

# **120 years of returns: a journey through time in global portfolios**

The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

## Dear reader

Vanguard was founded in the United States in 1975 on a simple but revolutionary idea: that an investment company should manage its funds solely in the interests of its clients. We have stood for low-cost, uncomplicated investing ever since.

Our unique mutual ownership structure in the US, where we are owned by our clients, means our interests are aligned with those of our investors globally. Our structure underpins our core purpose, which is to take a stand for all investors, treat them fairly and give them the best chance for investment success.

Over the decades, Vanguard has grown to become one of the world's largest investment management companies, with a presence in Australia, Europe, Asia and the Americas.

Today, Vanguard is trusted by over 30 million investors globally, with USD 8.5 trillion in assets under management (as at 31 December 2021).

This document is designed to enable you to quickly and easily track the performance of various global portfolio allocations and discuss them with your clients. We hope it makes your work easier!

Your Vanguard Team

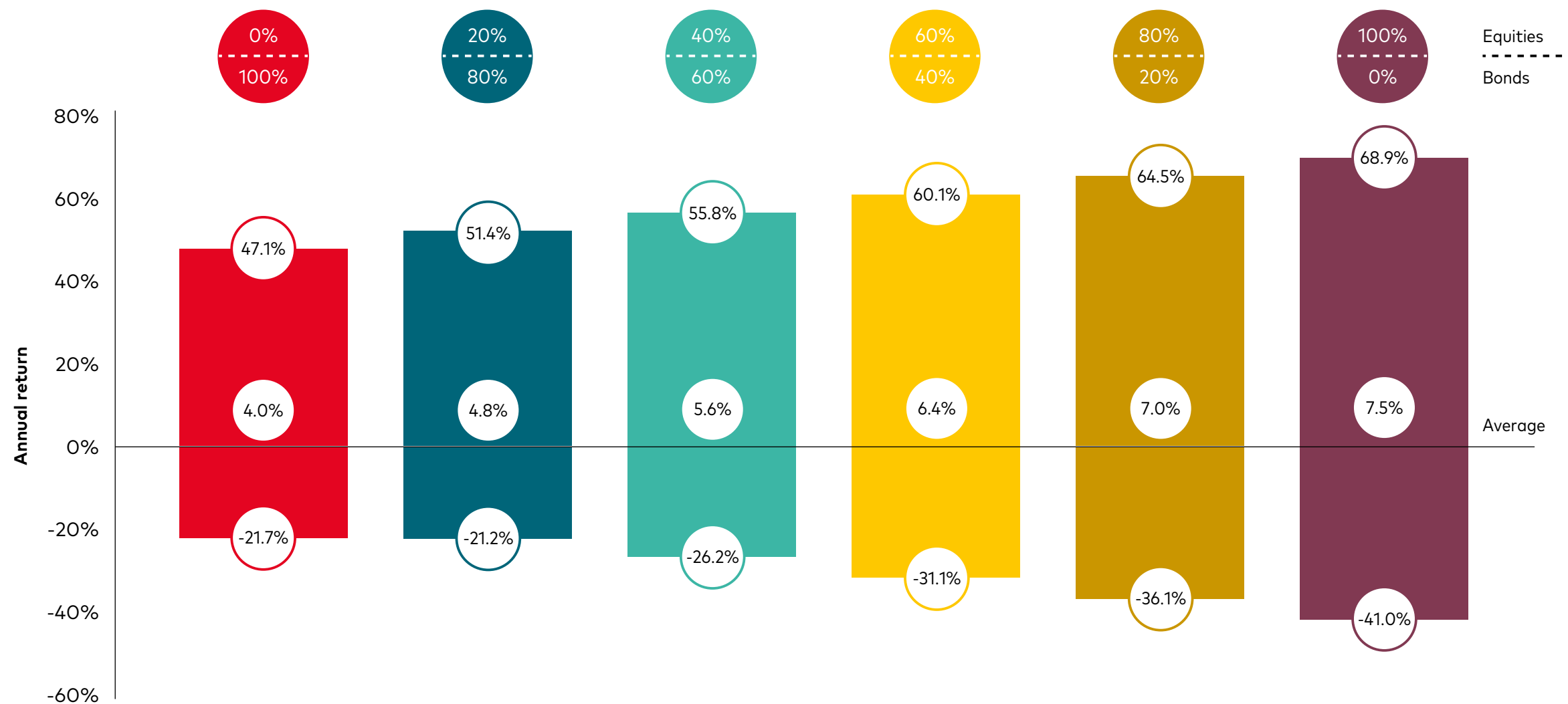
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**All years  
at a glance**

# Return spectrum of global, market capitalisation-weighted portfolios 1901–2021

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2021



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Past performance is not a reliable indicator of future results.

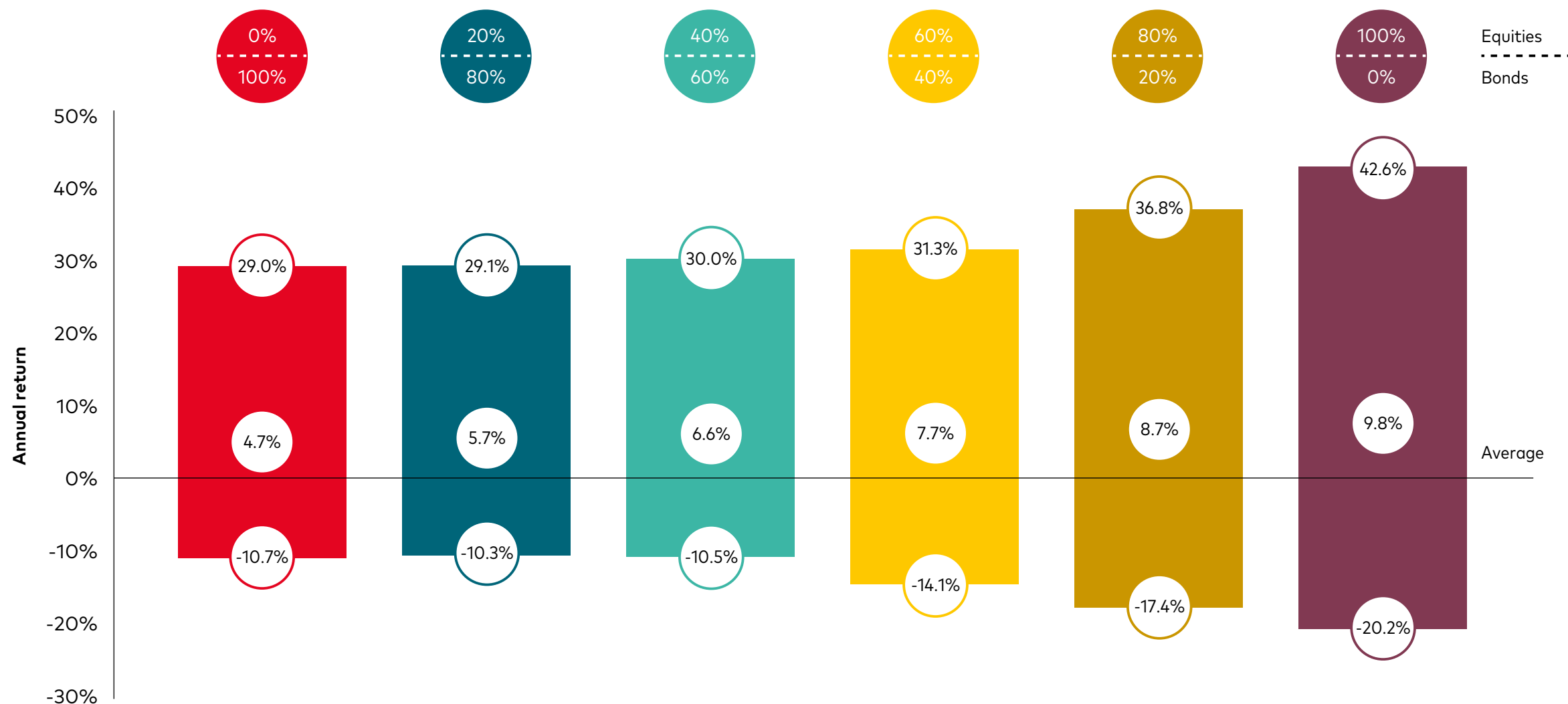
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# Return spectrum of global, market capitalisation-weighted portfolios 1901–2021

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2021

3 year holding period



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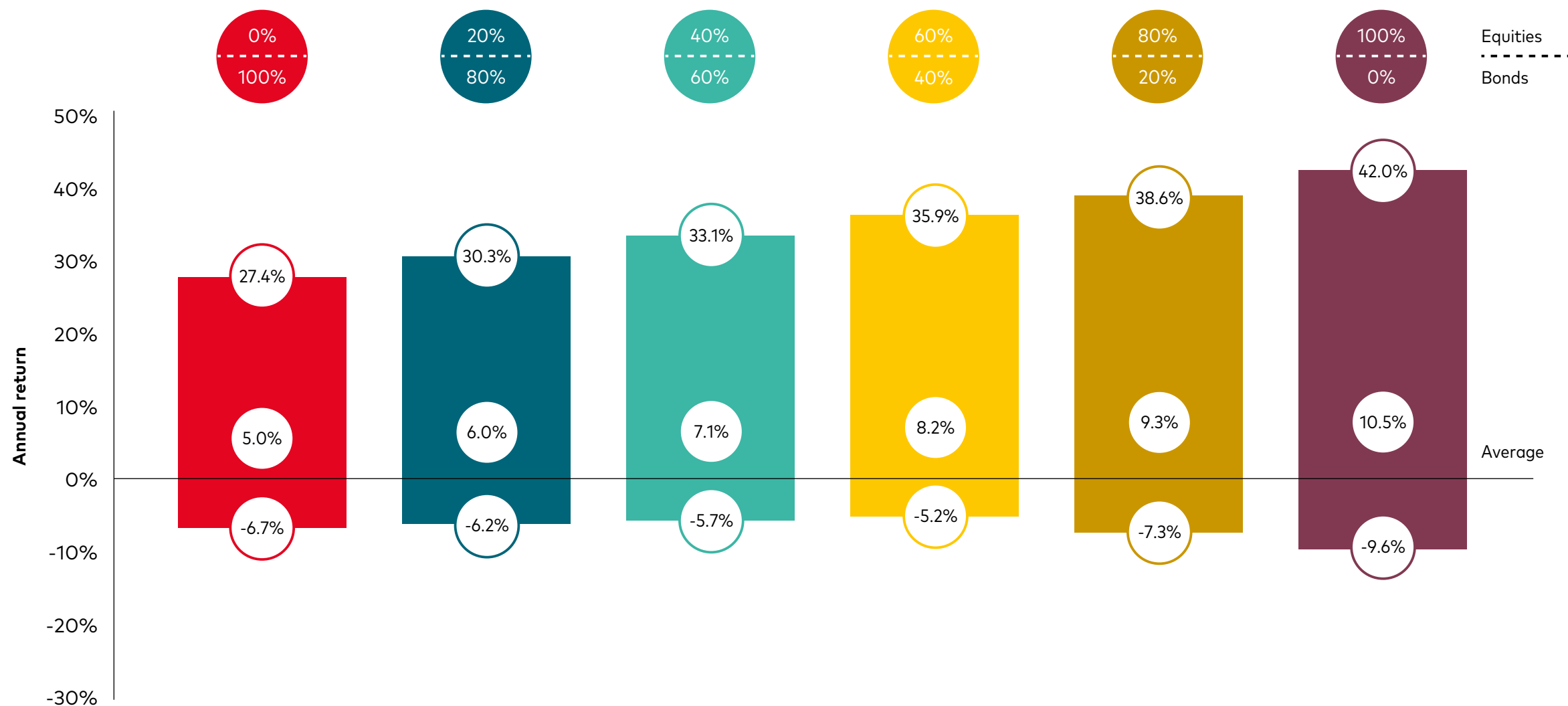
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# Return spectrum of global, market capitalisation-weighted portfolios 1901–2021

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2021

5 year holding period



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# Return spectrum of global, market capitalisation-weighted portfolios 1901–2021

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2021



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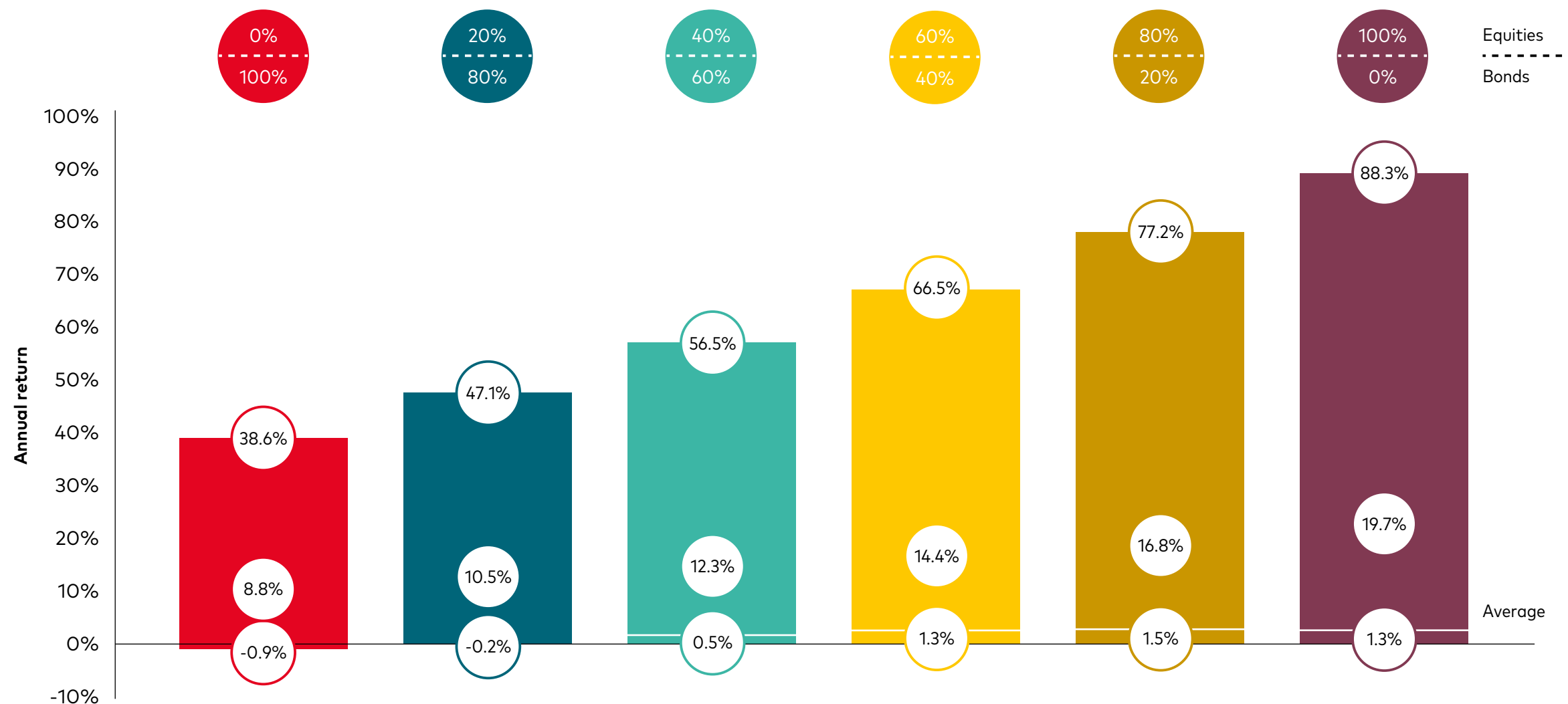
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# Return spectrum of global, market capitalisation-weighted portfolios 1901–2021

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2021

20 year holding period



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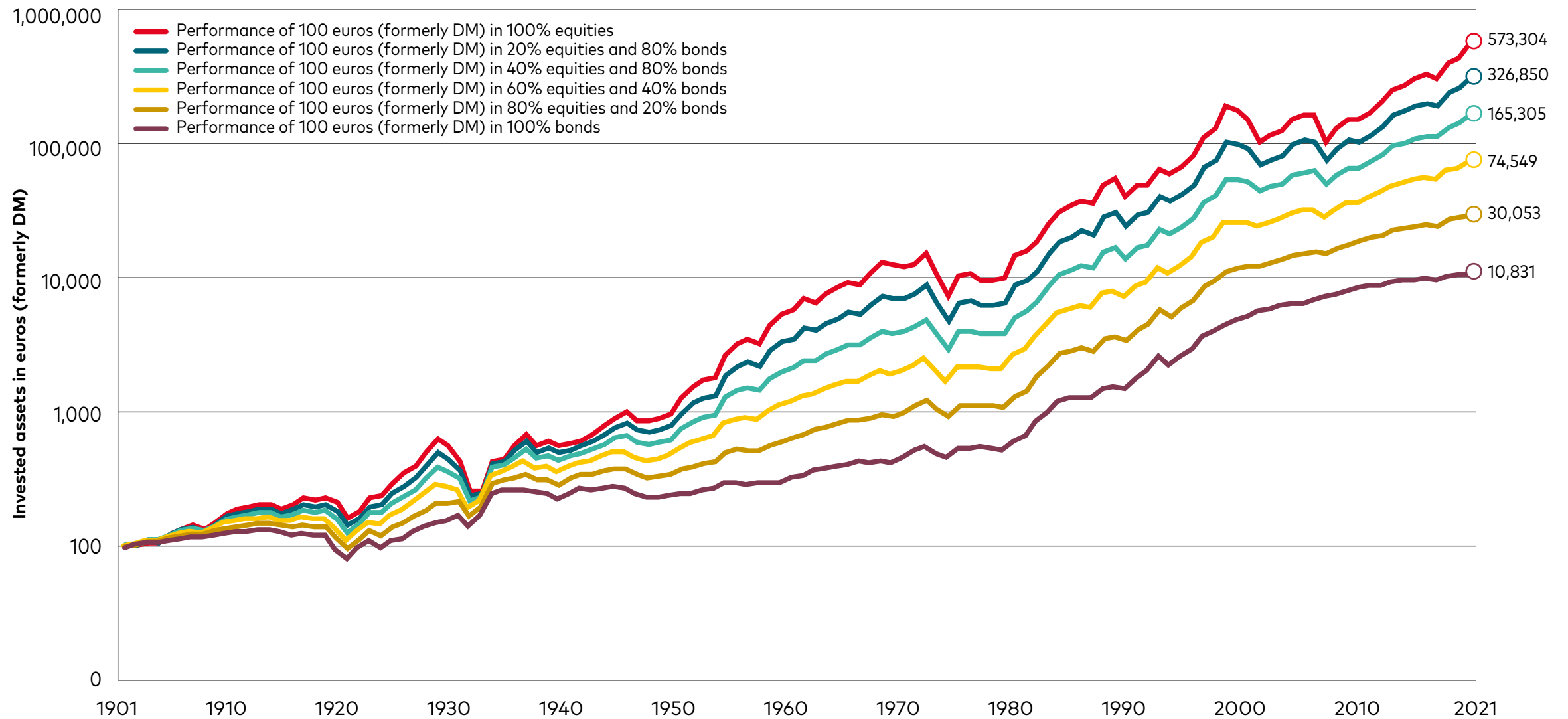
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# Performance at a glance

## Returns of portfolio combinations of equities and bonds from 1901 to 2021



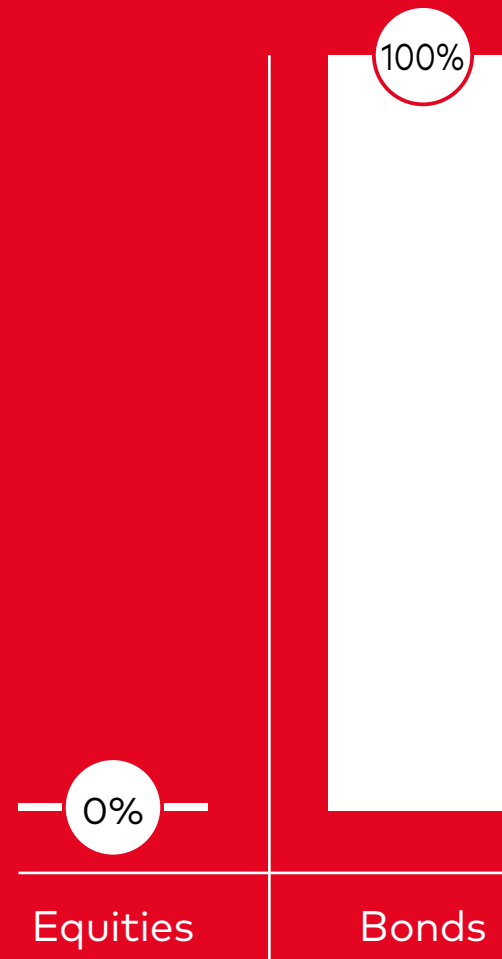
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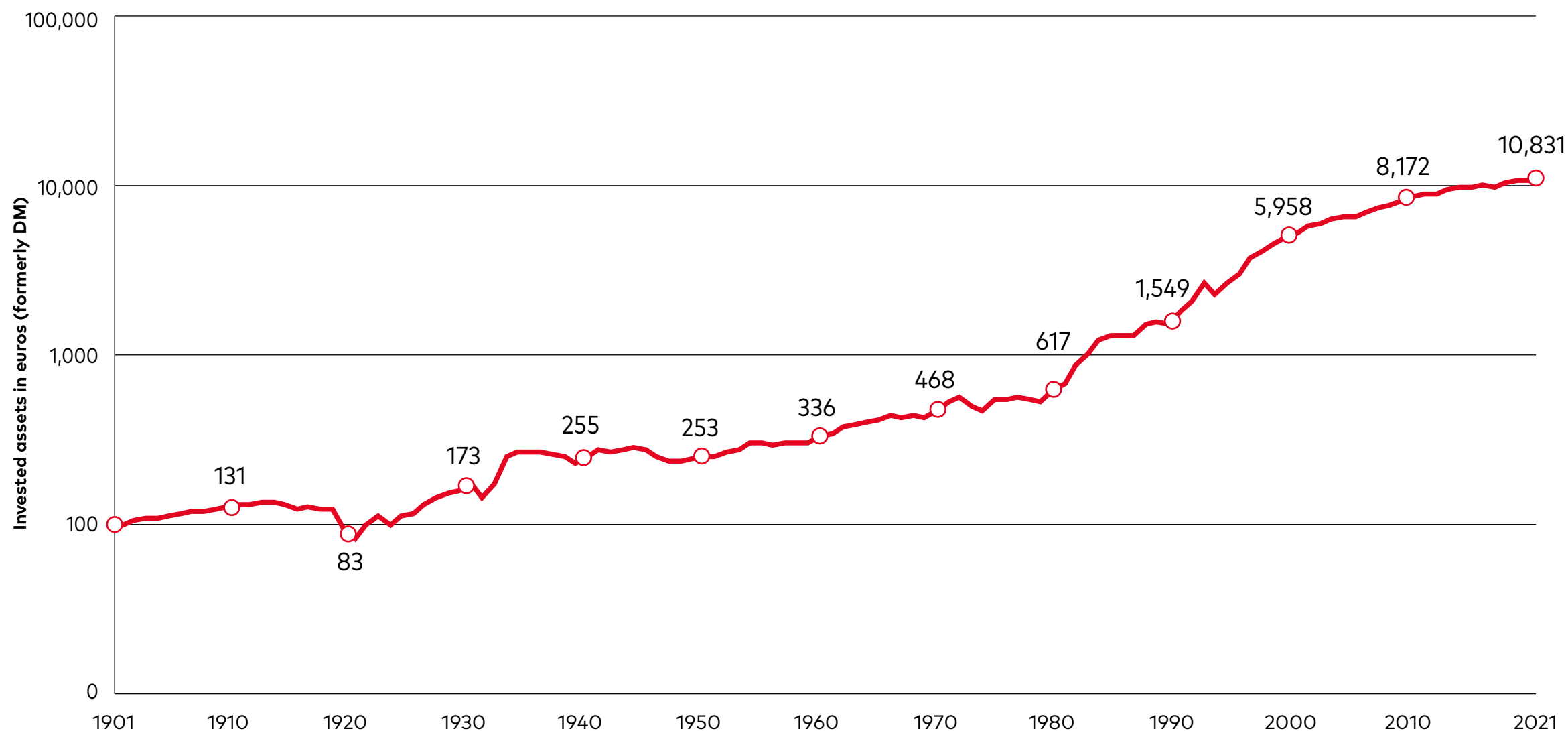
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# Equities 0 / Bonds 100



# Performance at a glance

How an investment of 100 euros (formerly DM) in 100% bonds would have performed since 1901



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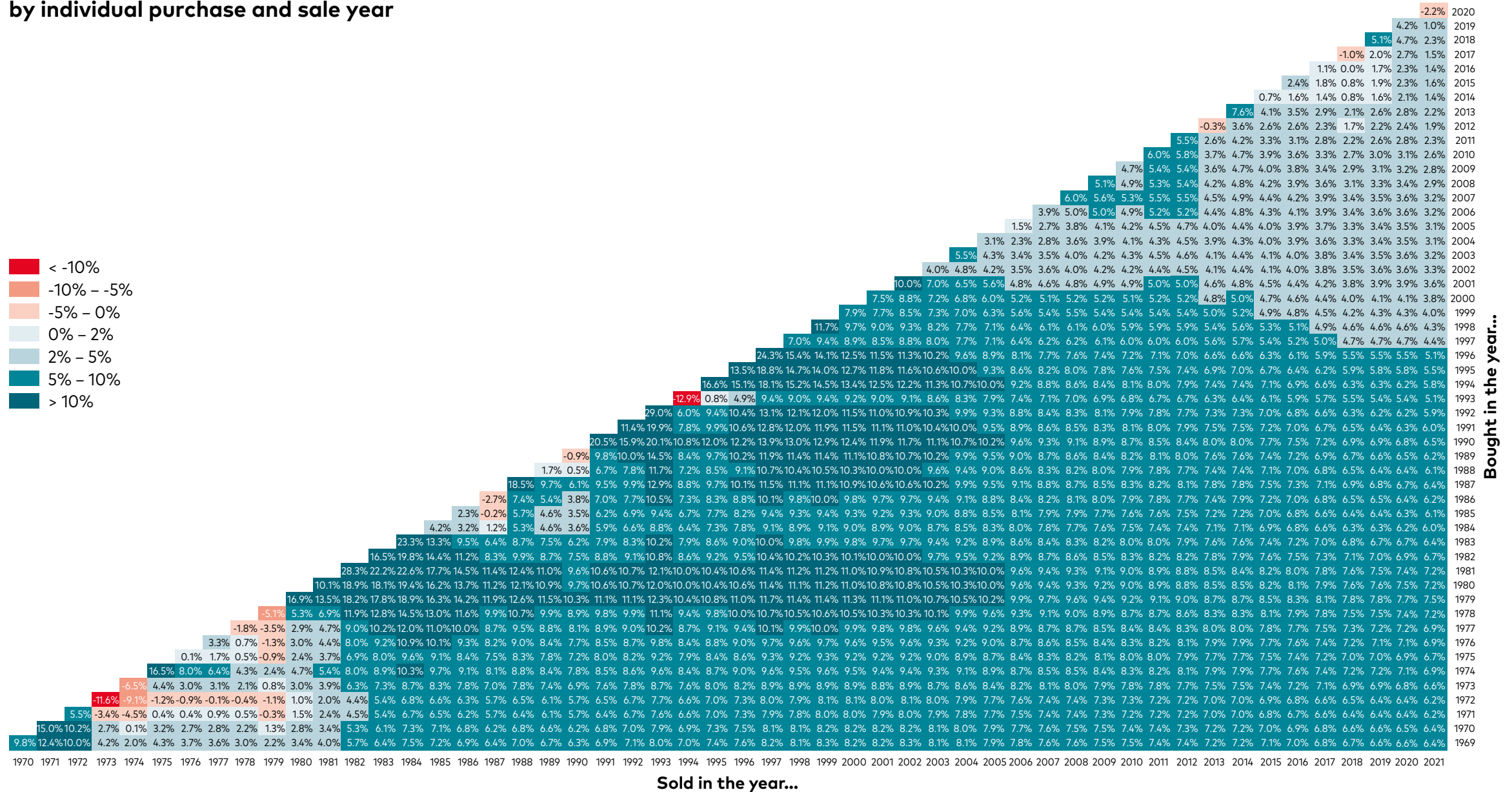
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# Return triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 100% bonds  
by individual purchase and sale year



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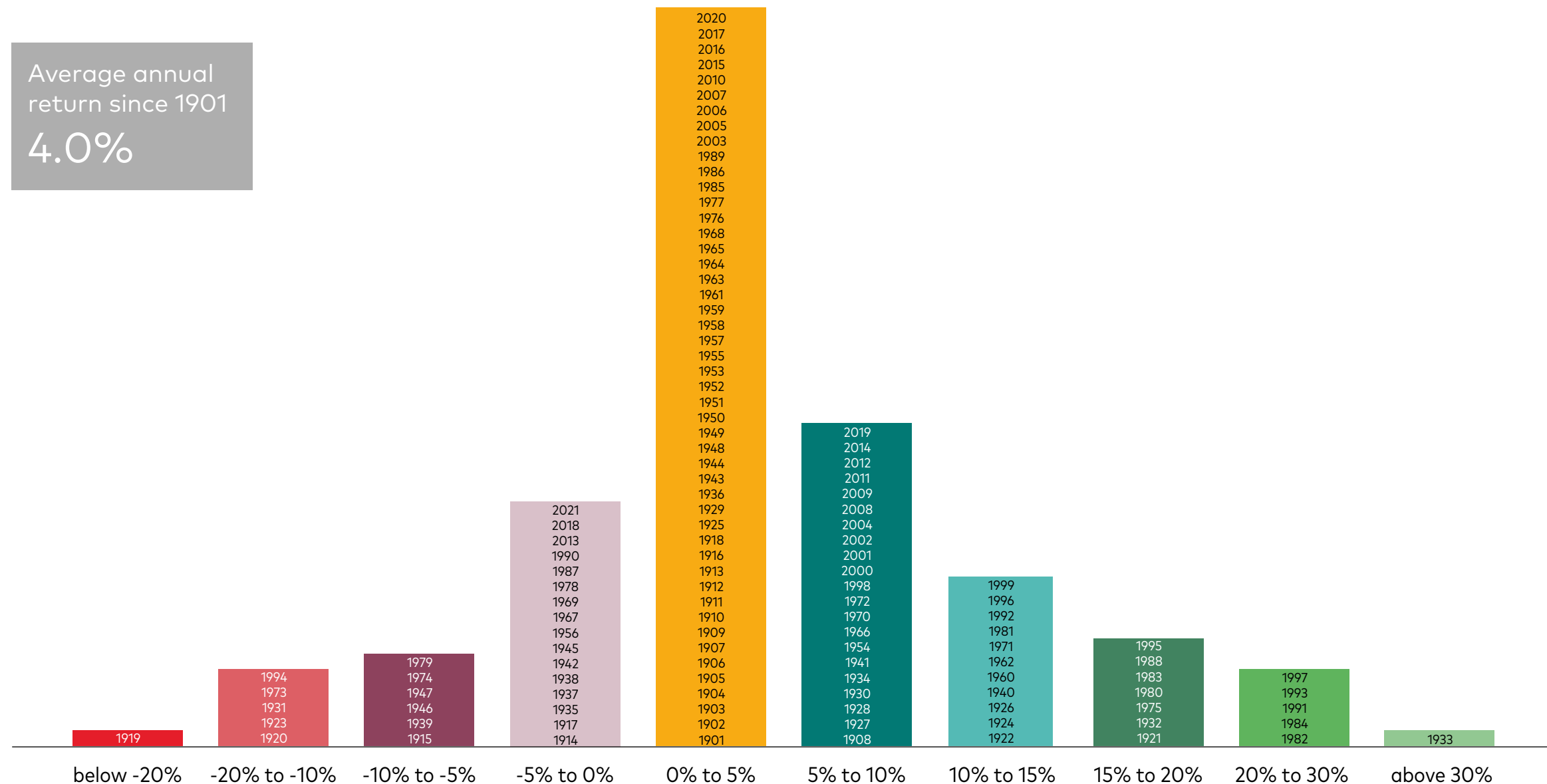
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0% Equities  
100% Bonds

# Return distribution by calendar years

Positive and negative return years of an investment in 100% bonds since 1901



0% Equities  
100% Bonds

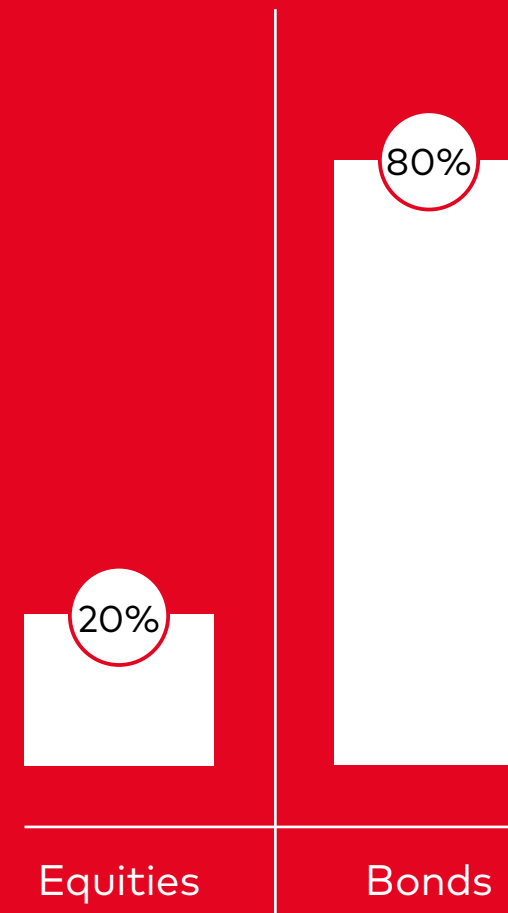
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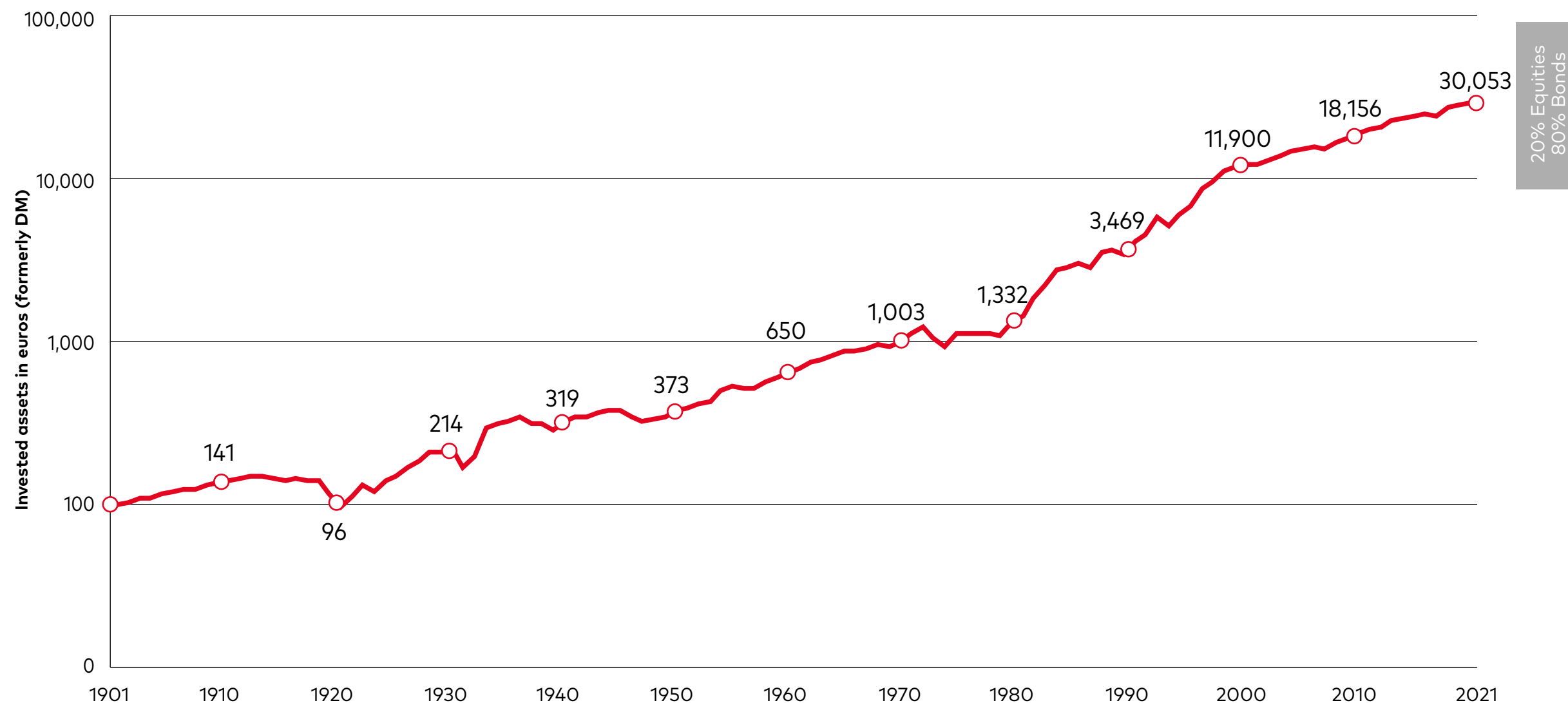
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# Equities 20 / Bonds 80



# Performance at a glance

How an investment of 100 euros (formerly DM) in 20% equities and 80% bonds would have performed since 1901



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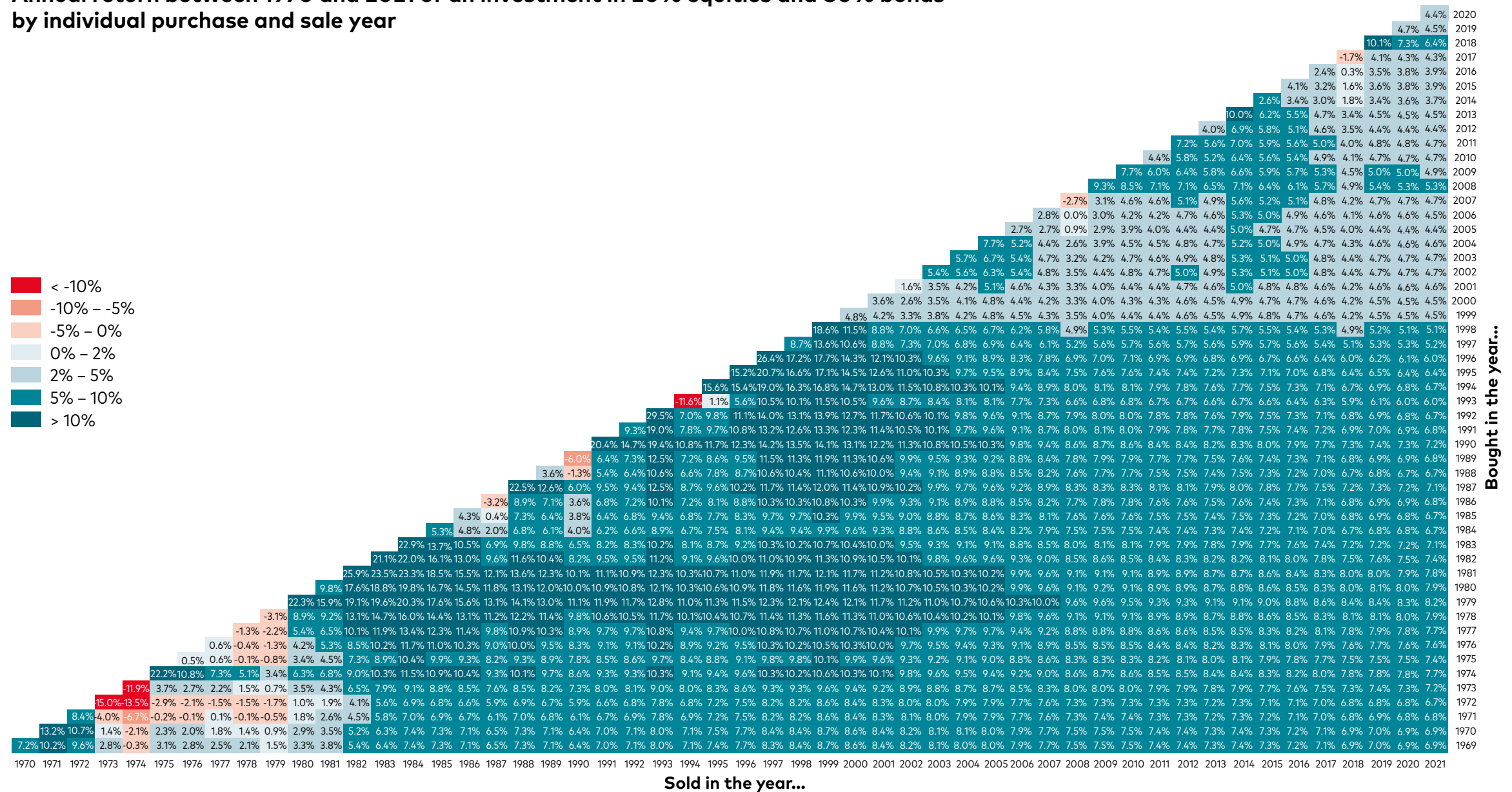
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# Yield triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 20% equities and 80% bonds by individual purchase and sale year



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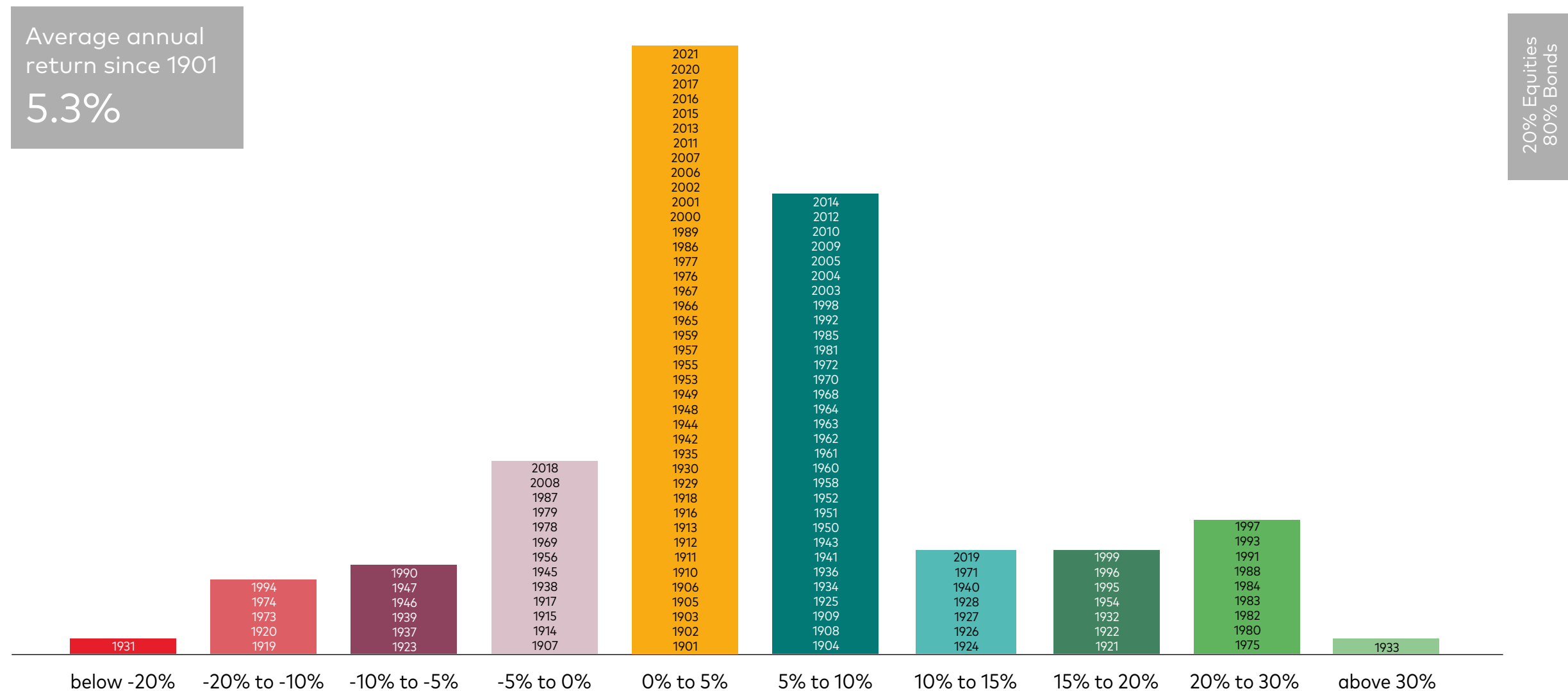
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# Return distribution by calendar years

Positive and negative return years of an investment in 20% equities and 80% bonds since 1901



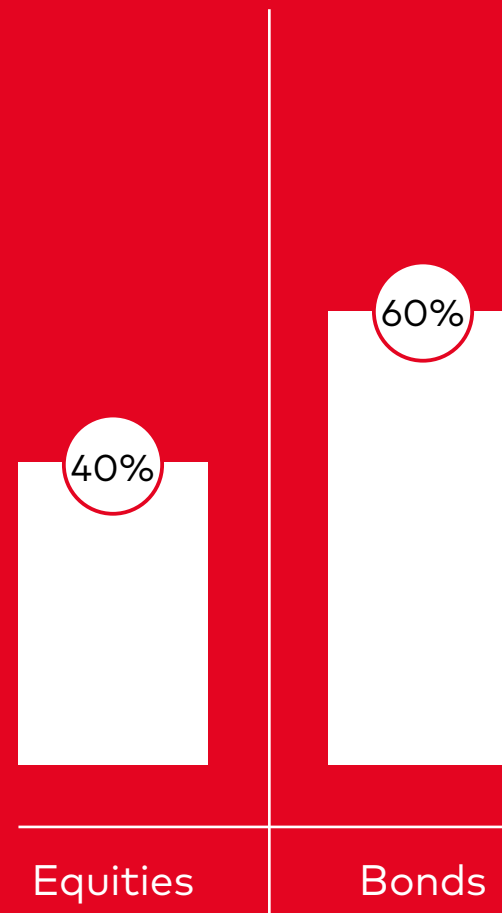
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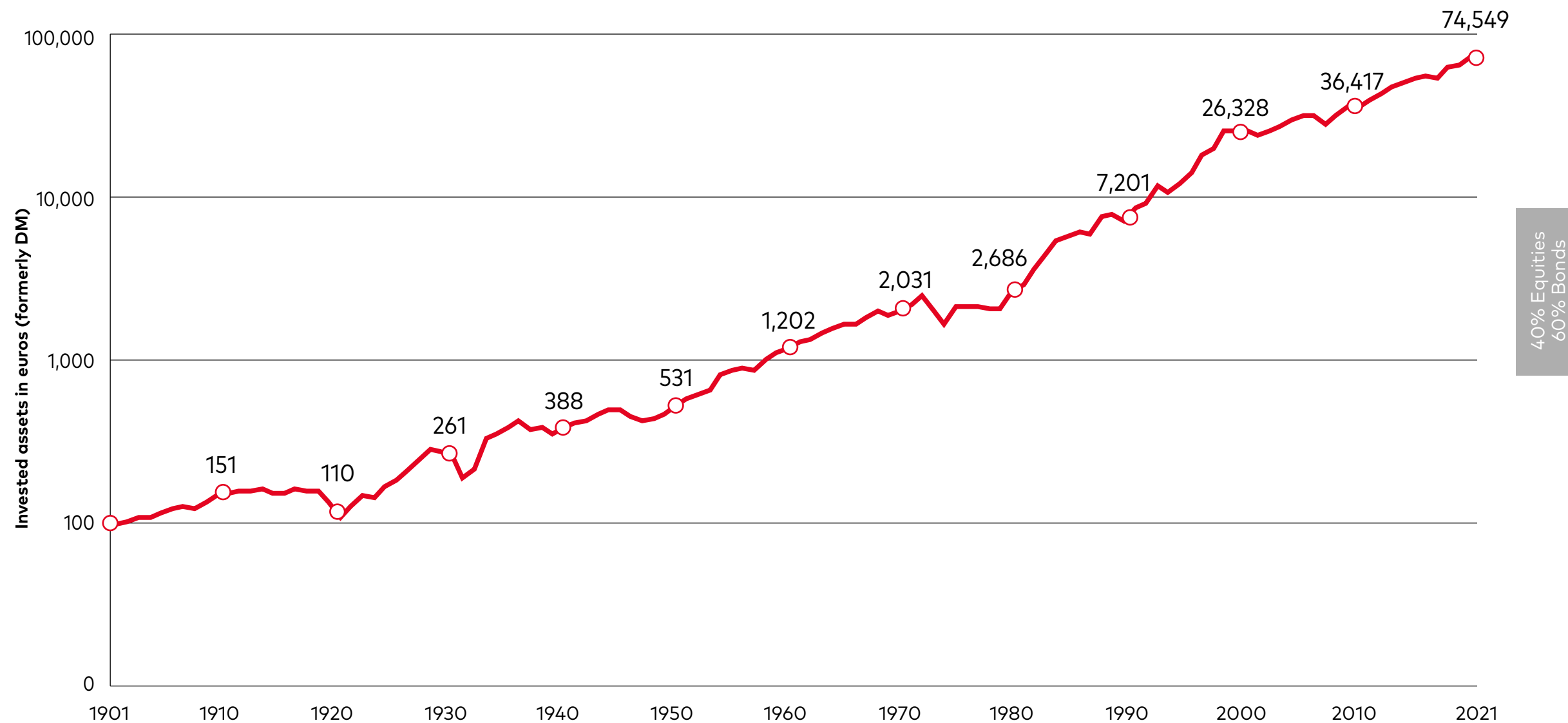
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# Equities 40 / Bonds 60



# Performance at a glance

How an investment of 100 euros (formerly DM) in 40% equities and 60% bonds would have performed since 1901



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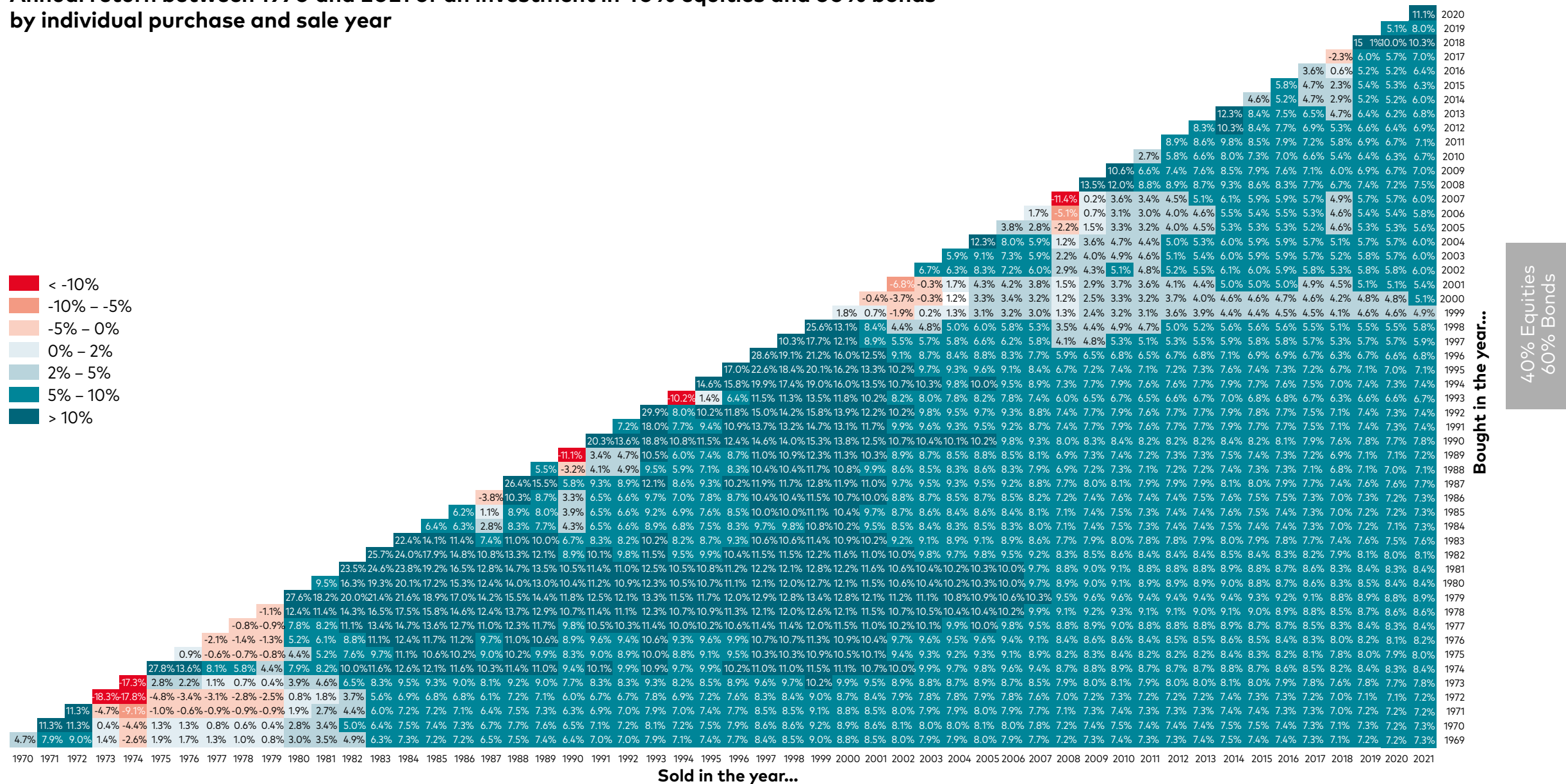
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# Return triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 40% equities and 60% bonds  
by individual purchase and sale year



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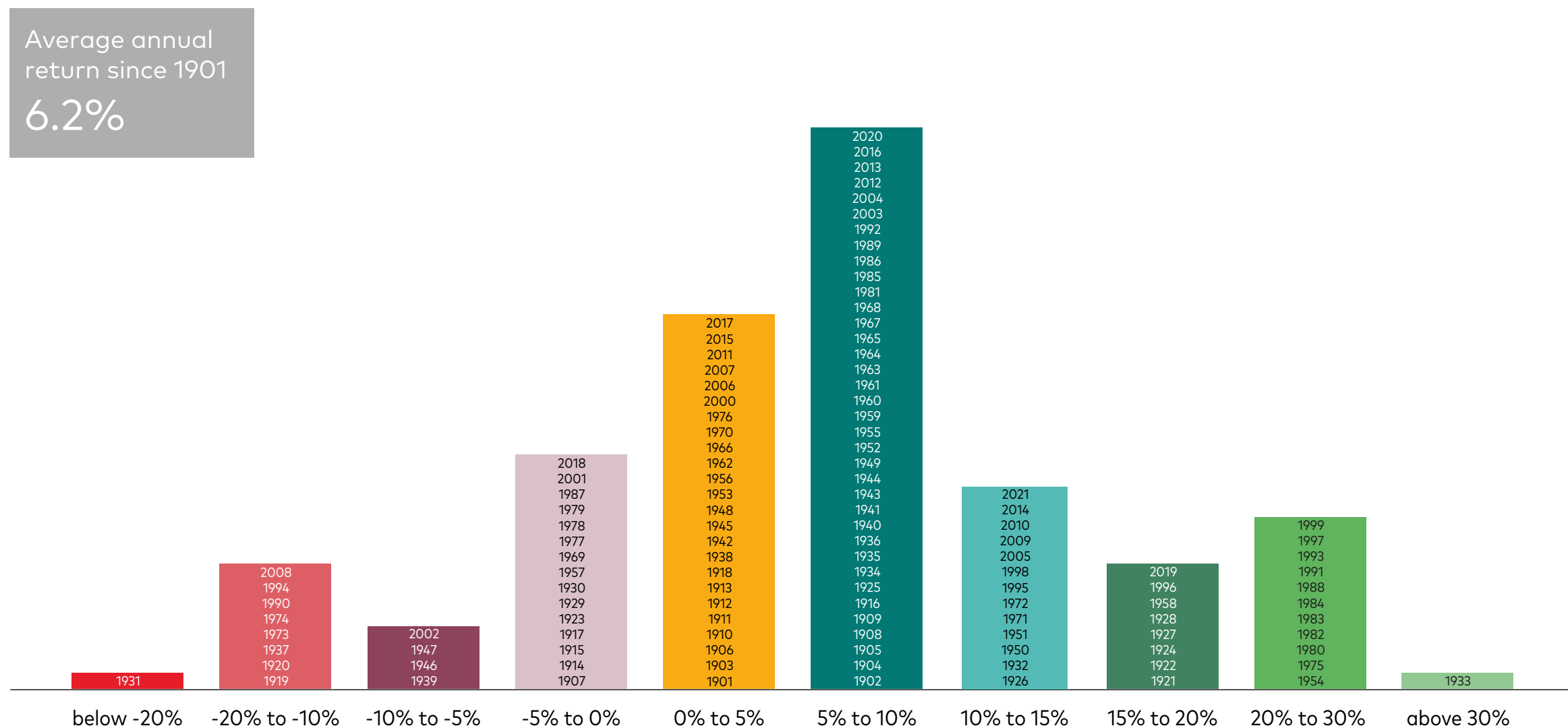
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# Return distribution by calendar years

Positive and negative return years of an investment in 40% equities and 60% bonds since 1901



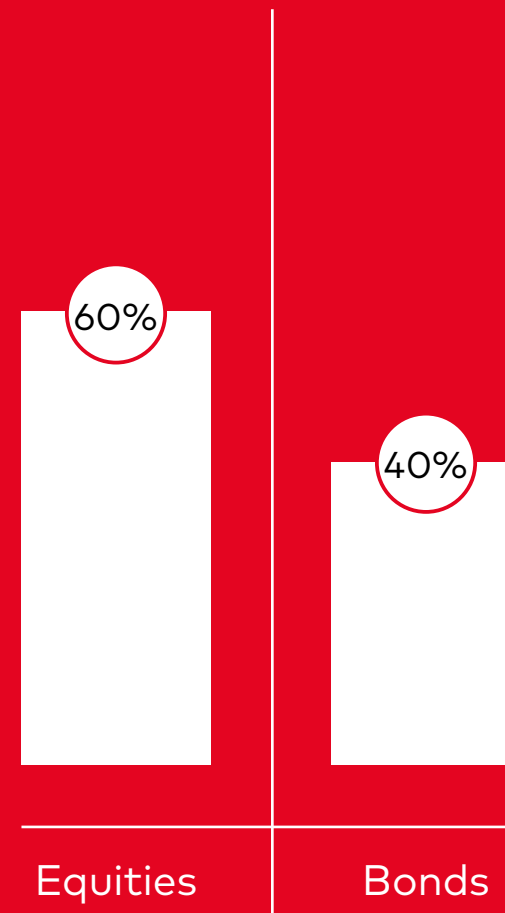
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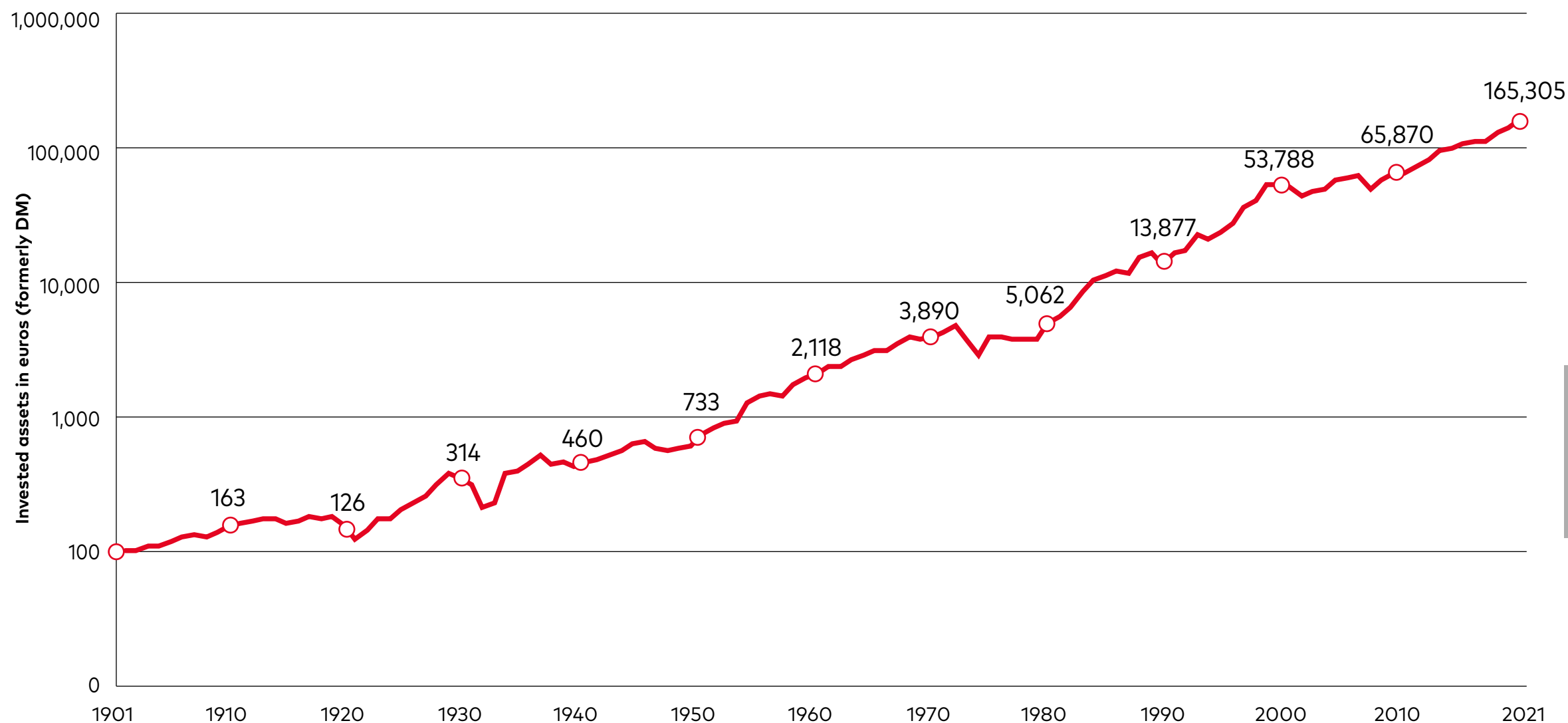
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# Equities 60 / Bonds 40



# Performance at a glance

How an investment of 100 euros (formerly DM) in 60% equities and 40% bonds would have performed since 1901



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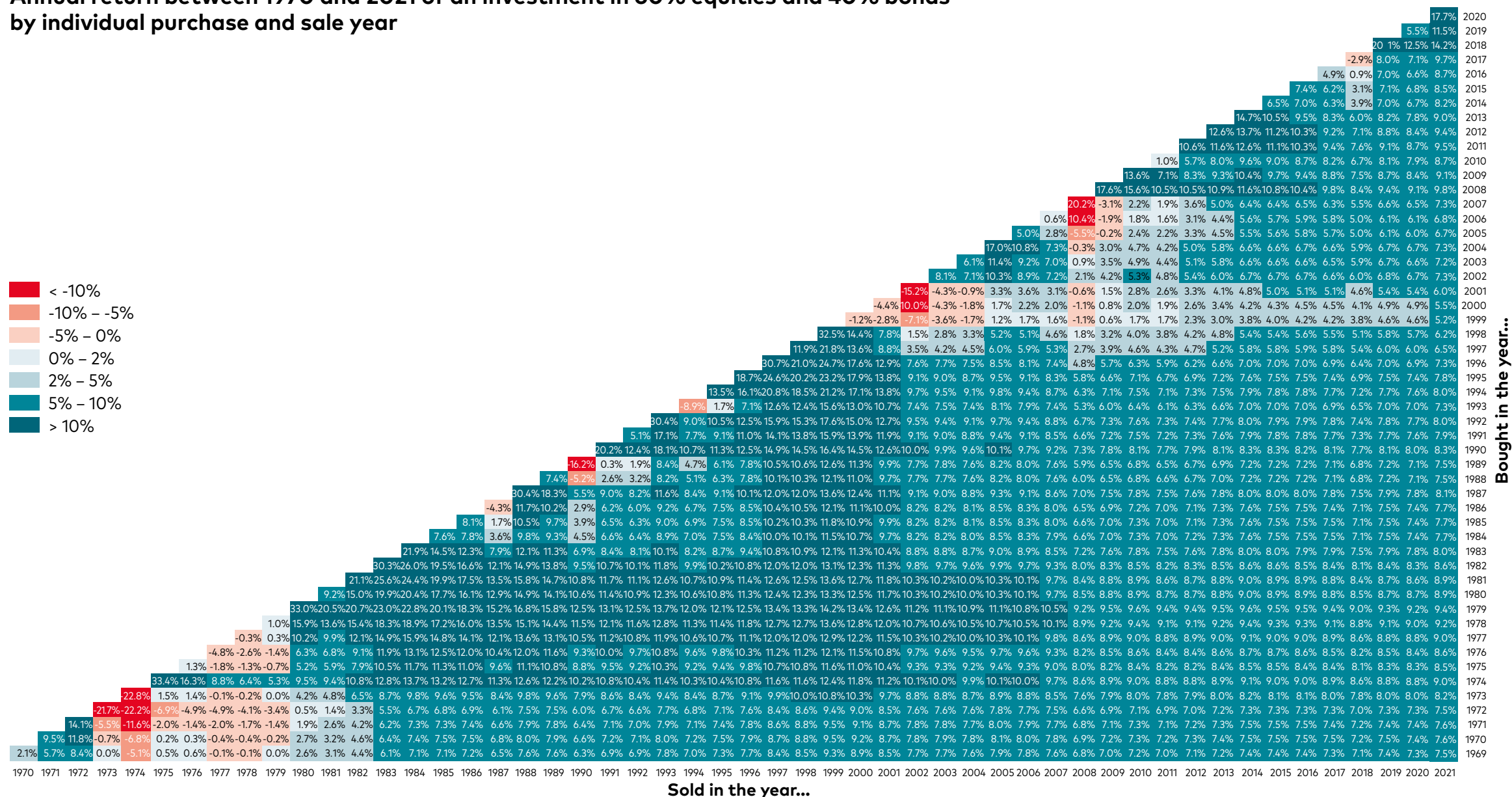
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# Return triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 60% equities and 40% bonds  
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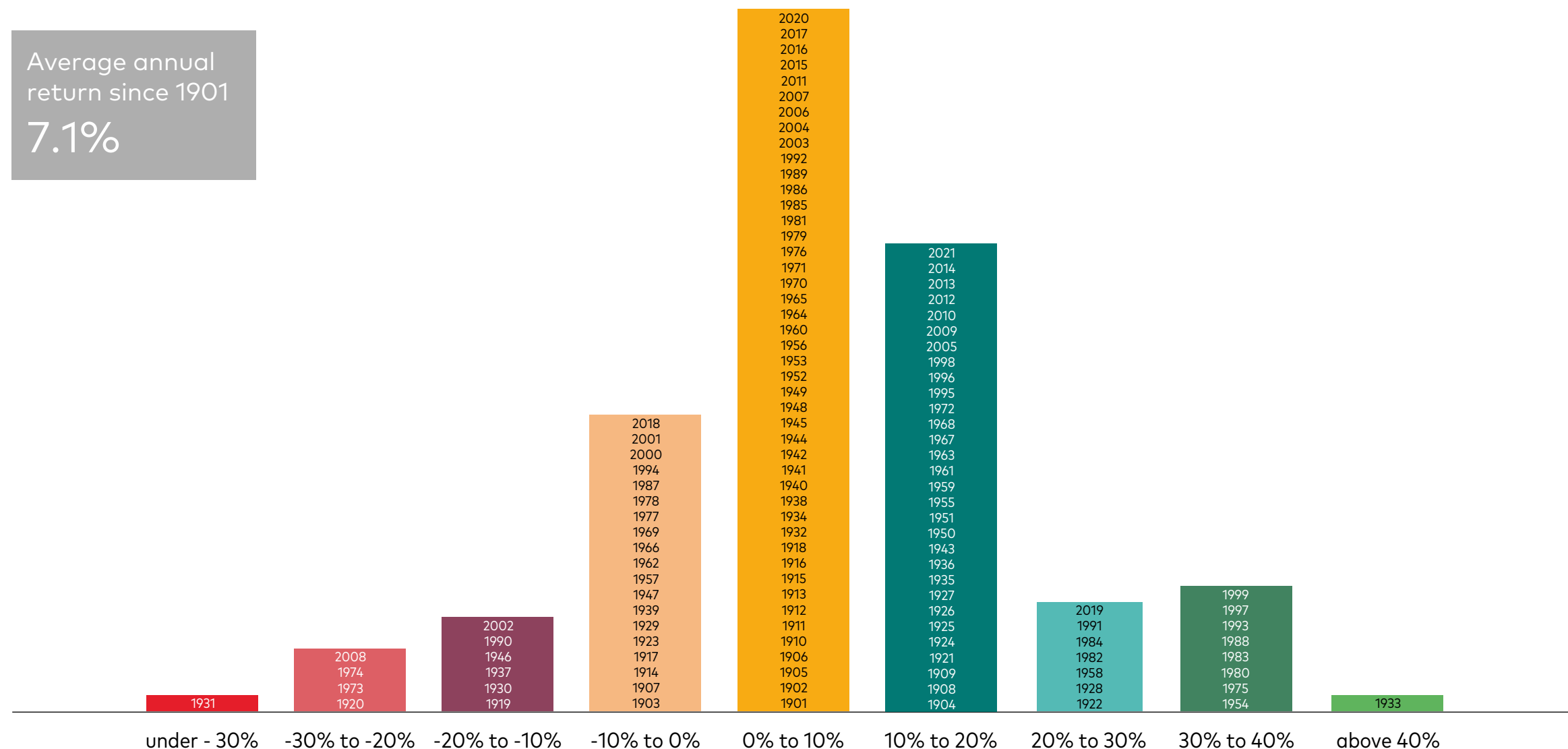
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# Return distribution by calendar years

Positive and negative return years of an investment in 60% equities and 40% bonds since 1901



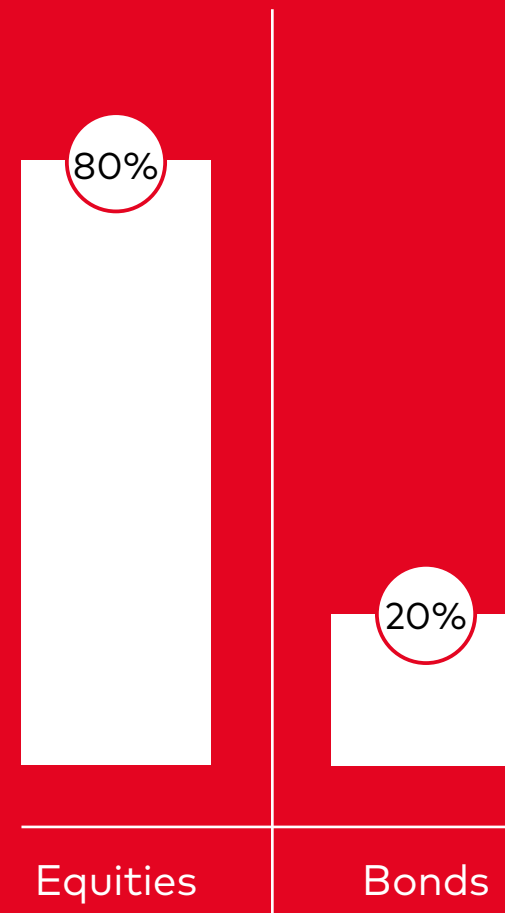
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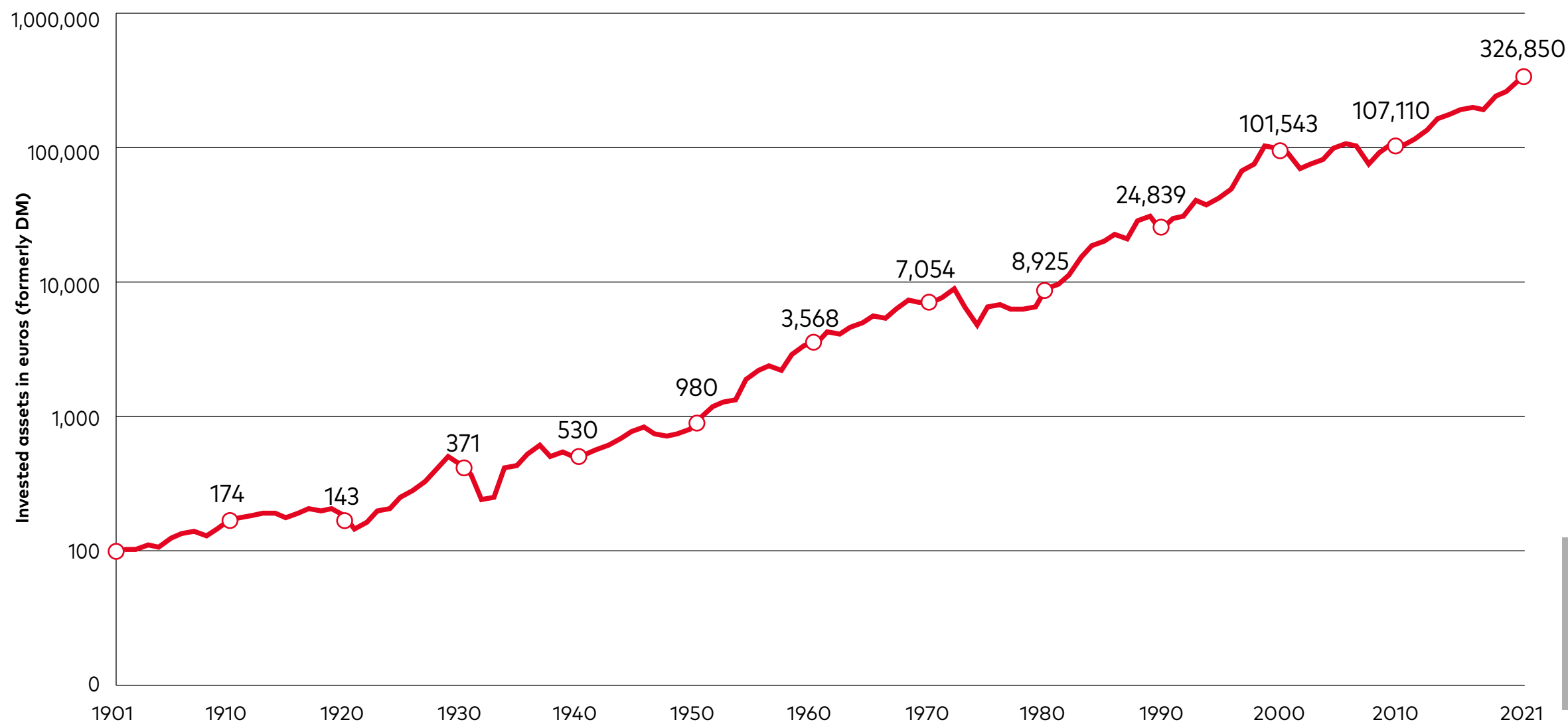
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# Equities 80 / Bonds 20



# Performance at a glance

How an investment of 100 euros (formerly DM) in 80% equities and 20% bonds would have performed since 1901



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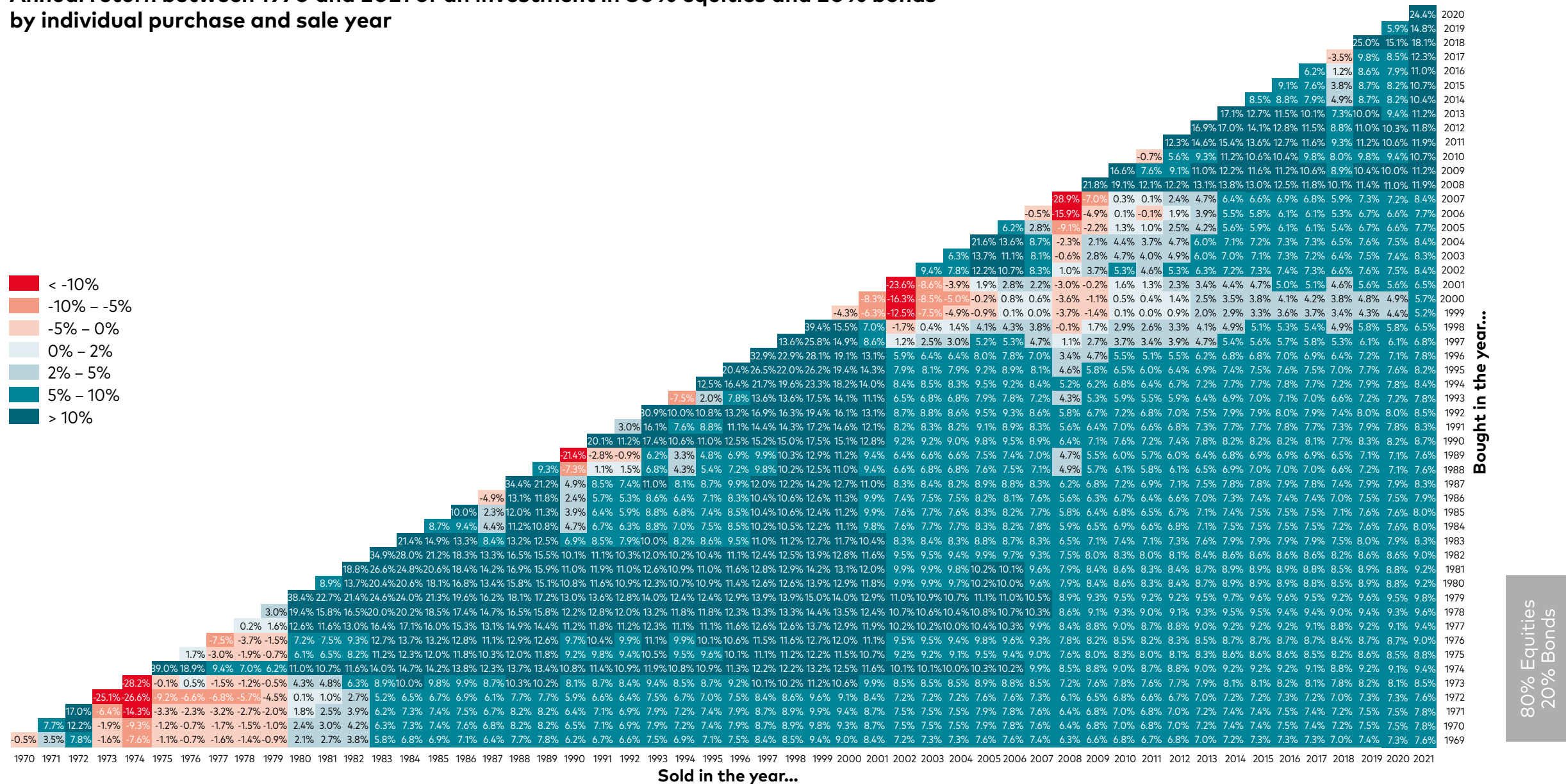
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80% Equities  
20% Bonds

# Return triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 80% equities and 20% bonds  
by individual purchase and sale year



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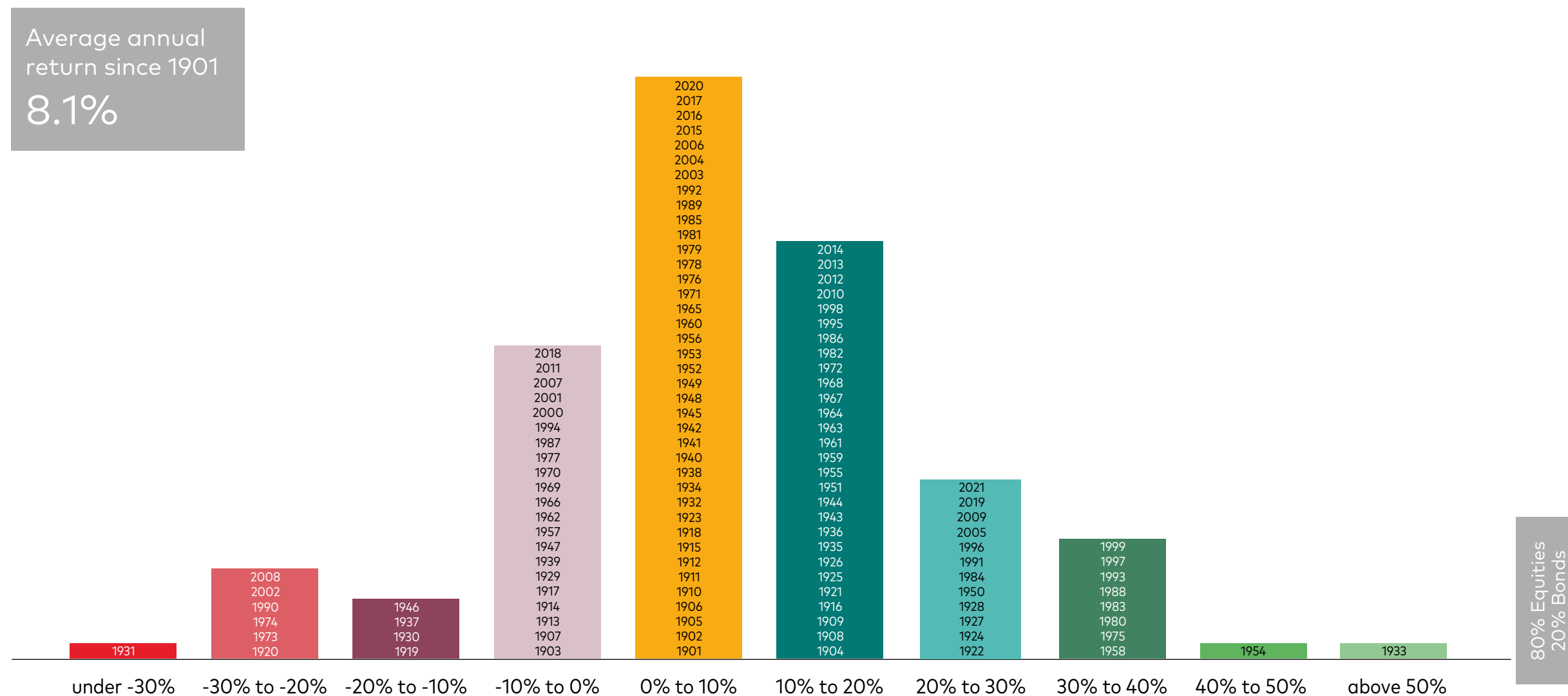
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# Return distribution by calendar years

Positive and negative return years of an investment in 80% equities and 20% bonds since 1901



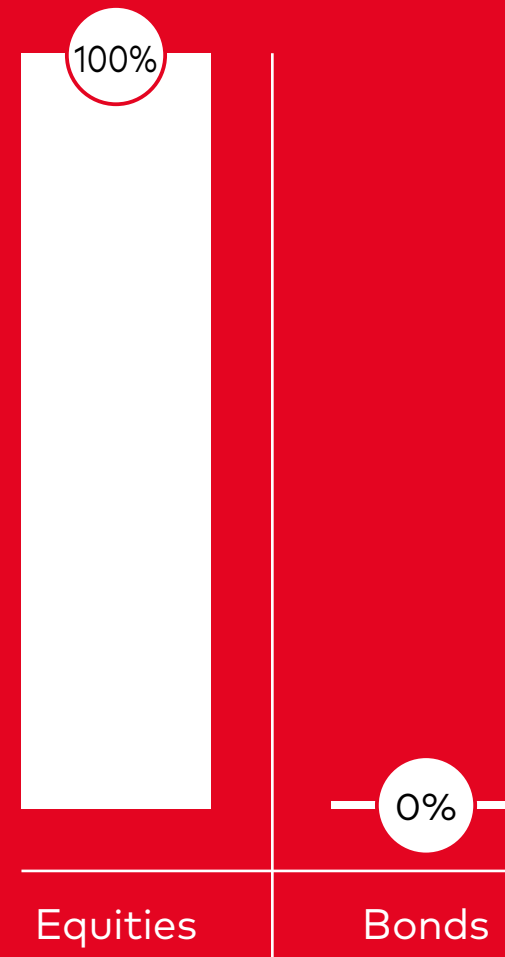
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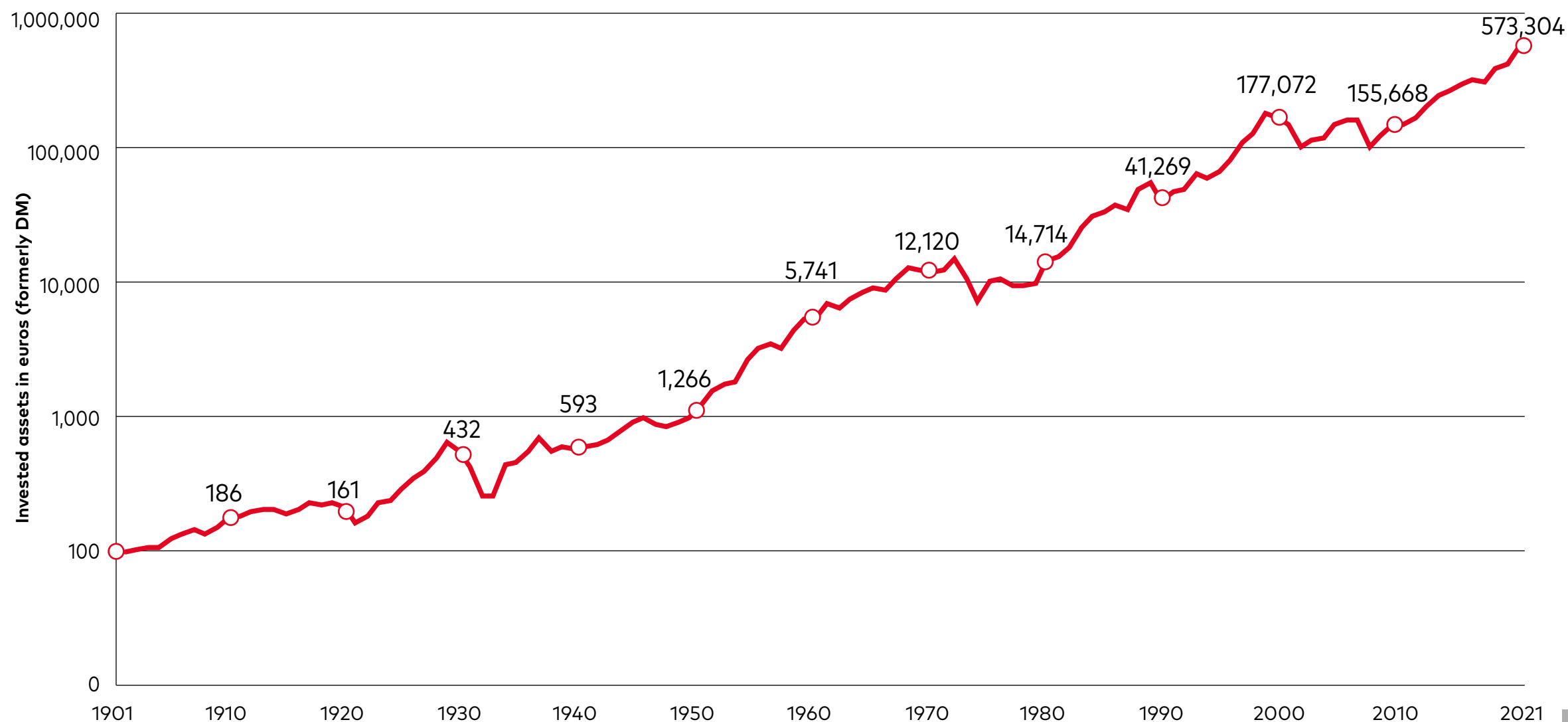
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**Equities 100 /  
Bonds 0**



# Performance at a glance

How an investment of 100 euros (formerly DM) in 100% equities would have performed since 1901



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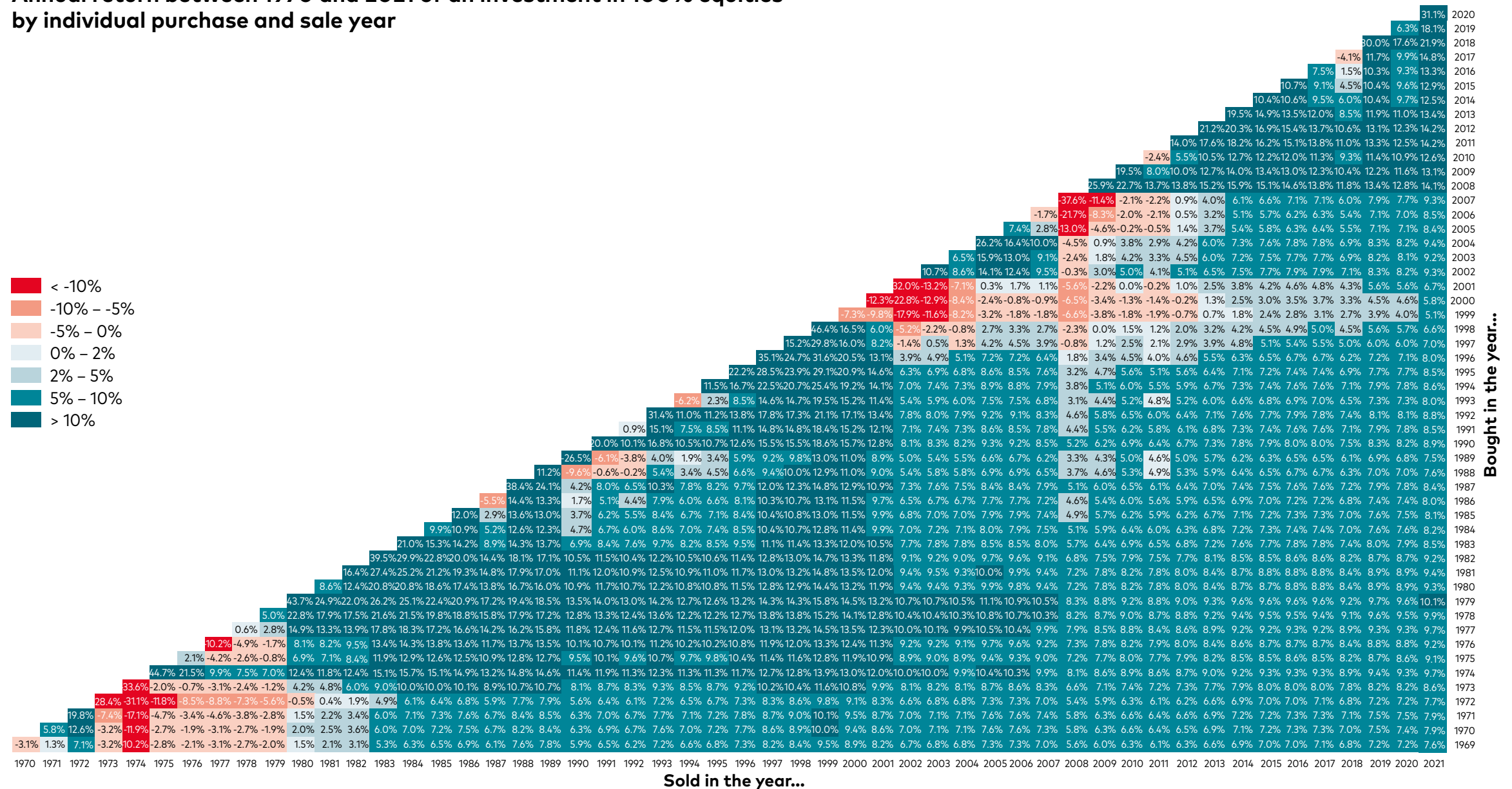
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100% Equities  
0% Bonds



# Yield triangle by entry and exit years

Annual return between 1970 and 2021 of an investment in 100% equities  
by individual purchase and sale year



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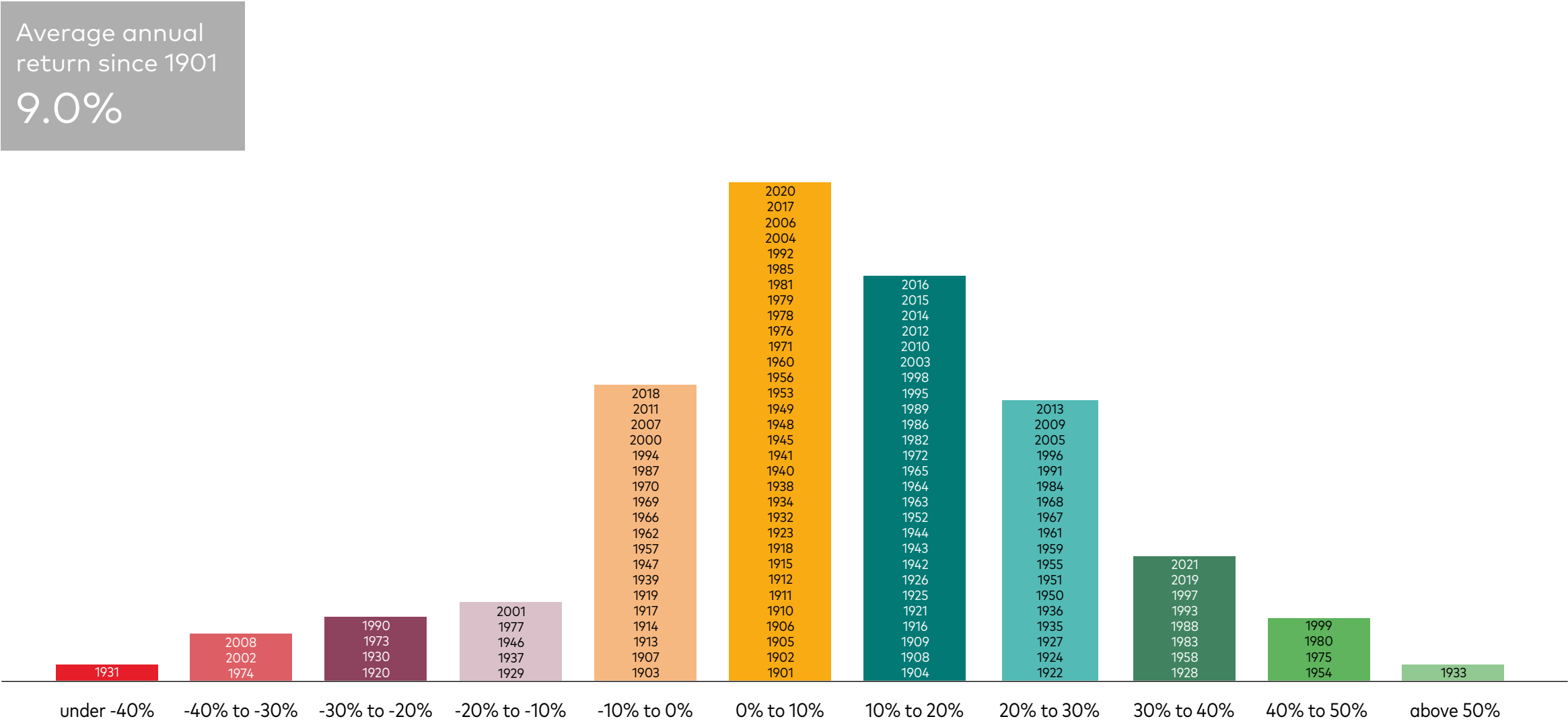
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# Return distribution by calendar years

Positive and negative return years of an investment in 100% equities since 1901



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## Investment risk information

**The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.**

**Past performance is not a reliable indicator of future results.**

Some funds invest in emerging markets which can be more volatile than more established markets. As a result the value of your investment may rise or fall.

ETF shares can be bought or sold only through a broker. Investing in ETFs entails stockbroker commission and a bid- offer spread which should be considered fully before investing.

Funds investing in fixed interest securities carry the risk of default on repayment and erosion of the capital value of your investment and the level of income may fluctuate. Movements in interest rates are likely to affect the capital value of fixed interest securities. Corporate bonds may provide higher yields but as such may carry greater credit risk increasing the risk of default on repayment and erosion of the capital value of your investment. The level of income may fluctuate and movements in interest rates are likely to affect the capital value of bonds.

The Funds may use derivatives in order to reduce risk or cost and/or generate extra income or growth. The use of derivatives could increase or reduce exposure to underlying assets and result in greater fluctuations of the Fund's net asset value. A derivative is a financial contract whose value is based on the value of a financial asset (such as a share, bond, or currency) or a market index.

Some funds invest in securities which are denominated in different currencies. Movements in currency exchange rates can affect the return of investments.

## Important information

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