

# American Balanced Fund®

Class 529-T | TAFBX for the year ended December 31, 2025



This annual shareholder report contains important information about American Balanced Fund (the "fund") for the period from January 1, 2025 to December 31, 2025. You can find additional information about the fund at [capitalgroup.com/mutual-fund-literature](https://capitalgroup.com/mutual-fund-literature). 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 529-T | \$38                           | 0.35%                                               |

**Management's discussion of fund performance**

The fund's Class 529-T shares gained 18.72% for the year ended December 31, 2025. That result compares with a 13.70% gain for the 60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index.

**What factors influenced results**

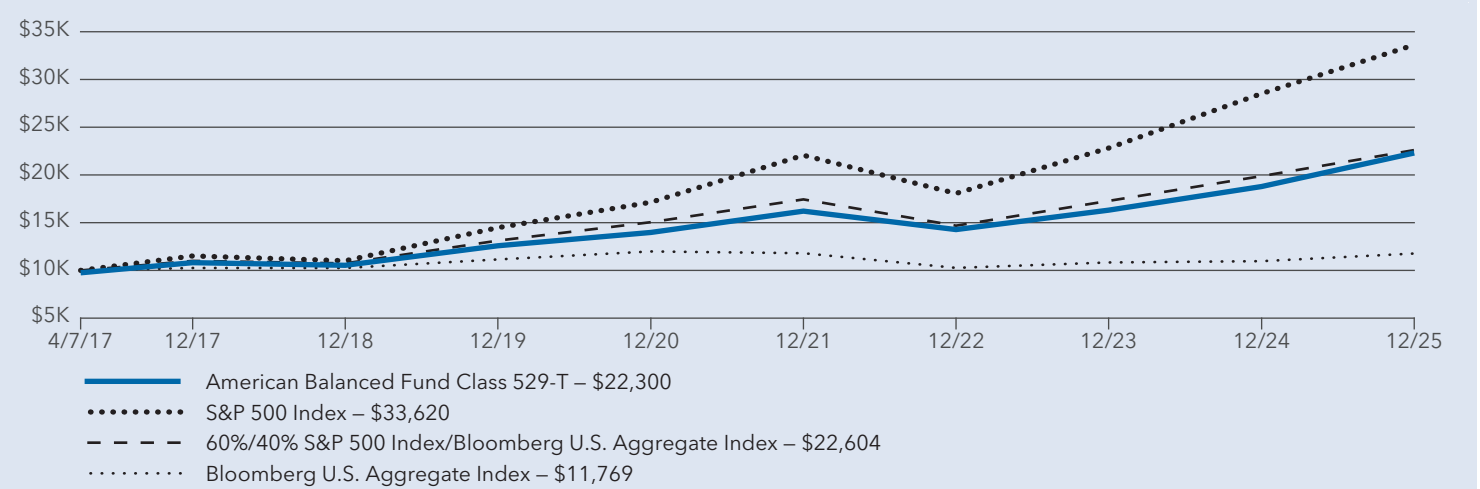
U.S. equities saw strong gains, with the S&P 500 Index reaching record highs as corporate earnings beat expectations. At the same time, the U.S. fixed income market delivered solid returns as corporate bond yields hovered near the upper end of their 15-year range. Although inflation rose slightly due to lingering tariff effects, signs of labor market weakness and broader economic uncertainty prompted the Federal Reserve to cut interest rates three times in 2025.

Equities contributed meaningfully to the portfolio's absolute returns, particularly within the information technology, industrials and communication services sectors. Consumer discretionary was the only detracting sector. While non-U.S. stocks outpaced domestic stocks, they remained a relatively small portion of the equity portfolio.

Fixed income returns lagged equities but continued to help fulfill their roles of seeking capital preservation and income generation. Corporate bonds and securitized debt were the top contributors, although securitized debt lagged the total portfolio return.

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

Figures reflect deduction of the maximum sales charge and assume reinvestment of dividends and capital gains.



## Average annual total returns

|                                                                          | 1 year | 5 years | Since inception <sup>1</sup> |
|--------------------------------------------------------------------------|--------|---------|------------------------------|
| American Balanced Fund – Class 529-T (with sales charge) <sup>2</sup>    | 15.74% | 9.24%   | 9.62%                        |
| American Balanced Fund – Class 529-T (without sales charge) <sup>2</sup> | 18.72% | 9.80%   | 9.93%                        |
| S&P 500 Index <sup>3</sup>                                               | 17.88% | 14.42%  | 14.89%                       |
| 60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index <sup>3</sup>        | 13.70% | 8.47%   | 9.79%                        |
| Bloomberg U.S. Aggregate Index <sup>3</sup>                              | 7.30%  | (0.36)% | 1.88%                        |

<sup>1</sup> Class 529-T shares were first offered on April 7, 2017.

<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.

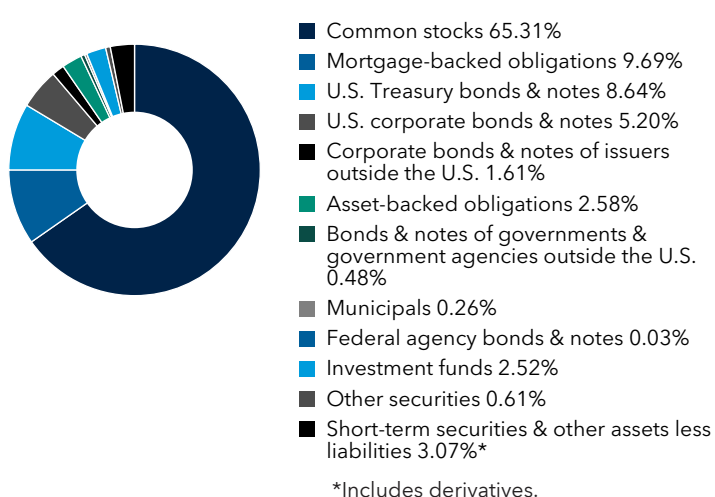
<sup>3</sup> Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): S&P Dow Jones Indices LLC and Bloomberg Index Services Ltd.

**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)                                       | \$269,725 |
| Total number of portfolio holdings                                  | 4,134     |
| Total advisory fees paid (in millions)                              | \$529     |
| Portfolio turnover rate including mortgage dollar roll transactions | 106%      |
| Portfolio turnover rate excluding mortgage dollar roll transactions | 50%       |

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



## Availability of additional information

Additional information about the fund, including its prospectus, financial information, holdings, and proxy voting information is available at [capitalgroup.com/mutual-fund-literature](https://capitalgroup.com/mutual-fund-literature).

## 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.