

Vanguard Cash Reserve Fund

Key fund facts	
Management fee	0.15% p.a.
Buy spread	Nil
Sell spread	Nil
Inception date	31 October 2007
Income distribution	Monthly
Fund size	\$1,485.9 million
Number of holdings	43

Trading information	
APIR code	VAN0020AU
Minimum investment	\$500,000 (No minimums apply for platforms)
Platform availability	For platform availability visit vanguard.com.au/mastertrust

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

Investment objective

Vanguard Cash Reserve Fund aims to provide current income while seeking to maintain liquidity and a relatively stable capital value. The return characteristics of the portfolio are expected to be broadly in line with the Bloomberg AusBond Bank Bill Index.

Fund overview

The Fund invests in high-quality, short-term money market instruments and short-dated debt securities, including certificates of deposit, banker's acceptances, commercial paper, euro commercial paper, government securities and other short-term or short-dated debt securities. The investments in the Fund are predominately rated A- (long-term) or above by Standard & Poor's ratings agency or equivalent. The Fund will maintain a dollar-weighted average maturity of 70 days or less.

Performance return^{A,B} (%)

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	0.01	0.01	0.00	0.00	0.00
3 months	0.05	0.03	0.01	0.00	0.01
6 months	0.17	0.09	0.10	0.13	-0.03
1 year	0.68	0.58	0.53	0.51	0.02
3 years (p.a.)	1.49	1.40	1.34	1.39	-0.05
5 years (p.a.)	1.72	1.63	1.57	1.60	-0.03
10 years (p.a.)	2.60	2.56	2.45	2.49	-0.04
Inception (p.a.)	3.22	3.19	3.06	3.04	0.02

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

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	0.43	0.35	0.05	0.03
2020	N/A	N/A	0.95	0.85
2019	1.63	1.50	2.08	1.97
2018	1.99	1.92	1.85	1.78
2017	1.86	1.75	1.95	1.82

Income distribution^C

Month ended	Amount (CPU)	Reinvestment price
30 September 2020	0.0000	\$1.0030

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).

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Characteristics

	Fund	Bmk
Number of issuers	20	N/A ¹
Number of holdings	43	13
Yield to maturity	0.11%	N/A
Weighted average maturity	0.2 years	0.1 years
Weighted average credit quality	AA	N/A
Effective duration	0.1 years	0.1 years

Top 10 issuers

1. Royal Bank Of Canada
2. Australia (Commonwealth Of)
3. Westpac Banking Corp
4. Commonwealth Bank of Australia
5. Australia and New Zealand Banking Group Ltd
6. Dbs Group Holdings Ltd
7. National Australia Bank Ltd
8. Hsbc Holdings Plc
9. Bank Of Nova Scotia
10. Sumitomo Mitsui Financial Group Inc

The top 10 issuers represent 85.7% of the total fund.

Sector allocation (%)

	Fund
Corporate	51.1
Cash	24.6
Treasury	23.7
Government-Related	0.6

Credit allocation (%)

	Fund
AAA	4.6
AA	84.9
A	10.3
Not rated	0.2

Market allocation (%)

	Fund	Bmk		Fund	Bmk
Australia	92.5	100.0	Supranational	0.6	0.0
Canada	5.3	0.0	Hong Kong	0.3	0.0
Netherlands	1.3	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 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:

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