

Release Date: 09-30-2018

American Funds Insurance Series® Asset Allocation Fund — Class 2

Investment Strategy from investment's prospectus

The investment seeks high total return (including income and capital gains) consistent with preservation of capital over the long term. The fund varies its mix of equity securities, debt securities and money market instruments. The fund's investment adviser expects (but is not required) to maintain an investment mix falling within the following ranges: 40%-80% in equity securities, 20%-50% in debt securities and 0%-40% in money market instruments and cash. As of December 31, 2017, the fund was approximately 64% invested in equity securities, 27% invested in debt securities and 9% invested in money market instruments and cash.

Past name: American Funds IS Asset Allocation 2.

Category Description: Allocation—50% to 70% Equity

Funds in allocation categories seek to provide both income and capital appreciation by investing in multiple asset classes, including stocks, bonds, and cash. These portfolios are dominated by domestic holdings and have equity exposures between 50% and 70%.

Operations

Fund Inception Date	04-30-97
Initial Share Class Inception Date	08-01-89
Advisor	Capital Research and Management Company
Subadvisor	—

Fees and Expenses as of 05-01-18

Gross Prospectus Expense Ratio	0.54%
Net Prospectus Expense Ratio	0.54%

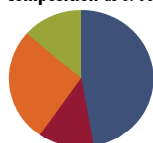
Waiver Data	Type	Exp.Date	%
—	—	—	—

Portfolio Manager(s)

Alan N. Berro, CPA, M.B.A., Harvard University. B.A., University of California, Los Angeles. Since 2000.
 James R. Mulally, M.B.A., Columbia University. B.S., Dartmouth College. Since 2006.

Portfolio Analysis as of 06-30-18

Composition as of 06-30-18

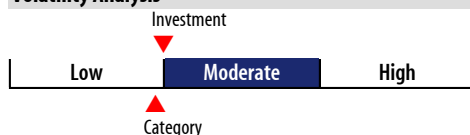


	% Assets
U.S. Stocks	47.25
Non-U.S. Stocks	12.44
Bonds	26.78
Cash	13.47
Other	0.06

Top 20 Holdings as of 06-30-18

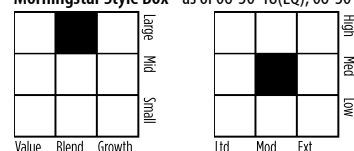
	% Assets
Microsoft Corp	2.78
UnitedHealth Group Inc	2.29
Taiwan Semiconductor Manufacturing Co Ltd ADR	2.03
ASML Holding NV ADR	1.70
VeriSign Inc	1.68
United States Treasury Notes 1.5% 01-31-19	1.55
DowDuPont Inc	1.52
Noble Energy Inc	1.44
Broadcom Inc	1.38
Johnson & Johnson	1.37
Intel Corp	1.35
Lockheed Martin Corp	1.34
Wells Fargo & Co	1.28
Boeing Co	1.23
Chubb Ltd	1.21
Philip Morris International Inc	1.15
United States Treasury Notes 1.25% 01-31-20	1.14
Humana Inc	1.12
The Home Depot Inc	1.07
Nestle SA	1.06
Total Number of Stock Holdings	103
Total Number of Bond Holdings	1009
Annual Turnover Ratio %	83.00
Total Fund Assets (\$mil)	26,761.74

Volatility Analysis



In the past, this investment has shown a relatively moderate range of price fluctuations relative to other investments. This investment may experience larger or smaller price declines or price increases depending on market conditions. Some of this risk may be offset by owning other investments with different portfolio makeups or investment strategies.

Morningstar Style Box™ as of 06-30-18(EQ); 06-30-18(F-I)



Statistics as of 06-30-18

	Stk Port Avg	S&P 500	Category
P/E Ratio	16.60	17.98	16.66
P/B Ratio	2.47	3.17	2.46
P/C Ratio	9.20	13.67	9.70
GeoAvgCap(\$mil)	84,419.16	109,557.79	71,026.52

Risk Measures as of 09-30-18

	Port Avg	S&P 500	Category
3 Yr Std Dev	6.55	9.18	6.22
3 Yr Sharpe Ratio	1.58	1.69	1.27
3 Yr Alpha	1.33	—	-0.51
3 Yr Beta	1.12	—	1.02
3 Yr R-squared	89.39	—	85.44

Morningstar Sectors as of 06-30-18

	%Fund	S&P 500 %
Cyclical	30.37	32.42
Basic Materials	5.81	2.27
Consumer Cyclical	7.12	12.18
Financial Services	15.85	15.79
Real Estate	1.59	2.18
Sensitive	45.31	42.67
Communication Services	3.03	3.24
Energy	10.82	6.00
Industrials	4.97	10.35
Technology	26.49	23.08
Defensive	24.31	24.92
Consumer Defensive	8.05	7.13
Healthcare	16.26	14.96
Utilities	0.00	2.83

Notes

This material is authorized for client use only when preceded or accompanied by a Disclosure Statement, a product prospectus, a fund prospectus and/or informational brochure containing more complete information. These can be obtained from your investment professional and should be read carefully before investing or sending money.

NOT A DEPOSIT — NOT FDIC INSURED — NOT INSURED BY ANY FEDERAL GOVERNMENT AGENCY — NOT GUARANTEED BY THE INSTITUTION — MAY GO DOWN IN VALUE