Executive Summary

- U.S. stocks ended the quarter with a solid gain despite a broad-based selloff in May triggered by a breakdown in U.S.-China trade talks leading to threats of additional import tariffs. Stocks regained ground in June as renewed hopes of a trade deal offset concerns over slowing economic growth. Investors also took comfort in the rising likelihood of a Federal Reserve rate cut in the coming months. On the quarter, nearly all sectors delivered positive quarterly return; only the energy sector fell as higher U.S. oil inventories pressured crude oil prices. Growth oriented stocks continued to outpace income oriented ones. Overall, the broad market Standard & Poor's 500 Composite Index gained 4% for the quarter and rose 19% year-to-date, its best calendar first half since 2007.

- Given the fund's income mandate and the market's continued favoritism towards growth stocks, the fund trailed the broader market over both time frames. Higher yielding sectors lagged the market (e.g. dividend paying areas of healthcare and energy stocks) which impacted relative results for the fund, however, absolute results were quite attractive.

- Year to date, healthcare companies weighed on returns in part over the Department of Justice supporting a Texas court decision to void the Affordable Care Act. This impacted many of the healthcare stocks that are related to the expansion of Medicaid under the legislation. Companies with direct and indirect exposure to the healthcare system were negatively impacted e.g. Humana (-7%) which is the third largest health insurer in the U.S., with 13 million customers and Cigna (-17%) which provides insurance and related medical and health services.

- Given the growth bias in the market, the fund's smaller positions in many technology and communication services companies were headwinds to the fund's results as were individual investments like Intel (up 3% for the year but was down 10% for the quarter). Intel which designs, manufactures, and sells computer components and related products including semiconductors slid after reporting disappointing first-quarter results and reduced its guidance for the year. Intel pointed to a slowing China and reduction in demand from enterprise and cloud computing. Additionally, they may be facing more competition from rival AMD.

- Cash in the fund was a relative detractor as markets were up meaningfully during the quarter and year to date time frames.

- On the positive side for the fund, Aerospace and Defense companies Northrop Grumman (+33% year to date) and Lockheed Martin (+41% year to date) continued to deliver positive business results across various business segments with both companies increasing their full year earnings guidance positively impacting their share price.

Investments are not FDIC-insured, nor are they deposits of or guaranteed by a bank or any other entity, so they may lose value.
Washington Mutual Investors Fund®
As of June 30, 2019

Figures shown are past results for Class F-1, F-2, F-3 and R-6 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. For current information and month-end results, visit americanfunds.com or americanfundsretirement.com.

<table>
<thead>
<tr>
<th>Returns</th>
<th>Total returns</th>
<th>Average annual total returns</th>
<th>Expense Ratio</th>
</tr>
</thead>
<tbody>
<tr>
<td>For periods ended June 30, 2019 (%)</td>
<td>3 mo</td>
<td>YTD</td>
<td>1 year</td>
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<td>Washington Mutual Investors Fund F-1</td>
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<td>Washington Mutual Investors Fund R-6</td>
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<td>Lipper Growth and Income Funds Index</td>
<td>3.36</td>
<td>14.81</td>
<td>6.66</td>
</tr>
</tbody>
</table>

Fund inception: July 31, 1952

Market indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index. Lipper indexes track the largest mutual funds (no more than 30), represented by one share class per fund, in the corresponding Lipper category. Lipper categories are dynamic and averages may have few funds, especially over longer periods. 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. There have been periods when the fund has lagged the indexes.

We offer a range of share classes designed to meet the needs of retirement plan sponsors and participants. The different share classes incorporate varying levels of advisor compensation and service provider payments. Because Class R-6 shares do not include any recordkeeping payments, expenses are lower and results are higher. Other share classes that include recordkeeping costs have higher expenses and lower results than Class R-6.

Investment results assume all distributions are reinvested and reflect applicable fees and expenses. When applicable, investment results reflect fee waivers and/or expense reimbursements, without which results would have been lower. Please see americanfunds.com for more information. Certain share classes were offered after the inception dates of some funds. Results for these share classes prior to the dates of first sale are hypothetical based on Class A share results without a sales charge, adjusted for estimated annual expenses. (Inception date: Class F-1, March 15, 2001; Class F-2, August 1, 2008; Class F-3, January 27, 2017; Class R-6, May 1, 2009.) Results for certain funds with an inception date after the share class inception also include hypothetical returns because those funds’ shares sold after the date of first offering. Please see americanfunds.com for more information on specific expense adjustments and the actual dates of first sale. Expense ratios are as of the fund’s prospectus available at the time of publication.
Quarterly Market review

- U.S. equity markets fluctuated during the quarter, but closed with solid gains. Better-than-forecast first-quarter earnings and hopes of resolution in the trade dispute with China lifted shares early in the quarter. However, shares subsequently retreated as trade tensions swelled between the U.S. and China. Attempts at a resolution proved elusive as the U.S. and China lobbed tariffs and threats to further restrict trade. A sharp selloff took hold in late May on the heels of the U.S. presidential administration threatening tariffs against Mexico over immigration policies. In June, equity markets recovered most of the prior weeks' losses, boosted by supportive comments from central bankers globally.

- At a sector level, materials companies rallied strongly, as did the information technology sector, although semiconductor companies lagged on concerns over heightened trade tensions with China. Financials stocks also delivered robust gains, with solid first-quarter earnings, particularly from retail banks, helping the sector register its strongest monthly return in over two years in April. More defensive sectors, such as utilities, lagged.

- Economic data suggested that U.S. growth was slowing from the 3.1% annualized growth rate recorded in the first quarter of the year. In May, the Institute of Supply Managers’ survey of manufacturing activity marked the slowest rate of expansion since October 2016, although nonmanufacturing activity rose to a three-month high. Job growth also slowed, with the economy adding only 75,000 jobs in May, the weakest reading since February, although June’s reading was stronger than forecast.

- As trade tensions rattled equity markets and U.S. economic growth slowed, speculation grew that the Federal Reserve would consider reducing rates. In its June meeting, the Fed kept rates unchanged, but appeared to shift toward a more dovish stance, suggesting the possibility of a rate cut in 2020. Fed chair Jerome "Jay" Powell cited uncertainties in the economic outlook and signaled that the Fed would "act as appropriate to sustain the expansion."
Washington Mutual Investors Fund℠
As of June 30, 2019

2Q Quarterly analysis

**Sector weights**

**Commentary**

- Intel and Broadcom held back relative results among information technology companies. Chipmakers, in general, were pressured by fears that demand would be curtailed by a deepening trade dispute between the U.S. and China. Recent measures included technology-focused restrictions as well as higher tariffs.

- The selection of investments in the communication services sector weighed on returns.

- In the financials sector, CME Group was among the top contributors to the fund’s returns. After a weak first quarter, heightened stock-market volatility, particularly during May, lifted futures exchange’s shares in the second quarter.

- Strong returns from select holdings in aerospace and defense companies boosted returns in the industrials sector, with Lockheed Martin and Northrop Grumman among the most notable contributors to results.

*Average weights for time period. Figures may not reconcile due to rounding.

**Portfolio**

- 9.0% Energy
- 3.8% Materials
- 13.2% Industrials
- 5.8% Consumer Discretionary
- 6.0% Consumer Staples
- 13.9% Health Care
- 14.5% Financials
- 18.1% Information Technology
- 6.9% Communication Services
- 3.2% Utilities
- 1.2% Real Estate
- 4.4% Cash

**Index**

- 5.2% Energy
- 2.7% Materials
- 9.4% Industrials
- 10.3% Consumer Discretionary
- 7.3% Consumer Staples
- 14.0% Health Care
- 13.1% Financials
- 21.4% Information Technology
- 10.3% Communication Services
- 3.3% Utilities
- 3.1% Real Estate
- ----

**Portfolio**

- ENG
- MAT
- IND
- CD
- CS
- HC
- FIN
- IT
- COM
- UTL
- RE
- CA

**Index**

- ENG
- MAT
- IND
- CD
- CS
- HC
- FIN
- IT
- COM
- UTL
- RE
- CA

**Active weights versus S&P 500 Index**

<table>
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<tr>
<th>Sector</th>
<th>ENG</th>
<th>MAT</th>
<th>IND</th>
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<th>HC</th>
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<td>Portfolio</td>
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<td>10.3</td>
<td>3.3</td>
<td>3.1</td>
<td>----</td>
</tr>
</tbody>
</table>

**Security**

- 15% Energy
- -10% Materials
- 33% Industrials
- 5% Consumer Discretionary
- 14% Consumer Staples
- -9% Health Care
- 26% Financials
- -22% Information Technology
- -18% Communication Services
- 2% Utilities
- -6% Real Estate
- ----

**Sector selection**

<table>
<thead>
<tr>
<th>Sector</th>
<th>ENG</th>
<th>MAT</th>
<th>IND</th>
<th>CD</th>
<th>CS</th>
<th>HC</th>
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<td>4</td>
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<td>2</td>
<td>6</td>
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</tbody>
</table>

ENG=ENERGY, MAT=MATERIALS, IND=INDUSTRIALS, CD=CONSUMER DISCRETIONARY, CS=CONSUMER STAPLES, HC=HEALTH CARE, FIN=FINANCIALS, IT=INFORMATION TECHNOLOGY, COM=COMMUNICATION SERVICES, UTL=UTILITIES, RE=REAL ESTATE, CA=CASH
**Commentary**

**CME Group**

CME Group operates the world’s largest futures exchange. After a disappointing first quarter, shares were helped by a rise in market volatility in the second quarter, which served to boost trading volumes in financial contracts. Average daily volumes for May jumped 19% year over year, while options volumes were up 40%. Equity index volume at 4.2 million contracts per day marked an increase of 61%. Open interest on CME’s contracts, the number of active positions that market participants were holding open, had reached over 150,000 in early June, a 30% rise versus the end of 2018.

**Northrop Grumman**

Northrop Grumman is an American global aerospace and defense technology company. Shares rose after the company raised its dividend by 10%, having beat first-quarter earnings forecasts and raised its guidance for 2019. In June, Northrup agreed a partnership with rival defense contractor Raytheon to develop engines for hypersonic weapons. Along with U.S. defense stocks in general, Northrup shares were also boosted by increasing talk of a possible U.S./Iran conflict after the latter downed a U.S. military drone.

**Intel**

Intel designs, manufactures and sells computer components and related products including semiconductors. Shares slid after Intel reported disappointing first-quarter results and reduced its guidance for the year. Intel cited weakness in its memory and programmable-chips businesses over the first few months of the year. The company pointed to slowing economic activity in China and reduced demand from enterprise and cloud-computing customers there, as it lowered full-year earnings and revenue guidance. In June, news that Apple and Microsoft are looking at alternative chip providers for their Mac and Surface devices further pressured shares.

**Boeing**

Boeing is the world’s second-largest commercial aerospace company and the second biggest U.S. defense contractor. Shares were hindered by continuing fallout from March’s Ethiopian Airlines Boeing 737 MAX crash. The stock fell early in the period after Boeing said it would cut 737 MAX aircraft production by around 20%. First-quarter results were adversely impacted by the disaster, as a reduced number of aircraft deliveries hit revenue, margins and cash flow. There were also worries that second-quarter earnings could be hit by provisions for liabilities arising from fines, compensation and lawsuits, after Boeing’s CEO acknowledged that the plane’s anti-stall technology system played a role in both the Ethiopian Airlines crash and last year’s Lion Air Flight 737 MAX disaster in Indonesia.

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The mnemonic ‘ISR:’ indicates that two or more issues of the same issuer have been rolled up and thus what is presented in the report is the Issuer Level data.
Washington Mutual Investors Fund℠
As of June 30, 2019

YTD Year-to-date analysis

Sector weights

<table>
<thead>
<tr>
<th>% of equities</th>
<th>Portfolio</th>
<th>Index</th>
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<tbody>
<tr>
<td>ENG</td>
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<td>CA</td>
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</table>

Active weights versus S&P 500 Index

Sector attribution

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<tr>
<th>Value added (bps)</th>
<th>Sector</th>
<th>Security</th>
</tr>
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<tr>
<td>CA</td>
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</table>

Commentary

- Investment selection among health care companies dragged on relative results, with Humana and Cigna among the most notable detractors. In part this was offset by a light footprint in the sector which was beneficial for relative results as health care companies lagged the broader market as a focus on drug pricing ahead of the 2020 election cycle pressured sentiment.
- While information technology companies delivered strong total returns over the year to date, investment selection weighed on relative returns. Intel was among the largest detractors as chipmakers were pressured by fears of slowing global demand due to the trade dispute between the U.S. and China. The fund’s smaller holdings in the sector further dampened relative returns.
- The selection of investments in the materials sector hindered relative returns, with DuPont de Nemours among the most notable detractors. During the period, DowDuPont split into three separate companies: DuPont de Nemours will focus on specialty chemical products, while Dow will be dedicated to commodity chemical products and Corteva on agricultural chemicals.
- Strong returns from select holdings in aerospace and defense companies boosted returns in the industrials sector, with Lockheed Martin and Northrop Grumman among the most notable contributors to results.
**Commentary**

**Lockheed Martin**

Lockheed Martin is one of the largest U.S. defense contractors. Shares were boosted by U.S. plans to boost missile defense spending, new order wins, positive financial results and increased geopolitical tensions in the Middle East. The stock rallied sharply after first-quarter earnings beat forecasts and Lockheed raised its full-year profit guidance for 2019. Quarterly sales rose by 40% and 27% for its missiles/fire control and aeronautics units, respectively, with all divisions of its business registering year over year revenue growth. In common with U.S. defense stocks in general, Lockheed shares were also boosted by increasing talk of a possible U.S./Iran conflict after a U.S. military drone was shot down.

**Microsoft**

Microsoft is one of the largest technology companies that develops, manufactures and licenses a range of software products and services. Shares rallied after the company reported strong second- and third-quarter fiscal 2019 results, with impressive gains from its cloud business and an improvement in sales from its Windows operating system. Third-quarter revenue from its cloud-computing business surged by 41% year over year, with sales from its business cloud-computing unit Azure jumping by 73%. There was also positive sentiment in June as Microsoft announced the upcoming launch of its next generation Xbox gaming console, claiming it would be four times as powerful as the current model.

**Humana**

Humana is the third-largest health insurer in the U.S., with 13 million customers. Shares slid after Democrats presented the Medicare-for-All bill to the House of Representatives. The bill seeks to upend the current dominance of private health insurance plans with a single national plan to be administered and funded by the U.S. Federal government. Advocates claim a single-payer healthcare system would boost efficiency. Among those supporting the bill is Democrat Senator Bernie Sanders, who is currently vying to represent Democrats in the 2020 U.S. presidential election.

**Cigna**

Cigna is a health services company, principally offering medical, dental, disability, life and accident insurance. Shares fell after Cigna issued disappointing guidance and on U.S. government proposals to end rebates for pharmacy benefits businesses. Shares further slid after the Trump administration voiced its support of a Texas district court ruling that deemed the Affordable Care Act unconstitutional. The stock remained under pressure as “Medicare-for-All” is debated among the 2020 Democratic presidential candidates.

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Portfolio Positioning

Energy comprised ~8.5% of total net assets. Some managers believe that unless there is a global recession, capital discipline in the oil patch could help control supply over the next few years leading to sustained higher oil prices. Larger investments in this sector are integrated oils which tend to pay higher than market dividends and have strong balance sheets.

Technology represents 18% of fund’s assets which is near the highest position in the fund over the last ten years. Even near a ten year high, the fund’s position is smaller than that of the S&P weighting of 21.5%. The largest position in the fund and in the sector remains Microsoft which represents nearly 6% of the fund’s assets. While shares have been trimmed year to date, conviction largely remains regarding the potential for continued growth in their subscription based office software (both for business and personal use) and growth and margin expansion in their cloud offering Azure.

Investments in technology and healthcare increased while trimming occurred in consumer discretionary and staples sectors. One area within technology, with an increasing focus, has been on the payment services industry. As electronic payment penetration continues to remain low, this allows for an opportunity for continued growth inside the United States as merchants shift their businesses on-line. Additionally, while there is potential growth opportunities inside the US, some companies may also have the opportunity to expand overseas thus widening their total addressable market.

Healthcare investments are in companies that we believe have differentiated pharmaceutical pipeline opportunities in oncology and / or Rheumatoid treatments. Additionally, many of the additions either in size or new companies have exposure to the evolving landscape of healthcare. The healthcare market business model appears to be moving from a fee for service model to a fee for outcomes-based model. This shift may benefit some companies more than others.

Investments in both the utilities and consumer staples areas were reduced.

Portofolio manager years of experience

<table>
<thead>
<tr>
<th>Portfolio managers</th>
<th>Years with Capital Group</th>
<th>Years in profession</th>
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<td>Alan N. Berro</td>
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<td>Mark L. Casey</td>
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<td>Brady L. Enright</td>
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<td>Jeffrey T. Lager</td>
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<td>Jin Lee</td>
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<td>Eric H. Stern</td>
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<tr>
<td>Alan J. Wilson</td>
<td>28</td>
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</tbody>
</table>

Although the American Funds are compared to their benchmarks, portfolio managers manage the funds consistent with each fund’s investment objectives.
Washington Mutual Investors FundSM
As of June 30, 2019

Index definitions
Standard & Poor's 500 Composite Index is a market capitalization-weighted index based on the average weighted results of approximately 500 widely held common stocks. This index is unmanaged, and its results include reinvested dividends and/or distributions but do not reflect the effect of sales charges, commissions, account fees, expenses or taxes.

Lipper Growth and Income Funds Index is an equally weighted index of funds that combine a growth-of-earnings orientation and an income requirement for level and/or rising dividends. The results of the underlying funds in the index include the 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 taxes. This index was not in existence as of the date the fund's Class A shares became available; therefore, lifetime results are not shown.

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Source: Thomson Reuters Lipper

Attribution methodology disclosure
Equity attribution data was produced using FactSet, a third-party software system, based on daily portfolios. Securities in their initial period of acquisition may not be included in this analysis. The analysis includes equity investments only and excludes forward contracts and fixed-income investments, if applicable. It does not account for buy and sell transactions that might have occurred intraday. As a result, average portfolio weight percentages are approximate and the actual average portfolio weight percentages might be higher or lower. Data elements such as pricing, income, market cap, etc., were provided by FactSet. The index provided for attribution is based on FactSet's methodology. The index is a broad-based market benchmark and may not be used by Capital Group as the sole comparative index for this fund. Capital believes the software and information from FactSet to be reliable. However, Capital cannot be responsible for inaccuracies, incomplete information or updating of information by FactSet. Past results are not predictive of results in future periods.

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

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