

Quarter highlights

- Funds with an equity focus lagged those with higher concentrations in fixed income.
- Within equities, growth-and-income funds, which tend to have larger concentrations in higher yielding, defensive companies (such as those in the utilities and consumer staples sectors), outpaced those with a growth focus, which tend to have higher concentrations in technology companies.
- Additionally, funds with larger holdings in the U.S. trailed those with larger investments in non-U.S. companies, particularly companies domiciled in Japan and Emerging Markets.
- Within fixed income, funds that are focused on the shorter end of the yield curve fared the best.

Market review

Global stocks declined as an escalating war in the Middle East heightened concerns about rising inflation, energy supply disruptions and slowing economic growth. U.S. and European markets sank, outweighing gains in Japan. Emerging markets were essentially flat. Overall, the MSCI All Country World Index (ACWI) fell 3%.

Growth-oriented sectors in the MSCI ACWI were hit hardest, led by consumer discretionary's double-digit loss. Communication services, financials and information technology stocks also lagged. In contrast, the energy sector surged more than 30% as the conflict disrupted global oil flows and pushed prices higher. Utilities also delivered strong gains as investors turned toward more defensive sectors.

Overall, the MSCI Europe Index fell 3%. European stocks tumbled amid rising energy prices, underscoring the region's exposure to imported energy and renewed inflation pressures. Oil prices surged following attacks on Middle East energy infrastructure, sparking fears of sustained supply constraints that weighed on European manufacturers and growth expectations.

In contrast, Japanese equities rose (MSCI Japan Index), buoyed by increased post-election stability and expectations of supportive fiscal policy. Energy and materials led gains in the country index, while communication services and consumer discretionary lagged. The yen weakened 1.5% against the U.S. dollar.

Bonds declined and yields rose across most markets as investors responded to higher inflation expectations driven by the surge in energy prices. The Federal Reserve held interest rates steady at its January and March meetings, contributing to expectations for fewer rate cuts over the remainder of the year. Likewise, the European Central Bank and Bank of Japan left their key policy rates unchanged.

Portfolio review

Funds with an equity focus lagged those with higher concentrations in fixed income.

Within equities, growth-and-income funds, which tend to have larger concentrations in higher yielding, defensive companies (such as those in the utilities and consumer staples sectors), outpaced those with a growth focus, which tend to have higher concentrations in technology companies.

Additionally, funds with larger holdings in the U.S. trailed those with larger investments in non-U.S. companies, particularly companies domiciled in Japan and Emerging Markets.

Within fixed income, funds that are focused on the shorter end of the yield curve (represents the yields on short-term debt instruments, typically two-years or less) fared the best.

Past results 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.

continued on back

Figures shown are past results for Class F-2 shares and are not predictive of results in future periods. Current and future results may be lower or higher than those shown. Prices and returns will vary, so investors may lose money. Investing for short periods makes losses more likely. For current information and month-end results, visit capitalgroup.com.

Class F-2 share returns for periods ended 3/31/26

	Total returns (%)			Average annual total returns (%)				Expense Ratio (%)
	QTD	YTD	1 year	3 years	5 years	10 years	Fund lifetime*	
American Funds Global Growth Portfolio	-3.93	-3.93	22.00	15.92	6.98	11.24	11.19	0.55
American Funds Growth Portfolio	-5.59	-5.59	20.08	17.61	8.29	12.17	12.36	0.47
American Funds Growth and Income Portfolio	-2.27	-2.27	16.49	14.69	8.38	10.22	10.33	0.44
American Funds Moderate Growth and Income Portfolio	-1.00	-1.00	15.24	12.60	7.16	8.80	9.08	0.45
American Funds Conservative Growth and Income Portfolio	0.01	0.01	11.56	10.49	6.52	7.25	7.29	0.41
American Funds Tax-Aware Conservative Growth and Income Portfolio	-0.79	-0.79	11.89	10.81	6.45	7.56	7.95	0.45
American Funds Preservation Portfolio	0.22	0.22	4.08	4.17	1.73	2.03	1.84	0.37
American Funds Tax-Exempt Preservation Portfolio	0.24	0.24	4.19	3.27	1.47	1.80	2.03	0.35
S&P 500 Index	-4.33	-4.33	17.80	18.32	12.06	14.16	—	—
MSCI All Country World Index (ACWI)	-3.20	-3.20	20.01	16.58	9.49	11.33	—	—
Bloomberg 1-5 Year U.S. Government/Credit A+ Index	0.15	0.15	4.03	4.14	1.58	1.85	—	—
Bloomberg Municipal Bond 1-7 Year Blend Index	0.05	0.05	3.85	2.88	1.30	1.77	—	—

Footnote/Important information:

*Funds' inception date: May 18, 2012

S&P 500 Index is a market capitalization-weighted index based on the results of approximately 500 widely held common stocks. MSCI ACWI is a free float-adjusted market capitalization-weighted index that is designed to measure equity market results in the global developed and emerging markets, consisting of more than 40 developed and emerging market country indexes. Results reflect dividends net of withholding taxes. Bloomberg 1-5 Year U.S. Government/Credit A+ Index is a market value-weighted index that tracks the total return results of fixed-rate, publicly placed, dollar-denominated obligations issued by the U.S. Treasury, U.S. government agencies, quasi-federal corporations, corporate or foreign debt guaranteed by the U.S. government, and U.S. corporate and foreign debentures and secured notes that meet specified maturity, liquidity and quality requirements, with maturities of one to five years, including A-rated securities and above. Bloomberg Municipal Bond 1-7 Year Blend Index is a market value-weighted index that includes investment-grade tax-exempt bonds with maturities of one to seven years. The index limits the maximum exposure of any one issuer to 2%. MSCI Japan Index is designed to measure the equity market results of Japan. MSCI Europe Index is designed to measure developed equity market results across 15 developed countries in Europe.

The S&P 500 Index is a product of S&P Dow Jones Indices LLC and/or its affiliates and has been licensed for use by Capital Group. Copyright © 2026 S&P Dow Jones Indices LLC, a division of S&P Global, and/or its affiliates. All rights reserved. Redistribution or reproduction in whole or in part is prohibited without written permission of S&P Dow Jones Indices LLC.

Source: MSCI. The MSCI information may only be used for your internal use, may not be reproduced or disseminated in any form and may not be used as a basis for or a component of any financial instruments or products or indices. None of the MSCI information is intended to constitute investment advice or a recommendation to make (or refrain from making) any kind of investment decision and may not be relied on as such. Historical data and analysis should not be taken as an indication or guarantee of any future performance analysis, forecast or prediction. The MSCI information is provided on an "as is" basis and the user of this information assumes the entire risk of any use made of this information. MSCI, each of its affiliates and each other person involved in or related to compiling, computing or creating any MSCI information (collectively, the "MSCI Parties") expressly disclaims all warranties (including, without limitation, any warranties of originality, accuracy, completeness, timeliness, non-infringement, merchantability and fitness for a particular purpose) with respect to this information. Without limiting any of the foregoing, in no event shall any MSCI Party have any liability for any direct, indirect, special, incidental, punitive, consequential (including, without limitation, lost profits) or any other damages. Please visit the data provider's website for more information.

Source: Bloomberg Index Services Limited. BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. and its affiliates (collectively "Bloomberg"). Bloomberg or Bloomberg's licensors own all proprietary rights in the Bloomberg Indices. Neither Bloomberg nor Bloomberg's licensors approves or endorses this material, or guarantees the accuracy or completeness of any information herein, or makes any warranty, express or implied, as to the results to be obtained therefrom and, to the maximum extent allowed by law, neither shall have any liability or responsibility for injury or damages arising in connection therewith.

Portfolios are managed, so holdings will change. Visit capitalgroup.com for current allocations.

Allocations may not achieve investment objectives. The portfolios' risks are related to the risks of the underlying funds as described herein, in proportion to their allocations.

Investing outside the United States involves risks, such as currency fluctuations, periods of illiquidity and price volatility. These risks may be heightened in connection with investments in developing countries. Smaller company stocks entail additional risks, and they can fluctuate in price more than larger company stocks. The return of principal for bond portfolios and for portfolios with significant underlying bond holdings is not guaranteed. Investments are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings. Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds.

Income from municipal bonds may be subject to state or local income taxes and/or the federal alternative minimum tax. Certain other income, as well as capital gain distributions, may be taxable.

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.

This content, developed by Capital Group, home of American Funds, should not be used as a primary basis for investment decisions and is not intended to serve as impartial investment or fiduciary advice.

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. Refer to capitalgroup.com for more information. Expense ratios are as of each fund's prospectus available at the time of publication.

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

All Capital Group trademarks mentioned are owned by The Capital Group Companies, Inc., an affiliated company or fund. All other company and product names mentioned are the property of their respective companies.

Capital Client Group, Inc.