



AMERICAN  
FUNDS®

From Capital Group

American Funds  
Managed Portfolios

**Invest in Portfolios  
That Are Designed  
to Pursue Real Life  
Objectives.**



# What Makes American Funds Managed Portfolios Different?

For more than 80 years, American Funds has offered actively managed mutual funds that feature in-depth global research, experienced managers and a philosophy of long-term investing. The American Funds managed portfolios are carefully monitored by our investment professionals, who also manage the underlying funds.

## Created to Align With Your Objectives

The American Funds managed portfolios take into account investors' goals, objectives, time horizons and appetite for risk. This provides you with a number of choices in tailoring investments to pursue specific goals, such as saving for college and retirement, reducing taxes and generating income in retirement.



### Real-Life Investment Goals

- American Funds Portfolio Series<sup>SM</sup>
- American Funds Insurance Series – Portfolio Series<sup>SM</sup>
- American Funds Retirement Income Portfolio Series<sup>SM</sup>



### Time-Based Goals

- American Funds Target Date Retirement Series<sup>®</sup>
- American Funds College Target Date Series<sup>®</sup>

## Built With the Care You've Come to Expect From American Funds

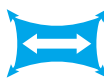
- **No management fees.** While some funds of funds charge a management fee, American Funds managed portfolios do not.
- **Extensive research and testing.** The American Funds Portfolio Oversight Committee – seven highly experienced portfolio managers – bring their experience in managing the American Funds to these portfolios.
- **Actively monitored.** The funds are actively managed and, if necessary, adjusted to pursue the portfolios' real-life objectives. Like the underlying American Funds, these American Funds managed portfolios benefit from the ongoing research and attention of our investment professionals.
- **Made up of the American Funds.** These are the same funds trusted by many investors and their financial advisors.

## Using the Portfolios in Working With Clients



### Complexity Simplified

Investors may be glad to receive a statement listing just one mutual fund that reflects a fully diversified investment account. An American Funds managed portfolio represents a number of select actively managed mutual funds, in addition to hundreds, if not thousands, of stocks and bonds.



### Flexibility

Our portfolio series funds can be an investor's sole holding. Or, a client can select our other portfolio series and target date funds to help pursue specific goals and address unique needs.



### Specific Needs

For an IRA or 529 college savings plan, our target date series may be a good choice – and it may be the only investment you need for that account.

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

# Designed to Help Keep Your Investments on Track

The American Funds Portfolio Oversight Committee followed an objective-based, bottom-up process that included rigorous analysis of the underlying funds and the resulting portfolio fund holdings. These portfolios can provide advisors with the flexibility to implement objective-based planning for their clients.

## The American Funds Portfolio Oversight Committee

- 1 Real-life investor objectives:** To help align the managed portfolios with investors' goals, the committee identified and considered the critical attributes of each objective.
- 2 A bottom-up approach:** When selecting and allocating the underlying funds, the committee determined what they believe are the best mix using their understanding of the underlying funds' objectives, holdings and history to create a blended portfolio. Each committee member manages money in at least one of the underlying funds in the American Funds managed portfolios.
- 3 Rigorous analysis:** In addition to long-term results, the investment professionals reviewed historical results during rolling periods – in different stages of the market cycle and in varying interest-rate environments.
- 4 Oversight:** The committee meets monthly to gauge how funds are targeting their objectives. When necessary, they carefully make adjustments informed by research, discussion and study of each market movement.

## Eleven American Funds cited for excellence in the Morningstar 2015 *FundInvestor* "Fantastic 50."

This annual review of nearly 8,000 funds uses criteria such as expense ratio, manager ownership and tenure, returns above benchmark, and the Morningstar analyst rating.



"American Funds is well-designed to check all the boxes. It has long-tenured managers who put their money where their mouths are. In addition, nearly all American Funds are cheap. The funds aren't flashy, but they have rewarded patient investors for many years."

– Morningstar, *FundInvestor*, June 2015

## The Dynamics of the Portfolio Oversight Committee



# American Funds Portfolio Series

The objective-based framework for the American Funds Portfolio Series mirrors the way investors view and handle their personal finances. It allows them to divide their assets based on their needs and goals. The underlying funds in each of these portfolios were carefully selected and tested to pursue real-life investment objectives.

## Preservation

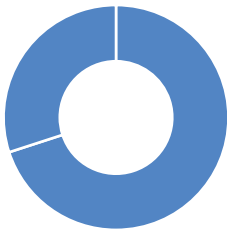
Plan for today to help protect your assets during declines

Seeks to provide: Income and preservation  
 Volatility: Lower  
 Time horizon: Near term  
 Growth potential: Low

### American Funds Tax-Exempt Preservation Portfolio<sup>SM</sup>

As of December 31, 2015:

1,147 bond holdings  
 0 equity holdings  
 3 portfolio managers  
 30 avg. years experience



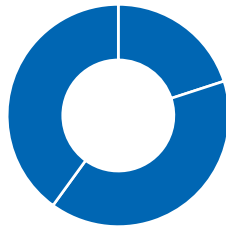
| Underlying Funds*   | Weight* |
|---|---------|
| Limited Term Tax-Exempt Bond Fund of America <sup>®</sup> | 70%     |
| The Tax-Exempt Bond Fund of America <sup>®</sup>          | 30%     |

| Share Class | Ticker Symbol | Expense Ratio <sup>†</sup> |
|-------------|---------------|----------------------------|
| A           | TEPAX         | 0.76                       |
| C           | TEPCX         | 1.46                       |
| F-1         | TEPFX         | 0.73                       |
| F-2         | TXEFX         | 0.48                       |
| R-3         | N/A           | N/A                        |

### American Funds Preservation Portfolio<sup>SM</sup>

As of December 31, 2015:

835 bond holdings  
 8 equity holdings  
 12 portfolio managers  
 25 avg. years experience



| Underlying Funds*                              | Weight* |
|--|---------|
| Intermediate Bond Fund of America <sup>®</sup> | 40%     |
| Short-Term Bond Fund of America <sup>®</sup>   | 40%     |
| The Bond Fund of America <sup>®</sup>          | 20%     |

| Share Class | Ticker Symbol | Expense Ratio <sup>†</sup> |
|-------------|---------------|----------------------------|
| A           | PPVAX         | 0.71                       |
| C           | PPVCX         | 1.43                       |
| F-1         | PPVFX         | 0.70                       |
| F-2         | PPEFX         | 0.45                       |
| R-3         | RPPCX         | 1.01                       |

■ Growth-and-income funds  
■ Equity-income funds  
■ Balanced funds  
■ Taxable bond funds  
■ Tax-exempt bond funds

## Balance

Prepare for tomorrow to help build your assets over time

Seeks to provide: Growth and income  
 Volatility: Moderate  
 Time horizon: Medium term  
 Growth potential: Low

### American Funds Tax-Advantaged Income Portfolio<sup>SM</sup>

As of December 31, 2015:

1,172 bond holdings  
 443 equity holdings  
 20 portfolio managers  
 26 avg. years experience



| Underlying Funds*                                     | Weight* |
|---|---------|
| Capital World Growth and Income Fund <sup>®</sup>     | 25%     |
| Washington Mutual Investors Fund <sup>SM</sup>        | 25%     |
| American High-Income Municipal Bond Fund <sup>®</sup> | 25%     |
| The Tax-Exempt Bond Fund of America <sup>®</sup>      | 25%     |

| Share Class | Ticker Symbol | Expense Ratio <sup>†</sup> |
|-------------|---------------|----------------------------|
| A           | TAIAX         | 0.79                       |
| C           | TAICX         | 1.49                       |
| F-1         | TAIFX         | 0.76                       |
| F-2         | TXIFX         | 0.51                       |
| R-3         | N/A           | N/A                        |

### American Funds Income Portfolio<sup>SM</sup>

As of December 31, 2015:

802 bond holdings  
 486 equity holdings  
 30 portfolio managers  
 27 avg. years experience



| Underlying Funds                             | Weight* |
|--|---------|
| American Mutual Fund <sup>®</sup>            | 20%     |
| Capital Income Builder <sup>®</sup>          | 25%     |
| The Income Fund of America <sup>®</sup>      | 25%     |
| American High-Income Trust <sup>®</sup>      | 15%     |
| U.S. Government Securities Fund <sup>®</sup> | 15%     |

| Share Class | Ticker Symbol | Expense Ratio <sup>†</sup> |
|-------------|---------------|----------------------------|
| A           | INPAX         | 0.64                       |
| C           | INPCX         | 1.41                       |
| F-1         | INPFX         | 0.68                       |
| F-2         | INPEX         | 0.44                       |
| R-3         | RNCCX         | 0.99                       |

\*Allocation percentages and underlying funds are subject to the Portfolio Oversight Committee's discretion and will evolve over time. Underlying funds may be added or removed at any time. The fund allocation strategies for the portfolios do not guarantee that investors' objectives will be met. Investors and their advisors should periodically evaluate their investments to determine whether they continue to meet their needs. There are expenses associated with the underlying funds in addition to funds-of-funds expenses. The funds' risks are directly related to the risks of the underlying funds. Diversification does not eliminate the risk of investing; losses are possible in a diversified portfolio. For more information about the risks associated with each underlying fund, please see the fund's prospectus. For quarterly updates of underlying fund allocations, visit [americanfunds.com](http://americanfunds.com).

†Expense ratios are as of the most recent prospectus and include the weighted average expenses of the underlying funds.

## American Funds Balanced Portfolio<sup>SM</sup>

As of December 31, 2015:

|     |                       |
|-----|-----------------------|
| 867 | bond holdings         |
| 642 | equity holdings       |
| 35  | portfolio managers    |
| 27  | avg. years experience |



| Underlying Funds*                                 | Weight* |
|---|---------|
| New Perspective Fund®                             | 20%     |
| Capital World Growth and Income Fund®             | 10%     |
| Washington Mutual Investors Fund <sup>SM</sup>    | 10%     |
| American Balanced Fund®                           | 20%     |
| American Funds Global Balanced Fund <sup>SM</sup> | 20%     |
| The Bond Fund of America®                         | 20%     |

| Share Class | Ticker Symbol | Expense Ratio† |
|-------------|---------------|----------------|
| A           | BLPAX         | 0.70           |
| C           | BLPCX         | 1.49           |
| F-1         | BLPFX         | 0.76           |
| F-2         | BLPEX         | 0.51           |
| R-3         | RBACX         | 1.07           |

## American Funds Growth and Income Portfolio<sup>SM</sup>

As of December 31, 2015:

|     |                       |
|-----|-----------------------|
| 652 | bond holdings         |
| 752 | equity holdings       |
| 36  | portfolio managers    |
| 27  | avg. years experience |



| Underlying Funds*                     | Weight* |
|---------------------------------------|---------|
| The Growth Fund of America®           | 20%     |
| Capital World Growth and Income Fund® | 20%     |
| The Investment Company of America®    | 20%     |
| Capital Income Builder®               | 25%     |
| Capital World Bond Fund®              | 15%     |

| Share Class | Ticker Symbol | Expense Ratio† |
|-------------|---------------|----------------|
| A           | GAIOX         | 0.69           |
| C           | GAITX         | 1.48           |
| F-1         | GAIFX         | 0.75           |
| F-2         | GAIEX         | 0.50           |
| R-3         | RAICX         | 1.06           |

## Appreciation

Invest for your dreams to help you shape your future

Seeks to provide: Growth  
Volatility: Higher  
Time horizon: Long term  
Growth potential: High

## American Funds Growth Portfolio<sup>SM</sup>

As of December 31, 2015:

|       |                       |
|-------|-----------------------|
| 4     | bond holdings         |
| 1,235 | equity holdings       |
| 29    | portfolio managers    |
| 24    | avg. years experience |



| Underlying Funds*        | Weight* |
|--------------------------|---------|
| AMCAP Fund®              | 30%     |
| EuroPacific Growth Fund® | 25%     |
| SMALLCAP World Fund®     | 15%     |
| Fundamental Investors®   | 30%     |

| Share Class | Ticker Symbol | Expense Ratio† |
|-------------|---------------|----------------|
| A           | GWPAW         | 0.75           |
| C           | GWPCX         | 1.54           |
| F-1         | GWAFX         | 0.82           |
| F-2         | GWPEX         | 0.56           |
| R-3         | RGPCX         | 1.11           |

## American Funds Global Growth Portfolio<sup>SM</sup>

As of December 31, 2015:

|     |                       |
|-----|-----------------------|
| 66  | bond holdings         |
| 787 | equity holdings       |
| 24  | portfolio managers    |
| 26  | avg. years experience |



| Underlying Funds*                     | Weight* |
|---------------------------------------|---------|
| The New Economy Fund®                 | 20%     |
| New Perspective Fund®                 | 30%     |
| New World Fund®                       | 20%     |
| Capital World Growth and Income Fund® | 30%     |

| Share Class | Ticker Symbol | Expense Ratio† |
|-------------|---------------|----------------|
| A           | PGGAX         | 0.84           |
| C           | GGPCX         | 1.61           |
| F-1         | PGGFX         | 0.89           |
| F-2         | PGWFX         | 0.63           |
| R-3         | RGLCX         | 1.19           |

We also offer the **American Funds Insurance Series – Portfolio Series<sup>SM</sup>**. These five funds are designed to address specific investor needs and are available exclusively in the American Legacy® variable annuity from Lincoln Financial Group.®



# American Funds Retirement Income Portfolio Series

Designed as a withdrawal source for a retiree's lifestyle, or discretionary, needs, these three portfolios are intended to be used in concert with the retiree's other assets. They seek to preserve as much of the initial investment as possible – even as the investor takes regular distributions.

## Conservative

### American Funds Retirement Income Portfolio – Conservative<sup>SM</sup>

With significant allocations to The Bond Fund of America and U.S. Government Securities Fund, this portfolio focuses more on preservation of capital, while still seeking to provide current income.

2.50%-3.00% **Suggested annual withdrawal rate range<sup>1</sup>**

41% **Equity allocation** (as of 12/31/15)



## Moderate

### American Funds Retirement Income Portfolio – Moderate<sup>SM</sup>

The portfolio includes several fixed-income funds, but the allocation is weighted more toward equity-income funds like Capital Income Builder and The Income Fund of America.

2.75%-3.50% **Suggested annual withdrawal rate range<sup>1</sup>**

55% **Equity allocation** (as of 12/31/15)



## Enhanced

### American Funds Retirement Income Portfolio – Enhanced<sup>SM</sup>

With greater allocations to income-focused equity funds, the portfolio has more potential upside over the long term, but likely will result in greater volatility.

3.00%-4.00% **Suggested annual withdrawal rate range<sup>1</sup>**

69% **Equity allocation** (as of 12/31/15)



■ Growth-and-income funds

■ Equity-income funds

■ Balanced funds

■ Taxable bond funds

| Underlying Funds <sup>2</sup>                          | Weight |
|--|--------|
| American Mutual Fund <sup>®</sup>                      | 5%     |
| Capital Income Builder <sup>®</sup>                    | 20     |
| The Income Fund of America <sup>®</sup>                | 15     |
| American Balanced Fund <sup>®</sup>                    | 10     |
| American Funds Global Balanced Fund <sup>SM</sup>      | 5      |
| American Funds Inflation Linked Bond Fund <sup>®</sup> | 5      |
| American Funds Mortgage Fund <sup>®</sup>              | 5      |
| The Bond Fund of America <sup>®</sup>                  | 25     |
| U.S. Government Securities Fund <sup>®</sup>           | 10     |

| Underlying Funds <sup>2</sup>                          | Weight |
|--|--------|
| American Mutual Fund <sup>®</sup>                      | 5%     |
| Capital Income Builder <sup>®</sup>                    | 25     |
| The Income Fund of America <sup>®</sup>                | 25     |
| American Balanced Fund <sup>®</sup>                    | 15     |
| American Funds Global Balanced Fund <sup>SM</sup>      | 5      |
| American Funds Inflation Linked Bond Fund <sup>®</sup> | 5      |
| American Funds Mortgage Fund <sup>®</sup>              | 5      |
| The Bond Fund of America <sup>®</sup>                  | 10     |
| U.S. Government Securities Fund <sup>®</sup>           | 5      |

| Underlying Funds <sup>2</sup>                          | Weight |
|--|--------|
| American Mutual Fund <sup>®</sup>                      | 5%     |
| Capital Income Builder <sup>®</sup>                    | 30     |
| The Income Fund of America <sup>®</sup>                | 30     |
| American Balanced Fund <sup>®</sup>                    | 20     |
| American Funds Global Balanced Fund <sup>SM</sup>      | 10     |
| American Funds Inflation Linked Bond Fund <sup>®</sup> | 5      |

| Share Class | Ticker Symbol | Expense Ratio <sup>3</sup> |
|-------------|---------------|----------------------------|
| A           | NAARX         | 0.80                       |
| C           | NGCRX         | 1.50                       |
| F-1         | FAFWX         | 0.81                       |
| F-2         | FDFWX         | 0.56                       |
| R-3         | RJRPX         | 1.29                       |

| Share Class | Ticker Symbol | Expense Ratio <sup>3</sup> |
|-------------|---------------|----------------------------|
| A           | NBARX         | 0.81                       |
| C           | NBCRX         | 1.51                       |
| F-1         | FBFWX         | 0.82                       |
| F-2         | FHFWX         | 0.57                       |
| R-3         | RKRPX         | 1.30                       |

| Share Class | Ticker Symbol | Expense Ratio <sup>3</sup> |
|-------------|---------------|----------------------------|
| A           | NDARX         | 0.83                       |
| C           | NDCRX         | 1.53                       |
| F-1         | FCFWX         | 0.84                       |
| F-2         | FGFWX         | 0.59                       |
| R-3         | RLRPX         | 1.32                       |

<sup>1</sup> Percent of initial investment.

<sup>2</sup> Allocation percentages and underlying funds are subject to the Portfolio Oversight Committee's discretion and will evolve over time. Underlying funds may be added or removed at any time.

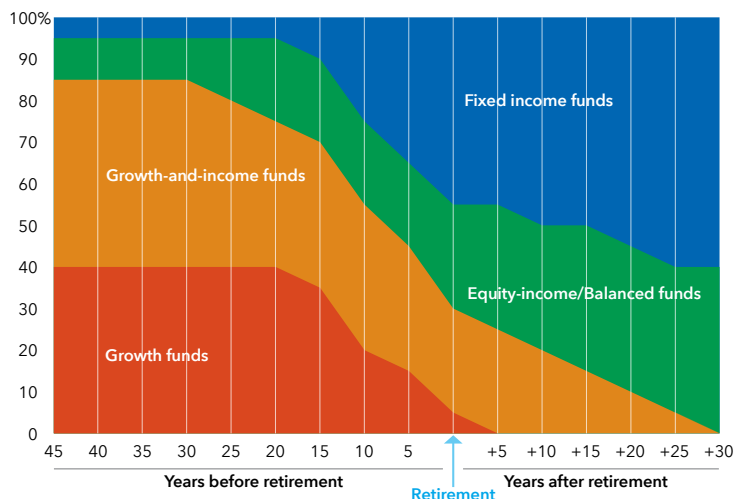
<sup>3</sup> Expense ratios are as of the most recent prospectus and include the weighted average expenses of underlying funds.

The Retirement Income Portfolio Series investment allocations may not achieve fund objectives and adequate income through retirement is not guaranteed. There are expenses associated with the underlying funds. The funds' 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 balance. Persistent returns of capital could ultimately result in a zero account balance. Financial advisors should check with their home offices for share class availability.

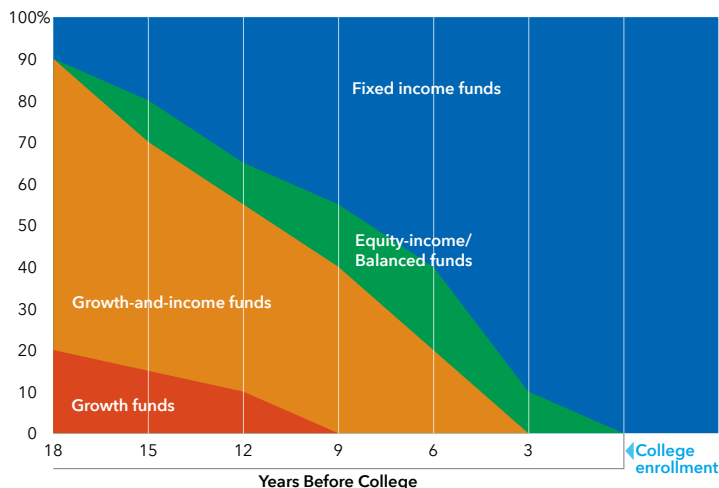
# American Funds Target Date Series

American Funds Target Date Retirement Series and American Funds College Target Date Series provide diversification in a single, easy-to-use investment. The allocation of each gradually transitions from a growth-oriented focus to income and conservation of principal as the fund approaches and passes its target date.

**American Fund Target Date Retirement Series Glide Path**



**American Fund College Target Date Series Glide Path**



| Funds Offered:  | Ticker Symbol |          |            |            |            |
|---|---------------|----------|------------|------------|------------|
|   | A Shares      | C Shares | F-1 Shares | F-2 Shares | R-3 Shares |
| American Funds 2060 Target Date Retirement Fund <sup>SM</sup> | AANTX         | CCKTX    | FAWTX      | FBKTX      | RCNTX      |
| American Funds 2055 Target Date Retirement Fund <sup>®</sup>  | AAMTX         | CCJTX    | FAJTX      | FBJTX      | RCMTX      |
| American Funds 2050 Target Date Retirement Fund <sup>®</sup>  | AALTX         | CCITX    | FAITX      | FBITX      | RCITX      |
| American Funds 2045 Target Date Retirement Fund <sup>®</sup>  | AAHTX         | CCHTX    | FATX       | FBHTX      | RCHTX      |
| American Funds 2040 Target Date Retirement Fund <sup>®</sup>  | AAGTX         | CCGTX    | FAUTX      | FBGTX      | RCKTX      |
| American Funds 2035 Target Date Retirement Fund <sup>®</sup>  | AAFTX         | CCFTX    | FAQTX      | FBFTX      | RCFTX      |
| American Funds 2030 Target Date Retirement Fund <sup>®</sup>  | AAETX         | CCETX    | FAETX      | FBETX      | RCETX      |
| American Funds 2025 Target Date Retirement Fund <sup>®</sup>  | AADTX         | CCDTX    | FAPT       | FBDTX      | RCDTX      |
| American Funds 2020 Target Date Retirement Fund <sup>®</sup>  | AACTX         | CCCTX    | FAOTX      | FBCTX      | RCCTX      |
| American Funds 2015 Target Date Retirement Fund <sup>®</sup>  | AABTX         | CCBTX    | FAKTX      | FBBTX      | RCJTX      |
| American Funds 2010 Target Date Retirement Fund <sup>®</sup>  | AAATX         | CCATX    | FAATX      | FBATX      | RCATX      |

| Funds Offered:                                      | Ticker Symbol |              |              |                |
|---|---------------|--------------|--------------|----------------|
|   | 529-A Shares  | 529-C Shares | 529-E Shares | 529-F-1 Shares |
| American Funds College 2033 Fund <sup>SM</sup>      | CTLAX         | CTLCX        | CTLEX        | CTLFX          |
| American Funds College 2030 Fund <sup>®</sup>       | CTHAX         | CTYCX        | CTHEX        | CTHFX          |
| American Funds College 2027 Fund <sup>®</sup>       | CSTAX         | CTSCX        | CTSEX        | CTSFX          |
| American Funds College 2024 Fund <sup>®</sup>       | CFTAX         | CTFCX        | CTFEX        | CTFFX          |
| American Funds College 2021 Fund <sup>®</sup>       | CTOAX         | CTOCX        | CTOEX        | CTOFX          |
| American Funds College 2018 Fund <sup>®</sup>       | CNEAX         | CNECX        | CNEEX        | CNEFX          |
| American Funds College Enrollment Fund <sup>®</sup> | CENAX         | CENCX        | CENEX        | CENFX          |

The target allocations shown are as of January 1, 2016, and are subject to the Portfolio Oversight Committee's discretion. The funds' investment adviser anticipates that the funds will invest their assets within a range that deviates no more than 10% above or below those allocations. Underlying funds may be added or removed during the year. The fund allocation strategies for the managed portfolios do not guarantee that investors' education savings goals or retirement goals will be met. Investors and their advisors should periodically evaluate their investments to determine whether they continue to meet their needs. There are expenses associated with the underlying funds in addition to funds-of-funds expenses. The funds' risks are directly related to the risks of the underlying funds. Diversification does not eliminate the risk of investing; losses are possible in a diversified portfolio. For more information about the risks associated with each underlying fund, go to its detailed fund information page or read its prospectus. For quarterly updates of underlying fund allocations, visit [americanfunds.com](http://americanfunds.com) and [americanfundsretirement.com](http://americanfundsretirement.com).

Financial advisors should check with their home offices for share class availability.

# The American Funds Advantage

Since 1931, American Funds, part of Capital Group, has helped investors pursue long-term investment success. Our consistent approach – in combination with The Capital System<sup>SM</sup> – has resulted in a superior long-term track record.

## 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 27 years of investment experience, including 22 years at our company, reflecting a career commitment to our long-term approach.<sup>1</sup>

## The Capital System<sup>SM</sup>

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.

## Superior Long-Term Track Record

Our equity funds have beaten their Lipper peer indexes in 91% of 10-year periods and 95% of 20-year periods. Our fixed-income funds have beaten their Lipper indexes in 58% of 10-year periods and 58% of 20-year periods.<sup>2</sup> Our fund management fees have been among the lowest in the industry.<sup>3</sup>

<sup>1</sup>Portfolio manager experience as of December 31, 2015.

<sup>2</sup>Based on Class A share results for rolling periods through December 31, 2015. 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).

<sup>3</sup>On average, our management fees were in the lowest quintile 68% of the time, based on the 20-year period ended December 31, 2015, versus comparable Lipper categories, excluding funds of funds.

We believe that investors can benefit from the guidance and knowledge of a trusted professional. That's why the American Funds are distributed by financial advisors. In addition to the more than 40 American Funds, we offer the American Funds Target Date Retirement Series<sup>®</sup> as well as CollegeAmerica<sup>®</sup>, a 529 college savings plan sponsored by Virginia529, Coverdell Education Savings Accounts, the American Funds Insurance Series<sup>®</sup> variable annuity funds, the American Funds Portfolio Series<sup>SM</sup>, the American Funds Retirement Income Portfolio Series<sup>SM</sup> and a full line of retirement plan solutions. For details, please contact a financial professional or visit us at [americanfunds.com](http://americanfunds.com).

The American Funds managed portfolio funds' risks are directly related to the risks of the underlying funds. Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in the prospectus. These risks may be heightened in connection with investments in developing countries. Small-company stocks entail additional risks, and they can fluctuate in price more than larger company stocks. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. The return of principal for bond funds and for funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with underlying bond holdings. While not directly correlated to changes in interest rates, the values of inflation-linked bonds generally fluctuate in response to changes in real interest rates and may experience greater losses than other debt securities with similar durations. Investments in mortgage-related securities involve additional risks, such as prepayment risk, as more fully described in the prospectus. Bond prices and a bond fund's share price will generally move in the opposite direction of interest rates. Shares of U.S. Government Securities Fund are not guaranteed by the U.S. government.

Income from municipal bonds may be subject to state or local income taxes and/or the federal alternative minimum tax (except for The Tax-Exempt Bond Fund of America). Certain other income, as well as capital gain distributions, may be taxable.

**Past results are not predictive of results in future periods.**

**Investors should carefully consider investment objectives, risks, charges and expenses. This and other important information is contained in the fund prospectuses and summary prospectuses, which can be obtained from a financial professional and should be read carefully before investing.**