Fund Information

Began operations: August 7, 2009 (date fund converted from The Tax-Exempt Money Fund of AmericaSM)

Objective: The fund’s investment objective is to provide current income exempt from regular federal income tax, consistent with its maturity and quality standards described in the prospectus, and to preserve capital.

Distinguishing characteristics: This strategy invests in high-quality, short-term municipal bonds to provide tax-exempt income while preserving capital. With a dollar-weighted average effective maturity of three years or less, the strategy is designed to generate a slightly higher yield than tax-exempt money market funds. It seeks to provide a high degree of stability with limited exposure to interest rate volatility.

Types of investments: Invests primarily in municipal bonds with quality ratings of AA-/Aa3 or better. The fund may also invest in municipal bonds in the rating categories of A-/A3 or better.

Maturity: The dollar-weighted average maturity of the fund’s portfolio is no greater than three years.

Portfolio restrictions: May invest up to 20% of assets in securities subject to the alternative minimum tax (AMT).

Implementation guidance: Consider for a short-term municipal allocation

Minimum initial investment: $250
Fund number: 39  CUSIP: 02630W103

Investment process

Capital Group’s American Funds has helped investors since 1931 with a consistent approach that has led to consistent long-term results. The Capital SystemSM investment process divides funds into portions that are managed independently by investment professionals with diverse backgrounds and approaches, backed by an extensive global research effort.

Expense ratio1
Fund expense ratio 0.59%

Portfolio managers
As of most recent prospectus
Years with Capital Group2 Years in Profession
Aaron Applebaum 12 18
Mark Marinella  6 34

Fiscal years ended July

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<tbody>
<tr>
<td>Fund assets (in millions)</td>
<td>$1,140.4</td>
<td>$978.2</td>
<td>$999.2</td>
<td>$781.1</td>
<td>$726.2</td>
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<tr>
<td>Portfolio turnover</td>
<td>50%</td>
<td>34%</td>
<td>26%</td>
<td>21%</td>
<td>38%</td>
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</tbody>
</table>

Issuers: 330 (approximate number as of most recent fiscal year-end)

Figures shown are past results 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. For current information and month-end results, visit capitalgroup.com.

Returns shown at net asset value (NAV) have all distributions reinvested. If a sales charge had been deducted, the results would have been lower. Returns shown at maximum offering price (MOP) for Class A shares reflect payment of the 2.50% maximum sales charge.

Class A share returns for periods ended 12/31/1945

<table>
<thead>
<tr>
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<th>Total returns (%)</th>
<th>Average annual total returns (%)</th>
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<tbody>
<tr>
<td></td>
<td>Quarter to date</td>
<td>Year to dateSM</td>
</tr>
<tr>
<td>Fund at net asset value (NAV)</td>
<td>0.45</td>
<td>3.14</td>
</tr>
<tr>
<td>Fund at maximum offering price (MOP)</td>
<td>-2.06</td>
<td>0.53</td>
</tr>
<tr>
<td>Bloomberg Barclays Municipal Short 1-5 Years Index</td>
<td>0.84</td>
<td>3.66</td>
</tr>
<tr>
<td>Lipper Short Municipal Debt Funds Average</td>
<td>0.48</td>
<td>2.71</td>
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<tr>
<td>Fund’s annualized 30-day SEC yield (net/gross):</td>
<td>0.99% / 0.97% (for Class A shares at MOP as of 12/31/19)</td>
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Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.

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 material must be preceded or accompanied by a prospectus or summary prospectus for the fund(s) being offered.

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.

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. There may have been periods when the results lagged the index(es). Certain market indexes are unmanaged and, therefore, have no expenses.

Investors cannot invest directly in an index. Results for Lipper indexes/averages do not reflect sales charges. Lipper categories are dynamic and averages may have few funds, especially over longer periods. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper averages reflect the current composition of all eligible mutual funds (all share classes) within a given category. To see the number of funds included in the Lipper category for each fund’s lifetime, please see the Quarterly Statistical Update, available on our website.

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Investment results assume all distributions are reinvested and reflect applicable fees and expenses. Returns for one year or less are not annualized, but calculated as cumulative total returns.

Data as of December 31, 2019
Returns shown at net asset value (NAV) have all distributions reinvested. If a sales charge had been deducted, the results would have been lower.

Results of a hypothetical $10,000 investment (8/7/09-12/31/18)

<table>
<thead>
<tr>
<th>Fund</th>
<th>Bloomberg Barclays Municipal Short 1-5 Years Index</th>
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<tbody>
<tr>
<td>$11,181</td>
<td>$11,685</td>
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Calendar year total returns for Class A shares (%)

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</thead>
<tbody>
<tr>
<td>Fund</td>
<td>0.9</td>
<td>1.9</td>
<td>2.6</td>
<td>1.6</td>
<td>0.4</td>
<td>1.0</td>
<td>0.4</td>
<td>0.0</td>
<td>1.5</td>
</tr>
<tr>
<td>Index</td>
<td>1.6</td>
<td>1.9</td>
<td>3.5</td>
<td>1.7</td>
<td>1.2</td>
<td>1.3</td>
<td>1.2</td>
<td>0.1</td>
<td>1.6</td>
</tr>
</tbody>
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When applicable, investment results reflect fee waivers and/or expense reimbursements, without which results would have been lower. For more information on fee waivers and expense reimbursements, visit capitalgroup.com.

1Expense ratios are as of the most recent prospectus available at the time of publication.
2The portfolio managers shown are as of the fund’s most recent prospectus dated 10/01/2019.
3YTD (year-to-date return): the net change in the value of the portfolio (in percentage terms) from January 1 of the current year to the date shown above.
4Results for certain funds with an inception date after the share class inception also include hypothetical returns because those funds’ shares sold after the funds’ date of first offering.
5American Funds Short-Term Tax-Exempt Bond Fund converted from a money market fund on August 7, 2009. Investment results shown do not include the fund’s results for the period it operated as a money market fund. Results that reflect the operation of the fund as a money market fund prior to its conversion can be found in American Funds Short-Term Tax-Exempt Bond Fund’s prospectus.
6Cash and equivalents includes short-term securities, accrued income and other assets less liabilities. It may also include investments in money market or similar funds managed by the investment adviser or its affiliates that are not offered to the public.
7Unlike average maturity, average life includes the impact of callable bonds.

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TERMS & DEFINITIONS

Bloomberg Barclays Municipal Short 1-5 Years: Bloomberg Barclays Municipal Short 1-5 Years Index is a market-value-weighted index that includes investment-grade tax-exempt bonds with maturities of one to five years. This index is unmanaged, and its results include reinvested distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or U.S. federal income taxes.

Lipper Short Municipal Debt Funds Average: Lipper Short Municipal Debt Funds Average is composed of funds that invest in municipal debt issues with dollar-weighted average maturities of less than three years. The results of the underlying funds in the average 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, account fees or U.S. federal income taxes.