Brian Quigley
Vanguard created the Core Bond Fund in 2016 to provide investors with an all-in-one core building block for the fixed income portion of their portfolio. Vanguard put a lot of thought and research into this product and saw the opportunity to offer investors a core bond fund that could generate significant outperformance while still behaving like a true bond fund.

Daniel Shaykevich
This fund, more than any other portfolio we offer, allows us to take advantage of our collaborative investment process by allocating risk into the most attractive sectors at any given time.

Arvind Narayanan
I think the performance speaks for itself. We’ve been able to achieve returns that are excess of the benchmark through a varied market environment. When markets are rallying or selling off, the fund’s been able to beat its benchmark. And that’s what we strive to do by taking really smart, intelligent risk when the market gives us that opportunity and being patient when the market does not give us the opportunity.

Daniel Shaykevich
The fund has performed very well. The fund has generated alpha not just strongly but also consistently, and that’s something that we’re most proud of.

Brian Quigley
You couldn’t ask for a better litmus test than 2020. An active manager needs to be patient, nimble, and disciplined, and I thought we exhibited all three of those traits in 2020.

Daniel Shaykevich
Going into the year, we took a more defensive stance in credits, observing the tight levels of credit spreads and the inability of those spreads to cushion against market risks. By January and February, as the rest of the world was taking comfort in the resilience of U.S. equity indices, we were looking at the impact of the virus in Asia and reducing exposure to more growth-sensitive sectors.

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Brian Quigley
When the pandemic hit U.S. shores and risk assets cheapened dramatically, we were in a perfect position to take full advantage. We were able to use the liquidity that we had built earlier to rotate back into those riskier sectors at significantly more attractive levels.

Arvind Narayanan
This allowed us to really outperform the benchmarks through the year, and we were able to generate a lot of performance through the second half of the year. And this is a really good example of how our strategy of being patient and really adding value when the market gives us the opportunity really pays off for our investors.