



Which All-in-1 Vanguard ETF Portfolio Is Best for You?

Description

Earlier this year in Canada, Vanguard launched three all-in-one portfolios: **Vanguard Conservative ETF Portfolio** ([TSX:VCNS](#)), **Vanguard Balanced ETF Portfolio** ([TSX:VBAL](#)), and **Vanguard Growth ETF Portfolio** ([TSX:VGRO](#)). As of June 30, 2018, there is already over \$600 million of assets in these ETF portfolios in fewer than six months.

Why are these ETF portfolios so popular, and which one is right for you?

What is an all-in-one portfolio ETF?

In short, an all-in-one portfolio ETF is a mix of domestic and international bonds and equities. The portfolios are traded the same way a stock is on an exchange and are designed to track the market that each ETF is based on.

Vanguard Conservative ETF Portfolio has a 60% bond and 40% equity split. Vanguard Balanced ETF Portfolio is the opposite of that. Vanguard Growth ETF Portfolio has an 80% equity and 20% bond split and is the most aggressive of the three. All three funds have a very low management fee of 0.22%.

What's in the Vanguard ETF portfolios

Each of the Vanguard ETF portfolios are made up of three bond and four equity ETFs. This will give you exposure to U.S., Canada, international, and [emerging markets](#).

U.S. stocks are allocated roughly 38% of the equity portion. Canadian stocks make up 30% of the equity portion. International stocks get the remaining 32%, and that is split up with 77% in developed markets and 23% in emerging markets.

With the heavier weighting towards North America, the top 10 holdings are all U.S. or Canadian companies, such as [Royal Bank of Canada](#), **Suncor Energy Inc.**, and **Apple Inc.**

Who is this product right for?

The Vanguard ETF Portfolios are ideal for clients who are looking for a passive and balanced approach to investing. It is also great for those who want exposure to international and emerging markets at a very low management fee.

It works especially well for smaller tax-efficient accounts such as a TFSA, where it would save you transaction fees from purchasing and rebalancing your initial portfolio. These costs can really eat away at your returns when they are for a smaller account, and the Vanguard ETF portfolios avoid that problem.

Which Vanguard ETF portfolio should you choose?

The answer to this depends on the individual. For example, it might be assumed that a young investor in their 20s should invest in the Vanguard Growth ETF Portfolio; however, that same investor might know that they are more risk adverse, and the balanced or conservative portfolio would be a better fit for them.

Another example is an assumption that an investor nearing retirement should always choose the Vanguard Conservative ETF Portfolio. Upon closer look, with life expectancies a lot longer than they were in the past, the Vanguard Balanced ETF Portfolio might be a better fit for the longer time horizon. It is best to do a proper assessment if you are unsure of your optimal asset mix.

If you are looking to simplify your investing or are tired of spending lots of time managing your smaller accounts, take a close look at these Vanguard ETF portfolios.

CATEGORY

1. Investing

TICKERS GLOBAL

1. TSX:VBAL (Vanguard Balanced ETF Portfolio)
2. TSX:VCNS (Vanguard Conservative ETF Portfolio)
3. TSX:VGRO (Vanguard Growth ETF Portfolio)

PARTNER-FEEDS

1. Msn
2. Newscred
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