Vanguard

Q3 2026 | QUARTERLY UPDATE

Strategic Model Portfolios

Model contributors and detractors

The macroeconomic environment in the third quarter of 2026 was shaped by persistent inflation, higher energy prices, and a cooling labor market, culminating in a federal funds rate hike in September. Nevertheless, equities advanced over the period, demonstrating resilience amid economic headwinds and elevated market uncertainty. The U.S. unemployment rate remained relatively steady at 4.20%. Seasonally adjusted inflation increased by 0.60% in September, marking a cumulative increase of 3.70% for the past 12 months. GDP estimates accelerated to 3.60% for the quarter, up sharply from around 1.30% in both Q1 and Q2, though still remain below a high of 5.10% in Q4 2025. Lastly, consumer sentiment deteriorated notably, as the Conference Board Consumer Confidence Index® fell by 6.70 points to 81.90 in September amid ongoing geopolitical tensions. However, the index has been trending downward since 2021, likely indicating souring consumer sentiment for the future.[1]

Despite geopolitical tensions and rising financing costs, global equities advanced in the third quarter, driven by strong U.S. contributions and resilient corporate earnings. U.S. equities (+1.36%) outpaced non-U.S. equities (0.60%), by 0.76 percentage points. In the fixed income markets, broad U.S. bonds (–3.26%) lagged hedged non-U.S. bonds (–1.70%) by 1.56 percentage points. Fixed income asset classes broadly registered negative returns during the quarter while U.S. equities managed slight gains. Consequently, model portfolios with equity-heavy risk sleeves performed better than their fixed income-heavy counterparts.

A closer look at market segments reveals significant divergence in performance. U.S. large-cap growth stocks (+4.49%) outperformed the broad U.S. market by 3.13 percentage points, while U.S. large-cap value stocks (–0.47%) witnessed weak performance. In the small-cap space, U.S. small-caps (–5.60%) significantly lagged the broad US market. Non-U.S. small-caps (+2.10%) performed modestly. Within fixed income, short-term bonds (–0.91%) fared better than long-term bonds (–7.72%), with a 6.81-percentage-point spread highlighting the varied impact of rate hikes across maturities. Looking ahead, volatility will likely persist due to ongoing market headwinds, such as geopolitical uncertainty, rising fuel costs, and tight monetary policy.[2]

For the quarter ended September 30, 2026.

Drivers

- Growth stocks performed well for the quarter (+4.47%)
- U.S. equities posted moderate gain (+1.36%)

Detractors

- Value stocks performed poorly (–0.47%)
- Non-U.S. equities saw small losses (–0.52%)
- Overall bond market performed poorly for the quarter

Past performance is no guarantee of future results. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Source: Vanguard, as of September 30, 2026.

ETFs referenced: BND, BSV, BLV, BNDX, VTI, VUG, VTV, VB, VXUS, and VSS.

1 **Sources:** Bureau of Labor Statistics, U.S. Department of Labor, The Employment Situation—September 2026; Bureau of Labor Statistics, U.S. Department of Labor, Consumer Price Index—September 2026; Federal Reserve Bank of Atlanta, GDPNow, October 2026; The Conference Board, September 2026 Consumer Confidence Survey.

2 **Benchmarks referenced:** U.S. stocks, Morningstar Total Market Index; Non-U.S. stocks, FTSE Global All Cap ex US Index; U.S. growth stocks, Morningstar US Large Cap Growth Index; U.S. value stocks, Morningstar US Large Cap Value Index; U.S. small-cap stocks, Morningstar US Small Cap Index; Non-U.S. small-cap stocks, FTSE Global Small Cap ex-US Index; U.S. bonds, Bloomberg U.S. Aggregate Float Adjusted Index; Non-U.S. bonds, Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged).

Core

Hypothetical model portfolio performance

As of September 30, 2026.

					ANNUALIZED				
		QUARTER (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)	SINCE INCEPTION (%)	INCEPTION
100% Equity	Gross	0.62	12.81	16.45	21.23	11.26	12.39	12.12	1/01/2012
	Net advisory fee	-0.13	10.56	13.45	18.23	8.26	9.39	9.12	
90% Equity–10% Fixed income	Gross	0.24	11.26	14.59	19.44	10.11	11.30	9.84	1/01/2014
	Net advisory fee	-0.51	9.01	11.59	16.44	7.11	8.30	6.84	
80% Equity–20% Fixed income	Gross	-0.14	9.73	12.74	17.67	8.95	10.21	10.13	1/01/2012
	Net advisory fee	-0.89	7.48	9.74	14.67	5.95	7.21	7.13	
70% Equity–30% Fixed income	Gross	-0.51	8.21	10.91	15.91	7.79	9.12	8.17	1/01/2014
	Net advisory fee	-1.26	5.96	7.91	12.91	4.79	6.12	5.17	
60% Equity–40% Fixed income	Gross	-0.88	6.69	9.10	14.16	6.62	8.01	8.10	1/01/2012
	Net advisory fee	-1.63	4.44	6.10	11.16	3.62	5.01	5.10	
50% Equity–50% Fixed income	Gross	-1.26	5.18	7.31	12.43	5.46	6.89	6.45	1/01/2014
	Net advisory fee	-2.01	2.93	4.31	9.43	2.46	3.89	3.45	
40% Equity–60% Fixed income	Gross	-1.63	3.68	5.52	10.72	4.29	5.77	6.04	1/01/2012
	Net advisory fee	-2.38	1.43	2.52	7.72	1.29	2.77	3.04	
30% Equity–70% Fixed income	Gross	-2.00	2.18	3.76	9.02	3.13	4.64	4.69	1/01/2014
	Net advisory fee	-2.75	-0.07	0.76	6.02	0.13	1.64	1.69	
20% Equity–80% Fixed income	Gross	-2.37	0.70	2.01	7.34	1.96	3.51	3.95	1/01/2012
	Net advisory fee	-3.12	-1.55	-0.99	4.34	-1.04	0.51	0.95	
10% Equity–90% Fixed income	Gross	-2.74	-0.78	0.28	5.67	0.80	2.37	2.89	1/01/2014
	Net advisory fee	-3.49	-3.03	-2.72	2.67	-2.20	-0.63	-0.11	
100% Fixed income	Gross	-3.11	-2.25	-1.44	4.02	-0.37	1.22	1.83	1/01/2012
	Net advisory fee	-3.86	-4.50	-4.44	1.02	-3.37	-1.78	-1.17	

The performance data shown represent hypothetical performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so an investor's shares, when sold, may be worth more or less than their original cost. Actual 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.

Performance of the model components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses of the underlying funds. Performance figures for period of less than one year are cumulative returns. Gross/Net performance results: Performance results labeled "Gross" reflect model performance before the deduction of advisory program fees. Performance results labeled "Net advisory fee" reflect performance after the deduction of a proxy fee rate of 3%. The actual advisory fee rate applicable to an investment in this model may differ from the maximum program fee rate.

Strategic ETF

Hypothetical model portfolio performance

As of September 30, 2026.

					ANNUALIZED				
		QUARTER (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)	SINCE INCEPTION (%)	INCEPTION
100% Equity	Gross	0.67	12.79	16.26	21.15	11.27	12.39	11.34	1/01/2010
	Net advisory fee	-0.08	10.54	13.26	18.15	8.27	9.39	8.34	
90% Equity–10% Fixed income	Gross	0.30	11.26	14.44	19.36	10.11	11.31	9.86	1/01/2014
	Net advisory fee	-0.45	9.01	11.44	16.36	7.11	8.31	6.86	
80% Equity–20% Fixed income	Gross	-0.10	9.71	12.59	17.59	8.94	10.21	9.66	1/01/2010
	Net advisory fee	-0.85	7.46	9.59	14.59	5.94	7.21	6.66	
70% Equity–30% Fixed income	Gross	-0.48	8.18	10.79	15.84	7.78	9.12	9.12	1/01/2012
	Net advisory fee	-1.23	5.93	7.79	12.84	4.78	6.12	6.12	
60% Equity–40% Fixed income	Gross	-0.87	6.66	8.99	14.10	6.61	8.00	7.92	1/01/2010
	Net advisory fee	-1.62	4.41	5.99	11.10	3.61	5.00	4.92	
50% Equity–50% Fixed income	Gross	-1.24	5.15	7.20	12.38	5.44	6.89	6.45	1/01/2014
	Net advisory fee	-1.99	2.90	4.20	9.38	2.44	3.89	3.45	
40% Equity–60% Fixed income	Gross	-1.63	3.63	5.43	10.67	4.28	5.76	6.14	1/01/2010
	Net advisory fee	-2.38	1.38	2.43	7.67	1.28	2.76	3.14	
30% Equity–70% Fixed income	Gross	-2.00	2.15	3.68	8.98	3.10	4.63	4.68	1/01/2014
	Net advisory fee	-2.75	-0.10	0.68	5.98	0.10	1.63	1.68	
20% Equity–80% Fixed income	Gross	-2.38	0.67	1.96	7.31	1.94	3.49	4.30	1/01/2010
	Net advisory fee	-3.13	-1.58	-1.04	4.31	-1.06	0.49	1.30	
10% Equity–90% Fixed income	Gross	-2.76	-0.81	0.24	5.64	0.77	2.35	2.88	1/01/2014
	Net advisory fee	-3.51	-3.06	-2.76	2.64	-2.23	-0.65	-0.12	
100% Fixed income	Gross	-3.14	-2.28	-1.47	4.00	-0.40	1.20	2.41	1/01/2010
	Net advisory fee	-3.89	-4.53	-4.47	1.00	-3.40	-1.80	-0.59	

The performance data shown represent hypothetical performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so an investor's shares, when sold, may be worth more or less than their original cost. Actual 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.

Performance of the model components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses of the underlying funds. Performance figures for period of less than one year are cumulative returns. Gross/Net performance results: Performance results labeled "Gross" reflect model performance before the deduction of advisory program fees. Performance results labeled "Net advisory fee" reflect performance after the deduction of a proxy fee rate of 3%. The actual advisory fee rate applicable to an investment in this model may differ from the maximum program fee rate.

S&P Series

Hypothetical model portfolio performance

As of September 30, 2026.

					ANNUALIZED				
		QUARTER (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)	SINCE INCEPTION (%)	INCEPTION
100% Equity	Gross	0.62	12.83	16.41	21.23	11.26	12.37	12.13	1/01/2012
	Net advisory fee	-0.13	10.58	13.41	18.23	8.26	9.37	9.13	
90% Equity–10% Fixed income	Gross	0.25	11.30	14.57	19.45	10.10	11.29	9.84	1/01/2014
	Net advisory fee	-0.50	9.05	11.57	16.45	7.10	8.29	6.84	
80% Equity–20% Fixed income	Gross	-0.14	9.74	12.71	17.67	8.94	10.19	10.13	1/01/2012
	Net advisory fee	-0.89	7.49	9.71	14.67	5.94	7.19	7.13	
70% Equity–30% Fixed income	Gross	-0.51	8.22	10.88	15.91	7.78	9.10	8.16	1/01/2014
	Net advisory fee	-1.26	5.97	7.88	12.91	4.78	6.10	5.16	
60% Equity–40% Fixed income	Gross	-0.89	6.69	9.07	14.17	6.61	7.99	8.10	1/01/2012
	Net advisory fee	-1.64	4.44	6.07	11.17	3.61	4.99	5.10	
50% Equity–50% Fixed income	Gross	-1.26	5.18	7.27	12.43	5.44	6.88	6.44	1/01/2014
	Net advisory fee	-2.01	2.93	4.27	9.43	2.44	3.88	3.44	
40% Equity–60% Fixed income	Gross	-1.64	3.67	5.50	10.71	4.28	5.75	6.04	1/01/2012
	Net advisory fee	-2.39	1.42	2.50	7.71	1.28	2.75	3.04	
30% Equity–70% Fixed income	Gross	-2.02	2.17	3.73	9.01	3.11	4.62	4.68	1/01/2014
	Net advisory fee	-2.77	-0.08	0.73	6.01	0.11	1.62	1.68	
20% Equity–80% Fixed income	Gross	-2.40	0.67	1.97	7.33	1.94	3.49	3.94	1/01/2012
	Net advisory fee	-3.15	-1.58	-1.03	4.33	-1.06	0.49	0.94	
10% Equity–90% Fixed income	Gross	-2.77	-0.80	0.25	5.65	0.77	2.34	2.87	1/01/2014
	Net advisory fee	-3.52	-3.05	-2.75	2.65	-2.23	-0.66	-0.13	
100% Fixed income	Gross	-3.14	-2.28	-1.47	4.00	-0.40	1.20	1.82	1/01/2012
	Net advisory fee	-3.89	-4.53	-4.47	1.00	-3.40	-1.80	-1.18	

The performance data shown represent hypothetical performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so an investor's shares, when sold, may be worth more or less than their original cost. Actual 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.

Performance of the model components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses of the underlying funds. Performance figures for period of less than one year are cumulative returns. Gross/Net performance results: Performance results labeled "Gross" reflect model performance before the deduction of advisory program fees. Performance results labeled "Net advisory fee" reflect performance after the deduction of a proxy fee rate of 3%. The actual advisory fee rate applicable to an investment in this model may differ from the maximum program fee rate.

Russell Series

Hypothetical model portfolio performance

As of September 30, 2026.

					ANNUALIZED				
		QUARTER (%)	YTD (%)	1-YEAR (%)	3-YEAR (%)	5-YEAR (%)	10-YEAR (%)	SINCE INCEPTION (%)	INCEPTION
100% Equity	Gross	0.65	12.81	16.39	21.12	11.26	12.35	12.10	1/01/2012
	Net advisory fee	-0.10	10.56	13.39	18.12	8.26	9.35	9.10	
90% Equity–10% Fixed income	Gross	0.26	11.25	14.53	19.34	10.10	11.27	9.82	1/01/2014
	Net advisory fee	-0.49	9.00	11.53	16.34	7.10	8.27	6.82	
80% Equity–20% Fixed income	Gross	-0.12	9.73	12.70	17.59	8.94	10.18	10.10	1/01/2012
	Net advisory fee	-0.87	7.48	9.70	14.59	5.94	7.18	7.10	
70% Equity–30% Fixed income	Gross	-0.50	8.18	10.85	15.82	7.77	9.08	8.14	1/01/2014
	Net advisory fee	-1.25	5.93	7.85	12.82	4.77	6.08	5.14	
60% Equity–40% Fixed income	Gross	-0.88	6.67	9.06	14.10	6.61	7.98	8.08	1/01/2012
	Net advisory fee	-1.63	4.42	6.06	11.10	3.61	4.98	5.08	
50% Equity–50% Fixed income	Gross	-1.27	5.15	7.25	12.37	5.44	6.87	6.43	1/01/2014
	Net advisory fee	-2.02	2.90	4.25	9.37	2.44	3.87	3.43	
40% Equity–60% Fixed income	Gross	-1.63	3.64	5.47	10.67	4.27	5.74	6.02	1/01/2012
	Net advisory fee	-2.38	1.39	2.47	7.67	1.27	2.74	3.02	
30% Equity–70% Fixed income	Gross	-2.02	2.14	3.71	8.97	3.10	4.61	4.67	1/01/2014
	Net advisory fee	-2.77	-0.11	0.71	5.97	0.10	1.61	1.67	
20% Equity–80% Fixed income	Gross	-2.39	0.66	1.97	7.30	1.94	3.48	3.93	1/01/2012
	Net advisory fee	-3.14	-1.59	-1.03	4.30	-1.06	0.48	0.93	
10% Equity–90% Fixed income	Gross	-2.77	-0.81	0.24	5.64	0.77	2.34	2.87	1/01/2014
	Net advisory fee	-3.52	-3.06	-2.76	2.64	-2.23	-0.66	-0.13	
100% Fixed income	Gross	-3.14	-2.28	-1.47	4.00	-0.40	1.20	1.82	1/01/2012
	Net advisory fee	-3.89	-4.53	-4.47	1.00	-3.40	-1.80	-1.18	

The performance data shown represent hypothetical performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so an investor's shares, when sold, may be worth more or less than their original cost. Actual 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.

Performance of the model components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses of the underlying funds. Performance figures for period of less than one year are cumulative returns. Gross/Net performance results: Performance results labeled "Gross" reflect model performance before the deduction of advisory program fees. Performance results labeled "Net advisory fee" reflect performance after the deduction of a proxy fee rate of 3%. The actual advisory fee rate applicable to an investment in this model may differ from the maximum program fee rate.

Portfolio investment vehicle returns

As of September 30, 2026.

VANGUARD FUND	TICKER	EXPENSE RATIO[3] (%)		QTR (%)	YTD (%)	1-YEAR (%)	ANNUALIZED 3-YEAR (%)	ANNUALIZED 5-YEAR (%)	ANNUALIZED 10-YEAR (%)	ANNUALIZED SINCE INCEPTION (%)	INCEPTION
U.S. equities											
Morningstar Total Stock Market	VTI	0.03	Market price	1.39	12.59	15.35	22.34	12.56	14.70	9.44	5/24/2001
			NAV	1.36	12.58	15.33	22.32	12.56	14.70	9.44	
Morningstar Growth	VUG	0.03	Market price	4.71	11.18	13.21	26.33	13.88	17.95	12.15	1/26/2004
			NAV	4.47	11.13	13.09	26.30	13.87	17.94	12.15	
Morningstar Value	VTV	0.03	Market price	-0.39	14.86	18.24	18.78	12.43	12.29	9.44	1/26/2004
			NAV	-0.47	14.81	18.19	18.75	12.43	12.28	9.44	
S&P 500	VOO	0.03	Market price	2.31	12.74	15.78	22.88	13.76	15.30	14.94	9/07/2010
			NAV	2.30	12.72	15.70	22.85	13.75	15.29	14.94	
Morningstar Small-Cap ETF	VB	0.03	Market price	-5.87	11.37	13.37	16.24	6.97	10.42	9.46	1/26/2004
			NAV	-5.80	11.39	13.41	16.23	6.97	10.42	9.46	
Extended Market	VXF	0.05	Market price	-5.70	11.64	11.86	18.76	6.19	11.18	9.92	12/27/2001
			NAV	-5.73	11.61	11.78	18.73	6.18	11.18	9.91	
Russell 1000 Growth	VONG	0.06	Market price	0.99	6.29	7.51	24.21	13.60	18.07	16.63	9/20/2010
			NAV	0.91	6.27	7.45	24.19	13.60	18.07	16.63	
Russell 1000 Value	VONV	0.06	Market price	2.64	19.20	23.76	20.01	11.85	11.35	11.81	9/20/2010
			NAV	2.60	19.22	23.73	20.00	11.85	11.35	11.81	
Russell 2000	VTWO	0.06	Market price	-7.24	13.75	16.18	17.79	6.38	9.90	10.84	9/20/2010
			NAV	-7.22	13.75	16.25	17.77	6.38	9.89	10.84	
Non-U.S. equities											
Total International Stock	VXUS	0.05	Market price	-0.44	13.45	18.63	20.16	9.37	9.19	6.53	1/26/2011
			NAV	-0.52	13.38	18.49	20.15	9.35	9.20	6.53	
FTSE Developed Mkts	VEA	0.03	Market price	-0.65	14.10	20.96	20.88	10.28	9.74	4.92	7/20/2007
			NAV	-0.65	14.24	20.77	20.95	10.32	9.76	4.93	
FTSE Emerging Markets	VWO	0.06	Market price	-0.45	10.66	11.94	18.05	6.58	7.58	6.78	3/04/2005
			NAV	-0.15	11.02	12.54	17.91	6.62	7.66	6.79	
FTSE AW ex-US Small-Cap[4]	VSS	0.06	Market price	0.81	9.11	12.30	17.08	6.18	7.55	9.41	4/02/2009
			NAV	1.12	9.38	12.17	17.25	6.23	7.62	9.43	

The performance data shown represent past performance, which is not a guarantee of future results, and reflects the performance of the underlying products that comprise our strategies and our investment allocation methodology. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Effective July 15, 2024, the market price returns are calculated using the official closing price as reported by the ETF's primary exchange. Prior to July 15, 2024, the market price returns were calculated using the midpoint between the bid and ask prices as of the closing time of the New York Stock Exchange (typically 4 p.m., Eastern time). The returns shown do not represent the returns you would receive if you traded shares at other times.

Investment returns and principal value will fluctuate, so an investor's ETF shares, when sold, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data cited. For performance data current to the most recent month end, visit our website at vanguard.com/performance. Performance of the model ETF components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses. All figures are for period ended September 30, 2026. Performance figures for period of less than one year are cumulative returns.

3 Based on expenses as reported in each fund's most recent prospectus as of September 30, 2026. The current expense ratio may be higher or lower than the figure shown.

4 Vanguard FTSE All-World ex-US Small-Cap ETF (VSS) was removed from the CRSP, Russell, and S&P series of the model portfolios effective December 31, 2015. The performance of VSS through that date is embedded in historical model portfolio performance.

Portfolio investment vehicle returns

As of September 30, 2026.

VANGUARD FUND	TICKER	EXPENSE RATIO[5] (%)		QTR (%)	YTD (%)	1-YEAR (%)	ANNUALIZED 3-YEAR (%)	ANNUALIZED 5-YEAR (%)	ANNUALIZED 10-YEAR (%)	ANNUALIZED SINCE INCEPTION (%)	INCEPTION
U.S. fixed income											
Total Bond Market	BND	0.03	Market price	-3.45	-2.72	-1.85	4.03	-0.63	1.12	2.85	4/03/2007
			NAV	-3.43	-2.75	-1.82	4.04	-0.64	1.13	2.86	
Short-Term Bond	BSV	0.03	Market price	-0.93	-0.42	0.77	4.26	1.51	1.81	2.44	4/03/2007
			NAV	-0.91	-0.38	0.77	4.27	1.52	1.82	2.44	
Inter-Term Bond	BIV	0.03	Market price	-3.94	-3.71	-2.65	4.29	-0.54	1.37	3.58	4/03/2007
			NAV	-3.92	-3.71	-2.62	4.29	-0.54	1.38	3.59	
Long-Term Bond	BLV	0.03	Market price	-7.85	-6.81	-7.14	2.45	-5.35	-0.28	3.72	4/03/2007
			NAV	-7.72	-6.78	-7.01	2.51	-5.36	-0.24	3.74	
Mortgage-Backed Sec	VMBS	0.03	Market price	-4.10	-2.99	-1.39	4.64	-0.26	0.87	1.84	11/19/2009
			NAV	-4.12	-2.99	-1.44	4.64	-0.27	0.87	1.83	
Non-U.S. fixed income											
Total International Bond	BNDX	0.07	Market price	-2.51	-1.17	-0.88	3.92	-0.05	1.28	2.21	5/31/2013
			NAV	-2.64	-1.42	-0.92	3.90	-0.06	1.30	2.20	
Cash[6]				0.97	2.86	3.91	4.71	3.88	2.50	—	

The performance data shown represent past performance, which is not a guarantee of future results, and reflects the performance of the underlying products that comprise our strategies and our investment allocation methodology. The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.

Effective July 15, 2024, the market price returns are calculated using the official closing price as reported by the ETF's primary exchange. Prior to July 15, 2024, the market price returns were calculated using the midpoint between the bid and ask prices as of the closing time of the New York Stock Exchange (typically 4 p.m., Eastern time). The returns shown do not represent the returns you would receive if you traded shares at other times.

Investment returns and principal value will fluctuate, so an investor's ETF shares, when sold, may be worth more or less than their original cost. Current performance may be higher or lower than the performance data cited. For performance data current to the most recent month end, visit our website at vanguard.com/performance. Performance of the model ETF components is based on net asset value (NAV) return and assumes a semiannual rebalance from January 2010 through December 2012, a quarterly rebalance from January 2013 through December 2013, and a monthly rebalance thereafter. Performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses. All figures are for period ended September 30, 2026. Performance figures for period of less than one year are cumulative returns.

The underlying fund performance is shown to illustrate the impact of each individual fund's performance to the overall strategy. It is the investment advisor's responsibility to determine the appropriateness of the model portfolios, or any of the securities included therein, for any client.

The hypothetical model portfolio performance period cited may precede the inception of certain current holdings and will reflect the returns of those holdings as of the dates they were added to the portfolio.

5 Based on expenses as reported in each fund's most recent prospectus as of September 30, 2026. The current expense ratio may be higher or lower than the figure shown.

6 The cash allocation in the portfolio represents a short-term reserve required by advisors to pay for platform and advisory fees. The performance of the FTSE 3 Month US T-Bill Index is used as a proxy for the performance of the cash allocation.

For more information about Vanguard funds or Vanguard ETFs, visit advisors.vanguard.com or call 800-997-2798 to obtain a prospectus or, if available, a summary prospectus. Investment objectives, risks, charges, expenses, and other important information are contained in the prospectus; read and consider it carefully before investing.

Vanguard ETF Shares are not redeemable with the issuing Fund other than in very large aggregations worth millions of dollars. Instead, investors must buy and sell Vanguard ETF Shares in the secondary market and hold those shares in a brokerage account. In doing so, the investor may incur brokerage commissions and may pay more than net asset value when buying and receive less than net asset value when selling.

All investing is subject to risk, which may result in loss of principal. Be aware that fluctuations in the financial markets and other factors may cause declines in the value of your account. There is no guarantee that any particular asset allocation or mix of funds will meet your investment objectives or provide you with a given level of income. Prices of mid- and small-cap stocks often fluctuate more than those of large-company stocks. Investments in stocks or bonds issued by non-U.S. companies are subject to risks including country/regional risk and currency risk. These risks are especially high in emerging markets. Funds that concentrate on a relatively narrow market sector face the risk of higher share-price volatility. It is possible that tax-managed funds will not meet their objective of being tax-efficient.

Investments in bond funds are subject to the risk that an issuer will fail to make payments on time, and that bond prices will decline because of rising interest rates or negative perceptions of an issuer's ability to make payments. High-yield bonds generally have medium- and lower-range credit quality ratings and are therefore subject to a higher level of credit risk than bonds with higher credit-quality ratings. Municipal bond fund distributions, including any market discount recognized by the Fund's investments, may be taxable as ordinary income or capital gains. A majority of the income dividends that you receive from the Fund are expected to be exempt from federal income taxes. However, a portion of the Fund's distributions may be subject to federal, state, or local income taxes or the federal alternative minimum tax. You should consult your own tax advisor with respect to any particular U.S. or non-U.S. tax consequences of your investment in the Fund. Diversification does not ensure a profit or protect against a loss.

Model performance results are hypothetical and may have inherent limitations, some of which are described in this brochure. No representation is being made that any account will or is likely to achieve profits or losses similar to those shown. There are numerous other factors related to the markets in general or to the implementation of any specific trading strategy which cannot be fully accounted for in the preparation of model performance results and all of which can adversely affect actual trading results.

Vanguard does not, and will not, make any representations about whether a model portfolio is in the best interest of any investor; is not, and will not be, responsible for the determination of whether a model portfolio is in the best interest of any investor; and is not acting as an investment advisor to any investor. The Vanguard model portfolios are provided for illustrative and educational purposes only.

The Vanguard model portfolios do not constitute research, are not personalized investment advice or an investment recommendation from Vanguard to any client of a third party financial professional and are intended for use only by a third party financial professional, with other information, as a resource to help build a portfolio or as an input in the development of investment advice for its own clients. Such financial professionals are responsible for making their own independent judgment as to how to use the Vanguard model portfolios.

"Bloomberg®" is a service mark of Bloomberg Finance L.P. and its affiliates, including Bloomberg Index Services Limited ("BISL"), the administrator of the index (collectively, "Bloomberg") and have been licensed for use for certain purposes by Vanguard. Bloomberg is not affiliated with Vanguard, and Bloomberg does not approve, endorse, review, or recommend the products.

Bloomberg does not guarantee the timeliness, accurateness, or completeness of any data or information relating to the products.

London Stock Exchange Group companies include FTSE International Limited ("FTSE"), Frank Russell Company ("Russell"), MTS Next Limited ("MTS"), and FTSE TMX Global Debt Capital Markets Inc. ("FTSE TMX"). All rights reserved. "FTSE®", "Russell®", "MTS®", "FTSE TMX®" and "FTSE Russell" and other service marks and trademarks related to the FTSE or Russell indexes are trademarks of the London Stock Exchange Group companies and are used by FTSE, MTS, FTSE TMX and Russell under license. All information is provided for information purposes only. No responsibility or liability can be accepted by the London Stock Exchange Group companies nor its licensors for any errors or for any loss from use of this publication. Neither the London Stock Exchange Group companies nor any of its licensors make any claim, prediction, warranty or representation whatsoever, expressly or impliedly, either as to the results to be obtained from the use of the FTSE Indexes or the fitness or suitability of the Indexes for any particular purpose to which they might be put.

The Morningstar Indexes are the exclusive property of Morningstar, Inc. Morningstar, Inc., its affiliates and subsidiaries, its direct and indirect information providers and any other third party involved in, or related to, compiling, disseminating, computing or creating any Morningstar Index (collectively, "Morningstar Parties") do not guarantee the accuracy, completeness and/or timeliness of the Morningstar Indexes or any data included therein and shall have no liability for any errors, omissions, or interruptions therein. None of the Morningstar Parties make any representation or warranty, express or implied, as to the results to be obtained from the use of the Morningstar Indexes or any data included therein.

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.

The Russell Indexes and Russell® are registered trademarks of Russell Investments and have been licensed for use by The Vanguard Group, Inc. The Products are not sponsored, endorsed, sold or promoted by Russell Investments and Russell Investments makes no representation regarding the advisability of investing in the Products.

S&P® and S&P 500®are registered trademarks of Standard & Poor's Financial Services LLC ("S&P") and have been licensed for use by S&P Dow Jones Indices LLC and its affiliates and sublicensed for certain purposes by Vanguard. The S&P Index is a product of S&P Dow Jones Indices LLC and has been licensed for use by Vanguard. The Vanguard Fund(s) is not sponsored, endorsed, sold or promoted by S&P Dow Jones Indices LLC, Dow Jones, S&P or their respective affiliates, and none of S&P Dow Jones Indices LLC, Dow Jones, S&P nor their respective affiliates makes any representation regarding the advisability of investing in such product(s).

For additional information and description of benchmark composition, please view the model "Performance Data" available at **advisors.vanguard.com**.

Vanguard has prepared this material for financial professional use. It is the responsibility of the end-user advisor to have policies and procedures in place for presenting this material to any eligible retail audience.

Vanguard®

© 2026 The Vanguard Group, Inc.
All rights reserved.
Vanguard Marketing Corporation, Distributor.

FASMPCEN 102026

Investment products: Not a deposit • Not FDIC insured • Not guaranteed by the bank • May lose value • Not insured by any federal government agency