

American Funds® U.S. Small and Mid Cap Equity Fund



Class 529-F-2 | CMDNX for the period ended August 31, 2025

This annual shareholder report contains important information about American Funds U.S. Small and Mid Cap Equity Fund (the "fund") for the period from September 27, 2024, commencement of operations, to August 31, 2025. You can find additional information about the fund at capitalgroup.com/SMID-529F2. You can also request this information by contacting us at (800) 421-4225.

What were the fund costs for the period? (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-F-2	\$84*	0.86%†

*Based on operations for the period from September 27, 2024 to August 31, 2025. Expenses for the full year would be higher.

†Annualized.

Management's discussion of fund performance

The fund's Class 529-F-2 shares gained 11.45% for the period from September 27, 2024 to August 31, 2025. That result compares with a 8.60% gain for the Russell 2500 Index. For information on returns for additional periods, including the fund lifetime, please refer to capitalgroup.com/SMID-529F2.

What factors influenced results

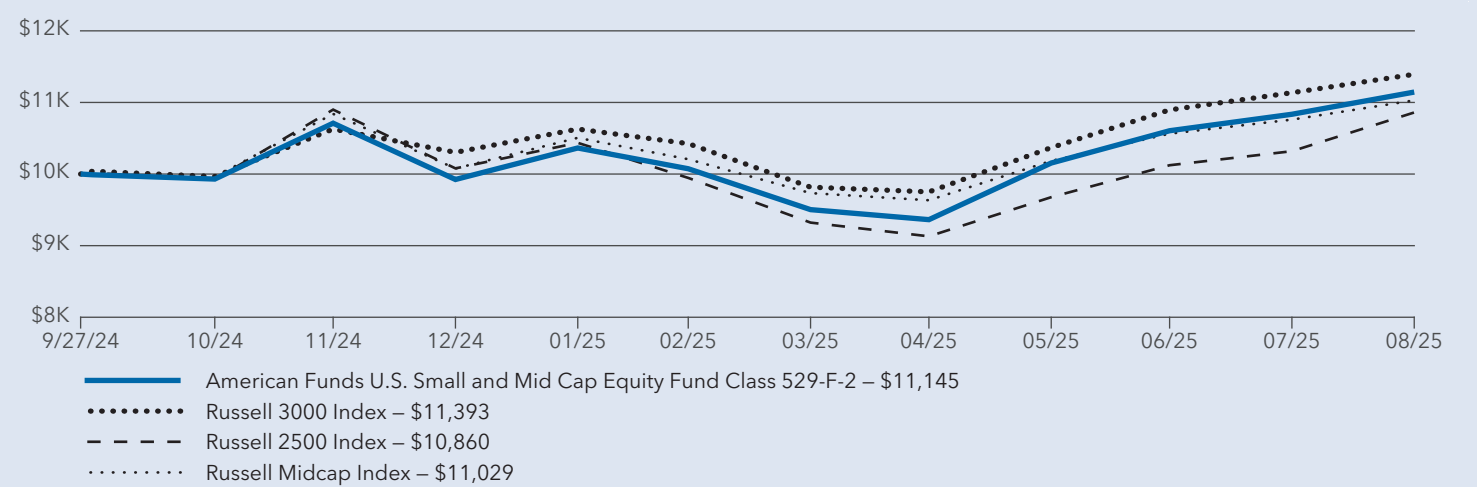
U.S. small- and mid-cap equities were resilient during the fund's fiscal year, bouncing back from turbulence in early 2025. After a strong 2024, the Russell 2500 Index dipped in the first quarter, along with the broader market, but rebounded by the end of the period. The U.S. economy returned to growth in the second quarter of 2025, recovering from the previous quarter's contraction, due to a surge in imports ahead of new tariffs. This expansion was supported by an increase in government spending and consumer resilience. Inflation rose toward the end of the fiscal year, indicating a modest tariff impact and reinforcing expectations for potential near-term Federal Reserve rate cuts.

Within the fund, most sectors added positive returns to the overall portfolio, with communication services being the most additive. Likewise, financials, consumer staples, information technology and industrials holdings also saw returns surpass those of the overall portfolio. Energy, consumer discretionary and utilities sectors had more modest gains.

In terms of detractors, holdings in the real estate, health care and materials sectors saw negative returns during the period.

How a hypothetical \$10,000 investment has grown

Figures assume reinvestment of dividends and capital gains.



Average annual total returns

	Since inception ¹
American Funds U.S. Small and Mid Cap Equity Fund – Class 529-F-2 ²	11.45%
Russell 3000 Index ³	13.93%
Russell 2500 Index ³	8.60%
Russell Midcap Index ³	10.29%

¹ Class 529-F-2 shares were first offered on September 27, 2024.

² 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.

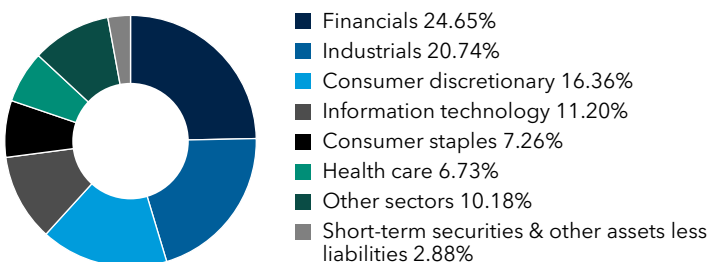
³ Results assume all distributions are reinvested. Any market index shown is unmanaged, and therefore, has no expenses. Investors cannot invest directly in an index. Source(s): London Stock Exchange Group.

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 thousands)	\$139,090
Total number of portfolio holdings	164
Total advisory fees paid (in thousands)	\$204
Portfolio turnover rate	28%

Portfolio holdings by sector (percent of net assets)



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.