results. The investments 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. You may obtain performance information current to the most recent month-end by visiting [riversource.com/investments](http://riversource.com/investments).

\*Fund expense ratios are calculated based on the Fund's average net assets during the Fund's most recently completed fiscal year, and have not been adjusted for current asset levels. If adjusted for any decrease or increase in assets, expense ratios would be higher or lower, respectively, than the numbers shown above. The expense ratios include the effect of acquired fund fees and expenses, if any. Please see the Fund's prospectus for a complete list of operating expenses.



## CALENDAR YEAR RETURNS (%)

Class A without sales charges.

	2009	2008	2007	2006	2005
Threadneedle Emerging Markets Fund CI A	74.94	-54.91	37.23	34.25	34.10
MSCI Emerging Markets Index	79.02	-53.18	39.77	32.60	34.55
Lipper Emerging Markets Funds Index	74.25	-54.76	36.25	32.07	32.65

It is not possible to invest directly in an index.

MSCI Emerging Markets Index is a free float-adjusted market capitalization index that is designed to measure equity market performance in the global emerging markets and is not necessarily similar to our Emerging Market portfolios.

The Lipper Emerging Markets Funds Index includes the 30 largest emerging markets funds tracked by Lipper Inc. The index's returns include net reinvested dividends. The Fund's performance is currently measured against this index for purposes of determining the performance incentive adjustment.

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NOT FDIC INSURED

MAY LOSE VALUE

NO BANK GUARANTEE

ColumbiaManagement



**PORTFOLIO STATISTICS**

	FUND	INDEX
Price-to-Earnings Ratio	15.13	13.30
Price-to-Book Ratio	2.36	1.90
Wtd. Avg Mkt Cap (\$B)	38.00	49.15
Number of Holdings	104	755
Fund Fiscal Year End	10/31/10	

**MARKET CAPITALIZATION (%)**

	FUND	INDEX
\$7.0 Billion & Above	72.73	71.92
\$1.0 Billion - \$7.0 Billion	26.10	27.56
\$0 - \$1.0 Billion	1.17	0.52

**RISK MEASURES**

(3-year period)

	FUND	INDEX
Standard Deviation	34.12	33.50
Sharpe Ratio	-0.11	-0.11
Beta	1.01	1.00
Alpha	0.06	0.00
R-Squared	0.97	1.00

**TOP HOLDINGS (%)**

As of June 30, 2010

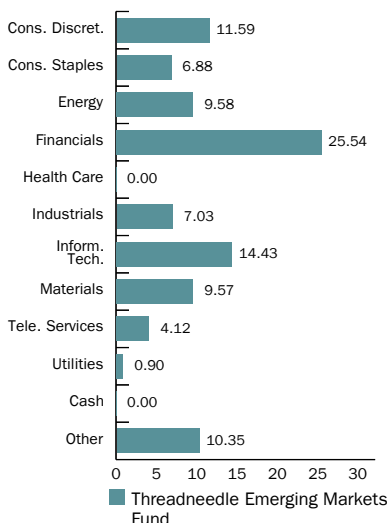
	FUND
1. Lojas Renner	3.69
2. Itaú Unibanco Holding ADR	3.35
3. Petroleo Brasileiro ADR	2.89
4. Vale Sa-Sp Adr	2.87
5. Samsung Electronics	2.58
6. Sberbank CI S	2.50
7. America Movil ADR Series L	1.98
8. Copa Holdings SA, Class A	1.61
9. OGX Petroleo e Gas Participacoes SA	1.60
10. X5 Retail Group NV, GDR	1.56

**COMPARATIVE INDEX**

MSCI Emerging Markets Index

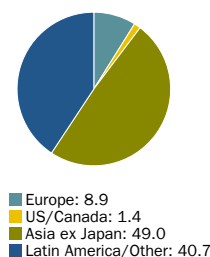
**SECTOR ALLOCATION (%)**

Subject to change.



**REGIONAL EXPOSURE (%)**

Subject to change.



**TOP 10 COUNTRY ALLOCATION (%)**

Subject to change.

Brazil	20.2	Mexico	6.8
Taiwan, China	10.2	South Africa	6.6
South Korea	10.1	Russia	6.1
China	8.4	Indonesia	2.9
India	7.2	Cayman Is.	2.8

**DEFINITIONS**

**Alpha**- measures the relationship between the Fund's performance and its beta over a three-year period. Alpha greater than 0.0 means an investment has performed better than the compared index given its level of risk. It can be viewed as a measure of the value added by the Fund manager.

**Beta**- measures an investment's volatility relative to a market index. The index is equivalent to 1.0. An investment with a beta greater than 1.0 has been more volatile than the index while an investment with a beta less than 1.0 has been less volatile.

**Price-to-Book Ratio**- is a stock's price divided by its book value, and may help determine if it is valued fairly.

**Price-to-Earnings Ratio**- is a stock's price divided by after-tax earnings over a trailing 12-month period, which serves as an indicator of value based on earnings.

**R-Squared**- measures how closely the Fund's performance matches (or doesn't match) the performance of its benchmark index.

**Sharpe Ratio**- divides an investment's return in excess of the 90-day Treasury bill by the investment's standard deviation to measure risk-adjusted performance.

**Standard Deviation**- measures an investment's historical volatility in performance.

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.

**You 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, call 1(800) 221-2450. Read the prospectus carefully before investing.**

**The recent growth in the stock market has helped to produce short-term returns for some asset classes that are not typical and may not continue in the future. Because of ongoing market volatility, fund performance may be subject to substantial short-term changes.**

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.

Investments in small- and mid-capitalization companies involve greater risks and volatility than investments in larger, more established companies.

Not all products and all shares classes are available through all firms.

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