

Investing for long-term success



What makes American Funds different

- Consistent approach
- Proven system
- Superior long-term track record

2011

American Funds has been managing investors' assets since 1931. We take 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. Our goal is to earn that trust each and every day.

We offer our funds through financial advisers because we believe in the value of professional advice.



About the cover: Photos of American Funds investors.

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

Unless otherwise indicated, all facts and figures are as of December 31, 2010, and all results shown are for Class A shares at net asset value with all distributions reinvested. If the 5.75% maximum Class A sales charge (3.75% for most bond and tax-exempt bond funds, 2.50% for shorter term bond funds) had been deducted, results would have been lower. For current information and month-end results, visit americanfunds.com.

Focused on investor success

For 80 years, we have managed investments with the goal of helping long-term investors succeed. Each of our funds is designed to pursue objectives that help investors meet their real-life needs. Below are a few examples of investors who, while working with their advisers, are pursuing their goals with 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 retirement



“With the help of my financial adviser, I ignore the gloom and doom of TV pundits and Internet bloggers. I know that there will always be hiccups along the way, but I’m able to keep better focused on my long-term goals.”

— **Peter Davis**, American Funds investor

Living in retirement



“We rely on our mutual fund managers to do the research and company selection that hopefully will produce good long-term results.”

— **Steve Smolak**, American Funds investor

The American Funds difference



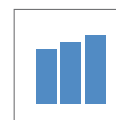
Consistent approach

We base our decisions on a long-term perspective because we believe it is the best way to achieve superior long-term investment results. Our portfolio counselors average 27 years of investment experience, including 22 years at our company, reflecting a career commitment to our long-term approach.



Proven system

Our system combines individual accountability with teamwork. Each fund is divided into portions that are managed by investment professionals with varied backgrounds, ages and investment styles. An extensive global research effort is the backbone of our system.

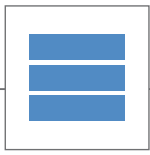


Superior long-term track record

Our equity funds have beaten their Lipper peer indexes in 89% of 10-year periods and 96% of 20-year periods. Our fixed-income funds have beaten their Lipper indexes in 65% of 10-year periods and 75% of 20-year periods.* Our fund management fees have consistently been among the lowest in the industry.†

* Based on Class A share results for periods through 12/31/10. Periods covered are the shorter of the fund’s lifetime or since the comparable Lipper index inception date.

† Based on management fees for the 20-year period ended 12/31/10 versus comparable Lipper categories, excluding funds of funds.



Aligned with long-term investors

Our investment philosophy is based on doing what we believe is right for fund investors. We pay close attention to risk in our efforts to help protect the value of investments.

- We base our decisions on a long-term perspective because we believe it is the best way to achieve superior long-term investment results.
- We don't ask, "Where will this *security* be in three to six *months*?" We ask, "Where will this *company* or *issuer* be in five to 10 *years*?"

How do we stay aligned with investors?

We invest alongside you



"My own personal and family investments are in our funds. Collectively, all of us at American Funds are significant investors in our funds."

— **Jim Rothenberg**, American Funds portfolio counselor

"It stands to reason that managers who invest in the funds they run show conviction in their strategies and are more likely to act in the long-term interests of shareholders ... American Funds' [The] Growth Fund of America [for example, has] managers with substantial skin in the game."

— **Morningstar**, January 2011

We reward long-term results



"We measure ourselves over rolling four- and eight-year periods to encourage a long-term focus and to further align ourselves with our investors."

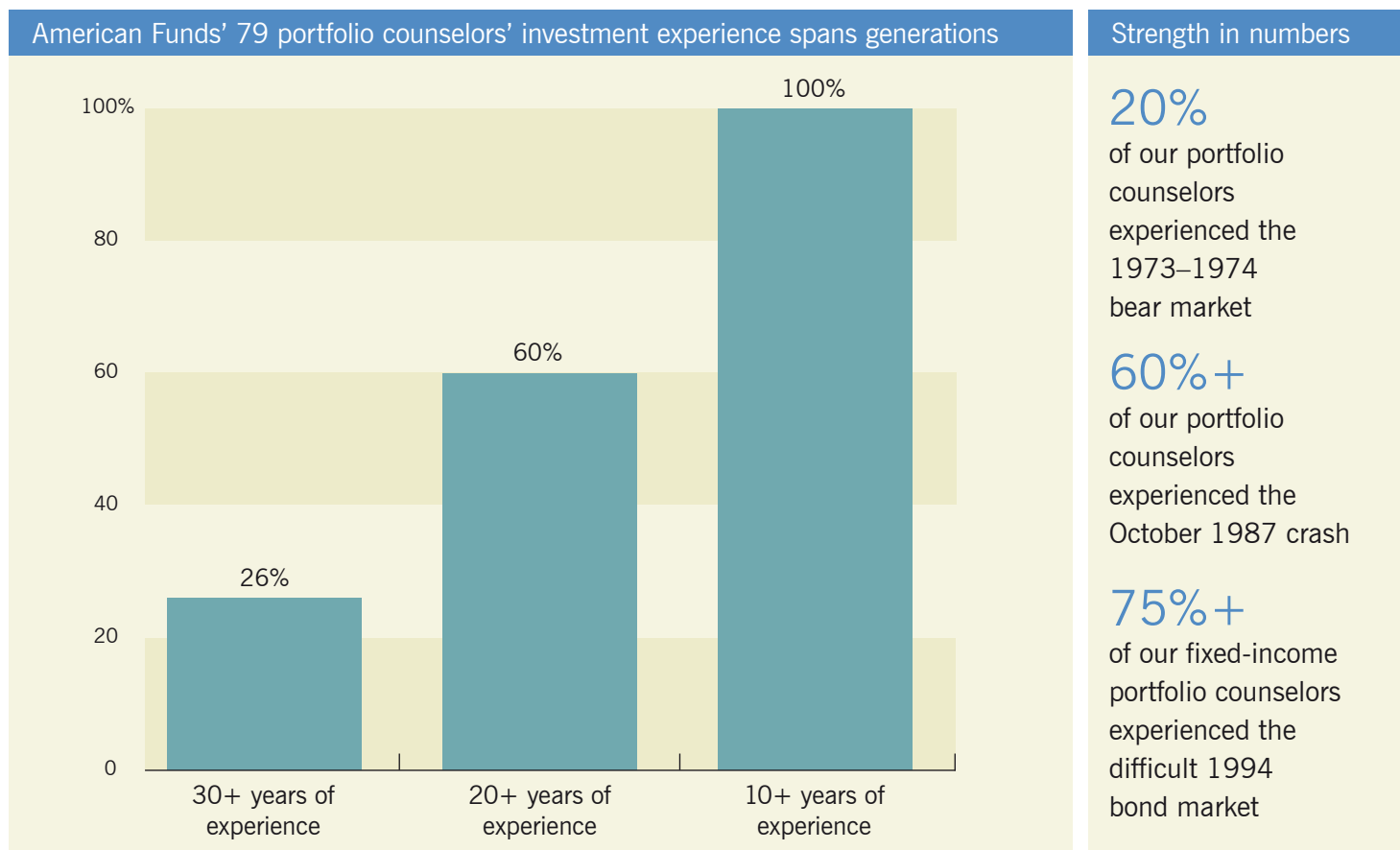
— **Joyce Gordon**, American Funds portfolio counselor

"Another key to American [Funds'] successful culture is its compensation structure. American [Funds] pays performance bonuses to analysts and counselors based on one-, four-, and eight-year records, with emphasis on the four-year and eight-year records. This isn't common in the mutual fund industry, where many firms emphasize shorter term performance, but it is a true competitive advantage."

— **Morningstar**, May 2011

Experience working for you

- Our portfolio counselors average 27 years of investment experience.
- They have an average of 22 years at our company, reflecting a career commitment to our long-term approach.
- The average tenure of our portfolio counselors on a fund is 10.5 years; for the industry, it's 5.1 years.*



Drilling deep: Three current portfolio counselors who covered oil companies during three different decades



Gregg Ireland
 Gregg was an oil analyst in the 1980s, a time of growth and change for energy companies.
Years of experience: 39
Office: Washington, D.C.



David Barclay
 David, a bond fund portfolio counselor, covered oil companies as a bond analyst in the 1990s.
Years of experience: 29
Office: Los Angeles



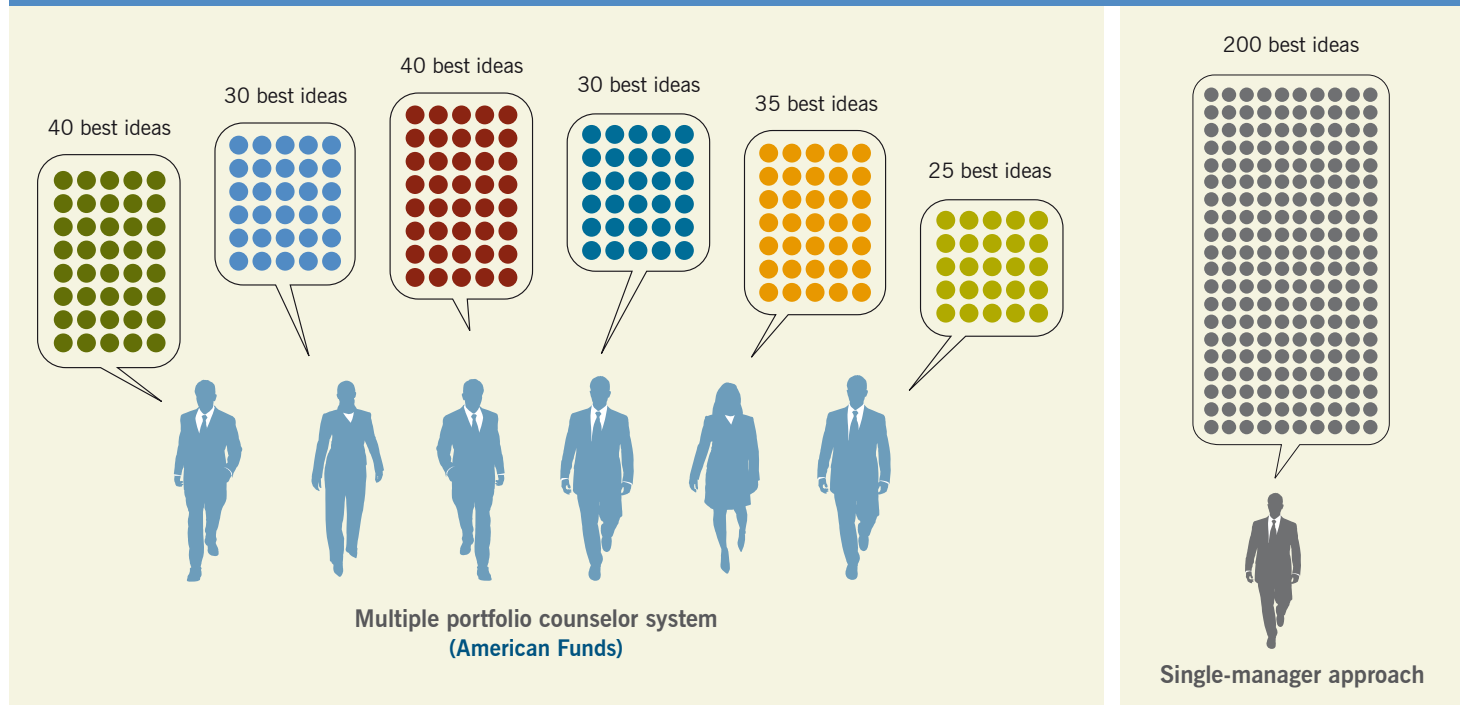
Noriko Honda Chen
 As a portfolio counselor with analyst responsibilities, Noriko continues to cover energy today.
Years of experience: 20
Office: Hong Kong

* Source: Morningstar

Why six heads can be better than one

Which would you prefer: a mutual fund that represents the 25 to 40 highest conviction ideas of several people or one person's 200 best ideas? At American Funds, we don't invest in anyone's 200th-best idea.

Two different investment approaches



“Our system is designed to try to get the benefits of two worlds. One is to capture the individual responsibility and entrepreneurial motivation that are essential to investing. You don't want a committee system managing money, because when you invest by consensus, the controversial or ‘lonely idea’ perishes. The other is the benefit of multiple points of view, which serves to sharpen the investment ideas.”

— **Rob Lovelace**, American Funds portfolio counselor

How our approach can benefit investors

Broad diversification

Each portfolio counselor invests in his or her highest conviction ideas, so fund portfolios tend to contain a diverse group of securities.

Rigorous risk management

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

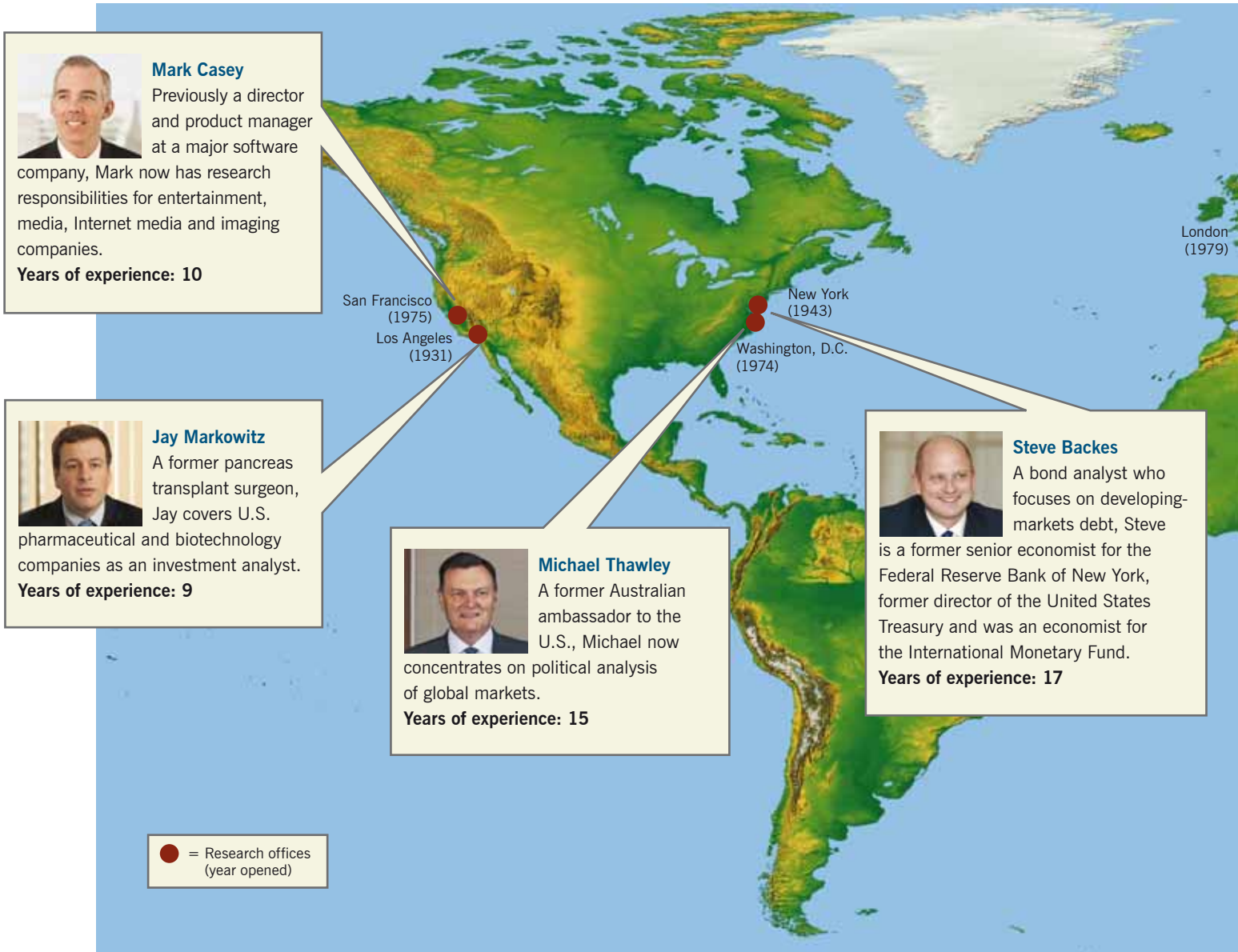
Consistency with fund objectives

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 invest more in international stocks than any other mutual fund manager.*
- We are among the largest investors of international bonds.*



Strength in numbers†

218

Investment professionals

139

Investment analysts

79

Portfolio counselors

85

Based outside the U.S.

40

Languages spoken

We manage equity assets through two investment divisions that make investment decisions independently.

* Source: Morningstar, based on net assets as of June 30, 2011

† As of June 30, 2011



Vantil Charles

A bond analyst who covers European financial companies, Vantil worked for 20 years at one of the U.K.'s largest banks, holding positions from retail banking to deputy head of the credit rating group.

Years of experience: 23



Susan Dietz-Henderson

An analyst focused on China, Susan was previously an Australian diplomat based primarily in China and was Australia's Consul-General in Shanghai.

Years of experience: 23

Geneva (1962)

Beijing (2009)

Tokyo (1982)

Mumbai (2008)

Hong Kong (1983)

Singapore (1989)



Didier Rhême

Having worked in the Taiwanese and Swiss branches of two multinational consumer companies, Didier now analyzes European companies with an emphasis on food manufacturing, luxury goods, household and personal care, and building and construction materials.

Years of experience: 14



Ellen Choi

Having scrutinized insurance, shipbuilding, consumer and financial companies for a global bank in South Korea, Ellen now covers a vast array of Asian consumer companies, from retail to food to personal care, as an investment analyst.

Years of experience: 10



Frank Ding

Now focused on China, including Chinese Internet companies, Frank worked for the State Planning Commission in China earlier in his career.

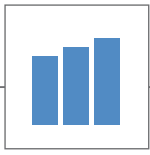
Years of experience: 17

Our investment professionals hail from around the world

51

Countries of origin





Long-term success

For most investors, results are paramount. At American Funds, we believe it's important to measure results over meaningful periods of time. Consider the following facts*:

- Our funds have beaten their Lipper peer indexes in 82% of 10-year periods (89% for equity funds, 65% for fixed-income funds).
- Our funds have beaten their Lipper peer indexes in 93% of 20-year periods (96% for equity funds, 75% for fixed-income funds).

In good times and bad, an 80-year track record of success in equity funds

Over the years, investors have been able to count on us for consistent long-term results. This becomes apparent when you look at our equity funds' results over 405 10-calendar-year periods since our first fund began in 1934 (as shown below).

	Number of 10-calendar-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®	34	34	29	24	12
EuroPacific Growth Fund®	17	17	14	8	3
The Growth Fund of America®	28	28	25	24	14
The New Economy Fund®	18	16	15	9	6
New Perspective Fund®	28	28	25	23	15
New World Fund®	2	2	2	1	0
SMALLCAP World Fund®	11	11	7	1	1
American Mutual Fund®	51	51	43	28	14
Capital World Growth and Income Fund SM	8	8	6	5	0
Fundamental Investors SM	23	23	20	16	12
The Investment Company of America®	68	68	60	41	20
Washington Mutual Investors Fund SM	49	49	42	28	15
Capital Income Builder®	14	14	12	5	0
The Income Fund of America®	28	28	25	18	6
American Balanced Fund®	26	26	23	18	2
	405	403	348	249	120
Percent of time		99.5%	85.9%	61.5%	29.6%

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

*Based on Class A share results for periods through 12/31/10. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date.



“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**, American Funds investment analyst

Long-term success for one American Funds investor



How one investor was able to achieve some of his goals, thanks to the guidance of his financial adviser and a long-term investment with American Funds.

A superior long-term track record may sound appealing on paper, but perhaps more compelling is the experience of a real-life investor like Don Clark.

In 1964, Don was a single, 26-year-old salesman living in Detroit. His father suggested he invest some of his savings, so he met with a financial adviser who recommended investing regularly with American Funds.

Like many investors, Don’s initial goal was to invest for retirement, but additional goals emerged along the way.



Carol and Don Clark

In 1977, he married Carol, and they had three children. All three chose to attend Don’s alma mater, the University of Notre Dame. When he began to plan for three college educations, Don took a closer look at his financial resources. The long-term growth of his American Funds account enabled him to send all of his children to college and plan for his retirement.

When each of his children graduated from college, he worked with his financial adviser to open American Funds accounts in their names. “I shared my story of long-term investing with each of them and encouraged them to start early,” Don says.

While Don’s story may not be representative of the experience of other American Funds investors, and there is no guarantee of future results or success, being able to send his children to college and plan for his retirement allowed Don to achieve some long-term goals. “I could not have done it without my long-term investment with American Funds,” he says.

Fixed-income funds — diversification and income

- 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 cushioned losses in diversified portfolios during stock market declines, as shown below.



“Our fixed-income funds are designed to be part of an investor’s diversified portfolio, with objectives that may include preservation of capital, income and total return. To identify investment opportunities, we combine a bottom-up evaluation of bonds and issuers with extensive top-down analysis of economic trends and market conditions.”

— **Wesley Phoa**, American Funds portfolio counselor

Figures shown are past results for Class A shares and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. Unless otherwise indicated, results shown are at net asset value with all distributions reinvested. If the maximum 3.75% Class A sales charge for most bond and tax-exempt bond funds (2.50% for Intermediate Bond Fund of America, Limited Term Tax-Exempt Bond Fund of America and Short-Term Bond Fund of America) had been deducted, results would have been lower. For current information and month-end results, visit americanfunds.com.

Total returns during major declines in the S&P 500

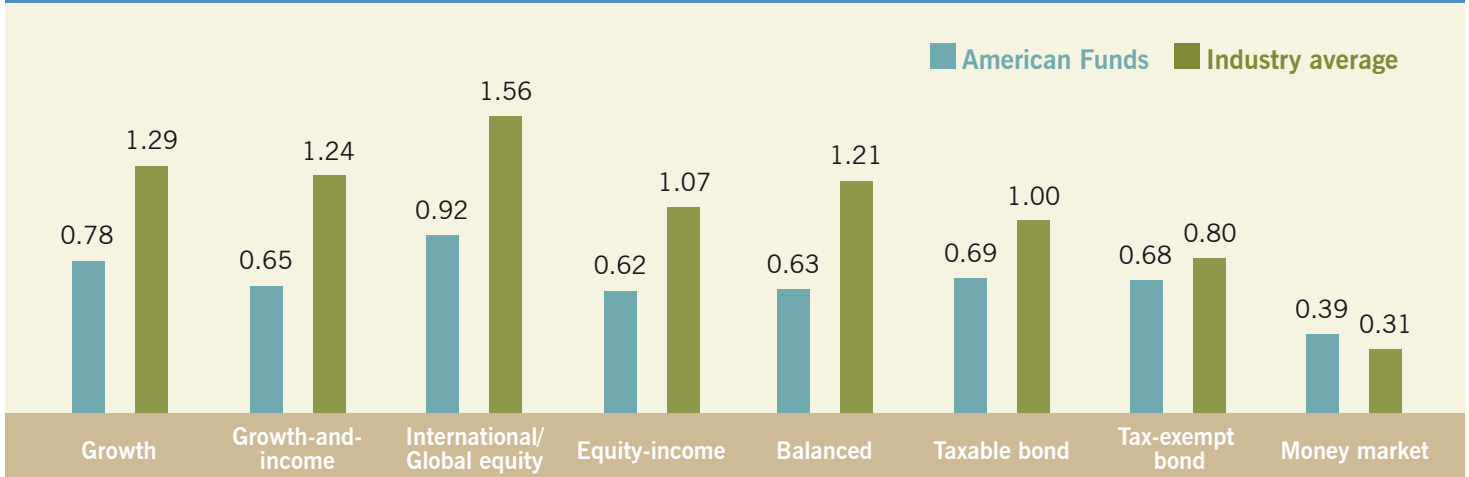
	9/21/76– 3/6/78	11/28/80– 8/12/82	8/25/87– 12/4/87	7/16/90– 10/11/90	3/24/00– 10/9/02	10/9/07– 3/9/09
Standard & Poor’s 500 Composite Index	-13.5%	-20.2%	-32.8%	-19.2%	-47.4%	-55.2%
The Bond Fund of America SM	9.2	22.5	-0.1	-3.4	11.9	-13.7
The Tax-Exempt Bond Fund of America [®]	—	10.2	-0.1	-1.2	23.3	-3.4
Capital World Bond Fund [®]	—	—	7.0	4.6	12.0	-5.3
U.S. Government Securities Fund SM	—	—	1.4	0.7	26.6	10.7
American High-Income Trust SM	—	—	—	-9.7	-11.4	-31.1
Intermediate Bond Fund of America [®]	—	—	—	0.8	23.5	0.4
American High-Income Municipal Bond Fund [®]	—	—	—	—	19.5	-16.0
Limited Term Tax-Exempt Bond Fund of America SM	—	—	—	—	20.2	1.6
Short-Term Bond Fund of America SM	—	—	—	—	—	3.0

Declines are based on the index value of the unmanaged S&P 500 excluding dividends and/or distributions. Each market decline reflects a period of more than 80 days and a decline of about 15% or more in the S&P 500’s index value with 100% recovery between each decline (except in 1976–78 when the market only recovered 78%). The total returns for the S&P 500 include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or taxes. The total returns for the funds assume all distributions are reinvested and reflect applicable fees and expenses.

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 annual operating expenses (%)



The expense ratios are for Class A shares as of each fund's most recent fiscal year-end as of December 31, 2010. The expense ratios are estimated for American Funds Mortgage Fund and American Funds Tax-Exempt Fund of New York. The balanced category does not include American Funds Global Balanced Fund, which began operations on February 1, 2011. Please see each fund's most recent shareholder report or prospectus for details. Expense ratios do not reflect sales charges.

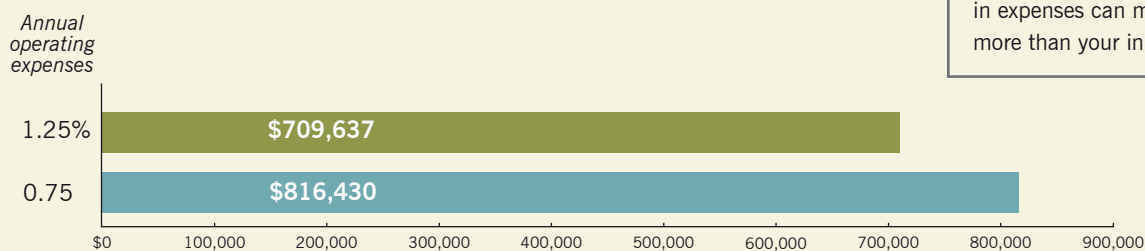
Source for industry averages: Lipper, based on comparable categories for front-end load funds (except money market funds, which are compared against no-load funds), excluding funds of funds, as of December 31, 2010.

Why expenses matter

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

What's the difference?

\$100,000 hypothetical investments over 30 years with 1.25% and 0.75% annual expense ratios, based on 8% annual growth before expenses



\$106,793 is the total a 0.5% difference in expenses can mean over 30 years — more than your initial investment.

Not intended to portray actual investment results. Your experience will differ.

Figures shown are past results for Class A shares and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Share prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. Unless otherwise indicated, results shown are at net asset value with all distributions reinvested. If the 5.75% maximum Class A sales charge (3.75% for most bond and tax-exempt bond funds, 2.50% for shorter term* bond funds) had been deducted, results would have been lower. For current information and month-end results, visit americanfunds.com.

Equity fund results at a glance (as of June 30, 2011)

A history of superior long-term results

	Inception date	Average annual total return (lifetime)	Outpaced Lipper indexes over ¹		Average annual total return at maximum offering price			Expense ratio
			10-year periods	20-year periods	1 year	5 years	10 years	
Growth funds								
AMCAP Fund [®]	5/1/67	11.33%	28 of 34	24 of 24	22.82%	2.82%	3.20%	0.73%
EuroPacific Growth Fund [®]	4/16/84	12.12	17 of 17	7 of 7	21.62	3.88	7.31	0.82
The Growth Fund of America [®]	12/1/73 ²	13.67	28 of 28	18 of 18	20.31	1.68	3.27	0.69
The New Economy Fund [®]	12/1/83	10.89	12 of 18	8 of 8	24.48	4.04	3.39	0.86
New Perspective Fund [®]	3/13/73	12.62	18 of 18	8 of 8	22.22	4.42	6.17	0.79
New World Fund [®]	6/17/99	10.18	0 of 2	—	18.28	8.53	11.99	1.04
SMALLCAP World Fund [®]	4/30/90	9.89	4 of 11	0 of 1	22.98	4.58	7.16	1.13
Growth-and-income funds								
American Mutual Fund [®]	2/21/50	11.66	33 of 42	31 of 32	19.16	2.65	4.26	0.63
Capital World Growth and Income Fund SM	3/26/93	11.43	8 of 8	0 of 0	21.96	3.30	7.74	0.79
Fundamental Investors SM	8/1/78 ²	12.53	23 of 23	13 of 13	23.54	2.68	5.00	0.64
International Growth and Income Fund SM	10/1/08	13.95	—	—	23.12	11.51 ³	—	0.89
The Investment Company of America [®]	1/1/34	12.13	42 of 42	32 of 32	18.90	0.92	3.10	0.61
Washington Mutual Investors Fund SM	7/31/52	11.81	42 of 42	32 of 32	23.92	1.41	3.14	0.63
Equity-income funds								
Capital Income Builder [®]	7/30/87	9.90	13 of 13	3 of 3	15.23	2.91	6.48	0.62
The Income Fund of America [®]	12/1/73 ²	11.42	13 of 13	3 of 3	16.14	3.00	5.68	0.61
Balanced funds								
American Balanced Fund [®]	7/26/75 ²	10.82	19 of 26	11 of 16	15.45	3.27	4.71	0.63
American Funds Global Balanced Fund SM	2/1/11	3.73 ³	—	—	-2.25 ³	—	—	1.22

¹ Based on Class A shares at net asset value for periods through 12/31/2010. Each fund's Lipper index is as follows: AMCAP Fund and The Growth Fund of America (Growth); EuroPacific Growth Fund (International); The New Economy Fund (Multi-Cap Growth); 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 and Income); Capital Income Builder and The Income Fund of America (Income [Mixed Equity]); American Balanced Fund (Balanced); American High-Income Trust (High Current Yield); The Bond Fund of America (Corporate Debt A-Rated); Capital World Bond Fund (Global Income); Intermediate Bond Fund of America (Short-Intermediate Investment Grade Debt); 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 America (Intermediate Municipal Debt); The Tax-Exempt Bond Fund of America (General Municipal Debt); The Tax-Exempt Fund of California (California Municipal Debt); The Tax-Exempt Fund of Maryland (Maryland Municipal Debt); and The Tax-Exempt Fund of Virginia (Virginia Municipal Debt). SMALLCAP World Fund results are based on comparisons with Lipper averages for the Global Small-Cap Funds category. The results of the underlying funds in the Lipper indexes/averages include reinvestment of dividends and capital gain distributions, as well as brokerage commissions paid by the funds for portfolio transactions and other fund expenses, but do not reflect the effect of sales charges, commissions, accounts fees, expenses or taxes. Periods covered are the shorter of the fund's lifetime or since the comparable Lipper index inception date.

² Capital Research and Management Company began managing the fund on this date.

Fixed-income fund results at a glance (as of June 30, 2011)

	Inception date	Average annual total return (lifetime)	Outpaced Lipper indexes over ¹		Average annual total return at maximum offering price			Expense ratio
			10-year periods	20-year periods	1 year	5 years	10 years	
Taxable bond funds⁴								
American Funds Mortgage Fund SM	11/1/10	0.63% ³	—	—	-3.15% ³	—	—	0.83%
American High-Income Trust SM	2/19/88	8.71	13 of 13	3 of 3	11.27	6.49%	7.50%	0.68
The Bond Fund of America SM	5/28/74	8.39	22 of 26	16 of 16	0.87	3.10	4.47	0.59
Capital World Bond Fund [®]	8/4/87	7.39	12 of 13	3 of 3	6.83	6.22	7.84	0.88
Intermediate Bond Fund of America ^{® *}	2/19/88	5.55	3 of 11	0 of 1	0.13	3.50	3.42	0.62
Short-Term Bond Fund of America ^{SM *}	10/2/06	2.82	—	—	-1.48	2.27 ³	—	0.63
U.S. Government Securities Fund SM	10/17/85	6.47	9 of 16	6 of 6	-1.49	4.91	4.32	0.62
Tax-exempt bond funds⁴								
American Funds Short-Term Tax-Exempt Bond Fund ^{SM *}	8/7/09 ⁵	2.21	—	—	-0.61	0.63 ³	—	0.65
American Funds Tax-Exempt Fund of New York SM	11/1/10	0.93 ³	—	—	-2.86 ³	—	—	0.98
American High-Income Municipal Bond Fund [®]	9/26/94	5.18	7 of 7	—	-0.33	1.59	3.41	0.68
Limited Term Tax-Exempt Bond Fund of America ^{SM *}	10/6/93	4.48	0 of 8	—	1.29	3.74	3.69	0.61
The Tax-Exempt Bond Fund of America [®]	10/3/79	6.84	12 of 20	4 of 10	-0.64	3.04	3.89	0.54
The Tax-Exempt Fund of California [®]	10/28/86	5.64	10 of 15	1 of 5	-0.36	2.88	3.81	0.62
The Tax-Exempt Fund of Maryland [®]	8/14/86	5.28	5 of 9	—	-1.07	2.68	3.51	0.67
The Tax-Exempt Fund of Virginia [®]	8/14/86	5.47	3 of 10	—	-0.95	3.16	3.57	0.66

³ Fund's lifetime is less than the full period. Average annual total return since inception is shown for International Growth and Income Fund, Short-Term Bond Fund of America and American Funds Short-Term Tax-Exempt Bond Fund. Cumulative total return since inception is shown for American Funds Global Balanced Fund, American Funds Mortgage Fund and American Funds Tax-Exempt Fund of New York. See inception dates next to each fund.

⁴ Prior to January 10, 2000, the maximum sales charge for bond funds was 4.75%. From January 10, 2000, to October 31, 2006, the maximum sales charge for Intermediate Bond Fund of America and Limited Term Tax-Exempt Bond Fund of America was 3.75%.

⁵ The Tax-Exempt Money Fund of America converted to American Funds Short-Term Tax-Exempt Bond Fund on this date. Investment results shown do not include the fund's results for the period it operated as The Tax-Exempt Money Fund of America, whose results can be found in American Funds Short-Term Tax-Exempt Bond Fund's prospectus.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Expense ratios are as of each fund's most recent fiscal year-end. The expense ratio is estimated for American Funds Global Balanced Fund, American Funds Mortgage Fund and American Funds Tax-Exempt Fund of New York. From September 1, 2004, through December 31, 2008, the investment adviser to the American Funds and the business manager for Washington Mutual Investors Fund, The Tax-Exempt Fund of Maryland and The Tax-Exempt Fund of Virginia waived a portion of their management fees. The investment adviser has also reimbursed expenses for some funds and share classes. These reimbursements may be adjusted or discontinued by the investment adviser, subject to any restrictions in each fund's prospectus. Investment results reflect the waiver and/or reimbursements, without which the results would have been lower. Please see each fund's most recent shareholder report or prospectus for details.

The American Funds difference

Since 1931, American Funds has helped investors pursue long-term investment success. Our consistent approach — in combination with a proven system — has resulted in a superior long-term track record.



Consistent approach

We base our decisions on a long-term perspective because we believe it is the best way to achieve superior long-term investment results. Our portfolio counselors average 27 years of investment experience, including 22 years at our company, reflecting a career commitment to our long-term approach.



Proven system

Our system combines individual accountability with teamwork. Each fund is divided into portions that are managed by investment professionals with varied backgrounds, ages and investment styles. 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 89% of 10-year periods and 96% of 20-year periods. Our fixed-income funds have beaten their Lipper indexes in 65% of 10-year periods and 75% of 20-year periods.* Our fund management fees have consistently been among the lowest in the industry.†

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† Based on management fees for the 20-year period ended 12/31/10 versus comparable Lipper categories, excluding funds of funds.

In addition to the 33 American Funds, we offer the American Funds Target Date Retirement Series® (available for IRAs and tax-deferred retirement plans), as well as CollegeAmerica®, a 529 college savings plan sponsored by Virginia College Savings Plan,™ Coverdell Education Savings Accounts, the American Funds Insurance Series® variable annuity funds and a full line of retirement plan solutions. For details, please contact your financial professional or visit americanfunds.com.

Investors should carefully consider the investment objectives, risks, charges and expenses of the American Funds. This and other important information is contained in each fund's prospectus and summary prospectus, which can be obtained from a financial professional and should be read carefully before investing. If used after September 30, 2011, this brochure must be accompanied by a current American Funds quarterly statistical update. The use of American Funds investors does not necessarily constitute an endorsement of the funds by the individuals portrayed in the brochure.

Investing outside the United States involves risks such as currency fluctuations, periods of illiquidity and price volatility, as more fully described in fund prospectuses. 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. Bond prices and a bond fund's share price will generally move in the opposite direction of interest rates. The return of principal for bond funds and funds with significant underlying bond holdings is not guaranteed. Fund shares are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Investments in mortgage-related securities involve additional risks, such as prepayment risk, as more fully described in the prospectus. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds. For tax-exempt bond funds, income may be subject to state or local income taxes and/or the federal alternative minimum tax. The Tax-Exempt Bond Fund of America does not invest in bonds subject to the alternative minimum tax. Certain other income, as well as capital gain distributions, may be taxable. A state tax-exempt bond fund is more susceptible to factors adversely affecting issuers of its state's tax-exempt securities than a more widely diversified municipal bond fund.