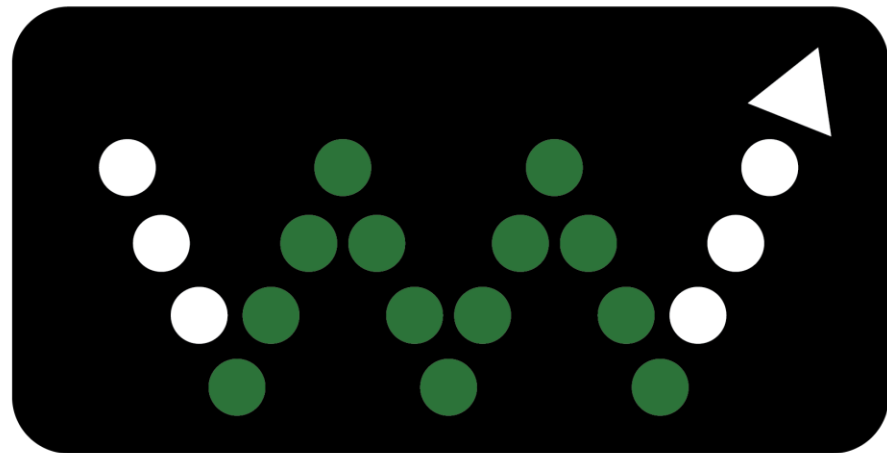
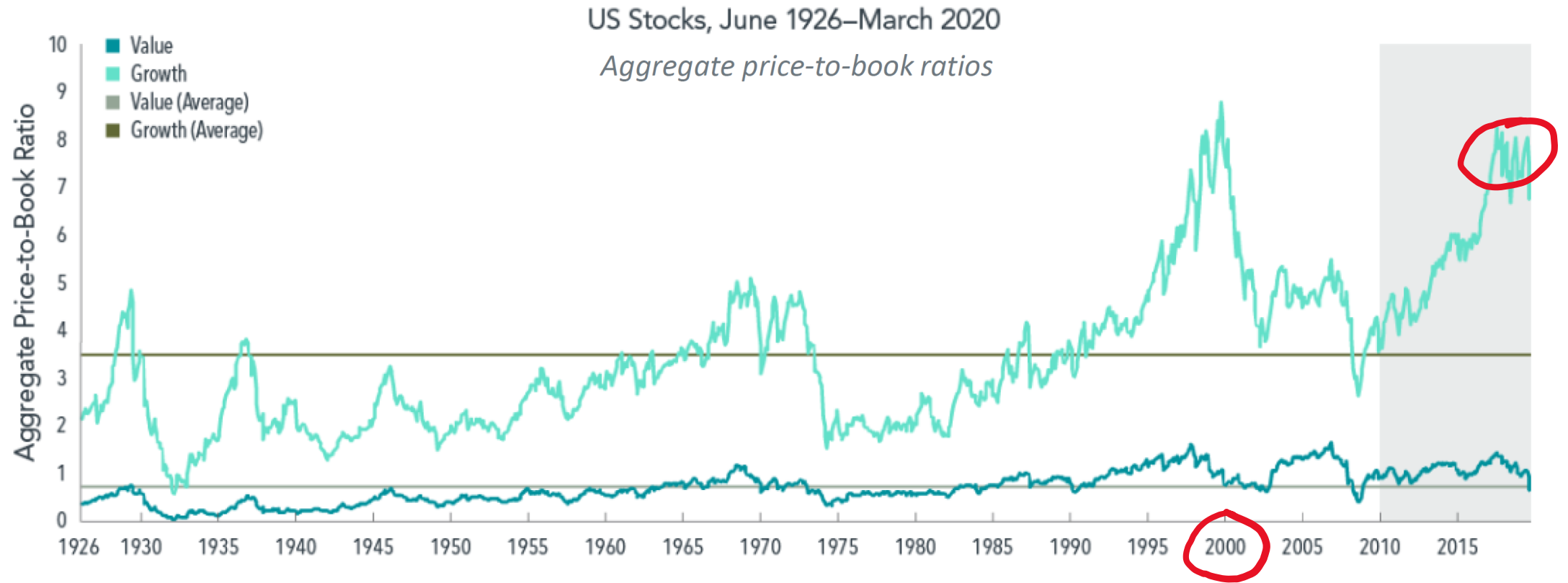


The Next 10 Years of Value Investing

February 2021



**MILLS WEALTH
ADVISORS**

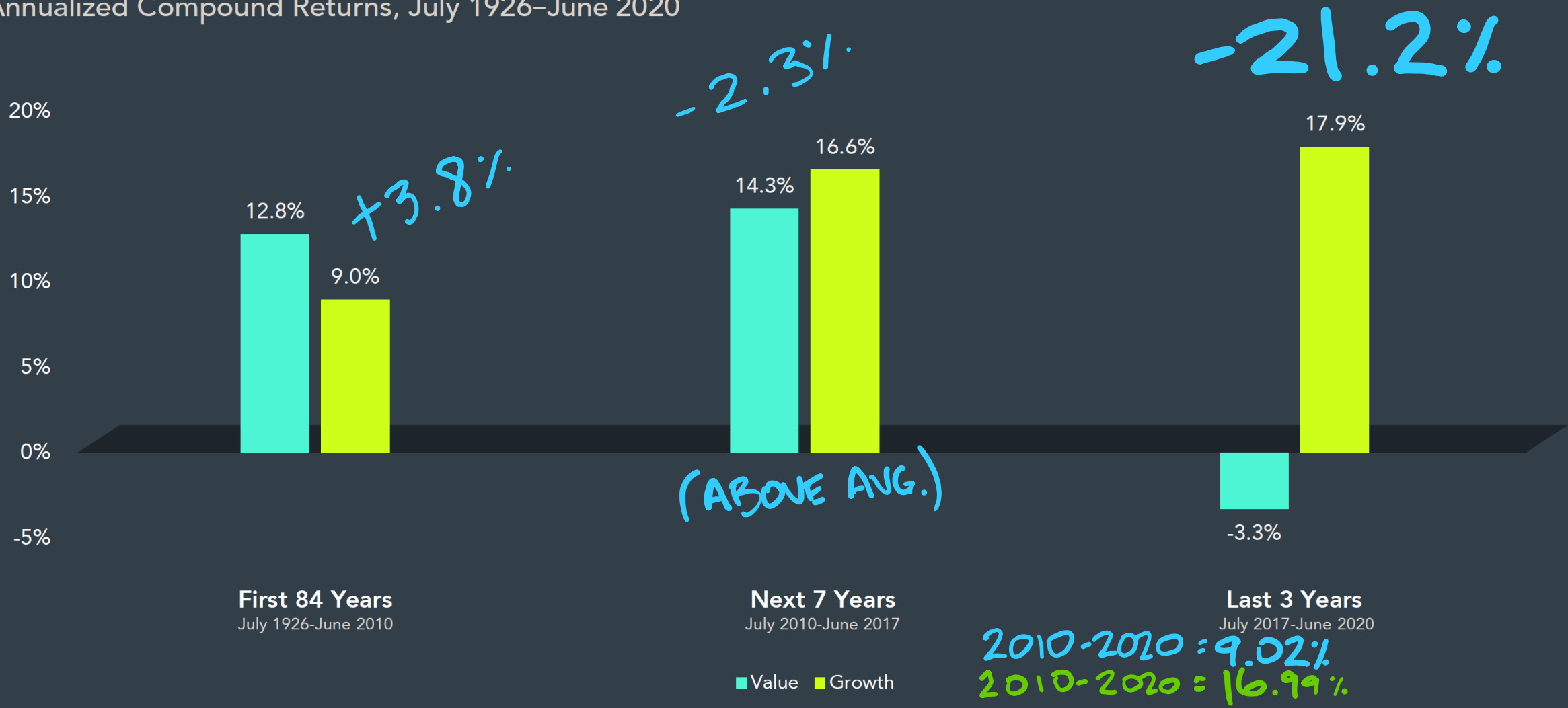


Source: CRSP, Compustat, and Bloomberg. Aggregate price-to-book value computed as the inverse of the weighted average book-to-current month to date market value.

* IN 1999 10 YR TREASURY WAS 5.65%, IN 2020 0.89%.

An Unprecedented Three-Year Period for Value

Annualized Compound Returns, July 1926–June 2020



Performance data shown represents past performance and is no guarantee of future results.

Value and growth stocks represented by the Fama/French US Value Research Index and the Fama/French US Growth Research Index, respectively. Returns provided by Ken French, available at http://mba.tuck.dartmouth.edu/pages/faculty/ken.french/data_library.html. Eugene Fama and Ken French are members of the Board of Directors of the general partner of, and provide consulting services to, Dimensional Fund Advisors LP.

Periods of 10-Year Value Underperformance



Negative 10-Years Value Premium

2010-2019 -3.9%

Negative 10-Years Value Premium

1990-1999 -3.1%

1930-1939 -4.9%

NEXT 10-YEARS

2020-2029

WE ARE CONFIDENT THIS WILL OUTPERFORM GROWTH THE NEXT 10 YEARS

Following 10-Years Value Premium

2000-2009

6.4%

1940-1949

10.3%

THIS IS THE AMOUNT VALUE PRODUCED ABOVE GROWTH THE LAST TWO 10 YEAR PWS TIMES GROWTH BEAT VALUE A WHOLE DECADE.

Performance data shown represents past performance and is no guarantee of future results. The indices are not available for direct investment; therefore their performance does not reflect the expenses associated with the management of an actual portfolio. Source: Fama/French data provided by Fama/French. "See appendix for Fama/French index information."

Vanguard Forecasting

Ten-year forecasts remind us to think long-term

Our ten-year annualized nominal return projections, as of June 30, 2020, are shown below. Please note that the figures are based on a 1.0-point range around the 50th percentile of the distribution of return outcomes for equities and a 0.5-point range around the 50th percentile for fixed income.

Equities	Return projection	Median volatility	Fixed income	Return projection	Median volatility
U.S. equities	3.9%–5.9%	17.9%	U.S. aggregate bonds	0.7%–1.7%	4.0%
U.S. value	5.0%–7.0%	19.9%	U.S. Treasury bonds	0.3%–1.3%	4.2%
U.S. growth	1.6%–3.6%	19.5%	U.S. credit bonds	1.4%–2.4%	5.7%
U.S. large-cap	3.7%–5.7%	19.4%	U.S. high-yield corporate bonds	3.2%–4.2%	10.7%
U.S. small-cap	4.0%–6.0%	23.5%	U.S. Treasury inflation-protected securities	0.4%–1.4%	6.4%
U.S. real estate investment trusts	3.4%–5.4%	19.9%	U.S. cash	0.5%–1.5%	0.9%
Global equities ex-U.S. (unhedged)	7.4%–9.4%	18.6%	Global bonds ex-U.S. (hedged)	0.5%–1.5%	2.5%
U.S. inflation	0.5%–1.5%	2.4%	Emerging market sovereign	3.1%–4.1%	11.1%

These probabilistic return assumptions depend on current market conditions and, as such, may change over time.

IMPORTANT: The projections or other information generated by the Vanguard Capital Markets Model® regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations are as of June 30, 2020. Results from the model may vary with each use and over time. For more information, please see the Important information slide.

Source: Vanguard Investment Strategy Group.

Vanguard Forecasting



1 Positive international outlook

U.S. stocks have had a great run, but will that continue? While we believe the price/earnings ratios for stocks are some of the best indicators of future returns, we also recognize that you must take into account valuations from a fair value standpoint, factoring in global economic and market changes.

Based on these valuations, the expected return outlook for non-U.S. stocks over the next 10 years is higher than that of U.S. stocks.

Global **non-U.S. equity** annualized returns (in U.S. dollars)

Next 10 years

8.5% – 10.5% + 3%

U.S. equity annualized returns

Next 10 years

5.5% – 7.5%

IMPORTANT: The projections and other information generated by the Vanguard Capital Markets Model® regarding the likelihood of various investment outcomes are hypothetical in nature, do not reflect actual investment results, and are not guarantees of future results. Distribution of return outcomes from the VCMM are derived from 10,000 simulations for each modeled asset class. Simulations are as of March 31, 2020. Results from the model may vary with each use and over time. For more information, please see the last page.

Source: Vanguard Investment Strategy Group.