



## Costs matter...

Every fund has a price tag. There's an expense ratio that's deducted from the fund's returns every year. It's not highly publicised but it can have a big impact on your clients chances of long-term investment success.

At Vanguard we believe investment companies should make money for investors, not from them. We're committed to keeping costs low, and since Vanguard is not publicly traded or owned by a small circle of individuals focused on their own interests, we're in a position to do just that.

Cost remains one of the most important factors in successful investing, in any market cycle. It's why low-cost funds tend to deliver better returns than high-cost funds over time.<sup>1</sup> They simply take less of a bite out of your returns.

### ...so we're cutting costs to help your clients keep more of their returns

At Vanguard we regularly review our funds for ways to reduce costs and give investors their best chance of success. We all know you can't control the markets, but you can control how much you are willing to pay. After all, every dollar saved in fees is a dollar more in the pocket.

So from **1 October 2016**, we're reducing costs across five of our wholesale and exchange traded funds.

	Fund		ETF	
	Current %	New %	Current %	New %
Australian Shares	0.18	0.18	0.15	<b>0.14</b>
Australian Shares High Yield	0.40	<b>0.38</b>	0.25	0.25
Australian Property	0.24	<b>0.23</b>	0.25	<b>0.23</b>
International Credit Securities	0.34	<b>0.32</b>	0.30	0.30

This means for every \$100 your clients invest in these Vanguard funds, they may pay as little as **14 cents**.

We've now made **22** individual cuts to our management expense ratios since arriving in Australia 20 years ago.

Vanguard's global average expense ratio is 83% less than the industry average. That could mean 83% less being taken out of your clients earnings, leaving more in their account, where it belongs.

### Covering all bases

You can find out more about our extensive range of [retail](#), [wholesale](#) and [ETFs](#) covering all major asset classes.

### How can Vanguard keep reducing investment costs?

The Vanguard Group is owned by its funds, which are in turn owned by our investors. This unique ownership structure means that as we grow we can return the benefits of scale back to your clients by lowering costs.

### Goals, discipline, diversification...and cost

Minimising cost is one of our four principles for investing success. You can find out more about [why costs matter](#).

### Quicklinks

- [All products](#)
- [What makes us different \(PDF\)](#)
- [Subscribe to Adviser's Digest](#)
- [Contact us](#)

**We're actively different**

Our commitment to low-cost investing is a big part of what makes Vanguard actively different from other fund managers. Find out more about [what sets us apart \(PDF\)](#).

<sup>1</sup> Source: Vanguard calculations using data from Morningstar

**GENERAL ADVICE WARNING**

Vanguard Investments Australia Ltd (ABN 72 072 881 086 / AFS Licence 227263) is the product issuer. We have not taken your or your clients' circumstances into account when preparing our website content so it may not be applicable to the particular situation you are considering. You should consider your and your clients' circumstances, as well as our Product Disclosure Statements (PDS) or Prospectus, before making any investment decision or recommendation. You can access our PDS or Prospectus on our website or by calling us on 1300 655 205. This website was prepared in good faith and we accept no liability for any errors or omissions. Past performance is not an indication of future performance.

© 2016 Vanguard Investments Australia Ltd.

[Terms and conditions of use](#) | [Disclaimers](#) | [Privacy policy](#)