



**Vanguard**<sup>®</sup>

# Vanguard<sup>®</sup> Cash Plus Index Fund

Vanguard fund profile



## At a glance

As at 30 April 2012

<b>APIR code</b>	VAN0102AU
<b>Management costs</b>	0.29% p.a.
<b>Buy spread</b>	Nil
<b>Sell spread</b>	Nil
<b>Commencement</b>	26 August 1998
<b>Minimum investment (wholesale)</b>	\$500,000 (no minimums apply for platforms)
<b>Platform availability</b>	For platform availability visit <a href="http://vanguard.com.au/mastertrust">vanguard.com.au/mastertrust</a>
<b>Income distribution</b>	Monthly

## Objective

The fund seeks to track the return (income and capital appreciation) of the Vanguard Cash Plus Index (a customised index), which is composed of high quality Australian cash and short-term fixed interest (debt) securities, before fund fees and expenses. The fund aims to deliver a steady and reliable income stream while providing the potential for higher yields than traditional style cash funds.

## Strategy

The fund invests in a mix of Australian cash and high quality, high yielding debt securities and is expected to exceed the return of the UBS Bank Bill Index in two out of three years, with an average maturity of no more than 9 months. The fund seeks to reduce credit risk by selecting debt securities with a credit rating of at least A-1 and diversifying holdings across issuers.

## Features and benefits

<b>Diversification</b>	The fund invests in a range of high quality bank bills across a broad range of financial institutions.
<b>Flexibility</b>	Allows easy access to funds at any time with no associated costs. This differs from Term Deposits that usually charge interest penalties when breaking the term of initial investment.
<b>Low cost</b>	Low management costs, with no entry, exit or switching fees and no buy/sell spreads.
<b>Regular income stream</b>	The fund distributes monthly to provide a regular income stream for investors.
<b>Low risk and capital stability</b>	The fund invests in a range of quality Australian cash and short-term fixed interest securities.
<b>Opportunities for higher yields</b>	Includes exposure to short-term fixed interest securities, providing opportunities for enhanced returns.

# Vanguard® Cash Plus Index Fund

Dated 30 April 2012

## Overview

	Fund	Benchmark
Fund size (AUD)	\$646.5 million	
Inception date	26 August 1998	
Management costs	0.29% p.a	
Buy/sell spread	Nil / Nil	
Yield to maturity	3.94%	
No. of issuers	24	n/a <sup>6</sup>
No. of securities	48	3
Duration (months)	7.50	
Benchmark	Vanguard Cash Plus Index	

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

	Fund Gross	Bmk	UBS Index <sup>5</sup>	Fund Total	Dist	Growth
1 month	0.54	0.53	0.39	0.52	0.34	0.18
3 months	1.32	1.19	1.11	1.25	1.04	0.21
6 months	2.59	2.59	2.31	2.44	2.15	0.29
1 year	5.37	5.49	4.87	5.06	4.57	0.49
3 years (pa)	4.76	4.35	4.47	4.46	4.97	-0.51
5 years (pa)	5.82	5.65	5.35	5.51	5.63	-0.12
10 years (pa)	5.66	5.58	5.45	5.36	5.37	-0.01
Inception (pa)	5.66	5.55	5.43	5.35	5.21	0.14

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

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	1.68	1.64	4.40	4.55
2011	5.52	5.54	5.35	4.91
2010	4.88	4.29	4.14	3.28
2009	3.56	2.90	7.27	7.58
2008	9.32	9.69	6.95	6.95

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

Net asset value	Purchase	Withdrawal
\$1.0232	\$1.0232	\$1.0232

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

Month Ended	Amount (CPU)	Reinvestment Price
30 April 2012	0.3393	\$1.0198

## Notes

1. Past performance is not an indication of future performance
2. 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.
3. Month end cumulative-distribution
4. Past distributions are not an indication of future distributions
5. UBS Bank Bill Index. This index is used for comparative purposes only.
6. Benchmark comprises 3 notional securities, where reference rates are derived from key market participants

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## Holdings

### Top 10 issuers

1	Western Australia (State Of)
2	Queensland (State Of)
3	New South Wales (State Of)
4	Victoria (State Of)
5	National Australia Bank Ltd
6	South Australia (State Of)
7	Royal Bank Of Canada
8	Bank Of Nova Scotia
9	Commonwealth Bank Of Australia
10	Citibank

The Top 10 issuers represent 63.7% of the total fund

## Asset allocation

The investments of the fund are restricted to:

- Commonwealth Government Securities;
- deposits or securities rated AA or above;
- deposits secured by the above;
- securities issued by licenced banks rated A-1 or higher, that mature within 90 days and together form not more than 25% of the total market value of the fund. The lowest rating of any security in the fund as at 30 April 2012 was A-1;
- cash deposits with licenced banks rated A-1 or higher; and
- futures.

The maximum policy exposure to any single non-government issuer is 33% of the market value of the fund. As at 30 April 2012, the largest single name, non-government exposure was 5.4% of the fund (National Australia Bank Ltd).



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