



VWOB Sell Pitch

By: Atkin, Carleigh, Keeghan, Alexis, Matt, Chris, Joe



Agenda

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2. Economic Outlook- Alexis and Chris
3. Risk and Catalysts- Carleigh and Matt
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Fund Overview

With Keeghan



Overview

Overview

- The Emerging Markets Government Bond Index Fund (VWOB) seeks to track the performance of a benchmark index that measures the investment return of U.S. dollar-denominated bonds issued by governments and government related issuers in **emerging markets countries**.

Quick Facts

- Expense ratio: 0.20%
- Dividend Schedule: Monthly
- Bonds issued by emerging market governments, government agencies, and government-owned corporations



Investment Approach

Investment Approach

- Seeks to track the performance of the Bloomberg USD Emerging Markets Government RIC Capped Index
 - *Includes dollar-denominated bonds with maturities of more than one year*
- Passively managed, using **index sampling**
 - *Index Sampling: fund manager takes a subset of a broader market index, rather than investing in the overall market. (liquidity, cost-efficiency, reduced complexity)*
- Fund remains fully invested, Low-cost exposure to emerging markets debt, Low expenses minimize net tracking error
- Designation: **Intermediate Government**



Performance History

Total returns* for period ended September 30, 2024

VWOB (Inception May 31, 2013)	Quarter	YTD	1 year	3 years	5 years	10 years	Since Inception
Net asset value (NAV) return	6.49%	8.05%	18.56%	-0.21%	1.05%	3.12%	3.09%
Market price return**	7.12%	8.27%	19.02%	-0.15%	1.07%	3.11%	3.13%
Bloomberg USD Emerging Markets Government RIC Capped Index (BM Index)	6.52%	8.20%	18.79%	-0.29%	1.02%	3.14%	3.13%

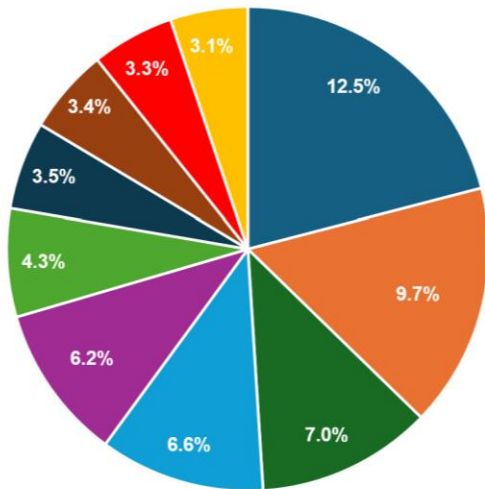
*Figures for periods of less than one year are cumulative returns. All other figures represent average annual returns. Fund performance figures assume the reinvestment of dividends and capital gains distributions; the figures are pre-tax and net of expenses.

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Geographic Breakdown

Market Allocation as % of bonds
(Ten largest holdings)



■ Saudia Arabia ■ Mexico ■ Turkey ■ Indonesia ■ United Arab Emirates ■ Qatar ■ Colombia ■ Philippines ■ Brazil ■ Argentina

Geopolitical Risk

- Saudia Arabia is in a region with significant geopolitical tensions. Conflicts or political instability could negatively affect investor confidence and bond prices

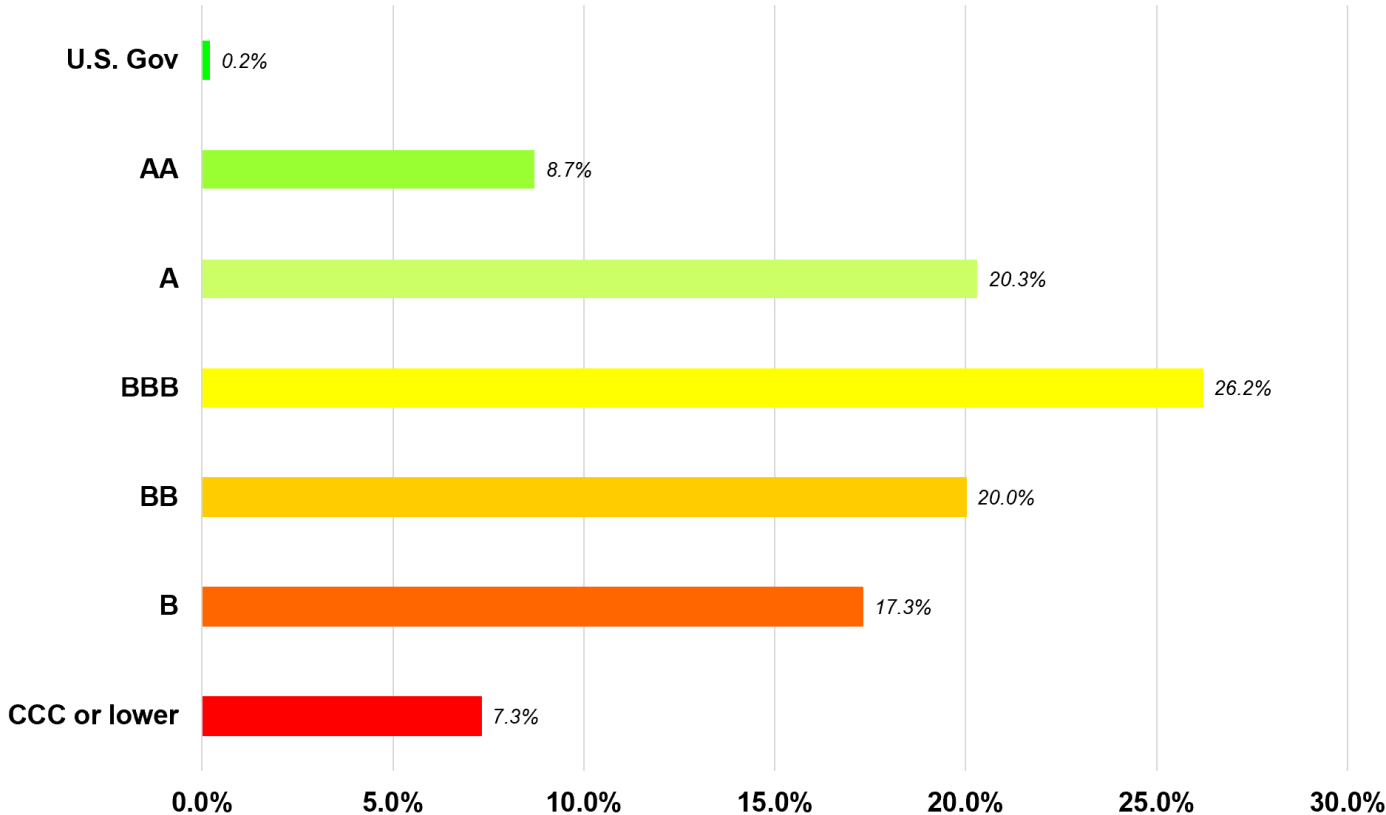
Debt Levels

- While Saudia Arabia has traditionally maintained low debt levels, its increasing issuance of bonds to fund projects under "Vision 2030" has raised concerns about the potential for growing debt burdens

Credit Quality Distribution



Distribution by Credit Quality



Comments

- While there is some investment in higher-rated bonds (AA and A), the significant allocation to BBB and below suggests a focus on riskier emerging market debt, which could experience volatility in response to market conditions or geopolitical factors.



Economic Outlook

With Alexis and Chris

1 Day

5 Days

1 Month

YTD

1 Year

5 Years

Max

-2.53% (1M)





- Emerging Markets: Developing economies experiencing rapid growth and industrialization. Some characteristics of an emerging market economy are high per capita income, liquid equity and a dependable regulatory system.
- Navigating Global Challenges:
 - Global Inflation Trends
 - Growth Outlook
 - Geopolitical Risks



- VWOB has a more significant exposure to the Middle East
- 10-15% of the fund's holdings are invested in bonds issued by Middle Eastern countries
- This will result in higher yields and lower bond prices
- Escalating government tensions will affect VWOB



Risks and Catalysts

With Carleigh and Matt



Risks:

- Uncertainty in emerging markets.
 - Markets could start doing well overseas.
- Could rebound.



Catalysts:

- Down around 16%
- Current geopolitical risks
 - Political and economic instability
 - Global trade



Preparing for the Future

With Joe



Why not buy into long term bonds now?

- Anticipated Rate Cuts Will Lower Yields
- Reduced Appetite for Long-Term Bonds
- Uncertainty Surrounding Changes in Central Bank Policies
- Shift Towards Higher-Quality Bonds



Comparable and Recommendation

With Atkin

Distributions



Realized/Unrealized gains

as of 09/30/2024

Realized gain	% of NAV
-\$4.86	↓ -7.35%

Unrealized gains of NAV	% of NAV
-\$1.53	↓ -2.31%

Fiscal year end	Distribution schedule
10/31/2024	Monthly



Comparable Company Analysis

Company	Bond Price As of: 10/22/24	Bond Price 52 Week Range	Bond Performance 5 Year Range	Beta 5Y Monthly	Expense Ratio	Net Assets	Holdings Turnover
Emerging Mkts Govt Bond							
VanEck EM High Yield Bond ETF (HYEM)	\$19.60	\$17.42 - \$19.92	-16.10%	0.82	0.40%	404.06M	30.00%
Invesco Emerging Markets Sov Debt ETF (PCY)	\$20.62	\$17.50 - \$21.69	-28.95%	1.67	0.50%	1.49B	32.00%
iShares JP Morgan USD Em MKts Bd ETF (EMB)	\$91.23	\$80.55 - \$93.97	-19.17%	1.25	0.39%	16.22B	13.00%
Goldman Sachs Access Emerg Mkts USD Bd ETF (GEMD)	\$41.21	\$37.21 - \$42.69	-17.23%	0.00	0.39%	67.91M	8.00%
Vanguard Emerging Mkts Govt Bd ETF (VWOB)	\$64.62	\$57.71 - \$66.65	-19.49%	1.25	0.20%	5.90B	17.00%

Source: SEC Filings 10K, 10Q and Yahoo Finance



Sell Recommendation

Current shares	96.0
Endowment Shares	(32.0)
Unrestricted Shares	(64.0)
Total Shares Sold	(96.0)
Total Shares Remaining	0.0
Market Price	\$64.62
Purchase Price	\$76.63
Upside %	(15.7%)
Cost Basis	(7,356.5)
Market Value	6,203.5
Total Realized Gains	-\$1,153.0
Unrestricted Gains	-2,305.9
Endowment (2/3)	768.6
Endowment (1/3)	384.3
SIMM Realized Gains	-\$1,921.6
Years held	6.5 Years
Annualized Return	-2.6%
% change in Portfolio	(1.0%)
% remainder of Portfolio	0.0%

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