ANNUAL SHAREHOLDER REPORT

American Balanced Fund®

Class F-2 | AMBFX for the year ended December 31, 2025

This annual shareholder report contains important information about American Balanced Fund (the "fund") for the period from January 1, 2025 to December 31, 2025. You can find additional information about the fund at capitalgroup.com/mutual-fund-literature-F2. 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 F-2	$38	0.35%

Management's discussion of fund performance

The fund's Class F-2 shares gained 18.69% for the year ended December 31, 2025. That result compares with a 13.70% gain for the 60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index. For information on returns for additional periods, including the fund lifetime, please refer to capitalgroup.com/mutual-fund-returns-F2.

What factors influenced results

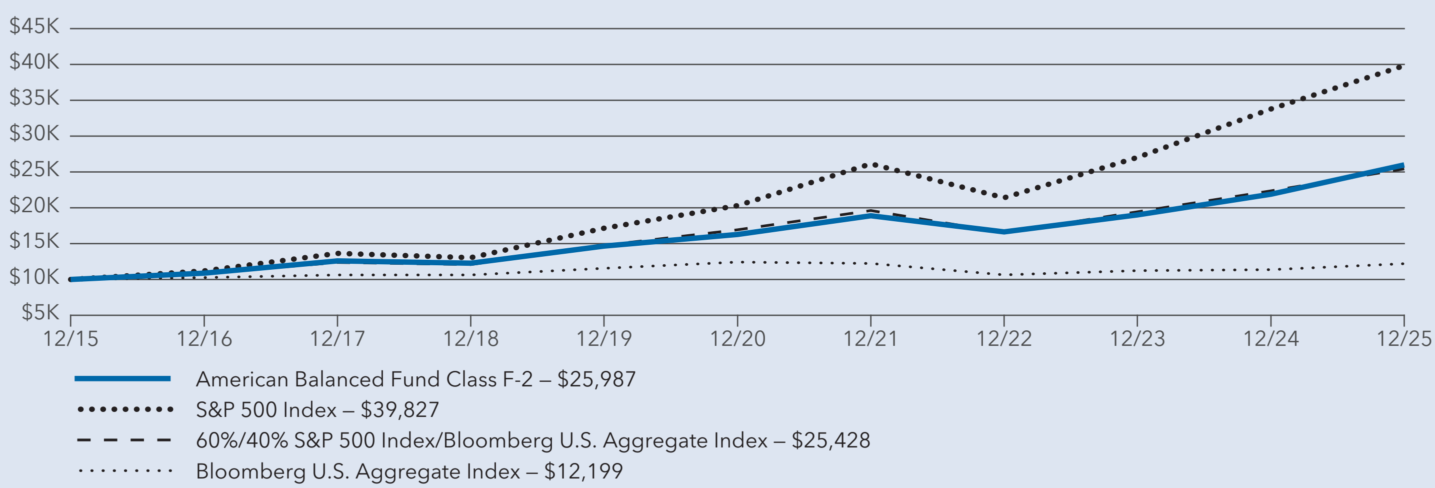
U.S. equities saw strong gains, with the S&P 500 Index reaching record highs as corporate earnings beat expectations. At the same time, the U.S. fixed income market delivered solid returns as corporate bond yields hovered near the upper end of their 15-year range. Although inflation rose slightly due to lingering tariff effects, signs of labor market weakness and broader economic uncertainty prompted the Federal Reserve to cut interest rates three times in 2025.

Equities contributed meaningfully to the portfolio's absolute returns, particularly within the information technology, industrials and communication services sectors. Consumer discretionary was the only detracting sector. While non-U.S. stocks outpaced domestic stocks, they remained a relatively small portion of the equity portfolio.

Fixed income returns lagged equities but continued to help fulfill their roles of seeking capital preservation and income generation. Corporate bonds and securitized debt were the top contributors, although securitized debt lagged the total portfolio return.

How a hypothetical $10,000 investment has grown

Figures assume reinvestment of dividends and capital gains.



Average annual total returns

	1 year	5 years	10 years
American Balanced Fund – Class F-2*	18.69%	9.80%	10.02%
S&P 500 Index†	17.88%	14.42%	14.82%
60%/40% S&P 500 Index/Bloomberg U.S. Aggregate Index†	13.70%	8.47%	9.78%
Bloomberg U.S. Aggregate Index†	7.30%	(0.36)%	2.01%

* 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.

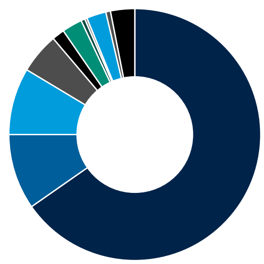
† Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): S&P Dow Jones Indices LLC and Bloomberg Index Services Ltd.

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)	$269,725
Total number of portfolio holdings	4,134
Total advisory fees paid (in millions)	$529
Portfolio turnover rate including mortgage dollar roll transactions	106%
Portfolio turnover rate excluding mortgage dollar roll transactions	50%

Portfolio holdings by asset type (percent of net assets)



- Common stocks 65.31%
- Mortgage-backed obligations 9.69%
- U.S. Treasury bonds & notes 8.64%
- U.S. corporate bonds & notes 5.20%
- Corporate bonds & notes of issuers outside the U.S. 1.61%
- Asset-backed obligations 2.58%
- Bonds & notes of governments & government agencies outside the U.S. 0.48%
- Municipals 0.26%
- Federal agency bonds & notes 0.03%
- Investment funds 2.52%
- Other securities 0.61%
- Short-term securities & other assets less liabilities 3.07%*

*Includes derivatives.

Availability of additional information

Additional information about the fund, including its prospectus, financial information, holdings, and proxy voting information is available at **capitalgroup.com/mutual-fund-literature-F2**.

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 householded, 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.