Dear Clients:

Recently, global markets have been rattled by the one-two punch of COVID-19 and a battle for supremacy in the oil markets. While the near-term economic outlook has undeniably soured, we would like to remind all of our clients that each of your portfolios have been constructed to provide protection for anticipated cash-needs over the next five years, allowing the stock market to work through its near-term pricing uncertainties and provide growth opportunities in the future. While we understand the emotional impact the recent volatility can take on investors, we believe just like all the other viruses we have seen over the past decades that have dissipated, the Coronavirus will be no different. We offer the commentary below to help us not react to current news, but rather remind us of the importance to stay the course.

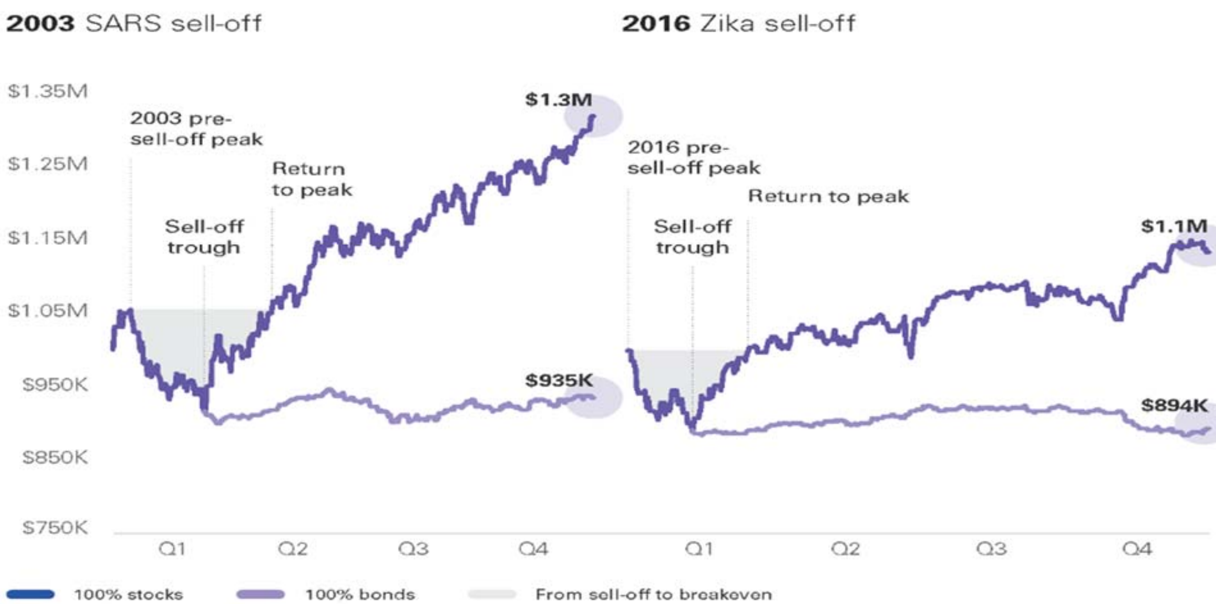
Please contact us if you have any questions or would like to discuss your individual portfolio with us. We are here and welcome a conversation.

Short-Term Volatility: What Can Learn From the Past?

The financial markets don't like bad news. The current coronavirus outbreak is no exception, and many investors are tempted once more to "do something." But in times of volatile markets, the best move of all for long-term investors is often no move at all.

While they're not exact parallels, the stock market responses to the SARS coronavirus in 2003 and the Zika virus in 2016 offer useful lessons. In both cases, investors who sold on bad news and falling prices missed significant rebounds that very shortly had stock markets back to prior levels.

There's no guarantee that today's market will play out the same way; stocks have also taken days, months or longer to regain losses. But remember that knowing when to get back in is just as hard as knowing when to get out. The investment strategy we've mapped out for you is a long-term plan based on your personal goals and circumstances. Should those change, let's talk about whether an adjustment to your strategy is warranted.



Source: Vanguard calculations, based on data from FactSet.

Notes: U.S. stocks are represented by the S&P 500 Index. U.S. bonds are represented by the Bloomberg Barclays U.S. Aggregate Bond Index through December 31, 2009; Bloomberg Barclays U.S. Aggregate Float Adjusted Index thereafter.

The performance of an index is not an exact representation of any particular investment, as you cannot directly invest in an index.