

What makes American Funds different

2023 edition: Class F-2 shares



**CAPITAL
GROUP®**

**AMERICAN
FUNDS®**

Invest for long-term success



Our goal is to earn your trust each and every day

Since 1931, we have taken a long-term approach that's consistent with the long-term goals of our investors.

We know how important it is for you to select an experienced manager who understands the value of your trust. We offer our funds through financial professionals because we believe in the value of professional advice.

This content, developed by Capital Group, home of American Funds, should not be used as a primary basis for investment decisions and is not intended to serve as impartial investment or fiduciary advice.

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Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

Each of our funds is designed to pursue objectives that help investors meet their real-life needs

For over 90 years, we have managed investments with the goal of helping long-term investors succeed.

Below are a few examples of investors who, while working with their financial professionals, are pursuing their goals by investing in American Funds.



Funding an education

"We want to fully fund our children's education for as long as they wish to go to school, and it's our hope that they all earn at least a master's degree."

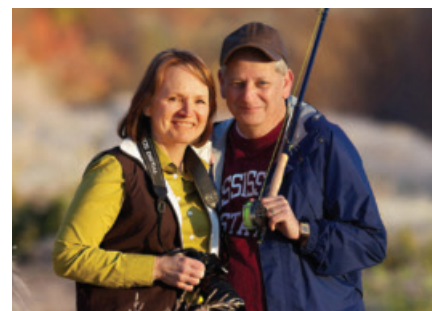
– **Viet Ha,**
American Funds investor



Investing for the long term

"Our focus is long-term growth. We like to keep 70% of our money in growth and growth-and-income mutual funds. We had some good success with our decisions to stay in the market and dollar cost average."

– **Gregory Brookins,**
American Funds investor



Living in retirement

"It's comforting to know that there are people who are on our side now, and we don't have to worry about [managing our money] as much."

– **Howard Duzan,**
American Funds investor



We are aligned with long-term investors

Our investment philosophy is based on doing what we believe is right for investors. In our efforts to help protect the value of investments, we pay close attention to risk. We base our decisions on a long-term perspective because we believe it is the best way to achieve superior long-term investment outcomes.



We invest with you

"My investments are in American Funds right alongside yours. Our associates and portfolio managers are also significant investors in our funds, a reflection of our collective interest in helping you succeed."

– **Tim Armour**
Chief Executive Officer
and Portfolio Manager



We reward long-term results

"We measure ourselves over one-, three-, five- and eight-year periods – with increasing weight placed on each succeeding period – to encourage a long-term focus and to further align ourselves with our investors."

– **Caroline Randall**
Portfolio Manager

Seven American Funds among Morningstar's highly selective "Thrilling 31" list

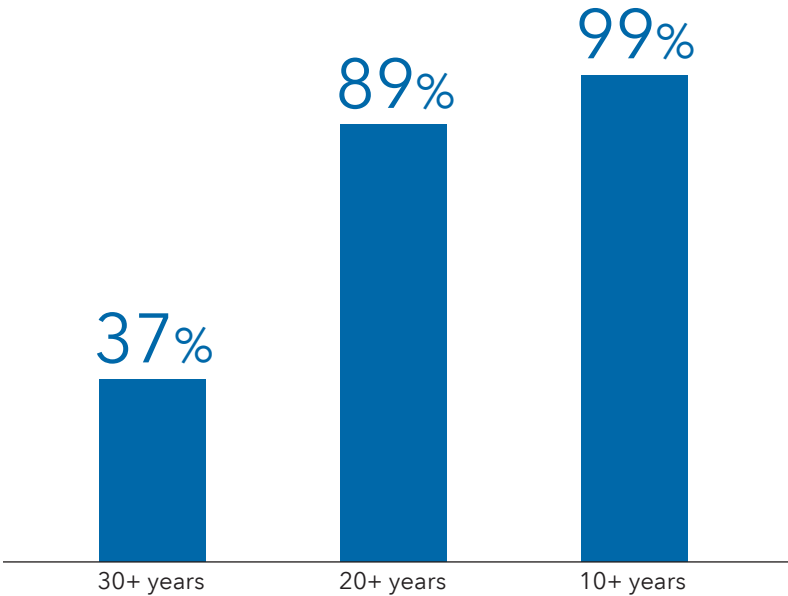
For the eleventh year in a row, investment research firm Morningstar® included several American Funds on its list of standout mutual funds in its universe. Of the 31 funds chosen from a universe of over 8,000 funds, seven were American Funds.

Source: Morningstar, "The Thrilling 31: A List of Great Funds" by Russel Kinnel, October 14, 2022. Morningstar's screening took into consideration expense ratios, manager ownership, returns over manager's tenure, and Morningstar Risk, Analyst and Parent Pillar ratings. The universe was limited to share classes accessible to individual investors with a minimum investment no greater than \$50,000 and did not include funds of funds. Class A shares were evaluated for American Funds. The list's criteria have changed over the years. Visit [morningstar.com](https://www.morningstar.com) for more details. Past results are not predictive of results in future periods.

Put our experience to work for you

Our portfolio managers average 28 years of investment industry experience, including 22 years at our company.

Our portfolio managers' experience spans generations
(portfolio manager years of investment industry experience)



Strength in numbers

19%

of our portfolio managers experienced the October 1987 crash

48%

of our fixed income portfolio managers experienced the difficult 1994 bond market

A closer look: Current investment professionals who covered technology companies



Mark L. Casey
Early in his Capital career, Mark's research responsibilities as an investment analyst included infrastructure software and document imaging. He is an equity portfolio manager.

Years of experience: 22
Office: San Francisco



David A. Daigle
David, a fixed income portfolio manager, covered wireless communications and technology as an investment analyst early in his career.

Years of experience: 28
Office: New York



Sung Lee
An equity portfolio manager, Sung was an investment analyst who covered consumer an industrial electronics, telecom equipment and Asian electronic components companies.

Years of experience: 28
Office: Singapore

Unless otherwise indicated, the years of investment industry experience are as of December 31, 2022.

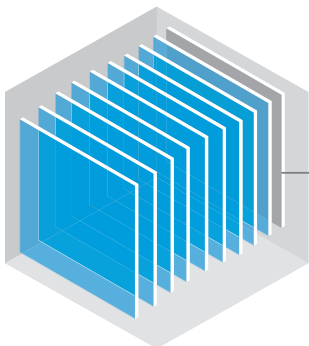
The Capital System™ combines independence and teamwork

We begin by defining a clear investment objective and assembling a team best equipped to pursue the opportunities.

The Capital System’s multiple manager approach

Example:
New Perspective Fund®

A diverse group of portfolio managers and analysts brings complementary investment approaches, experience levels, backgrounds and areas of focus.



Analysts
In most funds, including New Perspective Fund, a group of investment analysts manages a portion of the fund known as the research portfolio.

Portfolio managers

Each portfolio manager is assigned a portion of the overall assets to manage independently, enabling them to focus on their highest conviction ideas.



Barbara Burtin
Experience: 14 years
Office: Los Angeles



Noriko Chen
Experience: 32 years
Office: San Francisco



Patrice Collette
Experience: 28 years
Office: Luxembourg



Brady Enright
Experience: 31 years
Office: San Francisco



Jody Jonsson
Experience: 34 years
Office: Los Angeles



Jonathan Knowles
Experience: 31 years
Office: Singapore



Rob Lovelace
Experience: 37 years
Office: Los Angeles



Andraz Razen
Experience: 25 years
Office: London

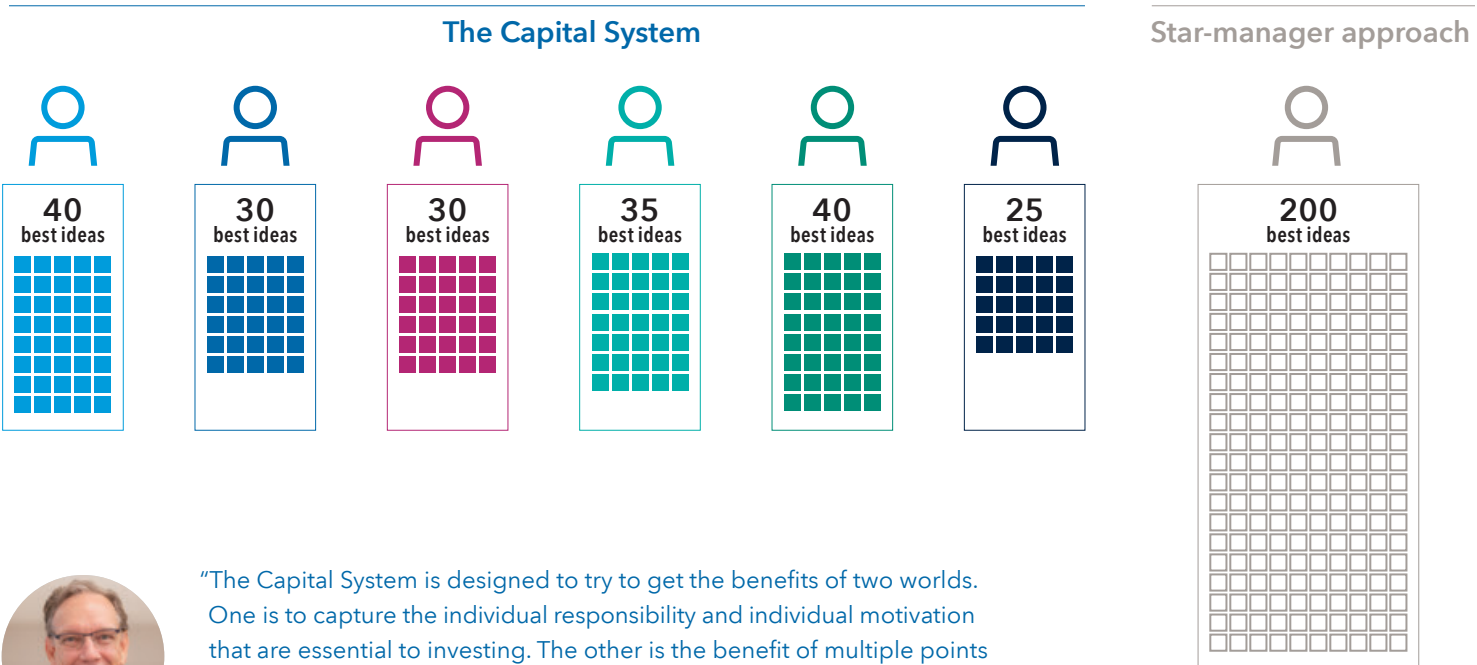


Steve Watson
Experience: 35 years
Office: Hong Kong

The portfolio managers and experience shown are as of the most recent prospectus dated December 1, 2022. Portfolio segments do not reflect actual allocations and vary by fund.

The Capital System means not investing in anyone's 200th best idea

Which would you prefer: A portfolio that represents the 25 to 40 best ideas of several people or one person's 200 best ideas?



"The Capital System is designed to try to get the benefits of two worlds. One is to capture the individual responsibility and individual motivation that are essential to investing. The other is the benefit of multiple points of view, which serves to sharpen the investment ideas."

– Rob Lovelace
Portfolio Manager

How The Capital System approach can benefit you



Broad diversification

Each portfolio manager invests in their highest conviction ideas, so fund portfolios tend to contain a diverse group of securities.



Rigorous risk management

The diverse combination of portfolio managers and investment analysts in each fund is designed to lower volatility while striving for superior long-term outcomes.



Consistency with fund objectives

Each fund's principal investment officer, along with a coordinating group, reviews investments for consistency with fund objectives and overall guidelines.

Global research is the backbone of our organization

We have invested internationally for more than half a century. We are among the largest U.S. investors in international stocks and bonds.*



Barbara Burtin

Having worked in business development for Capital One in the U.S., France and Italy before joining Capital Group, Barbara brings a variety of international experience to her role as a research analyst for European and Latin American banks, including entrepreneurship and management consulting.

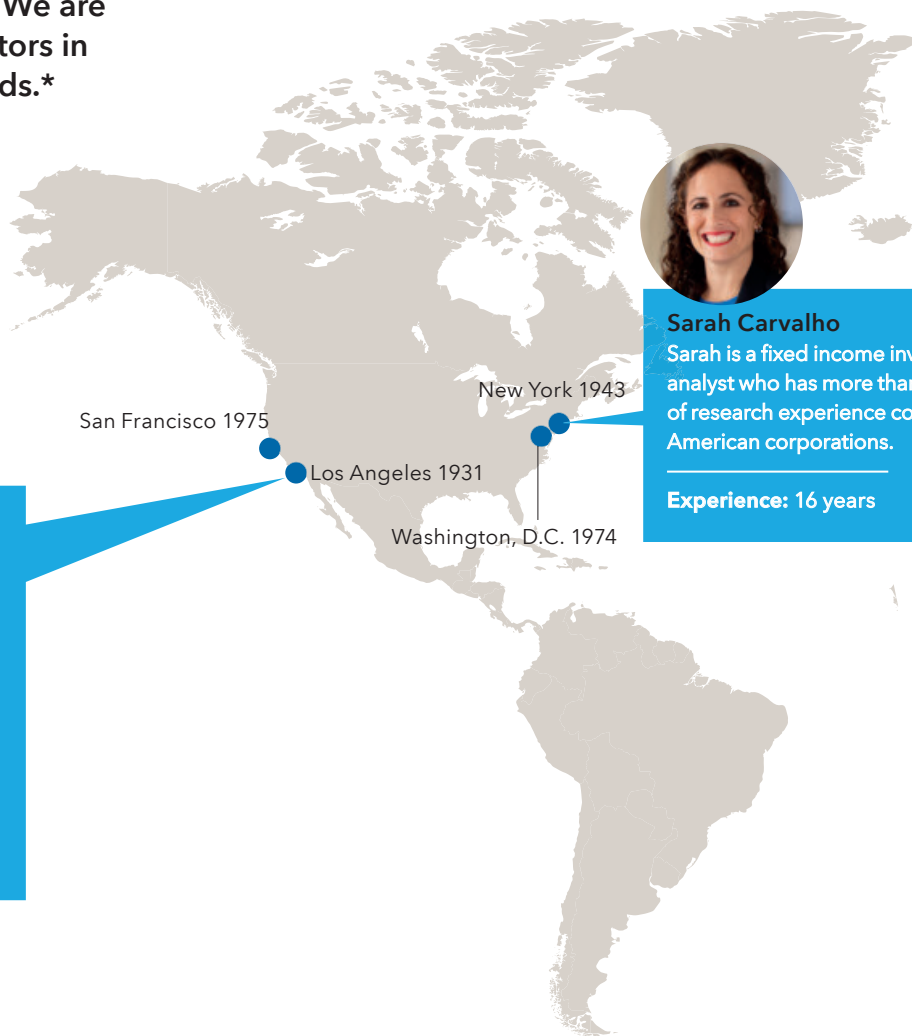
Experience: 14 years



Sarah Carvalho

Sarah is a fixed income investment analyst who has more than a decade of research experience covering Latin American corporations.

Experience: 16 years



Strength in numbers[†]

472

Investment professionals

245

Investment analysts

113

Portfolio managers

171

Based outside the U.S.

44

Languages spoken

Capital Group manages equity assets through three investment groups. These groups make investment and proxy voting decisions independently. Fixed income investment professionals provide fixed income research and investment management across the Capital organization; however, for securities with equity characteristics, they act solely on behalf of one of the three equity investment groups.

**Robert Burgess**

A bond analyst and research director, Robert has research responsibility for emerging market debt. Prior to Capital, Robert was a chief economist for emerging markets in Europe, the Middle East and Africa at a large European bank. He also has been an economist at the International Monetary Fund and HM Treasury.

Experience: 31 years

**Stephen Green**

An economist responsible for covering Asia, Stephen previously ran the Asia Programme at Chatham House, an international affairs think tank.

Experience: 18 years

**Chitra Gopal**

An equity analyst who covers the Asian technology sector, as well as European and U.S. semiconductor equipment. She holds a bachelor's degree in electrical and electronics engineering.

Experience: 21 years

ESG enhances our fundamental research

Material environmental, social, and governance (ESG) risks and opportunities are important considerations when striving to deliver superior long-term investment results.

Learn more about our ESG process.



● Research offices

*Source: Morningstar, as of December 31, 2022.

†As of December 31, 2022.

We have provided superior long-term equity outcomes

**For most investors, results are paramount.
Consider the following facts:**

American Funds equity-focused funds have beaten their Lipper peer indexes in 90% of 10-year periods and 99% of 20-year periods.*

In good times and bad, an 89-year track record of success in equity funds

Over the years, investors have looked to us to provide superior long-term outcomes. The reason becomes apparent when you look at our equity funds' results over 7,050 rolling monthly 10-year periods since our first fund began in 1934 (as shown below).

	Number of 10-year periods	When the total return was positive (annualized return greater than 0.00%)	When the value of an investment ...		
			At least doubled (annualized return 7.18% or greater)	At least tripled (annualized return 11.61% or greater)	At least quadrupled (annualized return 14.87% or greater)
AMCAP Fund®	548	547	471	352	168
American Funds Global Insight Fund	21	21	21	4	0
American Funds International Vantage Fund	21	21	10	0	0
EuroPacific Growth Fund®	345	345	252	94	31
The Growth Fund of America®	470	469	418	341	207
The New Economy Fund®	349	338	294	151	85
New Perspective Fund®	478	478	418	301	187
New World Fund®	163	163	99	39	0
SMALLCAP World Fund®	273	273	215	48	15
American Mutual Fund®	755	755	637	368	163
Capital World Growth and Income Fund®	238	238	185	67	0
Fundamental Investors®	414	414	366	245	144
International Growth and Income Fund	51	51	11	0	0
The Investment Company of America®	949	949	803	550	258
Washington Mutual Investors Fund	726	723	605	380	208
Capital Income Builder®	306	306	202	74	5
The Income Fund of America®	470	470	381	217	85
American Balanced Fund®	450	450	374	212	36
American Funds Global Balanced Fund	23	23	8	0	0
	7,050	7,034	5,770	3,443	1,592
Percent of time		99.8%	81.8%	48.8%	22.6%

Past results are not predictive of results in future periods.

Based on results calculated at net asset value with all distributions reinvested. Reflects applicable fees and expenses.

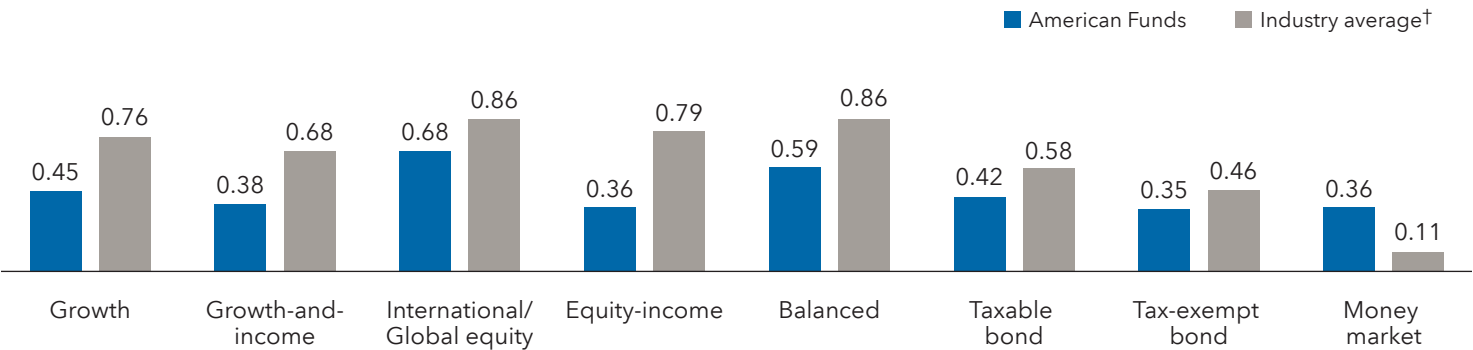
* Based on Class F-2 share results for rolling monthly 10- and 20-year periods starting with the first 10- or 20-year period after each mutual fund's inception through December 31, 2022. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Expenses differ for each share class, so results will vary. Funds with less than 10 years of results have not been included.

Our expenses are among the lowest

We are committed to providing exceptional services at a reasonable cost.

- We have some of the lowest management fees among mutual fund companies.
- We strive to keep management fees low so that operating expenses remain competitive.

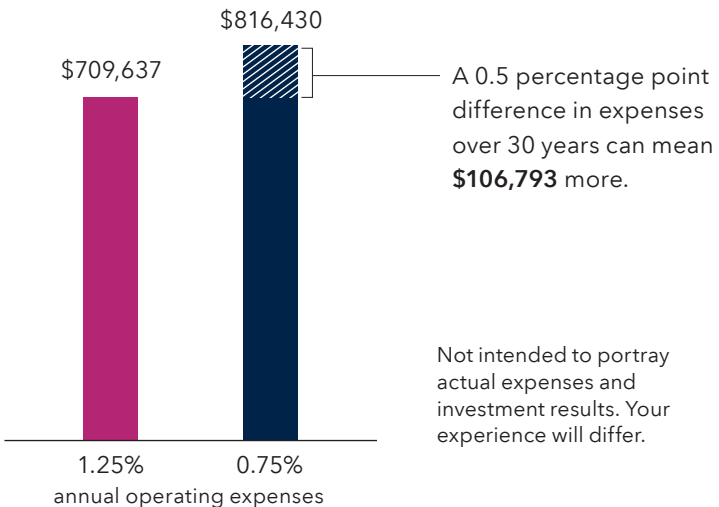
Lower is better: American Funds average annual operating expenses (%)



The difference adds up

- Ongoing annual expenses have an impact on long-term results.
- As you can see, a 0.5 percentage point difference in expenses could add up to more than your initial investment over time.

The growth of hypothetical investments of \$100,000 over 30 years, assuming an annual growth rate of 8% before expenses and annual expense ratios of 1.25% and 0.75%, respectively.



The American Funds expense ratios are for Class F-2 shares as of each fund's most recent prospectus available on December 31, 2022. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower. Refer to capitalgroup.com for more information.

Due to their significant investments outside the U.S., American Funds Global Insight Fund, American Funds International Vantage Fund, Capital World Growth and Income Fund, EuroPacific Growth Fund, International Growth and Income Fund, The New Economy Fund, New Perspective Fund, New World Fund and SMALLCAP World Fund are included in the International/Global equity category. Class F-2 shares are available through certain registered investment advisor and fee-based programs, but are not available for purchase in most employer-sponsored retirement plans. See the prospectus for details. Expenses differ for each share class, so expense ratios will vary.

†Source for industry averages: Lipper, based on institutional load funds, excluding funds of funds, as of each fund's most recent fiscal year-end available December 31, 2022.

It's important to measure results over meaningful periods of time



"We keep one objective in front of us every single day, and that is to generate superior long-term investment results for our investors. We take this very seriously, and it drives every decision that we make."

– Justin Toner
Portfolio Manager

Figures shown are past results for Class F-2 shares and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com.

Equity fund results at a glance (as of December 31, 2022)

	Inception date	Outpaced Lipper indexes over rolling monthly periods ¹		1 year	Average annual total return			Expense ratio ²
		10-year periods	20-year periods		5 years	10 years	Lifetime	
Growth funds								
AMCAP Fund	5/1/67	473 of 548	428 of 428	-28.64%	6.01%	10.78%	11.28%	0.43%
American Funds Global Insight Fund	4/1/11	21 of 21	–	-15.30	6.23	8.78	7.80	0.56
American Funds International Vantage Fund	4/1/11	21 of 21	–	-16.96	3.85	5.58	4.99	0.67
EuroPacific Growth Fund	4/16/84	337 of 337	217 of 217	-22.82	1.43	5.19	9.92	0.57
The Growth Fund of America	12/1/73 ³	371 of 469	343 of 349	-30.57	7.46	11.81	13.25	0.40
The New Economy Fund	12/1/83	309 of 349	229 of 229	-29.50	5.18	10.78	10.87	0.52
New Perspective Fund	3/13/73	349 of 349	229 of 229	-25.68	7.58	10.18	12.05	0.52
New World Fund	6/17/99	111 of 163	43 of 43	-21.84	2.93	4.87	7.41	0.68
SMALLCAP World Fund	4/30/90	157 of 273	153 of 153	-29.71	4.91	8.84	9.34	0.77
Growth-and-income funds								
American Funds Developing World Growth and Income Fund	2/3/14	–	–	-23.22	-1.81	–	1.24	0.87
American Mutual Fund	2/21/50	568 of 637	514 of 517	-4.30	8.53	11.06	11.62	0.38
Capital World Growth and Income Fund	3/26/93	233 of 238	118 of 118	-17.11	4.50	7.84	9.92	0.52
Fundamental Investors	8/1/78 ³	414 of 414	294 of 294	-16.49	7.16	11.37	12.18	0.38
International Growth and Income Fund	10/1/08	11 of 51	–	-15.25	1.95	4.16	5.86	0.64
The Investment Company of America	1/1/34	637 of 637	517 of 517	-15.34	7.29	11.16	12.08	0.37
Washington Mutual Investors Fund	7/31/52	637 of 637	517 of 517	-8.28	9.30	12.13	11.93	0.37
Equity-income funds								
Capital Income Builder	7/30/87	187 of 231	111 of 111	-6.92	4.00	5.96	8.73	0.36
The Income Fund of America	12/1/73 ³	289 of 289	169 of 169	-6.22	5.61	7.69	10.67	0.36

Class F-2 shares were first offered on August 1, 2008. Class F-2 share results prior to the date of first sale are hypothetical based on the results of the original share class of the fund without a sales charge, adjusted for typical estimated expenses. Results for certain funds with an inception date after August 1, 2008, also include hypothetical returns because those funds' Class F-2 shares sold after the funds' date of first offering. Refer to capitalgroup.com for more information on specific expense adjustments and the actual dates of first sale. For American Funds Global Insight Fund and American Funds International Vantage Fund, Class F-2 shares were first offered on November 8, 2019. Class F-2 share results prior to the date of first sale are hypothetical based on the results of the original share class of the fund, adjusted for typical estimated expenses. Refer to capitalgroup.com for more information on specific expense adjustments and the actual dates of first sale.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. The expense ratios are as of each fund's prospectus available at the time of publication. When applicable, results reflect expense reimbursements, without which they would have been lower. Refer to capitalgroup.com for more information.

¹ Based on Class F-2 shares at net asset value. Each fund's Lipper index is as follows: AMCAP Fund (Growth); The Growth Fund of America (Large-Cap Growth Fund); EuroPacific Growth Fund (International); The New Economy Fund, New Perspective Fund and Capital World Growth and Income Fund (Global); New World Fund (Emerging Markets); American Mutual Fund, Fundamental Investors, The Investment Company of America and Washington Mutual Investors Fund (Growth & Income); The Income Fund of America (Income [Mixed Equity]); American Balanced Fund (Balanced); American High-Income Trust (High Yield); The Bond Fund of America (Core Bond); Capital World Bond Fund (Global Income); Intermediate Bond Fund of America (Short-Intermediate Investment Grade Debt); Short-Term Bond Fund of America (Short U.S. Government Fund); U.S. Government Securities Fund (General U.S. Government); American High-Income Municipal Bond Fund (High Yield Municipal Debt); Limited Term Tax-Exempt Bond Fund of

You could lose money by investing in the money market fund. Although the fund seeks to preserve the value of your investment at \$1.00 per share, it cannot guarantee it will do so. An investment in the fund is not insured or guaranteed by the Federal Deposit Insurance Corporation or any other governmental agency. The fund's sponsor has no legal obligation to provide financial support to the fund, and you should not expect that the sponsor will provide financial support to the fund at any time.

Fixed income fund results at a glance (as of December 31, 2022)

	Inception date	Outpaced Lipper indexes over rolling monthly periods ¹			Average annual total return			Expense ratio ²
		10-year periods	20-year periods	1 year	5 years	10 years	Lifetime	
Balanced funds								
American Balanced Fund	7/26/75 ³	380 of 450	309 of 330	-11.91%	5.74%	8.48%	10.42%	0.35%
American Funds Global Balanced Fund	2/1/11	0 of 23	–	-14.05	2.85	5.17	5.25	0.59
Taxable bond funds								
American Funds Corporate Bond Fund®	12/14/12	1 of 1	–	-15.77	0.82	2.35	2.35	0.43
American Funds Emerging Markets Bond Fund®	4/22/16	–	–	-12.10	-0.01	–	2.10	0.66
American Funds Inflation Linked Bond Fund®	12/14/12	1 of 1	–	-11.59	2.32	1.44	1.37	0.39
American Funds Mortgage Fund®	11/1/10	26 of 26	–	-9.85	0.35	1.10	1.54	0.35
American Funds Multi-Sector Income Fund	3/22/19	–	–	-11.81	–	–	2.19	0.47
American Funds Strategic Bond Fund	3/18/16	–	–	-12.55	2.23	–	2.45	0.43
American High-Income Trust®	2/19/88	222 of 299	179 of 179	-8.93	3.20	3.82	7.39	0.40
The Bond Fund of America®	5/28/74	151 of 292	55 of 172	-12.46	0.91	1.53	7.07	0.31
Capital World Bond Fund®	8/4/87	198 of 289	165 of 169	-17.20	-1.51	-0.25	5.25	0.59
Intermediate Bond Fund of America®	2/19/88	86 of 265	0 of 145	-7.32	1.01	0.99	4.30	0.34
Short-Term Bond Fund of America®	10/2/06	35 of 75	–	-3.57	0.80	0.71	1.41	0.39
U.S. Government Securities Fund®	10/17/85	277 of 327	197 of 207	-10.77	0.72	1.01	5.13	0.34
Tax-exempt bond funds								
American Funds Short-Term Tax-Exempt Bond Fund®	8/7/09	39 of 41	–	-2.86	0.83	0.76	1.11	0.33
American Funds Tax-Exempt Fund of New York®	11/1/10	3 of 26	–	-10.41	0.70	1.71	2.66	0.44
American High-Income Municipal Bond Fund®	9/26/94	215 of 220	100 of 100	-11.64	1.66	3.33	5.06	0.39
Limited Term Tax-Exempt Bond Fund of America®	10/6/93	229 of 229	109 of 109	-4.60	1.16	1.38	3.58	0.33
The Tax-Exempt Bond Fund of America®	10/3/79	242 of 373	225 of 253	-9.00	1.12	2.17	5.96	0.32
The Tax-Exempt Fund of California®	10/28/86	284 of 315	188 of 195	-9.09	1.05	2.29	5.03	0.36
Money market fund								
American Funds U.S. Government Money Market Fund ⁴	5/1/09	N/A	N/A	1.36	0.98	0.53	0.39	0.36

The annualized seven-day SEC yield for American Funds U.S. Government Money Market Fund was 3.92% as of December 31, 2022. The yield more accurately reflects the fund's current earnings than do the fund's total returns.

America (Short-Intermediate Municipal Debt); The Tax-Exempt Bond Fund of America (General & Insured Municipal Debt); and The Tax-Exempt Fund of California (California Municipal Debt). SMALLCAP World Fund results are based on comparisons with Lipper Global Small-/Mid-Cap Funds Average. Capital Income Builder results are based on comparisons with Lipper Global Equity Income Funds Average. Results for the Lipper indexes/averages do not reflect sales charges. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date.

²Expense ratios are as of each fund's prospectus available at the time of publication.

³Capital Research and Management Company began managing the fund on this date.

⁴American Funds U.S. Government Money Market Fund will invest at least 99.5% of its assets in qualifying government securities.

Our portfolios are designed to help investors achieve their objectives

Fund series results at a glance (as of December 31, 2022)

	Inception date	1 year	Average annual total return			Expense ratio ²
			5 years	10 years	Lifetime	
American Funds Portfolio Series						
American Funds Global Growth Portfolio	5/18/12	-25.48%	4.74%	8.19%	9.28%	0.57%
American Funds Growth Portfolio	5/18/12	-26.70	5.51	9.49	10.32	0.49
American Funds Growth and Income Portfolio	5/18/12	-15.73	5.71	8.20	8.88	0.45
American Funds Moderate Growth and Income Portfolio	5/18/12	-13.32	5.13	7.36	7.98	0.44
American Funds Conservative Growth and Income Portfolio	5/18/12	-8.49	4.23	5.94	6.38	0.40
American Funds Tax-Aware Conservative Growth and Income Portfolio	5/18/12	-9.95	4.47	6.53	7.08	0.41
American Funds Preservation Portfolio	5/18/12	-5.91	0.95	0.96	1.04	0.38
American Funds Tax-Exempt Preservation Portfolio	5/18/12	-4.15	1.02	1.44	1.59	0.35
American Funds Retirement Income Portfolio Series ⁵						
American Funds Retirement Income Portfolio – Enhanced	8/28/15	-10.80	4.43	–	6.25	0.42
American Funds Retirement Income Portfolio – Moderate	8/28/15	-9.87	3.99	–	5.43	0.41
American Funds Retirement Income Portfolio – Conservative	8/28/15	-9.83	3.32	–	4.44	0.38
American Funds Target Date Retirement Series ⁶						
American Funds 2065 Target Date Retirement Fund	3/27/20	-19.71	–	–	12.47	0.47
American Funds 2060 Target Date Retirement Fund®	3/27/15	-19.77	5.72	–	7.24	0.47
American Funds 2055 Target Date Retirement Fund®	2/1/10	-19.57	5.78	9.08	9.28	0.47
American Funds 2050 Target Date Retirement Fund®	2/1/07	-18.99	5.95	9.17	6.85	0.47
American Funds 2045 Target Date Retirement Fund®	2/1/07	-18.22	6.02	9.19	6.86	0.46
American Funds 2040 Target Date Retirement Fund®	2/1/07	-17.64	6.01	9.12	6.82	0.45
American Funds 2035 Target Date Retirement Fund®	2/1/07	-16.31	5.77	8.85	6.66	0.44
American Funds 2030 Target Date Retirement Fund®	2/1/07	-14.55	5.00	8.14	6.23	0.42
American Funds 2025 Target Date Retirement Fund®	2/1/07	-12.84	4.59	7.37	5.69	0.41
American Funds 2020 Target Date Retirement Fund®	2/1/07	-11.10	4.12	6.44	5.10	0.39
American Funds 2015 Target Date Retirement Fund®	2/1/07	-10.30	3.90	5.85	4.83	0.39
American Funds 2010 Target Date Retirement Fund®	2/1/07	-9.27	3.70	5.36	4.58	0.37
American Funds College Target Date Series ⁷						
American Funds College 2039 Fund	3/26/21	-20.39	–	–	-6.90	0.53
American Funds College 2036 Fund	2/9/18	-18.12	–	–	4.51	0.51
American Funds College 2033 Fund®	3/27/15	-14.92	4.29	–	5.67	0.47
American Funds College 2030 Fund®	9/14/12	-11.39	4.00	6.91	6.84	0.43
American Funds College 2027 Fund®	9/14/12	-9.56	3.01	5.76	5.70	0.41
American Funds College 2024 Fund®	9/14/12	-8.07	2.15	4.58	4.52	0.41
American Funds College Enrollment Fund®	9/14/12	-6.77	0.76	0.88	0.87	0.43

⁵ The Retirement Income Portfolio Series allocations may not achieve investment objectives and adequate income through retirement is not guaranteed. The portfolios' risks are directly related to the risks of the underlying funds. Payments consisting of return of capital will result in a decrease in an investor's fund share balance. Higher rates of withdrawal and withdrawals during declining markets may result in a more rapid decrease in an investor's fund share balance. Persistent return of capital could ultimately result in a zero account balance.

⁶ Although the target date portfolios are managed for investors on a projected retirement date time frame, the allocation strategy does not guarantee that investors' retirement goals will be met. Investment professionals manage the portfolio, moving it from a more growth-oriented strategy to a more income-oriented focus as the target date gets closer. Investment professionals continue to manage each fund for approximately 30 years after it reaches its target date. The target date is the year that corresponds roughly to the year in which an investor is assumed to retire and begin taking withdrawals.

⁷ Figures shown are for Class 529-F-2 shares. Class 529-F-2 shares were first offered on October 30, 2020. Class 529-F-2 share results prior to the date of first sale are hypothetical based on the results of the original share class of the fund without a sales charge, adjusted for typical estimated expenses. Refer to capitalgroup.com for more information on specific expense adjustments and the actual dates of first sale.

Our fixed income funds have helped provide resilience during market declines

Investors have used our fixed income funds to help diversify their portfolios and to pursue income and stability.

Although fixed income funds tend to lag during rising stock markets, our fixed income funds have provided a measure of downside resilience during stock market declines, as shown below.

Get the lowdown on our fixed income products, solutions and must-read insights.



"When it comes to keeping a portfolio on track, your choice of fixed income is critical. Our bond funds are designed with the four roles of fixed income in mind: diversification from equities, income, inflation protection and capital preservation. That means our bond funds can help a balanced portfolio achieve its objectives in both stable and volatile market environments."

– **Mike Gitlin**
Head of Fixed Income

Figures shown are past results for Class F-2 shares and are not predictive of results in future periods. Returns at net asset value (NAV) do not reflect a sales charge. If a sales charge had been deducted, the results would have been lower. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com.

Cumulative returns during recent market corrections

	4/23/10–7/2/10	4/29/11–10/3/11	11/3/15–2/11/16	9/20/18–12/24/18	2/19/20–3/23/20
S&P 500 Index	-15.6%	-18.6%	-12.7%	-19.4%	-33.8%
The Bond Fund of America	2.2	3.4	0.9	1.5	-1.1
The Tax-Exempt Bond Fund of America	1.1	6.1	2.8	1.4	-9.2
U.S. Government Securities Fund	3.8	6.5	1.4	2.2	5.2
The Tax-Exempt Fund of California	1.2	7.7	2.9	1.2	-9.0
Capital World Bond Fund	-0.8	-1.6	1.0	0.3	-7.1
American High-Income Trust	-3.1	-8.5	-10.2	-5.3	-21.1
Intermediate Bond Fund of America	2.3	2.2	0.6	1.4	0.5
Limited Term Tax-Exempt Bond Fund of America	1.4	3.9	1.7	1.1	-5.8
American High-Income Municipal Bond Fund	1.2	6.8	3.3	0.7	-12.1
Short-Term Bond Fund of America	1.0	0.6	0.0	0.9	0.6
American Funds Short-Term Tax-Exempt Bond Fund	0.6	1.4	0.7	0.7	-3.2
American Funds Mortgage Fund	–	4.7	0.9	2.0	2.1
American Funds Tax-Exempt Fund of New York	–	6.1	3.1	1.4	-9.8
American Funds Corporate Bond Fund	–	–	0.0	-0.1	-8.3
American Funds Inflation Linked Bond Fund	–	–	-0.5	0.2	2.1
American Funds Strategic Bond Fund	–	–	–	1.5	3.0
American Funds Emerging Markets Bond Fund	–	–	–	1.7	-19.4
American Funds Multi-Sector Income Fund	–	–	–	–	-14.4

Dates shown for market corrections are based on price declines of 10% or more (without dividends reinvested) in the unmanaged S&P 500 with 75% recovery between corrections. Returns of the funds and index are based on total returns. There have been periods when the funds have lagged the index, such as in rising equity markets. Investment results assume all distributions are reinvested and reflect applicable fees and expenses.

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Since 1931, Capital Group, home of American Funds, has helped investors pursue long-term investment success. Our consistent approach – in combination with The Capital System[™] – has resulted in superior outcomes.

Aligned with investor success

We base our decisions on a long-term perspective, which we believe aligns our goals with the interests of our clients. Our portfolio managers average 28 years of investment industry experience, including 22 years at our company, reflecting a career commitment to our long-term approach.¹

The Capital System

The Capital System combines individual accountability with teamwork. Funds using The Capital System are divided into portions that are managed independently by investment professionals with diverse backgrounds, ages and investment approaches. An extensive global research effort is the backbone of our system.

American Funds' superior outcomes

Equity-focused funds have beaten their Lipper peer indexes in 90% of 10-year periods and 99% of 20-year periods.² Relative to their peers, our fixed income funds have helped investors achieve better diversification through attention to correlation between bonds and equities.³ Fund management fees have been among the lowest in the industry.⁴

¹Investment industry experience as of December 31, 2022.

²Based on Class F-2 share results for rolling monthly 10- and 20-year periods starting with the first 10- or 20-year period after each mutual fund's inception through December 31, 2022. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date (except Capital Income Builder and SMALLCAP World Fund, for which the Lipper average was used). Expenses differ for each share class, so results will vary. Past results are not predictive of results in future periods.

³Based on Class F-2 share results as of December 31, 2022. Sixteen of the 18 fixed income American Funds that have been in existence for the three-year period showed a three-year correlation lower than their respective Morningstar peer group averages. S&P 500 Index was used as an equity market proxy. Correlation based on monthly total returns. Correlation is a statistical measure of how two securities move in relation to each other. A correlation ranges from -1 to 1. A positive correlation close to 1 implies that as one security moves, either up or down, the other security will move in "lockstep," in the same direction. A negative correlation close to -1 indicates that the securities have moved in the opposite direction.

⁴On average, our mutual fund management fees were in the lowest quintile 62% of the time, based on the 20-year period ended December 31, 2022, versus comparable Lipper categories, excluding funds of funds.

Class F-2 shares were first offered on August 1, 2008. Class F-2 share results prior to the date of first sale are hypothetical based on the results of the original share class of the fund without a sales charge, adjusted for typical estimated expenses. Results for certain funds with an inception date after August 1, 2008, also include hypothetical returns because those funds' Class F-2 shares sold after the funds' date of first offering. Refer to capitalgroup.com for more information on specific expense adjustments and the actual dates of first sale.

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