

Short-Term Bond Fund of America®

Class R-2E | RAAEX for the year ended August 31, 2024



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This annual shareholder report contains important information about Short-Term Bond Fund of America (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-R2E. You can also request this information by contacting us at (800) 421-4225.

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 R-2E	\$108	1.05%

Management's discussion of fund performance

The fund's Class R-2E shares gained 5.57% for the year ended August 31, 2024. That result compares with a 6.10% gain for the Bloomberg U.S. Government/Credit (1-3 years, ex BBB) Index. For information on returns for additional periods, including the fund lifetime, please refer to capitalgroup.com/mutual-fund-returns-R2E.

What factors influenced results

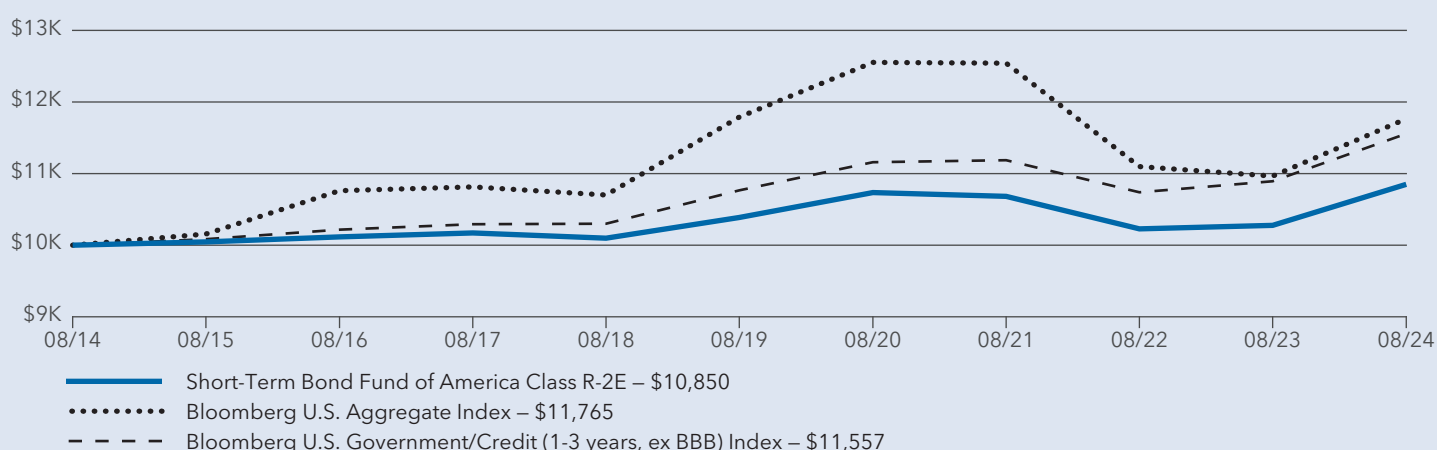
Expectations the U.S. Federal Reserve will begin to cut the federal funds rate contributed to a notable decline in Treasury bond yields, which pushed bond prices higher. The Fed's potential move comes as inflation cooled, hitting a three-year low in August, and hiring slowed. Bond issuance among both U.S. Treasuries and corporate issuers remained strong.

Each of the fund's sectors added positive returns to the portfolio, with investment-grade corporate bonds and securitized debt returns surpassing those of the overall portfolio. Likewise, holdings in government-related bonds and the U.S. Treasuries were meaningful contributors, despite lagging the portfolio's absolute return. Duration and curve positioning further aided the fund's absolute returns by strategically aligning the portfolio with anticipated interest rate movements and yield curve shifts. Curve positioning involves selecting bonds with different maturities to take advantage of expected changes in the yield curve and optimizing the timing and structure of bond investments to seek to enhance overall returns.

Conversely, holdings in inflation-linked bonds detracted somewhat from the broader portfolio's return while remaining positive. Additionally, exposure to overnight index swaps (an interest rate swap transaction) slightly dampened absolute returns due to the nuanced effects of these swaps on the fund's interest rate exposure. Overnight index swaps are used to manage interest rate risk by exchanging a fixed interest rate for a floating rate tied to an overnight index, such as the federal funds rate, which can impact the overall interest rate sensitivity of the portfolio.

How a hypothetical \$10,000 investment has grown

Figures assume reinvestment of dividends and capital gains.



Average annual total returns

	1 year	5 years	10 years
Short-Term Bond Fund of America – Class R-2E*	5.57%	0.87%	0.82%
Bloomberg U.S. Aggregate Index†	7.30%	(0.04)%	1.64%
Bloomberg U.S. Government/Credit (1-3 years, ex BBB) Index†	6.10%	1.43%	1.46%

Effective July 24, 2024, the fund's primary benchmark changed from the Bloomberg U.S. Government/Credit (1-3 years, ex BBB) 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.

* 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.

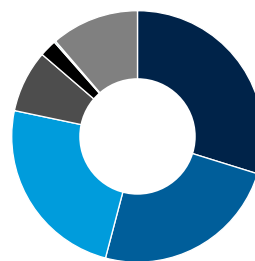
† Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): Bloomberg Index Services Ltd.

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)	\$11,818
Total number of portfolio holdings	1,274
Total advisory fees paid (in millions)	\$29
Portfolio turnover rate including mortgage dollar roll transactions	266%
Portfolio turnover rate excluding mortgage dollar roll transactions	93%

Portfolio holdings by asset type (percent of net assets)



- U.S. Treasury bonds & notes 29.75%
- Asset-backed obligations 24.29%
- Mortgage-backed obligations 24.15%
- Corporate bonds, notes & loans 8.01%
- Bonds & notes of governments & government agencies outside the U.S. 2.22%
- Other bonds, notes & debt instruments 0.24%
- Options purchased 0.02%
- Short-term securities & other assets less liabilities 11.32%*

*Includes derivatives.

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.