

VTC

Vanguard Total Corporate Bond ETF

Analyst Report

The Vanguard Total Corporate Bond ETF aims to track an index of investment-grade U.S. corporate bonds. VTC is unusual in that it's an ETF that owns other ETFs. The portfolio consists of a mix of three other Vanguard bond ETFs that invest in short-, intermediate-, and long-term maturities. The upside of this is that VTC is able to offer the full spectrum of maturities under a single ticker — and all at an ultra-low price. As with many other Vanguard ETFs, VTC doesn't precisely hew to the index, but uses a sampling methodology to produce a portfolio that's comparable to the index. This can be an advantage when it comes to bond ETFs since bond indices can be tough, if not impossible, to follow exactly, which is one reason active managers often have an edge in fixed income. While Vanguard's fees are hard to beat, there are plenty of inexpensive options in the U.S. corporate bond space. VTC is probably best-suited for a buy-and-hold investor looking for simplicity and low costs. For those who prefer to manage their own maturity exposure, or for traders looking for highly-liquid short-term trading vehicles, competing corporate bond ETFs might be a better fit.

ESG Themes and Scores

6.79/10

ESG Rate

60.22%

Global Percentile

91.67%

Peer Percentile

Performance Data

	VTC	ETF Database Category Average	Factset Segment Average
1 Month	1.32%	0.80%	0.87%
3 Month	0.97%	0.90%	0.86%
YTD Return	0.95%	0.95%	0.72%
1 Year Return	5.56%	4.85%	4.09%
3 Year Return	5.28%	4.13%	3.68%
5 Year Return	0.41%	0.88%	0.57%

Top 5 Holdings

Symbol	Holding	% Assets
Other	Bank of America Corporation 4.477% 23-APR-2030	0.20%
Other	Bank of America Corporation 4.979% 24-JAN-2029	0.15%
Other	Goldman Sachs Group, Inc. 5.094% 20-APR-2034	0.14%
Other	Goldman Sachs Group, Inc. 4.516% 21-JAN-2032	0.13%
Other	Amazon.com, Inc. 4.875% 13-MAR-2036	0.12%

Vitals

Issuer	Vanguard
Brand	Vanguard
Structure	ETF
Expense Ratio	0.03%
Inception	Nov 07, 2017
Index Tracked	Bloomberg U.S. Corporate Bond Index

ETF Database Themes

Category	Corporate Bonds
Asset Class	Bond
Asset Class Size	N/A
Asset Class Style	N/A
Region (General)	North America
Region (Specific)	U.S.

FactSet Classifications

Segment	Fixed Income: U.S. - Corporate, Broad-based Investment Grade
Category	Corporate, Broad-based
Focus	Investment Grade
Niche	Broad Maturities
Strategy	Vanilla
Weighting	Market Value

