

## Vanguard Global Aggregate Bond Index Fund (Hedged)

Key fund facts	
Management fee	0.24% p.a.
Indirect costs	0.00% p.a.
Buy spread	0.13%
Sell spread	0.13%
Inception date	13 July 2017
Income distribution	Quarterly
Wholesale class size	\$5,459.3 million
Total fund size	\$5,657.00 million
Number of holdings	9,413

Trading information	
APIR code	VAN9309AU
Minimum investment	\$500,000 (No minimums apply for platforms)
Platform availability	For platform availability visit <a href="http://vanguard.com.au/mastertrust">vanguard.com.au/mastertrust</a>

Benchmark information	
Benchmark (Bmk)	Bloomberg Barclays Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars <sup>D</sup>
Number of holdings	26,433

### Investment objective

Vanguard Global Aggregate Bond Index Fund (Hedged) seeks to track the return of the Bloomberg Barclays Global Aggregate Float-Adjusted and Scaled Index hedged into Australian dollars before taking into account fees, expenses and tax.

### Fund overview<sup>D</sup>

The Fund provides low cost exposure to high-quality, income-generating securities issued by governments, government-owned entities, government-guaranteed entities, investment-grade corporate issues and securitised assets from around the world. The investments in the Fund are predominantly rated BBB- or higher by Standard & Poor's or equivalent ratings agency. The Fund is hedged to Australian dollars so the value of the Fund is relatively unaffected by currency fluctuations.

### Performance return<sup>A,B,D</sup>(%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	0.43	0.42	0.41	2.90	-2.49
3 months	0.90	0.90	0.84	2.91	-2.07
6 months	3.54	3.60	3.41	3.91	-0.50
1 year	3.71	4.00	3.46	4.87	-1.41
3 years (p.a.)	4.88	4.94	4.63	2.78	1.85
5 years (p.a.)	N/A	N/A	N/A	N/A	N/A
10 years (p.a.)	N/A	N/A	N/A	N/A	N/A
Inception (p.a.)	4.86	4.91	4.61	2.81	1.80

### Year to year gross return<sup>A,B,D</sup> (%)

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	4.57	4.84	0.90	0.90
2020	N/A	N/A	5.32	5.60
2019	7.64	7.57	7.65	7.50
2018	1.58	1.55	N/A	N/A
2017	N/A	N/A	N/A	N/A

### Income distribution<sup>C</sup>

Quarter ended	Amount (CPU)	Reinvestment price
30 September 2020	3.1501	\$1.0590

### Notes

- <sup>A</sup> Past performance is not an indication of future performance.
- <sup>B</sup> Returns assume reinvestment of all distributions. Returns for periods longer than 1 year are annualised. Fund gross returns are before management fees and taxes, but after transaction and operational costs. Fund total return is the fund gross return less management fees. Index returns do not allow for taxes, management, transaction and operational costs.
- <sup>C</sup> Past distributions are not an indication of future distributions.
- <sup>D</sup> Prior to 1 April 2019, the Fund's benchmark was the Bloomberg Barclays Global Aggregate Float-Adjusted Index hedged into Australian dollars.

# Vanguard Global Aggregate Bond Index Fund (Hedged)

## Characteristics

	Fund	Bmk
Number of issuers	2,393	4,731
Number of holdings	9,413	26,433
Yield to maturity	0.78%	0.81%
Weighted average coupon	2.3%	2.6%
Weighted average maturity	9.4 years	9.5 years
Weighted average credit quality	AA-	AA-
Effective duration	7.4 years	7.4 years
Running yield	1.95%	2.22%

## Top 10 issuers

1. United States Treasury
2. Japan (Government Of)
3. France (Republic Of)
4. Federal National Mortgage Association
5. Italy (Republic Of)
6. Germany (Federal Republic Of)
7. United Kingdom Of Great Britain And Northern Ireland (Government)
8. Government National Mortgage Association li
9. Spain (Kingdom Of)
10. Korea (Republic Of)

The top 10 issuers represent 47.7% of the total fund.

## Sector allocation (%)

	Fund	Bmk
Treasury	51.1	50.9
Corporate	24.3	23.5
Government-Related	13.7	13.7
Securitized	10.8	11.8
Other	0.1	0.1

## Credit allocation (%)

	Fund	Bmk
AAA	40.4	40.4
AA	16.2	16.4
A	23.6	23.2
BBB	18.9	18.9
Not rated	0.9	1.1

## For more information:

Our telephone service is available from 8am to 6pm, Monday-Friday AEST.

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## Market allocation (%)

	Fund	Bmk		Fund	Bmk
United States	41.3	40.6	Netherlands	1.8	1.8
Japan	9.6	9.7	Korea	1.6	1.6
France	6.8	7.0	Belgium	1.3	1.3
Germany	6.0	6.2	China	1.2	1.3
United Kingdom	4.4	4.6	Switzerland	1.1	0.9
Italy	4.3	4.2	Austria	0.8	0.8
Canada	4.0	3.7	Sweden	0.8	0.8
Spain	3.0	3.0	Indonesia	0.6	0.6
Supranational	2.5	2.4	Mexico	0.6	0.6
Australia	1.8	2.0	Other	6.5	6.9

## Glossary

**Yield to maturity** is the rate of return an investor would receive if the fund's fixed income securities were held to their maturity dates. The figure does not include the return component from hedging.

**Weighted average coupon** is the average interest rate (coupon rate) of all the bonds in a fund.

**Weighted average maturity** is the time from today until a bond matures or is redeemed by its issuer. Within a portfolio, the statistic is calculated for each bond and weighted by each bond's market value. In general, the longer a fund's average weighted maturity, the more its unit price will fluctuate in response to changing interest rates.

**Weighted average credit quality** is an indicator of credit risk. This figure is the average credit ratings assigned to a fund's holdings by credit rating agencies. Agencies assign credit ratings after appraising an issuer's ability to meet its obligations. Quality is graded on a scale, with Aaa or AAA indicating the most creditworthy bond issuers.

**Effective duration** is an option-adjusted measure of a portfolio's sensitivity to a change in interest rates. For example, if a bond has a duration of two years, its price would fall about 2% when interest rates rose one percentage point. On the other hand, the bond's price would rise by about 2% when interest rates fell by one percentage point.

**Running yield** for an individual bond is the annual dollar interest payment (coupon) of the bond divided by its market price. Within a portfolio, the statistic is calculated for each bond and weighted by each bond's market value.