



Vanguard Balanced Index Fund

Balanced fund (stocks and bonds) | Admiral™ Shares

Risk level Low ← → High					Total net assets	Expense ratio as of 04/26/19	Ticker symbol	Turnover rate as of 12/31/18	Inception date	Fund number
1	2	3	4	5	\$28,604 MM	0.07%	VBIAX	44.0%	11/13/00	0502

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.

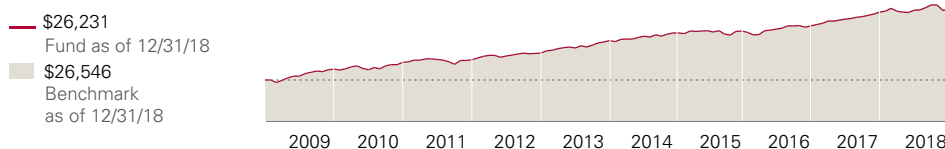
For the most up-to-date fund data, please scan the QR code below.



Benchmark

Balanced Composite Index

Growth of a \$10,000 investment: January 31, 2009—December 31, 2018



Annual returns



	2009	2010	2011	2012	2013	2014	2015	2016	2017	2018
Fund	20.11	13.29	4.29	11.49	18.10	9.99	0.51	8.77	13.89	-2.86
Benchmark	19.82	13.45	4.65	11.72	18.25	10.06	0.76	8.89	13.93	-2.80

Total returns

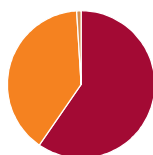
Periods ended June 30, 2019

	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	3.73%	13.66%	8.91%	9.35%	7.41%	10.49%
Benchmark	3.76%	13.70%	8.94%	9.44%	7.52%	10.65%

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



Stocks	59.6%	Short-Term Reserves	1.0
Bonds	39.4		

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

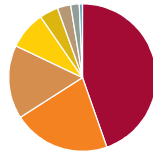
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Ten largest holdings*

1	Microsoft Corp.	
2	Apple Inc.	
3	Amazon.com Inc.	
4	Alphabet Inc.	
5	Facebook Inc.	
6	Berkshire Hathaway Inc.	
7	Johnson & Johnson	
8	JPMorgan Chase & Co.	
9	Exxon Mobil Corp.	
10	Visa Inc.	
Top 10 as % of total net assets		11.2%

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

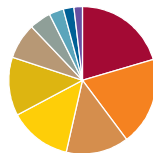
Distribution by issuer—bonds



Treasury/Agency	44.6%
Government	21.3
Industrial	16.2
Finance	8.3
Foreign	4.1

Asset-Backed	2.9
Utilities	1.9
Other	0.7
Commercial Mortgage-Backed	0.0

Top sector holdings—stocks



Technology	20.4%
Financials	19.4
Consumer Services	13.8
Industrials	13.6
Health Care	12.9

Consumer Goods	7.8
Oil & Gas	4.7
Utilities	3.2
Basic Materials	2.3
Telecommunications	1.9

Sector categories are based on the Industry Classification Benchmark ("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.

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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 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 or call **800-523-1188**.

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Visit 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