

American Funds Interm Bd Fd of Amer R5

Overall Morningstar Rating™
★★★
 Out of 382 Short-Term Bond funds. **An investment's overall Morningstar Rating, based on its risk-adjusted return, is a weighted average of its applicable 3-, 5-, and 10-year Ratings. See disclosure for details.**

Morningstar Return Average

Morningstar Risk Average

Investment Strategy from investment's prospectus

The investment seeks to current income.

The fund invests primarily in bonds and other debt securities with high quality ratings. It primarily invests in intermediate-term debt securities, including securities issued and guaranteed by the U.S. government and debt securities and mortgage-backed securities issued by government-sponsored entities and federal agencies and instrumentalities that are not backed by the full faith and credit of the U.S. government. The fund has a dollar-weighted average maturity of no less than three years and no greater than five years.

Past name(s): American Funds IntmBd Fd of Amer R5.

Category Description: Short-Term Bond

Short-term bond funds have durations between one and 3.5 years, thus making them attractive to fairly conservative investors. These funds invest in a variety of bonds, from the most creditworthy, such as Treasury bonds, to mortgages and corporates. On rare occasions, they may even invest in more speculative high-yield and emerging-markets debt.

Broad Asset Class: Short-term Bonds

Investment-grade IOU's with an average duration of more than 1 but less than 3.5 years or an average effective maturity of more than 1 but less than 4 years.

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement and a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional or your plan's website and should be read carefully before investing or sending money.

Morningstar ratings reflect the reduction of the fund's expense ratio. However, your plan may charge an administrative fee and/or plan-level fee, which is not reflected in this rating.

To determine a fund's star rating for a given period, the fund's Morningstar risk score is subtracted from its Morningstar return score. If the fund scores in the top 10% of its respective Morningstar category, it receives five stars; if it falls in the next 22.5%, it receives four stars; a place in the middle 35% earns it three stars; those in the next 22.5% receive two stars; and the bottom 10% get one star.

NOT A DEPOSIT – NOT FDIC INSURED – NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY – NOT GUARANTEED BY THE INSTITUTION – MAY GO DOWN IN VALUE

The Broad Asset Class identifies a fund's investment style. The Broad Asset Class was developed by Nationwide in conjunction with Ibbotson Associates for asset allocation. Asset Allocation does not assure a profit or guarantee against loss in a declining market.

Morningstar Proprietary Statistics

	YTD	1-Year	3-Year	5-Year	10-Year
Morningstar Rating	—	—	★★★	★★★	—
Fund Rank Percentile	67	24	48	47	—
Out of # of Investments	466	437	382	327	—

Portfolio Analysis as of 12-31-10

Composition as of 12-31-10

	% Assets
U.S. Stocks	0.0
Non-U.S. Stocks	0.0
Bonds	85.3
Cash	14.7
Other	0.0

Morningstar Style Box™ as of 12-31-10

	High	Med	Low
Ltd	■	■	■
Mod	■	■	■
Ext	■	■	■

Avg Eff Duration 2.94
 Avg Eff Maturity —

Top 15 Holdings as of 12-31-10

	% Assets
US Treasury Note 3.125% 08-31-13	2.47
US Treasury Note 2.625% 07-31-14	2.19
US Treasury Note 3.5% 02-15-18	1.93
US Treasury Note 2.25% 05-31-14	1.91
US Treasury Note 3.375% 07-31-13	1.86
US Treasury Note 4% 02-15-14	1.81
US Treasury Note 0.625% 06-30-12	1.71
US Treasury Note 4.625% 02-15-17	1.50
US Treasury Note 4.25% 08-15-13	1.47
US Treasury Note 4.5% 03-31-12	1.46

US Treasury Note 5.125% 05-15-16	1.24
US Treasury Note 4.875% 02-15-12	1.15
US Treasury Note 4.25% 09-30-12	0.93
US Treasury Bond 8.125% 08-15-19	0.78
FNMA 4.5% 03-01-25	0.75
Total Number of Stock Holdings	0
Total Number of Bond Holdings	632
Annual Turnover Ratio %	43
Total Fund Assets (\$mil)	8,684.67

Operations

Fund Inception Date	05-15-02
Initial Share Class	02-19-88
Inception Date	
Advisor	Capital Research and Management Company
Subadvisor	—

Fees and Expenses as of 11-01-10

Gross Prosp Exp Ratio	0.36%
Net Prosp Exp Ratio	0.36%

Waiver Data	Type	Exp. Date	%
—	—	—	—

Portfolio Manager(s)

John H. Smet. Since 1991.
 David A. Hoag. Since 2003.

Risk Measures as of 03-31-11

	Port Avg	Rel BC Aggr	Rel Cat
3 Yr Std Dev	2.80	0.67	0.87
3 Yr Beta	0.60	—	1.67
3 Yr Sharpe Ratio	1.08	0.95	1.03
3 Yr Alpha	0.22	—	0.17
3 Yr R-squared	77.60	—	2.21

Morningstar Sectors as of 12-31-10

	% Fund	% Category
U.S. Credit	22.71	43.72
Non-U.S. Credit	12.51	13.25
Mortgage	19.70	22.65
U.S. Government	45.09	20.37

Credit Analysis as of 12-31-10

	% Bonds
AAA	76
AA	10
A	9
BBB	5
BB	0
B	0
Below B	0
NR/NA	0

Volatility Analysis

Investment	Low	Moderate	High
Category	▲	■	▼

In the past, this investment has shown a relatively small range of price fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.