

Quarter highlights

- Stock selection in the information technology sector weighed on relative returns, with the fund's smaller overall weighting in the sector a further drag.
- Consumer discretionary positioning detracted, with both investment selection and the fund's larger holdings weighing on a relative basis.
- The fund's health care holdings were beneficial for relative results.
- Communication services holdings remained strong during the second quarter with generally improving sentiment around the outlook for online advertising and investor enthusiasm on exposure to AI technology.

Market review

U.S. equities set fresh records during the second quarter as easing inflation fed investor hopes for an interest rate cut later in the year. The S&P 500 and Nasdaq Composite indexes gained more than 4% and 8%, respectively, fueled by enthusiasm for technology stocks tied to the promise of artificial intelligence (AI). Both indexes ended just shy of their record highs reached in mid-June. Communication services and utilities stocks in the S&P 500 Index also posted solid gains.

The Federal Reserve left rates unchanged. Policymakers remained cautious, projecting just one rate cut in 2024 even as inflation cooled, and U.S. economic growth slowed. U.S. gross domestic product (GDP) rose an annualized 1.4% in the first quarter, down from 3.4% in the prior quarter. The Personal Consumption Expenditures Price Index (PCE), the Fed's preferred inflation gauge, rose 2.6% in May from a year earlier, down slightly from 2.7% in April.

Investors remained hopeful for an economic soft landing amid mixed data. Retail sales were tepid as consumers grappled with price pressures. Sales rose just 0.1% in May after falling 0.2% in April. Unemployment ticked up to 4.0% in May even as employers added 272,000 new jobs, a rebound from the fewer-than-expected 165,000 jobs added in April.

Portfolio review

Stock selection in the information technology sector weighed on relative returns, with the fund's smaller overall weighting in the sector a further drag. In particular, the fund's smaller positioning in Apple and NVIDIA were the two largest detractors during the period. Business intelligence software company MicroStrategy shares also detracted after first-quarter results disappointed analysts' forecasts and as Bitcoin gave up some of its recent strong gains. Nevertheless, shares of chipmakers Broadcom and TSMC advanced on the back of robust demand for advanced chips to support cloud computing and generative AI. In addition, TSMC benefited from the news that it had won a \$6.6 billion subsidy from the U.S. government to expand chipmaking in Arizona. The fund's smaller positioning in Intel was beneficial as the company's shares continued to plunge.

Consumer discretionary positioning detracted, with both investment selection and the fund's larger holdings weighing on a relative basis. Shares of DoorDash slid on mixed first-quarter results and profitability worries against rising costs.

Larger holdings in the industrials sector hindered returns on a relative basis.

The fund's health care holdings were beneficial. Shares of biopharmaceutical company Alnylam Pharmaceuticals surged after reporting positive clinical trial results in June for its vutrisiran drug to treat the rare hereditary disease amyloidosis.

Communication services holdings remained strong during the second quarter with generally improving sentiment around the outlook for online advertising and investor enthusiasm on exposure to AI technology.

Less exposure to more interest-rate sensitive sectors including financials and real estate contributed as results lagged the broader index.

Figures shown are past results and are not predictive of results in future periods.

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

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Top five contributors to relative returns

	Portfolio* %	Index %	Relative contribution
Broadcom Inc.	3.69	1.40	0.33
Alnylam Pharmaceuticals, Inc	0.45	0.00	0.25
Taiwan Semiconductor Manufacturing Co., Ltd.	1.28	0.00	0.23
Intel Corporation	0.08	0.32	0.12
Aerospace	1.82	0.40	0.12

Bottom five contributors to relative returns

Apple Inc.	1.47	6.13	-0.82
NVIDIA Corporation	3.13	5.65	-0.70
DoorDash, Inc.	0.57	0.00	-0.15
Shopify, Inc.	0.63	0.00	-0.13
MicroStrategy Incorporated	0.44	0.00	-0.12

*Average position for time period. Impact relative to the S&P 500 Index. The holdings identified do not represent all the securities in the portfolio. Relative contribution measures the impact a security has on the portfolio's excess return (the portfolio return minus the benchmark return). Past results are not predictive of results in future periods.

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Class F-2 share returns for periods ended 6/30/24

	Total returns (%)			Average annual total returns (%)			
	QTD	YTD	1 year	3 years	5 years	10 years	Fund lifetime (Since 12/1/73)
The Growth Fund of America	3.84	16.92	30.53	6.31	14.97	13.19	13.90
S&P 500 Index	4.28	15.29	24.56	10.01	15.05	12.86	-
Russell 1000 Growth Index	8.33	20.70	33.48	11.28	19.34	16.33	-

Fund expense ratio: 0.40%[†]

[†]The expense ratio is as of the fund's prospectus available at the time of publication.

S&P 500 Index is a market capitalization-weighted index based on the results of approximately 500 widely held common stocks. **Russell 1000 Growth Index** measures the results 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. **NASDAQ Composite Index** is a market capitalization-weighted index that includes all domestic and international based common type stocks listed on the NASDAQ Stock Market. **Personal Consumption Expenditure Price Index** is a measure of prices that people living in the United States, or those buying on their behalf, pay for goods and services. It's sometimes called the core PCE price index, because two categories that can have price swings - food and energy - are left out to make underlying inflation easier to see.

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The market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. There have been periods when the fund has lagged the indexes.

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Capital Client Group, Inc.

Long-term perspective

The fund takes a flexible investment approach, seeking opportunities in traditional growth stocks, cyclical stocks and turnarounds with significant capital appreciation potential. While the fund's focus remains on companies domiciled in the U.S., it has the flexibility to invest 25% of its total assets in non-U.S. companies.