



# Vanguard MSCI International Shares Index ETF

VGS

## Key ETF facts

Management fee	0.18% p.a.
Inception date	18 November 2014
Income distribution	Quarterly
Distribution reinvestment plan	Yes
ETF size	\$1,267.1 million
Total fund size	\$14,167.4 million
Number of holdings	1,579

## Trading information

ASX code	VGS
ISIN	AU000000VGS8
Minimum investment	No minimum
ETF listed on ASX	20 November 2014

## Benchmark information

Benchmark (Bmk)	MSCI World ex-Australia (with net dividends reinvested) in Australian dollars Index
Number of holdings	1,564

## Investment objective

The Vanguard MSCI International Shares Index ETF seeks to track the return of the MSCI World ex-Australia Index (with net dividends reinvested) in Australian dollars before taking into account fees, expenses and tax.

## ETF overview

The ETF provides exposure to many of the world's largest companies listed in major developed countries. It offers low-cost access to a broadly diversified range of securities that allows investors to participate in the long-term growth potential of international economies outside Australia. The ETF is exposed to the fluctuating values of foreign currencies, as there will not be any hedging of foreign currencies to the Australian dollar.

## Performance return<sup>A,B,C</sup> (%)

	ETF gross	Bmk	ETF total	Distb'n	Growth
1 month	-4.23	-4.27	-4.24	0.57	-4.81
3 months	-11.04	-11.10	-11.08	0.53	-11.61
6 months	-4.45	-4.56	-4.53	0.97	-5.50
1 year	1.76	1.52	1.58	2.66	-1.08
3 years (p.a.)	7.77	7.49	7.57	3.43	4.14
5 years (p.a.)	N/A	N/A	N/A	N/A	N/A
10 years (p.a.)	N/A	N/A	N/A	N/A	N/A
Inception (p.a.)	10.14	9.81	9.95	3.46	6.49

## Year to year gross return<sup>A,B,C</sup> (%)

	Dec - Dec		June - June	
	ETF	Bmk	ETF	Bmk
YTD	1.76	1.52	-4.45	-4.56
2018	1.76	1.52	15.65	15.39
2017	13.64	13.38	15.02	14.73
2016	8.23	7.92	0.76	0.40

## Income distribution<sup>D</sup>

Quarter ended	Amount (CPU)	Reinvestment price
31 December 2018	39.0286	\$64.7719

## Notes

- A Past performance is not an indication of future performance.
- B Returns assume reinvestment of all distributions. Returns for periods longer than 1 year are annualised. ETF gross returns are before management fees and taxes, but after transaction and operational costs. ETF total return is the ETF gross return less management fees. Index returns do not allow for taxes, management, transaction and operational costs.
- C Returns assume that an investor purchased units at Net Asset Value (NAV) and does not reflect the transaction costs imposed on the creation and redemptions of ETF units, brokerage or the bid ask spread that investors pay to buy and sell ETF securities on the Australian Securities Exchange.
- D Past distributions are not an indication of future distributions.

# Vanguard MSCI International Shares Index ETF

## Characteristics

	ETF	Bmk
Number of holdings	1,579	1,564
Median market cap	\$80.4B	\$79.8B
Price/Earnings ratio	15.0x	15.0x
Price/Book ratio	2.1x	2.1x
Return on equity ratio	14.0%	14.0%
Earnings growth rate	7.9%	7.8%
Equity yield (dividend)	2.6%	2.6%

## Top 10 holdings

1. Apple Inc.
2. Microsoft Corp.
3. Alphabet Inc.
4. Amazon.com Inc.
5. Johnson & Johnson
6. JPMorgan Chase & Co.
7. Facebook Inc.
8. Exxon Mobil Corp.
9. Berkshire Hathaway Inc.
10. Pfizer Inc.

The top 10 holdings represent 13.0% of the total ETF.

## Sector allocation (%)

	ETF	Bmk
Financials	15.7	15.7
Information Technology	15.3	15.3
Health Care	13.4	13.5
Industrials	11.0	11.0
Consumer Discretionary	10.6	10.6
Consumer Staples	8.7	8.7
Communication Services	8.5	8.4
Energy	5.9	5.9
Materials	4.3	4.3
Utilities	3.5	3.5
Real Estate	3.1	3.1

Sector categories are based on the Global Industry Classification Standard system ("GICS"), except for the "Other" category (if applicable), which includes securities that have not been provided a GICS classification as of the effective reporting period.

## Market allocation (%)

	Fund	Bmk		Fund	Bmk
United States	63.2	63.3	Sweden	1.0	1.0
Japan	8.8	8.8	Italy	0.8	0.8
United Kingdom	6.1	6.1	Denmark	0.6	0.6
France	4.0	4.0	Singapore	0.5	0.5
Canada	3.4	3.4	Finland	0.4	0.4
Switzerland	3.1	3.1	Norway	0.3	0.3
Germany	3.1	3.1	Belgium	0.3	0.3
Hong Kong	1.4	1.4	Ireland	0.2	0.2
Netherlands	1.2	1.2	Israel	0.2	0.2
Spain	1.1	1.1	Other	0.3	0.2

## Glossary

**Median market cap** is the midpoint of market capitalisation (market price multiplied by the number of shares outstanding) of the shares in the fund. Half the shares in the fund will have higher market capitalisation, half will have lower.

**Price/Earnings ratio (P/E ratio)** is a measure of the market value of a share compared to the earnings of the company. A share with a price of \$10, and earnings last year of \$1 a share, would have a P/E ratio of 10. For a fund, the ratio is the weighted average P/E ratio of the shares it holds. In general, a high P/E suggests that investors are expecting higher earnings growth in the future compared to companies with a lower P/E. Companies with negative earnings are excluded from the calculation.

**Price/Book ratio** is calculated by dividing the current market price of the share by the book value per share of the company.

**Return on equity ratio** is a measure of how much profit a company generates relative to its shareholders' equity. For a fund, the ratio is the weighted average return on equity ratio of the shares it holds.

**Earnings growth rate** is a measure of the trailing Earnings Per Share growth for a given company and share. For a fund, the rate is the weighted average earnings growth of the shares it holds.

**Equity yield (dividend)** is the dividend income earned by shares, expressed as a percentage of the market price of those shares. For a fund, the yield is the weighted average equity yield of the shares it holds.



## For more information:

Personal investors can transact in Vanguard ETFs through their financial adviser or stockbroker. Our telephone service is available from 8am to 6pm, Monday-Friday AEST.

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