



# Retirement Savings Trust

Stable value fund

Risk level Low ← → High	Total net assets	Expense ratio as of 09/30/18	Inception date	Fund number
<b>1</b> 2 3 4 5	\$2,402 MM	0.48%	01/02/89	0034

### Investment objective

Vanguard Retirement Savings Trust seeks to provide current and stable income, while maintaining a stable share value of .

### Investment strategy

The fund invests primarily in synthetic investment contracts backed by high-credit-quality fixed income investments and traditional investments issued by insurance companies and banks.

The fund seeks to achieve its objective by diversifying among high-credit-quality investments and investment contracts that are structured to smooth market gains and losses over time.

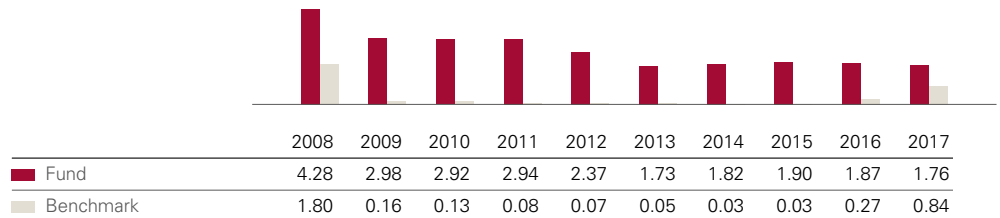
### General note

The expense ratio includes a 0.18% fee (\$1.80 per \$1,000 invested) paid to the issuers of synthetic investment contracts (also known as "wrap agreements"). The fund performance results are net of these benefit responsive contract costs.

### Benchmark

FTSE 3-Month US T-Bill Index

### Annual returns



### Total returns

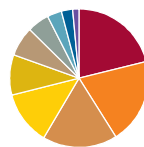
Periods ended September 30, 2018

	Quarter	Year to date	One year	Three years	Five years	Ten years
Fund	0.53%	1.52%	1.99%	1.87%	1.85%	2.27%
Benchmark	0.50%	1.32%	1.57%	0.80%	0.48%	0.31%

**The performance data shown represent past performance, which is not a guarantee of future results. Investment returns will fluctuate. 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 [www.vanguard.com/performance](http://www.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.

### Distribution by sector



Corporate	21.1%	Cash Equivalent	6.9
Pass-Through MBS	20.0	Traditional Contracts	5.1
Asset-Backed	17.4	Agency	3.4
Treasury	12.5	CMBS	2.6
Foreign	9.5	Exp. to synth wrap providers	1.5

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## Guidelines for investment

Please note: The guidelines apply only if your plan has additional short-term bond and/or money market investment options.

**Investing in the Trust:** By investing in the trust, you are agreeing to limitations imposed by issuers of investment contracts. Shifts from the trust into short-term bond and money market funds are not generally permitted. The limitations are detailed below.

**Shifts Into Stock, Balanced, and Longer-Term Bond Funds:** The money you have in the Retirement Savings Trust can be transferred into a stock fund, a balanced fund, or a bond fund with an average duration of more than 4 years as often as your plan allows. However, once the money is transferred into such a fund, it must remain there for 90 days before you can transfer it into a shorter-term bond or money market fund. You can always transfer the money back into Vanguard Retirement Savings Trust, even if you transferred money out within the last 90 days.

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[Plain talk about risk](#)

A stable value fund investment does not constitute a balanced investment program. Although highly rated investments are selected for the fund, the contracts held by the fund are not guaranteed by the U.S. government, Vanguard, the trustee, or your retirement plan. The fund will seek to invest with a diversified selection of contract issuers. A stable value fund is designed as a low-risk investment but you could still lose money by investing in it. The primary risks of investing in the fund are:

**Credit risk:** The chance that an issuer will fail to pay interest and principal in a timely manner. Credit risk should be low for the fund because it invests mainly in investments that are considered high-quality.

**Event Risk:** The chance that a synthetic or traditional contract issuer will pay participant benefits at a value less than book value because of the occurrence of an event or condition which is outside the normal operation of the plan (for example, layoffs, plan amendments, sale of a division, participant withdrawals due to the plan sponsor's insolvency or bankruptcy).

**Income Risk:** The possibility that a fund's income will decline as a result of falling interest rates. Investments are generally made for terms of at least two to five years, on average, producing a rate of fund income that will be higher than that earned on shorter-maturity money market funds. But because it is influenced by average interest rates over a period of several years, the fund's income yield may remain above or stay below current market yields during some time periods. Income risk will be moderately high for the fund.

**Inflation Risk:** The chance that fund returns will not keep pace with the cost of living.

**Market risk:** The chance that the fund's price per share will change as a result of movements in market interest rates, resulting in gains or losses on investments made in the fund. The risk is minimized by investing primarily in investment contracts that enable the fund, under present accounting standards, to value its assets at book value. Most often associated with stock mutual funds, short-term market risk is low.

**Note: An investment in the fund is neither insured nor guaranteed by the U.S. government. There is no assurance that the fund will be able to maintain a stable net asset value of a share, and it is possible to lose money by investing in the fund.**

**This investment is not a mutual fund. It is a collective trust available only to tax-qualified plans and their eligible participants.**

**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](http://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 record keeper's website that is not Vanguard to view your plan, please call **855-402-2646**.

**Visit [vanguard.com](http://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.**