

Please note:

Effective from 1 October 2020, the management fee changed to a single tier fee of 0.19%.

Fact sheet | 30 September 2020

Vanguard Investor Short Term Fixed Interest Fund

Key fund facts	
Management fee	
- First \$50,000	0.70% p.a.
- Next \$50,000	0.50% p.a.
- Balance over \$100,000	0.35% p.a.
Indirect costs	0.00% p.a.
Buy spread	0.02%
Sell spread	0.02%
Inception date	19 January 2000
Income distribution	Quarterly
Fund size	\$27.5 million
Number of holdings	68

Trading information	
APIR code	VAN0100AU
Minimum investment	\$5,000

Benchmark information	
Benchmark (Bmk)	Bloomberg AusBond Bank Bill Index
Number of holdings	13 ^P

Underlying fund information	
Fund name	Vanguard Short Term Fixed Interest Fund
Fund commencement date	26 August 1998
Total fund size	\$1,424.30 million

Investment objective

Vanguard Investor Short Term Fixed Interest Fund aims to deliver regular income and a total return that exceeds that of the Bloomberg AusBond Bank Bill Index in two out of every three years, before taking into account fees, expenses and tax.

Fund overview

The Fund provides low-cost access to high-quality money market securities and bonds issued by government, government-related and corporate entities in Australia. The combination of short-term debt securities and money-market securities offers the potential for higher yields than those associated with traditional style cash funds. The investments in the Fund are predominantly rated the equivalent of at least A- (long-term) by Standard & Poor's or equivalent ratings agency. The Fund targets a modified duration of seven to eight months.

Performance return^{A,B} (%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	0.06	0.01	0.00	0.01	-0.01
3 months	0.19	0.03	0.02	0.01	0.01
6 months	0.69	0.09	0.34	0.31	0.03
1 year	1.38	0.58	0.67	0.63	0.04
3 years (p.a.)	2.06	1.40	1.35	1.23	0.12
5 years (p.a.)	2.25	1.63	1.53	1.47	0.06
10 years (p.a.)	3.06	2.56	2.34	2.25	0.09
Inception (p.a.)	4.45	4.10	3.72	3.71	0.01

Year to year gross return^{A,B} (%)

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	1.11	0.35	0.19	0.03
2020	N/A	N/A	6.08	5.81
2019	2.33	1.50	12.45	12.10
2018	2.22	1.92	16.01	15.73
2017	2.39	1.75	2.47	1.82

Income distribution^C

Quarter ended	Amount (CPU)	Reinvestment price
30 September 2020	0.0078	\$1.0021

Notes

- ^A Past performance is not an indication of future performance.
- ^B 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.
- ^C Past distributions are not an indication of future distributions.
- ^D Benchmark comprises of notional bank bills, where reference rates are derived from prime banks (as defined by APRA).

Vanguard Investor Short Term Fixed Interest Fund

Characteristics

	Underlying fund	Bmk
Number of issuers	36	N/A ¹
Number of holdings	68	13
Yield to maturity	0.22%	N/A
Weighted average maturity	0.7 years	0.1 years
Weighted average credit quality	AA	N/A
Effective duration	0.64 years	0.13 years

Top 10 issuers

1. Commonwealth Bank Of Australia
2. Australia And New Zealand Banking Group Ltd
3. Westpac Banking Corp
4. National Australia Bank Ltd
5. Royal Bank Of Canada
6. International Bank For Reconstruction And Development
7. Canada (Government Of)
8. Germany (Federal Republic Of)
9. Cooperatieve Rabobank Ua
10. Inter-American Development Bank

The top 10 issuers represent 69.2% of the total fund.

Sector allocation (%)

	Underlying fund
Corporate	56.0
Government-Related	38.1
Cash	5.9

Credit allocation (%)

	Underlying Fund
AAA	34.4
AA	56.7
A	8.9

Market allocation (%)

	Fund	Bmk		Fund	Bmk
Australia	58.3	100.0	Norway	3.4	0.0
Supranational	17.4	0.0	Hong Kong	2.5	0.0
Germany	7.3	0.0	United States	2.3	0.0
Canada	7.1	0.0	Switzerland	1.7	0.0

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.

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.

Notes:

1. Benchmark comprises of notional bank bills, where reference rates are derived from prime banks (as defined by APRA).

For more information:

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

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