

# Vanguard® Total Stock Market ETF

## Investment Approach

Seeks to track the performance of the CRSP US Total Market Index.

Large-, mid-, and small-cap equity diversified across growth and value styles.

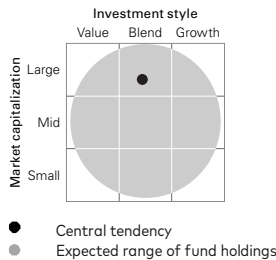
Employs a passively managed, index-sampling strategy.

The fund remains fully invested.

Low expenses minimize net tracking error.

## Vanguard Style View: Large Blend

Index portfolio of large-, mid-, and small-capitalization stocks diversified across investment styles.



## Quarterly Commentary

Major stock markets continued to advance in the first quarter of 2024, with a number of indexes reaching record highs. In the U.S., inflation readings came in higher than expected, but the labor market stayed on a solid footing, consumer spending remained strong, and the economy showed continued vigor. Given this backdrop, the Federal Reserve left interest rates unchanged.

Global stocks returned just shy of 8% for the quarter, as measured by the FTSE Global All Cap Index. U.S. equities led the way, while those in emerging markets lagged but still finished in positive territory.

With rate cuts looking less imminent, bond yields generally rose and prices declined. The broad U.S. investment-grade bond market returned -0.72% (as measured by the Bloomberg U.S. Aggregate Float Adjusted Index).

For the quarter ended March 31, the fund's benchmark, the CRSP US Total Market Index, returned 10.01%.

The top contributors were technology (+13.3%), industrials (+10.2%), and financials (+11.5%).

The lone detractor was real estate (-1.1%).

For the 12 months ended March 31, 2024, the index returned 29.33%. The largest contributors were technology (+50.3%), consumer discretionary (+28.3%), and financials (+35.7%). There were no detractors for the 12 months.

## People and Process

Vanguard Total Stock Market ETF seeks to track the investment performance of the CRSP US Total Market Index, which represents approximately 100% of the investable U.S. stock market and includes large-, mid-, small-, and micro-cap stocks regularly traded on the New York Stock Exchange and Nasdaq. The fund invests by sampling the index, meaning that it holds a broadly diversified collection of securities that, in the aggregate, approximates the full Index in terms of key characteristics. These key characteristics include industry weightings and market capitalization, as well as certain financial measures such as price/earnings ratio and dividend yield. The experience and stability of Vanguard's Equity Index Group have permitted continuous refinement of techniques for reducing tracking error. The group uses proprietary software to implement trading decisions that accommodate cash flow and maintain close correlation with index characteristics. Vanguard's refined indexing process, combined with low management fees and efficient trading, has provided tight tracking net of expenses.

## Vanguard Equity Index Group

Launched in 1975, The Vanguard Group, Malvern, Pennsylvania, is among the world's largest equity and fixed income managers. As chief investment officer, Gregory Davis, CFA, oversees Vanguard's Equity Index, Investment Strategy, Quantitative Equity, and Fixed Income Groups. Rodney Comegys, Principal and global head of Vanguard's Equity Index Group, is responsible for all equity index funds. The Equity Index Group manages indexed equity portfolios covering U.S. and international markets. It has developed sophisticated portfolio construction methodologies and efficient trading strategies that seek to deliver returns that are highly correlated with target portfolio benchmarks. The group has advised Vanguard Total Stock Market ETF since 2001.

## Investment Manager Biographies

Gerard C. O'Reilly, Principal. Portfolio manager. Advised the fund since 2001. Worked in investment management since 1992. B.S., Villanova University.

Walter Nejman. Portfolio manager. Advised the fund since 2016. Worked in investment management since 2008. B.A., Arcadia University. M.B.A., Villanova University.

Michelle Louie, CFA, Principal. Portfolio manager. Advised the fund since 2023. Worked in investment management since 2011. B.S., The American University. M.B.A., Georgia Institute of Technology.

### Total Returns

	Expense Ratio	Quarter	Year to Date	1 Year	3 Years	5 Years	10 Years
Total Stock Market ETF (5/24/2001)	0.03%						
Net Asset Value	—	10.01%	10.01%	29.38%	9.65%	14.25%	12.28%
Market Price	—	9.93	9.93	29.37	9.62	14.25	12.27
Spliced Total Stock Market Index	—	10.01	10.01	29.33	9.64	14.25	12.28

**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](https://www.vanguard.com/performance). The performance of an index is not an exact representation of any particular investment, as you cannot invest directly in an index.** 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.

Note: Spliced Total Stock Market Index: Dow Jones U.S. Total Stock Market Index (formerly known as the Dow Jones Wilshire 5000 Index) through April 22, 2005; MSCI US Broad Market Index through June 2, 2013; and CRSP US Total Market Index thereafter.

Market price returns are calculated using the midpoint between the bid and offer price at the time NAV is calculated, typically 4 p.m., Eastern time.

**Quarterly Returns**

Year	1st Quarter	2nd Quarter	3rd Quarter	4th Quarter	Year-End		
					Total Stock Market ETF	Spliced Total Stock Market Index	Assets (Millions)
2024	10.01%	—	—	—	—	—	\$389,762
2023	7.16	8.42%	-3.29%	12.16%	26.03%	25.98%	347,956
2022	-5.45	-16.85	-4.44	7.15	-19.50	-19.49	261,084
2021	6.43	8.28	-0.06	9.15	25.72	25.72	299,088
2020	-20.89	22.09	9.19	14.68	20.95	20.99	202,074
2019	14.03	4.09	1.10	9.01	30.80	30.84	138,066
2018	-0.59	3.90	7.10	-14.24	-5.13	-5.17	94,809
2017	5.78	3.04	4.55	6.33	21.16	21.19	91,862
2016	0.94	2.68	4.41	4.12	12.68	12.68	69,889
2015	1.80	0.09	-7.26	6.25	0.40	0.40	57,434
2014	2.03	4.86	-0.02	5.23	12.56	12.58	50,886

**Recent Dividends and Distributions**

Ex-Dividend Date	Income	Total Dividend
March 25, 2024	\$0.91	\$0.91
December 22, 2023	1.00	1.00
September 22, 2023	0.80	0.80
June 26, 2023	0.83	0.83
March 24, 2023	0.79	0.79
December 23, 2022	0.93	0.93
September 26, 2022	0.80	0.80
June 24, 2022	0.75	0.75
March 24, 2022	0.71	0.71
December 28, 2021	0.86	0.86
September 27, 2021	0.72	0.72
June 25, 2021	0.68	0.68

**Volatility Measures**

	R-Squared	Beta
Spliced Total Stock Market Index	1.00	1.00
DJ US Total Stock Mkt Float Adj Idx	1.00	1.00

R-squared and beta are calculated from trailing 36-month fund returns relative to the associated benchmark.

**Fund Facts**

Fund Number	0970
Ticker	VTI
Intra-day Ticker	VTI.IV
Benchmark Ticker	CRSPTMT
CUSIP Number	922908769
Assets (millions)	\$389,762
Inception	5/24/2001
Expense Ratio (as of 4/2023)	0.03%

**Equity Characteristics**

	Total Stock Market ETF	CRSP US Total Market Index
Number of stocks	3,717	3,656
Median market cap	\$159.8 Billion	\$159.8 Billion
Average market cap	\$699.0 Billion	\$698.6 Billion
Price/earnings ratio	25.1x	25.1x
Price/book ratio	4.1x	4.1x
Return on equity	24.0%	24.0%
Earnings growth rate	13.9%	13.9%
Equity yield (dividend)	1.3%	1.3%
Foreign holdings	0.2%	0.0%
Short-term reserves	0.0%	—
Turnover rate (fiscal year end)	2.2%	—

**Top 10 Largest Holdings**

	% of Total Net Assets
Microsoft Corp.	6.1%
Apple Inc.	4.9
NVIDIA Corp.	4.2
Amazon.com Inc.	3.3
Alphabet Inc.	3.2
Meta Platforms Inc.	2.1
Berkshire Hathaway Inc.	1.5
Eli Lilly & Co.	1.3
Broadcom Inc.	1.2
JPMorgan Chase & Co.	1.1
<b>Total</b>	<b>28.9%</b>

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

**Sector Diversification (% of Stocks)**

	Total Stock Market ETF	CRSP US Total Market Index	Overweight/ Underweight
Basic Materials	1.9%	1.9%	0.0
Consumer Discretionary	14.2	14.2	0.0
Consumer Staples	4.5	4.5	0.0
Energy	4.2	4.2	0.0
Financials	11.0	11.0	0.0
Health Care	11.9	11.9	0.0
Industrials	13.1	13.1	0.0
Other	0.0	0.0	0.0
Real Estate	2.7	2.7	0.0
Technology	32.1	32.1	0.0
Telecommunications	1.9	1.9	0.0
Utilities	2.5	2.5	0.0
<b>Total</b>	<b>100.0%</b>	<b>100.0%</b>	

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.



## Important information

**For more information about Vanguard funds or Vanguard ETFs, visit [vanguard.com](http://vanguard.com) or call 800-523-1036 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 or 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, including the possible loss of the money you invest.

Please remember that all investments involve some risk. 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. Diversification does not ensure a profit or protect against a loss. Funds that concentrate on a relatively narrow market sector face the risk of higher share-price volatility.

Investments in bond funds and ETFs are subject to interest rate, credit, and inflation risk. Although the income from a municipal bond fund is exempt from federal tax, you may owe taxes on any capital gains realized through the fund's trading or through your own redemption of shares. For some investors, a portion of the fund's income may be subject to state and local taxes, as well as to the federal Alternative Minimum Tax.

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.

The Factor Funds are subject to investment style risk, which is the chance that returns from the types of stocks in which a Factor Fund invests will trail returns from U.S. stock markets. The Factor Funds are also subject to manager risk, which is the chance that poor security selection will cause a Factor Fund to underperform its relevant benchmark or other funds with a similar investment objective, and sector risk, which is the chance that significant problems will affect a particular sector in which a Factor Fund invests, or that returns from that sector will trail returns from the overall stock market.

Investments in derivatives may involve risks different from, and possibly greater than, those of investments in the underlying securities or assets.

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