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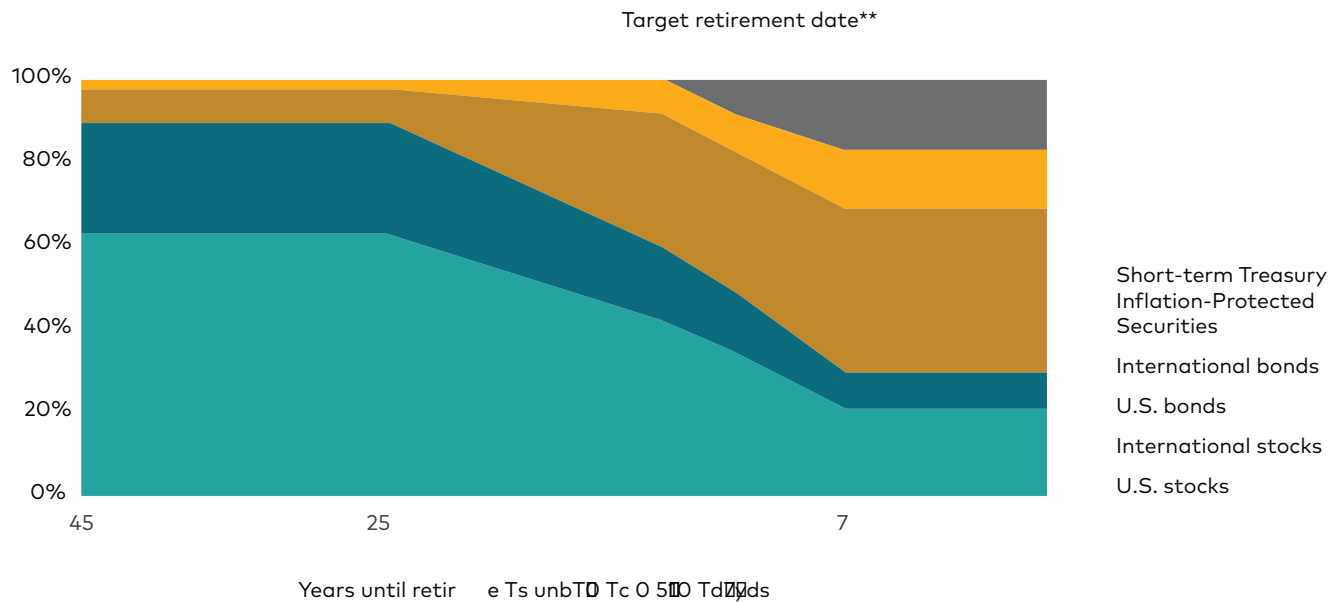
## Why are target-date investments so popular?

Target-date investments (TDI) are a type of investment fund that automatically adjusts its asset allocation over time as the investor's target retirement date nears. This "glide path" approach typically starts with a higher percentage of stocks and gradually shifts toward a higher percentage of bonds as the investor's target retirement date approaches. This makes TDI a popular choice for investors who want a "set-it-and-forget-it" investment strategy that can help them meet their retirement goals.

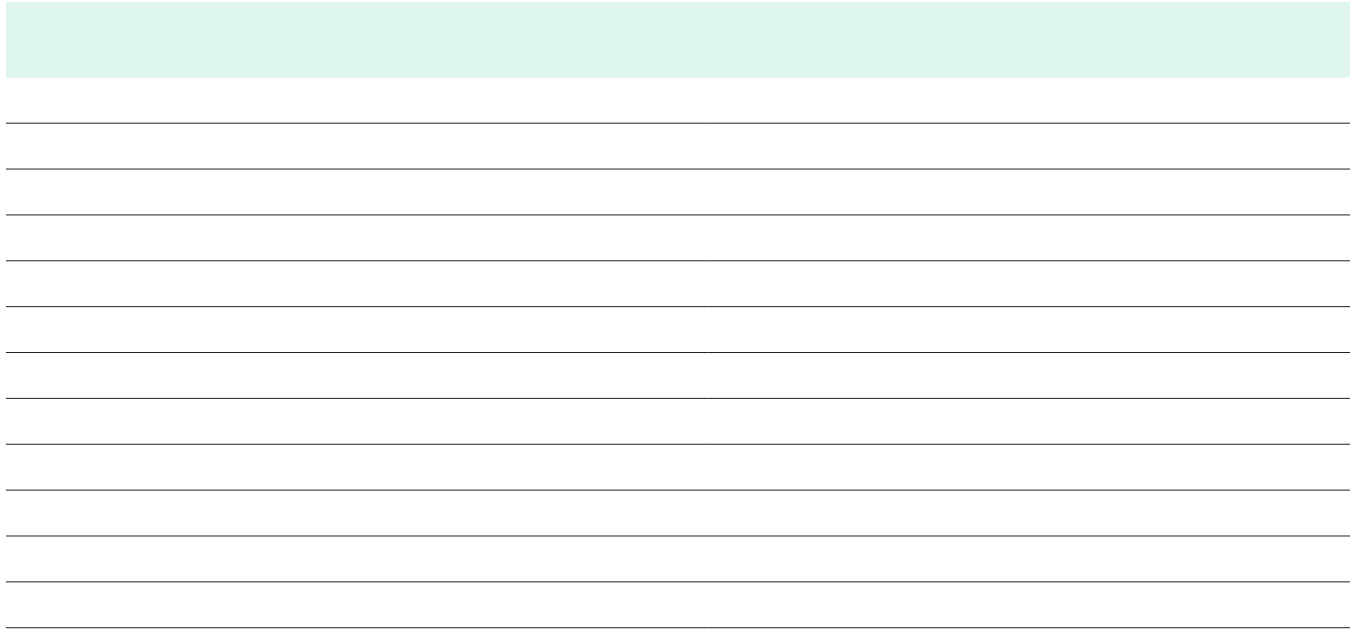
Target-date investments are popular because they offer a simple, diversified investment solution that can help investors meet their retirement goals. The glide path approach allows investors to benefit from the long-term growth potential of stocks while also reducing risk as they approach retirement. Additionally, TDI funds often offer professional management and rebalancing, which can help investors stay on track with their investment strategy over time.

\*Source: *AI*, 2021, Vanguard, June 2021.

## How the mix of stocks and bonds changes over time



## How to choose a target-date investment



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Bonds are made up of IOUs, primarily from companies or governments. These funds risk losing value if the debt isn't repaid on time. Also, bond prices can drop when interest rates rise or the issuer's reputation suffers.

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