



Vanguard®

# Vanguard® LifeStrategy® Balanced Fund

Vanguard fund profile



## At a glance

As at 31 December 2011

<b>APIR code</b>	VAN0124AU
<b>Management costs</b>	
First \$50,000	0.90% p.a.
Next \$50,000	0.60% p.a.
Balance over \$100,000	0.35% p.a.
<b>Buy spread</b>	+0.18%
<b>Sell spread</b>	-0.12%
<b>Commencement</b>	14 February 2003
<b>Minimum investment</b>	\$5,000
<b>Income distribution</b>	Half yearly

## Objective

The fund seeks to track the weighted average return of the target indices of the underlying Vanguard Wholesale Index Funds in which the fund invests, before taking into account fund fees and expenses. The weights used are the strategic asset allocations for each asset class.

## Strategy

The portfolio targets a 50 per cent allocation to income oriented assets (cash and fixed interest securities) and 50 per cent allocation to growth oriented assets (property securities and shares). Actual allocations are permitted to deviate within a narrow tolerance range. The fund achieves its investment objective by investing in the underlying Vanguard Wholesale funds.

The underlying funds that make up the Vanguard® LifeStrategy® Balanced Fund include:

- Vanguard® Cash Plus Index Fund
- Vanguard® Australian Fixed Interest Index Fund
- Vanguard® International Fixed Interest Index Fund (Hedged)
- Vanguard® International Credit Securities Index Fund (Hedged)
- Vanguard® Australian Property Securities Index Fund
- Vanguard® International Properties Securities Index Fund (Hedged)
- Vanguard® Australian Shares Index Fund
- Vanguard® International Shares Index Fund
- Vanguard® International Small Companies Index Fund (Hedged)
- Vanguard® Emerging Markets Shares Index Fund

## Features and benefits

<b>Diversification</b>	Diversified portfolio holding a mix of growth and income assets. The diversified approach lowers risk while providing opportunities for enhanced returns.
<b>Income and long-term growth potential</b>	Steady income with half yearly distributions as well as the potential for capital growth.
<b>Potential for better after-tax returns</b>	A buy and hold strategy takes advantage of capital gains discounts and the deferral of capital gains liabilities, which may result in better after-tax returns.
<b>Low cost</b>	Low management costs with no entry, exit or switching fees other than usual buy/sell spreads.
<b>Flexibility</b>	Switch funds and make withdrawals with no associated costs other than usual buy/sell spreads.

# Vanguard® LifeStrategy® Balanced Fund

Dated 31 December 2011

## Overview

	<b>Fund</b>
Fund size (AUD)	\$24.4 Million
Inception date	14 February 2003
Management costs	0.90% pa - for that portion up to \$50,000 0.60% pa - for that portion from \$50,001 to \$100,000 0.35% pa - for that portion over \$100,000
Buy/sell spread	+0.18% / -0.12%
Benchmark	Weighted average return of target indexes

## Performance return<sup>1,2</sup> (%)

	<b>Fund Gross</b>	<b>Bmk</b>	<b>Fund Total</b>	<b>Dist</b>	<b>Growth</b>
1 month	0.19	0.19	0.11	1.49	-1.38
3 months	2.28	2.30	2.05	1.52	0.53
6 months	-1.60	-1.71	-2.05	1.46	-3.51
1 year	0.58	0.31	-0.32	6.16	-6.48
3 years (pa)	6.21	5.92	5.26	4.55	0.71
5 years (pa)	1.80	1.39	0.89	4.99	-4.10
10 years (pa)	n/a	n/a	n/a	n/a	n/a
Inception (pa)	6.65	6.31	5.70	5.07	0.63

## Year to year gross return<sup>1,2</sup> (%)

	<b>Dec - Dec</b>		<b>June - June</b>	
	<b>Fund</b>	<b>Bmk</b>	<b>Fund</b>	<b>Bmk</b>
YTD	0.58	0.31	-1.60	-1.71
2011	0.58	0.31	8.31	8.07
2010	4.99	4.75	10.68	10.28
2009	13.46	13.11	-6.06	-6.88
2008	-14.18	-14.95	-5.72	-5.99

## Unit prices<sup>3</sup>

<b>Net asset value</b>	<b>Purchase</b>	<b>Withdrawal</b>
\$1.0736	\$1.0756	\$1.0723

## Income distribution<sup>4</sup>

<b>Half year ended</b>	<b>Amount (CPU)</b>	<b>Reinvestment price</b>
31 December 2011	1.6047	\$1.0576

## Notes

- Past performance is not an indication of future performance
- Returns assume reinvestment of all distributions. Returns for periods longer than 1 year are annualised. Fund gross returns are before management costs and taxes, but after transaction and operational costs. Fund total return is the fund gross return less management costs. Index returns do not allow for taxes, management, transaction and operational costs.
- Month end cumulative-distribution
- Past distributions are not an indication of future distributions

## Asset allocation (%)

	<b>Fund Actual</b>	<b>Target Alloc.</b>	<b>Range</b>
<b>Growth assets</b>			
Australian shares	23.3	24.0	22-26%
Intl. shares (unhedged)	17.4	17.0	15-19%
Australian property securities	3.1	3.0	5-7%
Intl. property securities (hedged)	3.2	3.0	
Intl. small companies (hedged)	2.0	2.0	1-3%
Emerging markets shares (unhedged)	1.0	1.0	0.5-1.5%
Total growth	50.0	50.0	48-52%
<b>Income assets</b>			
Australian fixed interest	11.0	11.0	9-13%
Intl. fixed interest (hedged) *	17.0	17.0	15-19%
Australian cash	22.0	22.0	20-24%
Total income	50.0	50.0	48-52%
Total	100.0	100.0	

\* Vanguard International Fixed Interest Index Fund (Hedged) 11.3%, Vanguard International Credit Securities Index Fund (Hedged) 5.7%.

## Connect with Vanguard™

The indexing specialist > [vanguard.com.au](http://vanguard.com.au) > 1300 655 101



**Vanguard®**

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263 / RSE Licence L0001335) is the product issuer. We have not taken your circumstances into account when preparing the above information so it may not be applicable to your circumstances. You should consider your circumstances and our Product Disclosure Statement (PDS) before making any investment decision. You can access our PDS on our website or by calling us. This information was prepared in good faith and we accept no liability for any errors or omissions. Past performance is not an indication of future performance. We are the trustee of: Vanguard® Personal Superannuation Plan ABN 81 550 468 553. © 2011 Vanguard Investments Australia Ltd. All rights reserved. "Vanguard", "Vanguard Investments", "LifeStrategy" and the ship logo are the trademarks of The Vanguard Group, Inc.