

American Century Infl Adj Bond A

Overall Morningstar Rating™

★★★

Out of 152 Inflation-Protected 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
Below Average

Investment Strategy from investment's prospectus

The investment seeks total return and inflation protection consistent with investment in inflation-indexed securities.

The fund invests at least 80% of assets in inflation-adjusted securities including inflation-indexed securities issued by the U.S. Treasury, by other U.S. government agencies and instrumentalities, and by other, non-U.S. government entities such as corporations. It may invest up to 20% of assets in traditional U.S. Treasury, U.S. government agency or other non-U.S. government securities that are not inflation-indexed.

Past name(s): American Century Infl Adj Bond Adv.

Category Description: Inflation-Protected Bond

Inflation-protected bond portfolios primarily invest in fixed-income securities that increase coupon and/or principal payments at the rate of inflation. These bonds can be issued by any organization, but the U.S. Treasury is currently the largest issuer of these types of securities. Most of these portfolios buy bonds with intermediate- to long-term maturities.

Broad Asset Class: Investment Grade Bonds

Lower risk IOUs issued by governments or corporations.

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	85	70	44	47	59
Out of # of Investments	193	185	152	127	19

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	99.8
Cash	0.3
Other	0.0

Morningstar Style Box™ as of 12-31-10

High	Low	Avg Eff Duration	6.13
Med	Med	Avg Eff Maturity	9.01
Low	High		
Ltd	Mod	Ext	

Top 15 Holdings as of 12-31-10

	% Assets
US Treasury Bond 2.375% 01-15-25	5.86
US Treasury Note 07-15-20	5.75
US Treasury Note 01-15-14	5.49
US Treasury Note 1.625% 01-15-15	5.31
US Treasury Bond 04-15-29	5.20

US Treasury Bond 2% 01-15-26	4.76
US Treasury Bond 04-15-28	4.17
US Treasury Note 2% 07-15-14	4.12
US Treasury Note 07-15-15	4.08
US Treasury Note 2% 01-15-16	4.06
US Treasury Note 07-15-12	3.94
US Treasury Bond 01-15-27	3.19
US Treasury Note 2.5% 07-15-16	3.15
US Treasury Note 2.375% 01-15-17	2.85
US Treasury Note 01-15-20	2.81

Total Number of Stock Holdings	0
Total Number of Bond Holdings	141
Annual Turnover Ratio %	27
Total Fund Assets (\$mil)	3,873.74

Operations

Fund Inception Date	06-15-98
Initial Share Class	02-10-97
Inception Date	
Advisor	American Century Inv Mgt, Inc.
Subadvisor	—

Fees and Expenses as of 09-30-10

Gross Prosp Exp Ratio	0.73%
Net Prosp Exp Ratio	0.73%

Waiver Data

	Type	Exp. Date	%
—	—	—	—

Portfolio Manager(s)

Robert V. Gahagan. M.B.A., University of Missouri, Kansas City. B.A., University of Missouri, Kansas City. Since 2001.
Brian Howell. M.B.A., University of California–Berkeley. B.S., University of California–Berkeley. Since 2004.

Risk Measures as of 03-31-11

	Port Avg	Rel BC Aggr	Rel Cat
3 Yr Std Dev	8.20	0.37	0.92
3 Yr Beta	1.42	—	0.95
3 Yr Sharpe Ratio	0.40	2.00	1.18
3 Yr Alpha	-3.55	—	0.84
3 Yr R-squared	53.28	—	1.05

Morningstar Sectors as of 12-31-10

	% Fund	% Category
U.S. Credit	5.80	5.61
Non-U.S. Credit	0.62	2.42
Mortgage	5.02	4.93
U.S. Government	88.57	87.04

Credit Analysis as of 12-31-10

	% Bonds
AAA	92
AA	1
A	3
BBB	3
BB	0
B	0
Below B	0
NR/NA	0

Volatility Analysis



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.