



## **AMERICAN FUNDS MODEL PORTFOLIOS**

Asset Management Services

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**RAYMOND JAMES**

## Bringing your investment goals into focus

Whether you're close to retirement or several years away, your investment goals are unique to you. And you want a strategy to fit.

Aided by dedicated analysts, mutual fund managers buy carefully researched stocks and bonds. A mutual fund manager's goal is to outperform the market, whether prices are rising or falling.

With more than 85 years of experience, American Funds is a trusted name in mutual funds. That's why making the American Funds Model Portfolios available to clients through Raymond James Asset Management Services was so important.

Constructed by a team of dedicated specialists at American Funds, the Model Portfolios utilize a variety of low-cost American Funds mutual funds. Ranging from Conservative Income to Growth, each diversified portfolio is designed to align with an investment objective.

And to help bring your goals into focus.



### LOW EXPENSES

American Funds has long prided itself on having low fees for its mutual funds. The company's objective is to find excess return at low cost. Historically, American Funds' internal expenses have often been lower than or on par with its peers.





# American Funds Model Portfolios

The American Funds Model Portfolios are a collection of diversified investment portfolios available through Raymond James. Each is a blend of individual American Funds mutual funds with established track records and clear management processes. Constructed by the seven-person Portfolio Oversight Committee at American Funds, these portfolios are built to suit the needs of investors based on their goals, time horizon and risk tolerance.

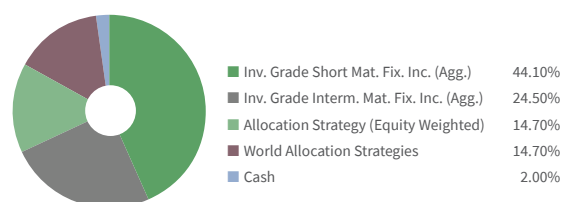
The Model Portfolios suite offers a spectrum of objectives based on investor risk tolerance and investment goals. Whatever your investing goals may be, these portfolios are designed to fit the way you feel comfortable pursuing your goals.

## THE AMERICAN FUNDS ADVANTAGE

American Funds is an employee-owned company that aligns its goals with the interests of investors, offering actively managed mutual funds for more than 85 years. As of Jan. 1, 2019, its portfolio managers averaged 27 years of investment experience, including 20 at American Funds. Capital Group, parent company of American Funds, is a privately owned company that aligns its goals with 4 beliefs; a long term view, fundamental research, a distinctive investment approach, and partnering with its clients.

### AMERICAN FUNDS CONSERVATIVE INCOME PORTFOLIO™

- Designed for investors who seek current income and mitigation of downside risk
- Invested primarily in high-quality bonds and dividend-paying equities
- A diversified portfolio that may be appropriate for investors who want to manage volatility and are somewhat sensitive to market fluctuations



Fund allocations as of inception: 7/31/17

Inv. Grade Short Mat. Fix. Inc. (Agg.)	Weight
American Funds Intermediate Bond Fund of America	24.50%
American Funds Short-Term Bond Fund of America	19.60%
Inv. Grade Interm. Mat. Fix. Inc. (Agg.)	
American Funds Bond Fund of America	24.50%
Allocation Strategy (Equity Weighted)	
American Funds American Balanced	14.70%
World Allocation Strategies	
American Funds Capital Income Builder	14.70%
Cash	
Raymond James Bank	2.00%

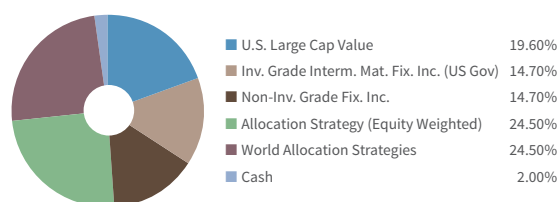
Portfolio Expense Ratio 0.37

This strategy utilizes mutual funds, which deduct operating expenses from their respective fund assets (expense ratio). The portfolio expense ratio may be updated based on allocation changes and trading activity. Investment companies typically determine the expense ratio annually and, therefore, this number can change based on an update of operating expenses. These charges are in addition to the advisory fees.

Dividends are not guaranteed and a company's future ability to pay dividends may be limited. All investing involves risk, and you may incur a profit or a loss. Asset allocation and diversification do not ensure a profit or protect against a loss.

### AMERICAN FUNDS CONSERVATIVE GROWTH & INCOME MODEL PORTFOLIO™

- Designed for investors who seek income and long-term growth potential
- Invested primarily in a diverse mix of stocks from dividend-paying companies and fixed-income securities
- A diversified portfolio that may be appropriate for investors who want to manage volatility and are somewhat sensitive to market fluctuations



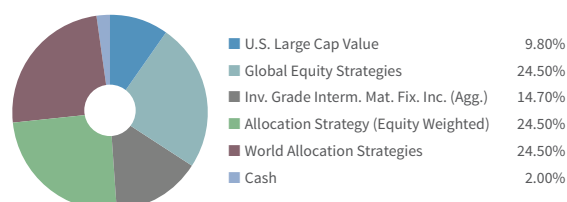
Fund allocations as of inception: 7/31/17

U.S. Large Cap Value	Weight
American Funds American Mutual	19.60%
Inv. Grade Interm. Mat. Fix. Inc. (US Gov)	
American Funds US Government Securities	14.70%
Non-Inv. Grade Fix. Inc.	
American Funds American High Income	14.70%
Allocation Strategy (Equity Weighted)	
American Funds Income Fund of America	24.50%
World Allocation Strategies	
American Funds Capital Income Builder	24.50%
Cash	
Raymond James Bank	2.00%

Portfolio Expense Ratio 0.40

### AMERICAN FUNDS MODERATE GROWTH & INCOME MODEL PORTFOLIO™

- Designed for investors who seek current income and long-term growth of capital and income
- Invested primarily in dividend-paying U.S. companies and broadly diversified bonds with exposure to global dividend-payers and multinationals
- A diversified portfolio that may be appropriate for investors who can accept a moderate level of volatility over a full market cycle



Fund allocations as of inception: 7/31/17

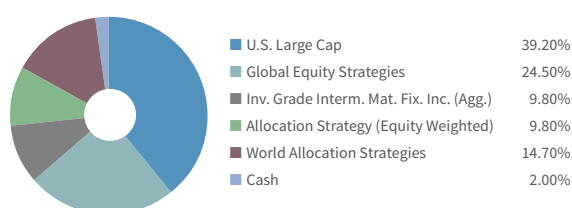
U.S. Large Cap Blend	Weight
American Funds Washington Mutual	9.80%
Global Equity Strategies	
American Funds New Perspective	9.80%
American Funds Capital World Growth & Income	14.70%
Inv. Grade Interm. Mat. Fix. Inc. (Agg.)	
American Funds Bond Fund of America	14.70%
Allocation Strategy (Equity Weighted)	
American Funds American Balanced	24.50%
World Allocation Strategies	
American Funds Global Balanced	24.50%
Cash	
Raymond James Bank	2.00%

Portfolio Expense Ratio 0.46

Additional considerations should be taken into account when considering a fee-based account as an alternative to paying commissions, including the anticipated level of trading activity and use of the products and services available in the account. You should understand that the annual advisory fee charged in these portfolios is in addition to the management fees and operating expenses charged by mutual funds. These additional considerations, as well as the fee schedule, are listed more fully in the Client Agreement and the Raymond James & Associate's Wrap Fee Program Brochure.

## AMERICAN FUNDS GROWTH AND INCOME MODEL PORTFOLIO™

- Designed for investors who seek long-term growth of capital and current income
- Invested primarily in a wide variety of stock investments as well as income from dividend-paying companies and fixed-income securities
- A diversified portfolio that may be appropriate for investors who can accept a moderate level of volatility over a full market cycle



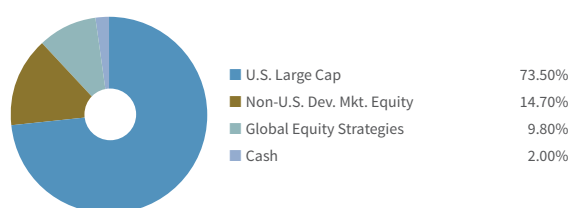
Fund allocations as of inception: 7/31/17

U.S. Large Cap Blend		Weight
American Funds Investment Company of America		24.50%
U.S. Large Cap Growth		
American Funds Growth Fund of America		14.70%
Global Equity Strategies		
American Funds Capital World Growth & Income		24.50%
Inv. Grade Interm. Mat. Fix. Inc. (Agg.)		
American Funds Bond Fund of America		9.80%
Allocation Strategy (Equity Weighted)		
American Funds American Balanced		9.80%
World Allocation Strategies		
American Funds Capital Income Builder		14.70%
Cash		
Raymond James Bank		2.00%

Portfolio Expense Ratio 0.42

## AMERICAN FUNDS GROWTH MODEL PORTFOLIO™

- Designed for investors who seek long-term growth of capital
- Invested primarily in a diverse mix of stocks of companies with strong growth potential
- A diversified portfolio that may be appropriate for investors who can accept a moderate to high level of volatility over a full market cycle



Fund allocations as of inception: 7/31/17

U.S. Large Cap Blend		Weight
American Funds Fundamental Investors		19.60%
American Funds Investment Company of America		14.70%
U.S. Large Cap Growth		
American Funds Growth Fund of America		19.60%
American Funds AMCAP		19.60%
Non-U.S. Dev. Mkt. Equity		
American Funds EuroPacific Growth		14.70%
Global Equity Strategies		
American Funds SMALLCAP World		9.80%
Cash		
Raymond James Bank		2.00%

Portfolio Expense Ratio 0.47

Further information on the funds selected for the American Funds Model Portfolio Series is available by prospectus, which can be obtained through your financial advisor. Investors should carefully consider the investment objectives, risks, charges and expenses of mutual funds before investing. All investments are subject to risk. The prospectus contains this and other information about the funds and should be read carefully before investing.



# Carefully constructed to help you reach your investment goals

Each American Funds Model Portfolio is a blend of individual American Funds mutual funds with established track records and clear management processes.



## PORTFOLIO OVERSIGHT COMMITTEE

Model portfolios are constructed and monitored by the American Funds Portfolio Oversight Committee, made up of senior investment professionals who, as of Jan. 1, 2019, had an average of 27 years of investment experience. Each committee member manages money in at least one of the underlying funds used to build the model portfolios, resulting in meaningful ownership of the models and a deep understanding of the underlying funds' objectives, holdings and histories.

In identifying the appropriate funds for each portfolio, the committee, which maintains at least seven members at all times, follows a diligent process that keeps each model in line with its objective, be it income or growth. The committee meets regularly to monitor the models or adjust target allocations. The models are rebalanced annually.

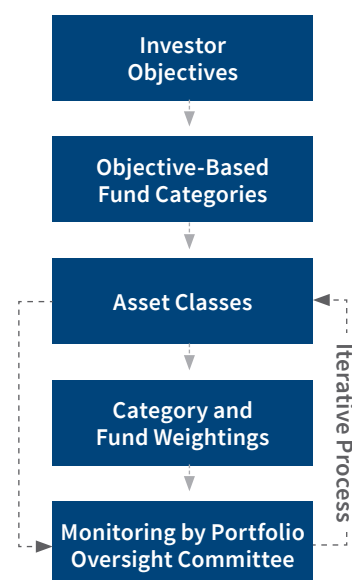


## PORTFOLIO CONSTRUCTION

In constructing the Model Portfolios, the Portfolio Oversight Committee combines American Funds mutual funds with common cultures in a manner it believes results in powerful and resilient portfolios designed to help investors meet specific needs. Objectives are identified first, with the asset mix resulting from the process.

The objective-based, bottom-up process includes rigorous analysis of the underlying funds. In selecting and allocating the underlying funds, the committee members use their deep understanding of each fund's objective, holdings and history to determine the optimal mix for a blended portfolio. In-depth analysis of the funds and resulting combinations considers several factors, including fund objective, volatility, income, geographic exposure and asset mix.

The committee closely evaluates market drivers during times of equity and/or fixed income volatility. It also monitors results, analyzes asset class exposures, reviews tilts in asset classes emanating from multi-asset underlying funds, and monitors large-market moves and their impacts on the portfolios.



To learn more about the American Funds Model Portfolios and consider whether one would be a good fit for your investment strategy, contact your advisor.

### Important information related to portfolio Risks:

It is important to review the investment objectives, risk tolerance, tax objectives, time horizon, and liquidity needs before choosing an investment style or manager. All investments carry a certain degree of risk and no one particular investment style or manager is suitable for all types of investors. Asset allocation and diversification does not ensure a profit or protect against a loss. This should not be considered forward looking, and are not guarantees of future performance of any investment. There is no assurance that any investment strategy will be successful.

- Fixed-income securities (or “bonds”) are exposed to various risks including but not limited to credit (risk of default or principal and interest payments), market and liquidity, interest rate, reinvestment, legislative (changes to the tax code), and call risks.
- There is an inverse relationship between interest rate movements and fixed income prices. Generally, when interest rates rise, fixed income prices fall and when interest rates fall, fixed income prices generally rise. Short-term bonds with maturities of three years or less will generally have lower yields than long term bonds which are more susceptible to interest rate risk.
- Credit risk includes the creditworthiness of the issuer or insurer, and possible prepayments of principal and interest. Bonds may receive credit ratings from a number of agencies however, Standard & Poor’s ratings range from AAA to D, with any bond with a rating BBB or higher considered to be investment grade. Securities rated below investment grade generally provide a higher yield but carry a higher risk of default which could result on a loss of the principal investment. Because high-yield bonds have greater credit and default risk they may not be appropriate for all investors. While bonds rated investment grade have lower credit and default risk, there is no guarantee securing the principal investment.
- Securities issued by certain U.S. government-related organizations are not backed by the full faith and credit of the U.S. government and therefore no assurance can be given that the U.S. government will provide financial backing should an issue default.
- Please note these portfolios may be subject to state, local, and/or alternative minimum taxes. You should discuss any tax or legal matters with the appropriate professional.
- International investing involves special risks, including currency fluctuations, different financial accounting standards, and possible political and economic instability.

- Investing in emerging markets can be riskier than investing in well-established foreign markets. Emerging and developing markets may be less liquid and more volatile because they tend to reflect economic structures that are generally less diverse and mature and political systems that may be less stable than those in more developed countries.
- Investing in small-cap stocks generally involves greater risks, and therefore, may not be appropriate for every investor. Stocks of smaller or newer or mid-sized companies may be more likely to realize more substantial growth as well as suffer more significant losses than larger or more established issuers.
- Commodities trading is generally considered speculative because of the significant potential for investment loss. Among the factors that could affect the value of the fund’s investments in commodities are cyclical economic conditions, sudden political events, changes in sectors affecting a particular industry or commodity, and adverse international monetary policies. Markets for precious metals and other commodities are likely to be volatile and there may be sharp price fluctuations even during periods when prices overall are rising.
- Specific sector investing such as real estate can be subject to different and greater risks than more diversified investments. Declines in the value of real estate, economic conditions, property taxes, tax laws and interest rates all present potential risks to real estate investments.
- Alternative investments are generally considered speculative in nature and may involve a high degree of risk, particularly if concentrating investments in one or few alternative investments. These risks are potentially greater and substantially different than those associated with traditional equity or fixed income investments. The investment strategies used by certain Funds may require a substantial use of leverage. The investment strategies employed and associated risks are more fully disclosed in each Fund’s prospectus, which is available from your financial advisor.
- Changes in the value of a hedging instrument may not match those of the investment being hedged.
- These portfolios may be subject to international, small-cap and sector-focus exposures as well. Accounts may have over weighted sector and issuer positions, and may result in greater volatility and risk.
- Companies in the technology industry are subject to fierce competition, and their products and services may be subject to rapid obsolescence.

**NOT Deposits • NOT Insured by FDIC or any other government agency  
NOT GUARANTEED by the bank • Subject to risk and may lose value**

**RAYMOND JAMES®**

INTERNATIONAL HEADQUARTERS: THE RAYMOND JAMES FINANCIAL CENTER

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