

# American Funds Inflation Linked Bond Fund®

Class 529-C | CNLCX for the year ended November 30, 2024



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This annual shareholder report contains important information about American Funds Inflation Linked Bond Fund (the "fund") for the period from December 1, 2023 to November 30, 2024. You can find additional information about the fund at [capitalgroup.com/mutual-fund-literature-529C](https://capitalgroup.com/mutual-fund-literature-529C). 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-C	\$148	1.44%

### Management's discussion of fund performance

The fund's Class 529-C shares gained 4.93% for the year ended November 30, 2024. That result compares with a 6.26% gain for the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) Index. For information on returns for additional periods, including the fund lifetime, please refer to [capitalgroup.com/mutual-fund-returns-529C](https://capitalgroup.com/mutual-fund-returns-529C).

### What factors influenced results

During the fund's fiscal year, the U.S. bond market experienced increased volatility. Yields rose through late April, followed by a decline. This was due in part to easing inflation and expected U.S. Federal Reserve (Fed) interest rate cuts in response to softening labor market conditions. Yields rose again in mid-September in anticipation of stronger economic growth and the possibility that total U.S. debt would increase in 2025.

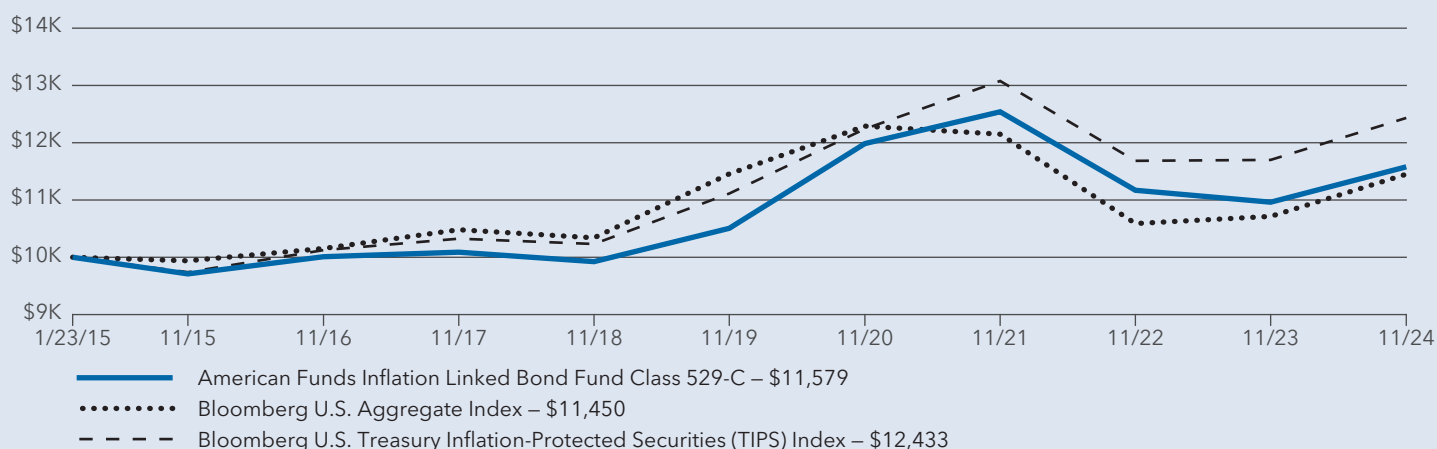
Interest rate positioning was the key driver of relative returns over the fund's fiscal year, with active duration positioning making a positive contribution. Entering 2024 with an underweight to duration helped returns as rates rose due to stronger-than-expected economic data and a reassessment of the Fed's monetary policy path. As economic data showed signs of softening, the fund's managers moved to a longer duration position, allowing the portfolio to benefit from falling rates. From a sector positioning perspective, modest positive contributions came from small out-of-benchmark exposures to securitized credit, municipal bonds and emerging markets debt.

Conversely, the fund's hedging of credit risk had a negative impact in an environment in which credit outpaced most fixed income sectors, including both nominal and inflation-linked Treasuries. Positioning for a steeper yield curve also detracted from the fund's results.\* Even though the spot yield curve steepened during the period, the steepening was smaller than what the market had priced in.

\*Yield curve positioning is a strategy where a manager adjusts a bond portfolio to seek to profit from an expected change in the yield curve, which is a line that plots the yields or interest rates of bonds that have equal credit quality but different maturity dates.

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

Figures assume reinvestment of dividends and capital gains.



## Average annual total returns

	1 year	5 years	Since inception <sup>1</sup>
American Funds Inflation Linked Bond Fund – Class 529-C (with sales charge) <sup>2</sup>	3.93%	1.22%	1.50%
American Funds Inflation Linked Bond Fund – Class 529-C (without sales charge) <sup>2</sup>	4.93%	1.22%	1.50%
Bloomberg U.S. Aggregate Index <sup>3</sup>	6.88%	(0.01)%	1.38%
Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) Index <sup>3</sup>	6.26%	2.27%	2.23%

Effective July 24, 2024, the fund's primary benchmark changed from the Bloomberg U.S. Treasury Inflation-Protected Securities (TIPS) Index (the "Previous Primary Benchmark") to the Bloomberg U.S. Aggregate Index, a broad-based index that represents the overall applicable securities market, as required by the SEC. The Previous Primary Benchmark provides a means to compare the fund's results to a benchmark that the investment adviser believes is more representative of the fund's investment universe. There is no change in the fund's investment strategies as a result of the benchmark change.

<sup>1</sup> Class 529-C shares were first offered on January 23, 2015.

<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.

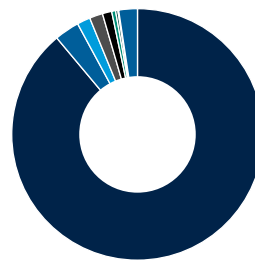
<sup>3</sup> Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): Bloomberg Index Services Ltd.

**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)	\$13,549
Total number of portfolio holdings	283
Total advisory fees paid (in millions)	\$34
Portfolio turnover rate	23%

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



- U.S. Treasury bonds & notes 89.03%
- U.S. corporate bonds, notes & loans 3.15%
- Corporate bonds, notes & loans of issuers outside the U.S. 1.68%
- Bonds & notes of governments & government agencies outside the U.S. 1.73%
- Asset-backed obligations 1.16%
- Municipals 0.46%
- Mortgage-backed obligations 0.29%
- Options purchased 0.06%
- Short-term securities & other assets less liabilities 2.44%\*

\*Includes derivatives.

## Availability of additional information



Scan the QR code to view additional information about the fund, including its prospectus, financial information, holdings and information on proxy voting. Or refer to the web address included at the beginning of this report.

## 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.