Focused Dynamic Growth Fund

Quarterly Commentary

Portfolio Review

Stocks posted strong gains. U.S. equities were broadly higher as investors grew increasingly optimistic that the Federal Reserve (Fed) had engineered a soft landing amid cooling inflation and continued economic growth. As the Fed paused interest rates, signs pointed to possible rate cuts in 2024.

Growth stocks continued their strong performance. Returns for growth stocks exceeded those for value stocks during the quarter, except in the small-cap universe, where value outperformed. Small-cap issues outperformed their mid- and large-cap counterparts. Year to date, growth outperformed value across the capitalization spectrum.

Software weighed on performance. Stock selection in the industry hampered performance in the information technology sector. Stock decisions in the semiconductors and semiconductor equipment industry also detracted. Not owning Broadcom was a key industry detractor relative to the benchmark as it outperformed on solid results and its artificial intelligence focus.

Beverages hurt performance. Positioning in the industry hampered consumer staples' performance. Underweighting consumer staples distribution and retail stocks relative to the benchmark also detracted.

Financials outperformed. Sector performance was aided by the financial services industry, where Block was a leading contributor. Avoiding insurers was also helpful to relative results.

Key Contributors

Block. This provider of merchant payment services and Cash App reported better-than-expected revenue and earnings and raised guidance.

salesforce.com. This provider of cloud-based customer relationship management software outperformed after the company reported better-than-expected earnings and offered positive guidance. We believe salesforce.com's integration of artificial intelligence into its products has spurred strong customer demand.

Blueprint Medicines. This biotechnology company's stock rose after it received approval in the European Union for expanded use of Ayvakit, its drug that treats indolent systemic mastocytosis, a rare mast cell disease. Blueprint's most recent earnings results included higher-than-expected earnings, revenues and patients on Ayvakit.

Key Detractors

BILL Holdings. This provider of software for back-office functions lagged after the company reduced its sales guidance, citing the macroeconomic environment and its impact on smaller businesses, BILL's primary customers.

Argenx. This Netherlands-based biotechnology company's stock fell sharply after the company ended trials for its treatment for an autoimmune disease. This was the company's second failure for its broad-acting drug Vyvgart, despite being successful in two earlier trials. Roughly 10 indications remain, but investors have not been optimistic.

Goal and Strategy

Long-term capital appreciation through investments in 30-45 quality, large-cap, U.S. growth oriented companies.

Portfolio Management Team

	Start Date	
Name	Industry	Company
Keith Lee, CFA	1996	1998
Michael Li, Ph.D	2002	2002
Henry He, CFA	2001	2011

Top 10 Holdings (%)

Alphabet Inc	10.43
Amazon.com Inc	9.62
NVIDIA Corp	8.71
Tesla Inc	6.80
Microsoft Corp	5.08
salesforce.com Inc	4.32
Regeneron Pharmaceuticals Inc	4.02
Intuitive Surgical Inc	3.65
Chipotle Mexican Grill Inc	3.35
Okta Inc	3.17

As of 12/31/2023

The holdings listed should not be considered recommendations to purchase or sell a particular security. Equity holdings are grouped to include common shares, depository receipts, rights and warrants issued by the same company. Fund holdings subject to change.

Constellation Brands. This alcoholic beverage producer lagged on concerns about weakness in its wine and spirits segments. Nevertheless, our research indicates Constellation continues to gain market share in the beer market. It also recently divested its low-end wine business and is building more efficient bottling plants, among what we believed were other positive changes.

Notable Trades

Shopify. We added a position in Shopify, a Canadian information technology services company that provides a global omnichannel retail-enablement platform for entrepreneurs and small businesses. We believe the company can benefit from potential margin improvement, existing and emerging product/service adoption, merchant solutions and a focus on cost control.

Cognex. Cognex sells to manufacturers and industrial users of 2D and 3D vision and barcode identification systems. Unfortunately, the company reported disappointing results with rising inventory and an uncertain outlook. We sold the stock in favor of names with what we believed were more attractive characteristics and greater business visibility.

Portfolio Positioning

Our process uses bottom-up financial analysis aimed at identifying large-cap companies that we think have the potential to produce attractive long-term earnings growth. We seek to reduce unintended, nonfinancial risks and align the portfolio with company-specific risks that we believe will be rewarded over time. As a result of this approach, our sector and industry allocations reflect areas of the market where we believe we are finding opportunities at a given time.

We think several secular trends remain in place. Our research indicates market volatility will likely remain high as investors shift their focus from inflation and Fed interest rate policy to other drivers of the market such as the pace of economic growth and corporate earnings. Consensus earnings forecasts for 2024 predict solid year-over-year growth. However, we think this may be optimistic given the interest rate environment and the current level of economic growth. This has led us to search for companies that we believe have the financial strength to navigate an extended period of economic weakness, in addition to those that can benefit from enduring growth trends. Examples include digital advertising and business transformation, the reliance on the cloud and mobile, process automation and electric vehicle adoption, among others.

Debate over hard or soft landing is driving market action. Stocks endured a difficult year in 2022, when the Fed raised rates at the fastest pace in more than 40 years to fight high inflation. But now, inflation has cooled, and the Fed has paused its rate-hiking campaign. There was a tug of war driving markets in 2023 between whether the economy would experience a hard or soft landing. We see no quick resolution to this question and expect more volatility in 2024. Either way, we don’t capitulate or change our approach. Instead, we remain committed to our strategy and double down on our bottom-up financial research process. We believe periods such as these can create attractive opportunities for long-term investors willing to be patient with good companies.

We continue to focus on owning what we believe are solid businesses. There’s a tendency to view the investing world in style terms such as growth versus value or small versus large. But we believe there is a hazard in making such top-down market calls, especially at times when economic uncertainty is so high. Instead of thinking about where a company might fit in a particular style framework, we ask, “Is this a solid business?” and “Where is it in its stage of development?” We believe buying and holding young, growing businesses that are well positioned competitively is the best way to compound value for shareholders over time.

Volatility presents opportunities. Business conditions vary quarter to quarter and year to year, and stocks go up or down in the near term for any number of reasons. Because of this, we believe companies with what we’ve determined are solid long-term growth prospects are better situated to ride out uncertainty relating to economic and earnings growth. As a result, we believe our portfolio investments have significant long-term growth opportunities, which should ultimately benefit investors over time. As ever, we continue to monitor the financial progress and risks of our investments. We seek to utilize short-term volatility as an opportunity to add to positions when we see share prices disconnected from our assessment of their long-term valuation potential.

Our approach is based on individual security selection. There’s a tendency to think about the possibility of recession, Fed rate cuts and market implications in black-and-white terms. But we would argue that individual companies will respond differently to the ebbs and flows of the economy. Indeed, we believe we have found opportunities in diverse companies developing new products and technologies that are transforming entire sectors and industries. We don’t focus on top-down analysis. Rather, we believe the best approach is to rely on bottom-up, financial research to identify individual companies that we think have the potential to innovate and reimagine the competitive landscape. This is why we believe the companies we invest in are dynamic, innovative growth companies with healthy balance sheets and cash flows that can improve throughout the economic cycle.

Focused Dynamic Growth Fund

TICKERS Investor Class: ACFOX	I Class: ACFSX	A Class: ACFDX	R Class: ACFCX	R6 Class: ACFNX

Data presented reflects past performance. Past performance is no guarantee of future results. Current performance may be higher or lower than the performance shown. To obtain performance data current to the most recent month end, please visit www.americancentury.com/performance. Investment return and share value will fluctuate, and redemption value may be more or less than original cost. Data assumes reinvestment of dividends and capital gains. Returns for periods less than one year are not annualized. For information about other share classes available, please consult the prospectus. There is no guarantee that the investment objectives will be met. Dividends and yields represent past performance and there is no guarantee that they will continue to be paid.

Average Annual Total Returns for Period Ended 12/31/2023

Class	Qtr (%)	1 Year (%)	3 Year (%)	5 Year (%)	10 Year (%)	Since Inception (%)	Inception Date	Gross Expense Ratio (%)
Investor	11.74	35.66	-2.59	16.21	13.22	10.51	5/31/06	0.86
I	11.80	35.94	-2.39	16.44	13.45	10.74	5/31/06	0.66
R6	11.83	36.12	-2.25	16.61	-	17.50	12/1/16	0.51
Russell 1000 Growth Index	14.16	42.68	8.86	19.50	14.86	-	-	-

Expense ratio as of the most current prospectus.

Periods greater than one year have been annualized.

Returns or yields for the fund would have been lower if a portion of the management fee had not been waived. Review the annual or semiannual report for the most current information.

You should consider the fund's investment objectives, risks, and charges and expenses carefully before you invest. The fund's prospectus or summary prospectus, which can be obtained at americancentury.com, contains this and other information about the fund, and should be read carefully before investing.

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The Russell 1000® Index measures the performance of the 1,000 largest companies in the Russell 3000® Index (the 3,000 largest publicly traded U.S. companies based on total market capitalization). The Russell 1000® Growth Index measures the performance of those Russell 1000® companies with higher price-to-book ratios and higher forecasted growth values. Created by Frank Russell Company, indices are not investment products available for purchase.

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