Vanguard Short-Term Inflation-Protected Securities Index Fund

Bond fund | Institutional Shares

**Investment objective**

Vanguard Short-Term Inflation-Protected Securities Index Fund seeks to track the performance of a benchmark index that measures the investment return of inflation-protected public obligations of the U.S. Treasury with remaining maturities of less than five years.

**Investment strategy**

The fund employs an indexing investment approach designed to track the performance of the Bloomberg Barclays U.S. Treasury Inflation-Protected Securities (TIPS) 0–5 Year Index. The index is a market-capitalization-weighted index that includes all inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years. The fund attempts to replicate the target index by investing all, or most, of its assets in the securities that make up the index, holding each security in approximately the same proportion as its weighting in the index.

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

![QR Code](F1867 032019)

**Growth of a $10,000 investment: October 31, 2012—December 31, 2018**

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</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>0.54</td>
<td>-1.53</td>
<td>-1.11</td>
<td>-0.17</td>
<td>2.76</td>
<td>0.83</td>
<td>0.59</td>
</tr>
<tr>
<td>Benchmark</td>
<td>—</td>
<td>—</td>
<td>—</td>
<td>0.28</td>
<td>-1.59</td>
<td>-1.13</td>
<td>-0.02</td>
<td>2.81</td>
<td>0.88</td>
<td>0.59</td>
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</tbody>
</table>

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.

**Total returns**

<table>
<thead>
<tr>
<th></th>
<th>Quarter</th>
<th>Year to date</th>
<th>One year</th>
<th>Three years</th>
<th>Five years</th>
<th>Since inception</th>
</tr>
</thead>
<tbody>
<tr>
<td>Fund</td>
<td>1.71%</td>
<td>1.71%</td>
<td>2.10%</td>
<td>1.35%</td>
<td>0.87%</td>
<td>0.55%</td>
</tr>
<tr>
<td>Benchmark</td>
<td>1.66%</td>
<td>1.66%</td>
<td>2.04%</td>
<td>1.37%</td>
<td>0.91%</td>
<td>—</td>
</tr>
</tbody>
</table>

**Distribution by issuer—bonds**

- Treasury/Agency: 100.0%
- Asset-Backed: 0.0%
- Commercial Mortgage-Backed: 0.0%
- Finance: 0.0%
- Government Mortgage-Backed: 0.0%
- Industrial: 0.0%
- Foreign: 0.0%
- Utilities: 0.0%

* Partial return since fund started, October 17, 2012.

Bloomberg US 0-5 Year TIPS Index: Includes inflation-protected public obligations issued by the U.S. Treasury with remaining maturities of less than five years.
Plain talk about risk

An investment in the fund could lose money over short or even long periods. You should expect the fund’s share price and total return to fluctuate within a wide range, like the fluctuations of the overall bond market. The fund’s performance could be hurt by:

**Income fluctuations:** The fund’s quarterly income distributions are likely to fluctuate considerably more than the income distributions of a typical bond fund. Income fluctuations associated with changes in interest rates are expected to be low; however, income fluctuations associated with changes in inflation are expected to be high. Overall, investors can expect income fluctuations to be high for the fund.

**Interest rate risk:** The chance that the value of a bond will fluctuate due to a change in the level of interest rates. Although interest-indexed bonds seek to provide inflation protection, their prices may decline when interest rates rise and vice versa. Because the fund’s dollar-weighted average maturity is expected to be 5 years or less, interest rate risk is expected to be low for the fund.

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.

If you receive your retirement plan statement from a service provider other than Vanguard or log on to a recordkeeper’s website that is not Vanguard to view your plan, please call 855-402-2646.

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.