



IVY

International Core Equity Fund [IVIAX]

Q2/10 Portfolio information as of June 30, 2010

Infinite Loop Category: Global Rebalancing



FUND PERFORMANCE^{1,2}

Average Annual Total Returns

Period	Class A NAV	Class A Load	Class Y	MSCI EAFE	Lipper Int. Large-Cap Core
3-Month	-12.40%	-17.44%	-12.40%	-13.97%	-13.99%
YTD	-11.86%	-16.93%	-11.81%	-13.23%	-13.21%
1-Year	7.94%	1.74%	8.09%	5.92%	5.47%
3-Year	-7.73%	-9.53%	-7.53%	-13.38%	-13.75%
5-Year	6.01%	4.76%	6.18%	0.88%	0.56%
10-Year	3.27%	2.66%	-	0.16%	-0.74%
Life	3.73%	3.26%	10.05%	-	-
Gross Expense	1.64%	1.64%	1.38%	-	-
Net Expense	1.64%	1.64%	1.38%	-	-
Inception	5/13/97	5/13/97	7/24/03	-	-

Calendar Year Returns

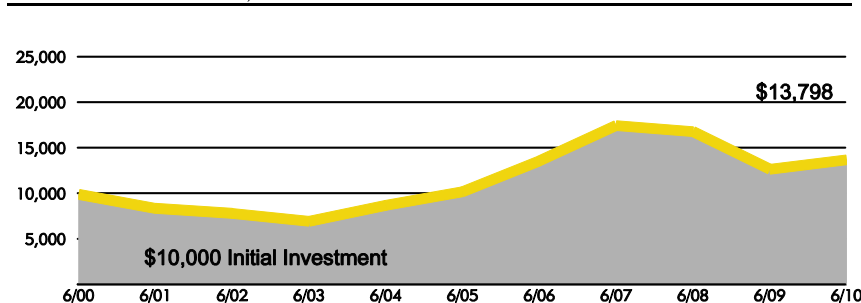
Year	Class A	Class Y	MSCI EAFE	Lipper Int. Large-Cap Core
2009	44.23%	44.59%	31.78%	29.55%
2008	-41.50%	-41.40%	-43.38%	-44.52%
2007	18.36%	18.69%	11.17%	12.51%
2006	26.13%	26.08%	26.34%	25.11%
2005	24.52%	24.71%	13.54%	13.84%
2004	16.55%	16.74%	20.25%	17.18%
2003	27.19%	-	38.59%	32.70%
2002	-15.93%	-	-15.94%	-14.55%
2001	-17.17%	-	-21.44%	-20.33%
2000	-7.25%	-	-14.17%	-11.17%

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.iyfunds.com for the most recent month-end performance.

¹ 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.

² MSCI EAFE is an unmanaged index comprised of securities that represent the securities markets in Europe, Australasia and the Far East. 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.

★★★★

Overall Morningstar Rating*

Class A Shares among 655 Foreign Large Blend funds. Based on risk-adjusted returns. The fund received 4 stars for the 3-year period among 655 funds, 5 stars for the 5-year period among 473 funds and 4 stars for the 10-year period among 260 funds.

LIPPER RANKINGS

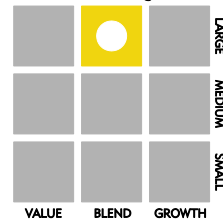
Category: Lipper International Large-Cap Core

	Rank	Percentile
1 Year	78/392	20
3 Year	3/315	1
5 Year	11/255	5
10 Year	7/150	5

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

MORNINGSTAR STYLE BOX³

Source: Morningstar



PORTFOLIO MANAGEMENT

John C. Maxwell, CFA

Ivy Investment Management Co.
17 years in industry
4 years with fund

OBJECTIVE

To seek, as a primary goal, long-term capital growth. Consideration of current income is secondary to this principal objective.

INVESTMENT APPROACH

We primarily use a disciplined approach while looking for investment opportunities around the world, preferring cash-generating, well-managed and reasonably valued companies that are exposed to themes which should yield above average growth.



IVY

International Core Equity Fund [IVIX]

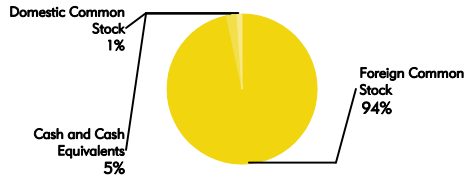
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PORTFOLIO COMPOSITION⁴

(as a % of net assets)



TOP 10 EQUITY HOLDINGS⁴

(as a % of net assets)

TOTAL (France)	4.0%
Vodafone Group (United Kingdom)	2.4%
Foster's Group Limited (Australia)	2.3%
Unilever PLC (United Kingdom)	2.3%
Royal Dutch Shell plc, Class A (United Kingdom)	2.1%
Sanofi-Aventis (France)	2.1%
Cheung Kong Holdings (Hong Kong)	2.1%
Telstra Corp. (Australia)	2.0%
Taiwan Semiconductor Manufacturing Company Ltd., ADR (Taiwan)	1.9%
Barclays (United Kingdom)	1.9%

TOP 5 COUNTRIES⁴

(as a % of equity holdings)

United Kingdom	17.8%
Japan	14.7%
France	13.7%
Australia	12.8%
Germany	5.6%

TOP 5 SECTORS⁴

(as a % of equity holdings)

Financials	17.7%
Consumer Discretionary	17.2%
Telecommunication Services	11.5%
Industrials	10.9%
Energy	10.3%

TICKER SYMBOL

Class A	IVIX	Class Y	IVYX
Class B	IIFBX	Class E	IICEX
Class C	IVIFX	Class I	ICEIX

PORTFOLIO CHARACTERISTICS⁵

Fund Inception	5/13/1997
Net Assets	\$675.6 mil
Dividends	Annually
Turnover Rate (3/31/2010)	94%
Number equity holdings	66
Median market cap	\$19.1 bil
Alpha	5.06
Beta	1.02
R-Squared	96.49
Standard Deviation	21.26
Sharpe Ratio	0.16

Consider all factors. International investing involves additional risks, including currency fluctuations, political or economic conditions affecting the foreign country, and differences in accounting standards and foreign regulations. As with any mutual fund, the value of the Fund's shares will change, and you could lose money on your investment. An investment in the Fund is not a bank deposit and is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other government agency. These and other risks are more fully described in the fund's prospectus. Not all funds or fund classes may be offered at all broker/dealers.

³ The style box reveals a fund's investment strategy by displaying the fund's investment style and the market capitalization of the stocks owned.

⁴ Information is subject to change and is not intended to represent any past or future investment recommendations.

⁵ 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.

^{*} For each fund with at least a 3-year history, Morningstar calculates a risk-adjusted return measure that accounts for variation in a fund's monthly performance (including the effects of all sales charges), placing emphasis on downward variations and rewarding consistent performance. The top 10% of funds in each category receive 5 stars, the next 22.5% receive 4 stars, the next 35% receive 3 stars, the next 22.5% receive 2 stars and the bottom 10% receive 1 star. (Each share class is counted as a fraction of one fund and rated separately.) A fund's overall rating is derived from a weighted average of the 3-, 5- and 10-year (if applicable) rating metrics. Morningstar Rating is for the share classes specified; other classes may have different performance characteristics.

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 Ivy Funds, call your financial advisor or visit us online at www.ivyfund.com. Please read the prospectus carefully before investing.



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