

American Funds College 2027 Fund®

CTSF

Class 529-F-1 shares
College target date fund

4Q Fact Sheet

Data as of December 31, 2022



CAPITAL GROUP® | **AMERICAN FUNDS®**

Fund Information

Began operations: September 14, 2012

Objective: The fund will seek to achieve the following objectives to varying degrees: growth, income and preservation of capital, depending on the proximity to its target date. The target date is meant to roughly correspond to the year in which the fund beneficiary will start to withdraw funds to meet higher education expenses.* The fund will increasingly emphasize income and preservation of capital by investing a greater portion of its assets in bond, equity-income and balanced funds as it approaches and passes its target date. In this way, the fund seeks to achieve an appropriate balance of

total return and stability during different time periods.

*If withdrawals are used for purposes other than qualified education expenses, the earnings will be subject to a 10% federal tax penalty in addition to federal and, if applicable, state income tax. Withdrawals for K-12 expenses may not be exempt from state tax in certain states.

Minimum initial investment: \$250

Fund number: 1493 **CUSIP:** 02629M 87 6

The underlying American Funds %

Growth-and-Income

| | |
|--|-----|
| American Mutual Fund® | 9.0 |
| Capital World Growth and Income Fund® | 2.6 |
| The Investment Company of America® | 0.6 |
| Washington Mutual Investors Fund SM | 1.2 |

Equity-Income/Balanced

| | |
|---|-----|
| Capital Income Builder® | 3.2 |
| The Income Fund of America® | 6.2 |
| American Balanced Fund® | 7.0 |
| American Funds Global Balanced Fund SM | 0.6 |

Bond

| | |
|--|------|
| American Funds Mortgage Fund® | 13.5 |
| American Funds Strategic Bond Fund SM | 10.0 |
| The Bond Fund of America® | 17.1 |
| Intermediate Bond Fund of America® | 29.1 |

Portfolio digest

| Fiscal years ended October | 2022 | 2021 | 2020 | 2019 | 2018 |
|----------------------------|-----------|-----------|-----------|-----------|-----------|
| Fund assets (in millions) | \$2,605.4 | \$2,676.7 | \$2,079.2 | \$1,713.5 | \$1,292.9 |
| Portfolio turnover | 10% | 30% | 28% | 9% | 10% |

Expense ratio¹

Net/Gross %
Fund expense ratio 0.73/0.77

Target Date Solutions Committee

| As of most recent prospectus | Years with Capital Group ² | Years in Profession |
|------------------------------|---------------------------------------|---------------------|
| Michelle J. Black | 21 | 28 |
| David A. Hoag | 31 | 35 |
| Samir Mathur | 10 | 30 |
| Wesley K. Phoa | 24 | 29 |
| Jessica C. Spaly | 19 | 26 |
| Bradley J. Vogt | 35 | 35 |
| Shannon Ward | 6 | 31 |

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. Investing for short periods makes losses more likely. Prices and returns will vary, so investors may lose money. For current information and month-end results, visit capitalgroup.com.

Class 529-F-1 share returns for periods ended 12/31/22

| | Total returns (%) ^{3,4} | | | Average annual total returns (%) | | | |
|--------------------------------|----------------------------------|--------------|--------|----------------------------------|---------|----------|---------------|
| | Quarter to date | Year to date | 1 year | 3 years | 5 years | 10 years | Fund lifetime |
| Fund at net asset value (NAV) | 4.58 | -9.66 | -9.66 | 1.31 | 2.97 | 5.70 | 5.64 |
| S&P 500 Index | 7.56 | -18.11 | -18.11 | 7.66 | 9.42 | 12.56 | 11.96 |
| Bloomberg U.S. Aggregate Index | 1.87 | -13.01 | -13.01 | -2.71 | 0.02 | 1.06 | 1.13 |

Fund's annualized 30-day SEC yield (net): 1.94% (for Class 529-F-1 shares at NAV as of 12/31/22)

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. Similar information is contained in the CollegeAmerica Program Description, which can be obtained from a financial professional and should be read carefully before investing. CollegeAmerica is distributed by American Funds Distributors, Inc. and sold through unaffiliated intermediaries.

Depending on your state of residence, there may be an in-state plan that provides state tax and other state benefits, such as financial aid, scholarship funds and protection from creditors, not available through CollegeAmerica. Before investing in any state's 529 plan, investors should consult a tax advisor. CollegeAmerica is a nationwide plan sponsored by Virginia529.

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

Allocations may not achieve investment objectives. The portfolios' risks are directly related to the risks of the underlying funds.

CollegeAmerica is a nationwide plan sponsored by **Virginia529™**

| Sector breakdown⁵ | as of 12/31/22 |
|-------------------------------------|-----------------|
| | % of net assets |
| Energy | 1.9 |
| Materials | 1.0 |
| Industrials | 2.9 |
| Consumer discretionary | 1.7 |
| Consumer staples | 2.5 |
| Health care | 4.3 |
| Financials | 3.3 |
| Information technology | 3.1 |
| Communication services | 1.0 |
| Utilities | 1.3 |
| Real estate | 0.9 |

| Asset mix⁵ | as of 12/31/22 |
|---------------------------------|-----------------|
| | % of net assets |
| U.S. stocks | 19.1 |
| Non-U.S. stocks | 4.8 |
| U.S. bonds | 65.1 |
| Non-U.S. bonds | 5.3 |
| Cash & equivalents ⁶ | 5.7 |

| Geographic breakdown⁵ | as of 12/31/22 |
|--|-----------------|
| | % of net assets |
| United States | 83.6 |
| Europe | 5.0 |
| Asia & Pacific Basin | 2.1 |
| Other (Including Canada & Latin America) | 3.6 |
| Cash & equivalents ⁶ | 5.7 |

| Rating exposure | as of 12/31/22 |
|---------------------------------|-----------------|
| | % of net assets |
| U.S. Treasuries/Agencies | 20.6 |
| AAA/Aaa | 30.1 |
| AA/Aa | 3.4 |
| A | 5.7 |
| BBB/Baa | 7.1 |
| BB/Ba | 1.4 |
| B | 0.4 |
| CCC/Caa & Below | 0.2 |
| Unrated | 1.5 |
| Cash & equivalents ⁶ | 5.6 |

Effective duration (years) 4.9
Average yield to maturity 5.0%
Average coupon 2.9%

Bond ratings, which typically range from AAA/Aaa (highest) to D (lowest), are assigned by credit rating agencies such as Standard & Poor's, Moody's and/or Fitch, as an indication of an issuer's creditworthiness. For most funds, unless otherwise noted below, if agency ratings differ, a security will be considered to have received the highest of those ratings, consistent with applicable investment policies. Securities in the Unrated category have not been rated by a rating agency; however, the investment adviser performs its own credit analysis and assigns comparable ratings that are used for compliance with applicable investment policies.

| Portfolio summary⁵ | as of 12/31/22 |
|---|-----------------|
| | % of net assets |
| Mortgage-backed obligations | 27.4 |
| Common stock | 24.0 |
| U.S. government & government agency bonds & notes | 20.5 |
| Corporate bonds, notes & loans | 15.0 |
| Asset-backed obligations | 5.2 |
| Non-U.S. government/agency securities | 1.8 |
| Municipal securities | 0.3 |
| Other securities | 0.1 |
| Cash & equivalents ⁶ | 5.7 |
| Total | 100.0 |

Investment professionals gradually adjust a college target date portfolio over time so that it becomes more preservation-oriented. The college target date is the year that corresponds roughly to the year in which the beneficiary is expected to begin taking withdrawals. The allocation strategy does not guarantee that investors' education savings goals will be met. Investors and their financial professionals should periodically evaluate their investment to determine whether it continues to meet their needs.

The return of principal for bond funds and for 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.

The use of derivatives involves a variety of risks, which may be different from, or greater than, the risks associated with investing in traditional securities, such as stocks and bonds.

Lower rated bonds are subject to greater fluctuations in value and risk of loss of income and principal than higher rated bonds.

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.

Investments in mortgage-related securities involve additional risks, such as prepayment risk.

Diversification does not eliminate the risks of investing; losses are possible in diversified portfolios.

On October 30, 2020 Class 529-F-1 shares began accruing a 0.25% 12b-1 fee. If the 12b-1 fee had been in effect at inception, results from inception to October 30, 2020 would have been lower.

There may have been periods when the results lagged the index(es). The indexes are unmanaged and, therefore, have no expenses. Investors cannot invest directly in an index.

Each S&P Index ("Index") shown is a product of S&P Dow Jones Indices LLC and/or its affiliates and has been licensed for use by Capital Group. Copyright © 2023 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: 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.

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.

Portfolios are managed, so holdings will change.

Totals may not reconcile due to rounding.

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 and net expenses higher. Please see capitalgroup.com for more information. For more information on fee waivers and expense reimbursements, visit capitalgroup.com. For the funds listed below, the investment adviser has agreed to waive a portion of fund expenses through the date(s) listed below, without which results would have been lower and net expenses higher.

American Funds College 2027 Fund (expiration: 1/1/2024)

The investment adviser may elect at its discretion to extend, modify or terminate the waiver as of any noted expiration date. Results 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.

¹Expense ratios are as of each fund's prospectus available at the time of publication.

²The portfolio managers shown are as of each fund's prospectus available at the time of publication.

³Returns for less than one year are not annualized, but calculated as cumulative total returns.

⁴YTD (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. In cases where the fund was first offered in the current year, the net change in the value of the portfolio (in percentage terms) is shown since fund inception.

⁵Figures are based on holdings of the underlying funds, if applicable, as of date shown.

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.

American Funds Distributors, Inc., member FINRA.

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.

TERMS & DEFINITIONS

S&P 500 Index: S&P 500 Index is a market capitalization-weighted index based on the 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 U.S. federal income taxes.

Bloomberg U.S. Aggregate Index: Bloomberg U.S. Aggregate Index represents the U.S. investment-grade fixed-rate bond market. 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 U.S. federal income taxes.