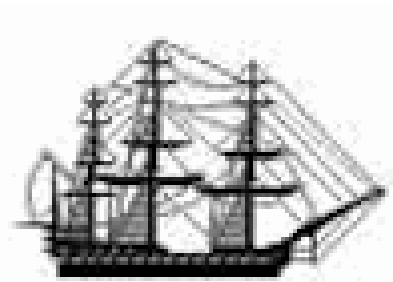

Vanguard pulls S&P500 fund from its own 401(k)

By Editorial Staff Thu, Jun 14, 2018

'The current problem with the Index 500 fund is that over 25% of the fund is in technology stocks,' a former Vanguard employee told the local press.



Vanguard has announced that, effective June 25, 2018, it has pared down the list of investment options that it offers in its own employees' 401(k) plan. Among those removed: Vanguard's flagship S&P 500 Index fund.

A former Vanguard employee told the Philadelphia Inquirer, "The current problem with the Index 500 fund is over 25% of the fund is in technology stocks." Vanguard views its Total Stock market index fund as offering participants better diversification and therefore less risk, he said.

The investments listed below will be removed from the Vanguard 401(k) retirement plan:

- Vanguard High Yield Corporate Fund
- Vanguard Short-Term Inflation Protected Securities Index Fund
- Vanguard Balanced Index Fund
- Vanguard Institutional Index Fund (S&P 500)
- Vanguard Small-Cap Index Fund
- Vanguard Selected Value Fund
- Vanguard U.S. Growth Fund
- Vanguard Morgan Growth Fund
- Vanguard Windsor II Fund
- Vanguard Extended Market Index Fund
- Vanguard Explorer Fund
- Vanguard International Value Fund