

Thrivent Municipal Bond Fund

March 31, 2012



Fund Overview

Investment Management Style

Maturity: Long-term

Fund Information

Ticker symbol:	TMBIX
Inception date:	10/31/97
Total Net Assets:	\$1.5 billion
Benchmark:	Barclays Capital Municipal Bond Index
Gross Expense Ratio:	0.49%
Net Expense Ratio:	0.49%

Refer to the Fund's prospectus for minimum initial investment details.

Investment Objective

Thrivent Municipal Bond Fund seeks a high level of current income exempt from federal income taxes, consistent with capital preservation.

Investment Strategy

- Invests in high-quality municipal bonds of financially sound issuers with strong fundamentals.
- The Adviser generally buys investment-grade municipal bonds or unrated bonds it determines to be of comparable quality.

Investment Performance - Average Annual Total Return*

	3 Mo.	YTD	1 Yr.	3 Yr.	5 Yr.	10 Yr.	Inception
I Shares	2.16%	2.16%	12.49%	7.48%	5.30%	5.27%	N/A
Lipper General Municipal Funds Median	2.61%	2.61%	13.22%	8.58%	4.43%	4.60%	—
Barclays Capital Municipal Bond Index	1.75%	1.75%	12.07%	7.70%	5.42%	5.46%	—

*Performance data cited represents past performance and should not be viewed as an indication of future results. 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. Call 800-THRIVENT or visit Thrivent.com for performance results current to the most recent month-end.

Institutional Class shares carry no sales charges.

Lipper figures do not include sales charges or fees. If included, returns would have been lower.

The Barclays Capital Municipal Bond Index is a market value-weighted index of investment grade municipal bonds with maturities of one year or more. An index is unmanaged, and investments cannot be made directly into an index.

Fund Management



Janet I. Grangaard, CFA

Began managing this fund: 2002
Investment experience: 22 years

Risks: Municipal Bonds are subject to risks which include, but are not limited to, credit risk and interest rate risk. Some issues may be subject to state and local taxes and/or the alternative minimum tax. Any increase in principal value may be taxable. Bonds are subject to price change and availability. If you sell prior to maturity, you will receive current market price, which may be more or less than you paid. Interest generated from municipal bonds is generally expected to be free from federal income taxes. If the bonds are held by an investor resident in the state of issuance, state and local income taxes such as interest income, may be subject to federal and/or state AMT. Investing in municipal bonds for the purpose of generating tax-exempt income may not be appropriate for investors in all income tax brackets. Please consult your tax advisor for detailed discussion on your specific situation. These and other risks are described in the Fund's prospectus.

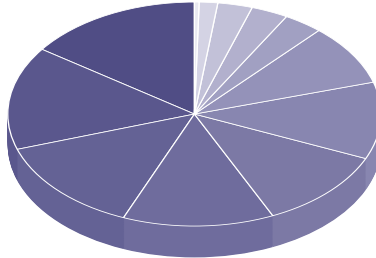
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Fund Diversification¹

Local/State Government	15.2%
Health Care	14.9%
Utilities	13.7%
Transportation	13.1%
Special tax Revenue	11.6%
Education	11.1%
Pre-refunded	8.8%
Tobacco	3.4%
Cash & Cash Equivalent	3.2%
Industrial Revenue	3.0%
Miscellaneous	1.6%
Housing	0.4%



Fund Statistics¹

Number of holdings:	418	
Average Life (years) ² :	15.4	
Standard Deviation ³ :		
3-year	5-year	10-year
4.57%	5.03%	4.53%

30-Day SEC Yield*:	2.68%
Tax Equivalent Yields	30-Day
Fed. Tax Bracket	Dist. Yield
15%:	4.65%
25%:	5.27%
28%:	5.49%
33%:	5.90%
35%:	6.08%

*(Previous 30 calendar days ending March 31, 2012.)

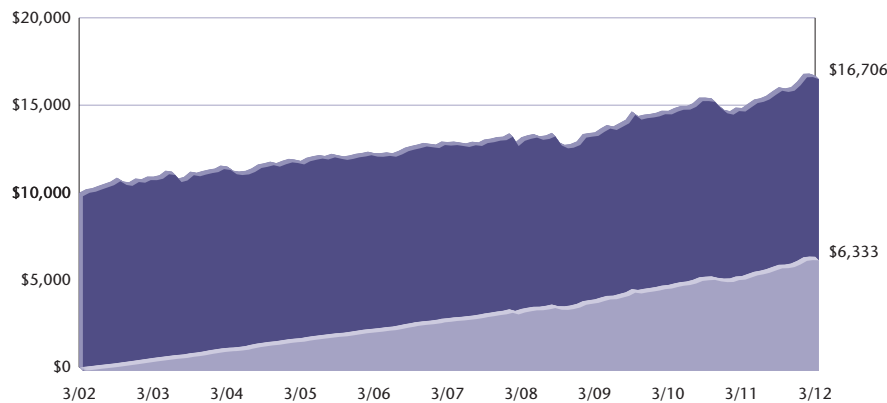
Top Ten States

California	12.69%
Texas	10.65%
Illinois	8.07%
New York	6.90%
Colorado	4.62%
Florida	4.49%
Washington	3.89%
Massachusetts	3.59%
Minnesota	3.21%
Louisiana	3.19%

Growth of a \$10,000 Investment

Value of Class I Shares

- Total Market Value (Assumes the Reinvestment of all Dividends and Capital Gains)
- Accumulated Dividends and Capital Gains

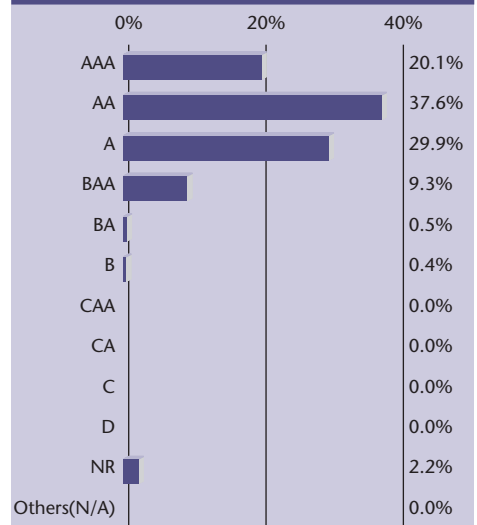


Performance of other classes will be greater or less than the line shown based on the differences in loads and fees paid by shareholders investing in the different classes.

Calendar Year Total Returns (%)

2002	2003	2004	2005	2006	2007	2008	2009	2010	2011
8.95	4.74	4.47	3.35	4.72	3.17	-2.10	12.18	1.66	10.86

Bond Quality Rating Distribution⁴



¹This is subject to change.

²Average Life: Average length of time before the bond issuer pays the bond holder.

³Standard Deviation: A statistical measure of volatility. The higher the standard deviation, the riskier an investment is considered to be.

⁴Bond Quality Ratings Distribution: Thrivent Financial uses the most recent quarter-end credit ratings assigned by Moody's Investor Services, Inc. and Standard & Poor's Financial Services, LLC to issuers of individual securities in the Fund. When the agencies' ratings differ, Thrivent Financial uses the lower of the two ratings.

Investing in a mutual fund involves risks, including the possible loss of principal. The prospectus contains more complete information on the investment objectives, risks, charges and expenses of the fund, which investors should read and consider carefully before investing. Prospectuses are available from a Thrivent Financial representative or at Thrivent.com.

Insurance products issued or offered by Thrivent Financial for Lutherans, Appleton, WI. Not all products are available in all states. *Securities and investment advisory services are offered through Thrivent Investment Management Inc., 625 Fourth Ave. S., Minneapolis, MN 55415, 800-847-4836, a FINRA and SIPC member and a wholly owned subsidiary of Thrivent Financial for Lutherans.*

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