

Release Date: 03-31-2019

# American Funds Insurance Series® Capital Income Builder® — Class 4

## Investment Strategy from investment's prospectus

The investment seeks to provide the investors with a level of current income that exceeds the average yield on U.S. stocks generally and a growing stream of income over the years. The fund normally will invest at least 90% of its assets in income-producing securities (with at least 50% of its assets in common stocks and other equity securities). It invests primarily in a broad range of income-producing securities, including common stocks and bonds. The fund may also invest significantly in common stocks, bonds and other securities of issuers domiciled outside the United States.

## Category Description: World Allocation

World-allocation portfolios seek to provide both capital appreciation and income by investing in three major areas: stocks, bonds, and cash. While these portfolios do explore the whole world, most of them focus on the U.S., Canada, Japan, and the larger markets in Europe. It is rare for such portfolios to invest more than 10% of their assets in emerging markets. These portfolios typically have at least 10% of assets in bonds, less than 70% of assets in stocks, and at least 40% of assets in non-U.S. stocks or bonds.

## Operations

Fund Inception Date	05-01-14
Initial Share Class Inception Date	05-01-14
Advisor	Capital Research and Management Company
Subadvisor	—

## Fees and Expenses as of 05-01-18

Gross Prospectus Expense Ratio	1.04%
Net Prospectus Expense Ratio	1.04%

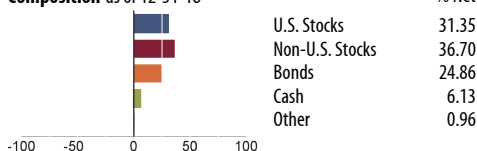
Waiver Data	Type	Exp.Date	%
—	—	—	—

## Portfolio Manager(s)

Philip Winston. Ph.D., University of Cambridge. M.A., University of Cambridge. Since 2014.  
 David J. Betanzos. Since 2014.

## Portfolio Analysis as of 12-31-18

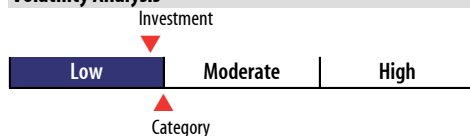
### Composition as of 12-31-18



### Top 20 Holdings as of 12-31-18

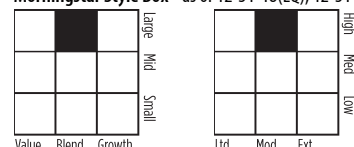
Security	% Assets
United States Treasury Notes 10-31-22	2.18
CME Group Inc Class A	2.03
Crown Castle International Corp	1.90
United States Treasury Notes 08-15-25	1.89
Broadcom Inc	1.80
American Tower Corp	1.60
Vodafone Group PLC	1.55
Enbridge Inc	1.55
Microsoft Corp	1.50
Philip Morris International Inc	1.44
Royal Dutch Shell PLC B	1.42
Federal National Mortgage Association 04-01-47	1.39
Taiwan Semiconductor Manufacturing Co Ltd	1.38
United States Treasury Notes 12-31-22	1.29
Coca-Cola Co	1.25
Diageo PLC	1.23
Intel Corp	1.23
Las Vegas Sands Corp	1.19
Qualcomm Inc	1.19
AstraZeneca PLC	1.17
Total Number of Stock Holdings	100
Total Number of Bond Holdings	198
Annual Turnover Ratio %	3.00
Total Fund Assets (\$mil)	748.53

## Volatility Analysis



In the past, this investment has shown a relatively small range of fluctuations relative to other investments. Based on this measure, currently more than two thirds of all investments have shown higher levels of risk. Consequently, this investment may appeal to investors looking for a conservative investment strategy.

## Morningstar Style Box™ as of 12-31-18(EQ); 12-31-18(F-I)



## Statistics as of 12-31-18

Statistic	Stk Port Avg	S&P 500	Category
P/E Ratio	12.45	17.05	13.92
P/B Ratio	1.96	2.97	1.65
P/C Ratio	7.69	8.80	6.97
GeoAvgCap(\$mil)	49,127.79	105,009.98	44,677.67

## Risk Measures as of 03-31-19

Metric	Port Avg	S&P 500	Category
3 Yr Std Dev	6.36	10.73	7.25
3 Yr Sharpe Ratio	0.52	1.12	0.68
3 Yr Alpha	-2.96	—	-2.15
3 Yr Beta	0.94	—	1.06
3 Yr R-squared	82.65	—	81.89

## Morningstar Sectors as of 12-31-18

Sector	%Fund	S&P 500 %
Cyclical	31.63	32.26
Basic Materials	2.08	2.46
Consumer Cyclical	6.39	11.90
Financial Services	14.92	15.40
Real Estate	8.24	2.50
Sensitive	38.32	42.16
Communication Services	9.25	3.56
Energy	9.73	5.43
Industrials	5.74	10.23
Technology	13.60	22.94
Defensive	30.05	25.59
Consumer Defensive	13.58	7.77
Healthcare	8.36	14.49
Utilities	8.11	3.33

## 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