

Vanguard Australian Inflation-Linked Bond Index Fund

| Key fund facts | |
|---------------------|-------------------|
| Management fee | 0.29% p.a. |
| Buy spread | 0.10% |
| Sell spread | 0.10% |
| Inception date | 11 April 2012 |
| Income distribution | Quarterly |
| Fund size | \$1,050.6 million |
| Number of holdings | 8 |

| Trading information | |
|-----------------------|--|
| APIR code | VAN0064AU |
| 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 Inflation Treasury 1+ Yr Index |
| Number of holdings | 7 |

Investment objective

Vanguard Australian Inflation-Linked Bond Index Fund seeks to track the return of the Bloomberg AusBond Inflation Treasury 1+ Yr Index before taking into account fees, expenses and tax.

Fund overview

The Fund invests in high-quality, inflation-linked bonds issued by the Commonwealth Government of Australia. In a single low-cost investment, the Fund aims to provide a stable income stream as well as capital protection against the long-term effects of inflation.

Performance return^{A,B}(%)

| | Fund gross | Bmk | Fund total | Distb'n | Growth |
|------------------|------------|------|------------|---------|--------|
| 1 month | 1.53 | 1.55 | 1.51 | 0.10 | 1.41 |
| 3 months | 3.89 | 3.91 | 3.81 | 0.09 | 3.72 |
| 6 months | 7.91 | 8.05 | 7.75 | 0.47 | 7.28 |
| 1 year | 4.27 | 4.23 | 3.97 | 1.06 | 2.91 |
| 3 years (p.a.) | 6.80 | 6.77 | 6.49 | 1.27 | 5.22 |
| 5 years (p.a.) | 4.40 | 4.39 | 4.10 | 1.37 | 2.73 |
| 10 years (p.a.) | N/A | N/A | N/A | N/A | N/A |
| Inception (p.a.) | 4.65 | 4.61 | 4.35 | 1.52 | 2.83 |

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

| | Dec - Dec | | June - June | |
|------|-----------|------|-------------|------|
| | Fund | Bmk | Fund | Bmk |
| YTD | 5.73 | 5.68 | 3.89 | 3.91 |
| 2020 | N/A | N/A | 2.68 | 2.59 |
| 2019 | 8.54 | 8.49 | 9.00 | 9.02 |
| 2018 | 3.57 | 3.61 | 3.93 | 3.95 |
| 2017 | 3.52 | 3.54 | 0.38 | 0.28 |

Income distribution^C

| Quarter ended | Amount (CPU) | Reinvestment price |
|-------------------|--------------|--------------------|
| 30 September 2020 | 0.1135 | \$1.2662 |

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.

Vanguard Australian Inflation-Linked Bond Index Fund

Characteristics

| | Fund | Bmk |
|---------------------------------|------------|------------|
| Number of issuers | 1 | 1 |
| Number of holdings | 8 | 7 |
| Yield to maturity ¹ | 0.79% | N/A |
| Weighted average coupon | 1.8% | 1.8% |
| Weighted average maturity | 10.8 years | 10.8 years |
| Weighted average credit quality | AAA | AAA |
| Effective duration | 9.7 years | 9.7 years |

Top 10 issuers

1. Australia (Commonwealth Of)

The top 10 issuers represent 100.0% of the total fund.

Sector allocation (%)

| | Fund | Bmk |
|----------|-------|-------|
| Treasury | 100.0 | 100.0 |

Credit allocation (%)

| | Fund | Bmk |
|-----|-------|-------|
| AAA | 100.0 | 100.0 |

Glossary

Yield to maturity (estimate) is the estimated rate of return an investor would receive if the fixed income securities held by a fund were held to their maturity dates. The figure includes both the real yield to maturity and current market expectations of inflation. Investors should recognise that the actual yield to maturity will depend on the level of inflation experienced going forward.

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.

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.

Notes:

1. This figure is an estimated yield to maturity (YTM) for the fund. It includes the real (i.e. before inflation) YTM of -0.41% and an additional component to reflect current market expectations of inflation. Investors should recognise that the actual YTM will depend upon the level of inflation experienced going forward.

For more information:

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