



Vanguard®

Factsheet | August 31, 2018

VSB

# Vanguard Canadian Short-Term Bond Index ETF

## Trading information

Ticker symbol	VSB
CUSIP	92203G106
SEDOL	B6QYK07
ISIN	CA92203G1063
Index ticker	BFA5TRDU
Exchange	Toronto Stock Exchange
Currency	CAD

## ETF facts

Benchmark	Bloomberg Barclays Global Aggregate Canadian Gov/Credit 1–5 year Float Adjusted Bond Index
Distribution schedule	Monthly
ETF total net assets	\$973 million
Inception date	November 30, 2011
Eligibility	RRSP, RRIF, RESP, TFSA, DPSP, RDSP, Non-reg
Management fee*	0.10%
MER†	0.11%

## Objective

The fund seeks to track, to the extent reasonably possible and before fees and expenses, the performance of a broad Canadian bond index with a short-term dollar-weighted average maturity. Currently, this Vanguard ETF seeks to track the Bloomberg Barclays Global Aggregate Canadian Government/Credit 1–5 year Float Adjusted Bond Index (or any successor thereto). It invests primarily in public, investment-grade fixed income securities issued in Canada.

## About the benchmark

- The Bloomberg Barclays Global Aggregate Canadian Government/Credit 1–5 year Float Adjusted Bond Index measures the investment return of investment-grade securities issued in Canada—including government, government-related and corporate products—all with maturities between one and five years.

## Performance summary

VSB year-end NAV calendar returns as of December 31, 2017.

		Net of expenses
2013		1.55%
2014		2.82%
2015		2.41%
2016		0.77%
2017		0.00%

## Performance history

Total returns for period ending August 31, 2018

	3 months	Year to date	1 year	3 years	5 years	Since inception
VSB Market price return	0.47%	0.85%	0.53%	0.52%	1.48%	1.54%
VSB Net asset value (NAV) return	0.37%	0.85%	0.41%	0.55%	1.52%	1.52%
Benchmark return	0.42%	0.69%	0.57%	0.66%	1.65%	1.69%

The performance of an index is not an exact representation of any particular investment as you cannot invest directly in an index. The performance of the index does not reflect the deduction of any expenses which would have reduced total returns. Performance information of the Vanguard ETF® reflects waivers of certain expenses and/or fees. If the Vanguard ETF had incurred all expenses, investment returns would have been reduced. The indicated rates of return are the historical annual compounded total returns including changes in unit value and reinvestment of all dividends or distributions and do not take into account sales, redemption, distribution or optional charges or income taxes payable by any unitholder that would have reduced returns. The performance of the index and Vanguard ETF is for illustrative purposes only.

**Commissions, management fees, and expenses all may be associated with investment funds. Investment objectives, risks, fees, expenses, and other important information are contained in the prospectus; please read it before investing. Investment funds are not guaranteed, their values change frequently, and past performance may not be repeated. Vanguard funds are managed by Vanguard Investments Canada Inc. and are available across Canada through registered dealers.**

\*The management fee is equal to the fee paid by the Vanguard ETF to Vanguard Investments Canada Inc., and does not include applicable taxes or other fees and expenses of the Vanguard ETF.

†Management Expense Ratio (MER) is the MER as of December 31, 2017, including waivers and absorptions and is expressed as an annualized percentage of the daily average net asset value. The MER would have been 0.11% without any absorptions or waivers. Vanguard Investments Canada Inc. expects to continue absorbing or waiving certain fees indefinitely, but may, in its discretion, discontinue this practice at any time.

# Vanguard Canadian Short-Term Bond Index ETF

## ETF characteristics

	VSB	Benchmark
Number of bonds	390	400
Effective YTM	2.40%	2.41%
Average coupon	2.5%	2.5%
Average maturity	2.8 years	2.8 years
Average quality	AA	AA
Average duration	2.7 years	2.7 years
Cash investment	-0.1%	—

Effective YTM represents the weighted average of the ETF's individual bond holdings' yield to maturities and is calculated based on the market value of each fixed income investment. Yield to maturity incorporates expected capital gains or losses into the calculation, but ETFs generally do not hold bonds to maturity, so the fund will never actually receive the return stated. The calculation does not include fees and expenses that might be part of the funds' investments.

## Sector weighting

	VSB
Treasury/federal	35.2%
Corporate - financial institutions	19.4
Provincials/municipals	18.6
Government-related - agencies	16.4
Industrial	8.8
Government-related - supranationals	0.9
Utilities	0.8
Cash	-0.1

## Asset mix by credit maturity

	VSB
Under 1 Year	-0.1%
1 - 2 Years	29.1
2 - 3 Years	25.1
3 - 4 Years	22.5
4 - 5 Years	20.8
Over 5 Years	2.6

## Asset mix by credit quality

	VSB
AAA	53.9%
AA	25.6
A	9.9
BBB	9.9
Not Rated	0.7

Credit-quality ratings for each issue are obtained from Barclays using ratings derived from Moody's Investors Service, Fitch Ratings, and Standard & Poor's. When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.

## Volatility

	R-Squared	Beta	Tracking error
VSB	100.00%	1.00	0.05%

R-squared, beta and tracking error are calculated from the 36-month fund returns relative to the benchmark.

## For more information contact:

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