

# U.S. Government Securities Fund<sup>®</sup>

Class 529-F-2 | FSUGX for the year ended August 31, 2024



This annual shareholder report contains important information about U.S. Government Securities Fund (the "fund") for the period from September 1, 2023 to August 31, 2024. You can find additional information about the fund at [capitalgroup.com/mutual-fund-literature-529F2](https://capitalgroup.com/mutual-fund-literature-529F2). You can also request this information by contacting us at (800) 421-4225. **This report describes changes to the fund that occurred during the reporting period.**

**What were the fund costs for the last year?** (based on a hypothetical \$10,000 investment)

Share class	Costs of a \$10,000 investment	Costs paid as a percentage of a \$10,000 investment
Class 529-F-2	\$40	0.39%

## Management's discussion of fund performance

The fund's Class 529-F-2 shares gained 6.59% for the year ended August 31, 2024. That result compares with a 6.56% gain for the Bloomberg U.S. Government/Mortgage-Backed Securities Index. For information on returns for additional periods, including the fund lifetime, please refer to [capitalgroup.com/mutual-fund-returns-529F2](https://capitalgroup.com/mutual-fund-returns-529F2).

### What factors influenced results

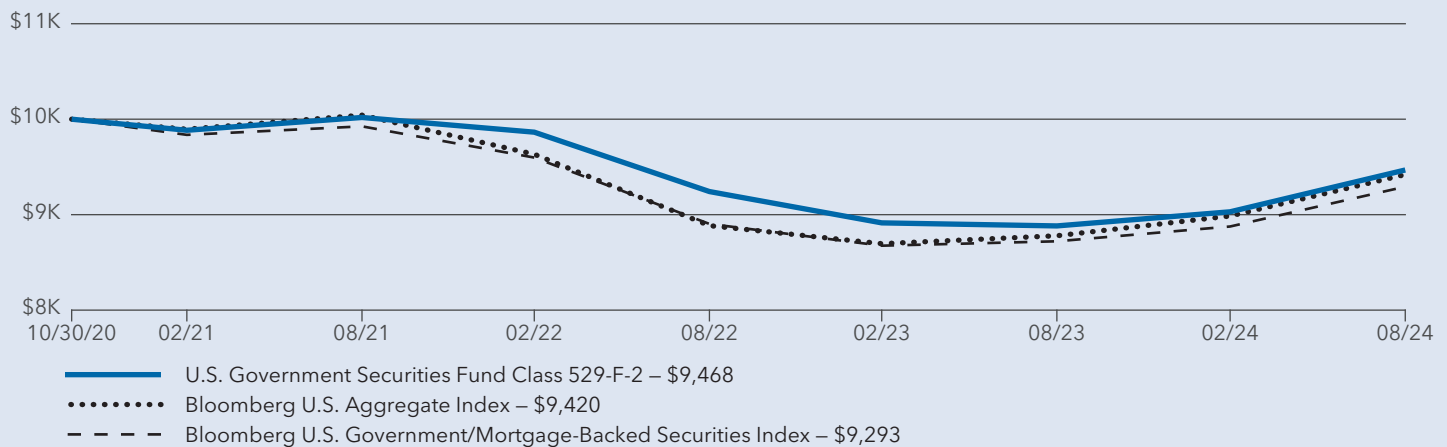
Expectations the U.S. Federal Reserve will begin to cut the federal funds rate contributed to a notable decline in Treasury bond yields, which pushed bond prices higher. The Fed's potential move comes as inflation cooled, hitting a three-year low in August, and hiring slowed. After rising earlier in 2024, 10-year U.S. Treasury yields reversed that trend as markets anticipated rate cuts from the U.S. Federal Reserve before the new year.

Within the fund, each of the sectors contributed positively to overall returns. The fund's holdings in inflation-linked bonds were particularly additive to results during the period. Holdings in securitized debt and U.S. Treasury bonds, while still positive, were below the portfolio's overall return. Duration and curve positioning further helped the fund's absolute returns.

Conversely, holdings in government-sponsored bonds, while still positive, detracted somewhat from the broader portfolio's return. Also, the fund's cash holdings did not contribute to returns, though these holdings allow managers to pursue potential investment opportunities when they arise.

### How a hypothetical \$10,000 investment has grown

Figures assume reinvestment of dividends and capital gains.



## Average annual total returns

	1 year	Since inception <sup>1</sup>
U.S. Government Securities Fund – Class 529-F-2 <sup>2</sup>	6.59%	(1.42)%
Bloomberg U.S. Aggregate Index <sup>3</sup>	7.30%	(1.54)%
Bloomberg U.S. Government/Mortgage-Backed Securities Index <sup>3</sup>	6.56%	(1.89)%

Effective July 24, 2024, the fund's primary benchmark changed from the Bloomberg U.S. Government/Mortgage-Backed Securities Index (the "Previous Primary Benchmark") to the Bloomberg U.S. Aggregate Index, a broad-based index that represents the overall applicable securities market, as required by the SEC. The Previous Primary Benchmark provides a means to compare the fund's results to a benchmark that the investment adviser believes is more representative of the fund's investment universe. There is no change in the fund's investment strategies as a result of the benchmark change.

<sup>1</sup> Class 529-F-2 shares were first offered on October 30, 2020.

<sup>2</sup> Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, results reflect fee waivers and/or expense reimbursements, without which they would have been lower.

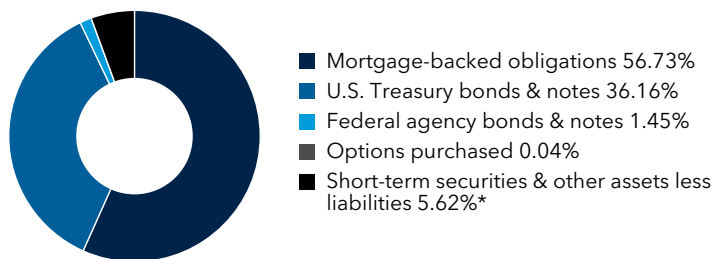
<sup>3</sup> Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): Bloomberg Index Services Ltd.

**The fund's past performance is not a predictor of its future performance.** The line chart and table do not reflect the deduction of taxes that a shareholder would pay on fund distributions or redemption of fund shares.

## Key fund statistics

Fund net assets (in millions)	\$22,237
Total number of portfolio holdings	1,100
Total advisory fees paid (in millions)	\$44
Portfolio turnover rate including mortgage dollar roll transactions	570%
Portfolio turnover rate excluding mortgage dollar roll transactions	50%

## Portfolio holdings by asset type (percent of net assets)



\*Includes derivatives.

## Material fund changes

This is a summary of certain changes to the fund since September 1, 2023. For more complete information, you may review the fund's next prospectus, which we expect to be available by November 1, 2024 at [capitalgroup.com/mutual-fund-literature-529F2](https://capitalgroup.com/mutual-fund-literature-529F2) or upon request at (800) 421-4225.

The total annual operating expense ratio after expense waiver for Class 529-F-2 shares increased from 0.33% to 0.39% during the reporting period. The increase was primarily due to an increase in transfer agent fees driven by changes in net assets and the number of shareholder accounts served.

## Availability of additional information



Scan the QR code to view additional information about the fund, including its prospectus, financial information, holdings and information on proxy voting. Or refer to the web address included at the beginning of this report.

## Important information

To reduce fund expenses, only one copy of most shareholder documents will be mailed to shareholders with multiple accounts at the same address (householding). If you would prefer that your documents not be househanded, please contact Capital Group at (800) 421-4225, or contact your financial intermediary. Your instructions will typically be effective within 30 days of receipt by Capital Group or your financial intermediary.