



# Vanguard Total International Bond Index Fund

Bond fund | Institutional Shares

Fund facts

Risk level					Total net assets	Expense ratio as of 02/28/25	Ticker symbol	Turnover rate	Inception date	Fund number
Low ← → High										
1	2	3	4	5	\$14,105 MM	0.06%	VTIFX	26.3%	05/31/13	2011

Investment objective

Vanguard Total International Bond Index Fund seeks to track the performance of a US dollar hedged benchmark index that measures the investment return of investment-grade bonds issued outside of the United States.

Investment strategy

The fund employs an indexing investment approach designed to track the performance of the Bloomberg Global Aggregate ex-USD Float Adjusted RIC Capped Index (USD Hedged), a broad-based measure of the global, investment-grade, fixed-rate debt markets. The index includes government, government agency, corporate, and securitized non-U.S. investment-grade fixed income investments, all issued in currencies other than the U.S. dollar and with maturities of more than one year. The index is capped, which means that its exposure to any particular bond issuer is limited to a maximum of 20%. Additionally, issuers that individually constitute 5% or more of the index may not constitute, in the aggregate, more than 48% of the index. If the index, as constituted based on market weights would exceed the 20% or 48% limit, the excess is reallocated to bonds of other issuers represented in the index. To minimize the currency risk associated with investment in bonds denominated in currencies other than the U.S. dollar, the fund will attempt to hedge its currency exposures. The fund invests by sampling the Index, meaning that it holds a range of securities that, in the aggregate, approximates the full index in terms of key risk factors and other characteristics. All of the fund's investments will be selected through the sampling process, and at least 80% of the fund's assets will be invested in bonds included in the index.

Benchmark

Bloomberg GA ex-USD FIAdjRIC Cp Hgd

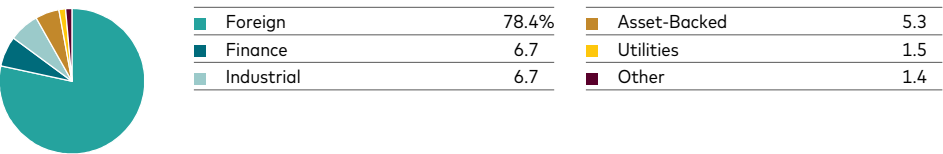
Total returns

Periods ended March 31, 2025						
	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	-0.16%	-0.16%	3.44%	1.10%	0.06%	1.71%
Benchmark	-0.12%	-0.12%	3.58%	1.20%	0.14%	1.84%

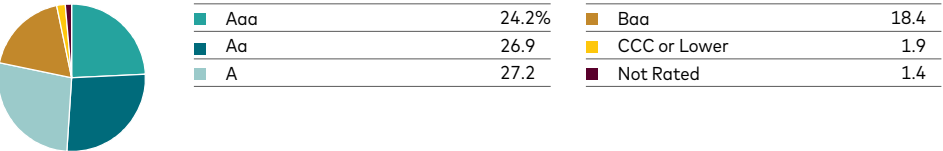
The performance data shown represent past performance, which is not a guarantee of future results. Investment returns and principal value will fluctuate, so investors' shares, when sold, may be worth more or less than their original cost. Current performance may be lower or higher than the performance 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.

Distribution by issuer—bonds



Distribution by credit quality\*



Bloomberg GA ex-USD FIAdjRIC Cp Hgd: Includes government, government agency, corporate, and securitized non-U.S. investment grade fixed-income investments, all issued in currencies other than the U.S. dollar and with maturities of more than one year.

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## Market allocation—bonds



Japan	12.3%
France	12.0
Germany	9.9
Italy	7.8
United Kingdom	7.4

Canada	6.9
Spain	5.6
Supranational	4.9
Australia	3.5
United States	3.3

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### 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. The fund's performance could be hurt by:

**Interest rate risk:** The chance that bond prices will decline because of rising interest rates. Interest rate risk should be moderate for the fund because it invests in a diverse mix of short-, intermediate-, and long-term bonds.

**Income risk:** The chance that the fund's income will decline because of falling interest rates. Income risk is generally moderate for intermediate-term bond funds, so investors should expect the fund's monthly income to fluctuate accordingly.

**Credit risk:** The chance that a bond issuer will fail to pay interest or principal in a timely manner or that negative perceptions of the issuer's ability to make such payments will cause the price of that bond to decline. Credit risk should be low for the fund because it purchases only bonds that are of investment-grade quality.

**Call risk:** The chance that during periods of falling interest rates, issuers of callable bonds may call (redeem) securities with higher coupons or interest rates before their maturity dates. The fund would then lose any price appreciation above the bond's call price and would be forced to reinvest the unanticipated proceeds at lower interest rates, resulting in a decline in the fund's income. For mortgage-backed securities, this risk is known as prepayment risk. Call/prepayment risk should be low for the fund because it invests only a small portion of its assets in callable bonds and mortgage-backed securities.

**Country/regional risk:** The chance that world events—such as political upheaval, financial troubles, or natural disasters—will adversely affect the value of securities issued by foreign companies, governments, or government agencies. Because the fund may invest a large portion of its assets in bonds of issuers located in a particular country or region, the fund's performance may be hurt disproportionately by the poor performance of its investments in that area. Country/regional risk for the fund is high.

**Currency risk and currency hedging risk.** The fund seeks to mimic the performance of foreign bonds without regard to currency exchange rate fluctuations. To accomplish this goal, the fund attempts to offset, or hedge, its foreign currency exposure by entering into currency hedging transactions, primarily through the use of foreign currency exchange forward contracts (a type of derivative). However, it generally is not possible to perfectly hedge the fund's foreign currency exposure. The fund will decline in value if it underhedges a currency that has weakened or overhedges a currency that has strengthened relative to the U.S. dollar. In addition, the fund will incur expenses to hedge its foreign currency exposure. By entering into currency hedging transactions, the fund may eliminate any chance to benefit from favorable fluctuations in relevant currency exchange rates. Currency risk and currency hedging risk for the fund is low. The fund's use of foreign currency exchange forward contracts also subjects the fund to counterparty risk, which is the chance that the counterparty to a currency forward contract with the fund will be unable or unwilling to meet its financial obligations. Counterparty risk is low for the fund.

**Index sampling risk:** The chance that the securities selected for the fund, in the aggregate, will not provide investment performance matching that of the index. Index sampling risk for the fund should be low.

**Index-related risks:** The fund is subject to risks associated with index investing, which include passive management risk, tracking error risk, and index provider risk. Passive management risk is the chance that the fund's use of an indexing strategy will negatively impact the fund's performance. Because the fund seeks to track the performance of its target index regardless of how that index is performing, the fund's performance may be lower than it would be if the fund were actively managed. Tracking error risk is the chance that the fund's performance will deviate from the performance of its target index. Tracking error risk may be heightened during times of increased market volatility or under other unusual market conditions. Index provider risk is the chance that the fund will be negatively impacted by changes or errors made by the index provider. Any gains, losses, or costs associated with or resulting from an error made by the index provider will generally be borne by the fund and, as a result, the fund's shareholders.

**Nondiversification risk,** which is the chance that the fund's performance may be hurt disproportionately by the poor performance of bonds issued by just a few issuers or even a single issuer. As the fund tracks its target index, the fund could fluctuate between nondiversified and diversified status as a result of an index rebalance or market movement. The fund could then be subject to nondiversification risk, which results when a fund invests a greater percentage of its assets in bonds issued by a small number of issuers as compared with diversified mutual funds.

**Derivatives risk.** The fund may invest in derivatives, which may involve risks different from, and possibly greater than, those of investments directly in the underlying securities or assets.

### Note on frequent trading restrictions

Frequent trading policies may apply to those funds offered as investment options within your plan. Please log on to [vanguard.com](https://www.vanguard.com) for your employer plans or contact Participant Services at 800-523-1188 for additional information.

**\*Credit-quality ratings are measured on a scale that generally ranges from AAA (highest) to D (lowest). "NR" is used to classify securities for which a rating is not available. NR securities may include a fund's investment in Vanguard Market Liquidity Fund or Vanguard Municipal Low Duration Fund, each of which invests in high-quality money market instruments and may serve as a cash management vehicle for the Vanguard funds, trusts, and accounts. U.S. Treasury, U.S. Agency, and U.S. Agency mortgage-backed securities appear under "U.S. Government." Credit-quality ratings for each issue are obtained from Bloomberg using ratings derived from Moody's Investors Service (Moody's), Fitch Ratings (Fitch), and Standard & Poor's (S&P). When ratings from all three agencies are available, the median rating is used. When ratings are available from two of the agencies, the lower rating is used. When one rating is available, that rating is used.**

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Visit [vanguard.com](https://www.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.

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