

# Vanguard Emerging Markets Shares Index Fund

Key fund facts	
Management fee	0.56% p.a.
Indirect costs	0.01% p.a.
Buy spread	0.22%
Sell spread	0.22%
Inception date	31 December 1997
Income distribution	Quarterly
Fund size	\$1,263.7 million
Number of holdings	1,250

Trading information	
APIR code	VAN0005AU
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)	MSCI Emerging Markets Index (with net dividends reinvested) in AUD <sup>D</sup>
Number of holdings	1,387

## Investment objective

Vanguard Emerging Markets Shares Index Fund seeks to track the return of the MSCI Emerging Markets Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax.

## Fund overview

The Fund provides low-cost exposure to companies listed in emerging markets, allowing investors to participate in the long-term growth potential typical of these economies. It is exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.

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

	Fund gross	Bmk	Fund total	Distb'n	Growth
1 month	1.52	1.53	1.47	1.11	0.36
3 months	5.18	5.24	5.03	1.14	3.89
6 months	10.50	10.47	10.19	2.90	7.29
1 year	3.97	4.02	3.39	5.04	-1.65
3 years (p.a.)	5.64	5.55	5.05	3.67	1.38
5 years (p.a.)	8.59	8.52	7.98	4.23	3.75
10 years (p.a.)	5.82	5.63	5.23	3.23	2.00
Inception (p.a.)	6.98	6.72	6.38	3.30	3.08

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

	Dec - Dec		June - June	
	Fund	Bmk	Fund	Bmk
YTD	-3.00	-3.06	5.18	5.24
2020	N/A	N/A	-1.43	-1.53
2019	18.63	18.61	6.69	6.56
2018	-4.97	-5.10	12.47	12.33
2017	27.22	27.09	20.19	20.12

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

Quarter ended	Amount (CPU)	Reinvestment price
30 September 2020	2.3019	\$2.0864

## 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 March 2010, MSCI Emerging Markets Index excluding Colombia; excluding Pakistan prior to 1 January 2009; excluding Russia prior to 1 December 2003.

# Vanguard Emerging Markets Shares Index Fund

## Characteristics

	Fund	Bmk
Number of holdings	1,250	1,387
Median market cap	\$46.2B	\$46.2B
Price/Earnings ratio	17.2x	17.0x
Price/Book ratio	1.8x	1.8x
Return on equity ratio	16.9%	16.8%
Earnings growth rate	13.3%	13.9%
Equity yield (dividend)	2.3%	2.4%

## Top 10 holdings

1. Alibaba Group Holding Ltd.
2. Tencent Holdings Ltd.
3. Taiwan Semiconductor Manufacturing Co. Ltd.
4. Samsung Electronics Co. Ltd.
5. Meituan Dianping
6. Reliance Industries Ltd.
7. Naspers Ltd.
8. Ping An Insurance Group Co. of China Ltd.
9. JD.com Inc.
10. China Construction Bank Corp.

The top 10 holdings represent 31.8% of the total fund.

## Sector allocation (%)

	Fund	Bmk
Consumer Discretionary	20.1	20.2
Information Technology	18.4	18.5
Financials	17.2	17.1
Communication Services	12.7	12.7
Materials	7.0	6.9
Consumer Staples	6.1	6.1
Energy	5.4	5.4
Industrials	4.4	4.4
Health Care	4.4	4.3
Real Estate	2.4	2.4
Utilities	1.9	2.0

Sector categories are based on the Global Industry Classification Standard system ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

## Market allocation (%)

	Fund	Bmk		Fund	Bmk
China	41.9	41.9	Thailand	1.6	1.8
Taiwan	12.8	12.8	Indonesia	1.2	1.2
Korea	12.1	12.1	Qatar	0.8	0.8
India	8.3	8.3	Philippines	0.7	0.7
Brazil	4.5	4.6	Poland	0.6	0.7
			United Arab Emirates	0.6	0.6
South Africa	3.6	3.5	Chile	0.5	0.5
Russia	3.0	3.0	Turkey	0.3	0.4
Saudi Arabia	2.8	2.8	Peru	0.2	0.2
Mexico	1.7	1.6	Other	1.1	0.8
Malaysia	1.7	1.7			

## Glossary

**Median market cap** is the midpoint of market capitalisation (market price multiplied by the number of shares outstanding) of the shares in the fund. Half the shares in the fund will have higher market capitalisation, half will have lower.

**Price/Earnings ratio (P/E ratio)** is a measure of the market value of a share compared to the earnings of the company. A share with a price of \$10, and earnings last year of \$1 a share, would have a P/E ratio of 10. For a fund, the ratio is the weighted average P/E ratio of the shares it holds. In general, a high P/E suggests that investors are expecting higher earnings growth in the future compared to companies with a lower P/E. Companies with negative earnings are excluded from the calculation.

**Price/Book ratio** is calculated by dividing the current market price of the share by the book value per share of the company.

**Return on equity ratio** is a measure of how much profit a company generates relative to its shareholders' equity. For a fund, the ratio is the weighted average return on equity ratio of the shares it holds.

**Earnings growth rate** is a measure of the trailing Earnings Per Share growth for a given company and share. For a fund, the rate is the weighted average earnings growth of the shares it holds.

**Equity yield (dividend)** is the dividend income earned by shares, expressed as a percentage of the market price of those shares. For a fund, the yield is the weighted average equity yield of the shares it holds.

## For more information:

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

### For personal investors:

Call 1300 655 101

Email [clientservices@vanguard.com.au](mailto:clientservices@vanguard.com.au)

### For advisers:

Call 1300 655 205

Email [adviserservices@vanguard.com.au](mailto:adviserservices@vanguard.com.au)

### For institutional investors:

Call 1300 655 102

Email [institutional@vanguard.com.au](mailto:institutional@vanguard.com.au)

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) 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. Unless otherwise stated, all currencies shown in this document are in Australian dollars.

The funds or securities referred to herein are not sponsored, endorsed, or promoted by MSCI, and MSCI bears no liability with respect to any such funds or securities. The PDS contains a more detailed description of the limited relationship MSCI has with Vanguard and any related funds.