



IVY

Bond Fund [IBOAX]

Q2/10 Portfolio information as of June 30, 2010

FUND PERFORMANCE^{1,2,3}

Average Annual Total Returns

Period	Class A NAV	Class A Load	Class Y	Citigroup BIG	Lipper Corporate Debt A-Rated
3-Month	3.16%	-2.77%	3.18%	3.67%	2.89%
YTD	5.68%	-0.40%	5.72%	5.27%	5.37%
1-Year	14.68%	8.08%	14.81%	9.03%	13.45%
3-Year	3.36%	1.34%	3.37%	7.95%	5.75%
5-Year	2.92%	1.71%	2.92%	5.77%	4.26%
10-Year	5.13%	4.51%	-	6.61%	5.69%
Life	6.24%	5.96%	3.21%	-	-
Gross Expense	1.25%	1.25%	1.21%	-	-
Net Expense	1.25%	1.25%	1.21%	-	-
Inception	8/14/87	8/14/87	12/8/03	-	-

Calendar Year Returns

Year	Class A	Class Y	Citigroup BIG	Lipper Corporate Debt A-Rated
2009	13.96%	14.11%	5.06%	15.18%
2008	-9.50%	-9.56%	7.02%	-5.88%
2007	2.05%	2.03%	7.22%	4.55%
2006	4.15%	4.09%	4.33%	3.90%
2005	1.84%	1.71%	2.57%	2.53%
2004	4.35%	4.06%	4.48%	4.51%
2003	4.95%	-	4.20%	5.02%
2002	9.80%	-	10.09%	8.57%
2001	8.03%	-	8.52%	7.79%
2000	10.64%	-	11.59%	10.31%

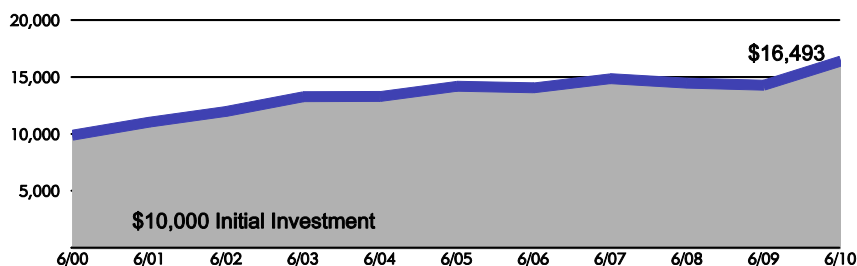
Data quoted is past performance and current performance may be lower or higher. Past performance is no guarantee of future results. Investment return and principal value of an investment will fluctuate, and shares, when redeemed, may be worth more or less than their original cost. Please visit www.ivyfunds.com 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 The Advantus Bond Fund merged into the Ivy Bond Fund on Dec. 8, 2003. The performance shown for periods prior to this date is that of the Advantus Bond Fund Class A shares, restated to reflect current sales charges applicable to Ivy Bond Fund Class A shares. Performance has not been restated to reflect the fees and expenses applicable to the Ivy Bond Fund. If these expenses were reflected, performance shown would differ.

³ Citigroup Broad investment Grade is an unmanaged index comprised of securities that represent the 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

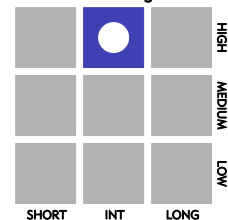
Category: Lipper Corporate Debt Funds A-Rated

	Rank	Percentile
1 Year	34/134	26
3 Year	100/127	79
5 Year	96/115	83
10 Year	48/61	78

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

MORNINGSTAR STYLE BOX⁴

Source: Morningstar



PORTFOLIO MANAGEMENT

Chris Sebald, CFA

Advantus Capital Management, Inc. (Subadvisor)
21 years in industry
6 years with fund

David Land, CFA

Advantus Capital Management, Inc. (Subadvisor)
19 years in industry
5 years with fund

Thomas Houghton, CFA

Advantus Capital Management, Inc. (Subadvisor)
16 years in industry
5 years with fund

OBJECTIVE

To provide a high level of current income consistent with prudent investment risk.

INVESTMENT APPROACH

The Fund utilizes a bottom-up, fundamental approach. Capitalizing on the portfolio management team's experience in the fixed income market, the managers focus on security selection and sector allocation. The managers also focus on relative value trading among fixed-income securities, and consider factors such as industry outlook, current and anticipated market and economic conditions, general levels of debt prices, and issuer operations.



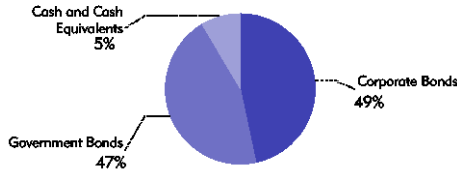
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Bond Fund [IBOAX]

Q2/10 Portfolio information as of June 30, 2010

PORTFOLIO COMPOSITION⁵

(as a % of net assets)



TOP 10 HOLDINGS⁵

(as a % of net assets)

United States Treasury Bond	5.4%
United States Treasury Notes	5.3%
United States Treasury Notes	4.0%
United States Treasury Notes	3.4%
Credit Suisse First Boston Mortgage Securities Corp., Commercial Mortgage Pass-Through Certificates, Series 2005-C2	2.4%
Federal National Mortgage Association	1.9%
Province of Ontario	1.4%
FN 995492	1.2%
United States Treasury Notes	1.1%
Federal National Mortgage Association Fixed Rate Pass-Through Certificates	1.1%

QUALITY^{5,6}

(as a % of bond holdings)

Gov't	49.0%
AAA	12.3%
AA	4.9%
A	9.2%
BBB	16.8%
BB	5.3%
B	1.3%
Below B	0.4%
Non-Rated	0.7%

MATURITY⁵

(as a % of bond holdings)

< 1 Year	8.6%
1-5 Years	56.3%
6-10 Years	25.8%
11-20 Years	1.4%
> 20 Years	7.9%

TICKER SYMBOL

Class A	IBOAX	Class Y	IBOYX
Class B	IBOBX	Class E	IVBEX
Class C	IBOCX	Class I	IVBIX

PORTFOLIO CHARACTERISTICS^{7,8}

Fund Inception	8/14/1987
Net Assets	\$237.7 mil
Dividends	Daily, Paid Monthly
Turnover Rate (3/31/2010)	410%
Number of Holdings	283
Alpha	-0.35
Beta	0.58
R-Squared	34.18
Standard Deviation	3.91
Sharpe Ratio	0.07
Average Maturity years	6.33
Effective Duration years	4.44
30 Day SEC Yield	2.64%

Consider all factors. 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. 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 FDIC 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.

⁴ 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.

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

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

⁷ 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.

⁸ 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 Ivy Funds, call your financial advisor or visit us online at www.ivyfund.com. Please read the prospectus carefully before investing.



IVY FUNDS[®]
PROVEN | FOCUSED | CONSTANT