American Funds Multi-Sector Income Fund

Q1 positioning update
Data as of March 31, 2025

A: MIAQX **F-3:** MIAZX
F-2: MIAYX **R-6:** RMDUX

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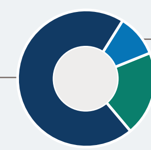
Healthy fundamentals and technical backdrop support valuations amid increased market volatility

- During the quarter, valuations drifted wider as a result of increased uncertainty around the breadth and impact of tariffs and how they would affect consumer sentiment and spending.
- Against a backdrop of healthy fundamentals and technicals, the fund modestly increased its allocation to high-yield corporates via CDX as spreads widened off their year-to-date tights.
- Overall, we expect U.S. economic growth to remain positive, albeit potentially slower. More broadly, we expect global growth to improve as a result of fiscal stimulus, ReArm EU and political dynamics that may lead to closer European integration. Still, uncertainty will likely persist as a result of the impact of tariffs.

A distinctive, diversified approach to income:

Sector	Duration	Quality
Flexibility to allocate across high-yield and investment-grade corporates, emerging markets debt and securitized sectors.	Actively manages duration between lower duration high-yield and longer duration investment-grade corporates.	Diversifies investments through a blend of investment-grade and non-investment-grade corporates and sovereigns.

Potential sources of excess return



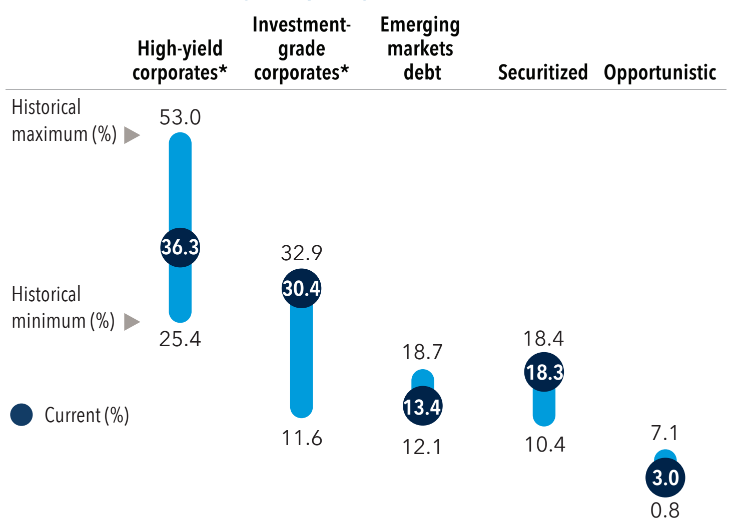
Potential excess return portions are for illustrative purposes only.

Relative value positioning

Sector allocations

- **The fund increased its allocation to high yield over the quarter to about 37% from 31% at year-end.** The portfolio managers remain constructive on the high-yield sector, which in their view is supported by healthy fundamentals and strong technicals. In addition, the portfolio managers expect high-yield earnings growth to stay positive (though potentially slower) and that gross new issuance will remain modest.
- **Despite tight spreads, investment-grade corporates provided a high level of yield and attractive returns on a relative basis.** The sector also provided high-quality yield and significantly contributed to the portfolio's duration.
- **The fund remains committed to emphasizing higher quality credits and maintains an overweight position in securitized issues.** Although securitized credit spreads have tightened from recent wides, higher quality commercial mortgage-backed securities (CMBS) and asset-backed securities (ABS) remain attractive as compared to similarly rated corporate debt.
- **Emerging markets debt (EMD) remains attractive on a risk-adjusted basis,** with many emerging economies showing signs of decreasing inflation while they maintain a positive outlook tied to western developed-markets growth.

Fund tilted toward higher quality sectors

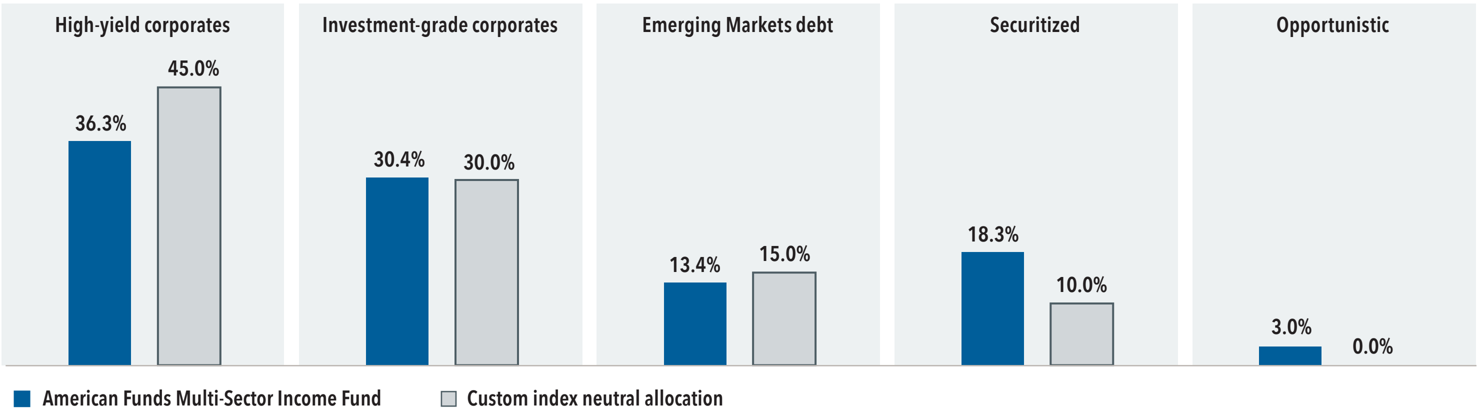


	High-yield corporates*	Investment-grade corporates*	Emerging markets debt	Securitized	Opportunistic
Minimum / Maximum	25-65	10-50	5-25	0-25	0-20

*Net of derivatives
Opportunistic includes U.S. Treasuries, municipal bonds, noncorporate credit and other debt instruments.
Minimum and maximum allocation amounts are not intended to reflect limits; they indicate the typical range within which a sector will be represented.
Source: Capital Group. Data as of 3/31/25.

Sector positioning

Sector exposure (Market value % of net assets)[1]



Sources: Capital Group, Bloomberg. As of 3/31/25.

[1] Reflects net of notional credit default index swaps (CDX) exposure.

Cash and equivalents represented approximately 2.1% of the portfolio as of 3/31/25 and are not shown. This 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.

Custom index figures reflect the target exposure of the American Funds Multi-Sector Income Fund Custom Index, which is comprised of 45% Bloomberg U.S. Corporate High Yield 2% Issuer Capped Index, 30% Bloomberg U.S. Corporate Investment Grade Index, 15% J.P. Morgan EMBI Global Diversified Index, 8% Bloomberg CMBS ex AAA Index and 2% Bloomberg ABS ex AAA Index. The fund's composition is based on internal classifications and prospectus requirements in the emerging markets debt and investment-grade credit sectors, while the custom index's composition is based on each component index provider's respective sector classifications.

- **The portfolio modestly increased its allocation to investment-grade corporates as spread widening provided an opportunity for a small relative value shift in positioning.** As compared to its blended benchmark, this increased allocation brought the fund's investment-grade allocation toward its neutral level, up from an underweight at year-end. The fund also increased its allocations to select technology and electricity issuers over the quarter.
- **The fund decreased its opportunistic allocation to agency mortgage-backed securities by half over the quarter,** as core sectors like high-yield and investment-grade corporates offered attractive relative value opportunities.
- **Securitized credit is still the portfolio's largest overweight position and remains toward the higher end of its historical allocation.** The portfolio's CMBS allocation is still relatively evenly split between conduit and single-asset/single-borrower issuers. Meanwhile, the portfolio managers' strongest conviction within ABS continues to be subprime autos, and to a lesser extent, auto rentals.
- **The fund increased its allocation to high-yield corporates via a combination of cash bonds and CDX over the quarter as spreads widened relative to investment-grade corporates.** Despite this increase in high yield, the portfolio is still underweight its blended benchmark, driven by the portfolio managers' relative value view of the sector.
- **The portfolio maintains its underweight to EMD.** Still, this allocation benefits from significant yield from its overweight to higher-yielding below-investment-grade sovereigns and its underweight to lower-yielding investment-grade sovereigns, which appear rich relative to other investment-grade sectors.

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.

Sources: Capital Group, Bloomberg.

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All references to "overweight" or "underweight" positions are relative to the weightings in the fund's custom index.

Portfolios are managed, so holdings will change. Certain fixed income and/or cash and equivalents holdings may be held through mutual funds managed by the investment adviser or its affiliates that are not offered to the public.

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.

The return of principal for bond portfolios and for portfolios with significant underlying bond holdings is not guaranteed. Investments are subject to the same interest rate, inflation and credit risks associated with the underlying bond holdings.

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

Higher yielding, higher risk bonds can fluctuate in price more than investment-grade bonds, so investors should maintain a long-term perspective.

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.

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.

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