Project #2: Creating a Retirement Portfolio

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|  | **Fund #1** | **Fund #2** | **Fund #3** |
| Vanguard Mutual Funds Selected | Vanguard Total Stock Market Index Fund Admiral Shares (VTSAX) | Vanguard 500 Index Fund Admiral Shares (VFIAX) | Vanguard 500 Index Fund Investor Shares (VFINX) |
| Index Fund or Actively Managed Fund? | Index Fund | Index Fund | Index Fund |
| 10-Year Average Rate of Return | 12.27% | 12.92% | 12.81% |
| Expense Ratio | 0.04% | 0.04% | 0.14% |
| % of Portfolio | 40% | 30% | 30% |
| Estimated Portfolio Rate of Return | 8.86% | 9.47% | 9.45% |
| Why did you select this fund? | Provides broad exposure to the US stock market, including large-, mid-, small-, and micro-cap stocks. With a low expense ratio and historically strong performance, it's a core holding for many investors seeking long-term growth | S&P 500 Index, comprising 500 of the largest publicly traded companies in the US. These funds offer simplicity and diversification across major sectors of the economy. While VFIAX has a lower expense ratio. Including funds allows for increased exposure to large-cap US stocks while maintaining low costs and broad diversification. | S&P 500 Index, comprising 500 of the largest publicly traded companies in the US. These funds offer simplicity and diversification across major sectors of the economy. While VFINX is also suitable for individual investors who prefer a lower initial investment requirement. Including funds allows for increased exposure to large-cap US stocks while maintaining low costs and broad diversification. |