



Waddell & Reed Advisors

# Global Bond Fund [UNHHX]

Q2/10 Portfolio information as of June 30, 2010

Infinite Loop Category: Global Rebalancing

## FUND PERFORMANCE<sup>1,2,3</sup>

### Average Annual Total Returns

Period	Class A NAV	Class A Load	Class Y	BarCap US\$ Denom Universal	Lipper Global Income
3-Month	0.50%	-5.28%	0.50%	3.14%	0.33%
YTD	2.83%	-3.08%	2.82%	5.25%	2.25%
1-Year	9.89%	3.57%	10.01%	10.60%	10.86%
3-Year	6.63%	4.54%	7.04%	7.22%	5.43%
5-Year	6.12%	4.87%	6.54%	5.56%	4.40%
10-Year	5.60%	4.97%	6.00%	6.59%	6.32%
Life	6.91%	6.64%	5.96%	-	-
Gross Expense	1.29%	1.29%	0.87%	-	-
Net Expense	1.29%	1.29%	0.87%	-	-
Inception	7/1/86	7/1/86	2/27/96	-	-

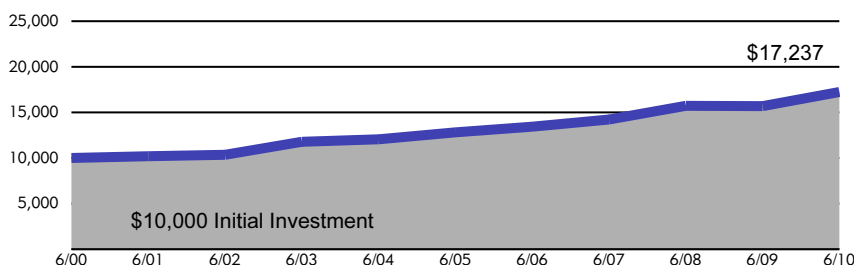
### Calendar Year Returns

Year	Class A	Class Y	BarCap US\$ Denom Universal	Lipper Global Income
2009	16.47%	17.19%	8.60%	15.23%
2008	-5.17%	-4.82%	2.38%	-5.09%
2007	9.96%	10.43%	6.50%	7.16%
2006	5.22%	5.65%	4.97%	7.21%
2005	3.09%	3.49%	2.72%	-1.91%
2004	5.34%	5.73%	4.97%	8.51%
2003	11.63%	12.04%	5.82%	13.21%
2002	1.83%	2.20%	9.84%	11.68%
2001	8.74%	9.11%	8.09%	2.50%
2000	-4.75%	-4.44%	10.82%	4.17%

Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit [www.waddell.com](http://www.waddell.com) for the most recent month-end performance.

- Performance at net asset value (NAV) does not include the effect of sales charges. Class A share performance, including sales charges, reflects the maximum applicable front-end sales load of 5.75%. Class Y shares are not subject to sales charges.
- Performance data represents periods prior to changes in the fund's name, strategies and policies (effective 9/18/00) during which the fund sought to achieve its goals by investing primarily in junk bonds, with minimal investments in foreign securities. Accordingly, the performance information for periods prior to that date reflects the operation of the Fund under its former investment strategies and related policies.
- BarCap US Universal is an unmanaged index comprised of securities that represent the global bond market. It is not possible to invest directly in an index.

## GROWTH OF A \$10,000 INVESTMENT Class A shares- 06/30/2000-6/30/2010



Assumes an investment over 10 years or life of the share class, reinvestment of dividends and capital gains, and does not include the effect of sales charges or taxes.

## LIPPER RANKINGS

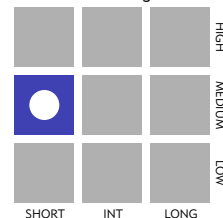
Category: Lipper Global Income Funds

	Rank	Percentile
1 Year	82/172	48
3 Year	44/112	39
5 Year	11/90	13
10 Year	38/59	64

Rankings are for Class A Shares and are based on average annual total returns, but do not consider sales charges.

## MORNINGSTAR STYLE BOX<sup>4</sup>

Source: Morningstar



## PORTFOLIO MANAGEMENT<sup>6</sup>

### Daniel J. Vrabac

Waddell & Reed Investment Management Co.  
32 years in industry  
8 years with fund

### Mark G. Beischel, CFA

Waddell & Reed Investment Management Co.  
17 years in industry  
8 years with fund

## OBJECTIVE

To seek, a high level of current income. As a secondary objective, the Fund seeks capital growth when consistent with its objective.

## INVESTMENT APPROACH

Our style centers on a U.S. dollar-based global bond strategy. The Fund prefers U.S.- dollar denominated securities, but may also invest up to 100% of its total assets in securities denominated in currencies other than the U.S. dollar. We generally hold a combination of high-grade bonds, supplemented with lower-grade bonds from emerging markets. The Fund primarily owns debt securities; however, it may also own, to a lesser extent, preferred stocks, common stocks and convertible securities.



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# Global Bond Fund [UNHHX]

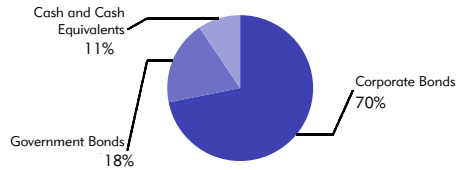
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Global Rebalancing



## PORTFOLIO COMPOSITION<sup>5</sup>

(as a % of net assets)



## TOP 10 HOLDINGS<sup>5</sup>

(as a % of net assets)

US TREASURY NOTE	8.6%
US TREASURY NOTE	2.7%
United Kingdom Treasury	1.8%
Norway Government Bonds	1.1%
RIO TINTO FINANCE PLC	1.1%
Federal Home Loan Mortgage Corporation Fixed Rate Participation Certificates	1.1%
Indo Integrated Energy B.V.	1.0%
Noble Group Limited	1.0%
BANCO CRUZEIRO DO SU 144A	1.0%
Teck Resources Limited	0.9%

## QUALITY<sup>5,6</sup>

(as a % of bond holdings)

Gov't	20.6%
AAA	3.5%
AA	0.9%
A	8.6%
BBB	39.1%
BB	17.2%
B	8.6%
Below B	0.4%
Non-Rated	1.0%

## MATURITY<sup>5</sup>

(as a % of bond holdings)

< 1 Year	21.5%
1-5 Years	69.3%
6-10 Years	7.6%
11-20 Years	0.5%
> 20 Years	1.0%

## TICKER SYMBOL

Class A	UNHHX	Class Y	WGBYX
Class B	WGBBX		
Class C	WGBCX		

## PORTFOLIO CHARACTERISTICS<sup>7,8</sup>

Fund Inception	7/01/1986
Net Assets	\$763.7 mil
Dividends	Daily, Paid Monthly
Turnover Rate (3/31/2010)	40%
Number of Holdings	246
Alpha	1.22
Beta	0.89
R-Squared	41.33
Standard Deviation	5.31
Sharpe Ratio	0.66
Average Maturity years	2.98
Effective Duration years	1.92
30 Day SEC Yield	2.64

**Consider all factors.** As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. International investing involves additional risks including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. Fixed income securities are subject to interest rate risk and, as such, the net asset value of the fund may fall as interest rates rise. These and other risks are more fully described in the fund's prospectus.

<sup>4</sup> The style boxes reveal a fund's investment strategy by displaying, for fixed income, the average credit quality of the bonds owned and the interest rate sensitivity, as measured by a bond's maturity.

<sup>5</sup> Information is subject to change and is not intended to represent any past or future investment recommendations.

<sup>6</sup> Ratings obtained from Standard & Poor's. For securities not rated by Standard & Poor's, ratings obtained from Moody's.

<sup>7</sup> Alpha, Beta, R-Squared, Standard Deviation and Sharpe Ratio are 5 year statistics that represent the fund's oldest share class. Alpha is a measure of a fund's actual returns and expected performance, given its level of risk (as measured by beta). Beta reflects the sensitivity of the fund's return to fluctuations in the market index. R-squared indicated how much of a fund's fluctuations were attributable to movements in the fund's benchmark. Standard deviation is a measure of how volatile a fund's returns are. Sharpe ratio is a measure of a fund's risk-adjusted performance.

<sup>8</sup> 30-Day SEC Yield represents hypothetical net investment income earned by a fund over a 30-day period, expressed as an annual percentage rate based on the fund's share price at the end of the 30-day period. This hypothetical income will differ (at times, significantly) from the fund's actual experience; as a result, income distributions from the fund may be higher or lower than implied by the SEC yield.

**Investors should consider the investment objectives, risks, charges and expenses of a fund carefully before investing. For a prospectus containing this and other information for the Waddell & Reed Advisors Funds, call your financial advisor or visit us online at [www.waddell.com](http://www.waddell.com). Please read the prospectus carefully before investing.**

