

2018 ANNUAL REPORT

December 31, 2018

BRIDGEWAY LARGE CAP GROWTH FUND

BRIDGEWAY LARGE CAP VALUE FUND

About American Beacon Advisors

Since 1986, American Beacon Advisors has offered a variety of products and investment advisory services to numerous institutional and retail clients, including a variety of mutual funds, corporate cash management, and separate account management.

Our clients include defined benefit plans, defined contribution plans, foundations, endowments, corporations, financial planners, and other institutional investors. With American Beacon Advisors, you can put the experience of a multi-billion dollar asset management firm to work for your company.

Beginning on January 1, 2021, as permitted by regulations adopted by the Securities and Exchange Commission, paper copies of the Fund's shareholder reports will no longer be sent by mail, unless you specifically request paper copies of the reports from the Fund or from your financial intermediary, such as a broker-dealer or bank. Instead, the reports will be made available on a website, and you will be notified by mail each time a report is posted and provided with a website link to access the report.

If you already elected to receive shareholder reports electronically, you will not be affected by this change and you need not take any action. You may elect to receive shareholder reports and other communications from the Fund or your financial intermediary electronically by going to www.americanbeaconfunds.com and clicking on "Quick Links" and then "Register for E-Delivery."

You may elect to receive all future reports in paper free of charge. You can inform the Fund that you wish to continue receiving paper copies of your shareholder reports by calling 1-800-658-5811, option 1, or you may directly inform your financial intermediary of your wish. A notice that will be mailed to you each time a report is posted will also include instructions for informing the Fund that you wish to continue receiving paper copies of your shareholder reports. Your election to receive reports in paper will apply to all funds held with the American Beacon Funds Complex or your financial intermediary, as applicable.

BRIDGEWAY LARGE CAP GROWTH FUND

Growth stocks typically are more volatile than value stocks; however, value stocks have a lower expected growth rate in earnings and sales. Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. While the Fund is managed pursuant to a tax management strategy, the Fund's investments could create **capital gains**. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

BRIDGEWAY LARGE CAP VALUE FUND

Investing in **value stocks** may limit downside risk over time; however, the Fund may produce more modest gains than riskier stock funds as a trade-off for this potentially lower risk. Investing in **foreign securities** may involve heightened risk due to currency fluctuations and economic and political risks. While the Fund is managed pursuant to a tax management strategy, the Fund's investments could create **capital gains**. The use of **futures contracts** for cash management may subject the Fund to losing more money than invested. Please see the prospectus for a complete discussion of the Fund's risks. There can be no assurances that the investment objectives of this Fund will be met.

Any opinions herein, including forecasts, reflect our judgment as of the end of the reporting period and are subject to change. Each advisor's strategies and each Fund's portfolio composition will change depending on economic and market conditions. This report is not a complete analysis of market conditions, and, therefore, should not be relied upon as investment advice. Although economic and market information has been compiled from reliable sources, American Beacon Advisors, Inc. makes no representation as to the completeness or accuracy of the statements contained herein.

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President's Message



Dear Shareholders,

December 2018, a month in which market volatility spiked and all major U.S. equity indexes declined, ending the year in negative territory, serves as a prime example of the importance of having a long-term investment perspective.

While long-term investing isn't about identifying and anticipating the next big market move, it is about identifying the right investment products for riding out those moves. As a long-term investor, you should strive to accomplish the three Ds: direction, discipline and diversification.

- ▶ **Direction:** Achieving your long-term financial goals requires an individualized plan of action. You may want your plan to provide some measure of protection against periods of geopolitical turmoil, economic uncertainty, market volatility and job insecurity. Your plan should be reviewed annually and be adjusted in the event your long-range needs change.
- ▶ **Discipline:** Long-term, systematic participation in an investment portfolio requires your resolution to stay the course. Spending time in the market - rather than trying to time the market - may place you in a better position to reach your long-term financial goals.
- ▶ **Diversification:** By investing in different types of investment categories and asset classes, you may be able to help mitigate financial risks across your investment portfolio. By allocating your investment portfolio according to your risk-tolerance level, you may be better positioned to weather storms and achieve your long-term financial goals.

Since 1986, American Beacon has endeavored to provide investors with a disciplined approach to realizing long-term financial goals. As a manager of managers, we strive to provide investment products that may enable investors to participate during market upswings while potentially insulating against market downswings. Our approach is more than a concept. It's the cornerstone of our culture. And we strive to apply it at every turn as we seek to provide a well-diversified line of investment products for your investment portfolio.

Many of the sub-advisors to our mutual funds pursue upside capture and/or downside protection using proprietary strategies. The investment teams behind our mutual funds seek to produce consistent, long-term results rather than focus only on short-term movements in the markets. In managing our investment products, we emphasize identifying opportunities that offer the potential for long-term rewards.

Thank you for your continued interest in American Beacon. For additional information about our funds or to access your account information, please visit our website at www.americanbeaconfunds.com.

Best Regards,

A handwritten signature in black ink that reads "Gene L. Needles, Jr." in a cursive script.

Gene L. Needles, Jr.
President
American Beacon Funds

Domestic Equity Market Overview

December 31, 2018 (Unaudited)

The 12-month period under review started with a nearly 6% rise in the S&P 500 Index (the “Index”) for January 2018, only to be followed by a decline of more than 8% over the first six trading days of February. The Index, which had risen by more than 9% by September 2018, reached 60 all-time highs during the year - the third-highest count on record. However, by December 31, all major U.S. indexes had declined and ended the year in negative territory. In relative terms for the year, large-cap stocks outpaced small-caps. Growth stocks also exhibited outperformance compared to Value stocks across all market caps. The Russell 2000 Growth Index outperformed the Russell 2000 Value Index by 3.55%, while the Russell 1000 Growth Index outperformed the Russell 1000 Value Index by 6.76%.

In the first quarter of 2018, most equity markets delivered gains in January only to see steep declines in early February. The selloff was triggered by strong wage growth numbers (rather than by weak economic data), which accelerated from 2.5% to 2.9% year-over-year - a substantial jump over just one month. The speed of the acceleration in wage growth caused investors to worry that U.S. short-term interest rate hikes from the Federal Reserve (the “Fed”) would have to rise faster than the economy could withstand, thereby inverting the U.S. yield curve and inducing a near-term economic recession. Volatility heightened with the Index displaying 23 daily moves of +/- 1% in the first quarter compared to total of only eight throughout 2017.

In the second quarter of 2018, headlines oscillated wildly between optimism (business investment, expansionary fiscal policy and general economic strength) and pessimism (trade wars, weakening international/emerging economies and rising interest rates). However, U.S. equity markets ultimately notched gains each month, suggesting a “win” for market optimism. Volatility drifted lower as rising U.S. Treasury bond/note yields stalled at a more palatable level for investors, indicating a less overheated or inflated economy. U.S. retail sales grew by more than 6% year-over-year in May and unemployment fell to 3.8% - the lowest level since 1969. Tariff announcements took a toll on companies with China exposure, and the Industrials sector trailed all other sectors on trade tension struggles.

In the third quarter of 2018, a booming U.S. economy drove domestic stocks higher, leaving the Index up 7.7% for the year-to-date period. In September, U.S. consumer confidence hit its highest level since 2000, while the monthly average of initial jobless claims fell to the lowest level since 1969. Wage growth rose to the highest level since 2009, supporting retail sales growth of more than 7% on a year-over-year basis. Also, the National Federation of Independent Business’s survey showed that small businesses were the most optimistic they’ve been since the survey began in 1974. U.S. stocks across all capitalizations gained during the quarter against this remarkably strong, economic-growth backdrop.

In the fourth quarter of 2018, volatility returned as U.S. equity markets closed out one of the worst quarters since the Great Financial Crisis in 2008. The quarter was characterized by multiple days of +500-point swings in the Dow Jones Industrial Average (“DJIA”). In fact, the Christmas holiday week was extraordinary in its extremes. Christmas Eve had the worst showing in the DJIA’s history with the largest single-day gain (1,086 points) on the next trading day and the largest intra-day recovery on the following day.

Further, the Index halted just shy of entering a bear market, which is defined as a 20% decline from peak to trough, before rebounding to close the fourth quarter of 2018 with a 13.52% decline. Despite economic expansion, corporate growth and a healthy consumer, markets were shaken as sentiment went from bullish to bearish over a multitude of concerns, including global economic deceleration, an unresolved trade war and the absorption of the reality of a less accommodative Fed. The defensive Utilities sector led the way as the only positive sector in the Index for the quarter.

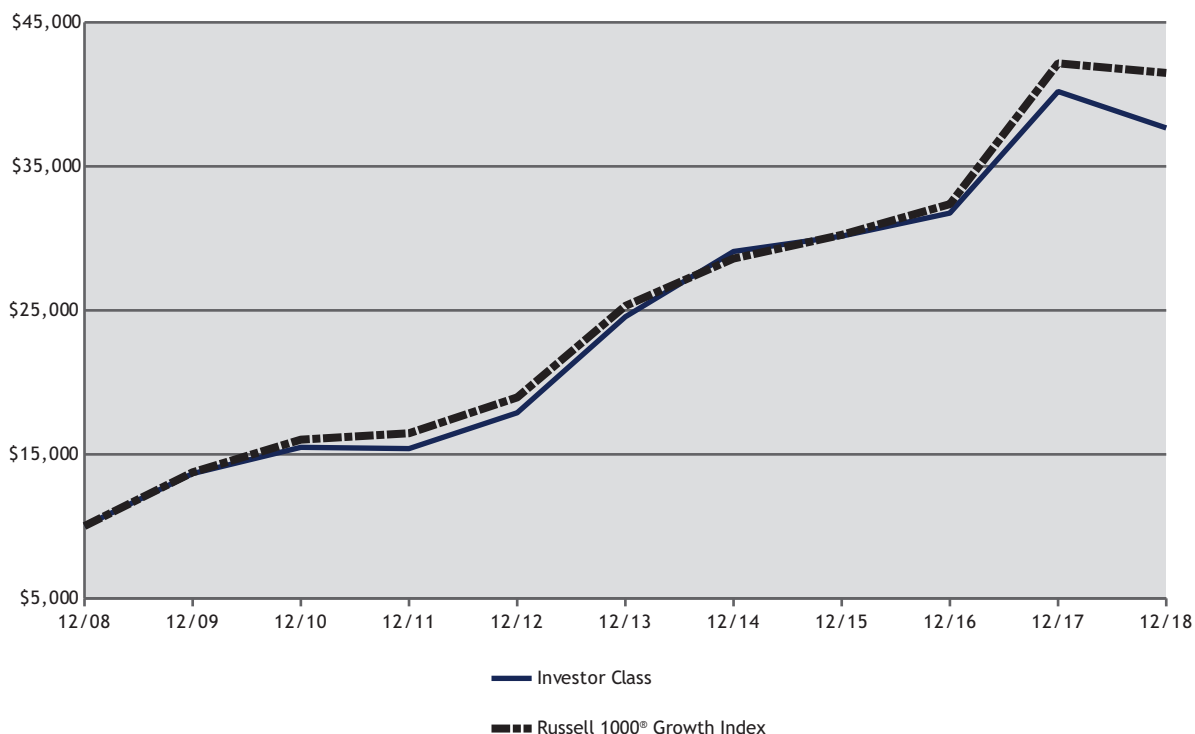
American Beacon Bridgeway Large Cap Growth FundSM

Performance Overview

December 31, 2018 (Unaudited)

The Investor Class of the American Beacon Bridgeway Large Cap Growth Fund (the “Fund”) returned -6.33% for the twelve months ended December 31, 2018, compared to the Russell 1000[®] Growth Index (the “Index”) return of -1.51 % for the same period.

Comparison of Change in Value of a \$10,000 Investment for the period from 12/31/2008 through 12/31/2018



Total Returns for the Period Ended December 31, 2018

	Ticker	1 Year	3 Years	5 Years	10 Years	Value of \$10,000 12/31/2008- 12/31/2018
Institutional Class (1,8)	BRLGX	(5.99)%	8.09%	9.20%	14.30%	\$38,068
Y Class (1,2,8)	BLYYX	(6.85)%	8.00%	9.14%	14.27%	\$37,973
Investor Class (1,3,8)	BLYPX	(6.33)%	7.69%	8.96%	14.18%	\$37,647
A without Sales Charge (1,4,8)	BLYAX	(6.50)%	7.72%	8.97%	14.18%	\$37,677
A with Sales Charge (1,4,8)	BLYAX	(11.87)%	5.61%	7.69%	13.52%	\$35,530
C without Sales Charge (1,5,8)	BLYCX	(7.74)%	6.92%	8.49%	13.93%	\$36,852
C with Sales Charge (1,5,8)	BLYCX	(8.74)%	6.92%	8.49%	13.93%	\$36,852
R6 Class (1,6,8)	BLYRX	(6.00)%	8.09%	9.20%	14.30%	\$38,066
Russell 1000 [®] Growth Index (7)		(1.51)%	11.15%	10.40%	15.29%	\$41,481

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is calculated based on the published end of day net asset values as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit www.americanbeaconfunds.com or call 1-800-967-9009. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares. Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only; and as such, the total return based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights. A portion of fees charged to the Institutional Class of the Fund has been waived since Fund inception. Performance prior to waiving fees was lower than actual returns shown since inception.
- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/08 up to 2/5/16, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the Y Class been in existence since 12/31/08. A portion of fees charged to the Y Class has been waived since February 5, 2016. Performance prior to waiving fees was lower than actual returns shown.

American Beacon Bridgeway Large Cap Growth FundSM

Performance Overview

December 31, 2018 (Unaudited)

- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/08 up to 2/5/16, the inception date of the Investor Class, and the returns of the Investor Class since its inception. Expenses of the Investor Class are higher than those of the Institutional Class. Therefore, total returns shown may be higher than they would have been had the Investor Class been in existence since 12/31/08. A portion of the fees charged to the Investor Class of the Fund has been waived since February 5, 2016. Performance prior to waiving fees was higher than actual returns shown.*
- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/08 through 2/5/16, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 12/31/08. A portion of fees charged to the A Class of the Fund has been waived since February 5, 2016. Performance prior to waiving fees was lower than actual returns shown. A Class shares have a maximum sales charge of 5.75%.*
- Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/08 through 2/5/16, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 12/31/08. A portion of fees charged to the C Class of the Fund was waived from February 5, 2016 through 2017 and was partially recovered in 2018. Performance prior to waiving fees was lower than actual returns shown through 2017. C Class has a maximum contingent deferred sales charge of 1.00% for shares redeemed within one year of the date of purchase.*
- Fund performance for the periods represent the returns achieved by the Institutional Class from 12/30/08 through 4/30/18, the inception date of the R6 Class and the returns of the R6 Class since its inception. Expenses of the R6 Class are lower than the Institutional Class. As a result, total returns shown may be lower than they would have been had the R6 Class been in existence since 12/30/08. A portion of fees charged to the R6 Class of the Fund has been waived since April 30, 2018. Performance prior to waiving fees was lower than actual returns shown.*
- The Russell 1000[®] Growth Index measures the performance of the large-cap growth segment of the U.S. equity universe. It includes those Russell 1000 companies with higher price-to-book ratios and higher forecasted growth values. The Russell 1000 Growth Index and Russell 1000 Index are registered trademarks of Frank Russell Company. Frank Russell Company ("Russell") is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell[®] is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data, and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell's express written consent. Russell does not promote, sponsor or endorse the content of this communication. One cannot directly invest in an index.*
- The Total Annual Fund Operating Expense ratios set forth in the most recent Fund prospectus for the Institutional, Y, Investor, A, C and R6 Class shares were 1.06%, 1.13%, 1.40%, 1.44%, 2.09% and 1.01%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.*

The Fund trailed the Index for the period due to stock selection. Sector allocation added modest value relative to the Index.

Most of the Fund's underperformance related to security selection was attributed to holdings in the Information Technology and Consumer Discretionary sectors. Within Information Technology, the underweighting of the Fund's Microsoft position trailed the Index, while Applied Materials, Inc. was down 33.1%. In the Consumer Discretionary sector, the Fund owned Thor Industries, Toll Brothers and Lear Corp., which were down 34.4%, 22.5% and 29.2%, respectively. This performance was modestly offset by positions in the Health Care and Industrials sectors. Within Health Care, Abiomed, Inc. (up 73.4%), HCA Healthcare (up 43.4%) and IDEXX Laboratories (up 28.8%) contributed most to the Fund's return. Also adding to relative performance, were Rollins, Inc. (up 31.4%) and United Continental Holdings (up 24.2%) in Industrials.

From a sector allocation perspective, the Fund's overweight in Information Technology, one of the best performing sectors, added value relative to the Index. A slight overweight to Consumer Staples also aided relative performance for the period. Offsetting some of this performance were overweights to Materials and Industrials.

The sub-advisor continues to invest in a broadly diversified portfolio of companies they believe have attractive valuations and above-average earnings growth potential. This approach should allow the Fund to benefit over the longer term.

American Beacon Bridgeway Large Cap Growth FundSM

Performance Overview

December 31, 2018 (Unaudited)

Top Ten Holdings (% Net Assets)

Amazon.com, Inc.	2.9
Boeing Co.	2.6
UnitedHealth Group, Inc.	2.4
Netflix, Inc.	2.3
Apple, Inc.	2.2
Intuit, Inc.	2.1
ABIOMED, Inc.	1.9
Coca-Cola Co.	1.8
HCA Healthcare, Inc.	1.7
Comcast Corp.	1.6

Total Fund Holdings

79

Sector Allocation (% Equities)

Information Technology	25.2
Health Care	15.6
Consumer Discretionary	13.1
Industrials	12.4
Financials	8.4
Consumer Staples	8.3
Communication Services	7.8
Materials	4.3
Real Estate	3.6
Energy	1.3

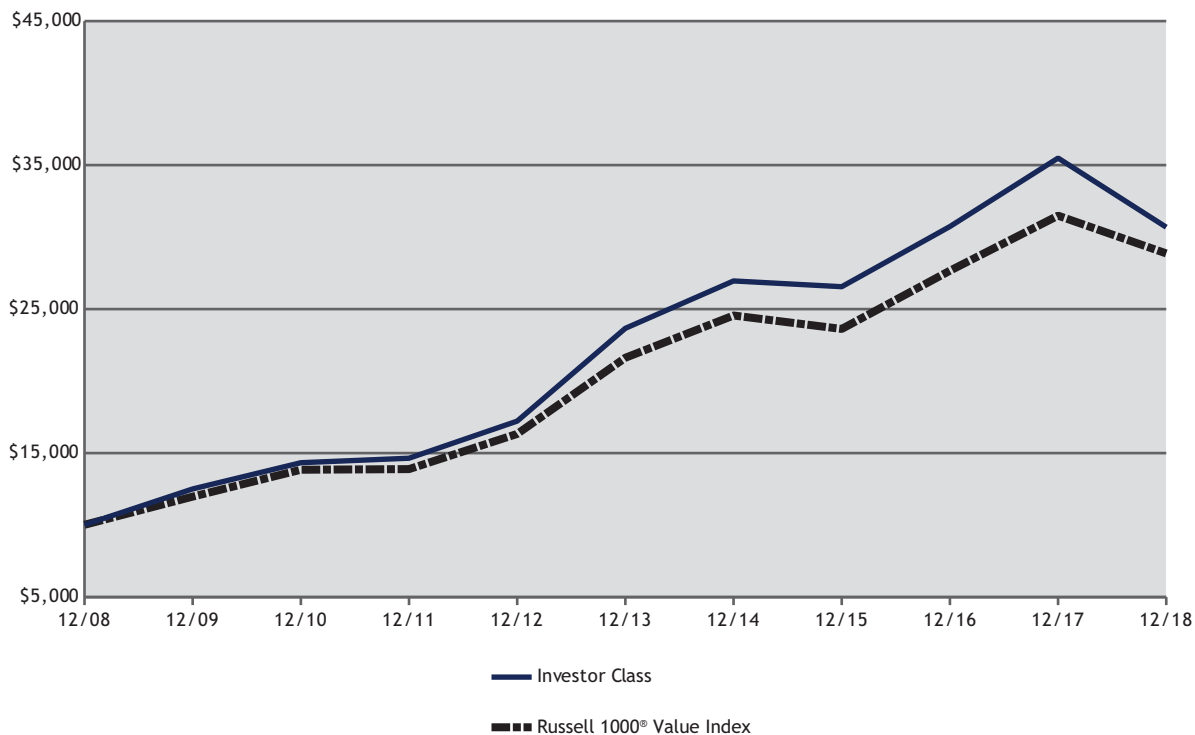
American Beacon Bridgeway Large Cap Value FundSM

Performance Overview

December 31, 2018 (Unaudited)

The Investor Class of the American Beacon Bridgeway Large Cap Value Fund (the “Fund”) returned -13.56% for the twelve months ended December 31, 2018. The Fund underperformed the Russell 1000[®] Value Index (the “Index”) return of -8.27% for the same period.

Comparison of Change in Value of a \$10,000 Investment for the period from 12/31/2008 through 12/31/2018



Total Returns for the Period Ended December 31, 2018

	Ticker	1 Year	3 Years	5 Years	10 Years	Value of \$10,000 12/31/2008- 12/31/2018
Institutional Class (1,8)	BRLVX	(13.28)%	5.32%	5.67%	12.11%	\$31,359
Y Class (1,2,8)	BWLYX	(13.35)%	5.25%	5.61%	12.06%	\$31,214
Investor Class (1,3,8)	BWLIX	(13.56)%	4.96%	5.34%	11.86%	\$30,673
A without Sales Charge (1,4,8)	BWLAX	(13.57)%	4.93%	5.28%	11.79%	\$30,493
A with Sales Charge (1,4,8)	BWLAX	(18.54)%	2.88%	4.05%	11.13%	\$28,735
C without Sales Charge (1,5,8)	BWLCX	(14.20)%	4.15%	4.50%	11.24%	\$29,021
C with Sales Charge (1,5,8)	BWLCX	(15.20)%	4.15%	4.50%	11.24%	\$29,021
R6 Class (1,6,8)	BWLRX	(13.27)%	5.31%	5.66%	12.10%	\$31,351
Russell 1000 [®] Value Index (7)		(8.27)%	6.95%	5.95%	11.18%	\$28,853

- Performance shown is historical and is not indicative of future returns. Investment returns and principal value will vary, and shares may be worth more or less at redemption than at original purchase. Performance shown is calculated based on the published end of day net asset values as of date indicated, and current performance may be lower or higher than the performance data quoted. To obtain performance as of the most recent month end, please visit www.americanbeaconfunds.com or call 1-800-967-9009. Fund performance in the table above does not reflect the deduction of taxes a shareholder would pay on distributions or the redemption of shares. Generally accepted accounting principles require adjustments to be made to the net assets of the Fund at period end for financial reporting purposes only, and as such, the total returns based on the unadjusted net asset value per share may differ from the total return reported in the financial highlights. A portion of the fees charged to the Institutional Class was waived from 2008 through 2013, partially recovered in 2014, and fully recovered in 2015. Performance prior to waiving fees was lower than the actual returns shown from 2008 through 2013.
- Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/08 up to 2/3/12, the inception date of the Y Class, and the returns of the Y Class since its inception. Expenses of the Y Class are higher than those of the Institutional Class. As a result, total returns

American Beacon Bridgeway Large Cap Value FundSM

Performance Overview

December 31, 2018 (Unaudited)

shown may be higher than they would have been had the Y Class been in existence since 12/31/08. A portion of the fees charged to the Y Class was waived in 2012, partially recovered in 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown in 2012.

3. *Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/08 up to 2/3/12, the inception date of the Investor Class, and the returns of the Investor Class since its inception. Expenses of the Investor Class are higher than those of the Institutional Class. Therefore, total returns shown may be higher than they would have been had the Investor Class been in existence since 12/31/08. A portion of the fees charged to the Investor Class was waived in 2012 and fully recovered in 2013. Performance prior to waiving fees was lower than the actual returns shown in 2012.*
4. *Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/08 through 2/3/12, the inception date of the A Class, and the returns of the A Class since its inception. Expenses of the A Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the A Class been in existence since 12/31/08. A portion of the fees charged to the A Class was waived in 2012 and 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown in 2012 and 2013. A Class shares have a maximum sales charge of 5.75%.*
5. *Fund performance for the ten-year period represents the returns achieved by the Institutional Class from 12/31/08 through 2/3/12, the inception date of the C Class, and the returns of the C Class since its inception. Expenses of the C Class are higher than those of the Institutional Class. As a result, total returns shown may be higher than they would have been had the C Class been in existence since 12/31/08. A portion of the fees charged to the C Class was waived in 2012 and 2013 and fully recovered in 2014. Performance prior to waiving fees was lower than the actual returns shown in 2012 and 2013. C Class has a maximum contingent deferred sales charge of 1.00% for shares redeemed within one year of the date of purchase.*
6. *Fund performance for the three-year, five-year and ten-year periods represent the returns achieved by the Institutional Class from 12/31/08 through 4/28/17, the inception date of the R6 Class, and the returns of the R6 Class since its inception. Expenses of the R6 Class are lower than the Institutional Class. As a result, total returns shown may be lower than they would have been had the R6 Class been in existence since 12/31/08. A portion of the fees charged to the R6 Class of the Fund was waived in 2017 and recovered in 2018. Performance prior to waiving fees was lower than actual returns shown in 2017.*
7. *The Russell 1000[®] Value Index is an unmanaged index of those stocks in the Russell 1000 Index with lower price-to-book ratios and lower forecasted growth values. The Russell 1000 Index measures the performance of the 1,000 largest U.S. companies based on total market capitalization. Russell 1000 Value Index and Russell 1000 Index are registered trademarks of the Frank Russell Company. Frank Russell Company (“Russell”) is the source and owner of the trademarks, service marks and copyrights related to the Russell Indexes. Russell[™] is a trademark of Frank Russell Company. Neither Russell nor its licensors accept any liability for any errors or omissions in the Russell Indexes and/or Russell ratings or underlying data, and no party may rely on any Russell Indexes and/or Russell ratings and/or underlying data contained in this communication. No further distribution of Russell Data is permitted without Russell’s express written consent. Russell does not promote, sponsor or endorse the content of this communication. One cannot directly invest in an index.*
8. *The Total Annual Fund Operating Expense ratios set forth in the most recent Fund prospectus for the Institutional, Y, Investor, A, C and R6 Class shares were 0.72%, 0.79%, 1.06%, 1.08%, 1.83% and 0.75%, respectively. The expense ratios above may vary from the expense ratios presented in other sections of this report that are based on expenses incurred during the period covered by this report.*

The Fund trailed the Index as both stock selection and sector allocation detracted value relative to the Index.

From a stock selection perspective, the Fund’s Financials, Information Technology and Materials sectors detracted the most relative value. Within the Financials sector, the Fund’s position in Ameriprise Financial was down 37.0%, while the Fund was absent from Berkshire Hathaway (up 3.0%). Companies in the Information Technology sector detracting from relative performance included Western Digital (down 51.9%), Cisco Systems (down 5.1%) and ON Semiconductor (down 13.7%). Westlake Chemical (down 39.1%) and Freeport McMoran (down 40.9%) were the largest detractors in the Materials sector. The aforementioned performance was somewhat offset by securities held in the Fund’s Consumer Discretionary sector: Kohl’s Corp. (up 23.7%), Twenty First Century (up 33.9%), Macy’s (up 23.8%) and Burlington Stores (up 32.2%) were the largest contributors.

From a sector allocation standpoint, the Fund’s sizeable overweight to Consumer Discretionary, a poor performing sector for the Index, detracted from relative performance. The Fund’s underweight positions in Energy and Health Care also negatively impacted returns for the period. Modestly offsetting this performance was a slight underweight to Information Technology and a modest overweight to the Financials sector.

The sub-advisor continues to invest in a broadly diversified portfolio of companies they believe have attractive valuations and above-average earnings growth potential. This approach should allow the Fund to benefit over the longer term.

American Beacon Bridgeway Large Cap Value FundSM

Performance Overview

December 31, 2018 (Unaudited)

Top Ten Holdings (% Net Assets)	
HCA Healthcare, Inc.	2.2
Pfizer, Inc.	1.8
Bank of America Corp.	1.7
Intel Corp.	1.7
Valero Energy Corp.	1.7
Cigna Corp.	1.6
Corning, Inc.	1.6
Marathon Petroleum Corp.	1.6
Procter & Gamble Co.	1.6
Ameren Corp.	1.5

Total Fund Holdings 99

Sector Allocation (% Equities)	
Financials	25.5
Health Care	14.8
Consumer Discretionary	9.8
Energy	9.7
Information Technology	8.4
Industrials	7.9
Consumer Staples	6.6
Materials	5.5
Utilities	4.5
Communication Services	4.1
Real Estate	3.2

Fund Expense Example

As a shareholder of a Fund, you incur two types of costs: (1) transaction costs, including sales charges (loads) on purchase payments and redemption fees, if applicable, and (2) ongoing costs, including management fees, distribution (12b-1) fees, sub-transfer agent fees, and other Fund expenses. The Examples are intended to help you understand the ongoing cost (in dollars) of investing in the Funds and to compare these costs with the ongoing costs of investing in other mutual funds. The Examples are based on an investment of \$1,000 invested at the beginning of the period in each Class and held for the entire period from July 1, 2018 through December 31, 2018.

Actual Expenses

The “Actual” lines of the tables provide information about actual account values and actual expenses. You may use the information on this page, together with the amount you invested, to estimate the expenses that you paid over the period. Simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = \$8.60), then multiply the result by the “Expenses Paid During Period” to estimate the expenses you paid on your account during this period. Shareholders of the Investor and Institutional Classes that invest in the Fund through an IRA or Roth IRA may be subject to a custodial IRA fee of \$15 that is typically deducted each December. If your account was subject to a custodial IRA fee during the period, your costs would have been \$15 higher.

Hypothetical Example for Comparison Purposes

The “Hypothetical” lines of the tables provide information about hypothetical account values and hypothetical expenses based on the Fund’s actual expense ratio and an assumed 5% per year rate of return before expenses (not the Fund’s actual return). You may compare the ongoing costs of investing in the Funds with other funds by contrasting this 5% hypothetical example and the 5% hypothetical examples that appear in the shareholder reports of the other funds. The hypothetical account values and expenses may not be used to estimate the actual ending account balance or expenses you paid for the period. Shareholders of the Investor and Institutional Classes that invest in the Funds through an IRA or Roth IRA may be subject to a custodial IRA fee of \$15 that is typically deducted each December. If your account was subject to a custodial IRA fee during the period, your costs would have been \$15 higher.

You should also be aware that the expenses shown in the table highlight only your ongoing costs and do not reflect any transaction costs charged by the Funds, such as sales charges (loads) or redemption fees, as applicable. Similarly, the expense examples for other funds do not reflect any transaction costs charged by those funds, such as sales charges (loads), redemption fees or exchange fees. Therefore, the “Hypothetical” lines of the tables are useful in comparing ongoing costs only and will not help you determine the relative total costs of owning different funds. If you were subject to any transaction costs during the period, your costs would have been higher.

American Beacon FundsSM

Expense Examples

December 31, 2018 (Unaudited)

American Beacon Bridgeway Large Cap Growth Fund

	Beginning Account Value 7/1/2018	Ending Account Value 12/31/2018	Expenses Paid During Period 7/1/2018-12/31/2018*
Institutional Class			
Actual	\$1,000.00	\$872.30	\$3.82
Hypothetical**	\$1,000.00	\$1,021.12	\$4.13
Y Class			
Actual	\$1,000.00	\$871.80	\$4.29
Hypothetical**	\$1,000.00	\$1,020.62	\$4.63
Investor Class			
Actual	\$1,000.00	\$870.30	\$5.61
Hypothetical**	\$1,000.00	\$1,019.21	\$6.06
A Class			
Actual	\$1,000.00	\$870.30	\$5.70
Hypothetical**	\$1,000.00	\$1,019.11	\$6.16
C Class			
Actual	\$1,000.00	\$867.10	\$9.22
Hypothetical**	\$1,000.00	\$1,015.33	\$9.96
R6 Class			
Actual	\$1,000.00	\$872.00	\$3.59
Hypothetical**	\$1,000.00	\$1,021.37	\$3.87

* Expenses are equal to the Fund's annualized expense ratios for the six-month period of 0.81%, 0.91%, 1.19%, 1.21%, 1.96%, and 0.76% for the Institutional, Y, Investor, A, C, and R6 Classes, respectively, multiplied by the average account value over the period, multiplied by the number derived by dividing the number of days in the most recent fiscal half-year (184) by days in the year (365) to reflect the half-year period.

** 5% return before expenses.

American Beacon Bridgeway Large Cap Value Fund

	Beginning Account Value 7/1/2018	Ending Account Value 12/31/2018	Expenses Paid During Period 7/1/2018-12/31/2018*
Institutional Class			
Actual	\$1,000.00	\$873.90	\$3.45
Hypothetical**	\$1,000.00	\$1,021.53	\$3.72
Y Class			
Actual	\$1,000.00	\$873.50	\$3.73
Hypothetical**	\$1,000.00	\$1,021.22	\$4.02
Investor Class			
Actual	\$1,000.00	\$872.60	\$5.00
Hypothetical**	\$1,000.00	\$1,019.86	\$5.40
A Class			
Actual	\$1,000.00	\$872.00	\$5.24
Hypothetical**	\$1,000.00	\$1,019.61	\$5.65
C Class			
Actual	\$1,000.00	\$869.10	\$8.57
Hypothetical**	\$1,000.00	\$1,016.03	\$9.25
R6 Class			
Actual	\$1,000.00	\$874.00	\$3.31
Hypothetical**	\$1,000.00	\$1,021.68	\$3.57

* Expenses are equal to the Fund's annualized expense ratios for the six-month period of 0.73%, 0.79%, 1.06%, 1.11%, 1.82%, and 0.70% for the Institutional, Y, Investor, A, C, and R6 Classes, respectively, multiplied by the average account value over the period, multiplied by the number derived by dividing the number of days in the most recent fiscal half-year (184) by days in the year (365) to reflect the half-year period.

** 5% return before expenses.

American Beacon FundsSM

Report of Independent Registered Public Accounting Firm

To the Shareholders of American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund and the Board of Trustees of American Beacon Funds

Opinion on the Financial Statements

We have audited the accompanying statements of assets and liabilities of American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund (collectively referred to as the “Funds”), (two of the funds constituting American Beacon Funds (the “Trust”)), including the schedules of investments, as of December 31, 2018, and the related statements of operations and changes in net assets, and the financial highlights for each of the periods indicated in the table below and the related notes (collectively referred to as the “financial statements”). In our opinion, the financial statements present fairly, in all material respects, the financial position of each of the Funds (two of the funds constituting American Beacon Funds) at December 31, 2018, and the results of their operations, changes in net assets and financial highlights for each of the periods indicated in the table below, in conformity with U.S. generally accepted accounting principles. The financial highlights for the periods ended June 30, 2015 and 2014 of American Beacon Bridgeway Large Cap Growth Fund were audited by other auditors whose report dated August 27, 2015, expressed an opinion on those financial statements and financial highlights.

<u>Individual fund constituting the American Beacon Funds</u>	<u>Statement of operations</u>	<u>Statements of changes in net assets</u>	<u>Financial highlights</u>
American Beacon Bridgeway Large Cap Growth Fund	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018	For each of the two years in the period ended December 31, 2018, the six months ended December 31, 2016, and the year ended June 30, 2016
American Beacon Bridgeway Large Cap Value Fund	For the year ended December 31, 2018	For each of the two years in the period ended December 31, 2018	For each of the five years in the period ended December 31, 2018

Basis for Opinion

These financial statements are the responsibility of the Trust’s management. Our responsibility is to express an opinion on the Funds’ financial statements based on our audits. We are a public accounting firm registered with the Public Company Accounting Oversight Board (United States) (“PCAOB”) and are required to be independent with respect to the Trust in accordance with the U.S. federal securities laws and the applicable rules and regulations of the Securities and Exchange Commission and the PCAOB.

We conducted our audits in accordance with the standards of the PCAOB. Those standards require that we plan and perform the audit to obtain reasonable assurance about whether the financial statements are free of material misstatement, whether due to error or fraud. The Trust is not required to have, nor were we engaged to perform, an audit of the Trust’s internal control over financial reporting. As part of our audits, we are required to obtain an understanding of internal control over financial reporting, but not for the purpose of expressing an opinion on the effectiveness of the Trust’s internal control over financial reporting. Accordingly, we express no such opinion.

Our audits included performing procedures to assess the risks of material misstatement of the financial statements, whether due to error or fraud, and performing procedures that respond to those risks. Such procedures included examining, on a test basis, evidence regarding the amounts and disclosures in the financial statements. Our procedures included confirmation of securities owned as of December 31, 2018, by correspondence with the custodian. Our audits also included evaluating the accounting principles used and significant estimates made by management, as well as evaluating the overall presentation of the financial statements. We believe that our audits provide a reasonable basis for our opinion.

Ernst + Young LLP

We have served as the auditor of one or more American Beacon investment companies since 1987.

Dallas, Texas
February 26, 2019

American Beacon Bridgeway Large Cap Growth FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 97.22%		
Communication Services - 7.59%		
Entertainment - 5.04%		
Netflix, Inc. ^A	19,100	\$ 5,112,306
Take-Two Interactive Software, Inc. ^A	24,800	2,552,912
Walt Disney Co.	32,100	3,519,765
		11,184,983
Interactive Media & Services - 0.96%		
TripAdvisor, Inc. ^A	39,500	2,130,630
Media - 1.59%		
Comcast Corp., Class A	103,600	3,527,580
Total Communication Services		16,843,193
Consumer Discretionary - 12.76%		
Auto Components - 0.86%		
Lear Corp.	15,500	1,904,330
Internet & Direct Marketing Retail - 3.40%		
Amazon.com, Inc. ^A	4,300	6,458,471
Wayfair, Inc., Class A ^A	12,000	1,080,960
		7,539,431
Specialty Retail - 5.90%		
Best Buy Co., Inc.	35,600	1,885,376
Burlington Stores, Inc. ^A	13,700	2,228,579
O'Reilly Automotive, Inc. ^A	10,100	3,477,733
TJX Cos, Inc.	75,600	3,382,344
Tractor Supply Co.	25,500	2,127,720
		13,101,752
Textiles, Apparel & Luxury Goods - 2.60%		
Lululemon Athletica, Inc. ^A	29,000	3,526,690
VF Corp.	31,300	2,232,942
		5,759,632
Total Consumer Discretionary		28,305,145
Consumer Staples - 8.06%		
Beverages - 1.78%		
Coca-Cola Co.	83,300	3,944,255
Food & Staples Retailing - 2.38%		
Costco Wholesale Corp.	10,900	2,220,439
Walgreens Boots Alliance, Inc.	44,700	3,054,351
		5,274,790
Food Products - 1.84%		
Campbell Soup Co.	53,200	1,755,068
McCormick & Co., Inc.	16,700	2,325,308
		4,080,376
Household Products - 1.11%		
Church & Dwight Co., Inc.	37,500	2,466,000
Personal Products - 0.95%		
Estee Lauder Cos, Inc., Class A	16,300	2,120,630
Total Consumer Staples		17,886,051

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 97.22% (continued)		
Energy - 1.27%		
Oil, Gas & Consumable Fuels - 1.27%		
Continental Resources, Inc. ^A	29,900	\$ 1,201,681
Parsley Energy, Inc., Class A ^A	100,500	1,605,990
		2,807,671
Total Energy		2,807,671
Financials - 8.15%		
Capital Markets - 1.92%		
S&P Global, Inc.	14,500	2,464,130
State Street Corp.	28,400	1,791,188
		4,255,318
Consumer Finance - 2.98%		
Capital One Financial Corp.	37,300	2,819,507
Santander Consumer USA Holdings, Inc.	91,600	1,611,244
Synchrony Financial	93,600	2,195,856
		6,626,607
Insurance - 3.25%		
Marsh & McLennan Cos, Inc.	28,500	2,272,875
Progressive Corp.	46,300	2,793,279
Reinsurance Group of America, Inc.	15,300	2,145,519
		7,211,673
Total Financials		18,093,598
Health Care - 15.11%		
Biotechnology - 1.51%		
Vertex Pharmaceuticals, Inc. ^A	20,200	3,347,342
Health Care Equipment & Supplies - 3.46%		
ABIOMED, Inc. ^A	13,300	4,323,032
Align Technology, Inc. ^A	16,000	3,350,880
		7,673,912
Health Care Providers & Services - 7.13%		
Centene Corp. ^A	19,300	2,225,290
Cigna Corp. ^A	12,000	2,279,040
Encompass Health Corp.	34,500	2,128,650
HCA Healthcare, Inc.	30,500	3,795,725
UnitedHealth Group, Inc.	21,700	5,405,904
		15,834,609
Life Sciences Tools & Services - 1.01%		
Thermo Fisher Scientific, Inc.	10,000	2,237,900
Pharmaceuticals - 2.00%		
Eli Lilly & Co.	15,600	1,805,232
Merck & Co., Inc.	34,500	2,636,145
		4,441,377
Total Health Care		33,535,140
Industrials - 12.03%		
Aerospace & Defense - 3.61%		
Boeing Co.	18,100	5,837,250
Huntington Ingalls Industries, Inc.	11,400	2,169,534
		8,006,784
Airlines - 1.22%		
United Continental Holdings, Inc. ^A	32,500	2,721,225

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 97.22% (continued)		
Industrials - 12.03% (continued)		
Commercial Services & Supplies - 1.27%		
Waste Management, Inc.	31,600	\$ 2,812,084
Professional Services - 1.23%		
TransUnion	48,000	2,726,400
Road & Rail - 2.19%		
CSX Corp.	40,500	2,516,265
Union Pacific Corp.	17,000	2,349,910
		4,866,175
Trading Companies & Distributors - 2.51%		
United Rentals, Inc. ^A	30,100	3,086,153
WW Grainger, Inc.	8,800	2,484,768
		5,570,921
Total Industrials		26,703,589
Information Technology - 24.53%		
Electronic Equipment, Instruments & Components - 2.64%		
Amphenol Corp., Class A	42,800	3,467,656
Zebra Technologies Corp., Class A ^A	15,100	2,404,373
		5,872,029
IT Services - 6.33%		
Accenture PLC, Class A	20,800	2,933,008
DXC Technology Co.	26,500	1,409,005
Fiserv, Inc. ^A	31,700	2,329,633
Mastercard, Inc., Class A	15,300	2,886,345
VeriSign, Inc. ^A	22,300	3,306,867
WEX, Inc. ^A	8,500	1,190,510
		14,055,368
Semiconductors & Semiconductor Equipment - 3.84%		
Micron Technology, Inc. ^A	94,800	3,008,004
NVIDIA Corp.	21,600	2,883,600
ON Semiconductor Corp. ^A	158,800	2,621,788
		8,513,392
Software - 9.16%		
Adobe Systems, Inc. ^A	11,900	2,692,256
Cadence Design Systems, Inc. ^A	76,300	3,317,524
Fortinet, Inc. ^A	32,200	2,267,846
Intuit, Inc.	23,700	4,665,345
Microsoft Corp.	33,600	3,412,752
Red Hat, Inc. ^A	15,900	2,792,676
SS&C Technologies Holdings, Inc.	26,100	1,177,371
		20,325,770
Technology Hardware, Storage & Peripherals - 2.56%		
Apple, Inc.	31,600	4,984,584
Dell Technologies, Inc., Class C ^A	14,253	696,550
		5,681,134
Total Information Technology		54,447,693
Materials - 4.20%		
Chemicals - 2.16%		
Ecolab, Inc.	17,900	2,637,565
LyondellBasell Industries N.V., Class A	25,900	2,153,844
		4,791,409
Containers & Packaging - 0.90%		
Packaging Corp. of America	23,900	1,994,694

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 97.22% (continued)		
Materials - 4.20% (continued)		
Metals & Mining - 1.14%		
Southern Copper Corp.	82,500	\$ 2,538,525
Total Materials		9,324,628
Real Estate - 3.52%		
Equity Real Estate Investment Trusts (REITs) - 3.52%		
Alexandria Real Estate Equities, Inc.	19,400	2,235,656
Equity LifeStyle Properties, Inc.	30,200	2,933,326
Extra Space Storage, Inc.	29,300	2,651,064
Total Real Estate		7,820,046
Total Common Stocks (Cost \$206,645,723)		215,766,754
SHORT-TERM INVESTMENTS - 2.10% (Cost \$4,647,290)		
Investment Companies - 2.10%		
American Beacon U.S. Government Money Market Select Fund, Select Class, 2.20% ^{B C}	4,647,290	4,647,290
TOTAL INVESTMENTS - 99.32% (Cost \$211,293,013)		220,414,044
OTHER ASSETS, NET OF LIABILITIES - 0.68%		1,514,832
TOTAL NET ASSETS - 100.00%		\$ 221,928,876

Percentages are stated as a percent of net assets.

^A Non-income producing security.

^B The Fund is affiliated by having the same investment advisor.

^C 7-day yield.

PLC - Public Limited Company.

Long Futures Contracts Open on December 31, 2018:

Equity Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount	Contract Value	Unrealized Appreciation (Depreciation)
S&P 500 E-Mini Index Futures	43	March 2019	\$ 5,336,539	\$ 5,386,180	\$ 49,641
			<u>\$ 5,336,539</u>	<u>\$ 5,386,180</u>	<u>\$ 49,641</u>

Index Abbreviations:

S&P 500 Standard & Poor's U.S. Equity Large-Cap Index.

The Fund's investments are summarized by level based on the inputs used to determine their values. As of December 31, 2018, the investments were classified as described below:

Bridgeway Large Cap Growth Fund	Level 1	Level 2	Level 3	Total
Assets				
Common Stocks	\$ 215,766,754	\$ -	\$ -	\$ 215,766,754
Short-Term Investments	4,647,290	-	-	4,647,290
Total Investments in Securities - Assets	<u>\$ 220,414,044</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 220,414,044</u>
Financial Derivative Instruments - Assets				
Futures Contracts	\$ 49,641	\$ -	\$ -	\$ 49,641
Total Financial Derivative Instruments - Assets	<u>\$ 49,641</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 49,641</u>

U.S. GAAP requires transfers between all levels to level 3 be disclosed. During the year ended December 31, 2018, there were no transfers into or out of Level 3.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 98.23%		
Communication Services - 4.05%		
Diversified Telecommunication Services - 2.47%		
AT&T, Inc.	2,154,000	\$ 61,475,160
CenturyLink, Inc.	2,674,500	40,518,675
		101,993,835
Media - 1.58%		
Comcast Corp., Class A	1,098,900	37,417,545
DISH Network Corp., Class A ^A	1,121,300	27,998,861
		65,416,406
Total Communication Services		167,410,241
Consumer Discretionary - 9.64%		
Auto Components - 0.90%		
Lear Corp.	304,700	37,435,442
Automobiles - 1.65%		
Ford Motor Co.	3,640,040	27,846,306
General Motors Co.	1,204,980	40,306,581
		68,152,887
Household Durables - 0.64%		
PulteGroup, Inc.	1,019,300	26,491,607
Multiline Retail - 3.06%		
Kohl's Corp.	695,200	46,119,568
Macy's, Inc.	1,400,400	41,703,912
Target Corp.	583,800	38,583,342
		126,406,822
Specialty Retail - 1.88%		
Best Buy Co., Inc.	830,000	43,956,800
Burlington Stores, Inc. ^A	207,700	33,786,559
		77,743,359
Textiles, Apparel & Luxury Goods - 1.51%		
Michael Kors Holdings Ltd. ^A	555,600	21,068,352
VF Corp.	577,200	41,177,448
		62,245,800
Total Consumer Discretionary		398,475,917
Consumer Staples - 6.46%		
Beverages - 1.21%		
Coca-Cola Co.	1,053,700	49,892,695
Food & Staples Retailing - 1.87%		
Kroger Co.	828,000	22,770,000
Walgreens Boots Alliance, Inc.	796,100	54,397,513
		77,167,513
Food Products - 1.83%		
General Mills, Inc.	898,200	34,975,908
McCormick & Co., Inc.	293,700	40,894,788
		75,870,696
Household Products - 1.55%		
Procter & Gamble Co.	698,900	64,242,888
Total Consumer Staples		267,173,792

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 98.23% (continued)		
Energy - 9.57%		
Oil, Gas & Consumable Fuels - 9.57%		
Anadarko Petroleum Corp.	773,700	\$ 33,919,008
Concho Resources, Inc. ^A	226,800	23,312,772
ConocoPhillips	788,100	49,138,035
Continental Resources, Inc. ^A	413,900	16,634,641
Devon Energy Corp.	962,400	21,692,496
EOG Resources, Inc.	348,700	30,410,127
Marathon Oil Corp.	2,537,900	36,393,486
Marathon Petroleum Corp.	1,100,800	64,958,208
Phillips 66	560,000	48,244,000
Valero Energy Corp.	944,500	70,809,165
		395,511,938
Total Energy		395,511,938
Financials - 25.09%		
Banks - 6.41%		
Bank of America Corp.	2,889,100	71,187,424
CIT Group, Inc.	908,500	34,768,295
Citigroup, Inc.	1,041,500	54,220,490
Fifth Third Bancorp	1,852,100	43,579,913
Regions Financial Corp.	3,100,900	41,490,042
SunTrust Banks, Inc.	389,800	19,661,512
		264,907,676
Capital Markets - 4.13%		
Ameriprise Financial, Inc.	397,000	41,434,890
Franklin Resources, Inc.	1,521,100	45,115,826
Morgan Stanley	1,156,400	45,851,260
State Street Corp.	610,300	38,491,621
		170,893,597
Consumer Finance - 5.10%		
Ally Financial, Inc.	1,621,600	36,745,456
American Express Co.	480,100	45,763,132
Capital One Financial Corp.	618,600	46,759,974
Discover Financial Services	715,836	42,220,007
Synchrony Financial	1,671,700	39,218,082
		210,706,651
Diversified Financial Services - 1.03%		
Voya Financial, Inc.	1,061,600	42,612,624
		42,612,624
Insurance - 8.42%		
Aflac, Inc.	1,061,200	48,348,272
Allstate Corp.	476,800	39,397,984
American Financial Group, Inc.	258,800	23,429,164
American International Group, Inc.	787,200	31,023,552
Loews Corp.	706,200	32,146,224
Principal Financial Group, Inc.	848,000	37,456,160
Prudential Financial, Inc.	476,900	38,891,195
Reinsurance Group of America, Inc.	211,200	29,616,576
Travelers Cos., Inc.	385,100	46,115,725
Unum Group	729,900	21,444,462
		347,869,314
Total Financials		1,036,989,862

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 98.23% (continued)		
Health Care - 14.56%		
Biotechnology - 1.98%		
Amgen, Inc.	272,400	\$ 53,028,108
Gilead Sciences, Inc.	456,100	28,529,055
		81,557,163
Health Care Equipment & Supplies - 0.75%		
Cooper Cos, Inc. Cooper Cos., Inc.	121,800	30,998,100
Health Care Providers & Services - 6.68%		
Cigna Corp. ^A	343,538	65,244,741
CVS Health Corp.	524,700	34,378,344
HCA Healthcare, Inc.	728,100	90,612,045
Humana, Inc.	181,000	51,852,880
Mckesson Corp.	308,400	34,068,948
		276,156,958
Pharmaceuticals - 5.15%		
Allergan PLC	266,800	35,660,488
Eli Lilly & Co.	400,000	46,288,000
Merck & Co., Inc.	731,300	55,878,633
Pfizer, Inc.	1,722,200	75,174,030
		213,001,151
Total Health Care		601,713,372
Industrials - 7.74%		
Airlines - 2.08%		
American Airlines Group, Inc.	811,852	26,068,568
Delta Air Lines, Inc.	369,100	18,418,090
United Continental Holdings, Inc. ^A	497,800	41,680,794
		86,167,452
Building Products - 0.69%		
Lennox International, Inc.	131,000	28,670,660
Commercial Services & Supplies - 2.62%		
Republic Services, Inc.	806,600	58,147,794
Waste Management, Inc.	561,900	50,003,481
		108,151,275
Road & Rail - 2.35%		
Norfolk Southern Corp.	344,700	51,546,438
Union Pacific Corp.	329,900	45,602,077
		97,148,515
Total Industrials		320,137,902
Information Technology - 8.22%		
Communications Equipment - 1.11%		
Cisco Systems, Inc.	532,400	23,068,892
Juniper Networks, Inc.	838,800	22,572,108
		45,641,000
Electronic Equipment, Instruments & Components - 1.58%		
Corning, Inc.	2,160,200	65,259,642
IT Services - 1.01%		
Amdocs Ltd.	712,600	41,744,108
Semiconductors & Semiconductor Equipment - 3.25%		
Intel Corp.	1,516,200	71,155,266

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Schedule of Investments

December 31, 2018

	Shares	Fair Value
COMMON STOCKS - 98.23% (continued)		
Information Technology - 8.22% (continued)		
Semiconductors & Semiconductor Equipment - 3.25% (continued)		
Micron Technology, Inc. ^A	1,991,500	\$ 63,190,295
		134,345,561
Software - 0.25%		
Oracle Corp.	229,600	10,366,440
Technology Hardware, Storage & Peripherals - 1.02%		
Hewlett Packard Enterprise Co.	946,000	12,496,660
Western Digital Corp.	807,000	29,834,790
		42,331,450
Total Information Technology		339,688,201
Materials - 5.43%		
Chemicals - 3.99%		
Air Products & Chemicals, Inc.	227,500	36,411,375
Eastman Chemical Co.	502,700	36,752,397
LyondellBasell Industries N.V., Class A	689,300	57,322,188
Westlake Chemical Corp.	523,800	34,659,846
		165,145,806
Containers & Packaging - 0.67%		
WestRock Co.	732,200	27,647,872
Metals & Mining - 0.77%		
Freeport-McMoRan, Inc.	3,071,200	31,664,072
Total Materials		224,457,750
Real Estate - 3.10%		
Equity Real Estate Investment Trusts (REITs) - 3.10%		
Alexandria Real Estate Equities, Inc.	400,500	46,153,620
Extra Space Storage, Inc.	522,500	47,275,800
Prologis, Inc.	594,800	34,926,656
		128,356,076
Total Real Estate		128,356,076
Utilities - 4.37%		
Electric Utilities - 1.64%		
American Electric Power Co., Inc.	732,800	54,769,472
PPL Corp.	468,500	13,272,605
		68,042,077
Multi-Utilities - 2.73%		
Ameren Corp.	977,700	63,775,371
CenterPoint Energy, Inc.	1,733,200	48,928,236
		112,703,607
Total Utilities		180,745,684
Total Common Stocks (Cost \$4,219,888,298)		4,060,660,735
SHORT-TERM INVESTMENTS - 1.01% (Cost \$41,766,144)		
Investment Companies - 1.01%		
American Beacon U.S. Government Money Market Select Fund, Select Class, 2.20% ^{B C}	41,766,144	41,766,144
TOTAL INVESTMENTS - 99.24% (Cost \$4,261,654,442)		4,102,426,879
OTHER ASSETS, NET OF LIABILITIES - 0.76%		31,403,937
TOTAL NET ASSETS - 100.00%		\$ 4,133,830,816

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Schedule of Investments

December 31, 2018

Percentages are stated as a percent of net assets.

^A Non-income producing security.

^B The Fund is affiliated by having the same investment advisor.

^C 7-day yield.

PLC - Public Limited Company.

Long Futures Contracts Open on December 31, 2018:

Equity Futures Contracts

Description	Number of Contracts	Expiration Date	Notional Amount	Contract Value	Unrealized Appreciation (Depreciation)
S&P 500 E-Mini Index Futures	416	March 2019	\$ 51,108,390	\$ 52,108,160	\$ 999,770
			<u>\$ 51,108,390</u>	<u>\$ 52,108,160</u>	<u>\$ 999,770</u>

Index Abbreviations:

S&P 500 Standard & Poor's U.S. Equity Large-Cap Index.

The Fund's investments are summarized by level based on the inputs used to determine their values. As of December 31, 2018, the investments were classified as described below:

Bridgeway Large Cap Value Fund	Level 1	Level 2	Level 3	Total
Assets				
Common Stocks	\$ 4,060,660,735	\$ -	\$ -	\$ 4,060,660,735
Short-Term Investments	41,766,144	-	-	41,766,144
Total Investments in Securities - Assets	<u>\$ 4,102,426,879</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 4,102,426,879</u>
Financial Derivative Instruments - Assets				
Futures Contracts	\$ 999,770	\$ -	\$ -	\$ 999,770
Total Financial Derivative Instruments - Assets	<u>\$ 999,770</u>	<u>\$ -</u>	<u>\$ -</u>	<u>\$ 999,770</u>

U.S. GAAP requires transfers between all levels to level 3 be disclosed. During the year ended December 31, 2018, there were no transfers into or out of Level 3.

See accompanying notes

American Beacon FundsSM

Statements of Assets and Liabilities

December 31, 2018

	Bridgeway Large Cap Growth Fund	Bridgeway Large Cap Value Fund
Assets:		
Investments in unaffiliated securities, at fair value [†]	\$ 215,766,754	\$ 4,060,660,735
Investments in affiliated securities, at fair value [‡]	4,647,290	41,766,144
Cash	-	833,000
Deposits with broker for futures contracts	192,021	1,635,475
Dividends and interest receivable	182,339	6,468,762
Receivable for investments sold	1,126,502	35,295,343
Receivable for fund shares sold	447,976	13,573,521
Receivable for expense reimbursement (Note 2)	37,339	-
Receivable for variation margin on open futures contracts (Note 5)	49,748	1,000,634
Prepaid expenses	49,528	221,880
Total assets	222,499,497	4,161,455,494
Liabilities:		
Payable for fund shares redeemed	309,214	24,301,150
Management and sub-advisory fees payable (Note 2)	116,930	2,461,748
Service fees payable (Note 2)	16,565	372,705
Transfer agent fees payable (Note 2)	15,819	191,701
Custody and fund accounting fees payable	7,212	84,731
Professional fees payable	69,419	58,694
Payable for prospectus and shareholder reports	9,626	111,944
Other liabilities	25,836	42,005
Total liabilities	570,621	27,624,678
Net assets	\$ 221,928,876	\$ 4,133,830,816
Analysis of net assets:		
Paid-in-capital	\$ 213,531,795	\$ 4,329,273,453
Total distributable earnings (deficits) ^A	8,397,081	(195,442,637)
Net assets	\$ 221,928,876	\$ 4,133,830,816
Shares outstanding at no par value (unlimited shares authorized):		
Institutional Class	5,980,747	63,815,156
Y Class	91,514	66,652,681
Investor Class	2,629,868	39,394,888
A Class	67,677	3,552,073
C Class	32,520	3,441,234
R6 Class ^B	3,597	6,511,579
Net assets:		
Institutional Class	\$ 151,163,119	\$ 1,442,789,043
Y Class	\$ 2,306,982	\$ 1,502,519,807
Investor Class	\$ 65,869,325	\$ 886,572,501
A Class	\$ 1,700,188	\$ 79,610,028
C Class	\$ 798,319	\$ 75,231,917
R6 Class ^B	\$ 90,943	\$ 147,107,520
Net asset value, offering and redemption price per share:		
Institutional Class	\$ 25.27	\$ 22.61
Y Class	\$ 25.21	\$ 22.54
Investor Class	\$ 25.05	\$ 22.50
A Class	\$ 25.12	\$ 22.41
A Class (offering price)	\$ 26.65	\$ 23.78
C Class	\$ 24.55	\$ 21.86
R6 Class ^B	\$ 25.28	\$ 22.59
[†] Cost of investments in unaffiliated securities	\$ 206,645,723	\$ 4,219,888,298
[‡] Cost of investments in affiliated securities	\$ 4,647,290	\$ 41,766,144

^A The Fund's investments in affiliated securities did not have unrealized appreciation (depreciation) at year end.

^B Class commenced operations April 30, 2018 in the Bridgeway Large Cap Growth Fund (Note 1).

See accompanying notes

American Beacon FundsSM

Statements of Operations

For the year ended December 31, 2018

	Bridgeway Large Cap Growth Fund	Bridgeway Large Cap Value Fund
Investment income:		
Dividend income from unaffiliated securities	\$ 3,108,011	\$ 115,459,564
Dividend income from affiliated securities (Note 8)	81,115	1,291,399
Interest income	304	10,829
Income derived from securities lending (Note 9)	13,962	21
Total investment income	3,203,392	116,761,813
Expenses:		
Management and sub-advisory fees (Note 2)	1,966,655	32,502,055
Transfer agent fees:		
Institutional Class (Note 2)	108,157	441,726
Y Class (Note 2)	2,425	1,679,078
Investor Class	14,765	43,991
A Class	298	7,459
C Class	5	8,991
R6 Class ^A	2,290	3,426
Custody and fund accounting fees	52,779	529,823
Professional fees	122,574	235,305
Registration fees and expenses	118,635	258,986
Service fees (Note 2):		
Investor Class	231,421	4,618,034
A Class	5,553	114,132
C Class	576	93,819
Distribution fees (Note 2):		
A Class	10,992	238,924
C Class	7,787	994,285
Prospectus and shareholder report expenses	59,613	352,893
Trustee fees (Note 2)	18,008	334,709
Other expenses	16,447	220,510
Total expenses	2,738,980	42,678,146
Net fees waived and expenses (reimbursed) / recouped (Note 2)	(241,144)	1,792
Net expenses	2,497,836	42,679,938
Net investment income	705,556	74,081,875
Realized and unrealized gain (loss) from investments:		
Net realized gain (loss) from:		
Investments in unaffiliated securities ^B	16,139,507	174,513,462
Futures contracts	(278,297)	(4,780,178)
Change in net unrealized appreciation (depreciation) of:		
Investments in unaffiliated securities ^C	(29,844,933)	(927,736,934)
Futures contracts	55,063	1,134,029
Net (loss) from investments	(13,928,660)	(756,869,621)
Net (decrease) in net assets resulting from operations	\$ (13,223,104)	\$ (682,787,746)

^A Class commenced operations April 30, 2018 in the Bridgeway Large Cap Growth Fund (Note 1).

^B The Fund did not recognize net realized gains (losses) from the sale of investments in affiliated securities.

^C The Fund's investments in affiliated securities did not have a change in unrealized appreciation (depreciation) at year end.

See accompanying notes

American Beacon FundsSM

Statements of Changes in Net Assets

	Bridgeway Large Cap Growth Fund		Bridgeway Large Cap Value Fund	
	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2018	Year Ended December 31, 2017
Increase (decrease) in net assets:				
Operations:				
Net investment income	\$ 705,556	\$ 569,019	\$ 74,081,875	\$ 52,841,263
Net realized gain from investments in unaffiliated securities and futures contracts	15,861,210	15,901,228	169,733,284	237,451,122
Change in net unrealized appreciation (depreciation) of investments in unaffiliated securities and futures contracts	(29,789,870)	19,947,420	(926,602,905)	348,971,034
Net increase (decrease) in net assets resulting from operations	(13,223,104)	36,417,667	(682,787,746)	639,263,419
Distributions to shareholders:				
Net investment income:				
Institutional Class	-	(484,349)	-	(20,161,179)
Y Class	-	(5,409)	-	(19,084,760)
Investor Class	-	(191,071)	-	(13,087,732)
A Class	-	(9,014)	-	(742,378)
C Class	-	-	-	(248,713)
R6 Class ^A	-	-	-	(992,942)
Net realized gain from investments:				
Institutional Class	-	(6,720,047)	-	(66,124,077)
Y Class	-	(75,954)	-	(65,433,464)
Investor Class	-	(2,741,957)	-	(59,258,862)
A Class	-	(173,903)	-	(4,128,443)
C Class	-	(29,746)	-	(4,510,939)
R6 Class ^A	-	-	-	(3,198,781)
Total retained earnings: [*]				
Institutional Class	(15,182,919)	-	(126,509,744)	-
Y Class	(222,964)	-	(134,207,073)	-
Investor Class	(6,341,212)	-	(75,566,771)	-
A Class	(162,842)	-	(6,632,802)	-
C Class	(64,536)	-	(6,082,752)	-
R6 Class ^A	(8,892)	-	(12,669,411)	-
Net distributions to shareholders	(21,983,365)	(10,431,450)	(361,668,553)	(256,972,270)
Capital share transactions (Note 11):				
Proceeds from sales of shares	51,470,483	21,584,214	1,693,099,714	1,914,217,676
Reinvestment of dividends and distributions	21,667,625	10,260,437	346,742,403	246,592,299
Issued in reorganization	-	89,545,160	-	-
Cost of shares redeemed	(72,750,374)	(25,647,762)	(1,634,032,413)	(1,672,312,273)
Net increase in net assets from capital share transactions	387,734	95,742,049	405,809,704	488,497,702
Net increase (decrease) in net assets	(34,818,735)	121,728,266	(638,646,595)	870,788,851
Net assets:				
Beginning of period	256,747,611	135,019,345	4,772,477,411	3,901,688,560
End of period	\$ 221,928,876	\$ 256,747,611	\$ 4,133,830,816	\$ 4,772,477,411

* Distributions from net investment income and net realized capital gains are combined for the year ended December 31, 2018. See Note 1 in the Notes to Financial Statements for more information regarding new accounting pronouncements.

^A Class commenced operations April 30, 2018 in the Bridgeway Large Cap Growth Fund (Note 1).

See accompanying notes

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

1. Organization and Significant Accounting Policies

American Beacon Funds (the “Trust”), is organized as a Massachusetts business trust. The Funds, each a series within the Trust, are registered under the Investment Company Act of 1940, as amended (the “Act”), as diversified, open-end management investment companies. As of December 31, 2018, the Trust consists of thirty-three active series, two of which are presented in this filing: American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund (collectively, the “Funds” and each individually a “Fund”). The remaining thirty-one active series are reported in separate filings.

American Beacon Advisors, Inc. (the “Manager”) is a Delaware corporation and a wholly-owned subsidiary of Resolute Investment Managers, Inc. (“RIM”) organized in 1986 to provide business management, advisory, administrative, and asset management consulting services to the Trust and other investors. The Manager is registered as an investment advisor under the Investment Advisers Act of 1940, as amended (the “Advisers Act”). RIM is, in turn, a wholly-owned subsidiary of Resolute Acquisition, Inc., which is a wholly-owned subsidiary of Resolute Topco, Inc., a wholly-owned subsidiary of Resolute Investment Holdings, LLC (“RIH”). RIH is owned primarily by Kelso Investment Associates VIII, L.P., KEP VI, LLC and Estancia Capital Partners L.P., investment funds affiliated with Kelso & Company, L.P. (“Kelso”) or Estancia Capital Management, LLC (“Estancia”), which are private equity firms.

Recently Adopted Accounting Pronouncements

In March 2017, the Financial Accounting Standards Board (“FASB”) issued Accounting Standards Update (“ASU”) 2017-08, *Premium Amortization of Purchased Callable Debt Securities*. The amendments in the ASU shorten the premium amortization period on a purchased callable debt security from the security’s contractual life to the earliest call date. It is anticipated that this change will enhance disclosures by reducing losses recognized when a security is called on an earlier date. This ASU is effective for fiscal years beginning after December 15, 2018. The Manager continues to evaluate the impact this ASU will have on the financial statements and other disclosures.

In August 2018, the FASB issued ASU 2018-13, *Fair Value Measurement (Topic 820)*. The amendments in the ASU impact disclosure requirements for fair value measurement. It is anticipated that this change will enhance the effectiveness of disclosures in the notes to the financial statements. This ASU is effective for fiscal years beginning after December 15, 2019. Early adoption is permitted and can include the entire standard or certain provisions that exclude or amend disclosures. For the year ended December 31, 2018, the Funds have chosen to adopt the standard. The adoption of this ASU guidance did not have a material impact on the financial statements and other disclosures.

In August 2018, the U.S. Securities and Exchange Commission (“SEC”) adopted amendments to certain disclosure requirements in Securities Act Release No. 33-10532, *Disclosure Update and Simplification*, which is intended to facilitate the disclosure of information to investors and simplify compliance without significantly altering the total mix of information provided to investors. Effective with the current reporting period, the Funds adopted the amendments with the impacts being that the Funds are no longer required to present components of distributable earnings on the Statements of Assets and Liabilities or the sources of distributable earnings and the amount of undistributed net investment income on the Statements of Changes in Net Assets.

Class Disclosure

On April 30, 2018, the Bridgeway Large Cap Growth Fund created the R6 Class, a new class made available for sale to retirement plans pursuant to an amendment to the Fund’s registrations statement filed with the U.S. Securities and Exchange Commission. Refer to the Fund’s Prospectus for more details.

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

Each Fund has multiple classes of shares designed to meet the needs of different groups of investors; however, not all of the Funds offer all classes. The following table sets forth the differences amongst the classes:

Class	Eligible Investors	Minimum Initial Investments
Institutional	Large institutional investors - sold directly or through intermediary channels.	\$250,000
Y Class	Large institutional retirement plan investors - sold directly or through intermediary channels.	\$100,000
Investor	All investors using intermediary organizations, such as broker-dealers or retirement plan sponsors.	\$ 2,500
A Class	All investors who invest through intermediary organizations, such as broker-dealers or third party administrator. Retail investors who invest directly through a financial intermediary such as a broker, bank, or registered investment advisor which may include a front-end sales charge and a contingent deferred sales charge ("CDSC").	\$ 2,500
C Class	Retail investors who invest directly through a financial intermediary, such as a broker or through employee directed benefit plans with applicable sales charges which may include CDSC.	\$ 1,000
R6	Large institutional retirement plan investors - sold through retirement plan sponsors.	None

Each class offered by the Trust has equal rights as to assets and voting privileges. Income and non-class specific expenses are allocated daily to each class on the basis of the relative net assets. Realized and unrealized capital gains and losses of each class are allocated daily based on the relative net assets of each class of the respective Fund. Class specific expenses, where applicable, currently include service, distribution, transfer agent fees, and sub-transfer agent fees that vary amongst the classes as described more fully in Note 2.

Significant Accounting Policies

The following is a summary of significant accounting policies, consistently followed by the Funds in preparation of the financial statements. The Funds are considered investment companies and accordingly, follow the investment company accounting and reporting guidance of the FASB Accounting Standards Codification Topic 946, *Financial Services - Investment Companies*, a part of Generally Accepted Accounting Principles ("U.S. GAAP").

Security Transactions and Investment Income

Security transactions are recorded as of the trade date for financial reporting purposes. Securities purchased or sold on a when-issued or delayed-delivery basis may be settled beyond a standard settlement period for the security after the trade date.

Dividend income, net of foreign taxes, is recorded on the ex-dividend date, except certain dividends from foreign securities which are recorded as soon as the information is available to the Funds. Interest income, net of foreign taxes, is earned from settlement date, recorded on the accrual basis, and adjusted, if necessary, for accretion of discounts and amortization of premiums. Realized gains (losses) from securities sold are determined on the basis of specific lot identification.

Distributions to Shareholders

Distributions, if any, of net investment income are generally paid at least annually and recorded on the ex-dividend date. Distributions, if any, of net realized capital gains are generally paid at least annually and recorded on the ex-dividend date. Dividends to shareholders are determined in accordance with federal income tax regulations, which may differ in amount and character from net investment income and realized gains recognized for purposes of U.S. GAAP. To the extent necessary to fully distribute capital gains, the Funds may designate earnings and profits distributed to shareholders on the redemption of shares.

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

Commission Recapture

The Funds have established brokerage commission recapture arrangements with certain brokers or dealers. If the Funds' investment advisor chooses to execute a transaction through a participating broker, the broker rebates a portion of the commission back to the Funds. Any collateral benefit received through participation in the commission recapture program is directed exclusively to the Funds. This amount is reported with the net realized gain in the Funds' Statements of Operations, if applicable.

Allocation of Income, Trust Expenses, Gains, and Losses

Investment income, realized and unrealized gains and losses from investments of the Funds are allocated daily to each class of shares based upon the relative proportion of net assets of each class to the total net assets of the Funds. Expenses directly charged or attributable to any Fund will be paid from the assets of the Fund. Generally, expenses of the Trust will be allocated among and charged to the assets of the Funds on a basis that the Trust's Board of Trustees (the "Board") deems fair and equitable, which may be based on the relative net assets of the Funds or nature of the services performed and relative applicability to the Funds.

Use of Estimates

The preparation of financial statements in conformity with U.S. GAAP requires management to make estimates and assumptions that affect the amounts reported in the financial statements and accompanying notes. Actual results may differ from those estimated.

Other

Under the Trust's organizational documents, its officers and trustees are indemnified against certain liabilities arising out of the performance of their duties to the Trust. In the normal course of business, the Trust enters into contracts that provide indemnification to the other party or parties against potential costs or liabilities. The Trust's maximum exposure under these arrangements is dependent on claims that may be made in the future and, therefore, cannot be estimated. The Trust has had no prior claims or losses pursuant to any such agreement.

2. Transactions with Affiliates

Management and Investment Sub-Advisory Agreements

The Funds and the Manager are parties to a Management Agreement that obligates the Manager to provide the Funds with investment advisory and administrative services. As compensation for performing the duties under the Management Agreement, the Manager will receive an annualized management fee based on a percentage of the Funds' average daily net assets that is calculated and accrued daily according to the following schedule:

First \$5 billion	0.35%
Next \$5 billion	0.325%
Next \$10 billion	0.30%
Over \$20 billion	0.275%

The Trust, on behalf of the Funds, and the Manager have entered into an Investment Advisory Agreements with Bridgeway Capital Management, Inc. (the "Sub-Advisor") pursuant to which each Fund has agreed to pay an annualized sub-advisory fee that is calculated and accrued daily based on the Funds' average daily net assets according to the following schedule:

First \$250 million	0.40%
Next \$250 million	0.35%
Over \$500 million	0.30%

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

The Management and Sub-Advisory Fees paid by the Funds for the year ended December 31, 2018 were as follows:

Bridgeway Large Cap Growth Fund

	<u>Effective Fee Rate</u>	<u>Amount of Fees Paid</u>
Management Fees	0.35%	\$ 944,255
Sub-Advisor Fees	0.38%	1,022,400
Total	<u>0.73%</u>	<u>\$ 1,966,655</u>

Bridgeway Large Cap Value Fund

	<u>Effective Fee Rate</u>	<u>Amount of Fees Paid</u>
Management Fees	0.35%	\$ 17,465,267
Sub-Advisor Fees	0.30%	15,036,788
Total	<u>0.65%</u>	<u>\$ 32,502,055</u>

As compensation for services provided by the Manager in connection with securities lending activities conducted by the Funds, the lending Fund pays to the Manager, with respect to cash collateral posted by borrowers, a fee up to 10% of the net monthly interest income (the gross interest income earned by the investment of cash collateral, less the amount paid to borrowers and related expenses) from such activities and, with respect to loan fees paid by borrowers, a fee up to 10% of such loan fees. These fees are included in “Income derived from securities lending” and “Management and investment advisory fees” on the Statements of Operations. During the year ended December 31, 2018, the Manager received securities lending fees of \$1,559 for the securities lending activities of the Bridgeway Large Cap Growth Fund. The Manager did not receive any securities lending fees for the Bridgeway Large Cap Value Fund.

Distribution Plans

The Funds, except for the A and C Classes of the Funds, have adopted a “defensive” Distribution Plan (the “Plan”) in accordance with Rule 12b-1 under the Act, pursuant to which no separate fees may be charged to the Funds for distribution purposes. However, the Plan authorizes the management fee received by the Manager and the investment advisors hired by the Manager to be used for distribution purposes. Under this Plan, the Funds do not intend to compensate the Manager or any other party, either directly or indirectly, for the distribution of Fund shares.

Separate Distribution Plans (the “Distribution Plans”) have been adopted pursuant to Rule 12b-1 under the Act for the A and C Classes of the Funds. Under the Distribution Plans, as compensation for distribution and shareholder servicing assistance, the Manager receives an annual fee of 0.25% of the average daily net assets of the A Class and 1.00% of the average daily net assets of the C Class. The fee will be payable without regard to whether the amount of the fee is more or less than the actual expenses incurred in a particular month by the Manager for distribution assistance.

Service Plans

The Manager and the Trust entered into Service Plans that obligate the Manager to oversee additional shareholder servicing of the Investor, A, and C Classes of the Funds. As compensation for performing the duties required under the Service Plans, the Manager receives an annualized fee up to 0.25% of the average daily net assets of the A and C Classes, and up to 0.375% of the average daily net assets of the Investor Class of the Funds.

Sub-Transfer Agent Fees

The Manager has entered into agreements, which include servicing agreements, with financial intermediaries that provide recordkeeping, processing, shareholder communications and other services to

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

customers of the intermediaries that hold positions in the Institutional and Y Classes of the Funds and has agreed to compensate the intermediaries for providing these services. Intermediaries transact with the Funds primarily through the use of omnibus accounts on behalf of their customers who hold positions in the Funds. Certain services would have been provided by the Funds' transfer agent and other service providers if the shareholders' accounts were maintained directly by the Funds' transfer agent. Accordingly, the Funds, pursuant to Board approval, have agreed to reimburse the Manager for certain non-distribution shareholder services provided by financial intermediaries for the Institutional and Y Classes. The reimbursement amounts (sub-transfer agent fees) paid to the Manager are subject to a fee limit of up to 0.10% of an intermediary's average net assets in the Institutional and Y Classes on an annual basis. During the year ended December 31, 2018, the sub-transfer agent fees, as reflected in "Transfer agent fees" on the Statements of Operations, were as follows:

<u>Fund</u>	<u>Sub-Transfer Agent Fees</u>
Bridgeway Large Cap Growth	\$ 87,486
Bridgeway Large Cap Value	1,949,453

As of December 31, 2018, the Funds owed the Manager the following reimbursement of sub-transfer agent fees, as reflected in "Transfer agent fees payable" on the Statements of Assets and Liabilities:

<u>Fund</u>	<u>Reimbursement Sub-Transfer Agent Fees</u>
Bridgeway Large Cap Growth	\$ 6,048
Bridgeway Large Cap Value	165,076

Investments in Affiliated Funds

The Funds may invest in the American Beacon U.S. Government Money Market Select Fund (the "USG Select Fund"). Cash collateral received by the Funds in connection with securities lending may also be invested in the USG Select Fund. The Funds and the USG Select Fund have the same investment advisor and therefore, are considered to be affiliated. The Manager serves as investment advisor to the USG Select Fund and receives management fees and administrative fees totaling 0.10% of the average daily net assets of the USG Select Fund. During the year ended December 31, 2018, the Manager earned fees on the Funds' direct investments and securities lending collateral investments in the USG Select Fund as shown below:

<u>Fund</u>	<u>Direct Investments in USG Select Fund</u>	<u>Securities Lending Collateral in USG Select Fund</u>	<u>Total</u>
Bridgeway Large Cap Growth	\$ 4,645	\$ 1,467	\$ 6,112
Bridgeway Large Cap Value	77,082	-	77,082

Interfund Credit Facility

Pursuant to an exemptive order issued by the SEC, the Funds, along with other registered investment companies having management contracts with the Manager, may participate in a credit facility whereby each fund, under certain conditions, is permitted to lend money directly to and borrow directly from other participating funds for temporary purposes. The interfund credit facility is advantageous to the funds because it provides added liquidity, and eliminates the need to maintain higher cash balances to meet redemptions. This situation could arise when shareholder redemptions exceed anticipated volumes and certain funds have insufficient cash on hand to satisfy such redemptions or when sales of securities do not settle as expected, resulting in a cash shortfall for a fund. When a fund liquidates portfolio securities to meet redemption requests, they often do not receive payment in settlement for up to two days (or longer for certain foreign transactions). Redemption requests normally are satisfied on the next business day. The credit facility provides a source of immediate, short-term liquidity pending settlement of the sale of portfolio securities. The credit facility is administered by a credit facility team consisting of professionals from the Manager's asset management, compliance, and accounting areas who report the activities of the credit facility to the Board. During the year ended December 31, 2018, the Bridgeway Large Cap Growth

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

Fund borrowed on average \$4,767,063 for 2 days at an average interest rate of 2.53% with interest charges of \$662 and the Bridgeway Large Cap Value Fund borrowed on average \$27,887,604 for 6 days at an average interest rate of 2.89% with interest charges of \$13,406. These amounts are recorded as “Other expenses” in the Statements of Operations.

Expense Reimbursement Plan

The Manager contractually agreed to reduce fees and/or reimburse expenses for the classes of the Funds to the extent that total operating expenses exceed the Funds’ expense cap. During the year ended December 31, 2018, the Manager waived and/or reimbursed (recouped) expenses as follows:

Fund	Class	Expense Cap	Reimbursed Expenses	(Recouped) Expenses	Expiration of Reimbursed Expenses
		1/1/2018 - 12/31/2018			
Bridgeway Large Cap Growth	Institutional	0.81%	\$ 226,355	\$ -	2021
Bridgeway Large Cap Growth	Y	0.91%	1,657	-	2021
Bridgeway Large Cap Growth	Investor	1.19%	9,426	-	2021
Bridgeway Large Cap Growth	A	1.21%	1,588	-	2021
Bridgeway Large Cap Growth	C	1.96%	-	(74)	2021
Bridgeway Large Cap Growth	R6	0.76%	2,372	-	2021
Bridgeway Large Cap Value	R6	0.70%	-	(1,792)	2021

Of these amounts, \$37,339 was disclosed as a receivable from the Manager on the Statements of Assets and Liabilities at December 31, 2018 for the Bridgeway Large Cap Growth Fund.

The Funds have adopted an Expense Reimbursement Plan whereby the Manager may seek repayment of such fee reductions and expense reimbursements. Under the policy, the Manager can be reimbursed by the Funds for any contractual or voluntary fee reductions or expense reimbursements if reimbursement to the Manager (a) occurs within three years after the Manager’s own waiver or reimbursement and (b) does not cause the Funds’ annual operating expenses to exceed the lesser of the contractual percentage limit in effect at the time of the waiver/reimbursement or time of recoupment. The reimbursed expenses listed above will expire in 2021. The Funds did not record a liability for potential reimbursements due to the current assessment that reimbursements are unlikely. The carryover of excess expenses potentially reimbursable to the Manager, but not recorded as a liability are as follows:

Fund	Recouped Expenses	Excess Expense Carryover	Expired Expense Carryover	Expiration of Reimbursed Expenses
Bridgeway Large Cap Growth	\$ -	\$ 238,079	\$ -	2019
Bridgeway Large Cap Growth	-	375,714	-	2020
Bridgeway Large Cap Value	(1,792)	-	-	N/A

The Distributor

Effective March 1, 2018, Resolute Investment Distributors, Inc. (“RID” or “Distributor”) replaced Foreside Fund Services, LLC (“Foreside”) as the Funds’ distributor and principal underwriter of the Funds’ shares.

RID is a registered broker-dealer and is a member of the Financial Industry Regulatory Authority, Inc. (“FINRA”). The Distributor is affiliated with the Manager through common ownership. Under a Distribution Agreement with the Trust, the Distributor acts as the distributor and principal underwriter of the Trust in connection with the continuous offering of shares of the Funds. The Distributor continually distributes shares of the Funds on a best efforts basis. The Distributor has no obligation to sell any specific quantity of the Funds’ shares. Pursuant to the Distribution Agreement, to the extent applicable, the Distributor receives, and may re-allocate to broker-dealers, all or a portion of the sales charge paid by the purchasers of A Class and C Class shares. For A

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Class and C Class shares, the Distributor receives commission revenue consisting of the portion of A Class and C Class sales charge remaining after the allowances by the Distributor to the broker-dealers. The Distributor retains any portion of the commission fees that are not paid to the broker-dealers for use solely to pay distribution related expenses.

Prior to March 1, 2018, Foreside served as the distributor and principal underwriter of the Funds' shares. Pursuant to a Sub-Administration Agreement between Foreside and the Manager in effect through February 28, 2018, Foreside received a fee from the Manager for providing administrative services in connection with the marketing and distribution of shares of the Trust, including the registration of Manager employees as registered representatives of Foreside to facilitate distribution of Fund shares. Foreside also received a fee from the Manager under a Marketing Agreement pursuant to which Foreside provided services in connection with the marketing of a Fund to institutional investors. Pursuant to the Distribution Agreement with the Trust in effect through February 28, 2018, Foreside received, and may have re-allocated to broker-dealers, all or a portion of the sales charge paid by the purchasers of A and C Class shares. For A and C Class shares, Foreside received commission revenues consisting of the portion of A and C Class sales charge remaining after the allowances by Foreside to the broker-dealers. Foreside retained any portion of the commission fees that were not paid to the broker-dealers for use solely to pay distribution related expenses.

Sales Commissions

The Funds' Distributor, formerly Foreside, may receive a portion of A Class sales charges from broker-dealers and it may be used to offset distribution related expenses. During the period January 1, 2018 to February 28, 2018, Foreside collected \$462 and \$4,615 for American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund, respectively, from the sale of Class A Shares. During the period March 1, 2018 through December 31, 2018, RID collected \$2,221 and \$21,241 for the American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund, respectively, from the sale of Class A Shares.

A CDSC of 0.50% will be deducted with respect to Class A Shares on certain purchases of \$1,000,000 or more that are redeemed in whole or part within 18 months of purchase, unless waived as discussed in the Funds' Prospectus. Any applicable CDSC will be 0.50% of the lesser of the original purchase price or the value of the redemption of the Class A Shares redeemed. During the year ended December 31, 2018, there were no CDSC fees collected for Class A Shares of the Funds.

A CDSC of 1.00% will be deducted with respect to Class C Shares redeemed within 12 months of purchase, unless waived as discussed in the Funds' Prospectus. Any applicable CDSC will be 1.00% of the lesser of the original purchase price or the value of the redemption of the Class C Shares redeemed. During the period January 1, 2018 to February 28, 2018, Foreside collected CDSC fees of \$129 and \$1,918 for Class C Shares of the American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Growth Fund, respectively. During the period March 1, 2018 through December 31, 2018, RID collected \$58 and \$7,705 for the American Beacon Bridgeway Large Cap Growth Fund and American Beacon Bridgeway Large Cap Value Fund, respectively, for Class C Shares.

Trustee Fees and Expenses

As compensation for their service to the Trust, American Beacon Select Funds, American Beacon Institutional Funds Trust, American Beacon Sound Point Enhanced Income Fund, and American Beacon Apollo Total Return Fund, each Trustee receives an annual retainer of \$120,000, plus \$10,000 for each Board meeting attended in person or via teleconference, \$2,500 for attendance by Committee members at meetings of the Audit Committee and the Investment Committee, and \$1,500 for attendance by Committee members at meetings of the Nominating and Governance Committee, plus reimbursement of reasonable expenses incurred in attending Board meetings, Committee meetings, and relevant educational seminars. The Trustees also may be compensated for attendance at special Board and/or Committee meetings from time to time. The Board Chair receives an additional annual

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retainer of \$50,000 as well as a \$2,500 fee each quarter for attendance at the committee meetings. The Chairpersons of the Audit Committee and the Investment Committee each receive an additional annual retainer of \$25,000 and the Chairman of the Nominating and Governance Committee receives an additional annual retainer of \$10,000. These expenses are allocated on a prorated basis to each Fund of the Trusts according to its respective net assets.

3. Security Valuation and Fair Value Measurements

The price of the Fund's shares is based on its net asset value ("NAV") per share. The Fund's NAV is computed by adding total assets, subtracting all the Fund's liabilities, and dividing the result by the total number of shares outstanding.

The NAV of each class of the Fund's shares is determined based on a pro rata allocation of the Fund's investment income, expenses and total capital gains and losses. The Fund's NAV per share is determined each business day as of the regular close of trading on the New York Stock Exchange ("NYSE" or "Exchange"), which is typically 4:00 p.m. Eastern Time ("ET"). However, if trading on the NYSE closes at a time other than 4:00 p.m. ET, the Fund's NAV per share typically would still be determined as of the regular close of trading on the NYSE. The Fund does not price its shares on days that the NYSE is closed. Foreign exchanges may permit trading in foreign securities on days when the Fund is not open for business, which may result in the value of the Fund's portfolio investments being affected at a time when you are unable to buy or sell shares.

Equity securities, including shares of closed-end funds and exchange-traded funds ("ETFs"), are valued at the last sale price or official closing price taken from the primary exchange in which each security trades. Investments in other mutual funds are valued at the closing NAV per share on the day of valuation. Debt securities are valued at bid quotes from broker/dealers or evaluated bid prices from pricing services, who may consider a number of inputs and factors, such as prices of comparable securities, yield curves, spreads, credit ratings, coupon rates, maturity, default rates, and underlying collateral. Futures are valued based on their daily settlement prices. Exchange-traded and over-the-counter ("OTC") options are valued at the last sale price. Options with no last sale for the day are priced at mid quote. Swaps are valued at evaluated mid prices from pricing services.

The valuation of securities traded on foreign markets and certain fixed income securities will generally be based on prices determined as of the earlier closing time of the markets on which they primarily trade unless a significant event has occurred. When the Fund holds securities or other assets that are denominated in a foreign currency, the Fund will normally use the currency exchange rates as of 4:00 p.m. ET.

Securities may be valued at fair value, as determined in good faith and pursuant to procedures approved by the Board, under certain limited circumstances. For example, fair value pricing will be used when market quotations are not readily available or reliable, as determined by the Manager, such as when (i) trading for a security is restricted or stopped; (ii) a security's trading market is closed (other than customary closings); or (iii) a security has been de-listed from a national exchange. A security with limited market liquidity may require fair value pricing if the Manager determines that the available price does not reflect the security's true market value. In addition, if a significant event that the Manager determines to affect the value of one or more securities held by the Fund occurs after the close of a related exchange but before the determination of the Fund's NAV, fair value pricing may be used on the affected security or securities. Securities of small-capitalization companies are also more likely to require a fair value determination using these procedures because they are more thinly traded and less liquid than the securities of larger- capitalization companies. The Fund may fair value securities as a result of significant events occurring after the close of the foreign markets in which the Fund invests as described below. In addition, the Fund may invest in illiquid securities requiring these procedures.

The Fund may use fair value pricing for securities primarily traded in non-U.S. markets because most foreign markets close well before the Fund's pricing time of 4:00 p.m. ET. The earlier close of these foreign markets gives rise to the possibility that significant events, including broad market moves, may have occurred in the interim and

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may materially affect the value of those securities. If the Manager determines that the last quoted prices of non-U.S. securities will, in its judgment, materially affect the value of some or all its portfolio securities, the Manager can adjust the previous closing prices to reflect what it believes to be the fair value of the securities as of the close of the Exchange. In deciding whether it is necessary to adjust closing prices to reflect fair value, the Manager reviews a variety of factors, including developments in foreign markets, the performance of U.S. securities markets, and the performance of instruments trading in U.S. markets that represent foreign securities and baskets of foreign securities. These securities are fair valued using a pricing service, using methods approved by the Board, that considers the correlation of the trading patterns of the foreign security to intraday trading in the U.S. markets, based on indices of domestic securities and other appropriate indicators such as prices of relevant American Depositary Receipts (“ADRs”) and futures contracts. The Valuation Committee, established by the Board, may also fair value securities in other situations, such as when a particular foreign market is closed but the Fund is open. The Fund uses outside pricing services to provide closing prices and information to evaluate and/or adjust those prices. As a means of evaluating its security valuation process, the Valuation Committee routinely compares closing prices, the next day’s opening prices in the same markets and adjusted prices.

Attempts to determine the fair value of securities introduce an element of subjectivity to the pricing of securities. As a result, the price of a security determined through fair valuation techniques may differ from the price quoted or published by other sources and may not accurately reflect the market value of the security when trading resumes. If a reliable market quotation becomes available for a security formerly valued through fair valuation techniques, the Manager compares the new market quotation to the fair value price to evaluate the effectiveness of the Fund’s fair valuation procedures. If any significant discrepancies are found, the Manager may adjust the Fund’s fair valuation procedures.

Valuation Inputs

Various inputs may be used to determine the fair value of the Funds’ investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

- Level 1 - Quoted prices in active markets for identical securities.
- Level 2 - Prices determined using other significant observable inputs. These may include quoted prices for similar securities, interest rates, prepayment speeds, credit risk, and others.
- Level 3 - Prices determined using other significant unobservable inputs. Unobservable inputs reflect the Fund’s own assumptions about the factors market participants would use in pricing an investment.

Level 1 and Level 2 trading assets and trading liabilities, at fair value

Common stocks, preferred securities, ETFs, and financial derivative instruments, such as futures contracts that are traded on a national securities exchange, are stated at the last reported sale or settlement price on the day of valuation. To the extent these securities are actively traded and valuation adjustments are not applied, they are categorized as Level 1 of the fair value hierarchy. Preferred securities and other equities traded on inactive markets or valued by reference to similar instruments are generally categorized as Level 2 of the fair value hierarchy.

Investments in registered open-end investment management companies will be valued based upon the NAVs of such investments and are categorized as Level 1 of the fair value hierarchy.

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4. Securities and Other Investments

Common Stock

Common stock generally takes the form of shares in a corporation which represent an ownership interest. It ranks below preferred stock and debt securities in claims for dividends and for assets of the company in a liquidation or bankruptcy. The value of a company's common stock may fall as a result of factors directly relating to that company, such as decisions made by its management or decreased demand for the company's products or services. A stock's value may also decline because of factors affecting not just the company, but also companies in the same industry or sector. The price of a company's stock may also be affected by changes in financial markets that are relatively unrelated to the company, such as changes in interest rates, currency exchange rates or industry regulation. Companies that elect to pay dividends on their common stock generally only do so after they invest in their own business and make required payments to bondholders and on other debt and preferred stock. Therefore, the value of a company's common stock will usually be more volatile than its bonds, other debt and preferred stock. Common stock may be exchange-traded or OTC. OTC stock may be less liquid than exchange-traded stock.

Other Investment Company Securities and Other Exchange-Traded Products

The Funds may invest in shares of other investment companies, including open-end funds, closed-end funds, business development companies, ETFs, unit investment trusts, and other investment companies of the Trust. The Funds may invest in investment company securities advised by the Manager or a sub-advisor. Investments in the securities of other investment companies may involve duplication of advisory fees and certain other expenses. By investing in another investment company, the Funds become a shareholder of that investment company. As a result, the Funds' shareholders indirectly will bear the Funds' proportionate share of the fees and expenses paid by shareholders of the other investment company, in addition to the fees and expenses the Funds' shareholders directly bear in connection with the Funds' own operations. These other fees and expenses are reflected as Acquired Fund Fees and Expenses and are included in the Fees and Expenses Table for the Funds in their Prospectus, if applicable. Investments in other investment companies may involve the payment of substantial premiums above the value of such issuer's portfolio securities.

Real Estate Investment Trusts

The Funds may own shares of real estate investment trusts ("REITs") which report information on the source of their distributions annually. The Funds re-characterize distributions received from REIT investments based on information provided by the REITs into the following categories: ordinary income, long-term capital gains, and return of capital. If information is not available on a timely basis from the REITs, the re-characterization will be estimated based on available information, which may include the previous year allocation. If new or additional information becomes available from the REITs at a later date, a re-characterization will be made the following year.

5. Financial Derivative Instruments

The Funds may utilize derivative instruments to enhance return, hedge risk, gain efficient exposure to an asset class or to manage liquidity. When considering the Funds' use of derivatives, it is important to note that the Funds do not use derivatives for the purpose of creating financial leverage.

Futures Contracts

Futures contracts are contracts to buy or sell a standard quantity of securities at a specified price on a future date. The Funds may enter into financial futures contracts as a method for keeping assets readily convertible to cash if needed to meet shareholder redemptions or for other needs while maintaining exposure to the stock or bond market, as applicable. The primary risks associated with the use of futures contracts are the possibility of illiquid markets or imperfect correlation between the values of the contracts and the underlying securities or that the counterparty will fail to perform its obligations.

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Upon entering into a futures contract, the Funds are required to set aside or deposit with a broker an amount, termed the initial margin, which typically represents a portion of the face value of the futures contract. The Funds usually reflects this amount on the Schedules of Investments as a U.S. Treasury Bill held as collateral for futures contracts or as cash deposited with broker on the Statements of Assets and Liabilities. Payments to and from the broker, known as variation margin, are required to be made on a daily basis as the price of the futures contract fluctuates. Changes in initial settlement values are accounted for as unrealized appreciation (depreciation) until the contracts are terminated, at which time realized gains and losses are recognized. Futures contracts are valued at the most recent settlement price established each day by the exchange on which they are traded.

During the year ended December 31, 2018, the Funds entered into futures contracts primarily for exposing cash to markets.

The Funds' average futures contracts outstanding fluctuate throughout the operating year as required to meet strategic requirements. The following table illustrates the average quarterly volume of futures contracts. For purpose of this disclosure, volume is measured by contracts outstanding at each quarter end.

<u>Average Futures Contracts Outstanding</u>	
<u>Fund</u>	<u>Year Ended December 31, 2018</u>
Bridgeway Large Cap Growth	43
Bridgeway Large Cap Value	468

The following is a summary of the fair valuations of the Funds' derivative instruments categorized by risk exposure⁽¹⁾:

Bridgeway Large Cap Growth Fund

Fair values of financial instruments on the Statements of Assets and Liabilities as of December 31, 2018:

	<u>Derivatives not accounted for as hedging instruments</u>					
	<u>Credit contracts</u>	<u>Foreign exchange contracts</u>	<u>Commodity contracts</u>	<u>Interest rate contracts</u>	<u>Equity contracts</u>	<u>Total</u>
Assets:						
Receivable for variation margin from open futures contracts ⁽²⁾	\$ -	\$ -	\$ -	\$ -	49,641	\$ 49,641

The effect of financial derivative instruments on the Statements of Operations as of December 31, 2018:

	<u>Derivatives not accounted for as hedging instruments</u>					
	<u>Credit contracts</u>	<u>Foreign exchange contracts</u>	<u>Commodity contracts</u>	<u>Interest rate contracts</u>	<u>Equity contracts</u>	<u>Total</u>
Realized gain (loss) from derivatives recognized as a result of operations						
Futures contracts	\$ -	\$ -	\$ -	\$ -	(278,297)	\$(278,297)
Net change in unrealized appreciation (depreciation) of derivatives recognized as a result from operations:						
Futures contracts	\$ -	\$ -	\$ -	\$ -	55,063	\$ 55,063

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Bridgeway Large Cap Value Fund

Fair values of financial instruments on the Statements of Assets and Liabilities as of December 31, 2018:

Assets:	Derivatives not accounted for as hedging instruments					Total
	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	
Receivable for variation margin from open futures contracts ⁽²⁾	\$ -	\$ -	\$ -	\$ -	\$ 999,770	\$ 999,770

The effect of financial derivative instruments on the Statements of Operations as of December 31, 2018:

Realized gain (loss) from derivatives recognized as a result of operations	Derivatives not accounted for as hedging instruments					Total
	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	
Futures contracts	\$ -	\$ -	\$ -	\$ -	\$ (4,780,178)	\$ (4,780,178)
Net change in unrealized appreciation (depreciation) of derivatives recognized as a result from operations:	Credit contracts	Foreign exchange contracts	Commodity contracts	Interest rate contracts	Equity contracts	Total
Futures contracts	\$ -	\$ -	\$ -	\$ -	\$ 1,134,029	\$ 1,134,029

(1) See Note 3 in the Notes to Financial Statements for additional information.

(2) Includes cumulative appreciation (depreciation) of futures contracts as reported in the Fund's Schedule of Investments footnotes. Only current day's variation margin is reported within the Statements of Assets and Liabilities.

Offsetting Assets and Liabilities

The Funds are parties to enforceable master netting agreements between brokers and counterparties which provide for the right to offset under certain circumstances. The Funds employ multiple money managers and counterparties and have elected not to offset qualifying financial and derivative instruments on the Statements of Assets and Liabilities, as such all financial and derivative instruments are presented on a gross basis. The impacts of netting arrangements that provide the right to offset are detailed below. The net amount represents the net receivable or payable that would be due from or to the counterparty in the event of default. Exposure from borrowings and other financing agreements such as repurchase agreements can only be netted across transactions governed by the same Master Agreement with the same legal entity. All amounts reported below represent the balance as of the report date, December 31, 2018.

Bridgeway Large Cap Growth Fund

Offsetting of Financial and Derivative Assets as of December 31, 2018:

	Assets	Liabilities
Futures Contracts	\$ 49,641	\$ -
Total derivative assets and liabilities in the Statement of Assets and Liabilities	\$ 49,641	\$ -
Derivatives not subject to a Master Netting Agreement or similar agreement ("MNA")	\$ (49,641)	\$ -

Bridgeway Large Cap Value Fund

Offsetting of Financial and Derivative Assets as of December 31, 2018:

	Assets	Liabilities
Futures Contracts	\$ 999,770	\$ -
Total derivative assets and liabilities in the Statement of Assets and Liabilities	\$ 999,770	\$ -
Derivatives not subject to a Master Netting Agreement or similar agreement ("MNA")	\$ (999,770)	\$ -

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6. Principal Risks

Investing in the Funds may involve certain risks including, but not limited to, those described below.

Equity Investments Risk

Equity securities are subject to market risk. The Funds' investments in equity securities may include common stocks, preferred stocks, securities convertible into or exchangeable for common stocks, REITs, depositary receipts, and U.S. dollar-denominated foreign stocks traded on U.S. exchanges. Such investments may expose the Funds to additional risk. The value of a company's common stock may fall as a result of factors affecting the company, companies in the same industry or sector, or the financial markets overall. Common stock generally is subordinate to preferred stock upon the liquidation or bankruptcy of the issuing company. Preferred stocks are sensitive to movements in interest rates. Preferred stocks may be less liquid than common stocks and, unlike common stocks, participation in the growth of an issuer may be limited. Distributions on preferred stocks generally are payable at the discretion of an issuer and after required payments to bond holders. Convertible securities are subject to the risk that the credit standing of the issuer may have an effect on the convertible securities' investment value. Investments in REITs are subject to the risks associated with investing in the real estate industry such as adverse developments affecting the real estate industry and real property values. Depositary receipts are subject to certain of the risks associated with investing directly in foreign securities, including, but not limited to, currency exchange rate fluctuations, political and financial instability in the home country of a particular depositary receipt, less liquidity and more volatility, less government regulation and supervision and delays in transaction settlement.

Foreign Investing Risk

Non-U.S. investments carry potential risks not associated with U.S. investments. Such risks include, but are not limited to: (1) currency exchange rate fluctuations, (2) political and financial instability, (3) less liquidity and greater volatility, (4) lack of uniform accounting, auditing and financial reporting standards, (5) increased price volatility, (6) less government regulation and supervision of foreign stock exchanges, brokers and listed companies, and (7) delays in transaction settlement in some foreign markets.

Futures Contracts Risk

Futures contracts are derivative instruments where one party pays a fixed price for an agreed amount of securities or other underlying assets at an agreed date. The use of such derivative instruments may expose the Funds to additional risks that they would not be subject to if they invested directly in the securities underlying those derivatives. Futures contracts may experience potentially dramatic price changes (losses) and imperfect correlation between the price of the contract and the underlying security or index, which will increase the volatility of the Funds and may involve a small investment of cash (the amount of initial and variation margin) relative to the magnitude of the risk assumed (the potential increase or decrease in the price of the futures contract).

Market Risk

Since the financial crisis that started in 2008, the U.S. and many foreign economies continue to experience its after-effects. Conditions in the U.S. and many foreign economies have resulted, and may continue to result, in certain instruments experiencing unusual liquidity issues, increased price volatility and, in some cases, credit downgrades and increased likelihood of default. These events have reduced the willingness and ability of some lenders to extend credit, and have made it more difficult for some borrowers to obtain financing on attractive terms, if at all. In some cases, traditional market participants have been less willing to make a market in some types of debt instruments, which has affected the liquidity of those instruments. During times of market turmoil, investors tend to look to the safety of securities issued or backed by the U.S. Treasury, causing the prices of these

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securities to rise and the yields to decline. Reduced liquidity in fixed income and credit markets may negatively affect many issuers worldwide. In addition, global economies and financial markets are becoming increasingly interconnected, which increases the possibilities that conditions in one country or region might adversely impact issuers in a different country or region. A rise in protectionist trade policies, and the possibility of changes to some international trade agreements, could affect the economies of many nations in ways that cannot necessarily be foreseen at the present time.

In response to the financial crisis, the U.S. and other governments and the Federal Reserve and certain foreign central banks have taken steps to support financial markets. In some countries where economic conditions are recovering, they are nevertheless perceived as still fragile. Withdrawal of government support, failure of efforts in response to the crisis, or investor perception that such efforts are not succeeding, could adversely impact the value and liquidity of certain securities. The severity or duration of adverse economic conditions may also be affected by policy changes made by governments or quasi-governmental organizations, including changes in tax laws. The impact of new financial regulation legislation on the markets and the practical implications for market participants may not be fully known for some time. Regulatory changes are causing some financial services companies to exit long-standing lines of business, resulting in dislocations for other market participants. In addition, political and diplomatic events within the U.S. and abroad, such as the U.S. government's inability at times to agree on a long-term budget and deficit reduction plan, the threat of a federal government shutdown and threats not to increase the federal government's debt limit, may affect investor and consumer confidence and may adversely impact financial markets and the broader economy, perhaps suddenly and to a significant degree. The U.S. government has recently reduced federal corporate income tax rates, and future legislative, regulatory and policy changes may result in more restrictions on international trade, less stringent prudential regulation of certain players in the financial markets, and significant new investments in infrastructure and national defense. Markets may react strongly to expectations about the changes in these policies, which could increase volatility, especially if the markets' expectations for changes in government policies are not borne out.

Changes in market conditions will not have the same impact on all types of securities. Interest rates have been unusually low in recent years in the U.S. and abroad. Because there is little precedent for this situation, it is difficult to predict the impact of a significant rate increase on various markets. For example, because investors may buy securities or other investments with borrowed money, a significant increase in interest rates may cause a decline in the markets for those investments. Because of the sharp decline in the worldwide price of oil, there is a concern that oil producing nations may withdraw significant assets now held in U.S. Treasuries, which could force a substantial increase in interest rates. Regulators have expressed concern that rate increases may cause investors to sell fixed income securities faster than the market can absorb them, contributing to price volatility. In addition, there is a risk that the prices of goods and services in the U.S. and many foreign economies may decline over time, known as deflation (the opposite of inflation). Deflation may have an adverse effect on stock prices and creditworthiness and may make defaults on debt more likely. If a country's economy slips into a deflationary pattern, it could last for a prolonged period and may be difficult to reverse. The precise details and the resulting impact of the United Kingdom's vote to leave the European Union (the "EU"), commonly referred to as "Brexit," are not yet known. The effect on the United Kingdom's economy will likely depend on the nature of trade relations with the EU and other major economies following its exit, which are matters to be negotiated. The outcomes may cause increased volatility and have a significant adverse impact on world financial markets, other international trade agreements, and the United Kingdom and European economies, as well as the broader global economy for some time, which could significantly adversely affect the value of the Fund's investments in the United Kingdom and Europe.

Other Investment Companies Risk

The Funds may invest in shares of other registered investment companies, including ETFs and money market funds that are advised by the Manager. To the extent that the Funds invest in shares of other registered investment companies, the Funds will indirectly bear the fees and expenses charged by those investment companies in addition to the Funds' direct fees and expenses and will be subject to the risks associated with investments in those companies.

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Securities Lending Risk

A Fund may lend its portfolio securities to brokers, dealers and financial institutions to seek income. There is a risk that a borrower may default on its obligations to return loaned securities; however, a Fund's securities lending agent may indemnify the Fund against that risk. There is a risk that the assets of a Fund's securities lending agent may be insufficient to satisfy any contractual indemnification requirements to the Fund. Borrowers of a Fund's securities typically provide collateral in the form of cash that is reinvested in securities. A Fund will be responsible for the risks associated with the investment of cash collateral, including any collateral invested in an affiliated money market fund. A Fund may lose money on its investment of cash collateral or may fail to earn sufficient income on its investment to meet obligations to the borrower. In addition, delays may occur in the recovery of securities from borrowers, which could interfere with a Fund's ability to vote proxies or to settle transactions and there is the risk of possible loss of rights in the collateral should the borrower fail financially.

7. Federal Income and Excise Taxes

It is the policy of each Fund to qualify as a regulated investment company ("RIC"), by complying with all applicable provisions of Subchapter M of the Internal Revenue Code, as amended, and to make distributions of taxable income sufficient to relieve it from substantially all federal income and excise taxes. For federal income tax purposes, each Fund is treated as a single entity for the purpose of determining such qualification.

The Funds do not have any unrecorded tax liabilities in the accompanying financial statements. Each of the tax years in the four year period ended December 31, 2018 remain subject to examination by the Internal Revenue Service. If applicable, the Funds recognize interest accrued related to unrecognized tax benefits in interest expense and penalties in "Other expenses" on the Statements of Operations.

The Funds may be subject to taxes imposed by countries in which it invests. Such taxes are generally based on returns of income earned or gains realized or repatriated. Taxes are accrued and applied to net investment income, net realized capital gains and net unrealized appreciation (depreciation), as applicable, as the income is earned or capital gains are recorded.

Dividends are categorized in accordance with income tax regulations which may treat certain transactions differently than U.S. GAAP. Accordingly, the character of distributions and composition of net assets for tax purposes may differ from those reflected in the accompanying financial statements.

The tax character of distributions paid were as follows:

	Bridgeway Large Cap Growth Fund		Bridgeway Large Cap Value Fund	
	Year Ended December 31, 2018	Year Ended December 31, 2017	Year Ended December 31, 2018	Year Ended December 31, 2017
Distributions paid from:				
Ordinary income*				
Institutional Class	\$ 4,987,298	\$ 2,444,697	\$ 27,614,673	\$ 21,115,635
Y Class	73,240	27,566	28,353,880	20,051,334
Investor Class	1,982,511	990,945	13,076,256	14,070,130
A Class	50,056	59,745	1,185,249	815,141
C Class	19,838	8,677	491,400	342,565
R6 Class	2,921	-	2,795,518	1,038,664
Long-term capital gains				
Institutional Class	10,195,621	4,759,699	98,895,071	65,169,621
Y Class	149,724	53,797	105,853,194	64,466,890
Investor Class	4,358,701	1,942,083	62,490,515	58,276,464
A Class	112,786	123,172	5,447,552	4,055,680
C Class	44,698	21,069	5,591,352	4,417,087
R6 Class	5,971	-	9,873,893	3,153,059
Total distributions paid	\$ 21,983,365	\$ 10,431,450	\$ 361,668,553	\$ 256,972,270

*For tax purposes, short-term capital gains are considered ordinary income distributions.

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Notes to Financial Statements

December 31, 2018

As of December 31, 2018 the components of distributable earnings (deficits) on a tax basis were as follows:

<u>Fund</u>	<u>Tax Cost</u>	<u>Unrealized Appreciation</u>	<u>Unrealized (Depreciation)</u>	<u>Net Unrealized Appreciation (Depreciation)</u>
Bridgeway Large Cap Growth	\$ 211,291,498	\$ 23,954,347	\$ (14,831,800)	\$ 9,122,547
Bridgeway Large Cap Value	4,261,654,455	349,978,135	(509,205,700)	(159,227,565)

<u>Fund</u>	<u>Net Unrealized Appreciation (Depreciation)</u>	<u>Undistributed Ordinary Income</u>	<u>Undistributed Long-Term Capital Gains</u>	<u>Accumulated Capital and Other (Losses)</u>	<u>Other Temporary Differences</u>	<u>Distributable Earnings</u>
Bridgeway Large Cap Growth	\$ 9,122,547	\$ -	\$ -	\$ (725,466)	\$ -	\$ 8,397,081
Bridgeway Large Cap Value	(159,227,565)	-	-	(36,215,061)	(11)	(195,442,637)

Financial reporting records are adjusted for permanent book/tax differences to reflect tax character. Financial records are not adjusted for temporary differences. The temporary differences between financial reporting and tax-basis reporting of unrealized appreciation (depreciation) are attributable primarily to the tax deferral of losses from wash sales, the tax deferral of post-October capital losses and the realization for tax purposes of unrealized gains (losses) on certain derivative instruments.

Due to inherent differences in the recognition of income, expenses, and realized gains (losses) under U.S. GAAP and federal income tax regulations, permanent differences between book and tax reporting have been identified and appropriately reclassified on the Statements of Assets and Liabilities.

Accordingly, the following amounts represent current year permanent differences derived from taxable overdistributions as of December 31, 2018:

<u>Fund</u>	<u>Paid-In-Capital</u>	<u>Distributable Earnings/(Deficits)</u>
Bridgeway Large Cap Growth	\$ (6,410,359)	\$ 6,410,359
Bridgeway Large Cap Value	-	-

Under the Regulated Investment Company Modernization Act of 2010 (“RIC MOD”), net capital losses recognized by the Funds in taxable years beginning after December 22, 2010 are carried forward indefinitely and retain their character as short-term and/or long-term losses.

As of December 31, 2018, the Funds did not have any capital loss carryforwards.

The Funds are permitted for tax purposes to defer into their next fiscal year qualified late year losses. Qualified late year capital losses are any capital losses incurred after October 31 through the Funds’ fiscal year end, December 31, 2018. Qualified late year ordinary losses are specified losses generally incurred after October 31 and ordinary losses incurred after December 31 through the end of the Funds’ fiscal year, December 31, 2018. For the period ended December 31, 2018, Bridgeway Large Cap Growth Fund deferred \$725,466 of short-term capital losses to January 1, 2019. Bridgeway Large Cap Value Fund deferred \$13,967,073 short-term and \$22,247,988 long-term capital losses to January 1, 2019.

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Notes to Financial Statements

December 31, 2018

8. Investment Transactions

The aggregate cost of purchases and proceeds from sales and maturities of investments, other than short-term obligations, for the year ended December 31, 2018 were as follows:

Fund	Purchases (non-U.S. Government Securities)	Sales (non-U.S. Government Securities)
Bridgeway Large Cap Growth	\$ 156,043,584	\$ 181,740,733
Bridgeway Large Cap Value	2,533,838,461	2,394,980,805

A summary of the Funds' transactions in the USG Select Fund for the year ended December 31, 2018 are as follows:

Fund	Type of Transaction	December 31, 2017 Shares/Fair Value	Purchases	Sales	December 31, 2018 Shares/Fair Value	Dividend Income
Bridgeway Large Cap Growth	Direct	\$ 1,441,964	\$ 124,680,641	\$ 121,475,315	\$ 4,647,290	\$ 81,115
Bridgeway Large Cap Growth	Securities Lending	-	52,448,255	52,448,255	-	N/A
Bridgeway Large Cap Value	Direct	104,213,767	2,175,716,356	2,238,163,979	41,766,144	1,291,399

9. Securities Lending

The Funds may lend their securities to qualified financial institutions, such as certain broker-dealers, to earn additional income. The borrowers are required to secure their loans continuously with collateral in an amount at least equal to the fair value of the securities loaned, initially in an amount at least equal to 102% of the fair value of domestic securities loaned and 105% of the fair value of international securities loaned. Collateral is monitored and marked-to-market daily. Daily mark-to-market amounts are required to be paid to the borrower or received from the borrower by the end of the following business day. This one day settlement for mark-to-market amounts may result in the collateral being temporarily less than the value of the securities on loan or temporarily more than the required minimum collateral.

To the extent that a loan is collateralized by cash, such cash collateral shall be invested by the securities lending agent (the "Agent") in money market mutual funds and other short-term investments, provided the investments meet certain quality and diversification requirements. Securities purchased with cash collateral proceeds are listed in the Funds' Schedule of Investments and the collateral is shown on the Statement of Assets and Liabilities as a payable.

Securities lending income is generated from the demand premium (if any) paid by the borrower to borrow a specific security and from the return on investment of cash collateral, reduced by negotiated rebate fees paid to the borrower and transaction costs. To the extent that a loan is secured by non-cash collateral, securities lending income is generated as a demand premium reduced by transaction costs. The Funds, the Agent, and the Manager retained 80%, 10%, and 10%, respectively, of the income generated from securities lending.

While securities are on loan, the Funds continue to receive certain income associated with that security and any gain or loss in the market price that may occur during the term of the loan. In the case of domestic equities, the value of any dividend is received in the form of a substitute payment approximately equal to the dividend. In the case of foreign securities, a negotiated amount is received that is less than the actual dividend, but higher than the dividend amount minus the foreign tax that the Funds would be subject to on the dividend.

Securities lending transactions pose certain risks to the Funds, including that the borrower may not provide additional collateral when required or return the securities when due, that the value of the short-term investments will be less than the amount of cash collateral required to be returned to the borrower, that non-cash collateral

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December 31, 2018

may be subject to legal constraints in the event of a borrower bankruptcy, and that the cash collateral investments could become illiquid and unable to be used to return collateral to the borrower. The Funds could also experience delays and costs in gaining access to the collateral. The Funds bear the risk of any deficiency in the amount of the cash collateral available for return to the borrower and any action which impairs its ability to liquidate non-cash collateral to satisfy a borrower default.

Cash collateral is listed on the Funds' Schedules of Investments and is shown on the Statements of Assets and Liabilities. Income earned on these investments is included in "Income derived from securities lending" on the Statements of Operations.

Non-cash collateral received by the Funds may not be sold or re-pledged except to satisfy a borrower default. Therefore, non-cash collateral is not included on the Funds' Schedules of Investments or Statements of Assets and Liabilities.

The Funds did not have any securities on loan or hold any securities lending collateral as of the year ended December 31, 2018.

10. Borrowing Arrangements

Effective November 15, 2018 (the "Effective Date"), the Funds, along with certain other funds managed by the Manager ("Participating Funds"), entered into a committed revolving line of credit (the "Committed Line") agreement with State Street Bank and Trust Company (the "Bank") to be used to facilitate portfolio liquidity. The maximum borrowing amount under the Committed Line is \$250 million with interest at a rate equal to the higher of (a) one-month London Inter-Bank Offered Rate ("LIBOR") plus 1.25% per annum or (b) the Federal Funds rate plus 1.25% per annum on amounts borrowed. Each of the Participating Funds will pay a closing fee of \$100,000 on the Effective Date and a quarterly commitment fee at a rate of 0.25% per annum on the unused portion of the Committed Line amount. The Committed Line expires November 14, 2019, unless extended by the Bank or terminated by the Participating Funds in accordance with the agreement.

On the Effective Date, the Funds, along with certain other Participating Funds managed by the Manager, also entered into an uncommitted discretionary demand revolving line of credit (the "Uncommitted Line") agreement with the Bank to be used to facilitate portfolio liquidity. The maximum borrowing amount under the Uncommitted Line is \$50 million with interest at a rate equal to the higher of (a) one-month LIBOR plus 1.25% per annum or (b) the Federal Funds rate plus 1.25% per annum on each outstanding loan. Each of the participating Funds will pay a closing fee of \$35,000 on the Effective Date. The Uncommitted Line expires November 14, 2019 unless extended by the Bank or terminated by the Participating Funds in accordance with the agreement.

The Participating Funds paid administration, legal and arrangement fees, which are recognized as a component of "Other expenses" on the Statements of Operations, along with commitment fees, that have been allocated among the Participating Funds based on average daily net assets.

During the year ended December 31, 2018, the Funds did not utilize this facility.

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Notes to Financial Statements

December 31, 2018

11. Capital Share Transactions

The tables below summarize the activity in capital shares for each Class of the Funds:

	Institutional Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Growth Fund				
Shares sold	1,040,789	\$ 33,050,110	573,230	\$ 15,764,540
Reinvestment of dividends	601,438	14,867,540	234,024	7,037,103
Issued in Reorganization	-	-	560,148	17,375,797
Shares redeemed	(1,621,619)	(51,081,982)	(869,054)	(23,815,289)
Net increase (decrease) in shares outstanding	20,608	\$ (3,164,332)	498,348	\$ 16,362,151

	Y Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Growth Fund				
Shares sold	148,641	\$ 4,689,413	35,909	\$ 1,013,797
Reinvestment of dividends	9,042	222,964	2,711	81,363
Issued in Reorganization	-	-	5,051	156,423
Shares redeemed	(133,776)	(4,247,166)	(3,449)	(96,277)
Net increase in shares outstanding	23,907	\$ 665,211	40,222	\$ 1,155,306

	Investor Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Growth Fund				
Shares sold	325,619	\$ 10,564,180	55,661	\$ 1,500,036
Reinvestment of dividends	258,809	6,340,851	98,167	2,930,272
Issued in Reorganization	-	-	2,283,713	70,337,259
Shares redeemed	(358,159)	(11,243,187)	(50,343)	(1,467,164)
Net increase in shares outstanding	226,269	\$ 5,661,844	2,387,198	\$ 73,300,403

	A Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Growth Fund				
Shares sold	79,808	\$ 2,553,888	108,872	\$ 3,081,503
Reinvestment of dividends	6,628	162,842	6,085	181,953
Issued in Reorganization	-	-	43,610	1,344,061
Shares redeemed	(174,526)	(5,758,888)	(8,365)	(233,976)
Net increase (decrease) in shares outstanding	(88,090)	\$ (3,042,158)	150,202	\$ 4,373,541

	C Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Growth Fund				
Shares sold	17,572	\$ 512,892	8,335	\$ 224,338
Reinvestment of dividends	2,686	64,536	1,008	29,746
Issued in Reorganization	-	-	10,919	331,620
Shares redeemed	(14,005)	(419,151)	(1,258)	(35,056)
Net increase in shares outstanding	6,253	\$ 158,277	19,004	\$ 550,648

	R6 Class	
	April 30, 2018 ^A to December 31, 2018	
	Shares	Amount
Bridgeway Large Cap Growth Fund		
Shares sold	3,237 ^B	\$ 100,000 ^B
Reinvestment of dividends	360	8,892
Net increase in shares outstanding	3,597	\$ 108,892

American Beacon FundsSM

Notes to Financial Statements

December 31, 2018

	Institutional Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	20,154,772	\$ 566,575,933	22,141,959	\$ 605,634,913
Reinvestment of dividends	5,392,771	119,827,368	2,851,013	81,738,543
Shares redeemed	(15,913,378)	(436,185,153)	(16,256,439)	(452,560,664)
Net increase in shares outstanding	9,634,165	\$ 250,218,148	8,736,533	\$ 234,812,792

	Y Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	26,074,553	\$ 741,021,782	30,846,571	\$ 837,274,698
Reinvestment of dividends	5,731,412	126,950,769	2,784,424	79,606,684
Shares redeemed	(19,465,093)	(524,126,128)	(13,143,773)	(357,121,560)
Net increase in shares outstanding	12,340,872	\$ 343,846,423	20,487,222	\$ 559,759,822

	Investor Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	7,915,359	\$ 225,754,431	12,127,050	\$ 327,627,225
Reinvestment of dividends	3,409,029	75,407,714	2,532,136	72,191,205
Shares redeemed	(20,764,261)	(577,282,060)	(26,895,237)	(724,443,760)
Net (decrease) in shares outstanding	(9,439,873)	\$ (276,119,915)	(12,236,051)	\$ (324,625,330)

	A Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	1,278,825	\$ 36,372,119	1,323,482	\$ 35,172,571
Reinvestment of dividends	294,620	6,490,474	166,852	4,741,923
Shares redeemed	(1,419,507)	(39,139,055)	(4,000,004)	(109,268,040)
Net increase (decrease) in shares outstanding	153,938	\$ 3,723,538	(2,509,670)	\$ (69,353,546)

	C Class			
	Year Ended December 31,			
	2018		2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	549,320	\$ 14,941,345	646,529	\$ 16,939,095
Reinvestment of dividends	251,124	5,396,667	148,656	4,122,220
Shares redeemed	(1,071,380)	(27,748,192)	(1,057,869)	(27,847,899)
Net (decrease) in shares outstanding	(270,936)	\$ (7,410,180)	(262,684)	\$ (6,786,584)

	R6 Class			
	Year Ended December 31, 2018		April 28, 2017 ^A to December 31, 2017	
	Shares	Amount	Shares	Amount
Bridgeway Large Cap Value Fund				
Shares sold	3,785,688	\$ 108,434,104	3,096,230	\$ 91,569,174
Reinvestment of dividends	570,694	12,669,411	146,308	4,191,724
Shares redeemed	(1,050,587)	(29,551,825)	(36,754)	(1,070,350)
Net increase in shares outstanding	3,305,795	\$ 91,551,690	3,205,784	\$ 94,690,548

^A Commencement of operations.

^B Seed capital was received on April 30, 2018 in the amount of \$100,000 for the R6 Class. As a result, shares were issued in the amount of 3,237 for R6 Class.

12. Subsequent Events

Management has evaluated subsequent events for possible recognition or disclosure in the financial statements through the date the financial statements are issued. Management has determined that there are no material events that would require disclosure in the Funds' financial statements through this date.

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Institutional Class ^A					
	Year Ended December 31, 2018	Year Ended ^B December 31, 2017	Six Months Ended December 31, 2016	Year Ended June 30,		
				2016	2015	2014
Net asset value, beginning of period	\$ 29.88	\$ 24.47	\$ 22.77	\$ 23.71	\$ 20.51	\$ 16.18
Income (loss) from investment operations:						
Net investment income	0.13	0.10	0.04	0.07	0.17 ^C	0.13 ^C
Net gains (losses) on investments (both realized and unrealized)	(1.99)	6.56	1.82	(0.90)	3.14	4.29
Total income (loss) from investment operations	(1.86)	6.66	1.86	(0.83)	3.31	4.42
Less distributions:						
Dividends from net investment income	(0.11)	(0.08)	(0.16)	(0.11)	(0.11)	(0.09)
Distributions from net realized gains	(2.64)	(1.17)	-	-	-	-
Total distributions	(2.75)	(1.25)	(0.16)	(0.11)	(0.11)	(0.09)
Net asset value, end of period	\$ 25.27	\$ 29.88	\$ 24.47	\$ 22.77	\$ 23.71	\$ 20.51
Total return ^D	(6.03)%	27.21%	8.15% ^E	(3.52)%	16.19%	27.41% ^F
Ratios and supplemental data:						
Net assets, end of period	\$151,163,119	\$ 178,062,388	\$133,638,400	\$136,460,611	\$ 156,493,513	\$ 56,343,594
Ratios to average net assets:						
Expenses, before reimbursements	0.93%	1.06%	1.02% ^G	0.89%	0.81%	0.87%
Expenses, net of reimbursements	0.81%	0.81%	0.81% ^G	0.83%	0.81%	0.84%
Net investment income, before expense reimbursements	0.26%	0.15%	0.12% ^G	0.30%	0.75%	0.70%
Net investment income, net of reimbursements	0.38%	0.40%	0.33% ^G	0.35%	0.75%	0.70%
Portfolio turnover rate	60%	78%	40% ^E	100%	48%	74%

^A Prior to the reorganization on February 5, 2016, the Institutional Class was known as Class N.

^B On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

^C Per share amounts have been calculated using the average shares method.

^D Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^E Not annualized.

^F Total return would have been lower had various fees not been waived during the period.

^G Annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Y Class			
	Year Ended December 31, 2018	Year Ended ^A December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 ^B to June 30, 2016
Net asset value, beginning of period	\$ 29.82	\$ 24.45	\$ 22.77	\$ 20.46
Income (loss) from investment operations:				
Net investment income	0.12	0.05	0.03	0.03
Net gains (losses) on investments (both realized and unrealized) . . .	(1.98)	6.57	1.81	2.28
Total income (loss) from investment operations	(1.86)	6.62	1.84	2.31
Less distributions:				
Dividends from net investment income	(0.11)	(0.08)	(0.16)	-
Distributions from net realized gains	(2.64)	(1.17)	-	-
Total distributions	(2.75)	(1.25)	(0.16)	-
Net asset value, end of period	\$ 25.21	\$ 29.82	\$ 24.45	\$ 22.77
Total return ^C	(6.04)%	27.06%	8.06% ^D	11.29% ^D
Ratios and supplemental data:				
Net assets, end of period	\$ 2,306,982	\$ 2,016,161	\$ 669,530	\$ 401,220
Ratios to average net assets:				
Expenses, before reimbursements	0.97%	1.13%	1.09% ^E	4.00% ^E
Expenses, net of reimbursements	0.91%	0.91%	0.91% ^E	0.91% ^E
Net investment income (loss), before expense reimbursements	0.27%	0.08%	0.11% ^E	(2.69)% ^E
Net investment income, net of reimbursements	0.33%	0.30%	0.28% ^E	0.40% ^E
Portfolio turnover rate	60%	78%	40% ^D	100% ^F

^A On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

^B Commencement of operations.

^C Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^D Not annualized.

^E Annualized.

^F Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Investor Class			
	Year Ended December 31, 2018	Year Ended ^A December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 ^B to June 30, 2016
Net asset value, beginning of period	\$ 29.65	\$ 24.38	\$ 22.74	\$ 20.46
Income (loss) from investment operations:				
Net investment income (loss)	0.01	(0.01)	(0.01)	0.01
Net gains (losses) on investments (both realized and unrealized)	(1.94)	6.53	1.81	2.27
Total income (loss) from investment operations	(1.93)	6.52	1.80	2.28
Less distributions:				
Dividends from net investment income	(0.03)	(0.08)	(0.16)	-
Distributions from net realized gains	(2.64)	(1.17)	-	-
Total distributions	(2.67)	(1.25)	(0.16)	-
Net asset value, end of period	\$ 25.05	\$ 29.65	\$ 24.38	\$ 22.74
Total return ^C	(6.33)%	26.72%	7.90% ^D	11.14% ^D
Ratios and supplemental data:				
Net assets, end of period	\$ 65,869,325	\$ 71,273,896	\$ 399,798	\$ 133,696
Ratios to average net assets:				
Expenses, before reimbursements	1.20%	1.40%	1.55% ^E	8.43% ^E
Expenses, net of reimbursements	1.19%	1.19%	1.19% ^E	1.18% ^E
Net investment (loss), before expense reimbursements	(0.01)%	(0.66)%	(0.35)% ^E	(7.08)% ^E
Net investment income (loss), net of reimbursements	0.00% ^F	(0.45)%	0.02% ^E	0.17% ^E
Portfolio turnover rate	60%	78%	40% ^D	100% ^G

^A On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

^B Commencement of operations.

^C Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^D Not annualized.

^E Annualized.

^F Amount rounds to less than 0.005%.

^G Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	A Class			
	Year Ended December 31, 2018	Year Ended ^A December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 ^B to June 30, 2016
Net asset value, beginning of period	\$ 29.70	\$ 24.39	\$ 22.74	\$ 20.46
Income (loss) from investment operations:				
Net investment income (loss)	(0.11)	0.00 ^C	0.00 ^C	0.00 ^C
Net gains (losses) on investments (both realized and unrealized) . . .	(1.83)	6.54	1.81	2.28
Total income (loss) from investment operations	(1.94)	6.54	1.81	2.28
Less distributions:				
Dividends from net investment income	-	(0.06)	(0.16)	-
Distributions from net realized gains	(2.64)	(1.17)	-	-
Total distributions	(2.64)	(1.23)	(0.16)	-
Net asset value, end of period	\$ 25.12	\$ 29.70	\$ 24.39	\$ 22.74
Total return ^D	(6.35)%	26.79%	7.94% ^E	11.14% ^E
Ratios and supplemental data:				
Net assets, end of period	\$ 1,700,188	\$ 4,625,607	\$ 135,710	\$ 159,744
Ratios to average net assets:				
Expenses, before reimbursements	1.25%	1.44%	1.43% ^F	5.25% ^F
Expenses, net of reimbursements	1.21%	1.21%	1.21% ^F	1.21% ^F
Net investment (loss), before expense reimbursements	(0.09)%	(0.23)%	(0.26)% ^F	(4.01)% ^F
Net investment income (loss), net of reimbursements	(0.05)%	0.00% ^G	(0.05)% ^F	0.02% ^F
Portfolio turnover rate	60%	78%	40% ^E	100% ^H

^A On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

^B Commencement of operations.

^C Amount represents less than \$0.01 per share.

^D Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^E Not annualized.

^F Annualized.

^G Amount rounds to less than 0.005%.

^H Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	C Class			
	Year Ended December 31, 2018	Year Ended ^A December 31, 2017	Six Months Ended December 31, 2016	February 5, 2016 ^B to June 30, 2016
Net asset value, beginning of period	\$ 29.30	\$ 24.22	\$ 22.67	\$ 20.46
Income (loss) from investment operations:				
Net investment (loss)	(0.17)	(0.10)	(0.13)	(0.04)
Net gains (losses) on investments (both realized and unrealized) . . .	(1.94)	6.35	1.84	2.25
Total income (loss) from investment operations	(2.11)	6.25	1.71	2.21
Less distributions:				
Dividends from net investment income	-	-	(0.16)	-
Distributions from net realized gains	(2.64)	(1.17)	-	-
Total distributions	(2.64)	(1.17)	(0.16)	-
Net asset value, end of period	\$ 24.55	\$ 29.30	\$ 24.22	\$ 22.67
Total return ^C	(7.02)%	25.78%	7.52% ^D	10.80% ^D
Ratios and supplemental data:				
Net assets, end of period	\$ 798,319	\$ 769,559	\$ 175,907	\$ 244,146
Ratios to average net assets:				
Expenses, before reimbursements	1.95%	2.09%	2.18% ^E	7.33% ^E
Expenses, net of reimbursements	1.96%	1.96%	1.96% ^E	1.96% ^E
Net investment (loss), before expense reimbursements	(0.76)%	(0.90)%	(1.04)% ^E	(5.98)% ^E
Net investment (loss), net of reimbursements	(0.77)%	(0.77)%	(0.81)% ^E	(0.62)% ^E
Portfolio turnover rate	60%	78%	40% ^D	100% ^F

^A On December 15, 2017, pursuant to a plan of Reorganization on termination, the American Beacon Bridgeway Large Cap Growth II Fund ("Target Fund") transferred all of its property and assets to the American Beacon Bridgeway Large Cap Growth Fund ("Acquiring Fund") in exchange solely for voting shares of the Acquiring Fund and the assumption of the Target Fund's liabilities.

^B Commencement of operations.

^C Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^D Not annualized.

^E Annualized.

^F Portfolio turnover rate is for the period from February 5, 2016 through December 31, 2016 and is not annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Growth FundSM

Financial Highlights

(For a share outstanding throughout the period)

	R6 Class
	April 30, 2018 ^A to December 31, 2018
Net asset value, beginning of period	\$ 30.89
Income from investment operations:	
Net investment income	0.12
Net (losses) on investments (both realized and unrealized)	(2.98)
Total (loss) from investment operations	(2.86)
Less distributions:	
Dividends from net investment income	(0.11)
Distributions from net realized gains	(2.64)
Total distributions	(2.75)
Net asset value, end of period	\$ 25.28
Total return ^B	(9.07)%^C
Ratios and supplemental data:	
Net assets, end of period	\$ 90,943
Ratios to average net assets:	
Expenses, before reimbursements	4.15% ^D
Expenses, net of reimbursements	0.76% ^D
Net investment (loss), before expense reimbursements	(2.85)% ^D
Net investment income, net of reimbursements	0.54% ^D
Portfolio turnover rate	60% ^E

^A Commencement of operations.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^C Not annualized.

^D Annualized.

^E Portfolio turnover rate is for the period from April 30, 2018 through December 31, 2018 and is not annualized.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Institutional Class				
	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 28.57	\$ 26.08	\$ 22.75	\$ 23.89	\$ 21.39
Income (loss) from investment operations:					
Net investment income	0.45	0.37	0.38	0.28	0.10
Net gains (losses) on investments (both realized and unrealized)	(4.28)	3.78	3.32	(0.58)	2.94
Total income (loss) from investment operations	(3.83)	4.15	3.70	(0.30)	3.04
Less distributions:					
Dividends from net investment income	(0.47)	(0.39)	(0.35)	(0.29)	(0.17)
Distributions from net realized gains	(1.66)	(1.27)	(0.02)	(0.55)	(0.37)
Tax return of capital	-	-	-	(0.00) ^A	-
Total distributions	(2.13)	(1.66)	(0.37)	(0.84)	(0.54)
Net asset value, end of period	\$ 22.61	\$ 28.57	\$ 26.08	\$ 22.75	\$ 23.89
Total return ^B	(13.28)%	15.88%	16.24%	(1.23)%	14.18%
Ratios and supplemental data:					
Net assets, end of period	\$1,442,789,043	\$1,547,760,278	\$1,185,013,905	\$ 682,849,171	\$ 313,660,568
Ratios to average net assets:					
Expenses, before reimbursements or recoupments	0.72%	0.72%	0.73%	0.75%	0.79%
Expenses, net of reimbursements or recoupments	0.72%	0.72%	0.73%	0.79%	0.84%
Net investment income, before expense reimbursements or recoupments	1.63%	1.41%	1.69%	1.61%	1.08%
Net investment income, net of reimbursements or recoupments	1.63%	1.41%	1.69%	1.57%	1.04%
Portfolio turnover rate	49%	48%	56%	43%	31%

^A The distributions from return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Y Class				
	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 28.49	\$ 26.01	\$ 22.69	\$ 23.84	\$ 21.35
Income (loss) from investment operations:					
Net investment income	0.44	0.33	0.32	0.27	0.13
Net gains (losses) on investments (both realized and unrealized)	(4.28)	3.79	3.35	(0.57)	2.90
Total income (loss) from investment operations	(3.84)	4.12	3.67	(0.30)	3.03
Less distributions:					
Dividends from net investment income . . .	(0.45)	(0.37)	(0.33)	(0.30)	(0.17)
Distributions from net realized gains	(1.66)	(1.27)	(0.02)	(0.55)	(0.37)
Tax return of capital	-	-	-	(0.00) ^A	-
Total distributions	(2.11)	(1.64)	(0.35)	(0.85)	(0.54)
Net asset value, end of period	\$ 22.54	\$ 28.49	\$ 26.01	\$ 22.69	\$ 23.84
Total return ^B	(13.35)%	15.82%	16.17%	(1.26)%	14.15%
Ratios and supplemental data:					
Net assets, end of period	\$1,502,519,807	\$1,547,228,114	\$ 879,852,983	\$ 414,585,125	\$ 119,162,044
Ratios to average net assets:					
Expenses, before reimbursements or recoupments	0.79%	0.79%	0.80%	0.81%	0.84%
Expenses, net of reimbursements or recoupments	0.79%	0.79%	0.80%	0.81%	0.85%
Net investment income, before expense reimbursements or recoupments	1.57%	1.35%	1.63%	1.55%	1.03%
Net investment income, net of reimbursements or recoupments	1.57%	1.35%	1.63%	1.55%	1.03%
Portfolio turnover rate	49%	48%	56%	43%	31%

^A The distributions from return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	Investor Class				
	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 28.41	\$ 25.93	\$ 22.64	\$ 23.77	\$ 21.28
Income (loss) from investment operations:					
Net investment income	0.43	0.32	0.27	0.25	0.14
Net gains (losses) on investments (both realized and unrealized)	(4.33)	3.71	3.31	(0.61)	2.82
Total income (loss) from investment operations	(3.90)	4.03	3.58	(0.36)	2.96
Less distributions:					
Dividends from net investment income . . .	(0.35)	(0.28)	(0.27)	(0.22)	(0.10)
Distributions from net realized gains	(1.66)	(1.27)	(0.02)	(0.55)	(0.37)
Tax return of capital	-	-	-	(0.00) ^A	-
Total distributions	(2.01)	(1.55)	(0.29)	(0.77)	(0.47)
Net asset value, end of period	\$ 22.50	\$ 28.41	\$ 25.93	\$ 22.64	\$ 23.77
Total return ^B	(13.60)%	15.52%	15.81%	(1.51)%	13.89%
Ratios and supplemental data:					
Net assets, end of period	\$ 886,572,501	\$ 1,387,184,369	\$ 1,583,853,257	\$ 977,719,149	\$ 668,659,150
Ratios to average net assets:					
Expenses, before reimbursements or recoupments	1.05%	1.06%	1.08%	1.09%	1.11%
Expenses, net of reimbursements or recoupments	1.05%	1.06%	1.08%	1.09%	1.11%
Net investment income, before expense reimbursements or recoupments	1.26%	1.04%	1.35%	1.28%	0.76%
Net investment income, net of reimbursements or recoupments	1.26%	1.04%	1.35%	1.28%	0.76%
Portfolio turnover rate	49%	48%	56%	43%	31%

^A The distributions from return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	A Class				
	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 28.32	\$ 25.82	\$ 22.53	\$ 23.66	\$ 21.22
Income (loss) from investment operations:					
Net investment income	0.36	0.42	0.32	0.27	0.09
Net gains (losses) on investments (both realized and unrealized)	(4.25)	3.58	3.24	(0.64)	2.84
Total income (loss) from investment operations	(3.89)	4.00	3.56	(0.37)	2.93
Less distributions:					
Dividends from net investment income	(0.36)	(0.23)	(0.25)	(0.21)	(0.12)
Distributions from net realized gains	(1.66)	(1.27)	(0.02)	(0.55)	(0.37)
Tax return of capital	-	-	-	(0.00) ^A	-
Total distributions	(2.02)	(1.50)	(0.27)	(0.76)	(0.49)
Net asset value, end of period	\$ 22.41	\$ 28.32	\$ 25.82	\$ 22.53	\$ 23.66
Total return ^B	(13.60)%	15.46%	15.79%	(1.56)%	13.76%
Ratios and supplemental data:					
Net assets, end of period	\$ 79,610,028	\$ 96,229,248	\$ 152,520,884	\$ 147,394,607	\$ 103,716,652
Ratios to average net assets:					
Expenses, before reimbursements or recoupments	1.07%	1.08%	1.12%	1.12%	1.19%
Expenses, net of reimbursements or recoupments	1.07%	1.08%	1.12%	1.12%	1.21%
Net investment income, before expense reimbursements or recoupments	1.28%	1.01%	1.31%	1.25%	0.69%
Net investment income, net of reimbursements or recoupments	1.28%	1.01%	1.31%	1.25%	0.67%
Portfolio turnover rate	49%	48%	56%	43%	31%

^A The distributions from return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	C Class				
	Year Ended December 31,				
	2018	2017	2016	2015	2014
Net asset value, beginning of period	\$ 27.63	\$ 25.27	\$ 22.08	\$ 23.27	\$ 21.00
Income (loss) from investment operations:					
Net investment income	0.16	0.08	0.13	0.13	0.02
Net gains (losses) on investments (both realized and unrealized)	(4.12)	3.62	3.16	(0.66)	2.69
Total income (loss) from investment operations	(3.96)	3.70	3.29	(0.53)	2.71
Less distributions:					
Dividends from net investment income	(0.15)	(0.07)	(0.08)	(0.11)	(0.07)
Distributions from net realized gains	(1.66)	(1.27)	(0.02)	(0.55)	(0.37)
Tax return of capital	-	-	-	(0.00) ^A	-
Total distributions	(1.81)	(1.34)	(0.10)	(0.66)	(0.44)
Net asset value, end of period	\$ 21.86	\$ 27.63	\$ 25.27	\$ 22.08	\$ 23.27
Total return ^B	(14.23)%	14.62%	14.91%	(2.27)%	12.88%
Ratios and supplemental data:					
Net assets, end of period	\$ 75,231,917	\$ 102,553,616	\$ 100,447,531	\$ 84,411,378	\$ 33,536,254
Ratios to average net assets:					
Expenses, before reimbursements or recoupments	1.79%	1.83%	1.86%	1.87%	1.92%
Expenses, net of reimbursements or recoupments	1.79%	1.83%	1.86%	1.87%	1.94%
Net investment income (loss), before expense reimbursements or recoupments	0.54%	0.28%	0.57%	0.48%	(0.05)%
Net investment income (loss), net of reimbursements or recoupments	0.54%	0.28%	0.57%	0.48%	(0.08)%
Portfolio turnover rate	49%	48%	56%	43%	31%

^A The distributions from return of capital is calculated based on outstanding shares at the time of distribution. Amounts are less than \$0.01 per share.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

See accompanying notes

American Beacon Bridgeway Large Cap Value FundSM

Financial Highlights

(For a share outstanding throughout the period)

	R6 Class	
	Year Ended December 31, 2018	April 28, 2017 ^A to December 31, 2017
Net asset value, beginning of period	\$ 28.55	\$ 26.73
Income from investment operations:		
Net investment income	0.54	0.11
Net gains (losses) on investments (both realized and unrealized)	(4.37)	3.37
Total income (loss) from investment operations	(3.83)	3.48
Less distributions:		
Dividends from net investment income	(0.47)	(0.39)
Distributions from net realized gains	(1.66)	(1.27)
Total distributions	(2.13)	(1.66)
Net asset value, end of period	\$ 22.59	\$ 28.55
Total return ^B	(13.27)%	13.01% ^C
Ratios and supplemental data:		
Net assets, end of period	\$147,107,520	\$ 91,521,786
Ratios to average net assets:		
Expenses, before reimbursements or recoupments	0.70%	0.75% ^D
Expenses, net of reimbursements or recoupments	0.70%	0.71% ^D
Net investment income, before expense reimbursements or recoupments	1.69%	1.44% ^D
Net investment income, net of reimbursements or recoupments	1.69%	1.48% ^D
Portfolio turnover rate	49%	48% ^E

^A Commencement of operations.

^B Based on net asset value, which does not reflect the sales charge, redemption fee, or contingent deferred sales charge, if applicable. May include adjustments in accordance with U.S. GAAP and as such, the net asset value for reporting purposes and the returns based upon those net asset values may differ from the net asset value and returns for shareholder transactions.

^C Not annualized.

^D Annualized.

^E Portfolio turnover rate is for the period from April 28, 2017 through December 31, 2017 and is not annualized.

See accompanying notes

American Beacon FundsSM

Federal Tax Information

December 31, 2018 (Unaudited)

Certain tax information regarding the Funds are required to be provided to shareholders based upon the Funds' income and distributions for the taxable year ended December 31, 2018. The information and distributions reported herein may differ from information and distributions taxable to the shareholders for the calendar year ended December 31, 2018.

The Funds designated the following items with regard to distributions paid during the fiscal year ended December 31, 2018. All designations are based on financial information available as of this annual report and, accordingly, are subject to change. For each item, it is the intention of the Funds to designate the maximum amount permitted under the Internal Revenue Code of 1986, as amended, and the regulations there under.

Corporate Dividends-Received Deduction:

Bridgeway Large Cap Growth	31.35%
Bridgeway Large Cap Value	100.00%

Qualified Dividend Income:

Bridgeway Large Cap Growth	33.24%
Bridgeway Large Cap Value	100.00%

Long-Term Capital Gain Distributions:

Bridgeway Large Cap Growth	\$14,867,501
Bridgeway Large Cap Value	288,151,577

Short-Term Capital Gain Distributions:

Bridgeway Large Cap Growth	\$6,410,359
Bridgeway Large Cap Value	0

Shareholders will receive notification in January 2019 of the applicable tax information necessary to prepare their 2018 income tax returns.

Trustees and Officers of the American Beacon FundsSM (Unaudited)

The Trustees and officers of the American Beacon Funds (the “Trust”) are listed below, together with their principal occupations during the past five years. The address of each person listed below is 220 Las Colinas Boulevard East, Suite 1200, Irving, Texas 75039. Each Trustee oversees thirty-seven funds in the fund complex that includes the Trust, the American Beacon Select Funds, the American Beacon Institutional Funds Trust, the American Beacon Sound Point Enhanced Income Fund and the American Beacon Apollo Total Return Fund. The Trust’s Statement of Additional Information contains additional information about the Trustees and is available without charge by calling 1-800-658-5811.

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
INTERESTED TRUSTEES		
<u>Term</u>		
Lifetime of Trust until removal, resignation or retirement*		
Alan D. Feld** (82)	Trustee since 1996	Partner in the law firm of Akin, Gump, Strauss, Hauer & Feld, LLP (law firm) (1960-Present); Trustee, American Beacon Mileage Funds (1996-2012); Trustee, American Beacon Select Funds (1999-Present); Trustee, American Beacon Master Trust (1996-2012); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
NON-INTERESTED TRUSTEES		
<u>Term</u>		
Lifetime of Trust until removal, resignation or retirement*		
Gilbert G. Alvarado (49)	Trustee since 2015	Director, Kura MD, Inc. (local telehealth organization) (2015-present); Vice President & CFO, Sierra Health Foundation (health conversion private foundation) (2006-Present); Vice President & CFO, Sierra Health Foundation: Center for Health Program Management (California public benefit corporation) (2012-Present); Director, Innovative North State (2012-2015); Director, Sacramento Regional Technology Alliance (2011-2016); Director, Women’s Empowerment (2009-2014); Director, Valley Healthcare Staffing (2017-present); Trustee, American Beacon Select Funds (2015-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Joseph B. Armes (56)	Trustee since 2015	Chairman & CEO, CSW Industrials f/k/a Capital Southwest Corporation (investment company) (2015-Present); Chairman of the Board of Capital Southwest Corporation, predecessor to CSW Industrials, Inc. (2014-present) (investment company); CEO, Capital Southwest Corporation (2013-2015); President & CEO, JBA Investment Partners (family investment vehicle) (2010-Present); Director and Chair of Audit Committee, RSP Permian (oil and gas producer) (2013-Present); Trustee, American Beacon Select Funds (2015-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Gerard J. Arpey (60)	Trustee since 2012	Director, The Home Depot, Inc. (2015-Present); Partner, Emerald Creek Group (private equity firm) (2011-Present); Director, S.C. Johnson & Son, Inc. (privately held company) (2008-present); Trustee, American Beacon Select Funds (2012-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).

Trustees and Officers of the American Beacon FundsSM (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
NON-INTERESTED TRUSTEES (CONT.)		
	<p style="text-align: center;"><u>Term</u></p> Lifetime of Trust until removal, resignation or retirement*	
Brenda A. Cline (58)	Trustee since 2004 Chair since 2019 Vice Chair 2018	Chief Financial Officer, Treasurer and Secretary, Kimbell Art Foundation (1993-Present); Director, Tyler Technologies, Inc. (public sector software solutions company) (2014-Present); Director, Range Resources Corporation (oil and natural gas company) (2015-Present); Trustee, Cushing Closed-End Funds (2017-Present); Trustee, American Beacon Mileage Funds (2004-2012); Trustee, American Beacon Select Funds (2004-Present); Trustee, American Beacon Master Trust (2004-2012); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Eugene J. Duffy (64)	Trustee since 2008	Managing Director, Global Investment Management Distribution, Mesirow Financial (2016-Present); Managing Director, Institutional Services, Intercontinental Real Estate Corporation (2014-Present); Principal and Executive Vice President, Paradigm Asset Management (1994-2014); Director, Sunrise Bank of Atlanta (2008-2013); Trustee, American Beacon Mileage Funds (2008-2012); Trustee, American Beacon Select Funds (2008-Present); Trustee, American Beacon Master Trust (2008-2012); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Claudia A. Holz*** (61)	Trustee since 2018	Partner, KPMG LLP (1990-2017); Trustee, American Beacon Select Funds (2018-Present); Trustee, American Beacon Institutional Funds Trust (2018-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Douglas A. Lindgren**** (57)	Trustee since 2018	CEO North America, Carne Global Financial Services (2016-2017); Managing Director, IPS Investment Management and Global Head, Content Management, UBS Wealth Management (2010-2016); Managing Director, P&S Hedge Funds, UBS Wealth Management (2008-2010); Managing Director, Head of Alternative Investments, UBS Financial Services, Inc. (2005-2008); Trustee, American Beacon Select Funds (2018-Present); Trustee, American Beacon Institutional Funds Trust (2018-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Richard A. Massman (75)	Trustee since 2004 Chair 2008-2018 Chair Emeritus since 2019	Consultant and General Counsel Emeritus, Hunt Consolidated, Inc. (holding company engaged in oil and gas exploration and production, refining, real estate, farming, ranching and venture capital activities) (2009-Present); Trustee, American Beacon Mileage Funds (2004-2012); Trustee, American Beacon Select Funds (2004-Present); Trustee, American Beacon Master Trust (2004-2012); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
Barbara J. McKenna, CFA (55)	Trustee since 2012	Managing Principal, Longfellow Investment Management Company (2005-Present); Trustee, American Beacon Select Funds (2012-Present); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).

Trustees and Officers of the American Beacon FundsSM (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
NON-INTERESTED TRUSTEES (CONT.)		
	<u>Term</u>	
	Lifetime of Trust until removal, resignation or retirement*	
R. Gerald Turner (73)	Trustee since 2001	President, Southern Methodist University (1995-Present); Director, J.C. Penney Company, Inc. (1996-Present); Director, Kronus Worldwide Inc. (chemical manufacturing) (2003-Present); Trustee, American Beacon Mileage Funds (2001-2012); Trustee, American Beacon Select Funds (2001-Present); Trustee, American Beacon Master Trust (2001-2012); Trustee, American Beacon Institutional Funds Trust (2017-Present); Trustee, American Beacon Sound Point Enhanced Income Fund (2018-Present); Trustee, American Beacon Apollo Total Return Fund (2018-Present).
OFFICERS		
	<u>Term</u>	
	One Year	
Gene L. Needles, Jr. (64)	President since 2009	CEO and Director (2009-Present), and Chairman (2018-Present), American Beacon Advisors, Inc.; President, American Beacon Advisors (2009-2018); President (2015-2018), Director and CEO (2015-Present), and Chairman (2018-Present), Resolute Investment Holdings, LLC; Director, Chairman and CEO, Resolute Topco, Inc. (2015-Present), President (2015-2018); Director, Chairman and CEO, Resolute Acquisition, Inc. (2015-Present); President (2015-2018), Chairman and CEO, Resolute Investment Managers, Inc. (2015-Present), President (2015-2018); Director, Chairman, President and CEO, Resolute Investment Distributors (2017-Present); Director, Chairman, President and CEO; Resolute Investment Services, Inc. (2015-Present); President and CEO, Lighthouse Holdings Parent, Inc. (2009-2015); President, CEO and Director, Lighthouse Holdings, Inc. (2009-2015); Manager, President and CEO, American Private Equity Management, LLC (2012-Present); Director, Chairman, President and CEO, Alpha Quant Advisors, LLC (2016-Present); Director, ARK Investment Management LLC (2016-Present); Director, Shapiro Capital Management LLC (2017-Present); Director, Chairman and CEO, Continuous Capital, LLC (2018-Present); Director and President, American Beacon Cayman Transformational Innovation Company, LTD., (2017-2018); President American Beacon Cayman TargetRisk Company, Ltd. (2018-Present); President, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Member, Investment Advisory Committee, Employees Retirement System of Texas (2017-Present); Trustee, American Beacon NextShares Trust (2015-Present); President, American Beacon Select Funds (2009-Present); American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); President, American Beacon Institutional Funds Trust (2017-Present); President, American Beacon Sound Point Enhanced Income Fund (2018-Present); President, American Beacon Apollo Total Return Fund (2018-Present); President,

Trustees and Officers of the American Beacon FundsSM (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
OFFICERS (CONT.)		
	<u>Term</u> One Year	
Rosemary K. Behan (59)	VP, Secretary and Chief Legal Officer since 2006	Vice President, Secretary and General Counsel, American Beacon Advisors, Inc. (2006-Present); Secretary, Resolute Investment Holdings, LLC (2015-Present); Secretary, Resolute Topco, Inc. (2015-Present); Secretary, Resolute Acquisition, Inc. (2015-Present); Vice President, Secretary and General Counsel, Resolute Investment Managers, Inc. (2015-Present); Secretary, Resolute Investment Distributors, Inc. (2017-Present); Vice President, Secretary and General Counsel, Resolute Investment Services, Inc. (2015-Present); Vice President and Secretary, Lighthouse Holdings Parent, Inc. (2008-2015); Vice President and Secretary, Lighthouse Holdings, Inc. (2008-2015); Secretary, American Private Equity Management, LLC (2008-Present); Secretary, Alpha Quant Advisors, LLC (2016-Present); Vice President and Secretary, Continuous Capital, LLC (2018-Present); Secretary, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Secretary, American Beacon Cayman Transformational Innovation Company, Ltd. (2017-2018); Secretary, American Beacon Cayman TargetRisk Company, Ltd (2018-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Select Funds (2006-Present); Secretary, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Institutional Funds Trust (2017-Present); Chief Legal Officer, Vice President and Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Chief Legal Officer, Vice President and Secretary American Beacon Apollo Total Return Fund (2018-Present).
Brian E. Brett (58)	VP since 2004	Senior Vice President, Head of Distribution (2012-Present), Vice President, Director of Sales (2004-2012), American Beacon Advisors, Inc.; Senior Vice President, Resolute Investment Managers, Inc. (2017-Present); Senior Vice President, Resolute Investment Distributors, Inc. (2018-Present), Vice President (2017-2018); Senior Vice President, Resolute Investment Services, Inc. (2017-Present); Senior Vice President, Lighthouse Holdings Parent, Inc. (2008-2015); Senior Vice President, Lighthouse Holdings, Inc. (2008-2015); Vice President, American Beacon Select Funds (2004-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present).
Paul B. Cavazos (49)	VP since 2016	Chief Investment Officer and Senior Vice President, American Beacon Advisors, Inc. (2016-Present); Chief Investment Officer, DTE Energy (2007-2016); Vice President, American Private Equity Management, L.L.C. (2017-Present); Vice President, American Beacon Select Funds (2016-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present).
Erica Duncan (48)	VP Since 2011	Vice President, American Beacon Advisors, Inc. (2011-Present); Vice President, Resolute Investment Managers (2018-Present); Vice President, Resolute Investment Services, Inc. (2018-Present); Vice President, American Beacon Select Funds (2011-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President American Beacon Apollo Total Return Fund (2018-Present).

Trustees and Officers of the American Beacon FundsSM (Unaudited)

Name, Age	Position, Term of Office and Length of Time Served with the Trust	Principal Occupation(s) During Past 5 Years and Current Directorships
OFFICERS (CONT.)		
	<u>Term</u> One Year	
Melinda G. Heika (57)	Treasurer since 2010	Treasurer and CFO (2010-Present), American Beacon Advisors, Inc.; Treasurer, Resolute Topco, Inc. (2015-Present); Treasurer, Resolute Investment Holdings, LLC. (2015-Present); Treasurer, Resolute Acquisition, Inc. (2015-Present); Treasurer and CFO, Resolute Investment Managers, Inc. (2017-Present); Treasurer, Resolute Investment Distributors, Inc. (2017-2017); Treasurer and CFO, Resolute Investment Services, Inc. (2015-Present); Treasurer, Lighthouse Holdings Parent Inc., (2010-2015); Treasurer, Lighthouse Holdings, Inc. (2010-2015); Treasurer, American Private Equity Management, LLC (2012-Present); Treasurer and CFO, Alpha Quant Advisors, LLC (2016-Present); Treasurer and CFO, Continuous Capital, LLC (2018-Present); Treasurer, American Beacon Cayman Transformational Innovation, Ltd. (2017-2018); Treasurer, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Treasurer, American Beacon Select Funds (2010-Present); Director and Treasurer, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Treasurer, American Beacon Institutional Funds Trust (2017-Present); Treasurer, American Beacon Sound Point Enhanced Income Fund (2018-Present); Treasurer, American Beacon Apollo Total Return Fund (2018-Present).
Terri L. McKinney (55)	VP since 2010	Vice President (2009-Present), Managing Director (2003-2009), American Beacon Advisors, Inc.; Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Services, Inc (2018-Present); Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Vice President, American Beacon Select Funds (2010-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present).
Jeffrey K. Ringdahl (43)	VP since 2010	Director (2015-Present), President (2018-Present), Chief Operating Officer (2010-Present), Senior Vice President (2013-2018), Vice President (2010-2013), American Beacon Advisors, Inc.; Director (2015-Present), President (2018-Present), Senior Vice Present (2015-2018, Resolute Investment Holdings, LLC; Director (2015-Present), President (2018-Present), Senior Vice President (2015-2018), Resolute Topco, Inc.; Director (2015-Present), President (2018-Present), Senior Vice President (2015-2018), Resolute Acquisition, Inc.; Director (2015-Present), President & COO (2018-Present), Senior Vice President (2015-2018), Resolute Investment Managers, Inc.; Director and Executive Vice President (2017-Present), Resolute Investment Distributors, Inc.; Director (2017-Present), President & COO (2018-Present), Executive Vice President (2017-2018), Resolute Investment Services, Inc.; Senior Vice President (2018-Present), Vice President (2012-2018), Manager (2015-2018), American Private Equity Management, LLC; Senior Vice President, Lighthouse Holdings Parent, Inc. (2013-2015); Senior Vice President, Lighthouse Holdings, Inc. (2013-2015); Trustee, American Beacon NextShares Trust (2015-Present); Director, Executive Vice President & COO, Alpha Quant Advisors, LLC (2016-Present); Director, Shapiro Capital Management, LLC (2017-Present); Director, Executive Vice President & COO, Continuous Capital, LLC (2018-Present); Director and Vice President, American Beacon Cayman Transformational Innovation Company, Ltd., (2017-Present); Vice President, American Beacon Delaware Transformational Innovation Corporation (2017-2018); Vice President, American Beacon Cayman TargetRisk Company, Ltd (2018-Present); Vice President, American Beacon Select Funds (2010-2018); Director and Vice President, American Beacon Cayman Managed Futures Strategy Fund, Ltd. (2014-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present)

Trustees and Officers of the American Beacon FundsSM (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
OFFICERS (CONT.)		
	<u>Term</u>	
	One Year	
Samuel J. Silver (55)	VP Since 2011	Vice President (2011-Present), Chief Fixed Income Officer (2016-Present), American Beacon Advisors, Inc. (2011-Present); Vice President, American Beacon Select Funds (2011-Present); Vice President, American Beacon Institutional Funds Trust (2017-Present); Vice President, American Beacon Sound Point Enhanced Income Fund (2018-Present); Vice President, American Beacon Apollo Total Return Fund (2018-Present).
Christina E. Sears (47)	Chief Compliance Officer since 2004 and Asst. Secretary since 1999	Chief Compliance Officer, American Beacon Advisors, Inc. (2004-Present); Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Distributors (2017-Present); Chief Compliance Officer, American Private Equity Management, LLC (2012-Present); Chief Compliance Officer and Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Chief Compliance Officer (2004-Present) and Assistant Secretary (1999-Present), American Beacon Select Funds; Chief Compliance Officer and Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Chief Compliance Officer and Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Chief Compliance Officer and Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present).
Sonia L. Bates (62)	Asst. Treasurer since 2011	Assistant Treasurer, American Beacon Advisors, Inc. (2011-2018); Assistant Treasurer, Lighthouse Holdings Parent Inc. (2011-2015); Assistant Treasurer, Lighthouse Holdings, Inc. (2011-2015); Assistant Treasurer, American Private Equity Management, LLC (2012-Present); Assistant Treasurer, American Beacon Cayman Transformational Innovation Company, Ltd. (2017-Present); Assistant Treasurer, American Beacon Cayman TargetRisk Company, Ltd. (2018-Present); Assistant Treasurer, American Beacon Select Funds (2011-Present); Assistant Treasurer, American Beacon Institutional Funds Trust (2017-Present); Assistant Treasurer, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Treasurer, American Beacon Apollo Total Return Fund (2018-Present).
Shelley D. Abrahams (44)	Assistant Secretary since 2008	Assistant Secretary, American Beacon Select Funds (2008-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present).
Rebecca L. Harris (52)	Assistant Secretary since 2010	Vice President, American Beacon Advisors, Inc. (2011-Present); Vice President, Resolute Investment Managers, Inc. (2017-Present); Vice President, Resolute Investment Services (2015-Present); Vice President, Alpha Quant Advisors, LLC (2016-Present); Vice President, Continuous Capital, LLC (2018-Present); Assistant Secretary, American Beacon Select Funds (2010-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present).

Trustees and Officers of the American Beacon FundsSM (Unaudited)

<u>Name, Age</u>	<u>Position, Term of Office and Length of Time Served with the Trust</u>	<u>Principal Occupation(s) During Past 5 Years and Current Directorships</u>
OFFICERS (CONT.)	<u>Term</u>	
	One Year	
Teresa A. Oxford (60)	Assistant Secretary since 2015	Assistant Secretary, American Beacon Advisors, Inc. (2015-Present); Assistant Secretary, Resolute Investment Distributors (2018-Present); Assistant Secretary, Resolute Investment Services (2018-Present); Assistant Secretary, Alpha Quant Advisors, LLC (2016-Present); Assistant Secretary, American Beacon Select Funds (2015-Present); Assistant Secretary, American Beacon Institutional Funds Trust (2017-Present); Assistant Secretary, American Beacon Sound Point Enhanced Income Fund (2018-Present); Assistant Secretary, American Beacon Apollo Total Return Fund (2018-Present).

* As of 11/12/2014, the Board adopted a retirement plan that requires Trustees, other than Messrs. Feld and Massman to retire no later than the last day of the calendar year in which they reach the age of 75.

** Mr. Feld is deemed to be an "interested person" of the Trusts, as defined by the 1940 Act. Mr. Feld's law firm of Akin, Gump, Strauss, Hauer & Feld LLP has provided legal services within the past two fiscal years to one or more of the Trust's sub-advisors.

*** Claudia A. Holz became a new Trustee to each of the Trusts on 4/1/2018.

**** Douglas A. Lindgren became a new Trustee to each of the Trusts on 1/1/2018.

American Beacon FundsSM

Privacy Policy

December 31, 2018 (Unaudited)

The American Beacon Funds recognize and respect the privacy of our shareholders. We are providing this notice to you, so you will understand how shareholder information may be collected and used.

We may collect nonpublic personal information about you from one or more of the following sources:

- information we receive from you on applications or other forms;
- information about your transactions with us or our service providers; and
- information we receive from third parties.

We do not disclose any nonpublic personal information about our customers or former customers to anyone, except as permitted by law.

We restrict access to your nonpublic personal information to those employees or service providers who need to know that information to provide products or services to you. To ensure the confidentiality of your nonpublic personal information, we maintain safeguards that comply with federal standards.

Delivery of Documents

eDelivery is NOW AVAILABLE - Stop traditional mail delivery and receive your shareholder reports and summary prospectus on-line. Sign up at www.americanbeaconfunds.com

If you invest in the Fund through a financial institution, you may be able to receive the Fund’s regulatory mailings, such as the Prospectus, Annual Report and Semi-Annual Report, by e-mail. If you are interested in this option, please go to www.icsdelivery.com and search for your financial institution’s name or contact your financial institution directly.

To obtain more information about the Fund:



By E-mail:

american_beacon.funds@ambeacon.com



On the Internet:

Visit our website at www.americanbeaconfunds.com



By Telephone:

Call (800) 658-5811



By Mail:

American Beacon Funds
P.O. Box 219643
Kansas City, MO 64121-9643

Availability of Quarterly Portfolio Schedules

In addition to the Schedule of Investments provided in each semi-annual and annual report, the Fund files a complete schedule of its portfolio holdings with the Securities and Exchange Commission (“SEC”) on Form N-Q as of the first and third fiscal quarters. The Fund’s Forms N-Q are available on the SEC’s website at www.sec.gov. The Forms N-Q may also be reviewed and copied at the SEC’s Public Reference Section, 100 F Street, NE, Washington, D.C. 20549-2736. Information regarding the operation of the SEC’s Public Reference Room may be obtained by calling (800)-SEC-0330. A complete schedule of the Fund’s portfolio holdings is also available at www.americanbeaconfunds.com approximately sixty days after the end of each calendar quarter.

Availability of Proxy Voting Policy and Records

A description of the policies and procedures the Fund uses to determine how to vote proxies relating to portfolio securities is available in the Fund’s Statement of Additional Information, is available free of charge on the Fund’s website www.americanbeaconfunds.com and by calling 1-800-967-9009 or by accessing the SEC’s website at www.sec.gov. The Fund’s proxy voting record for the most recent year ended June 30 is filed annually with the SEC on Form N-PX. The Fund’s Forms N-PX are available on the SEC’s website at www.sec.gov. The Fund’s proxy voting record may also be obtained by calling 1-800-967-9009.

Fund Service Providers:

CUSTODIAN
State Street Bank and
Trust Company
Boston, Massachusetts

TRANSFER AGENT
DST Asset Manager
Solutions, Inc.
Quincy, Massachusetts

**INDEPENDENT REGISTERED
PUBLIC ACCOUNTING FIRM**
Ernst & Young LLP
Dallas, Texas

DISTRIBUTOR
Resolute Investment
Distributors, Inc.
Irving, Texas

This report is prepared for shareholders of the American Beacon Funds and may be distributed to others only if preceded or accompanied by a current Prospectus or Summary Prospectus.

American Beacon Funds, American Beacon Bridgeway Large Cap Growth Fund, and American Beacon Bridgeway Large Cap Value Fund are service marks of American Beacon Advisors, Inc.