

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 more than USD 8.1 trillion in assets under management (as at 31 July 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

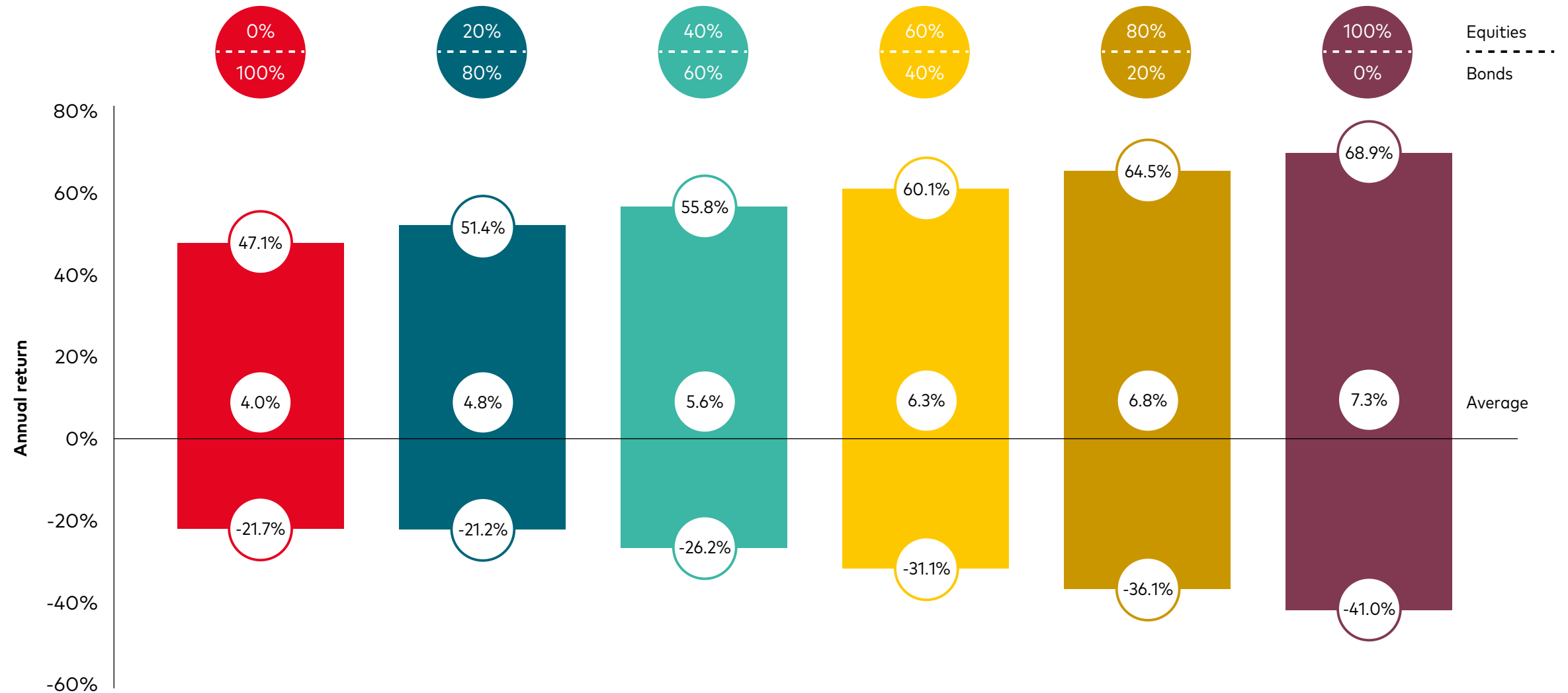
Contents

All years at a glance	4
Return spectrum 1901–2020	5
Performance at a glance	10
Performance by allocation	
Equities 0 / Bonds 100	11
Equities 20 / Bonds 80	15
Equities 40 / Bonds 60	19
Equities 60 / Bonds 40	23
Equities 80 / Bonds 20	27
Equities 100 / Bonds 0	31

**All years
at a glance**

Return spectrum of global, market capitalisation-weighted portfolios 1901–2020

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2020



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

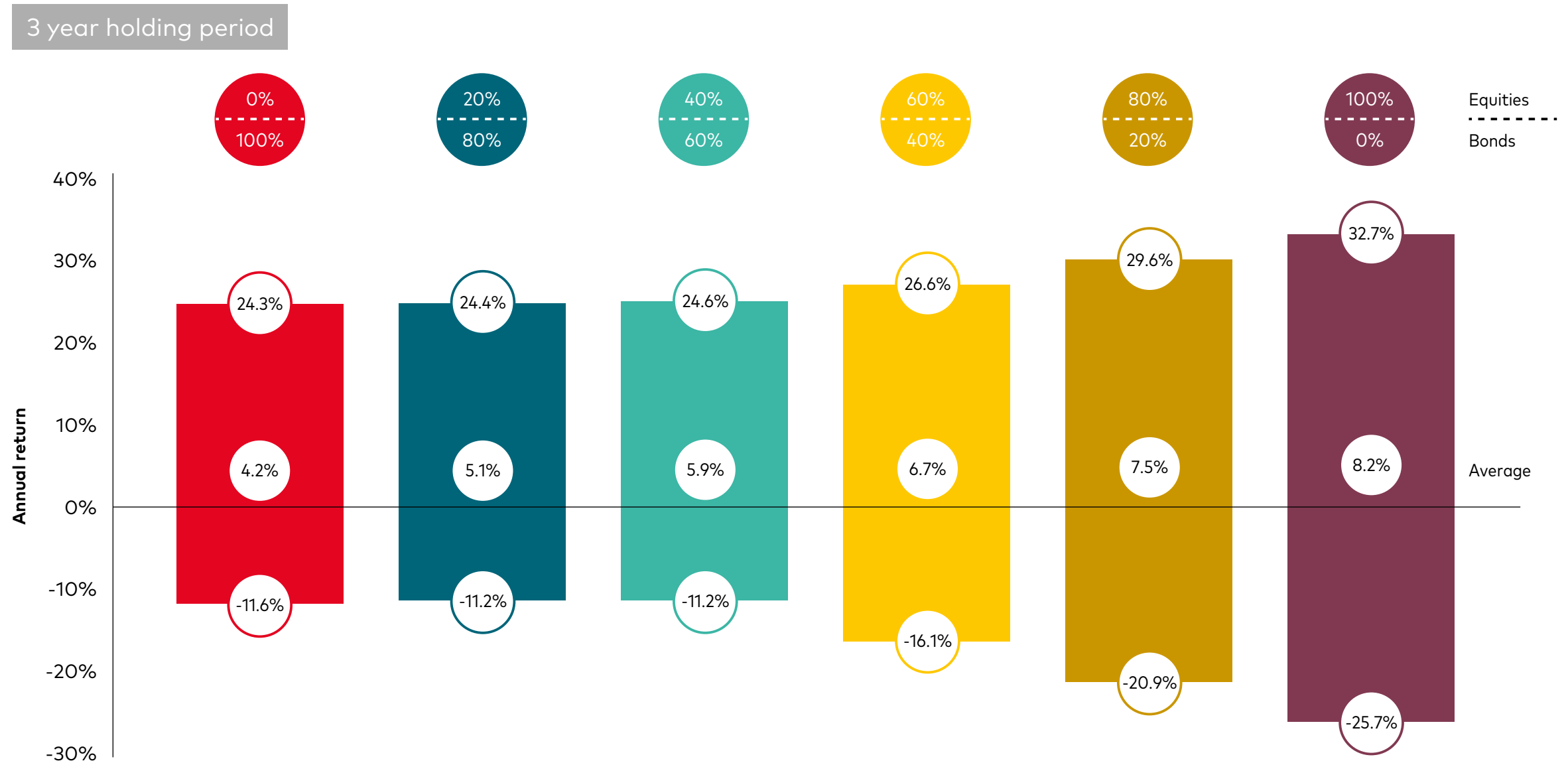
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return spectrum of global, market capitalisation-weighted portfolios 1901–2020

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2020



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.

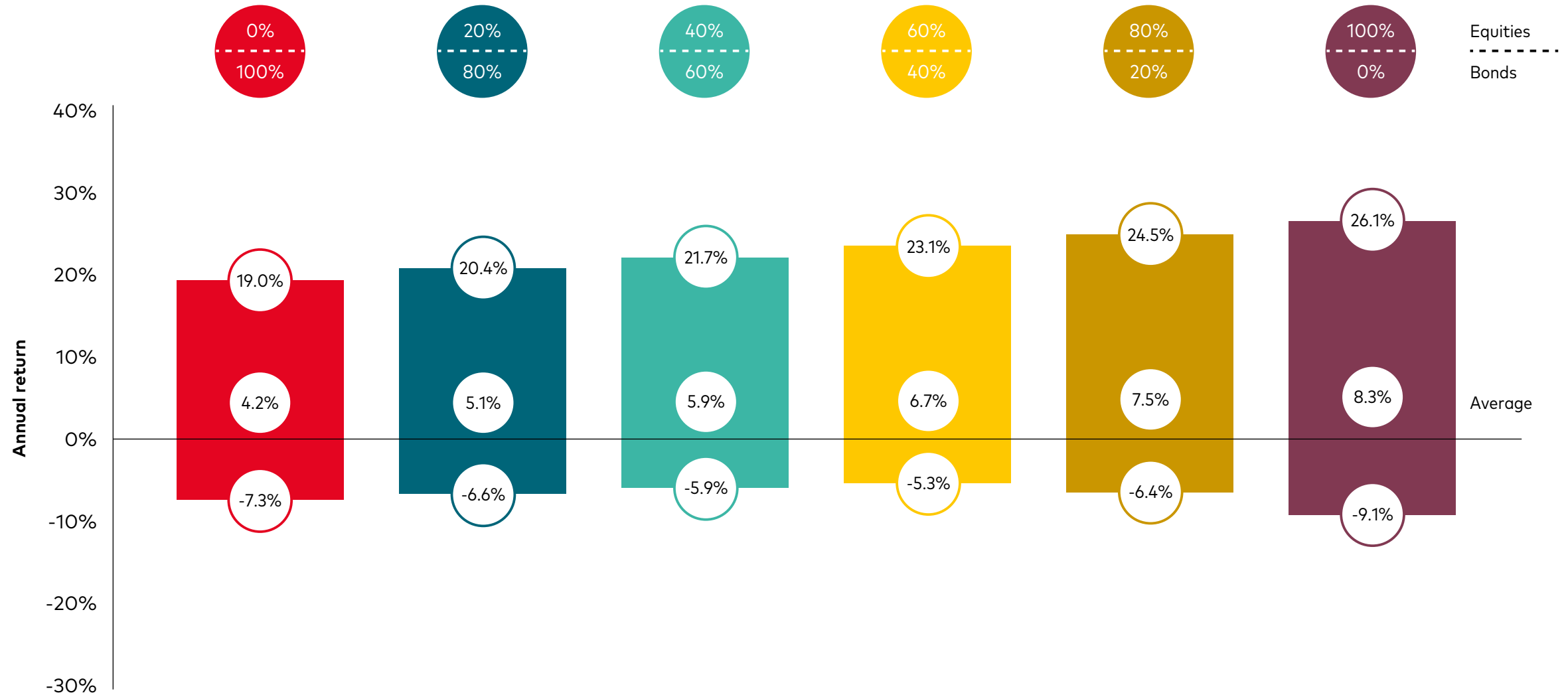
The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return spectrum of global, market capitalisation-weighted portfolios 1901–2020

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2020

5 year holding period



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

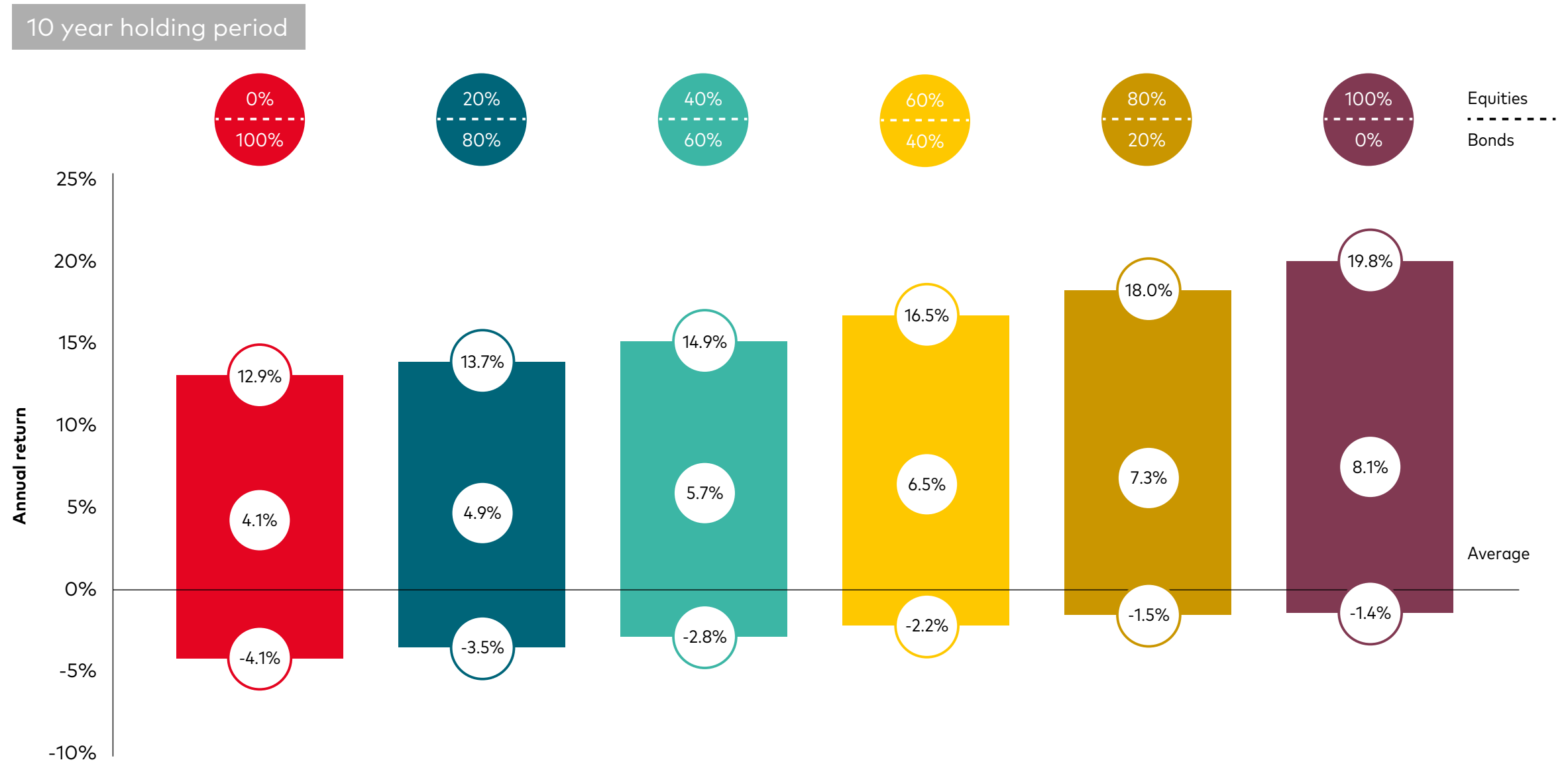
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return spectrum of global, market capitalisation-weighted portfolios 1901–2020

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2020



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

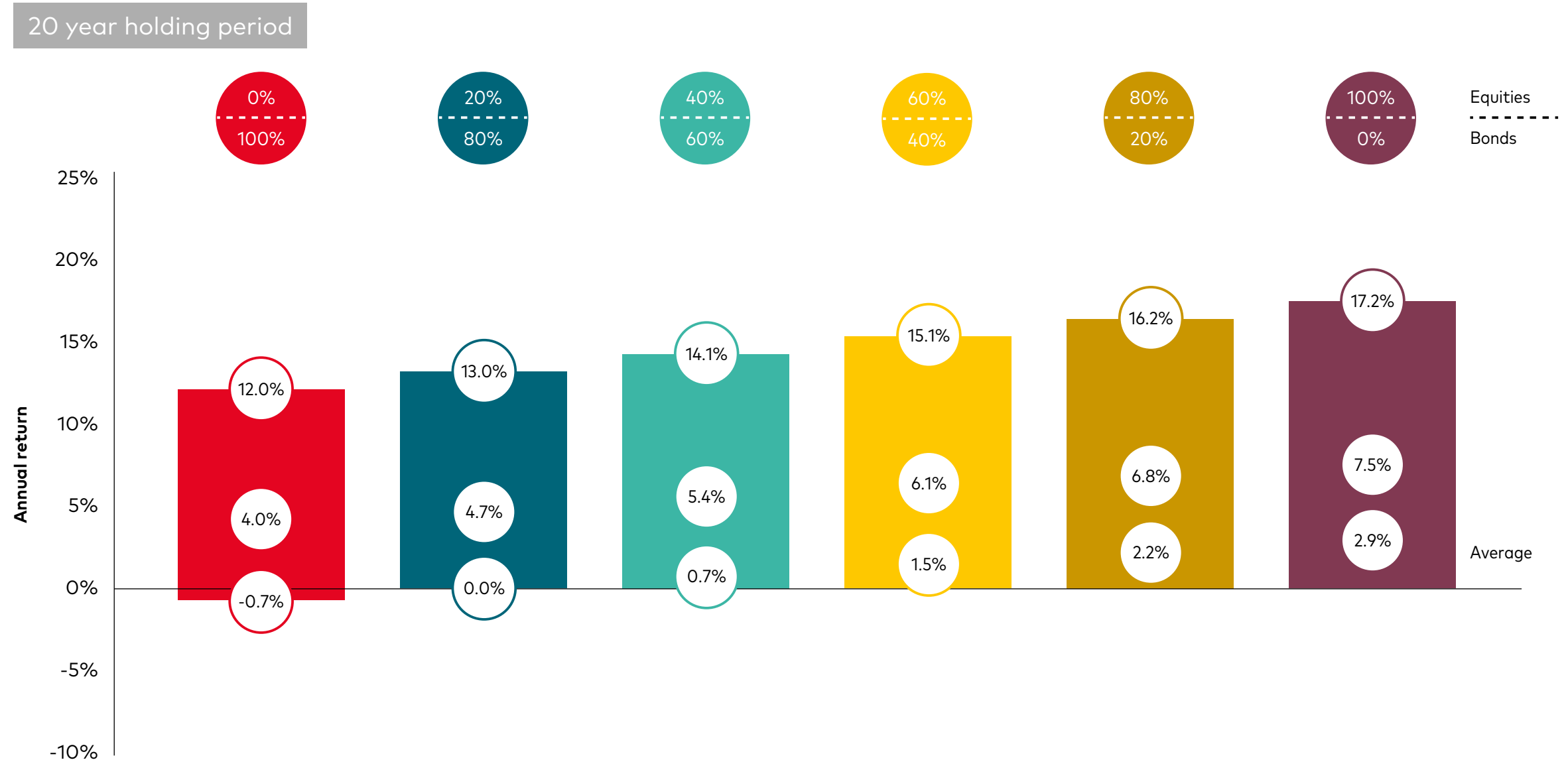
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return spectrum of global, market capitalisation-weighted portfolios 1901–2020

Best, worst and average returns of numerous portfolio combinations of equities and bonds from 1901 to 2020



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

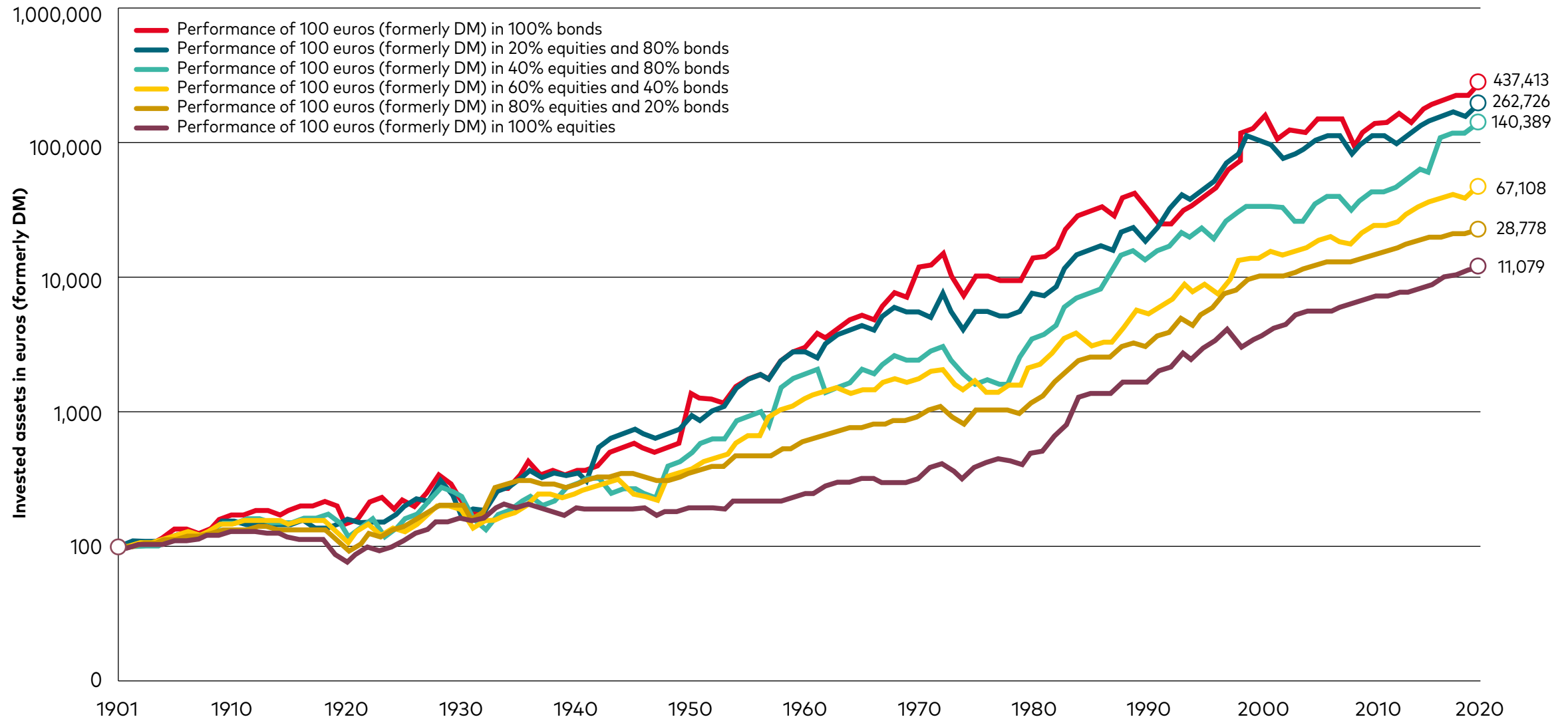
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Performance at a glance

Returns of portfolio combinations of equities and bonds from 1901 to 2020



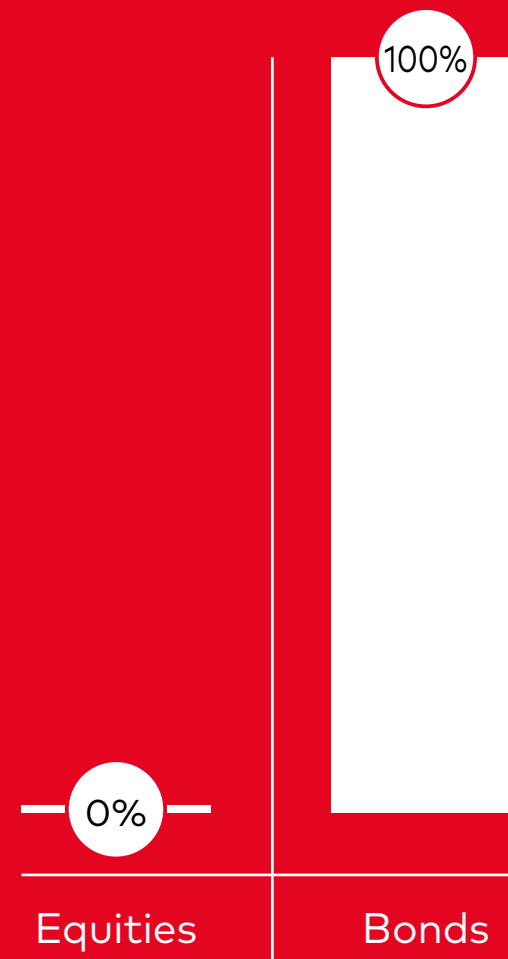
The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

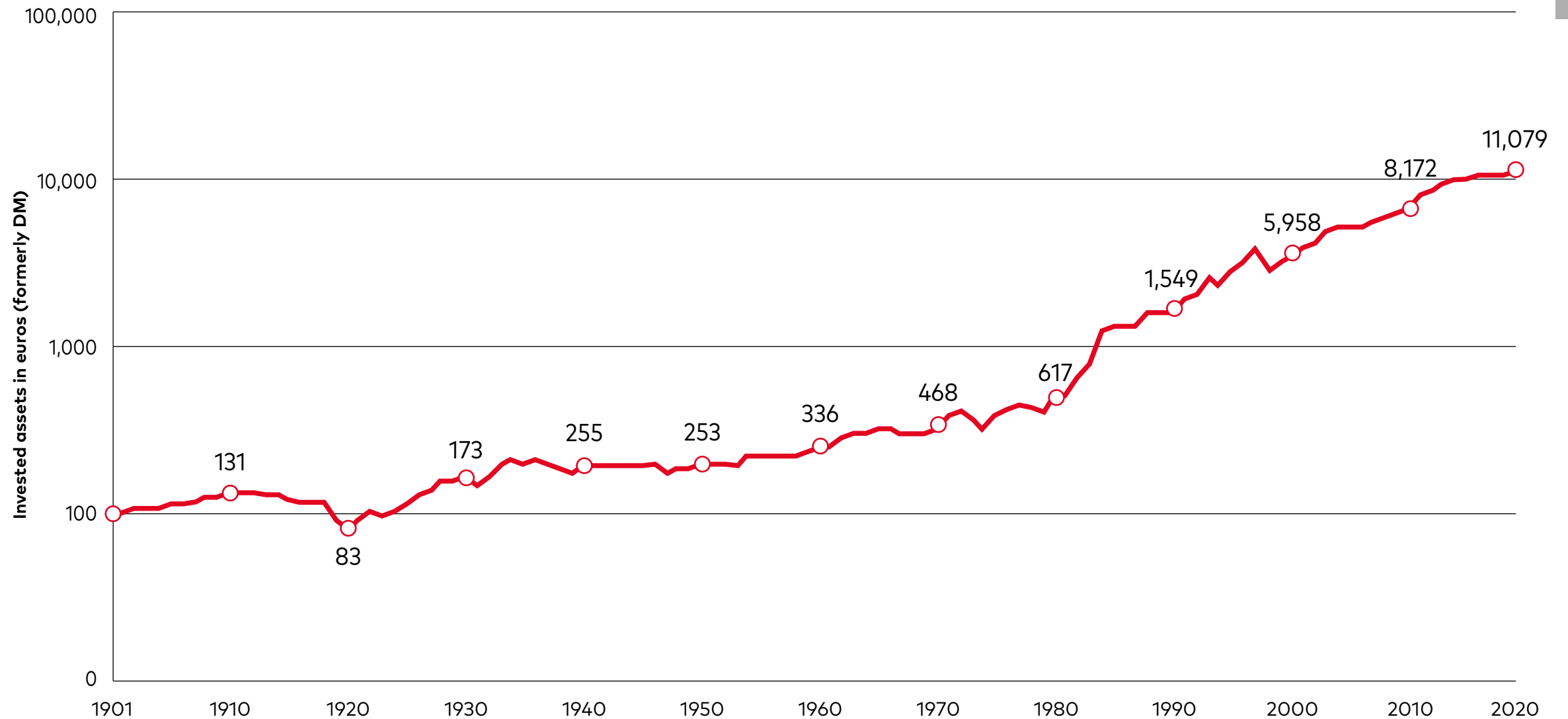
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

**Equities 0 /
Bonds 100**



Performance at a glance

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



0% Equities
100% Bonds

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

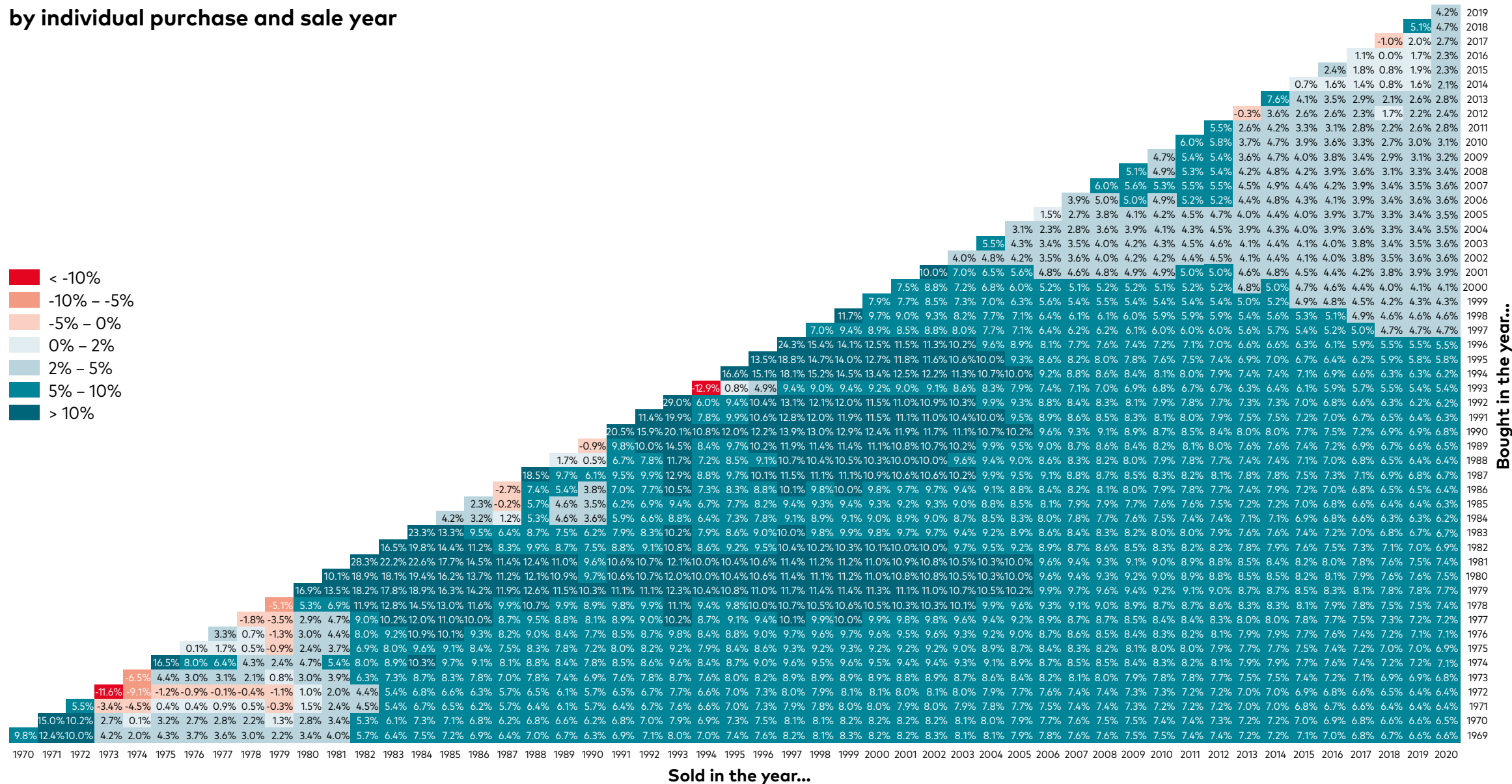
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 100% bonds by individual purchase and sale year



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

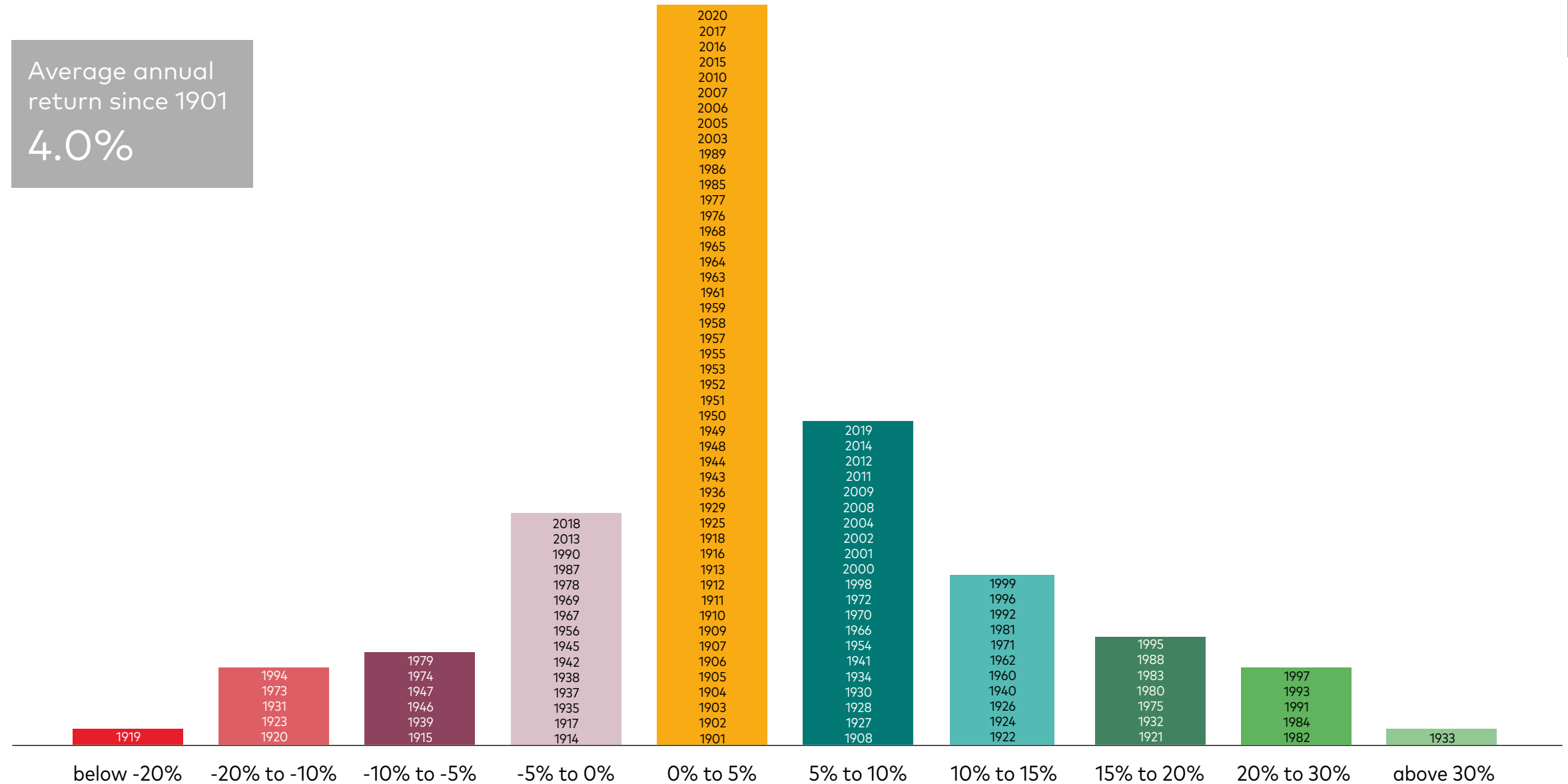
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return distribution by calendar years

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



0% Equities
100% Bonds

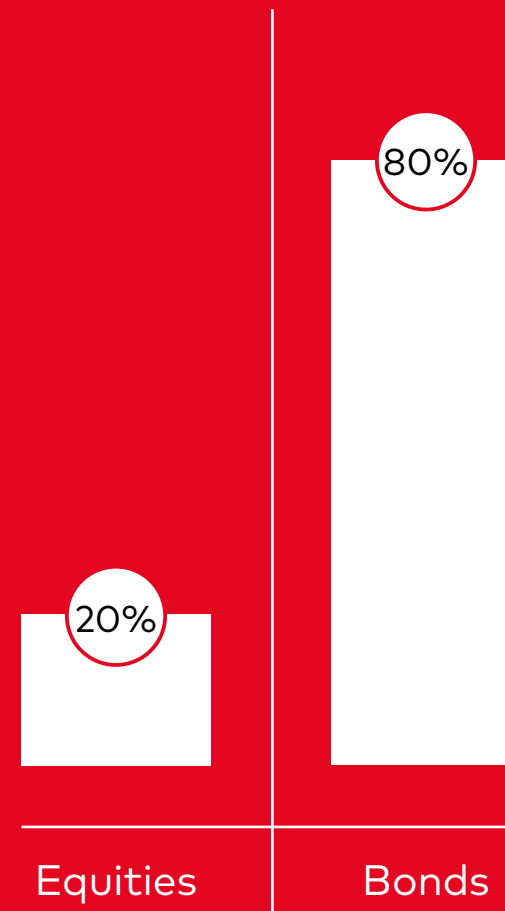
The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

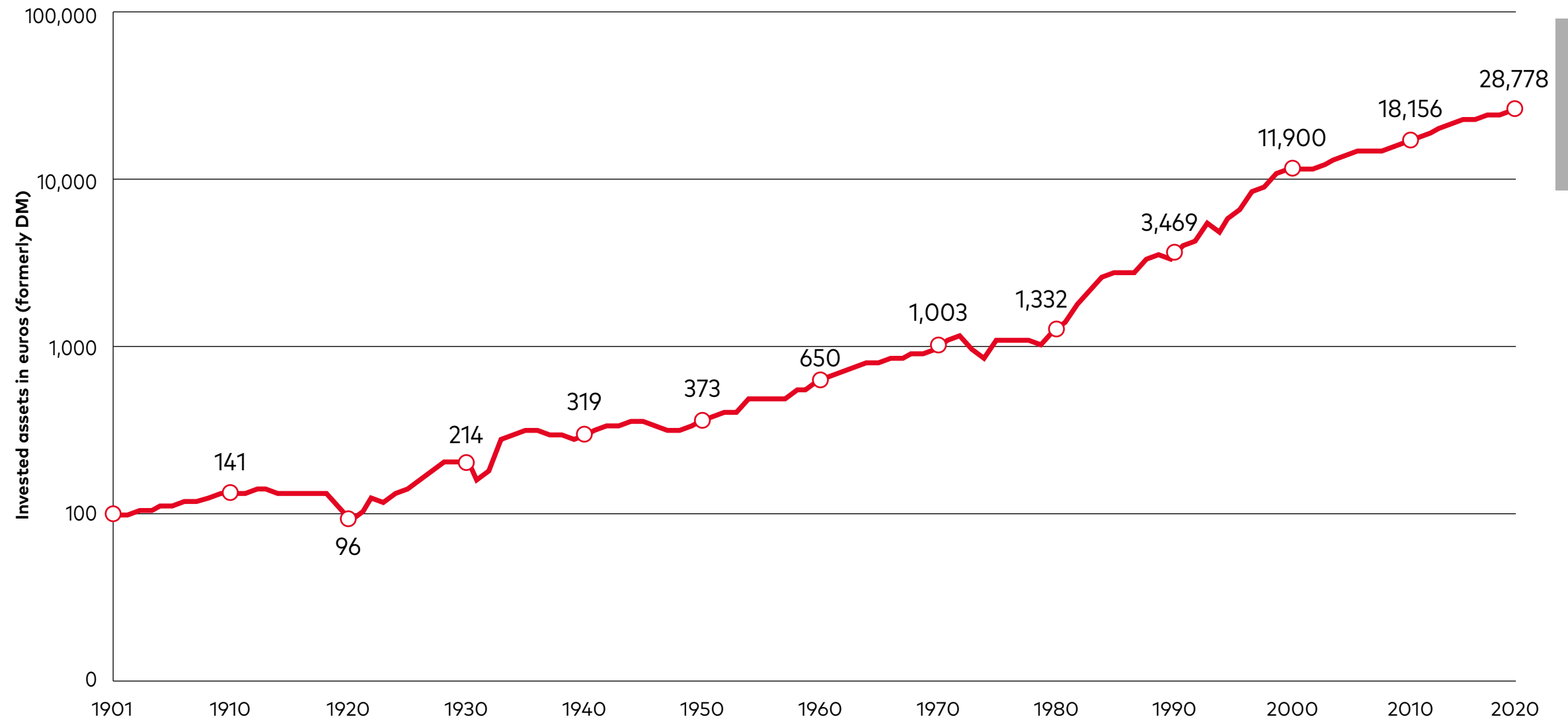
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

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



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.

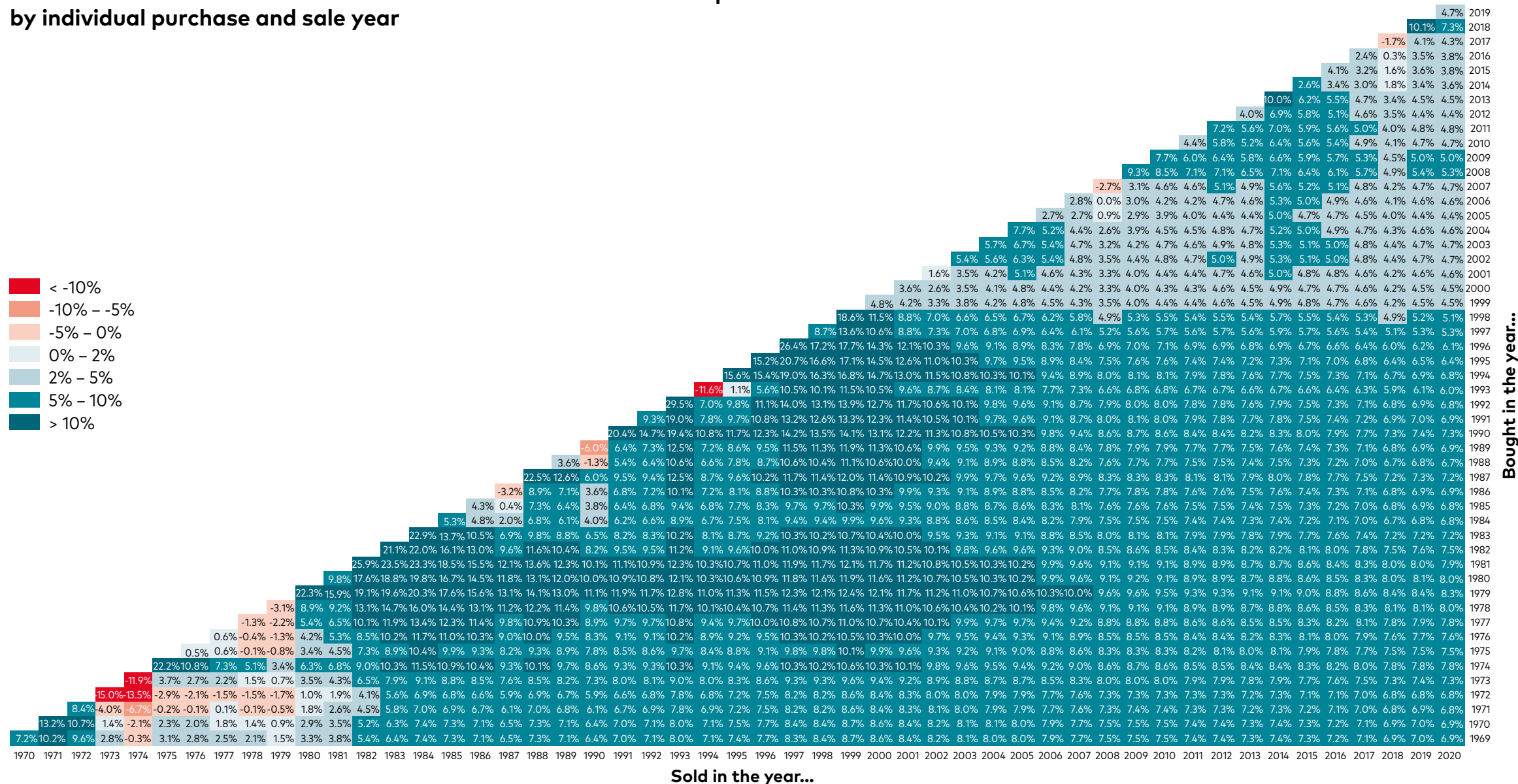
The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

20% Equities
80% Bonds

Yield triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 20% equities and 80% bonds by individual purchase and sale year



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.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

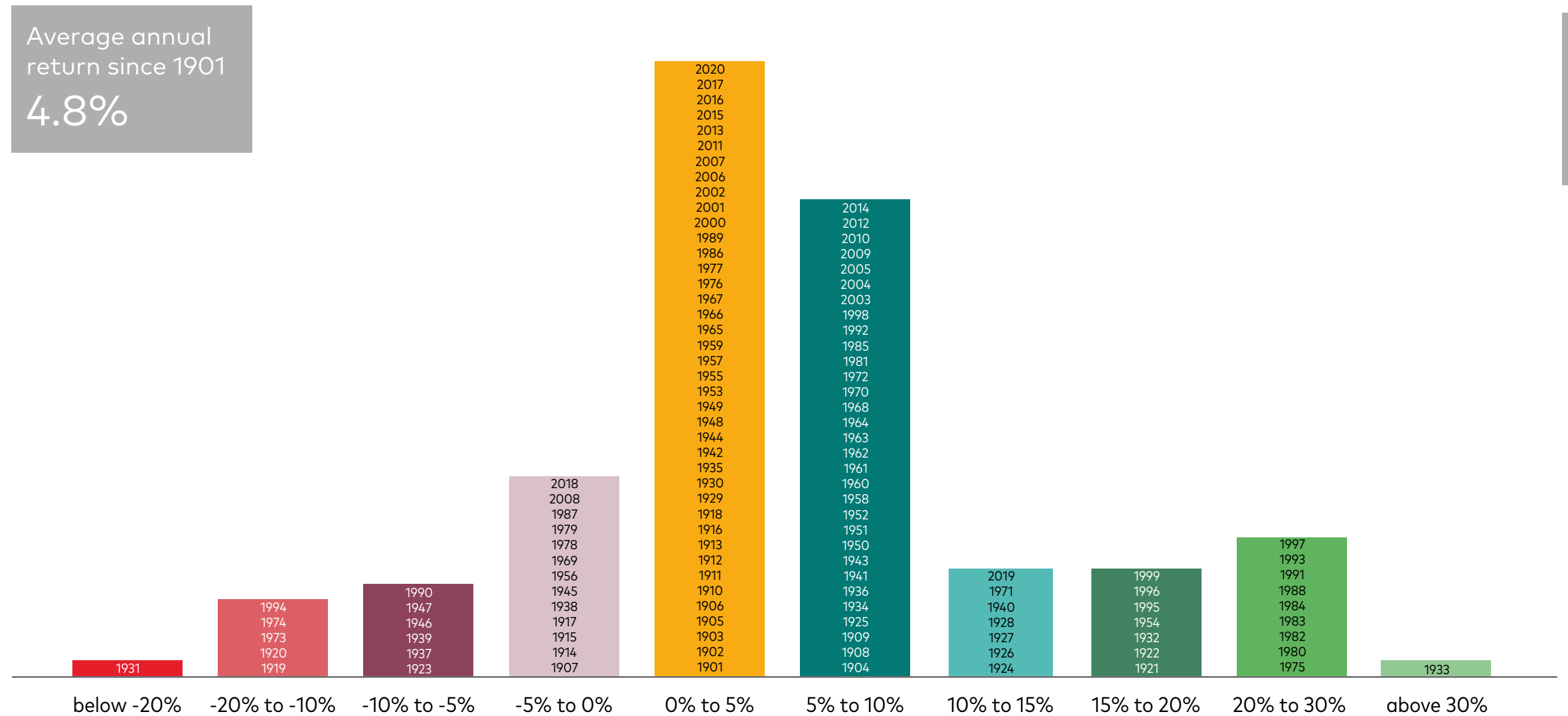
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

20% Equities
80% Bonds

Bought in the year...

Return distribution by calendar years

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



20% Equities
80% Bonds

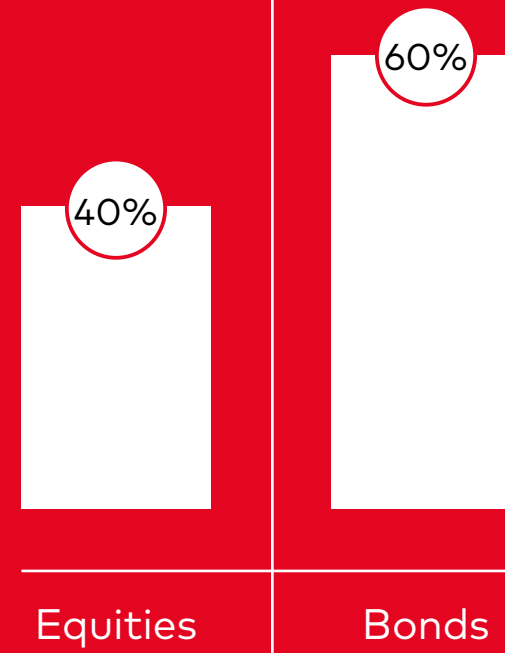
The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

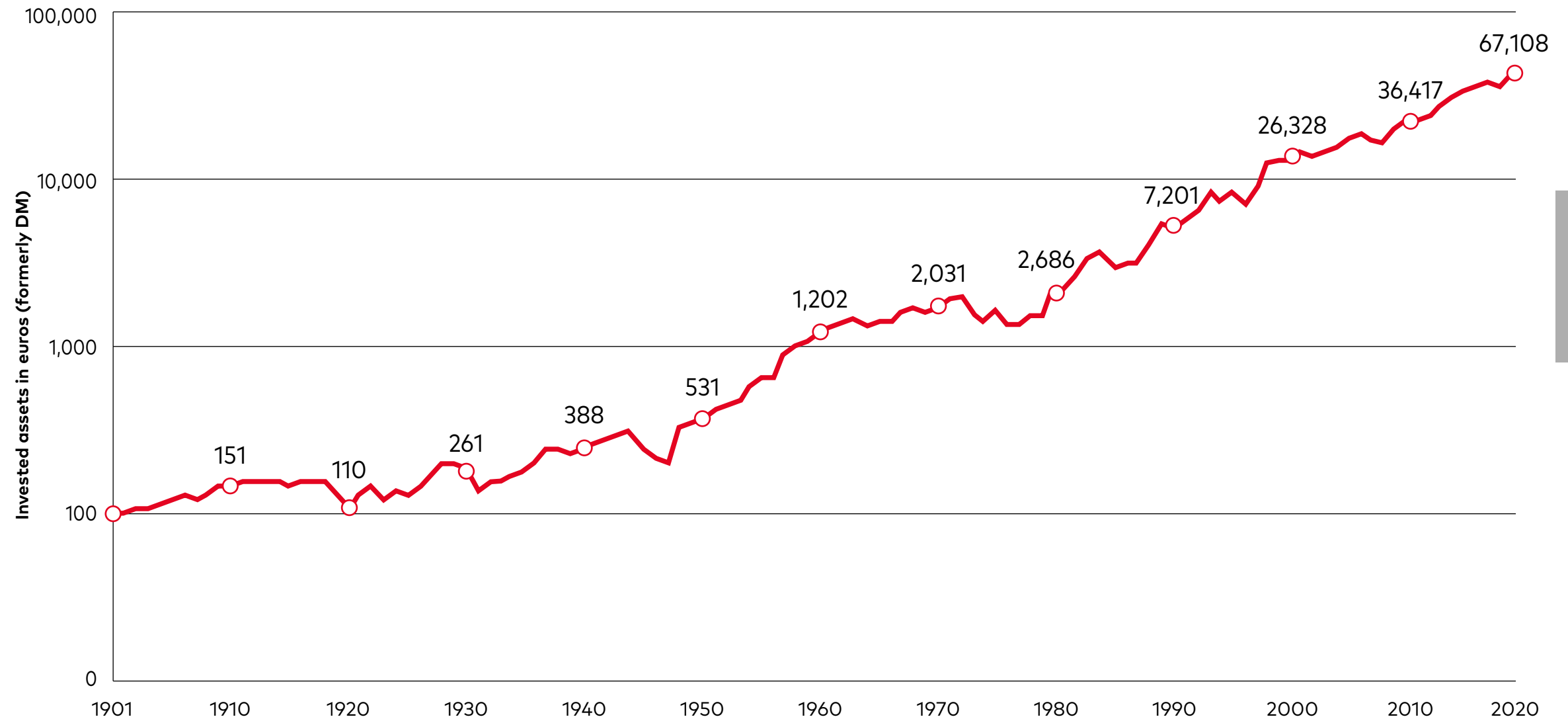
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

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



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.

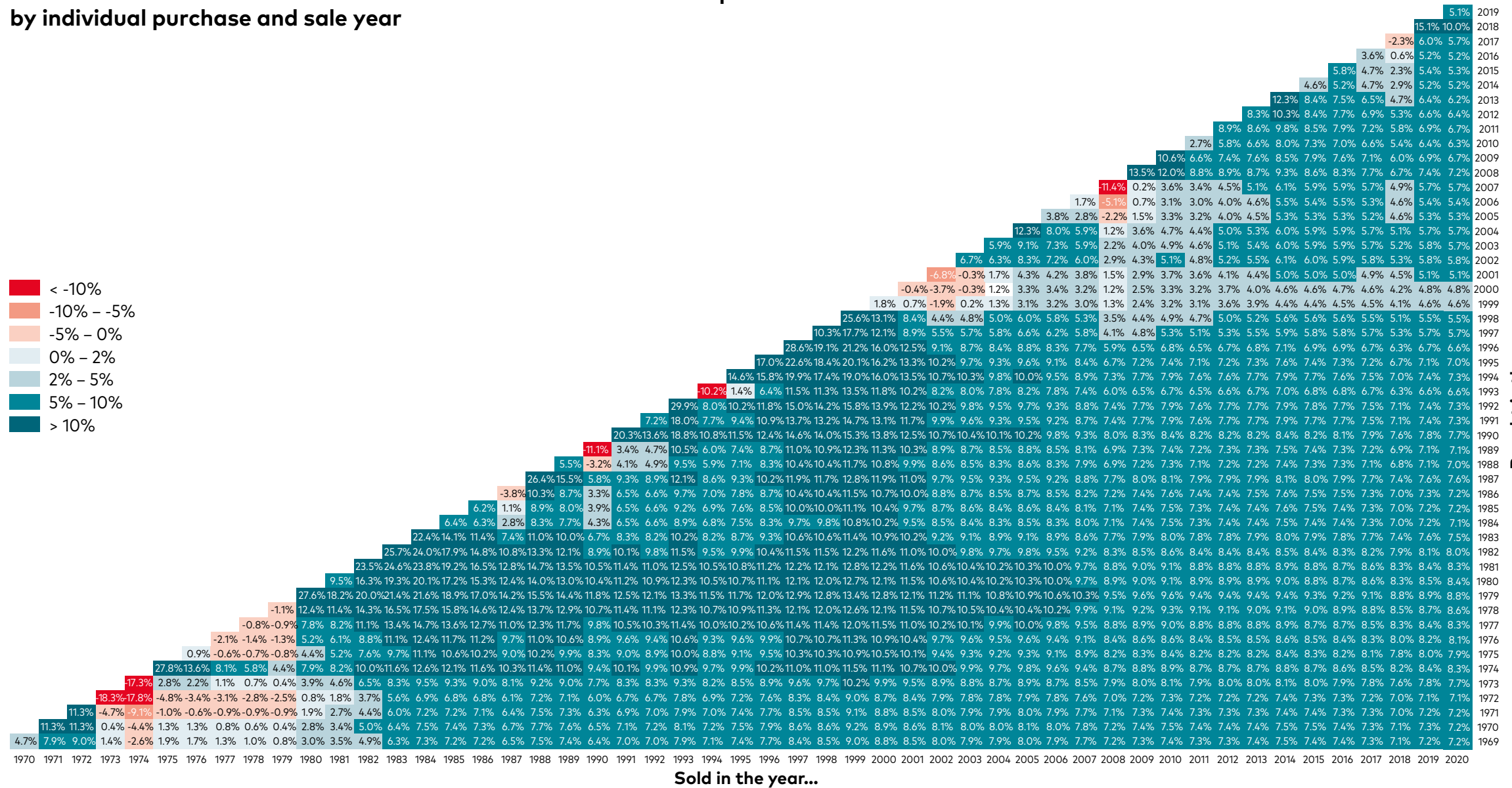
The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

40% Equities
60% Bonds

Return triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 40% equities and 60% bonds by individual purchase and sale year



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

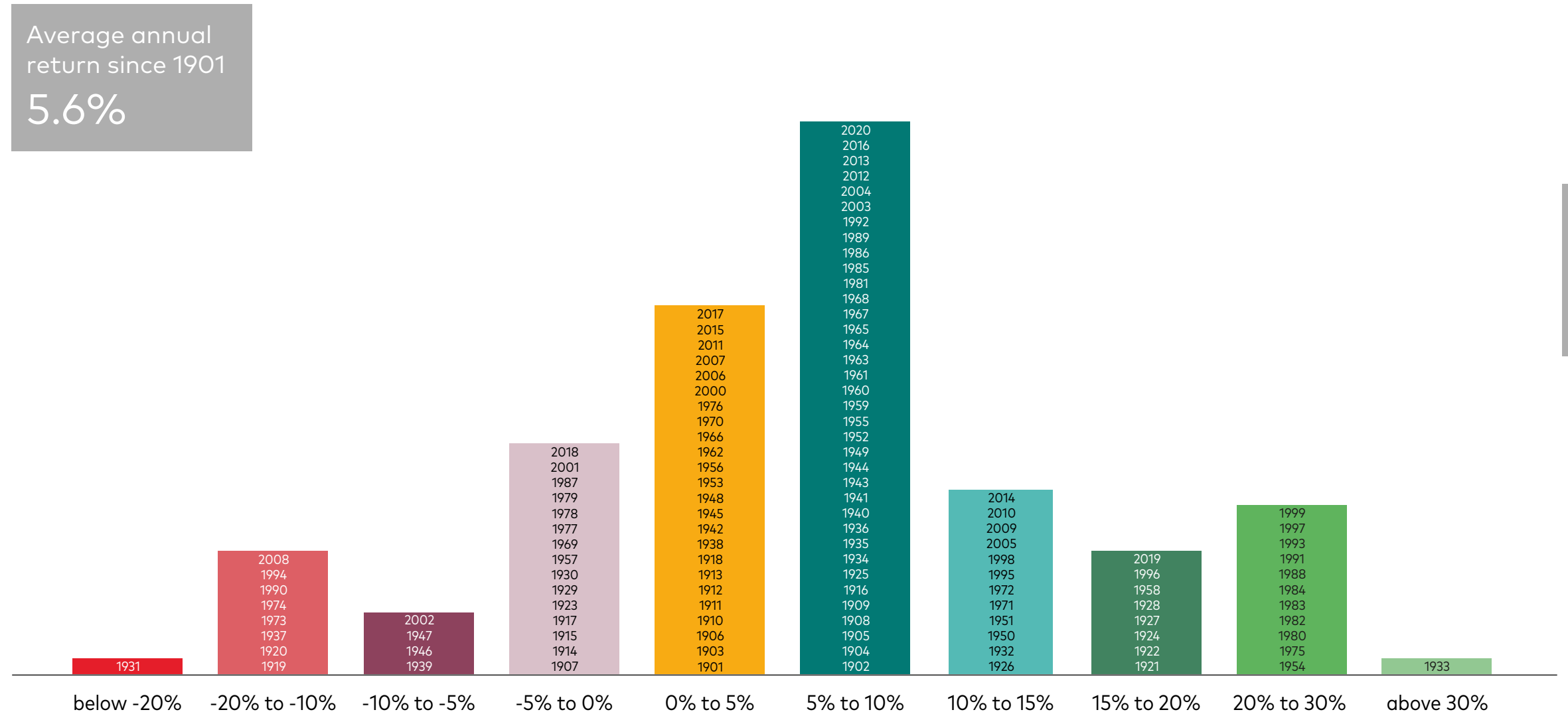
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return distribution by calendar years

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



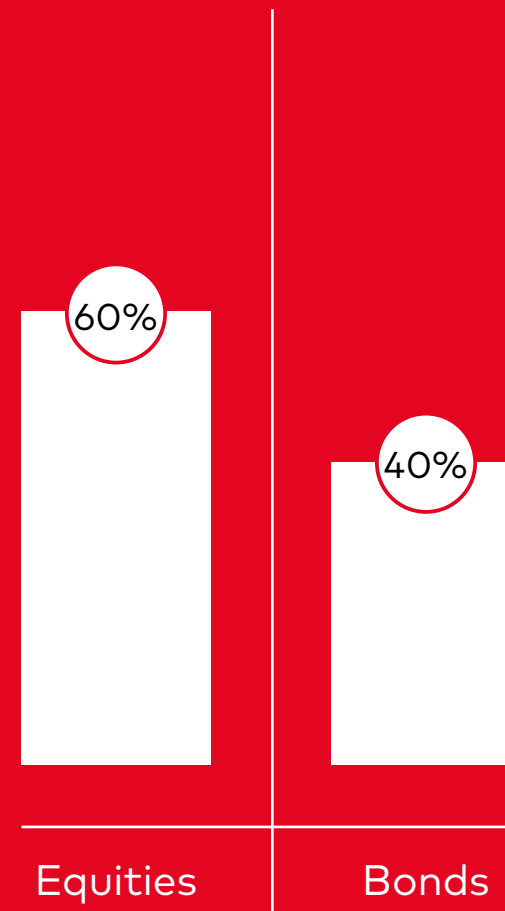
The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

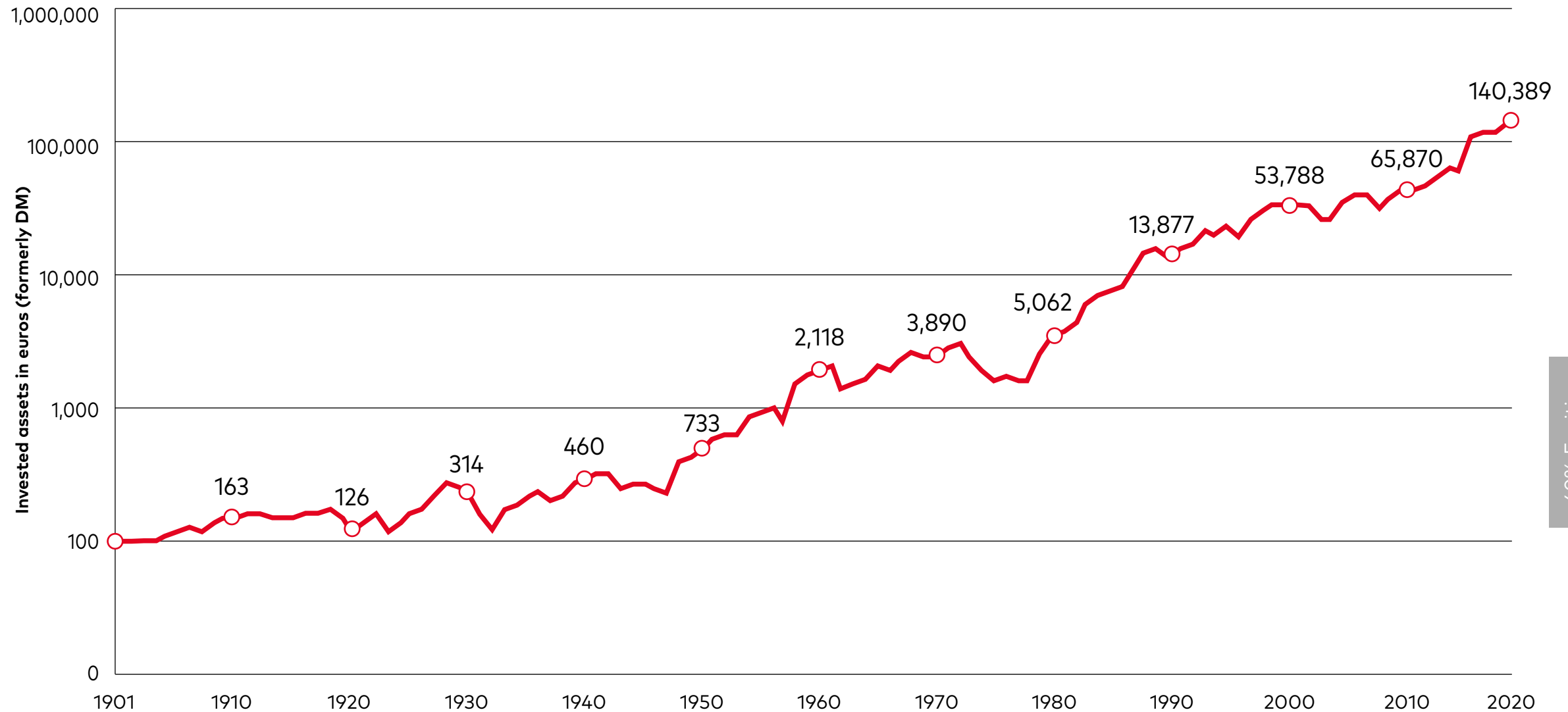
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

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



60% Equities
40% Bonds

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

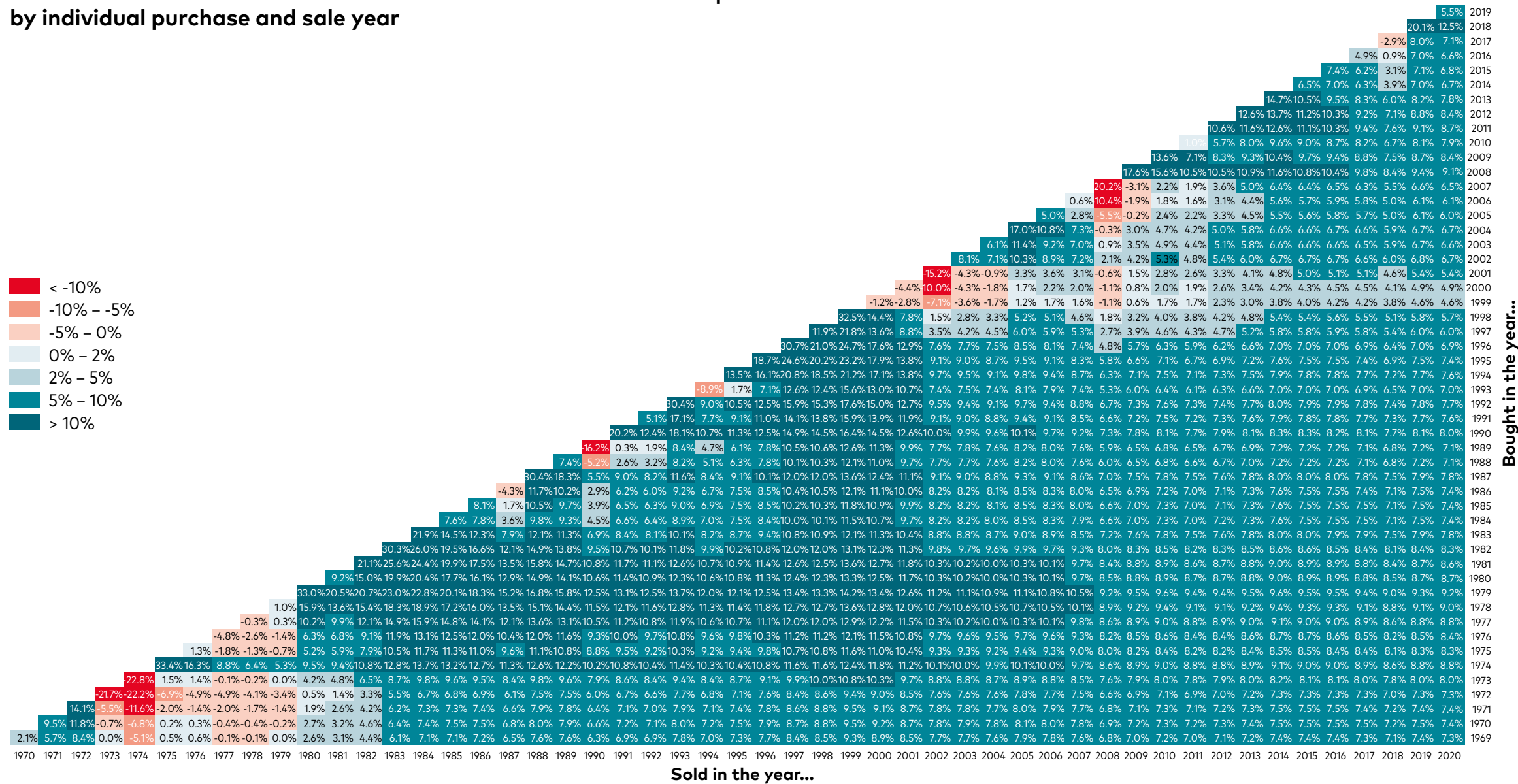
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 60% equities and 40% bonds by individual purchase and sale year



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

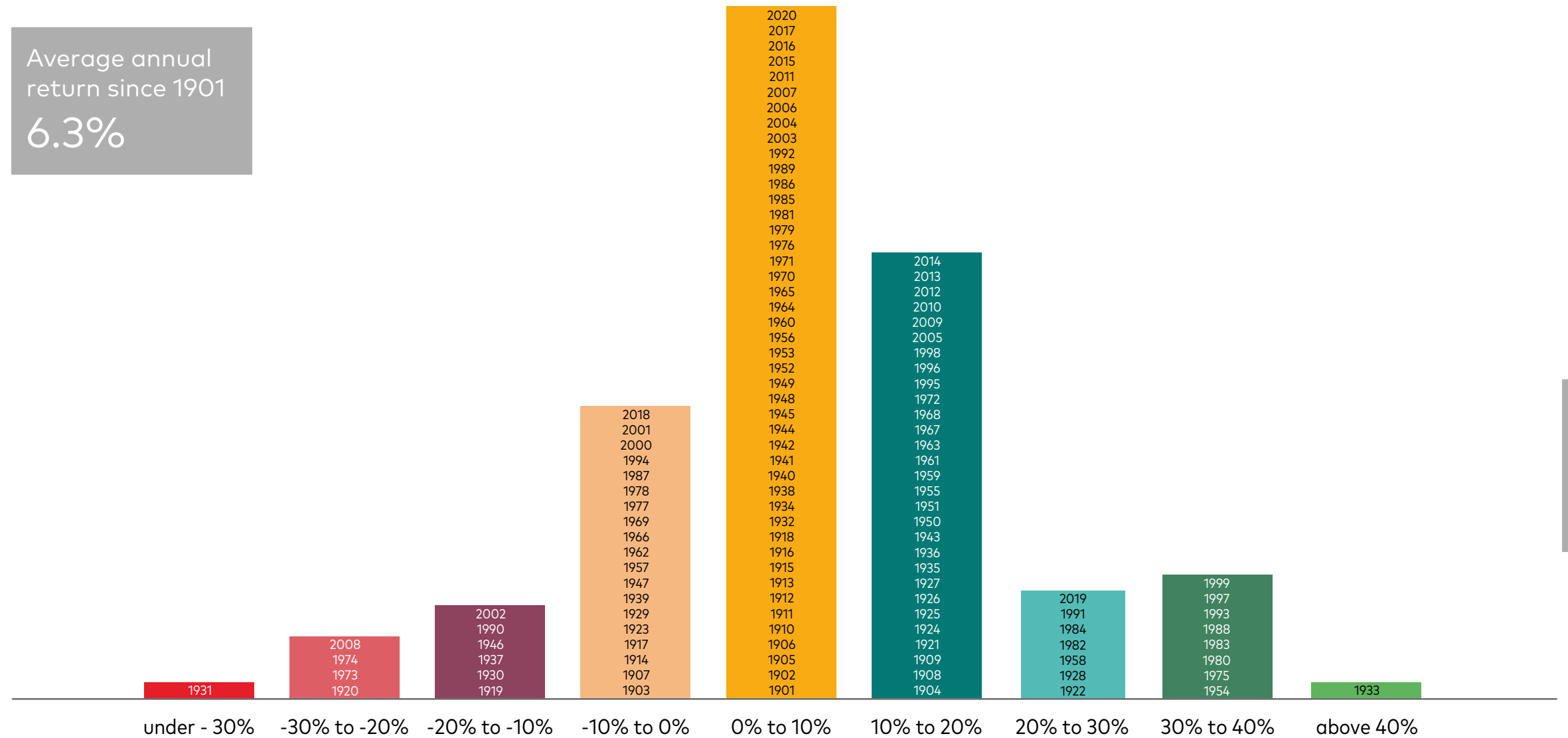
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return distribution by calendar years

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



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

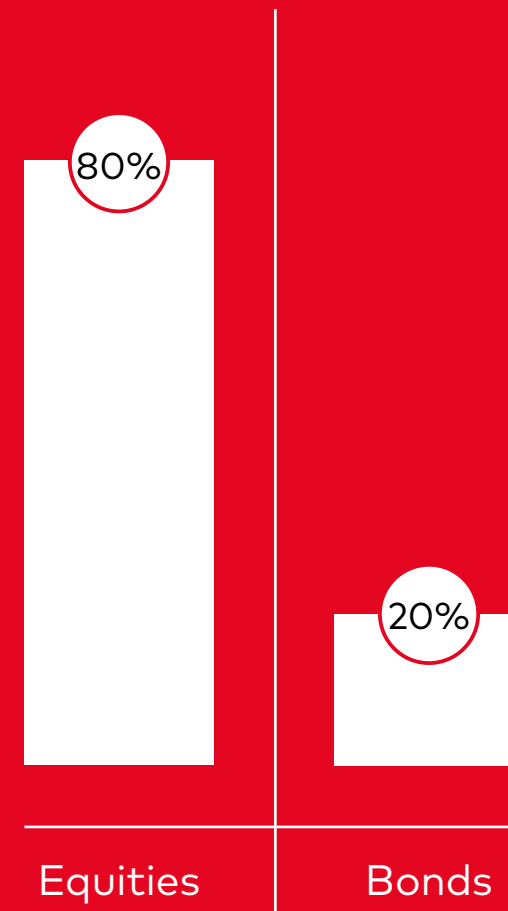
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

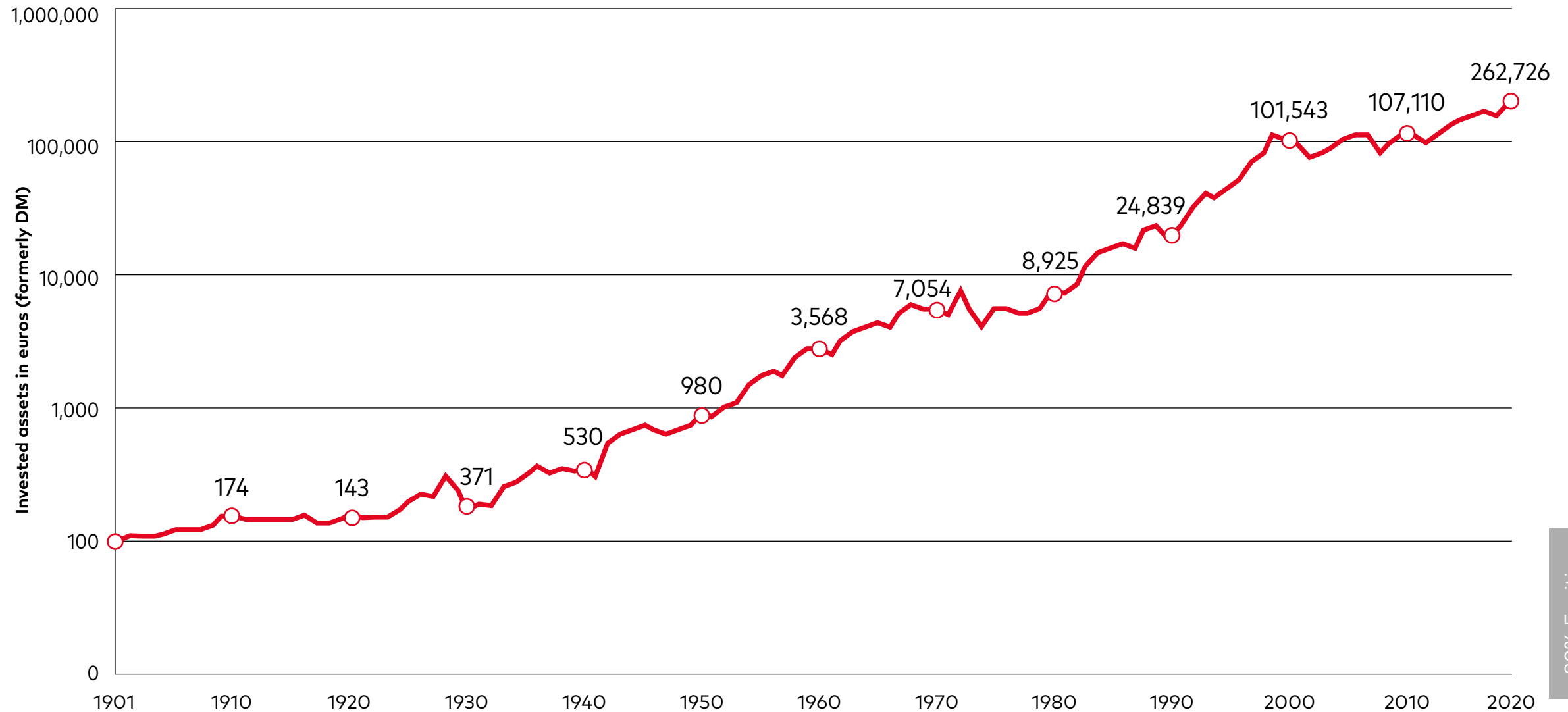
60% Equities
40% Bonds

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



80% Equities
20% Bonds

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

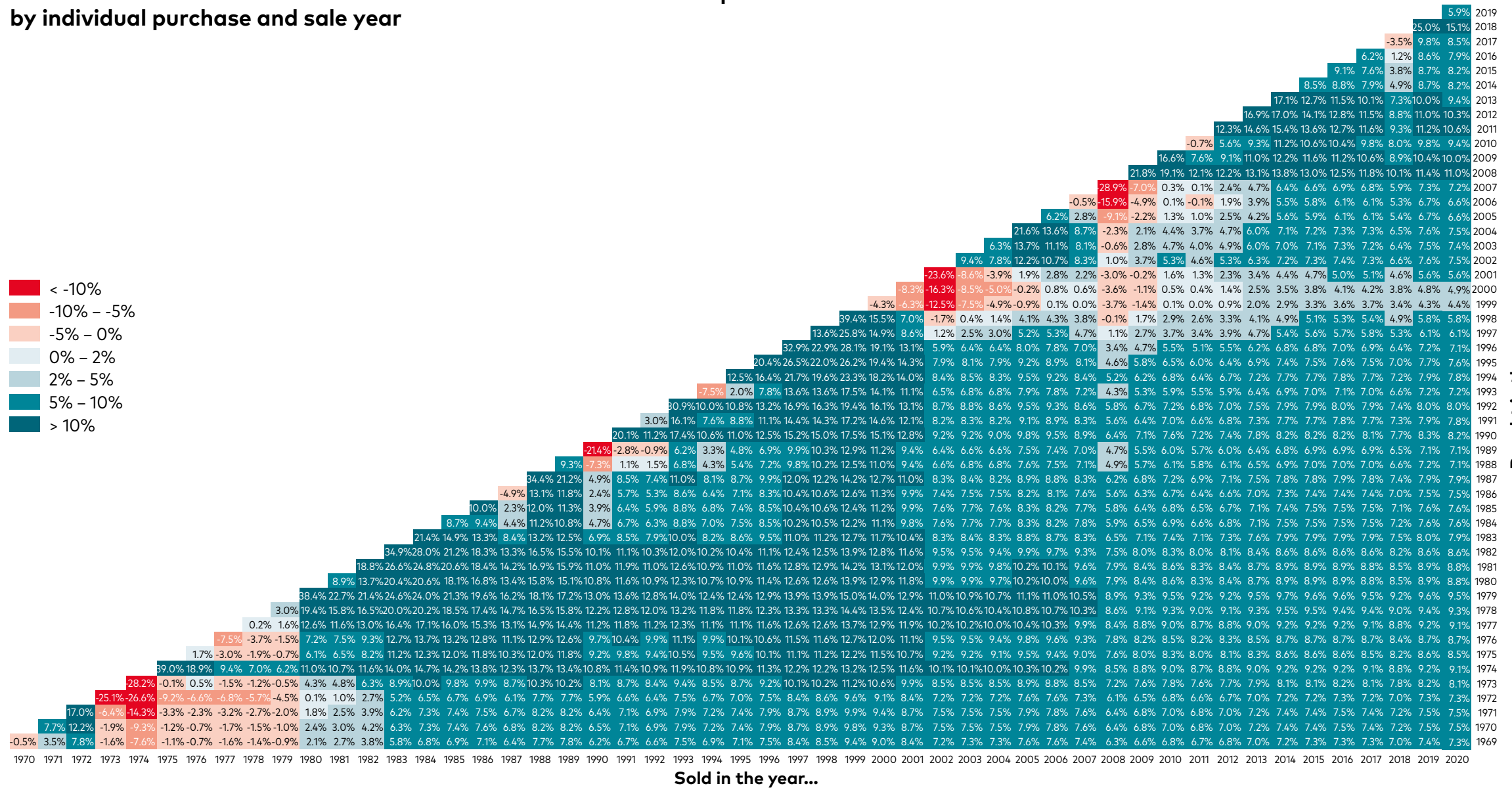
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 80% equities and 20% bonds by individual purchase and sale year



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

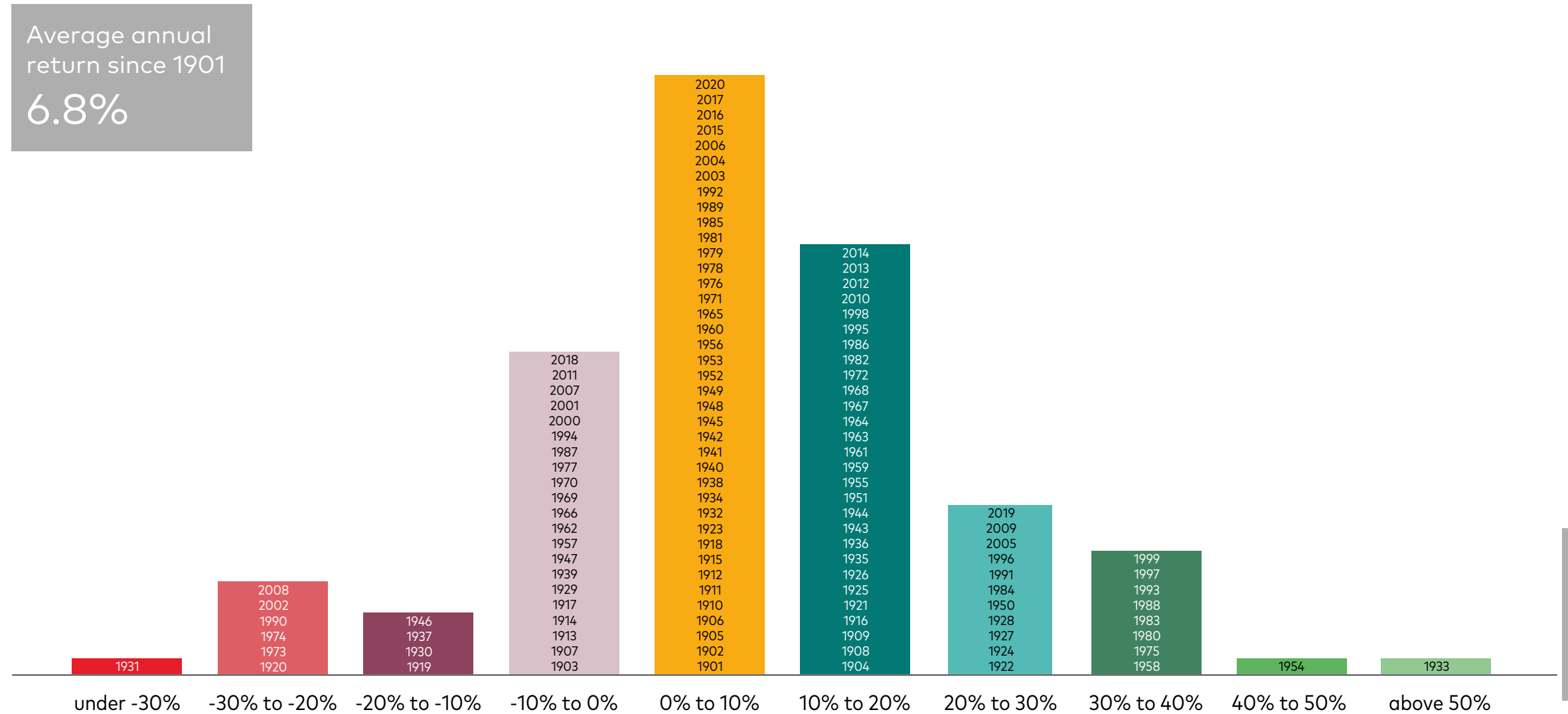
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return distribution by calendar years

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



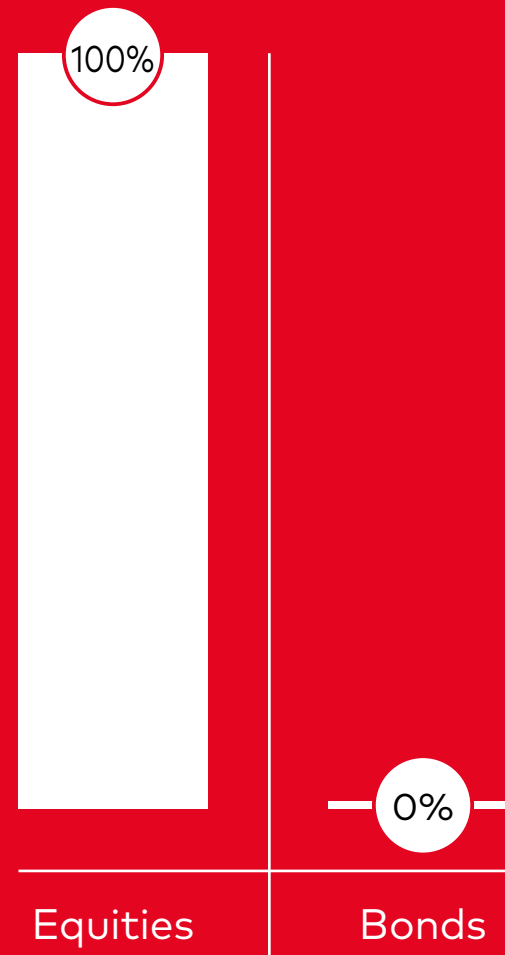
The value of investments, and the income from them, may fall or rise and investors may get back less than they invested.

Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

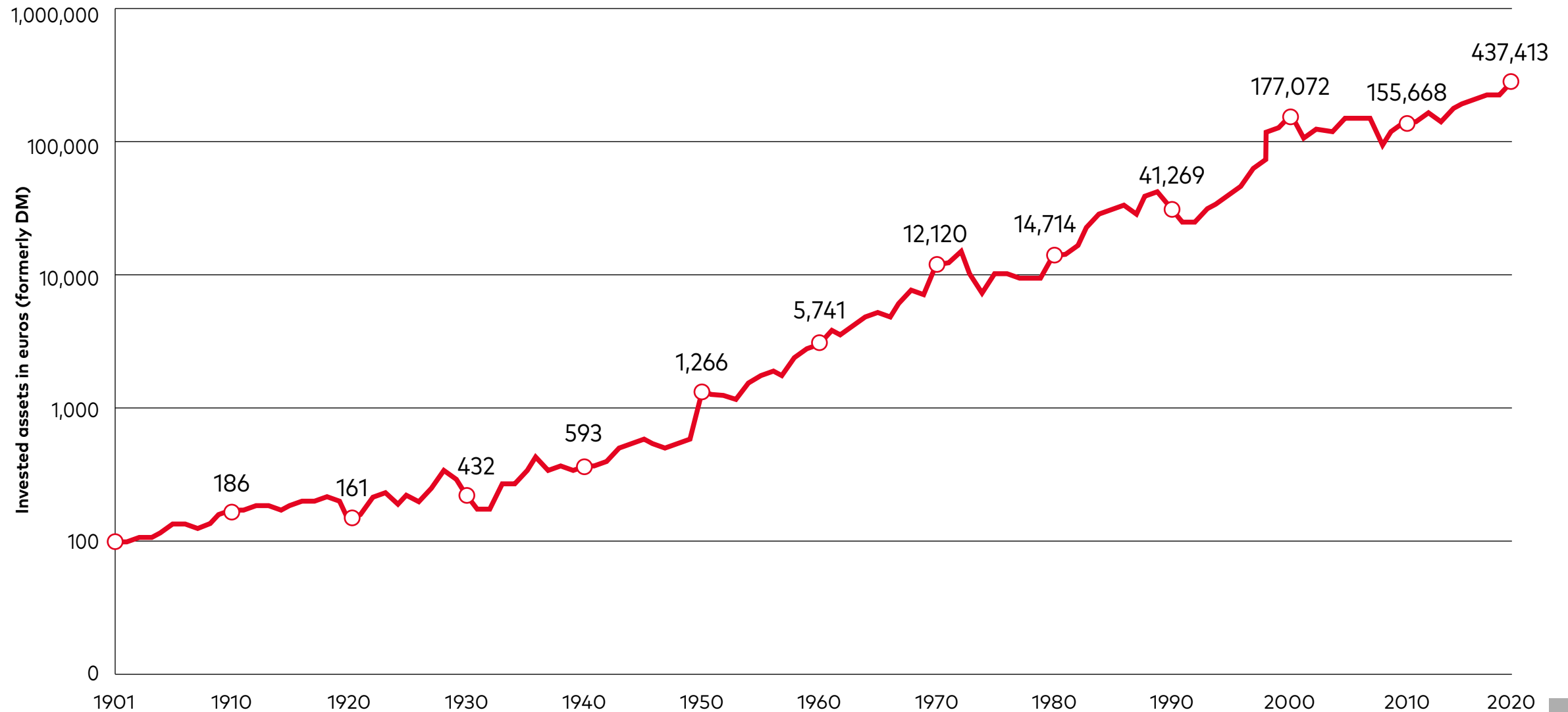
Source: Vanguard. Data: Bloomberg, bond returns are represented by the DMS World Bond Total Return Index from 1901 to 1999 and thereafter by the Bloomberg Barclays Global Aggregate Index (hedged in euros). Equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

**Equities 100 /
Bonds 0**



Performance at a glance

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



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

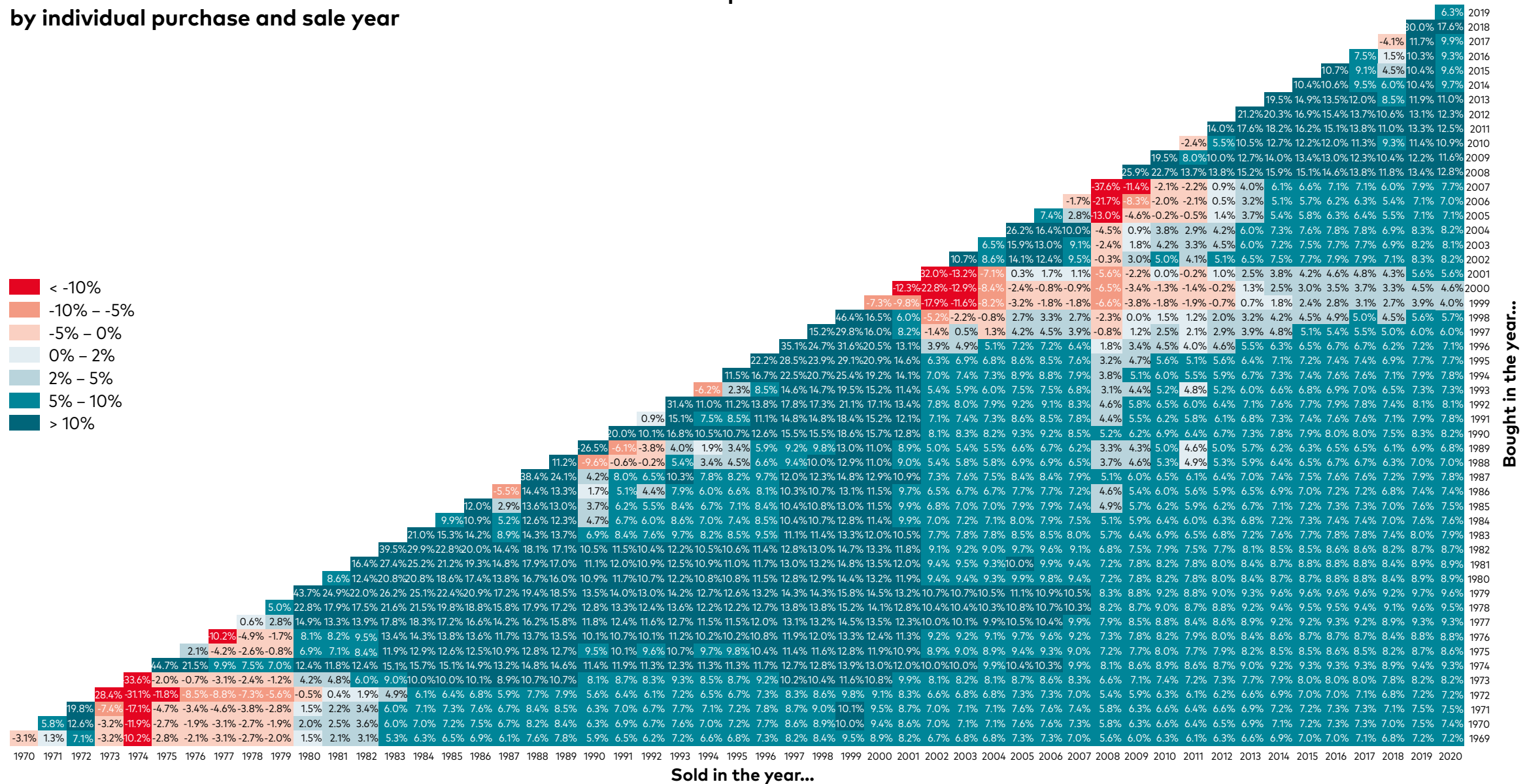
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Yield triangle by entry and exit years

Annual return between 1970 and 2019 of an investment in 100% equities by individual purchase and sale year



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

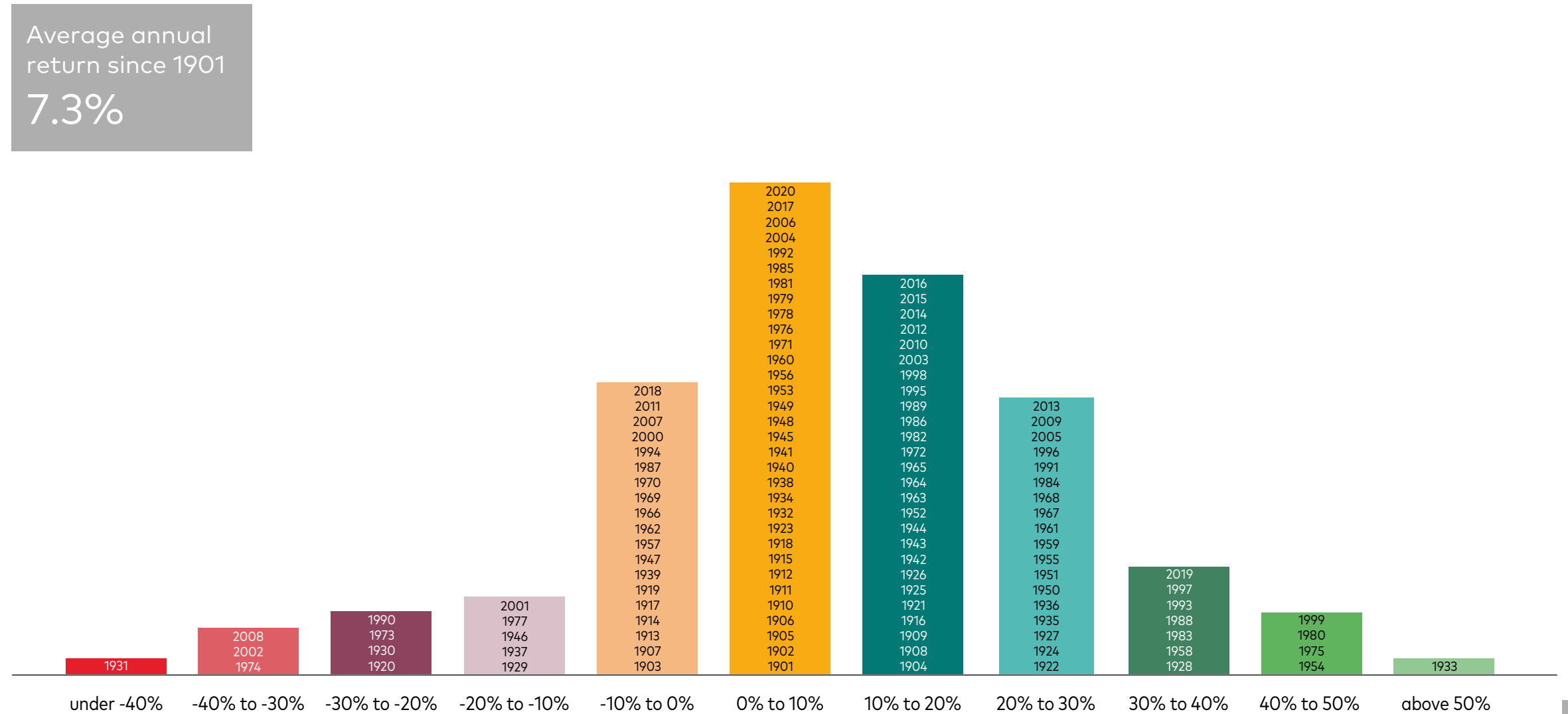
Past performance is not a reliable indicator of future results.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

Return distribution by calendar years

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



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.

The performance of an index is not an accurate representation of a particular investment as you cannot invest directly in an index.

Source: Vanguard. Data: Bloomberg, equity returns are represented by the DMS World Equity Total Return Index from 1901 to 1969 and thereafter by the MSCI World Index. The returns are net returns in euros (Deutsche Mark before 2002), fees and taxes are not taken into account. As at December 2020.

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

Vanguard only gives information on products and services and does not give investment advice based on individual circumstances. If you have any questions related to your investment decision or the suitability or appropriateness for you of the product[s] described in this document, please contact your financial adviser.

The information contained in this document is not to be regarded as an offer to buy or sell or the solicitation of any offer to buy or sell securities in any jurisdiction where such an offer or solicitation is against the law, or to anyone to whom it is unlawful to make such an offer or solicitation, or if the person making the offer or solicitation is not qualified to do so. The information in this document does not constitute legal, tax, or investment advice. You must not, therefore, rely on the content of this document when making any investment decisions.

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 prospectus or the Statement of Additional Information contains a more detailed description of the limited relationship MSCI has with Vanguard and any related funds.

BLOOMBERG® is a trademark and service mark of Bloomberg Finance L.P. BARCLAYS® is a trademark and service mark of Barclays Bank Plc, used under license. Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL") (collectively, "Bloomberg"), or Bloomberg's licensors own all proprietary rights in the Bloomberg Barclays Indices.

The products are not sponsored, endorsed, issued, sold or promoted by "Bloomberg or Barclays". Bloomberg and Barclays make no representation or warranty, express or implied, to the owners or purchasers of the products or any member of the public regarding the advisability of investing in securities generally or in the products particularly or the ability of the Bloomberg Barclays Indices to track general bond market performance. Neither Bloomberg nor Barclays has passed on the legality or suitability of the products with respect to any person or entity. Bloomberg's only relationship to Vanguard and the products are the licensing of the Bloomberg Barclays Indices which are determined, composed and calculated by BISL without regard to Vanguard or the products or any owners or purchasers of the products. Bloomberg has no obligation to take the needs of the products or the owners of the products into consideration in determining, composing or calculating the Bloomberg Barclays Indices. Neither Bloomberg nor Barclays is responsible for and has not participated in the determination of the timing of, prices at, or quantities of the products to be issued. Neither Bloomberg nor Barclays has any obligation or liability in connection with the administration, marketing or trading of the products.

Issued in EEA by Vanguard Group (Ireland) Limited which is regulated in Ireland by the Central Bank of Ireland.

Issued in Switzerland by Vanguard Investments Switzerland GmbH.

Issued by Vanguard Asset Management, Limited which is authorised and regulated in the UK by the Financial Conduct Authority.

© 2021 Vanguard Group (Ireland) Limited. All rights reserved.

© 2021 Vanguard Investments Switzerland GmbH. All rights reserved.

© 2021 Vanguard Asset Management, Limited. All rights reserved.

Connect with Vanguard®
global.vanguard.com

Vanguard