

Vanguard Balanced Index Fund

Balanced fund (stocks and bonds) | Institutional Shares

Fund facts

Risk level Low ← → High					Total net assets	Expense ratio as of 04/28/20	Ticker symbol	Turnover rate as of 12/31/20	Inception date	Fund number
1	2	3	4	5	\$11,866 MM	0.06%	VBAIX	60.0%	12/01/00	0869

Investment objective

Vanguard Balanced Index Fund seeks —with 60% of its assets—to track the investment performance of a benchmark index that measures the investment return of the overall U.S. stock market. With 40% of its assets, the fund seeks to track the investment performance of a broad, market-weighted bond index.

Investment strategy

The fund's assets are divided between stocks and bonds, with an average of 60% of its assets in stocks and 40% in bonds. The fund's stock segment attempts to track the performance of the CRSP US Total Market Index, an unmanaged index that covers all regularly traded U.S. stocks. The fund's bond segment attempts to track the performance of the Barclays U.S. Aggregate Float Adjusted Bond Index, an unmanaged index that covers virtually all taxable fixed income securities.

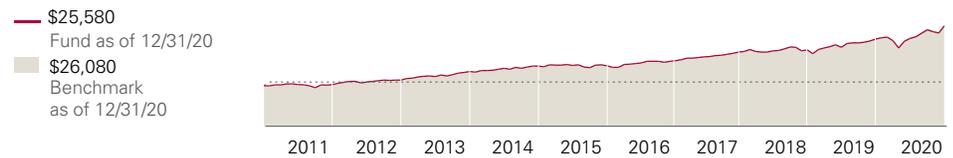
For the most up-to-date fund data, please scan the QR code below.



Benchmark

Balanced Composite Index

Growth of a \$10,000 investment: January 31, 2011—December 31, 2020



Annual returns



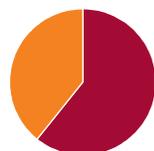
Total returns

	Periods ended March 31, 2021					
	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	2.35%	2.35%	34.76%	12.47%	11.37%	9.83%
Benchmark	2.40%	2.40%	35.15%	12.81%	11.62%	10.04%

The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.

Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Performance figures include the reinvestment of all dividends and any capital gains distributions. All returns are net of expenses.

Fund allocation



Stock	60.8%	Short-Term Reserves	0.0
Bond	39.3		

Balanced Composite Index: Weighted 60% Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) and 40% Lehman Brothers U.S. Aggregate Bond Index through May 31, 2005; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; 60% MSCI US Broad Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index through January 14, 2013; and 60% CRSP US Total Market Index and 40% Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.

Vanguard Balanced Index Fund

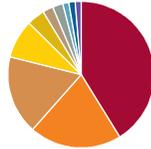
Balanced fund (stocks and bonds) | Institutional Shares

Ten largest holdings*

1	Apple Inc.	
2	Microsoft Corp.	
3	Amazon.com Inc.	
4	Alphabet Inc.	
5	Facebook Inc.	
6	Tesla Inc.	
7	Berkshire Hathaway Inc.	
8	JPMorgan Chase & Co.	
9	Johnson & Johnson	
10	Visa Inc.	
Top 10 as % of total net assets		13.7%

* The holdings listed exclude any temporary cash investments and equity index products.

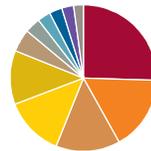
Distribution by issuer-bonds



Treasury/Agency	42.2%
Government	20.8
Industrial	17.8
Finance	8.7
Foreign	4.0

Utilities	2.4
Commercial Mortgage-Backed	2.3
Other	1.4
Other	1.4
Other	1.4

Sector Diversification



Technology	25.5%
Consumer Discretionary	16.4
Industrials	14.2
Health Care	13.1
Financials	11.9
Consumer Staples	5.0

Real Estate	3.4
Utilities	2.9
Energy	2.8
Telecommunications	2.6
Basic Materials	2.2
Other	0.0

Sector categories are based on the Industry Classification Benchmark system ("ICB"), except for the "Other" category (if applicable), which includes securities that have not been provided an ICB classification as of the effective reporting period. Beginning September 2020, FTSE Russell is enhancing the ICB structures to provide additional granularity from the industry through subsector levels. Please note that there may be differences in sector names and classifications as these changes are implemented across the industry through March 2021.

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Plain talk about risk

The fund is subject to several stock and bond market risks, any of which could cause an investor to lose money. However, because stock and bond prices can move in different directions or to different degrees, the fund's bond and short-term investment holdings may counteract some of the volatility experienced by the fund's stock holdings. The fund's performance could be hurt by:

Stock market risk: The chance that stock prices overall will decline. Stock markets tend to move in cycles, with periods of rising stock prices and periods of falling stock prices. The fund's target index may, at times, become focused in stocks of a particular sector, category, or group of companies.

Interest rate risk: The chance that bond prices will decline because of rising interest rates.

Income risk: The chance that the fund's income will decline because of falling interest rates.

Call risk: The chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupon rates or interest rates before their maturity dates. The fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund's income.

Credit risk: The chance that a bond issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. Credit risk should be low for the fund because it purchases only bonds that are of investment-grade quality.

Index sampling risk: The chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the index. Index sampling risk for the fund should be low.

Note on frequent trading restrictions

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

For more information about Vanguard funds or to obtain a prospectus, see below for which situation is right for you.

If you receive your retirement plan statement from Vanguard or log on to Vanguard's website to view your plan, visit [vanguard.com](https://www.vanguard.com) or call **800-523-1188**.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

Visit [vanguard.com](https://www.vanguard.com) to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information about a fund are contained in the prospectus; read and consider it carefully before investing.

Financial advisor clients: For more information about Vanguard funds, contact your financial advisor to obtain a prospectus.

Investment Products: Not FDIC Insured • No Bank Guarantee • May Lose Value