

December 31, 2018

**Inception Date** 1/8/1997    **Total Fund Assets** \$869.8 million    **Ticker** AAHYX

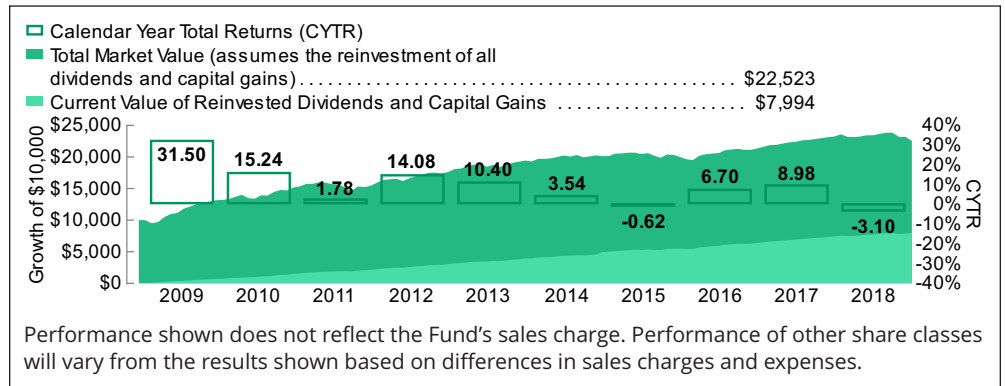
**Fund Description**

Thrivent Diversified Income Plus Fund looks to provide a steady and dependable income stream along with modest capital appreciation. It invests in higher-yielding, higher-risk, fixed-income securities to generate income, and in equities to provide potential growth and income. Investments are diversified across sectors in order to manage risk and potentially provide more stability when interest rates rise.

**Investment Strategy/Process**

The Fund has a long-term target allocation of 75% fixed-income and 25% equity securities. The portfolio management team actively manages the Fund with overweight and underweight positions in various sectors based on their views of the market and economy. Individual stocks and bonds are analyzed and chosen on an ongoing basis. The Fund is regularly rebalanced to ensure that the holdings are within appropriate ranges.

**Growth of \$10,000 and Calendar Year Performance (%)**



**Trailing Returns — Average Annual (%)**

	3 Month	YTD	1 Year	3 Year	5 Year	10 Year	Since Incept.
Class A share (without sales charge)	-5.51	-3.10	-3.10	4.06	3.00	8.46	4.71
Class A share (with 4.5% max sales charge)	-9.76	-7.47	-7.47	2.47	2.06	7.96	4.49
MSCI World Index - USD Net Returns	-13.42	-8.71	-8.71	6.30	4.56	9.67	N/A
BBgBarc U.S. Mortgage-Backed Securities Index	2.08	0.99	0.99	1.71	2.53	3.11	N/A
BBgBarc U.S. High Yield Ba/B 2% Issuer Capped Index	-3.61	-1.88	-1.88	6.17	3.79	9.95	N/A
S&P/LSTA Leveraged Loan Index	-3.45	0.44	0.44	4.83	3.05	8.57	N/A
Lipper Mixed-Asset Target Alloc Conserv Funds Median <sup>1</sup>	-4.62	-3.98	-3.98	3.26	2.46	6.06	N/A

*All data represents past performance and assumes the reinvestment of dividends and capital gains. Past performance does not guarantee future results. The investment return and principal value of the investment will fluctuate so that an investor's shares, when redeemed, may be worth more or less than the original cost. Current performance may be lower or higher than the performance data quoted. Visit ThriventFunds.com or call 800-847-4836 for performance results current to the most recent month-end.*

<sup>1</sup>Source: Lipper. The Lipper median represents the median annualized total return for all reported funds in the classification. Lipper medians do not include sales charges/fees. If included, returns would have been lower.

**Investment Objective**

Thrivent Diversified Income Plus Fund seeks to maximize income while maintaining prospects for capital appreciation.

**Who Should Consider Investing?**

The Fund may be suitable for investors who:

- Seek a high level of income and the opportunity for long-term growth.
- Have a medium to long-term investment time horizon and a moderately conservative risk tolerance.
- Are able to withstand a low to moderate level of risk and volatility in pursuit of commensurate long-term returns.

**Minimum Investment**

Initial (non-retirement): \$2,000  
Initial (IRA or tax-deferred): \$1,000  
Subsequent: \$50

**Expense Ratio**

Gross 1.05%  
Net 1.05%

**Benchmark(s)**

Indexes are unmanaged and do not reflect the fees and expenses associated with active management. Investments cannot be made directly into an index.

- **Morgan Stanley Capital International (MSCI) World Index - USD Net Returns** represents large- and mid-cap stocks in 23 developed-market countries.
- **Bloomberg Barclays (BBgBarc) U.S. Mortgage-Backed Securities Index** represents the performance of securities backed by pools of mortgages.
- **Bloomberg Barclays (BBgBarc) U.S. High Yield Ba/B 2% Issuer Capped Index** represents the performance of the non-investment grade, Ba or B-rated corporate bond market. Issuers are constrained to a maximum 2% weighting.
- **S&P/LSTA U.S. Leveraged Loan Index** is a market-value weighted index representing the performance of the universe of U.S. dollar-denominated, senior secured, syndicated term loans.

**Fund Management & Experience**

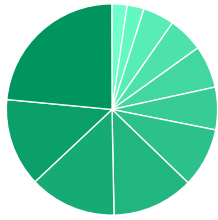
**Mark L. Simenstad, CFA** - Fund Start: 2006; Industry Start: 1983; **Stephen D. Lowe, CFA** - Fund Start: 2015; Industry Start: 1996; **Noah J. Monsen, CFA** - Fund Start: 2015; Industry Start: 2008; **Gregory R. Anderson, CFA** - Fund Start: 2018; Industry Start: 1993; **Matthew D. Finn, CFA** - Fund Start: 2018; Industry Start: 1985

*Risks: The Fund invests in debt securities and equity securities. The value of the Fund is influenced by factors impacting the overall market, certain asset classes, certain investment styles, and specific issuers. The Fund may incur losses due to investments that do not perform as anticipated by the investment advisor. Bond prices may decline during periods of rising interest rates. Credit risk is the risk that an issuer of a debt security may not pay its debt, and high yield securities are subject to increased credit risk as well as liquidity risk. Leveraged loans, REITs, preferred securities, convertible securities, sovereign debt, and mortgage-related and other asset-backed securities are subject to additional risks. Foreign investments involve additional risks, including currency fluctuations, liquidity, political, economic and market instability, and different legal and accounting standards; these risks are magnified for investments in emerging-markets. An ETF is subject to additional fees and expenses, tracking error, and the risks of the underlying investments that it holds. The use of derivatives (such as futures and swaps) involves additional risks and transaction costs, which could leave the Fund in a worse position than if it had not used these instruments. The Fund may engage in active and frequent trading of portfolio securities in implementing its principal investment strategies, which may result in higher transaction costs and higher taxes.*

# THRIVENT DIVERSIFIED INCOME PLUS FUND — Class A

December 31, 2018

## Fund Diversification



Securitized Debt	23.5%
US Large Cap Equity	13.5%
Floating-Rate Bank Loans	13.3%
High Yield Bonds	12.5%
Investment Grade Credit	9.1%
Opportunistic Fixed Income	6.5%
International Equity	6.5%
US Mid/Small Cap Equity	5.4%
International Debt	4.8%
Cash	2.6%
Opportunistic Equity	2.3%

## Bond Quality Rating Distribution (%)

The lower of the bond ratings assigned by Moody's Investor Services, Inc. or Standard & Poor's® Financial Services, LLC ("S&P"). Investments in derivatives and short-term investments are not included.

Category	Percentage
<b>HIGH QUALITY (HQ)</b>	
Cash	3.5
U.S. Gov't Guaranteed	10.1
AAA	2.1
AA	1.0
A	4.2
BBB	14.1
<b>HIGH YIELD (HY)</b>	
BB	20.7
B	17.8
CCC	6.3
CC	0.7
C	0.2
D	0.3
<b>OTHER</b>	
Non-Rated (NR)	14.3
ETFs/Closed-End Funds (may be (HQ/HY/NR))	4.7

<sup>2</sup>NAV = Net Asset Value (without sales charge, not available to all investors).

<sup>3</sup>POP = Public Offering Price (with sales charge - see prospectus for details).

<sup>4</sup>Average of the daily NAV/POP values for the trailing 12 months.

<sup>5</sup>Turnover Ratio: 12-month rolling as of 11/30/2018. A measure of the Fund's trading activity, calculated by dividing the lesser of long-term purchases or long-term sales by average long-term market value.

<sup>6</sup>30-Day SEC Yield: Previous 30 calendar days ending 12/31/2018.

<sup>7</sup>Source: Barclays Capital Indices, POINT. ©2019 Barclays Capital Inc. Used with permission. POINT is a registered trademark of Barclays Capital Inc. Bloomberg Barclays U.S. Aggregate Bond Index measures the performance of U.S. investment-grade bonds.

<sup>8,9,10</sup>S&P 500® is a registered trademark of Standard & Poor's® Financial Services LLC, a part of McGraw Hill Financial, Inc. and/or its affiliates. The Index is a market-cap weighted index that represents the average performance of a group of 500 large-capitalization stocks. Sources: (8) Morningstar; (9) FactSet; (10) Thrivent Financial.

**Investing in a mutual fund involves risks, including the possible loss of principal. The prospectus and summary prospectus contain more complete information on the investment objectives, risks, charges and expenses of the fund, and other information, which investors should read and consider carefully before investing. Prospectuses are available at [ThriventFunds.com](http://ThriventFunds.com) or by calling 800-847-4836.**

The principal underwriter for Thrivent Mutual Funds is Thrivent Distributors, LLC. Thrivent Distributors, LLC is a registered broker/dealer, member of [FINRA](http://FINRA) and [SIPC](http://SIPC). Thrivent Asset Management, LLC, an SEC-registered investment adviser, serves as the investment adviser for the Thrivent Mutual Funds. Both entities are subsidiaries of Thrivent Financial for Lutherans.

## Top 10 Holdings—Excluding

Derivatives (13.25% of Fund, as of 11/30/2018)

Thrivent Core EM Debt Fund	4.73%
FNMA Conv'l 30-Yr. Pass-Thru	3.43%
FHLM Corp Gold 30-Yr. Pass-Thru	1.31%
FNMA Conv'l 30-Yr. Pass-Thru	0.94%
	0.55%
FNMA Conv'l 30-Yr. Pass-Thru	0.54%
Cisco Systems, Inc.	0.50%
Vanguard Sht-Tm Corp Bond ETF	0.42%
Microsoft Corp	0.42%
Golub Capital BDC, Inc.	0.41%

## Dividend Distributions & Price History

(Trailing 12-Months; Dividend Schedule: Paid Monthly)

	Dividends	Month-End NAV <sup>2</sup>	Month-End POP <sup>3</sup>
Jan-18	\$0.0148	\$7.50	\$7.85
Feb-18	\$0.0170	\$7.36	\$7.71
Mar-18	\$0.0225	\$7.32	\$7.66
Apr-18	\$0.0230	\$7.33	\$7.68
May-18	\$0.0190	\$7.37	\$7.72
Jun-18	\$0.0199	\$7.35	\$7.70
Jul-18	\$0.0170	\$7.40	\$7.75
Aug-18	\$0.0207	\$7.44	\$7.79
Sep-18	\$0.0221	\$7.42	\$7.77
Oct-18	\$0.0234	\$7.19	\$7.53
Nov-18	\$0.0230	\$7.17	\$7.51
Dec-18	\$0.0147	\$6.80	\$7.12
	\$0.2371 (Total)	\$7.34 (Avg.) <sup>4</sup>	\$7.69 (Avg.) <sup>4</sup>

## Capital Gains - Trailing 12-Months

Record Date	Short-Term Gain	Long-Term Gain	Total
12/28/2018	\$0.0000	\$0.1515	\$0.1515

## FUND STATISTICS

Statistics shown below are compared to the S&P 500® Index and Bloomberg Barclays U.S. Aggregate Bond Index. These benchmarks are intended to provide a comparison to the broad U.S. large cap stock market and the broad U.S. bond market, and may not be representative of the Fund's investment strategies and holdings.

### Holdings Information

Number of Holdings	1,357
Turnover Ratio (last 12-months) <sup>5</sup>	145%
Percent U.S.	80.5%
Percent Non-U.S.	19.5%

### Yield

**Yield:** The income return on an investment.

30-Day SEC Yield <sup>6</sup>	3.32%
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### Risk/Volatility Measures

**Beta (3-year vs. S&P 500®):** A measure of the volatility, or market risk, of an investment compared to the broad U.S. large-cap stock market.



**Standard Deviation:** A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

	Fund	S&P 500® Index <sup>8</sup>	BBgBarc U.S. Aggregate <sup>7</sup>
3 Year	4.19%	10.95%	2.81%
5 Year	4.24%	10.95%	2.77%
10 Year	6.60%	13.61%	3.02%

### Equity Characteristics (27.7% of Fund)

**Market-Capitalization:** A measure of the size of the companies held in the portfolio, calculated by multiplying a company's total outstanding shares by the stock price.

	Fund	S&P 500® Index <sup>9</sup>
Avg Mkt Cap	\$35.0 B	\$45.7 B
Wtd Median Mkt Cap	\$28.0 B	\$99.1 B

**Price to Earnings (P/E) Ratio:** A valuation ratio calculated by dividing the share price of each stock held in the portfolio by its trailing 12-month earnings per share.

	Fund	S&P 500® Index <sup>10</sup>
P/E Ratio	13.1	16.4

### Fixed Income Characteristics (72.3% of Fund)

**Average Duration:** A measure of a portfolio's sensitivity to changes in interest rates; the longer the portfolio's duration, the more sensitive it is.

	Fund	BBgBarc U.S. Aggregate <sup>7</sup>
Average Duration (years)	3.5	5.9

**Weighted Average Life:** The market-value weighted average of the time remaining until the bond in the portfolio will repay principal.

	Fund	BBgBarc U.S. Aggregate <sup>7</sup>
Wtd Avg Life (years)	7.1	8.3