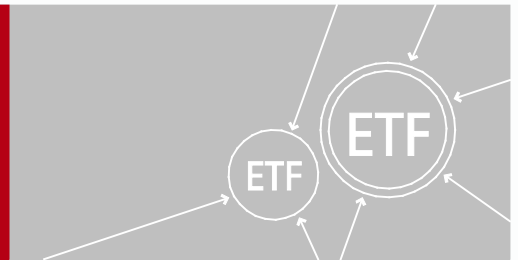


US SEC Filing Announcement for the Vanguard® Exchange Traded Funds

27 June 2017



Vanguard Investments Australia Ltd announces the following:

ETF	ASX CODE	ANNOUNCEMENT
Vanguard® All-World ex-US Shares Index ETF	VEU	US SEC Filing of Form N-CSR

The Vanguard Group, Inc. in the US has completed and filed Form N-CSR (certified annual shareholder report filed on Form N-CSR) for Registered Investment Companies with the Securities and Exchange Commission (SEC) in the US as part of the regulatory requirements of the SEC.

Further details of the SEC requirements for this filing are available at:

- www.sec.gov/about/forms/formn-csr.pdf

Further Information

If you have any queries on Vanguard ETFs, please visit vanguard.com.au/etf

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Vanguard Investments Australia Ltd, Level 34, Freshwater Place, 2 Southbank Boulevard, Southbank VIC 3006 vanguard.com.au 1300 655 888

**UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549**

FORM N-CSR

**CERTIFIED SHAREHOLDER REPORT
OF
REGISTERED MANAGEMENT INVESTMENT COMPANIES**

Investment Company Act file number: **811-05972**

Name of Registrant: **Vanguard International Equity Index Funds**

Address of Registrant: **P.O. Box 2600
Valley Forge, PA 19482**

Name and address of agent for service: **Anne E. Robinson, Esquire
P.O. Box 876
Valley Forge, PA 19482**

Registrant's telephone number, including area code: **(610) 669-1000**

Date of fiscal year end: October 31

Date of reporting period: October 31, 2016 – April 30, 2017

Item 1: Reports to Shareholders



Semiannual Report | April 30, 2017

Vanguard FTSE International Index Funds

Vanguard FTSE All-World ex-US Index Fund

Vanguard FTSE All-World ex-US Small-Cap Index Fund

A new format, unwavering commitment

As you begin reading this report, you'll notice that we've made some improvements to the opening sections—based on feedback from you, our clients.

Page 1 starts with a new "Your Fund's Performance at a Glance," a concise, handy summary of how your fund performed during the period.

In the renamed "Chairman's Perspective," Bill McNabb will focus on enduring principles and investment insights.

We've modified some tables, and eliminated some redundancy, but we haven't removed any information.

At Vanguard, we're always looking for better ways to communicate and to help you make sound investment decisions. Thank you for entrusting your assets to us.

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Chairman's Perspective.	3
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Please note: The opinions expressed in this report are just that—informed opinions. They should not be considered promises or advice. Also, please keep in mind that the information and opinions cover the period through the date on the front of this report. Of course, the risks of investing in your fund are spelled out in the prospectus.

See the Glossary for definitions of investment terms used in this report.

About the cover: No matter what language you speak, Vanguard has one consistent message and set of principles. Our primary *focus* is on you, our clients. We conduct our business with *integrity* as a faithful *steward* of your assets. This message is shown translated into seven languages, reflecting our expanding global presence.

Your Fund’s Performance at a Glance

- For the six months ended April 30, 2017, Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund each returned more than 10%.
- Both funds closely tracked their target indexes. The FTSE All-World ex-US Small-Cap Index Fund’s results trailed the average return of peer funds, while the FTSE All-World ex-US Index Fund performed in line with its peers.
- European stocks were among the strongest performers for both funds amid signs of improving economic conditions in Europe. U.K. stocks were one of the standouts, helped by a British pound that strengthened against the U.S. dollar during the period.
- Emerging markets stocks, as well as stocks in the developed markets of the Pacific region, delivered solid gains, but they trailed the outsize returns recorded by European stocks.

Total Returns: Six Months Ended April 30, 2017

	Total Returns
Vanguard FTSE All-World ex-US Index Fund	
Investor Shares	10.59%
ETF Shares	
Market Price	10.62
Net Asset Value	10.64
Admiral™ Shares	10.63
Institutional Shares	10.63
Institutional Plus Shares	10.65
FTSE All-World ex US Index	10.55
International Funds Average	10.62

International Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

	Total Returns
Vanguard FTSE All-World ex-US Small-Cap Index Fund	
Investor Shares	10.80%
ETF Shares	
Market Price	10.94
Net Asset Value	10.87
Institutional Shares	10.87
FTSE Global Small Cap ex US Index	10.70
International Small-Cap Funds Average	11.75

International Small-Cap Funds Average: Derived from data provided by Lipper, a Thomson Reuters Company.

Admiral Shares carry lower expenses and are available to investors who meet certain account-balance requirements. Institutional Shares and Institutional Plus Shares are available to certain institutional investors who meet specific administrative, service, and account-size criteria. The Vanguard ETF® Shares shown are traded on the NYSE Arca exchange and are available only through brokers. The table provides ETF returns based on both the NYSE Arca market price and the net asset value for a share. U.S. Pat. Nos. 6,879,964; 7,337,138; 7,720,749; 7,925,573; 8,090,646; and 8,417,623.

For the ETF Shares, the market price is determined by the midpoint of the bid-offer spread as of the closing time of the New York Stock Exchange (generally 4 p.m., Eastern time). The net asset value is also determined as of the NYSE closing time. For more information about how the ETF Shares' market prices have compared with their net asset value, visit vanguard.com, select your ETF, and then select the Price and Performance tab. The ETF premium/discount analysis there shows the percentages of days on which the ETF Shares' market price was above or below the NAV.

Expense Ratios

Your Fund Compared With Its Peer Group

	Investor Shares	ETF Shares	Admiral Shares	Institutional Shares	Institutional Plus Shares	Peer Group Average
FTSE All-World ex-US Index Fund	0.23%	0.11%	0.11%	0.10%	0.07%	1.34%
FTSE All-World ex-US Small-Cap Index Fund	0.27	0.13	—	0.12	—	1.56

The fund expense ratios shown are from the prospectus dated February 24, 2017, and represent estimated costs for the current fiscal year. For the six months ended April 30, 2017, the funds' annualized expense ratios were: for the FTSE All-World ex-US Index Fund, 0.23% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.10% for Institutional Shares, and 0.07% for Institutional Plus Shares; and for the FTSE All-World ex-US Small-Cap Index Fund, 0.28% for Investor Shares, 0.13% for ETF Shares, and 0.12% for Institutional Shares. The peer-group expense ratios are derived from data provided by Lipper, a Thomson Reuters Company, and capture information through year-end 2016.

Peer groups: For the FTSE All-World ex-US Index Fund, International Funds; and for the FTSE All-World ex-US Small-Cap Index Fund, International Small-Cap Funds.

Chairman's Perspective



Bill McNabb

Chairman and Chief Executive Officer

Dear Shareholder,

"Buy what you know."

It's one of the adages of investing, and it has plenty of intuitive appeal. After all, the familiar seems inherently less risky. It's no wonder that many investors heavily tilt their portfolios toward the stocks and bonds of their home country. This is known in investing parlance as "home bias."

U.S. investors sometimes think they can get all the global diversification they need by owning shares of U.S.-based multinational companies. And that may seem like the best of both worlds: international diversification without ever leaving the friendly confines of home.

The potential pitfall is that, as Vanguard research has suggested, the performance of a company's shares tends to be highly correlated to its domestic market, regardless of where that company conducts most of its business.

Americans aren't alone in being portfolio homebodies. Vanguard has found that in a range of developed countries—Australia, Canada, Japan, and the United Kingdom, as well as the United States—investors held a greater percentage of domestic stocks than would be indicated if they had taken their cues from a globally diversified, market-weighted benchmark. (You can see this tendency in the chart later in this letter.)

Why home bias exists

Vanguard’s Investment Strategy Group identified a range of reasons why investors might not embrace global diversification, including concerns about currency risk and an expectation that their home country will deliver outsized returns.

One factor we identified—preference for the familiar—seems particularly relevant. With so much global uncertainty about geopolitics, monetary policy, and the economic outlook, it’s understandable why investors may not want to stray too far from home.

But in their aversion to the unknown, investors can end up increasing, rather than lessening, their risks. That’s

because they’re sacrificing broad global diversification—one of the best ways I know of to help control risk.

In many cases, individual country markets are much less diversified than the global market in total. Global investing, then, can be an answer for investors who want to reduce concentration risk. That can include overconcentration in a particular country, region, or industry.

And the good news is that global investing is easier than ever, thanks to the wide availability of low-cost, internationally diversified stock and bond funds. It’s possible, in a sense, to own the whole world with just a couple of funds.

Market Barometer

	Total Returns Periods Ended April 30, 2017		
	Six Months	One Year	Five Years (Annualized)
Stocks			
Russell 1000 Index (Large-caps)	13.46%	18.03%	13.63%
Russell 2000 Index (Small-caps)	18.37	25.63	12.95
Russell 3000 Index (Broad U.S. market)	13.83	18.58	13.57
FTSE All-World ex US Index (International)	10.55	12.98	5.60
Bonds			
Bloomberg Barclays U.S. Aggregate Bond Index (Broad taxable market)	-0.67%	0.83%	2.27%
Bloomberg Barclays Municipal Bond Index (Broad tax-exempt market)	-0.34	0.14	3.16
Citigroup Three-Month U.S. Treasury Bill Index	0.23	0.37	0.11
CPI			
Consumer Price Index	1.16%	2.20%	1.22%

Expanding our opportunities

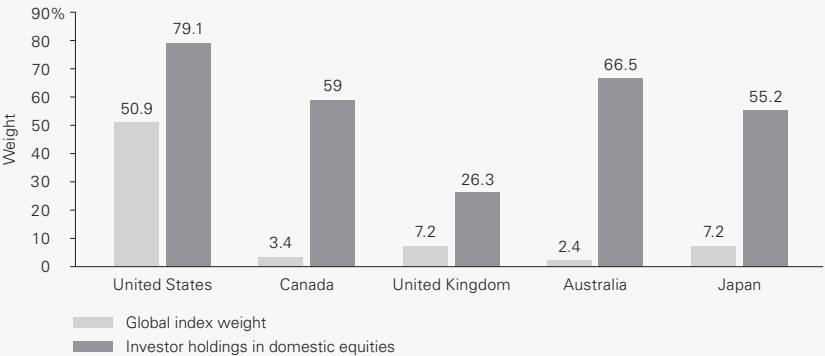
A key to overcoming home bias is reframing the way we look at investing outside our home countries. Take, for example, automakers or pharmaceutical companies. There are well-regarded firms in both industries located throughout the world. Over the next five years, nobody can know for sure whether a Japanese or U.S. or European company will produce a popular new sedan that outsells the competition or come up with new treatments to combat illness. So why not own them all? And that includes their bonds along with their stocks.

Full global diversification also allows you to capitalize on opportunities in both developed and emerging economies. Betting on which individual country—let alone company—will be the next market darling can be a fool’s errand.

A better choice can be to harness the potential of all markets. In my personal investment account, I have an emerging markets position that complements my developed-market holdings. Not only can global diversification help control risk, but it can also expand our set of opportunities among stocks and bonds.

Home bias shows investors across the world are fixated on the familiar

Investors often own a greater share of their home country’s stocks than would be indicated by the allocations of a globally diversified, market-capitalization-weighted index fund.



Notes: Data as of December 31, 2014 (the latest available from the International Monetary Fund, or IMF), in U.S. dollars. Domestic investment is calculated by subtracting total foreign investment (as reported by the IMF) in a given country from its market capitalization in the MSCI All Country World Index. Given that the IMF data are voluntary, there may be some discrepancies between the market values in the survey and the MSCI ACWI.

Sources: Vanguard, based on data from the IMF’s Coordinated Portfolio Investment Survey (2014), Bloomberg, Thomson Reuters Datastream, and FactSet.

Ultimately, I believe we have the best chance for investment success by giving ourselves more opportunities, not fewer. Own the whole haystack and you never have to worry about finding the needle.

Thank you for entrusting your assets to Vanguard.

Sincerely,

A handwritten signature in black ink that reads "F. William McNabb III". The signature is written in a cursive style with a large, stylized "F" at the beginning and the Roman numeral "III" at the end.

F. William McNabb III
Chairman and Chief Executive Officer
May 12, 2017

FTSE All-World ex-US Index Fund

Fund Profile

As of April 30, 2017

Share-Class Characteristics

	Investor Shares	ETF Shares	Admiral Shares	Institutional Shares	Institutional Plus Shares
Ticker Symbol	VFWIX	VEU	VFWAX	VFWSX	VFWPX
Expense Ratio ¹	0.23%	0.11%	0.11%	0.10%	0.07%

Portfolio Characteristics

	Fund	FTSE All-World ex US Index
Number of Stocks	2,594	2,467
Median Market Cap	\$29.1B	\$29.9B
Price/Earnings Ratio	20.0x	19.8x
Price/Book Ratio	1.6x	1.6x
Return on Equity	13.7%	13.8%
Earnings Growth Rate	6.4%	6.6%
Dividend Yield	2.9%	2.9%
Turnover Rate (Annualized)	3%	—
Short-Term Reserves	-0.3%	—

Sector Diversification (% of equity exposure)

	Fund	FTSE All-World ex US Index
Basic Materials	7.7%	7.7%
Consumer Goods	16.7	16.7
Consumer Services	7.8	7.8
Financials	26.5	26.5
Health Care	7.8	7.8
Industrials	13.9	13.9
Oil & Gas	6.5	6.5
Technology	5.5	5.5
Telecommunications	4.2	4.2
Utilities	3.4	3.4

Volatility Measures

	FTSE All-World ex US Index
R-Squared	0.98
Beta	0.95

These measures show the degree and timing of the fund's fluctuations compared with the index over 36 months.

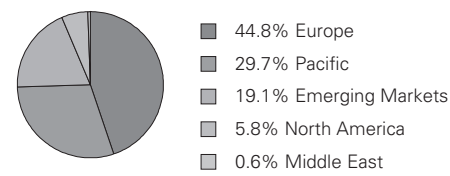
Ten Largest Holdings (% of total net assets)

Nestle SA	Food Products	1.2%
Samsung Electronics Co. Ltd.	Consumer Electronics	1.1
Royal Dutch Shell plc	Integrated Oil & Gas	1.1
Roche Holding AG	Pharmaceuticals	1.0
Novartis AG	Pharmaceuticals	0.9
Tencent Holdings Ltd.	Internet	0.9
HSBC Holdings plc	Banks	0.8
Taiwan Semiconductor Manufacturing Co. Ltd.	Semiconductors	0.8
Toyota Motor Corp.	Automobiles	0.8
Unilever	Personal Products	0.7
Top Ten		9.3%

The holdings listed exclude any temporary cash investments and equity index products.

¹ The expense ratios shown are from the prospectus dated February 24, 2017, and represent estimated costs for the current fiscal year. For the six months ended April 30, 2017, the annualized expense ratios were 0.23% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.10% for Institutional Shares, and 0.07% for Institutional Plus Shares.

Allocation by Region (% of equity exposure)



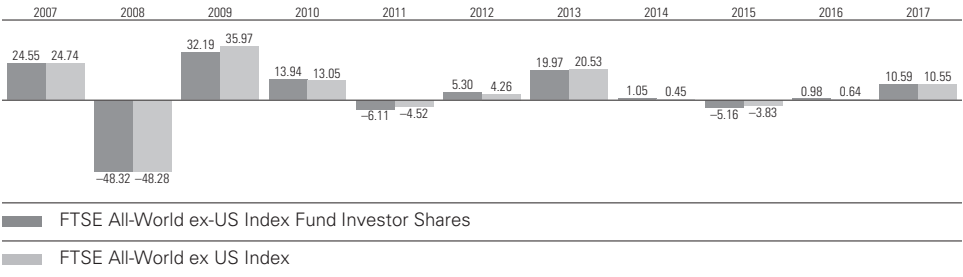
Market Diversification (% of equity exposure)

	Fund	FTSE All-World ex US Index
Europe		
United Kingdom	12.9%	12.9%
France	7.1	6.9
Germany	6.7	6.7
Switzerland	6.2	6.2
Spain	2.4	2.4
Netherlands	2.2	2.3
Sweden	2.0	2.0
Italy	1.6	1.6
Denmark	1.2	1.2
Other	2.5	2.5
Subtotal	44.8%	44.7%
Pacific		
Japan	17.2%	17.2%
Australia	5.3	5.3
South Korea	3.4	3.5
Hong Kong	2.7	2.7
Other	1.1	1.1
Subtotal	29.7%	29.8%
Emerging Markets		
China	4.9%	4.9%
Taiwan	2.9	2.8
India	2.4	2.4
Brazil	1.8	1.8
South Africa	1.7	1.7
Other	5.4	5.4
Subtotal	19.1%	19.0%
North America		
Canada	5.8%	5.9%
Middle East		
Other	0.6%	0.6%

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): March 8, 2007, Through April 30, 2017



Note: For 2017, performance data reflect the six months ended April 30, 2017.

Index returns are adjusted for withholding taxes applicable to U.S.-based mutual funds organized as Delaware statutory trusts.

Average Annual Total Returns: Periods Ended March 31, 2017

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Ten Years
Investor Shares	3/8/2007	13.78%	4.59%	1.56%
ETF Shares	3/2/2007			
Market Price		14.18	4.74	1.67
Net Asset Value		13.94	4.74	1.71
Admiral Shares	9/27/2011	13.89	4.73	6.75 ¹
Institutional Shares	4/30/2007	13.93	4.75	1.37 ¹
Institutional Plus Shares	12/16/2010	13.97	4.78	3.46 ¹

¹ Return since inception.

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets—Investments Summary

As of April 30, 2017

This Statement summarizes the fund's holdings by asset type. Details are reported for each of the fund's 50 largest individual holdings and for investments that, in total for any issuer, represent more than 1% of the fund's net assets. The total value of smaller holdings is reported as a single amount within each category.

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the complete listing of the fund's holdings is available electronically on vanguard.com and on the Securities and Exchange Commission's website (sec.gov), or you can have it mailed to you without charge by calling 800-662-7447. For the first and third fiscal quarters, the fund files the lists with the SEC on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)	Percentage of Net Assets
Common Stocks			
Australia			
Commonwealth Bank of Australia	2,613,711	170,712	0.6%
Westpac Banking Corp.	5,093,009	133,512	0.4%
Australia & New Zealand Banking Group Ltd.	4,455,560	109,068	0.4%
National Australia Bank Ltd.	4,013,397	101,869	0.3%
BHP Billiton Ltd.	4,876,132	86,814	0.3%
Australia—Other †		967,377	3.2%
		1,569,352	5.2%
Austria †		47,002	0.2%
Belgium			
Anheuser-Busch InBev SA/NV	1,210,644	136,525	0.5%
Belgium—Other †		119,849	0.4%
		256,374	0.9%
Brazil			
CPFL Energia SA	454,092	3,720	0.0%
Brazil—Other †		521,478	1.8%
		525,198	1.8%
Canada			
Royal Bank of Canada	2,244,698	153,703	0.5%
Toronto-Dominion Bank	2,799,924	131,745	0.4%
Enbridge Inc.	2,469,294	102,350	0.4%
Bank of Nova Scotia	1,834,859	101,996	0.3%
¹ Canada—Other †		1,254,777	4.2%
		1,744,571	5.8%
Chile †		81,838	0.3%

	Shares	Market Value* (\$000)	Percentage of Net Assets
China			
Tencent Holdings Ltd.	8,195,787	256,801	0.9%
China Construction Bank Corp.	138,765,544	112,631	0.4%
China Mobile Ltd.	8,085,067	86,079	0.3%
Industrial & Commercial Bank of China Ltd.	109,408,640	71,320	0.3%
Bank of China Ltd.	114,317,788	55,297	0.2%
China Life Insurance Co. Ltd.	11,314,341	34,421	0.1%
China Petroleum & Chemical Corp.	38,775,284	31,488	0.1%
CNOOC Ltd.	24,488,400	28,568	0.1%
PetroChina Co. Ltd.	32,001,234	22,483	0.1%
Agricultural Bank of China Ltd.	39,037,233	17,996	0.1%
China Overseas Land & Investment Ltd.	5,911,820	17,148	0.1%
China Shenhua Energy Co. Ltd.	5,257,388	12,238	0.1%
China Telecom Corp. Ltd.	24,857,541	12,125	0.1%
China Resources Land Ltd.	4,189,214	11,608	0.1%
PICC Property & Casualty Co. Ltd.	7,114,396	11,436	0.1%
CITIC Ltd.	7,636,275	11,073	0.1%
China Unicom Hong Kong Ltd.	8,546,713	11,060	0.0%
China Communications Construction Co. Ltd.	6,776,026	9,304	0.0%
China CITIC Bank Corp. Ltd.	12,825,362	8,119	0.0%
Sinopharm Group Co. Ltd.	1,663,703	7,457	0.0%
* China Resources Beer Holdings Co. Ltd.	2,525,860	6,074	0.0%
CRRC Corp. Ltd.	6,111,053	5,955	0.0%
China Cinda Asset Management Co. Ltd.	15,513,693	5,897	0.0%
China Resources Power Holdings Co. Ltd.	3,222,409	5,802	0.0%
* China Taiping Insurance Holdings Co. Ltd.	2,323,364	5,785	0.0%
¹ People's Insurance Co. Group of China Ltd.	13,562,161	5,589	0.0%
China Everbright International Ltd.	4,077,967	5,507	0.0%
China Merchants Port Holdings Co. Ltd.	1,902,031	5,434	0.0%
¹ China Galaxy Securities Co. Ltd.	5,870,777	5,350	0.0%
¹ CGN Power Co. Ltd.	16,326,267	4,926	0.0%
China State Construction International Holdings Ltd.	2,680,727	4,858	0.0%
China Railway Group Ltd.	5,673,352	4,798	0.0%
* ¹ Postal Savings Bank of China Co. Ltd.	7,275,000	4,728	0.0%
Dongfeng Motor Group Co. Ltd.	4,492,627	4,719	0.0%
China Resources Gas Group Ltd.	1,198,547	4,039	0.0%
China Railway Construction Corp. Ltd.	2,827,245	3,948	0.0%
Zhuzhou CRRC Times Electric Co. Ltd.	753,509	3,874	0.0%
* ¹ China Huarong Asset Management Co. Ltd.	9,153,874	3,852	0.0%
China Longyuan Power Group Corp. Ltd.	4,946,785	3,803	0.0%
Kunlun Energy Co. Ltd.	4,189,523	3,781	0.0%
Beijing Capital International Airport Co. Ltd.	2,214,557	3,124	0.0%
Sinopec Shanghai Petrochemical Co. Ltd.	5,218,331	2,916	0.0%
^ AviChina Industry & Technology Co. Ltd.	3,652,954	2,435	0.0%
China Jinmao Holdings Group Ltd.	7,480,005	2,419	0.0%
Air China Ltd.	2,736,115	2,419	0.0%
China Oilfield Services Ltd.	2,612,300	2,405	0.0%
^ China Reinsurance Group Corp.	10,063,576	2,314	0.0%
China Everbright Bank Co. Ltd.	4,932,872	2,312	0.0%
Huaneng Renewables Corp. Ltd.	5,977,075	2,086	0.0%
¹ Sinopec Engineering Group Co. Ltd.	2,134,381	2,086	0.0%
Chongqing Changan Automobile Co. Ltd. Class B	1,462,351	1,936	0.0%
China Power International Development Ltd.	4,905,787	1,828	0.0%
¹ China Railway Signal & Communication Corp. Ltd.	2,246,068	1,754	0.0%
China Southern Airlines Co. Ltd.	2,593,017	1,724	0.0%

FTSE All-World ex-US Index Fund

	Shares	Market Value* (\$000)	Percentage of Net Assets
China Resources Cement Holdings Ltd.	2,821,334	1,543	0.0%
Metallurgical Corp. of China Ltd.	4,095,562	1,513	0.0%
* China Agri-Industries Holdings Ltd.	3,033,447	1,500	0.0%
* China Coal Energy Co. Ltd.	3,075,638	1,493	0.0%
^ China Eastern Airlines Corp. Ltd.	2,309,145	1,210	0.0%
^ Sinotrans Ltd.	2,648,860	1,190	0.0%
*^ Angang Steel Co. Ltd.	1,575,537	1,057	0.0%
China Machinery Engineering Corp.	1,415,516	1,055	0.0%
Huadian Fuxin Energy Corp. Ltd.	3,576,005	827	0.0%
China BlueChemical Ltd.	2,631,895	754	0.0%
^ CSSC Offshore and Marine Engineering Group Co. Ltd.	332,873	663	0.0%
China National Materials Co. Ltd.	1,580,369	554	0.0%
Shanghai Baosight Software Co. Ltd. Class B	308,442	459	0.0%
China National Accord Medicines Corp. Ltd. Class B	74,430	449	0.0%
* CITIC Resources Holdings Ltd.	3,012,222	364	0.0%
China Foods Ltd.	918,843	354	0.0%
^ Sinofert Holdings Ltd.	2,319,208	310	0.0%
¹ China—Other †		469,305	1.6%
		1,443,729	4.8%
Colombia †		31,109	0.1%
¹Czech Republic †		11,923	0.0%
Denmark			
Novo Nordisk A/S Class B	2,801,971	109,100	0.4%
¹ Denmark—Other †		241,322	0.8%
		350,422	1.2%
Egypt †		10,485	0.0%
Finland †		218,024	0.7%
France			
TOTAL SA	3,336,309	171,264	0.6%
Sanofi	1,694,843	160,152	0.5%
BNP Paribas SA	1,482,934	104,661	0.4%
LVMH Moet Hennessy Louis Vuitton SE	380,059	93,825	0.3%
¹ France—Other †		1,563,840	5.2%
		2,093,742	7.0%
Germany			
Siemens AG	1,153,897	165,519	0.5%
Bayer AG	1,255,829	155,388	0.5%
BASF SE	1,400,729	136,458	0.5%
SAP SE	1,356,189	135,844	0.5%
Allianz SE	690,872	131,527	0.4%
Daimler AG	1,562,371	116,419	0.4%
¹ Germany—Other †		1,137,807	3.8%
		1,978,962	6.6%
Greece †		24,682	0.1%

FTSE All-World ex-US Index Fund

	Shares	Market Value* (\$000)	Percentage of Net Assets
Hong Kong			
AIA Group Ltd.	18,290,852	126,599	0.4%
BOC Hong Kong Holdings Ltd.	5,466,196	22,464	0.1%
¹ BOC Aviation Ltd.	304,000	1,622	0.0%
[^] China Travel International Investment Hong Kong Ltd.	3,505,542	1,013	0.0%
¹ Hong Kong—Other †		643,870	2.2%
		795,568	2.7%
Hungary †			
		20,799	0.1%
India			
Nestle India Ltd.	34,418	3,583	0.0%
¹ India—Other †		718,611	2.4%
		722,194	2.4%
Indonesia †			
		161,867	0.5%
Ireland †			
		47,278	0.2%
Israel †			
		111,190	0.4%
¹Italy †			
		485,605	1.6%
Japan			
Toyota Motor Corp.	4,148,591	224,525	0.8%
Mitsubishi UFJ Financial Group Inc.	20,397,059	129,248	0.4%
SoftBank Group Corp.	1,308,068	99,220	0.3%
Chugai Pharmaceutical Co. Ltd.	332,564	11,817	0.0%
Japan—Other †		4,620,898	15.5%
		5,085,708	17.0%
¹Malaysia †			
		202,365	0.7%
Malta †			
		—	0.0%
¹Mexico †			
		259,707	0.9%
Netherlands			
Unilever NV	2,363,347	123,805	0.4%
ING Groep NV	5,863,818	95,578	0.3%
¹ Netherlands—Other †		417,689	1.4%
		637,072	2.1%
New Zealand †			
		49,767	0.2%
Norway †			
		121,117	0.4%
Other²			
³ Vanguard FTSE Emerging Markets ETF	1,411,761	56,950	0.2%
Pakistan †			
		6,321	0.0%
Peru †			
		19,167	0.1%

	Shares	Market Value* (\$000)	Percentage of Net Assets
Philippines †		85,223	0.3%
Poland †		90,898	0.3%
Portugal †		33,191	0.1%
Qatar †		56,467	0.2%
Russia †		269,126	0.9%
Singapore †		273,057	0.9%
South Africa			
Naspers Ltd.	652,011	123,981	0.4%
South Africa—Other †		382,249	1.3%
		506,230	1.7%
South Korea			
Samsung Electronics Co. Ltd. GDR	229,457	225,154	0.8%
Samsung Electronics Co. Ltd.	38,606	75,684	0.2%
Samsung Electronics Co. Ltd. Preference Shares	26,828	41,313	0.1%
¹ South Korea—Other †		686,262	2.3%
		1,028,413	3.4%
Spain			
Banco Santander SA	21,876,419	142,567	0.5%
¹ Spain—Other †		561,162	1.9%
		703,729	2.4%
Sweden †		605,942	2.0%
Switzerland			
* Nestle SA	4,681,546	360,575	1.2%
Roche Holding AG	1,076,098	281,577	1.0%
Novartis AG	3,587,893	276,214	0.9%
UBS Group AG	5,280,559	90,144	0.3%
Roche Holding AG (Bearer)	31,894	8,356	0.0%
¹ Switzerland—Other †		824,563	2.8%
		1,841,429	6.2%
Taiwan			
Taiwan Semiconductor Manufacturing Co. Ltd. ADR	5,713,210	188,936	0.6%
Taiwan—Other †		654,486	2.2%
		843,422	2.8%
Thailand †		207,512	0.7%
Turkey †		77,065	0.3%
United Arab Emirates †		63,731	0.2%
United Kingdom			
HSBC Holdings plc	30,448,577	251,089	0.8%
British American Tobacco plc	2,830,182	191,217	0.6%
Royal Dutch Shell plc Class A	6,724,479	174,625	0.6%
BP plc	28,974,571	165,869	0.6%

	Shares	Market Value* (\$000)	Percentage of Net Assets		
Royal Dutch Shell plc Class B	5,686,647	151,305	0.5%		
GlaxoSmithKline plc	7,455,288	150,059	0.5%		
AstraZeneca plc	1,915,938	114,745	0.4%		
Diageo plc	3,823,614	111,295	0.4%		
Vodafone Group plc	40,329,118	103,874	0.3%		
Unilever plc	1,831,851	94,246	0.3%		
Lloyds Banking Group plc	102,555,229	92,149	0.3%		
Reckitt Benckiser Group plc	954,426	87,939	0.3%		
Prudential plc	3,914,858	86,886	0.3%		
¹ United Kingdom—Other †		2,030,809	6.8%		
		3,806,107	12.7%		
Total Common Stocks (Cost \$27,113,551)		29,661,630	99.3% ⁴		
Coupon					
Temporary Cash Investments					
Money Market Fund					
^{5,6} Vanguard Market Liquidity Fund	1.034%	6,354,817	635,609	2.1%	
⁷ U.S. Government and Agency Obligations †				15,295	0.1%
Total Temporary Cash Investments (Cost \$650,847)				650,904	2.2% ⁴
Total Investments (Cost \$27,764,398)				30,312,534	101.5%
				Amount (\$000)	
Other Assets and Liabilities					
Other Assets					
Investment in Vanguard				1,959	
Receivables for Investment Securities Sold				8	
Receivables for Accrued Income				129,224	
Receivables for Capital Shares Issued				11,841	
Other Assets				37,980	
Total Other Assets				181,012	0.6%
Liabilities					
Payables for Investment Securities Purchased				(49,249)	
Collateral for Securities on Loan				(542,166)	
Payables for Capital Shares Redeemed				(29,658)	
Payables to Vanguard				(13,544)	
Other Liabilities				(1,335)	
Total Liabilities				(635,952)	(2.1%)
Net Assets				29,857,594	100.0%

At April 30, 2017, net assets consisted of:

	Amount (\$000)
Paid-in Capital	28,533,184
Undistributed Net Investment Income	100,483
Accumulated Net Realized Losses	(1,329,840)
Unrealized Appreciation (Depreciation)	
Investment Securities	2,548,136
Futures Contracts	2,779
Forward Currency Contracts	4,394
Foreign Currencies	(1,542)
Net Assets	29,857,594
Investor Shares—Net Assets	
Applicable to 30,555,126 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	587,856
Net Asset Value Per Share—Investor Shares	\$19.24
ETF Shares—Net Assets	
Applicable to 362,508,376 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	17,677,733
Net Asset Value Per Share—ETF Shares	\$48.77
Admiral Shares—Net Assets	
Applicable to 143,496,119 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	4,349,651
Net Asset Value Per Share—Admiral Shares	\$30.31
Institutional Shares—Net Assets	
Applicable to 50,684,096 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	4,870,140
Net Asset Value Per Share—Institutional Shares	\$96.09

	Amount (\$000)
Institutional Plus Shares—Net Assets	
Applicable to 23,313,253 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	2,372,214
Net Asset Value Per Share—Institutional Plus Shares	\$101.75

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

^ Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$495,170,000.

† Represents the aggregate value, by category, of securities that are not among the 50 largest holdings and, in total for any issuer, represent 1% or less of net assets.

1 Certain of the fund's securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At April 30, 2017, the aggregate value of these securities was \$208,314,000, representing 0.7% of net assets.

2 "Other" represents securities that are not classified by the fund's benchmark index.

3 Considered an affiliated company of the fund as the issuer is another member of The Vanguard Group.

4 The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 100.0% and 1.5%, respectively, of net assets.

5 Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

6 Includes \$542,166,000 of collateral received for securities on loan.

7 Securities with a value of \$10,781,000 have been segregated as initial margin for open futures contracts.

ADR—American Depositary Receipt.

GDR—Global Depositary Receipt.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

Six Months Ended
April 30, 2017

	(\$000)
Investment Income	
Income	
Dividends ^{1,2}	347,760
Interest ²	348
Securities Lending—Net	6,183
Total Income	354,291
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	1,496
Management and Administrative—Investor Shares	460
Management and Administrative—ETF Shares	5,835
Management and Administrative—Admiral Shares	1,294
Management and Administrative—Institutional Shares	1,647
Management and Administrative—Institutional Plus Shares	433
Marketing and Distribution—Investor Shares	63
Marketing and Distribution—ETF Shares	412
Marketing and Distribution—Admiral Shares	201
Marketing and Distribution—Institutional Shares	53
Marketing and Distribution—Institutional Plus Shares	15
Custodian Fees	2,241
Shareholders' Reports—Investor Shares	19
Shareholders' Reports—ETF Shares	99
Shareholders' Reports—Admiral Shares	142
Shareholders' Reports—Institutional Shares	7
Shareholders' Reports—Institutional Plus Shares	5
Trustees' Fees and Expenses	8
Total Expenses	14,430
Net Investment Income	339,861
Realized Net Gain (Loss)	
Investment Securities Sold ²	(55,593)
Futures Contracts	21,626
Foreign Currencies and Forward Currency Contracts	(20,168)
Realized Net Gain (Loss)	(54,135)
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	2,472,831
Futures Contracts	(3,373)
Foreign Currencies and Forward Currency Contracts	13,567
Change in Unrealized Appreciation (Depreciation)	2,483,025
Net Increase (Decrease) in Net Assets Resulting from Operations	2,768,751

¹ Dividends are net of foreign withholding taxes of \$34,425,000.

² Dividend income, interest income, and realized net gain (loss) from affiliated companies of the fund were \$293,000, \$284,000, and \$18,000, respectively.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Changes in Net Assets

	Six Months Ended April 30, 2017	Year Ended October 31, 2016
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	339,861	714,705
Realized Net Gain (Loss)	(54,135)	37,290
Change in Unrealized Appreciation (Depreciation)	2,483,025	(527,012)
Net Increase (Decrease) in Net Assets Resulting from Operations	2,768,751	224,983
Distributions		
Net Investment Income		
Investor Shares	(5,745)	(15,116)
ETF Shares	(176,204)	(386,248)
Admiral Shares	(44,132)	(95,215)
Institutional Shares	(53,524)	(126,359)
Institutional Plus Shares	(26,500)	(70,228)
Realized Capital Gain		
Investor Shares	—	—
ETF Shares	—	—
Admiral Shares	—	—
Institutional Shares	—	—
Institutional Plus Shares	—	—
Total Distributions	(306,105)	(693,166)
Capital Share Transactions		
Investor Shares	9,093	(24,599)
ETF Shares	2,266,130	768,493
Admiral Shares	352,562	512,292
Institutional Shares	24,278	7,308
Institutional Plus Shares	(51,563)	(383,469)
Net Increase (Decrease) from Capital Share Transactions	2,600,500	880,025
Total Increase (Decrease)	5,063,146	411,842
Net Assets		
Beginning of Period	24,794,448	24,382,606
End of Period ¹	29,857,594	24,794,448

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of \$100,483,000 and \$71,432,000.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$17.59	\$17.92	\$19.40	\$19.81	\$17.03	\$16.95
Investment Operations						
Net Investment Income	.214	.494	.502	.627 ¹	.482	.448
Net Realized and Unrealized Gain (Loss) on Investments	1.631	(.341)	(1.484)	(.413)	2.850	.397
Total from Investment Operations	1.845	.153	(.982)	.214	3.332	.845
Distributions						
Dividends from Net Investment Income	(.195)	(.483)	(.498)	(.624)	(.552)	(.765)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.195)	(.483)	(.498)	(.624)	(.552)	(.765)
Net Asset Value, End of Period	\$19.24	\$17.59	\$17.92	\$19.40	\$19.81	\$17.03
Total Return²	10.59%	0.98%	-5.16%	1.05%	19.97%	5.30%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$588	\$530	\$565	\$552	\$637	\$543
Ratio of Total Expenses to Average Net Assets	0.23%	0.23%	0.26%	0.29%	0.30%	0.30%
Ratio of Net Investment Income to Average Net Assets	2.39%	2.89%	2.70%	3.18% ¹	2.69%	3.13%
Portfolio Turnover Rate ³	3%	5%	3%	4%	8%	6%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

1 Net investment income per share and the ratio of net investment income to average net assets include \$.088 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

2 Total returns do not include transaction or account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction and account service fees.

3 Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

ETF Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$44.60	\$45.41	\$49.17	\$50.20	\$43.21	\$43.17
Investment Operations						
Net Investment Income	.571	1.304	1.335	1.665 ¹	1.295	1.324
Net Realized and Unrealized Gain (Loss) on Investments	4.127	(.846)	(3.769)	(1.036)	7.204	.884
Total from Investment Operations	4.698	.458	(2.434)	.629	8.499	2.208
Distributions						
Dividends from Net Investment Income	(.528)	(1.268)	(1.326)	(1.659)	(1.509)	(2.168)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.528)	(1.268)	(1.326)	(1.659)	(1.509)	(2.168)
Net Asset Value, End of Period	\$48.77	\$44.60	\$45.41	\$49.17	\$50.20	\$43.21
Total Return	10.64%	1.17%	-5.05%	1.21%	20.12%	5.51%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$17,678	\$13,983	\$13,525	\$12,453	\$11,102	\$7,400
Ratio of Total Expenses to Average Net Assets	0.11%	0.11%	0.13%	0.14%	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.51%	3.01%	2.83%	3.33% ¹	2.84%	3.28%
Portfolio Turnover Rate ²	3%	5%	3%	4%	8%	6%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.224 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Admiral Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$27.72	\$28.23	\$30.57	\$31.21	\$26.86	\$26.86
Investment Operations						
Net Investment Income	.355	.811	.832	1.037 ¹	.805	.818
Net Realized and Unrealized Gain (Loss) on Investments	2.563	(.532)	(2.346)	(.644)	4.487	.543
Total from Investment Operations	2.918	.279	(1.514)	.393	5.292	1.361
Distributions						
Dividends from Net Investment Income	(.328)	(.789)	(.826)	(1.033)	(.942)	(1.361)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.328)	(.789)	(.826)	(1.033)	(.942)	(1.361)
Net Asset Value, End of Period	\$30.31	\$27.72	\$28.23	\$30.57	\$31.21	\$26.86
Total Return²	10.63%	1.13%	-5.05%	1.23%	20.14%	5.46%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$4,350	\$3,635	\$3,163	\$2,551	\$1,909	\$1,235
Ratio of Total Expenses to Average Net Assets	0.11%	0.11%	0.13%	0.14%	0.15%	0.15%
Ratio of Net Investment Income to Average Net Assets	2.51%	3.01%	2.83%	3.33% ¹	2.84%	3.28%
Portfolio Turnover Rate ³	3%	5%	3%	4%	8%	6%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.139 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction or account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction and account service fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2016	2015	2014	2013	2012	
Net Asset Value, Beginning of Period	\$87.88	\$89.48	\$96.89	\$98.93	\$85.14	\$85.10
Investment Operations						
Net Investment Income	1.129	2.577	2.651	3.299 ¹	2.577	2.628
Net Realized and Unrealized Gain (Loss) on Investments	8.125	(1.669)	(7.429)	(2.049)	14.215	1.735
Total from Investment Operations	9.254	.908	(4.778)	1.250	16.792	4.363
Distributions						
Dividends from Net Investment Income	(1.044)	(2.508)	(2.632)	(3.290)	(3.002)	(4.323)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(1.044)	(2.508)	(2.632)	(3.290)	(3.002)	(4.323)
Net Asset Value, End of Period	\$96.09	\$87.88	\$89.48	\$96.89	\$98.93	\$85.14
Total Return²	10.63%	1.15%	-5.03%	1.23%	20.16%	5.51%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$4,870	\$4,424	\$4,501	\$4,713	\$4,687	\$3,684
Ratio of Total Expenses to Average Net Assets	0.10%	0.10%	0.11%	0.12%	0.12%	0.12%
Ratio of Net Investment Income to Average Net Assets	2.52%	3.02%	2.85%	3.35% ¹	2.87%	3.31%
Portfolio Turnover Rate ³	3%	5%	3%	4%	8%	6%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.441 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Plus Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$93.06	\$94.75	\$102.60	\$104.76	\$90.17	\$90.15
Investment Operations						
Net Investment Income	1.210	2.754	2.829	3.517 ¹	2.749	2.809
Net Realized and Unrealized Gain (Loss) on Investments	8.604	(1.767)	(7.869)	(2.169)	15.050	1.829
Total from Investment Operations	9.814	.987	(5.040)	1.348	17.799	4.638
Distributions						
Dividends from Net Investment Income	(1.124)	(2.677)	(2.810)	(3.508)	(3.209)	(4.618)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(1.124)	(2.677)	(2.810)	(3.508)	(3.209)	(4.618)
Net Asset Value, End of Period	\$101.75	\$93.06	\$94.75	\$102.60	\$104.76	\$90.17
Total Return²	10.65%	1.18%	-5.01%	1.25%	20.18%	5.54%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$2,372	\$2,222	\$2,628	\$2,122	\$1,671	\$1,274
Ratio of Total Expenses to Average Net Assets	0.07%	0.07%	0.09%	0.10%	0.10%	0.10%
Ratio of Net Investment Income to Average Net Assets	2.55%	3.05%	2.87%	3.37% ¹	2.89%	3.33%
Portfolio Turnover Rate ³	3%	5%	3%	4%	8%	6%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Net investment income per share and the ratio of net investment income to average net assets include \$.467 and 0.44%, respectively, resulting from income received from Vodafone Group plc in the form of cash and shares in Verizon Communications Inc. in February 2014.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Notes to Financial Statements

Vanguard FTSE All-World ex-US Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund invests in securities of foreign issuers, which may subject it to investment risks not normally associated with investing in securities of U.S. corporations. The fund offers five classes of shares: Investor Shares, ETF Shares, Admiral Shares, Institutional Shares, and Institutional Plus Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. ETF Shares are listed for trading on NYSE Arca; they can be purchased and sold through a broker. Admiral Shares, Institutional Shares, and Institutional Plus Shares are designed for investors who meet certain administrative, service, and account-size criteria.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The fund consistently follows such policies in preparing its financial statements.

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the fund's pricing time. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. Foreign Currency: Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the fund's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. Futures and Forward Currency Contracts: The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, enhancing returns, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The fund may seek to enhance returns by using futures contracts instead of the underlying securities when futures are believed to be priced more attractively than the underlying securities. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the

counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract.

The fund also enters into forward currency contracts to provide the appropriate currency exposure related to any open futures contracts. The fund's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The fund mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the fund cannot be repledged, resold, or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the fund under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the fund's net assets decline below a certain level, triggering a payment by the fund if the fund is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the fund has pledged. Any assets pledged as collateral for open contracts are noted in the Statement of Net Assets. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Futures contracts are valued at their quoted daily settlement prices. Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The aggregate settlement values and notional amounts of the contracts are not recorded in the Statement of Net Assets. Fluctuations in the value of the contracts are recorded in the Statement of Net Assets as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures or forward currency contracts.

During the six months ended April 30, 2017, the fund's average investments in long and short futures contracts each represented less than 1% of net assets, based on the average of aggregate settlement values at each quarter-end during the period. The fund's average investment in forward currency contracts represented 2% of net assets, based on the average of notional amounts at each quarter-end during the period.

4. Federal Income Taxes: The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2013–2016), and for the period ended April 30, 2017, and has concluded that no provision for federal income tax is required in the fund's financial statements.

5. Distributions: Distributions to shareholders are recorded on the ex-dividend date.

6. Securities Lending: To earn additional income, the fund lends its securities to qualified institutional borrowers. Security loans are subject to termination by the fund at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value

of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The fund further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the fund may experience delays and costs in recovering the securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Net Assets for the return of the collateral, during the period the securities are on loan. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the fund is entitled to all distributions made on or in respect of the loaned securities.

7. Credit Facility: The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$3.1 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each fund is individually liable for its borrowings, if any, under the credit facility. Borrowings may be utilized for temporary and emergency purposes, and are subject to the fund's regulatory and contractual borrowing restrictions. The participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn amount of the facility; these fees are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under this facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate, federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The fund had no borrowings outstanding at April 30, 2017, or at any time during the period then ended.

8. Other: Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities purchased are amortized and accreted, respectively, to interest income over the lives of the respective securities. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Withholding taxes on foreign dividends and capital gains have been provided for in accordance with the fund's understanding of the applicable countries' tax rules and rates. The fund has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Such tax reclaims received during the year, if any, are included in dividend income. No other amounts for additional tax reclaims are reflected in the financial statements due to the uncertainty as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses) and shareholder reporting. Marketing and distribution

expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees. Vanguard does not require reimbursement in the current period for certain costs of operations (such as deferred compensation/benefits and risk/insurance costs); the fund's liability for these costs of operations is included in Payables to Vanguard on the Statement of Net Assets.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At April 30, 2017, the fund had contributed to Vanguard capital in the amount of \$1,959,000, representing 0.01% of the fund's net assets and 0.78% of Vanguard's capitalization. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

The following table summarizes the market value of the fund's investments as of April 30, 2017, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks—North and South America	2,661,590	—	—
Common Stocks—Other	456,403	26,514,927	28,710
Temporary Cash Investments	635,609	15,295	—
Futures Contracts—Assets ¹	174	—	—
Futures Contracts—Liabilities ¹	(451)	—	—
Forward Currency Contracts—Assets	—	5,095	—
Forward Currency Contracts—Liabilities	—	(701)	—
Total	3,753,325	26,534,616	28,710

¹ Represents variation margin on the last day of the reporting period.

Securities in certain countries may transfer between Level 1 and Level 2 because of differences in stock market closure times that may result from transitions between standard and daylight saving time in those countries and the United States. Based on values on the date of transfer, securities valued at \$275,890,000 based on Level 2 inputs were transferred from Level 1 during the fiscal period. Additionally, based on values on the date of transfer, securities valued at \$308,860,000 based on Level 1 inputs were transferred from Level 2 during the fiscal period.

D. At April 30, 2017, the fair values of derivatives were reflected in the Statement of Net Assets as follows:

Statement of Net Assets Caption	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Other Assets	174	5,095	5,269
Other Liabilities	(451)	(701)	(1,152)

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the six months ended April 30, 2017, were:

	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Futures Contracts	21,626	—	21,626
Forward Currency Contracts	—	(15,480)	(15,480)
Realized Net Gain (Loss) on Derivatives	21,626	(15,480)	6,146

Change in Unrealized Appreciation (Depreciation) on Derivatives

Futures Contracts	(3,373)	—	(3,373)
Forward Currency Contracts	—	11,671	11,671
Change in Unrealized Appreciation (Depreciation) on Derivatives	(3,373)	11,671	8,298

At April 30, 2017, the aggregate settlement value of open futures contracts and the related unrealized appreciation (depreciation) were:

		(\$000)		
	Expiration	Number of Long (Short) Contracts	Aggregate Settlement Value Long (Short)	Unrealized Appreciation (Depreciation)
Futures Contracts				
Dow Jones EURO STOXX 50	June 2017	2,009	76,745	3,143
Topix Index	June 2017	407	55,863	(329)
FTSE 100 Index	June 2017	407	37,728	(499)
S&P ASX 200 Index	June 2017	174	19,236	464
				2,779

Unrealized appreciation (depreciation) on open Dow Jones EURO STOXX 50 and FTSE 100 Index futures contracts is required to be treated as realized gain (loss) for tax purposes.

At April 30, 2017, the fund had open forward currency contracts to receive and deliver currencies as follows. Unrealized appreciation (depreciation) on open forward currency contracts is treated as realized gain (loss) for tax purposes.

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (Depreciation) (\$000)
			Receive		Deliver	
Morgan Stanley Capital Services LLC	6/21/17	EUR	49,631	USD	53,142	1,069
The Toronto-Dominion Bank	6/13/17	JPY	3,286,721	USD	28,977	559
The Toronto-Dominion Bank	6/21/17	GBP	19,866	USD	24,196	1,575
The Toronto-Dominion Bank	6/20/17	AUD	20,122	USD	15,186	(133)
Barclays Bank plc	6/21/17	EUR	12,198	USD	13,070	253
BNP Paribas	6/21/17	EUR	10,860	USD	11,627	236
BNP Paribas	6/13/17	JPY	978,880	USD	8,832	(35)
Goldman Sachs International	6/13/17	JPY	975,360	USD	8,832	(67)
BNP Paribas	6/13/17	JPY	769,750	USD	6,712	205
Barclays Bank plc	6/21/17	GBP	4,584	USD	5,735	210
JPMorgan Chase Bank, N.A.	6/21/17	GBP	4,043	USD	5,027	218
Barclays Bank plc	6/13/17	JPY	568,690	USD	5,013	98
Citibank, N.A.	6/21/17	GBP	3,777	USD	4,604	295
Barclays Bank plc	6/20/17	AUD	4,814	USD	3,652	(51)
JPMorgan Chase Bank, N.A.	6/13/17	JPY	414,035	USD	3,647	74
Bank of America, N.A.	6/21/17	EUR	3,205	USD	3,444	57
BNP Paribas	6/20/17	AUD	3,342	USD	2,551	(50)
BNP Paribas	6/21/17	GBP	1,048	USD	1,277	82
Barclays Bank plc	6/13/17	USD	42,429	JPY	4,711,957	85
BNP Paribas	6/21/17	USD	9,051	EUR	8,447	(175)
UBS AG	6/13/17	USD	6,533	JPY	722,160	43
Barclays Bank plc	6/21/17	USD	4,683	GBP	3,756	(190)
Goldman Sachs International	6/20/17	USD	2,429	AUD	3,214	25
Morgan Stanley Capital Services LLC	6/13/17	USD	1,931	JPY	213,643	11
						4,394

AUD—Australian dollar.

EUR—Euro.

GBP—British pound.

JPY—Japanese yen.

USD—U.S. dollar.

At April 30, 2017, the counterparties had deposited in segregated accounts securities and cash with a value of \$3,668,000 in connection with open forward currency contracts.

E. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes. These differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

During the six months ended April 30, 2017, the fund realized net foreign currency losses of \$4,688,000, which decreased distributable net income for tax purposes; accordingly, such losses have been reclassified from accumulated net realized losses to undistributed net investment income.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2016, the fund had available capital losses totaling \$1,284,197,000 to offset future net capital gains. Of this amount, \$249,855,000 is subject to expiration dates; \$138,065,000 may be used to offset future net capital gains through October 31, 2017, \$32,560,000 through October 31, 2018, and \$79,230,000 through October 31, 2019. Capital losses of \$1,034,342,000 realized beginning in fiscal 2012 may be carried forward indefinitely under the Regulated Investment Company Modernization Act of 2010, but must be used before any expiring loss carryforwards. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2017; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above.

At April 30, 2017, the cost of investment securities for tax purposes was \$27,828,131,000. Net unrealized appreciation of investment securities for tax purposes was \$2,484,403,000, consisting of unrealized gains of \$5,352,910,000 on securities that had risen in value since their purchase and \$2,868,507,000 in unrealized losses on securities that had fallen in value since their purchase.

F. During the six months ended April 30, 2017, the fund purchased \$3,029,630,000 of investment securities and sold \$391,226,000 of investment securities, other than temporary cash investments. Purchases and sales include \$1,930,244,000 and \$0, respectively, in connection with in-kind purchases and redemptions of the fund's capital shares.

G. Capital share transactions for each class of shares were:

	Six Months Ended April 30, 2017		Year Ended October 31, 2016	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	89,441	4,920	150,674	8,858
Issued in Lieu of Cash Distributions	5,564	314	14,669	866
Redeemed	(85,912)	(4,796)	(189,942)	(11,169)
Net Increase (Decrease)—Investor Shares	9,093	438	(24,599)	(1,445)
ETF Shares				
Issued	2,266,130	48,979	1,251,872	27,991
Issued in Lieu of Cash Distributions	—	—	—	—
Redeemed	—	—	(483,379)	(12,300)
Net Increase (Decrease)—ETF Shares	2,266,130	48,979	768,493	15,691
Admiral Shares				
Issued	759,015	26,691	1,345,709	50,503
Issued in Lieu of Cash Distributions	37,192	1,330	79,969	2,993
Redeemed	(443,645)	(15,669)	(913,386)	(34,390)
Net Increase (Decrease)—Admiral Shares	352,562	12,352	512,292	19,106
Institutional Shares				
Issued	419,265	4,655	920,593	10,694
Issued in Lieu of Cash Distributions	48,464	547	114,255	1,350
Redeemed	(443,451)	(4,865)	(1,027,540)	(11,995)
Net Increase (Decrease)—Institutional Shares	24,278	337	7,308	49
Institutional Plus Shares				
Issued	257,315	2,653	586,317	6,493
Issued in Lieu of Cash Distributions	23,248	249	64,624	721
Redeemed	(332,126)	(3,469)	(1,034,410)	(11,072)
Net Increase (Decrease)—Institutional Plus Shares	(51,563)	(567)	(383,469)	(3,858)

H. Management has determined that no material events or transactions occurred subsequent to April 30, 2017, that would require recognition or disclosure in these financial statements.

FTSE All-World ex-US Small-Cap Index Fund

Fund Profile

As of April 30, 2017

Share-Class Characteristics

	Investor Shares	ETF Shares	Institutional Shares
Ticker Symbol	VFSVX	VSS	VFSNX
Expense Ratio ¹	0.27%	0.13%	0.12%

Portfolio Characteristics

	Fund	FTSE Global Small Cap ex US Index
Number of Stocks	3,501	3,358
Median Market Cap	\$1.6B	\$1.6B
Price/Earnings Ratio	26.6x	26.6x
Price/Book Ratio	1.5x	1.5x
Return on Equity	11.9%	11.9%
Earnings Growth Rate	10.6%	10.6%
Dividend Yield	2.3%	2.3%
Turnover Rate (Annualized)	14%	—
Short-Term Reserves	-0.4%	—

Sector Diversification (% of equity exposure)

	Fund	FTSE Global Small Cap ex US Index
Basic Materials	9.1%	9.2%
Consumer Goods	11.5	11.5
Consumer Services	11.7	11.7
Financials	20.6	20.5
Health Care	6.5	6.5
Industrials	24.4	24.4
Oil & Gas	4.7	4.7
Technology	7.8	7.8
Telecommunications	1.1	1.1
Utilities	2.6	2.6

Volatility Measures

	FTSE Global Small Cap ex US Index
R-Squared	0.99
Beta	0.96

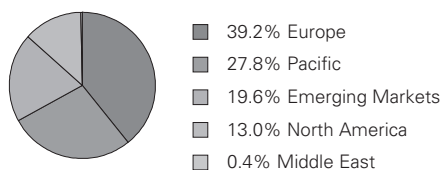
These measures show the degree and timing of the fund's fluctuations compared with the index over 36 months.

Ten Largest Holdings (% of total net assets)

Open Text Corp.	Software	0.4%
Dollarama Inc.	Specialty Retailers	0.4
CCL Industries Inc.	Containers & Packaging	0.3
First Quantum Minerals Ltd.	Nonferrous Metals	0.3
Gildan Activewear Inc.	Clothing & Accessories	0.3
Onex Corp.	Diversified Industrials	0.3
Keyera Corp.	Exploration & Production	0.2
Spirax-Sarco Engineering plc	Industrial Machinery	0.2
Seven Generations Energy Ltd.	Exploration & Production	0.2
H&R REIT	Industrial & Office REITs	0.2
Top Ten		2.8%

The holdings listed exclude any temporary cash investments and equity index products.

Allocation by Region (% of equity exposure)



¹ The expense ratios shown are from the prospectus dated February 24, 2017, and represent estimated costs for the current fiscal year. For the six months ended April 30, 2017, the annualized expense ratios were 0.28% for Investor Shares, 0.13% for ETF Shares, and 0.12% for Institutional Shares.

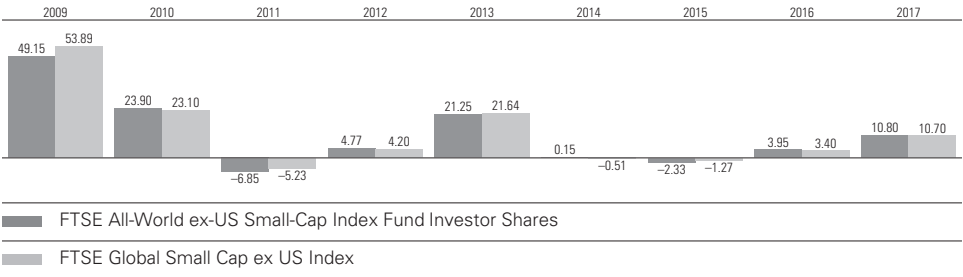
Market Diversification (% of equity exposure)

	FTSE Global Small Cap Fund	ex US Index
Europe		
United Kingdom	12.6%	12.7%
Germany	4.1	4.0
Sweden	3.7	3.7
Switzerland	3.2	3.2
France	2.8	2.7
Italy	2.7	2.7
Netherlands	2.0	2.0
Spain	1.5	1.5
Denmark	1.3	1.3
Norway	1.3	1.3
Belgium	1.2	1.2
Finland	1.2	1.2
Other	1.6	1.6
Subtotal	39.2%	39.1%
Pacific		
Japan	15.4%	15.3%
Australia	4.2	4.2
South Korea	4.1	4.1
Hong Kong	2.1	1.9
Singapore	1.3	1.3
Other	0.7	0.7
Subtotal	27.8%	27.5%
Emerging Markets		
Taiwan	6.4%	6.5%
India	3.0	3.1
China	2.8	2.8
Thailand	1.5	1.5
Brazil	1.3	1.3
Malaysia	0.9	1.0
Other	3.7	3.8
Subtotal	19.6%	20.0%
North America		
Canada	13.0%	13.0%
Middle East		
Other	0.4%	0.4%

Performance Summary

All of the returns in this report represent past performance, which is not a guarantee of future results that may be achieved by the fund. (Current performance may be lower or higher than the performance data cited. For performance data current to the most recent month-end, visit our website at vanguard.com/performance.) Note, too, that both investment returns and principal value can fluctuate widely, so an investor's shares, when sold, could be worth more or less than their original cost. The returns shown do not reflect taxes that a shareholder would pay on fund distributions or on the sale of fund shares.

Fiscal-Year Total Returns (%): April 2, 2009, Through April 30, 2017



Note: For 2017, performance data reflect the six months ended April 30, 2017.

Index returns are adjusted for withholding taxes applicable to U.S.-based mutual funds organized as Delaware statutory trusts.

Average Annual Total Returns: Periods Ended March 31, 2017

This table presents returns through the latest calendar quarter—rather than through the end of the fiscal period. Securities and Exchange Commission rules require that we provide this information.

	Inception Date	One Year	Five Years	Since Inception
Investor Shares	4/2/2009	12.26%	5.67%	11.55%
ETF Shares	4/2/2009			
Market Price		13.12	5.84	11.81
Net Asset Value		12.47	5.85	11.76
Institutional Shares	4/2/2009	12.46	5.86	11.78

See Financial Highlights for dividend and capital gains information.

Financial Statements (unaudited)

Statement of Net Assets—Investments Summary

As of April 30, 2017

This Statement summarizes the fund's holdings by asset type. Details are reported for each of the fund's 50 largest individual holdings and for investments that, in total for any issuer, represent more than 1% of the fund's net assets. The total value of smaller holdings is reported as a single amount within each category.

The fund reports a complete list of its holdings in regulatory filings four times in each fiscal year, at the quarter-ends. For the second and fourth fiscal quarters, the complete listing of the fund's holdings is available electronically on vanguard.com and on the Securities and Exchange Commission's website (sec.gov), or you can have it mailed to you without charge by calling 800-662-7447. For the first and third fiscal quarters, the fund files the lists with the SEC on Form N-Q. Shareholders can look up the fund's Forms N-Q on the SEC's website. Forms N-Q may also be reviewed and copied at the SEC's Public Reference Room (see the back cover of this report for further information).

	Shares	Market Value* (\$000)	Percentage of Net Assets
Common Stocks			
¹ Australia †		176,099	4.2%
Austria †		37,928	0.9%
Belgium †		49,942	1.2%
¹ Brazil †		52,379	1.2%
Canada			
Open Text Corp.	469,990	16,296	0.4%
Dollarama Inc.	180,977	15,843	0.4%
CCL Industries Inc. Class B	58,370	13,512	0.3%
First Quantum Minerals Ltd.	1,236,359	11,783	0.3%
Gildan Activewear Inc.	412,095	11,553	0.3%
Onex Corp.	145,208	10,477	0.3%
Keyera Corp.	332,380	9,199	0.2%
* Seven Generations Energy Ltd. Class A	491,599	8,704	0.2%
H&R REIT	506,371	8,591	0.2%
^ PrairieSky Royalty Ltd.	383,872	8,366	0.2%
Industrial Alliance Insurance & Financial Services Inc.	188,541	7,954	0.2%
* Kinross Gold Corp.	2,221,673	7,731	0.2%
Methanex Corp.	161,756	7,433	0.2%
CAE Inc.	479,396	7,322	0.2%
AltaGas Ltd.	302,355	6,776	0.2%
^ Vermilion Energy Inc.	190,006	6,690	0.2%
WSP Global Inc.	180,332	6,570	0.2%
Algonquin Power & Utilities Corp.	655,190	6,206	0.1%
Veresen Inc.	555,090	6,193	0.1%
Element Fleet Management Corp.	684,272	6,010	0.1%
Lundin Mining Corp.	1,126,456	6,008	0.1%
^ Canadian Apartment Properties REIT	237,161	5,884	0.1%

FTSE All-World ex-US Small-Cap Index Fund

	Shares	Market Value* (\$000)	Percentage of Net Assets
^ Finning International Inc.	305,709	5,814	0.1%
Canada—Other †		335,281	8.0%
		536,196	12.8%
Chile †		9,707	0.2%
†China †		112,759	2.7%
Colombia †		2,659	0.1%
Czech Republic †		1,046	0.0%
Denmark			
GN Store Nord A/S	261,192	6,789	0.2%
† Denmark—Other †		48,362	1.1%
		55,151	1.3%
Egypt †		3,802	0.1%
Finland †		48,403	1.2%
France			
Rubis SCA	66,042	6,709	0.2%
* Ubisoft Entertainment SA	136,616	6,472	0.2%
† Euronext NV	124,980	6,131	0.1%
*.† Elior Group	232,664	5,805	0.1%
† France—Other †		87,727	2.1%
		112,844	2.7%
Germany			
STADA Arzneimittel AG	111,797	7,922	0.2%
Rheinmetall AG	75,661	6,945	0.2%
Freenet AG	190,362	5,974	0.1%
† Germany—Other †		144,642	3.5%
		165,483	4.0%
Greece †		5,629	0.1%
†Hong Kong †		86,946	2.1%
†India †		125,759	3.0%
Indonesia †		28,703	0.7%
Ireland †		9,973	0.2%
Israel †		17,414	0.4%
Italy			
^ Banco BPM SPA	2,724,191	7,956	0.2%
† Italy—Other †		103,306	2.5%
		111,262	2.7%
Japan †		634,159	15.2%

	Shares	Market Value* (\$000)	Percentage of Net Assets
Malaysia †		39,130	0.9%
¹ Mexico †		17,588	0.4%
Netherlands			
* Aalberts Industries NV	173,831	6,893	0.2%
¹ Netherlands—Other †		75,515	1.8%
		82,408	2.0%
New Zealand †		28,439	0.7%
Norway			
* Subsea 7 SA	487,796	8,039	0.2%
¹ Norway—Other †		47,036	1.1%
		55,075	1.3%
Pakistan †		13,495	0.3%
Peru †		1,271	0.0%
Philippines †		15,849	0.4%
Poland †		10,367	0.2%
Portugal †		14,550	0.3%
Qatar †		1,035	0.0%
Russia †		3,047	0.1%
Singapore †		54,997	1.3%
South Africa †		27,899	0.7%
¹ South Korea †		170,465	4.1%
¹ Spain †		62,853	1.5%
Sweden			
Castellum AB	484,513	6,635	0.2%
Elektro AB Class B	632,359	6,602	0.1%
¹ Sweden—Other †		140,885	3.4%
		154,122	3.7%
Switzerland			
Logitech International SA	256,308	8,566	0.2%
ams AG	109,690	7,057	0.2%
* Georg Fischer AG	7,329	6,911	0.2%
¹ Switzerland—Other †		109,889	2.6%
		132,423	3.2%
Taiwan †		263,938	6.3%
¹ Thailand †		63,085	1.5%

	Shares	Market Value* (\$000)	Percentage of Net Assets	
Turkey †		11,678	0.3%	
United Arab Emirates †		2,465	0.1%	
United Kingdom				
Spirax-Sarco Engineering plc	130,729	8,803	0.2%	
Spectris plc	211,717	7,570	0.2%	
BBA Aviation plc	1,843,411	7,436	0.2%	
Hiscox Ltd.	506,130	7,422	0.2%	
Phoenix Group Holdings	706,071	6,753	0.2%	
* Tullow Oil plc	2,476,613	6,719	0.2%	
UBM plc	696,091	6,402	0.2%	
* Metro Bank plc	132,699	6,050	0.1%	
* BTG plc	679,897	5,989	0.1%	
TP ICAP plc	995,856	5,918	0.1%	
Close Brothers Group plc	264,401	5,793	0.1%	
¹ United Kingdom—Other †		451,171	10.8%	
		526,026	12.6%	
Total Common Stocks (Cost \$3,899,657)		4,136,448	98.9% ²	
Coupon				
Temporary Cash Investments				
Money Market Fund				
^{3,4} Vanguard Market Liquidity Fund	1.034%	2,952,461	295,305	7.1%
⁵ U.S. Government and Agency Obligations †		4,598	0.1%	
Total Temporary Cash Investments (Cost \$299,853)		299,903	7.2% ²	
Total Investments (Cost \$4,199,510)		4,436,351	106.1%	
Other Assets and Liabilities				
Other Assets		23,648	0.6%	
Liabilities ³		(279,472)	(6.7%)	
		(255,824)	(6.1%)	
Net Assets		4,180,527	100.0%	

	Amount (\$000)
Statement of Assets and Liabilities	
Assets	
Investments in Securities, at Value	
Unaffiliated Issuers	4,141,046
Affiliated Vanguard Funds	295,305
Total Investments in Securities	4,436,351
Investment in Vanguard	272
Receivables for Investment Securities Sold	170
Receivables for Accrued Income	14,261
Receivables for Capital Shares Issued	480
Other Assets	8,465
Total Assets	4,459,999
Liabilities	
Payables for Investment Securities Purchased	245
Collateral for Securities on Loan	276,579
Payables for Capital Shares Redeemed	235
Payables to Vanguard	1,814
Other Liabilities	599
Total Liabilities	279,472
Net Assets	4,180,527

At April 30, 2017, net assets consisted of:

	Amount (\$000)
Paid-in Capital	4,097,027
Undistributed Net Investment Income	3,841
Accumulated Net Realized Losses	(157,792)
Unrealized Appreciation (Depreciation)	
Investment Securities	236,841
Futures Contracts	583
Forward Currency Contracts	122
Foreign Currencies	(95)
Net Assets	4,180,527

Investor Shares—Net Assets

Applicable to 16,769,534 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	672,098
Net Asset Value Per Share—Investor Shares	\$40.08

ETF Shares—Net Assets

Applicable to 31,759,676 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	3,337,211
Net Asset Value Per Share—ETF Shares	\$105.08

	Amount (\$000)
Institutional Shares—Net Assets	
Applicable to 852,722 outstanding \$.001 par value shares of beneficial interest (unlimited authorization)	171,218
Net Asset Value Per Share—Institutional Shares	\$200.79

• See Note A in Notes to Financial Statements.

* Non-income-producing security.

[^] Includes partial security positions on loan to broker-dealers. The total value of securities on loan is \$261,601,000.

[†] Represents the aggregate value, by category, of securities that are not among the 50 largest holdings and, in total for any issuer, represent 1% or less of net assets.

¹ Certain of the fund's securities are exempt from registration under Rule 144A of the Securities Act of 1933. Such securities may be sold in transactions exempt from registration, normally to qualified institutional buyers. At April 30, 2017, the aggregate value of these securities was \$120,869,000, representing 2.9% of net assets.

² The fund invests a portion of its cash reserves in equity markets through the use of index futures contracts. After giving effect to futures investments, the fund's effective common stock and temporary cash investment positions represent 99.9% and 6.2%, respectively, of net assets.

³ Includes \$276,579,000 of collateral received for securities on loan.

⁴ Affiliated money market fund available only to Vanguard funds and certain trusts and accounts managed by Vanguard. Rate shown is the 7-day yield.

⁵ Securities with a value of \$3,098,000 have been segregated as initial margin for open futures contracts.

REIT—Real Estate Investment Trust.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Operations

	Six Months Ended April 30, 2017 (\$000)
Investment Income	
Income	
Dividends ¹	38,130
Interest ²	114
Securities Lending—Net	5,457
Total Income	43,701
Expenses	
The Vanguard Group—Note B	
Investment Advisory Services	382
Management and Administrative—Investor Shares	578
Management and Administrative—ETF Shares	895
Management and Administrative—Institutional Shares	43
Marketing and Distribution—Investor Shares	58
Marketing and Distribution—ETF Shares	86
Marketing and Distribution—Institutional Shares	2
Custodian Fees	592
Shareholders' Reports—Investor Shares	14
Shareholders' Reports—ETF Shares	159
Shareholders' Reports—Institutional Shares	—
Trustees' Fees and Expenses	1
Total Expenses	2,810
Net Investment Income	40,891
Realized Net Gain (Loss)	
Investment Securities Sold ²	(427)
Futures Contracts	3,503
Foreign Currencies and Forward Currency Contracts	(1,040)
Realized Net Gain (Loss)	2,036
Change in Unrealized Appreciation (Depreciation)	
Investment Securities	348,825
Futures Contracts	381
Foreign Currencies and Forward Currency Contracts	598
Change in Unrealized Appreciation (Depreciation)	349,804
Net Increase (Decrease) in Net Assets Resulting from Operations	392,731

¹ Dividends are net of foreign withholding taxes of \$3,733,000.

² Interest income and realized net gain (loss) from an affiliated company of the fund were \$103,000 and \$6,000, respectively.

See accompanying Notes, which are an integral part of the Financial Statements.

Statement of Changes in Net Assets

	Six Months Ended April 30, 2017	Year Ended October 31, 2016
	(\$000)	(\$000)
Increase (Decrease) in Net Assets		
Operations		
Net Investment Income	40,891	85,788
Realized Net Gain (Loss)	2,036	3,810
Change in Unrealized Appreciation (Depreciation)	349,804	37,355
Net Increase (Decrease) in Net Assets Resulting from Operations	392,731	126,953
Distributions		
Net Investment Income		
Investor Shares	(8,281)	(12,013)
ETF Shares	(44,215)	(67,444)
Institutional Shares	(2,079)	(4,391)
Realized Capital Gain		
Investor Shares	—	—
ETF Shares	—	—
Institutional Shares	—	—
Total Distributions	(54,575)	(83,848)
Capital Share Transactions		
Investor Shares	97,666	66,018
ETF Shares	414,949	211,232
Institutional Shares	(16,913)	9,188
Net Increase (Decrease) from Capital Share Transactions	495,702	286,438
Total Increase (Decrease)	833,858	329,543
Net Assets		
Beginning of Period	3,346,669	3,017,126
End of Period ¹	4,180,527	3,346,669

¹ Net Assets—End of Period includes undistributed (overdistributed) net investment income of \$3,841,000 and \$16,204,000.

Financial Highlights

Investor Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$36.74	\$36.27	\$38.10	\$38.99	\$33.21	\$32.89
Investment Operations						
Net Investment Income	.405	.933	.887	.909	.946	.798
Net Realized and Unrealized Gain (Loss) on Investments ¹	3.492	.461	(1.769)	(.834)	5.947	.649
Total from Investment Operations	3.897	1.394	(.882)	.075	6.893	1.447
Distributions						
Dividends from Net Investment Income	(.557)	(.924)	(.948)	(.965)	(1.113)	(1.127)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(.557)	(.924)	(.948)	(.965)	(1.113)	(1.127)
Net Asset Value, End of Period	\$40.08	\$36.74	\$36.27	\$38.10	\$38.99	\$33.21
Total Return²	10.80%	3.95%	-2.33%	0.15%	21.25%	4.77%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$672	\$520	\$446	\$382	\$318	\$232
Ratio of Total Expenses to Average Net Assets	0.28%	0.27%	0.31%	0.37%	0.40%	0.45%
Ratio of Net Investment Income to Average Net Assets	2.01%	2.63%	2.41%	2.25%	2.58%	2.54%
Portfolio Turnover Rate ³	14%	14%	9%	13%	19%	18%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Includes increases from purchase and redemption fees of \$.00, \$.00, \$.00, \$.01, \$.01, and \$.03. Effective July 25, 2014, fees were eliminated.

² Total returns do not include transaction or account service fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction and account service fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

ETF Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$96.34	\$95.09	\$99.89	\$102.21	\$87.11	\$86.38
Investment Operations						
Net Investment Income	1.129	2.574	2.461	2.570	2.664	2.252
Net Realized and Unrealized Gain (Loss) on Investments ¹	9.144	1.216	(4.634)	(2.169)	15.595	1.707
Total from Investment Operations	10.273	3.790	(2.173)	.401	18.259	3.959
Distributions						
Dividends from Net Investment Income	(1.533)	(2.540)	(2.627)	(2.721)	(3.159)	(3.229)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(1.533)	(2.540)	(2.627)	(2.721)	(3.159)	(3.229)
Net Asset Value, End of Period	\$105.08	\$96.34	\$95.09	\$99.89	\$102.21	\$87.11
Total Return	10.87%	4.11%	-2.19%	0.34%	21.50%	4.99%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$3,337	\$2,652	\$2,407	\$1,947	\$1,723	\$1,040
Ratio of Total Expenses to Average Net Assets	0.13%	0.13%	0.17%	0.19%	0.20%	0.25%
Ratio of Net Investment Income to Average Net Assets	2.16%	2.77%	2.55%	2.43%	2.78%	2.74%
Portfolio Turnover Rate ²	14%	14%	9%	13%	19%	18%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Includes increases from purchase and redemption fees of \$.00, \$.00, \$.00, \$.04, \$.03, and \$.07. Effective July 25, 2014, fees were eliminated.

² Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Financial Highlights

Institutional Shares

For a Share Outstanding Throughout Each Period	Six Months Ended April 30, 2017	Year Ended October 31,				
	2017	2016	2015	2014	2013	2012
Net Asset Value, Beginning of Period	\$184.07	\$181.69	\$190.87	\$195.32	\$166.39	\$165.23
Investment Operations						
Net Investment Income	2.162	4.937	4.756	4.933	5.100	4.244
Net Realized and Unrealized Gain (Loss) on Investments ¹	17.481	2.326	(8.864)	(4.161)	29.812	3.315
Total from Investment Operations	19.643	7.263	(4.108)	.772	34.912	7.559
Distributions						
Dividends from Net Investment Income	(2.923)	(4.883)	(5.072)	(5.222)	(5.982)	(6.399)
Distributions from Realized Capital Gains	—	—	—	—	—	—
Total Distributions	(2.923)	(4.883)	(5.072)	(5.222)	(5.982)	(6.399)
Net Asset Value, End of Period	\$200.79	\$184.07	\$181.69	\$190.87	\$195.32	\$166.39
Total Return²	10.87%	4.11%	-2.17%	0.34%	21.51%	5.00%

Ratios/Supplemental Data

Net Assets, End of Period (Millions)	\$171	\$175	\$164	\$57	\$18	\$15
Ratio of Total Expenses to Average Net Assets	0.12%	0.12%	0.15%	0.18%	0.19%	0.24%
Ratio of Net Investment Income to Average Net Assets	2.17%	2.78%	2.57%	2.44%	2.79%	2.75%
Portfolio Turnover Rate ³	14%	14%	9%	13%	19%	18%

The expense ratio, net investment income ratio, and turnover rate for the current period have been annualized.

¹ Includes increases from purchase and redemption fees of \$.00, \$.00, \$.00, \$.06, \$.07, and \$.20. Effective July 25, 2014, fees were eliminated.

² Total returns do not include transaction fees that may have applied in the periods shown. Fund prospectuses provide information about any applicable transaction fees.

³ Excludes the value of portfolio securities received or delivered as a result of in-kind purchases or redemptions of the fund's capital shares, including ETF Creation Units.

Notes to Financial Statements

Vanguard FTSE All-World ex-US Small-Cap Index Fund is registered under the Investment Company Act of 1940 as an open-end investment company, or mutual fund. The fund invests in securities of foreign issuers, which may subject it to investment risks not normally associated with investing in securities of U.S. corporations. The fund offers three classes of shares: Investor Shares, ETF Shares, and Institutional Shares. Investor Shares are available to any investor who meets the fund's minimum purchase requirements. ETF Shares are listed for trading on NYSE Arca; they can be purchased and sold through a broker. Institutional Shares are designed for investors who meet certain administrative, service, and account-size criteria.

A. The following significant accounting policies conform to generally accepted accounting principles for U.S. investment companies. The fund consistently follows such policies in preparing its financial statements.

1. Security Valuation: Securities are valued as of the close of trading on the New York Stock Exchange (generally 4 p.m., Eastern time) on the valuation date. Equity securities are valued at the latest quoted sales prices or official closing prices taken from the primary market in which each security trades; such securities not traded on the valuation date are valued at the mean of the latest quoted bid and asked prices. Securities for which market quotations are not readily available, or whose values have been affected by events occurring before the fund's pricing time but after the close of the securities' primary markets, are valued at their fair values calculated according to procedures adopted by the board of trustees. These procedures include obtaining quotations from an independent pricing service, monitoring news to identify significant market- or security-specific events, and evaluating changes in the values of foreign market proxies (for example, ADRs, futures contracts, or exchange-traded funds), between the time the foreign markets close and the fund's pricing time. When fair-value pricing is employed, the prices of securities used by a fund to calculate its net asset value may differ from quoted or published prices for the same securities. Investments in Vanguard Market Liquidity Fund are valued at that fund's net asset value. Temporary cash investments are valued using the latest bid prices or using valuations based on a matrix system (which considers such factors as security prices, yields, maturities, and ratings), both as furnished by independent pricing services.

2. Foreign Currency: Securities and other assets and liabilities denominated in foreign currencies are translated into U.S. dollars using exchange rates obtained from an independent third party as of the fund's pricing time on the valuation date. Realized gains (losses) and unrealized appreciation (depreciation) on investment securities include the effects of changes in exchange rates since the securities were purchased, combined with the effects of changes in security prices. Fluctuations in the value of other assets and liabilities resulting from changes in exchange rates are recorded as unrealized foreign currency gains (losses) until the assets or liabilities are settled in cash, at which time they are recorded as realized foreign currency gains (losses).

3. Futures and Forward Currency Contracts: The fund uses index futures contracts to a limited extent, with the objectives of maintaining full exposure to the stock market, enhancing returns, maintaining liquidity, and minimizing transaction costs. The fund may purchase futures contracts to immediately invest incoming cash in the market, or sell futures in response to cash outflows, thereby simulating a fully invested position in the underlying index while maintaining a cash balance for liquidity. The fund may seek to enhance returns by using futures contracts instead of the underlying securities when futures are believed to be priced more attractively than the underlying securities. The primary risks associated with the use of futures contracts are imperfect correlation between changes in market values of stocks held by the fund and the prices of futures contracts, and the possibility of an illiquid market. Counterparty risk involving futures is mitigated because a regulated clearinghouse is the counterparty instead of the clearing broker. To further mitigate counterparty risk, the fund trades

futures contracts on an exchange, monitors the financial strength of its clearing brokers and clearinghouse, and has entered into clearing agreements with its clearing brokers. The clearinghouse imposes initial margin requirements to secure the fund's performance and requires daily settlement of variation margin representing changes in the market value of each contract.

The fund also enters into forward currency contracts to provide the appropriate currency exposure related to any open futures contracts. The fund's risks in using these contracts include movement in the values of the foreign currencies relative to the U.S. dollar and the ability of the counterparties to fulfill their obligations under the contracts. The fund mitigates its counterparty risk by entering into forward currency contracts only with a diverse group of prequalified counterparties, monitoring their financial strength, entering into master netting arrangements with its counterparties, and requiring its counterparties to transfer collateral as security for their performance. In the absence of a default, the collateral pledged or received by the fund cannot be repledged, resold, or rehypothecated. The master netting arrangements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate the forward currency contracts, determine the net amount owed by either party in accordance with its master netting arrangements, and sell or retain any collateral held up to the net amount owed to the fund under the master netting arrangements. The forward currency contracts contain provisions whereby a counterparty may terminate open contracts if the fund's net assets decline below a certain level, triggering a payment by the fund if the fund is in a net liability position at the time of the termination. The payment amount would be reduced by any collateral the fund has pledged. Any assets pledged as collateral for open contracts are noted in the Statement of Net Assets. The value of collateral received or pledged is compared daily to the value of the forward currency contracts exposure with each counterparty, and any difference, if in excess of a specified minimum transfer amount, is adjusted and settled within two business days.

Futures contracts are valued at their quoted daily settlement prices. Forward currency contracts are valued at their quoted daily prices obtained from an independent third party, adjusted for currency risk based on the expiration date of each contract. The aggregate settlement values and notional amounts of the contracts are not recorded in the Statement of Assets and Liabilities. Fluctuations in the value of the contracts are recorded in the Statement of Assets and Liabilities as an asset (liability) and in the Statement of Operations as unrealized appreciation (depreciation) until the contracts are closed, when they are recorded as realized gains (losses) on futures or forward currency contracts.

During the six months ended April 30, 2017, the fund's average investments in long and short futures contracts represented less than 1% and 0% of net assets, respectively, based on the average of aggregate settlement values at each quarter-end during the period. The fund's average investment in forward currency contracts represented 1% of net assets, based on the average of notional amounts at each quarter-end during the period.

4. Federal Income Taxes: The fund intends to continue to qualify as a regulated investment company and distribute all of its taxable income. Management has analyzed the fund's tax positions taken for all open federal income tax years (October 31, 2013–2016), and for the period ended April 30, 2017, and has concluded that no provision for federal income tax is required in the fund's financial statements.

5. Distributions: Distributions to shareholders are recorded on the ex-dividend date.

6. Securities Lending: To earn additional income, the fund lends its securities to qualified institutional borrowers. Security loans are subject to termination by the fund at any time, and are required to be secured at all times by collateral in an amount at least equal to the market value of securities loaned. Daily market fluctuations could cause the value of loaned securities to be more or less than the value

of the collateral received. When this occurs, the collateral is adjusted and settled on the next business day. The fund further mitigates its counterparty risk by entering into securities lending transactions only with a diverse group of prequalified counterparties, monitoring their financial strength, and entering into master securities lending agreements with its counterparties. The master securities lending agreements provide that, in the event of a counterparty's default (including bankruptcy), the fund may terminate any loans with that borrower, determine the net amount owed, and sell or retain the collateral up to the net amount owed to the fund; however, such actions may be subject to legal proceedings. While collateral mitigates counterparty risk, in the event of a default, the fund may experience delays and costs in recovering the securities loaned. The fund invests cash collateral received in Vanguard Market Liquidity Fund, and records a liability in the Statement of Assets and Liabilities for the return of the collateral, during the period the securities are on loan. Securities lending income represents fees charged to borrowers plus income earned on invested cash collateral, less expenses associated with the loan. During the term of the loan, the fund is entitled to all distributions made on or in respect of the loaned securities.

7. Credit Facility: The fund and certain other funds managed by The Vanguard Group ("Vanguard") participate in a \$3.1 billion committed credit facility provided by a syndicate of lenders pursuant to a credit agreement that may be renewed annually; each fund is individually liable for its borrowings, if any, under the credit facility. Borrowings may be utilized for temporary and emergency purposes, and are subject to the fund's regulatory and contractual borrowing restrictions. The participating funds are charged administrative fees and an annual commitment fee of 0.10% of the undrawn amount of the facility; these fees are allocated to the funds based on a method approved by the fund's board of trustees and included in Management and Administrative expenses on the fund's Statement of Operations. Any borrowings under this facility bear interest at a rate based upon the higher of the one-month London Interbank Offered Rate, federal funds effective rate, or overnight bank funding rate plus an agreed-upon spread.

The fund had no borrowings outstanding at April 30, 2017, or at any time during the period then ended.

8. Other: Dividend income is recorded on the ex-dividend date. Interest income includes income distributions received from Vanguard Market Liquidity Fund and is accrued daily. Premiums and discounts on debt securities purchased are amortized and accreted, respectively, to interest income over the lives of the respective securities. Security transactions are accounted for on the date securities are bought or sold. Costs used to determine realized gains (losses) on the sale of investment securities are those of the specific securities sold.

Withholding taxes on foreign dividends and capital gains have been provided for in accordance with the fund's understanding of the applicable countries' tax rules and rates. The fund has filed tax reclaims for previously withheld taxes on dividends earned in certain European Union countries. These filings are subject to various administrative and judicial proceedings within these countries. Such tax reclaims received during the year, if any, are included in dividend income. No other amounts for additional tax reclaims are reflected in the financial statements due to the uncertainty as to the ultimate resolution of proceedings, the likelihood of receipt of these reclaims, and the potential timing of payment.

Each class of shares has equal rights as to assets and earnings, except that each class separately bears certain class-specific expenses related to maintenance of shareholder accounts (included in Management and Administrative expenses) and shareholder reporting. Marketing and distribution

expenses are allocated to each class of shares based on a method approved by the board of trustees. Income, other non-class-specific expenses, and gains and losses on investments are allocated to each class of shares based on its relative net assets.

B. In accordance with the terms of a Funds' Service Agreement (the "FSA") between Vanguard and the fund, Vanguard furnishes to the fund investment advisory, corporate management, administrative, marketing, and distribution services at Vanguard's cost of operations (as defined by the FSA). These costs of operations are allocated to the fund based on methods and guidelines approved by the board of trustees. Vanguard does not require reimbursement in the current period for certain costs of operations (such as deferred compensation/benefits and risk/insurance costs); the fund's liability for these costs of operations is included in Payables to Vanguard on the Statement of Assets and Liabilities.

Upon the request of Vanguard, the fund may invest up to 0.40% of its net assets as capital in Vanguard. At April 30, 2017, the fund had contributed to Vanguard capital in the amount of \$272,000, representing 0.01% of the fund's net assets and 0.11% of Vanguard's capitalization. The fund's trustees and officers are also directors and employees, respectively, of Vanguard.

C. Various inputs may be used to determine the value of the fund's investments. These inputs are summarized in three broad levels for financial statement purposes. The inputs or methodologies used to value securities are not necessarily an indication of the risk associated with investing in those securities.

Level 1—Quoted prices in active markets for identical securities.

Level 2—Other significant observable inputs (including quoted prices for similar securities, interest rates, prepayment speeds, credit risk, etc.).

Level 3—Significant unobservable inputs (including the fund's own assumptions used to determine the fair value of investments).

The following table summarizes the market value of the fund's investments as of April 30, 2017, based on the inputs used to value them:

Investments	Level 1 (\$000)	Level 2 (\$000)	Level 3 (\$000)
Common Stocks—North and South America	619,669	130	1
Common Stocks—Other	—	3,505,519	11,129
Temporary Cash Investments	295,305	4,598	—
Futures Contracts—Assets ¹	66	—	—
Futures Contracts—Liabilities ¹	(155)	—	—
Forward Currency Contracts—Assets	—	495	—
Forward Currency Contracts—Liabilities	—	(373)	—
Total	914,885	3,510,369	11,130

¹ Represents variation margin on the last day of the reporting period.

Securities in certain countries may transfer between Level 1 and Level 2 because of differences in stock market closure times that may result from transitions between standard and daylight saving time in those countries and the United States. Based on values on the date of transfer, securities valued at \$38,552,000 based on Level 2 inputs were transferred from Level 1 during the fiscal period. Additionally, based on values on the date of transfer, securities valued at \$48,632,000 based on Level 1 inputs were transferred from Level 2 during the fiscal period.

D. At April 30, 2017, the fair values of derivatives were reflected in the Statement of Assets and Liabilities as follows:

Statement of Assets and Liabilities Caption	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Other Assets	66	495	561
Other Liabilities	(155)	(373)	(528)

Realized net gain (loss) and the change in unrealized appreciation (depreciation) on derivatives for the six months ended April 30, 2017, were:

	Equity Contracts (\$000)	Foreign Exchange Contracts (\$000)	Total (\$000)
Realized Net Gain (Loss) on Derivatives			
Futures Contracts	3,503	—	3,503
Forward Currency Contracts	—	(736)	(736)
Realized Net Gain (Loss) on Derivatives	3,503	(736)	2,767

Change in Unrealized Appreciation (Depreciation) on Derivatives

Futures Contracts	381	—	381
Forward Currency Contracts	—	378	378
Change in Unrealized Appreciation (Depreciation) on Derivatives	381	378	759

At April 30, 2017, the aggregate settlement value of open futures contracts and the related unrealized appreciation (depreciation) were:

		(\$000)		
Futures Contracts	Expiration	Number of Long (Short) Contracts	Aggregate Settlement Value Long (Short)	Unrealized Appreciation (Depreciation)
Dow Jones EURO STOXX 50	June 2017	354	13,523	353
MSCI Emerging Markets Index	June 2017	254	12,433	104
E-mini Russell 2000 Index	June 2017	116	8,111	86
Topix Index	June 2017	55	7,549	40
				583

Unrealized appreciation (depreciation) on open Dow Jones EURO STOXX 50, MSCI Emerging Markets Index, and E-mini Russell 2000 Index futures contracts is required to be treated as realized gain (loss) for tax purposes.

At April 30, 2017, the fund had open forward currency contracts to receive and deliver currencies as follows. Unrealized appreciation (depreciation) on open forward currency contracts is treated as realized gain (loss) for tax purposes.

Counterparty	Contract Settlement Date	Contract Amount (000)				Unrealized Appreciation (Depreciation) (\$000)
			Receive		Deliver	
Morgan Stanley Capital Services LLC	6/21/17	EUR	11,456	USD	12,266	247
JPMorgan Chase Bank, N.A.	6/21/17	EUR	4,723	USD	5,079	80
Credit Suisse International	6/13/17	JPY	520,992	USD	4,592	89
BNP Paribas	6/21/17	EUR	3,521	USD	3,850	(4)
BNP Paribas	6/13/17	JPY	314,770	USD	2,873	(44)
Barclays Bank plc	6/13/17	JPY	261,460	USD	2,356	(6)
Bank of America, N.A.	6/21/17	EUR	327	USD	351	6
BNP Paribas	6/13/17	JPY	18,771	USD	165	3
Barclays Bank plc	6/21/17	USD	14,235	EUR	13,295	(287)
Goldman Sachs International	6/13/17	USD	5,192	JPY	574,798	27
JPMorgan Chase Bank, N.A.	6/13/17	USD	2,445	JPY	267,460	41
Goldman Sachs International	6/21/17	USD	1,660	EUR	1,549	(32)
Morgan Stanley Capital Services LLC	6/13/17	USD	236	JPY	26,062	2
						122

EUR—Euro.

JPY—Japanese yen.

USD—U.S. dollar.

E. Distributions are determined on a tax basis and may differ from net investment income and realized capital gains for financial reporting purposes. Differences may be permanent or temporary. Permanent differences are reclassified among capital accounts in the financial statements to reflect their tax character. Temporary differences arise when certain items of income, expense, gain, or loss are recognized in different periods for financial statement and tax purposes; such differences are primarily attributed to the tax treatment of unrealized appreciation on passive foreign investment companies. These differences will reverse at some time in the future. Differences in classification may also result from the treatment of short-term gains as ordinary income for tax purposes.

During the six months ended April 30, 2017, the fund realized net foreign currency losses of \$304,000, which decreased distributable net income for tax purposes; accordingly, such losses have been reclassified from accumulated net realized losses to undistributed net investment income. Certain of the fund's investments are in securities considered to be passive foreign investment companies, for which any unrealized appreciation and/or realized gains are required to be included in distributable net investment income for tax purposes. During the six months ended April 30, 2017, the fund realized gains on the sale of passive foreign investment companies of \$1,661,000, which have been included in current and prior periods' taxable income; accordingly, such gains have been reclassified from accumulated net realized losses to undistributed net investment income. Passive foreign investment companies had unrealized appreciation of \$23,676,000 at April 30, 2017.

The fund's tax-basis capital gains and losses are determined only at the end of each fiscal year. For tax purposes, at October 31, 2016, the fund had available capital losses totaling \$158,672,000 to offset future net capital gains. Of this amount, \$8,716,000 is subject to expiration on October 31, 2019. Capital losses of \$149,956,000 realized beginning in fiscal 2012 may be carried forward indefinitely under the Regulated Investment Company Modernization Act of 2010, but must be used before any expiring loss carryforwards. The fund will use these capital losses to offset net taxable capital gains, if any, realized during the year ending October 31, 2017; should the fund realize net capital losses for the year, the losses will be added to the loss carryforward balance above.

At April 30, 2017, the cost of investment securities for tax purposes was \$4,223,186,000. Net unrealized appreciation of investment securities for tax purposes was \$213,165,000, consisting of unrealized gains of \$654,301,000 on securities that had risen in value since their purchase and \$441,136,000 in unrealized losses on securities that had fallen in value since their purchase.

F. During the six months ended April 30, 2017, the fund purchased \$719,843,000 of investment securities and sold \$248,238,000 of investment securities, other than temporary cash investments. Purchases and sales include \$296,010,000 and \$0, respectively, in connection with in-kind purchases and redemptions of the fund's capital shares.

G. Capital share transactions for each class of shares were:

	Six Months Ended April 30, 2017		Year Ended October 31, 2016	
	Amount (\$000)	Shares (000)	Amount (\$000)	Shares (000)
Investor Shares				
Issued	144,734	3,885	147,789	4,161
Issued in Lieu of Cash Distributions	7,112	200	10,280	289
Redeemed	(54,180)	(1,454)	(92,051)	(2,604)
Net Increase (Decrease)—Investor Shares	97,666	2,631	66,018	1,846
ETF Shares				
Issued	414,949	4,230	507,205	5,416
Issued in Lieu of Cash Distributions	—	—	—	—
Redeemed	—	—	(295,973)	(3,200)
Net Increase (Decrease)—ETF Shares	414,949	4,230	211,232	2,216
Institutional Shares				
Issued	29,347	154	28,799	155
Issued in Lieu of Cash Distributions	2,079	12	3,148	18
Redeemed	(48,339)	(264)	(22,759)	(126)
Net Increase (Decrease)—Institutional Shares	(16,913)	(98)	9,188	47

H. Management has determined that no material events or transactions occurred subsequent to April 30, 2017, that would require recognition or disclosure in these financial statements.

About Your Fund's Expenses

As a shareholder of the fund, you incur ongoing costs, which include costs for portfolio management, administrative services, and shareholder reports (like this one), among others. Operating expenses, which are deducted from a fund's gross income, directly reduce the investment return of the fund.

A fund's expenses are expressed as a percentage of its average net assets. This figure is known as the expense ratio. The following examples are intended to help you understand the ongoing costs (in dollars) of investing in your fund and to compare these costs with those of other mutual funds. The examples are based on an investment of \$1,000 made at the beginning of the period shown and held for the entire period.

The accompanying table illustrates your fund's costs in two ways:

- **Based on actual fund return.** This section helps you to estimate the actual expenses that you paid over the period. The "Ending Account Value" shown is derived from the fund's actual return, and the third column shows the dollar amount that would have been paid by an investor who started with \$1,000 in the fund. You may use the information here, together with the amount you invested, to estimate the expenses that you paid over the period.

To do so, simply divide your account value by \$1,000 (for example, an \$8,600 account value divided by \$1,000 = 8.6), then multiply the result by the number given for your fund under the heading "Expenses Paid During Period."

- **Based on hypothetical 5% yearly return.** This section is intended to help you compare your fund's costs with those of other mutual funds. It assumes that the fund had a yearly return of 5% before expenses, but that the expense ratio is unchanged. In this case—because the return used is not the fund's actual return—the results do not apply to your investment. The example is useful in making comparisons because the Securities and Exchange Commission requires all mutual funds to calculate expenses based on a 5% return. You can assess your fund's costs by comparing this hypothetical example with the hypothetical examples that appear in shareholder reports of other funds.

Note that the expenses shown in the table are meant to highlight and help you compare *ongoing* costs only and do not reflect transaction costs incurred by the fund for buying and selling securities. Further, the expenses do not include any purchase, redemption, or account service fees described in the fund prospectus. If such fees were applied to your account, your costs would be higher. Your fund does not carry a "sales load."

The calculations assume no shares were bought or sold during the period. Your actual costs may have been higher or lower, depending on the amount of your investment and the timing of any purchases or redemptions.

You can find more information about the fund's expenses, including annual expense ratios, in the Financial Statements section of this report. For additional information on operating expenses and other shareholder costs, please refer to your fund's current prospectus.

Six Months Ended April 30, 2017

	Beginning Account Value 10/31/2016	Ending Account Value 4/30/2017	Expenses Paid During Period
Based on Actual Fund Return			
FTSE All-World ex-US Index Fund			
Investor Shares	\$1,000.00	\$1,105.87	\$1.20
ETF Shares	1,000.00	1,106.36	0.57
Admiral Shares	1,000.00	1,106.30	0.57
Institutional Shares	1,000.00	1,106.34	0.52
Institutional Plus Shares	1,000.00	1,106.52	0.37
FTSE All-World ex-US Small-Cap Index Fund			
Investor Shares	\$1,000.00	\$1,108.02	\$1.46
ETF Shares	1,000.00	1,108.65	0.68
Institutional Shares	1,000.00	1,108.73	0.63
Based on Hypothetical 5% Yearly Return			
FTSE All-World ex-US Index Fund			
Investor Shares	\$1,000.00	\$1,023.65	\$1.15
ETF Shares	1,000.00	1,024.25	0.55
Admiral Shares	1,000.00	1,024.25	0.55
Institutional Shares	1,000.00	1,024.30	0.50
Institutional Plus Shares	1,000.00	1,024.45	0.35
FTSE All-World ex-US Small-Cap Index Fund			
Investor Shares	\$1,000.00	\$1,023.41	\$1.40
ETF Shares	1,000.00	1,024.15	0.65
Institutional Shares	1,000.00	1,024.20	0.60

The calculations are based on expenses incurred in the most recent six-month period. The funds' annualized six-month expense ratios for that period are: for the FTSE All-World ex-US Index Fund, 0.23% for Investor Shares, 0.11% for ETF Shares, 0.11% for Admiral Shares, 0.10% for Institutional Shares, and 0.07% for Institutional Plus Shares; and for the FTSE All-World ex-US Small-Cap Index Fund, 0.28% for Investor Shares, 0.13% for ETF Shares, and 0.12% for Institutional Shares. The dollar amounts shown as "Expenses Paid" are equal to the annualized expense ratio multiplied by the average account value over the period, multiplied by the number of days in the most recent six-month period, then divided by the number of days in the most recent 12-month period (181/365).

Trustees Approve Advisory Arrangements

The board of trustees of Vanguard FTSE All-World ex-US Index Fund and Vanguard FTSE All-World ex-US Small-Cap Index Fund has renewed each fund's investment advisory arrangement with The Vanguard Group, Inc. (Vanguard)—through its Equity Index Group. The board determined that continuing each fund's internalized management structure was in the best interests of the funds and their shareholders.

The board based its decision upon an evaluation of the advisor's investment staff, portfolio management process, and performance. This evaluation included information provided to the board by Vanguard's Portfolio Review Department, which is responsible for fund and advisor oversight and product management. The Portfolio Review Department met regularly with the advisor and made monthly presentations to the board during the fiscal year that directed the board's focus to relevant information and topics.

The board, or an investment committee made up of board members, also received information throughout the year during advisor presentations. For each advisor presentation, the board was provided with letters and reports that included information about, among other things, the advisory firm and the advisor's assessment of the investment environment, portfolio performance, and portfolio characteristics.

In addition, the board received monthly reports, which included a Market and Economic Report, a Fund Dashboard Monthly Summary, and a Fund Performance Report.

Prior to their meeting, the trustees were provided with a memo and materials that summarized the information they received over the courses of the year. They also considered the factors discussed below, among others. However, no single factor determined whether the board approved the arrangements. Rather, it was the totality of the circumstances that drove the board's decision.

Nature, extent, and quality of services

The board reviewed the quality of the investment management services provided to the FTSE All-World ex-US Index Fund since its inception in 2007 and to the FTSE All-World ex-US Small-Cap Index Fund since its inception in 2009, and took into account the organizational depth and stability of the advisor. The board considered that Vanguard has been managing investments for more than three decades. The Equity Index Group adheres to a sound, disciplined investment management process; the team has considerable experience, stability, and depth.

The board concluded that Vanguard's experience, stability, depth, and performance, among other factors, warranted continuation of the advisory arrangements.

Investment performance

The board considered each fund's performance since its inception, including any periods of outperformance or underperformance compared with its target index and peer group. The board concluded that the performance was such that the advisory arrangements should continue. Information about each fund's most recent performance can be found in the Performance Summary sections of this report.

Cost

The board concluded that each fund's expense ratio was well below the average expense ratio charged by funds in its peer group and that each fund's advisory expenses were also well below its peer-group average. Information about the funds' expenses appears in the About Your Fund's Expenses section of this report as well as in the Financial Statements sections.

The board does not conduct a profitability analysis of Vanguard because of Vanguard's unique "at-cost" structure. Unlike most other mutual fund management companies, Vanguard is owned by the funds it oversees and produces "profits" only in the form of reduced expenses for fund shareholders.

The benefit of economies of scale

The board concluded that the funds' at-cost arrangements with Vanguard ensure that the funds will realize economies of scale as they grow, with the cost to shareholders declining as fund assets increase.

The board will consider whether to renew the advisory arrangements again after a one-year period.

Glossary

Beta. A measure of the magnitude of a fund's past share-price fluctuations in relation to the ups and downs of a given market index. The index is assigned a beta of 1.00. Compared with a given index, a fund with a beta of 1.20 typically would have seen its share price rise or fall by 12% when the index rose or fell by 10%. For this report, beta is based on returns over the past 36 months for both the fund and the index. Note that a fund's beta should be reviewed in conjunction with its R-squared (see definition). The lower the R-squared, the less correlation there is between the fund and the index, and the less reliable beta is as an indicator of volatility.

Dividend Yield. Dividend income earned by stocks, expressed as a percentage of the aggregate market value (or of net asset value, for a fund). The yield is determined by dividing the amount of the annual dividends by the aggregate value (or net asset value) at the end of the period. For a fund, the dividend yield is based solely on stock holdings and does not include any income produced by other investments.

Earnings Growth Rate. The average annual rate of growth in earnings over the past five years for the stocks now in a fund.

Equity Exposure. A measure that reflects a fund's investments in stocks and stock futures. Any holdings in short-term reserves are excluded.

Expense Ratio. A fund's total annual operating expenses expressed as a percentage of the fund's average net assets. The expense ratio includes management and administrative expenses, but does not include the transaction costs of buying and selling portfolio securities.

Fair-Value Pricing. Fair-value adjustments, which are required by the Securities and Exchange Commission, address pricing discrepancies that may arise because of time-zone differences among global stock markets. Foreign stocks may trade on exchanges that close many hours before a fund's closing share price is calculated in the United States, generally at 4 p.m., Eastern time. In the hours between the foreign close and the U.S. close, the value of these foreign securities may change—because of company-specific announcements or market-wide developments, for example. Such price changes are not immediately reflected in international index values. Fair-value pricing takes such changes into account in calculating the fund's daily net asset value, thus ensuring that the NAV doesn't include "stale" prices. The result can be a temporary divergence between the return of the fund and that of its benchmark index—a difference that usually corrects itself when the foreign markets reopen.

Inception Date. The date on which the assets of a fund (or one of its share classes) are first invested in accordance with the fund's investment objective. For funds with a subscription period, the inception date is the day after that period ends. Investment performance is measured from the inception date.

Median Market Cap. An indicator of the size of companies in which a fund invests; the midpoint of market capitalization (market price x shares outstanding) of a fund's stocks, weighted by the proportion of the fund's assets invested in each stock. Stocks representing half of the fund's assets have market capitalizations above the median, and the rest are below it.

Price/Book Ratio. The share price of a stock divided by its net worth, or book value, per share. For a fund, the weighted average price/book ratio of the stocks it holds.

Price/Earnings Ratio. The ratio of a stock's current price to its per-share earnings over the past year. For a fund, the weighted average P/E of the stocks it holds. P/E is an indicator of market expectations about corporate prospects; the higher the P/E, the greater the expectations for a company's future growth.

R-Squared. A measure of how much of a fund's past returns can be explained by the returns from the market in general, as measured by a given index. If a fund's total returns were precisely synchronized with an index's returns, its R-squared would be 1.00. If the fund's returns bore no relationship to the index's returns, its R-squared would be 0. For this report, R-squared is based on returns over the past 36 months for both the fund and the index.

Return on Equity. The annual average rate of return generated by a company during the past five years for each dollar of shareholder's equity (net income divided by shareholder's equity). For a fund, the weighted average return on equity for the companies whose stocks it holds.

Short-Term Reserves. The percentage of a fund invested in highly liquid, short-term securities that can be readily converted to cash.

Turnover Rate. An indication of the fund's trading activity. Funds with high turnover rates incur higher transaction costs and may be more likely to distribute capital gains (which may be taxable to investors). The turnover rate excludes in-kind transactions, which have minimal impact on costs.

The People Who Govern Your Fund

The trustees of your mutual fund are there to see that the fund is operated and managed in your best interests since, as a shareholder, you are a part owner of the fund. Your fund's trustees also serve on the board of directors of The Vanguard Group, Inc., which is owned by the Vanguard funds and provides services to them on an at-cost basis.

A majority of Vanguard's board members are independent, meaning that they have no affiliation with Vanguard or the funds they oversee, apart from the sizable personal investments they have made as private individuals. The independent board members have distinguished backgrounds in business, academia, and public service. Each of the trustees and executive officers oversees 197 Vanguard funds.

The following table provides information for each trustee and executive officer of the fund. The mailing address of the trustees and officers is P.O. Box 876, Valley Forge, PA 19482. More information about the trustees is in the *Statement of Additional Information*, which can be obtained, without charge, by contacting Vanguard at 800-662-7447, or online at vanguard.com.

Interested Trustee¹

F. William McNabb III

Born 1957. Trustee Since July 2009. Chairman of the Board. Principal Occupation(s) During the Past Five Years and Other Experience: Chairman of the Board of The Vanguard Group, Inc., and of each of the investment companies served by The Vanguard Group, since January 2010; Director of The Vanguard Group since 2008; Chief Executive Officer and President of The Vanguard Group, and of each of the investment companies served by The Vanguard Group, since 2008; Director of Vanguard Marketing Corporation; Managing Director of The Vanguard Group (1995–2008).

Independent Trustees

Emerson U. Fullwood

Born 1948. Trustee Since January 2008. Principal Occupation(s) During the Past Five Years and Other Experience: Executive Chief Staff and Marketing Officer for North America and Corporate Vice President (retired 2008) of Xerox Corporation (document management products and services); Executive in Residence and 2009–2010 Distinguished Minett Professor at the Rochester Institute of Technology; Lead Director of SPX FLOW, Inc. (multi-industry manufacturing); Director of the United Way of Rochester, the University of Rochester Medical Center, Monroe Community College Foundation, North Carolina A&T University, and Roberts Wesleyan College.

Rajiv L. Gupta

Born 1945. Trustee Since December 2001.² Principal Occupation(s) During the Past Five Years and Other Experience: Chairman and Chief Executive Officer (retired 2009) and President (2006–2008) of Rohm and Haas Co. (chemicals); Director of Arconic Inc. (diversified manufacturer), HP Inc. (printer and personal computer manufacturing), and Delphi Automotive plc (automotive components); Senior Advisor at New Mountain Capital.

Amy Gutmann

Born 1949. Trustee Since June 2006. Principal Occupation(s) During the Past Five Years and Other Experience: President of the University of Pennsylvania; Christopher H. Browne Distinguished Professor of Political Science, School of Arts and Sciences, and Professor of Communication, Annenberg School for Communication, with secondary faculty appointments in the Department of Philosophy, School of Arts and Sciences, and at the Graduate School of Education, University of Pennsylvania; Trustee of the National Constitution Center; Chair of the Presidential Commission for the Study of Bioethical Issues.

JoAnn Heffernan Heisen

Born 1950. Trustee Since July 1998. Principal Occupation(s) During the Past Five Years and Other Experience: Corporate Vice President and Member of the Executive Committee (1997–2008), Chief Global Diversity Officer (retired 2008), Vice President and Chief Information Officer (1997–2005), Controller (1995–1997), Treasurer (1991–1995), and Assistant Treasurer (1989–1991) of Johnson & Johnson (pharmaceuticals/medical devices/consumer products); Director of Skytop Lodge Corporation (hotels) and the Robert Wood Johnson Foundation; Member of the Advisory Board of the Institute for Women's Leadership at Rutgers University.

F. Joseph Loughrey

Born 1949. Trustee Since October 2009. Principal Occupation(s) During the Past Five Years and Other Experience: President and Chief Operating Officer (retired 2009) of Cummins Inc. (industrial machinery); Chairman of the Board of Hillenbrand, Inc. (specialized consumer services), Oxfam America, and the Lumina Foundation for Education; Director of SKF AB (industrial machinery), Hyster-Yale Materials Handling, Inc. (forklift trucks), and the V Foundation for Cancer Research; Member of the Advisory Council for the College of Arts and Letters and Chair of the Advisory

Board to the Kellogg Institute for International Studies, both at the University of Notre Dame.

Mark Loughridge

Born 1953. Trustee Since March 2012. Principal Occupation(s) During the Past Five Years and Other Experience: Senior Vice President and Chief Financial Officer (retired 2013) at IBM (information technology services); Fiduciary Member of IBM's Retirement Plan Committee (2004–2013); Director of the Dow Chemical Company; Member of the Council on Chicago Booth.

Scott C. Malpass

Born 1962. Trustee Since March 2012. Principal Occupation(s) During the Past Five Years and Other Experience: Chief Investment Officer and Vice President at the University of Notre Dame; Assistant Professor of Finance at the Mendoza College of Business at Notre Dame; Member of the Notre Dame 403(b) Investment Committee, the Board of Advisors for Spruceview Capital Partners, and the Investment Advisory Committee of Major League Baseball; Board Member of TIFF Advisory Services, Inc., and Catholic Investment Services, Inc. (investment advisors); Member of the Board of Superintendence of the Institute for the Works of Religion.

André F. Perold

Born 1952. Trustee Since December 2004. Principal Occupation(s) During the Past Five Years and Other Experience: George Gund Professor of Finance and Banking, Emeritus at the Harvard Business School (retired 2011); Chief Investment Officer and Co-Managing Partner of HighVista Strategies LLC (private investment firm); Overseer of the Museum of Fine Arts Boston.

Peter F. Volanakis

Born 1955. Trustee Since July 2009. Principal Occupation(s) During the Past Five Years and Other Experience: President and Chief Operating Officer (retired 2010) of Corning Incorporated (communications equipment); Chairman of the Board of Trustees of Colby-Sawyer College; Member of the Board of Hypertherm, Inc. (industrial cutting systems, software, and consumables).

Executive Officers

Glenn Booraem

Born 1967. Investment Stewardship Officer Since February 2017. Principal Occupation(s) During the Past Five Years and Other Experience: Principal of The Vanguard Group, Inc.; Treasurer (2015–2017), Controller (2010–2015), and Assistant Controller (2001–2010) of each of the investment companies served by The Vanguard Group.

Thomas J. Higgins

Born 1957. Chief Financial Officer Since September 2008. Principal Occupation(s) During the Past Five Years and Other Experience: Principal of The Vanguard Group, Inc.; Chief Financial Officer of each of the investment companies served by The Vanguard Group; Treasurer of each of the investment companies served by The Vanguard Group (1998–2008).

Peter Mahoney

Born 1974. Controller Since May 2015. Principal Occupation(s) During the Past Five Years and Other Experience: Principal of The Vanguard Group, Inc.; Controller of each of the investment companies served by The Vanguard Group; Head of International Fund Services at The Vanguard Group (2008–2014).

Anne E. Robinson

Born 1970. Secretary Since September 2016. Principal Occupation(s) During the Past Five Years and Other Experience: Managing Director of The Vanguard Group, Inc.; General Counsel of The Vanguard Group; Secretary of The Vanguard Group and of each of the investment companies served by The Vanguard Group; Director and Senior Vice President of Vanguard Marketing Corporation; Managing Director and General Counsel of Global Cards and Consumer Services at Citigroup (2014–2016); Counsel at American Express (2003–2014).

Michael Rollings

Born 1963. Treasurer Since February 2017. Principal Occupation(s) During the Past Five Years and Other Experience: Managing Director of The Vanguard Group, Inc.; Treasurer of each of the investment companies served by The Vanguard Group; Executive Vice President and Chief Financial Officer of MassMutual Financial Group (2006–2016).

Vanguard Senior Management Team

Mortimer J. Buckley

John James

Martha G. King

John T. Marcante

Chris D. McIsaac

James M. Norris

Thomas M. Rampulla

Glenn W. Reed

Karin A. Risi

Chairman Emeritus and Senior Advisor

John J. Brennan

Chairman, 1996–2009

Chief Executive Officer and President, 1996–2008

Founder

John C. Bogle

Chairman and Chief Executive Officer, 1974–1996

1 Mr. McNabb is considered an "interested person," as defined in the Investment Company Act of 1940, because he is an officer of the Vanguard funds.

2 December 2002 for Vanguard Equity Income Fund, the Vanguard Municipal Bond Funds, and the Vanguard State Tax-Exempt Funds.



Vanguard®

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You can review and copy information about your fund at the SEC's Public Reference Room in Washington, D.C. To find out more about this public service, call the SEC at 202-551-8090. Information about your fund is also available on the SEC's website, and you can receive copies of this information, for a fee, by sending a request in either of two ways: via email addressed to publicinfo@sec.gov or via regular mail addressed to the Public Reference Section, Securities and Exchange Commission, Washington, DC 20549-1520.

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Item 7: Disclosure of Proxy Voting Policies and Procedures for Closed-End Management Investment Companies.

Not Applicable.

Item 8: Portfolio Managers of Closed-End Management Investment Companies.

Not Applicable.

Item 9: Purchase of Equity Securities by Closed-End Management Investment Company and Affiliated Purchasers.

Not Applicable.

Item 10: Submission of Matters to a Vote of Security Holders.

Not Applicable.

Item 11: Controls and Procedures.

(a) Disclosure Controls and Procedures. The Principal Executive and Financial Officers concluded that the Registrant's Disclosure Controls and Procedures are effective based on their evaluation of the Disclosure Controls and Procedures as of a date within 90 days of the filing date of this report.

(b) Internal Control Over Financial Reporting. There were no significant changes in Registrant's Internal Control Over Financial Reporting or in other factors that could significantly affect this control subsequent to the date of the evaluation, including any corrective actions with regard to significant deficiencies and material weaknesses.

Item 12: Exhibits.

(a) Certifications.

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, the registrant has duly caused this report to be signed on its behalf by the undersigned, thereunto duly authorized.

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ F. WILLIAM MCNABB III*

F. WILLIAM MCNABB III
CHIEF EXECUTIVE OFFICER

Date: June 15, 2017

Pursuant to the requirements of the Securities Exchange Act of 1934 and the Investment Company Act of 1940, this report has been signed below by the following persons on behalf of the registrant and in the capacities and on the dates indicated.

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ F. WILLIAM MCNABB III*

F. WILLIAM MCNABB III
CHIEF EXECUTIVE OFFICER

Date: June 15, 2017

VANGUARD INTERNATIONAL EQUITY INDEX FUNDS

BY: /s/ THOMAS J. HIGGINS*

THOMAS J. HIGGINS
CHIEF FINANCIAL OFFICER

Date: June 15, 2017

* By: /s/ Anne E. Robinson

Anne E. Robinson, pursuant to a Power of Attorney filed on October 4, 2016 see file Number 33-32548, Incorporated by Reference.

CERTIFICATIONS

I, F. William McNabb III, certify that:

1. I have reviewed this report on Form N-CSR of Vanguard International Equity Index Funds;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 15, 2017

/s/ F. William McNabb III
F. William McNabb III
Chief Executive Officer

CERTIFICATIONS

I, Thomas J. Higgins, certify that:

1. I have reviewed this report on Form N-CSR of Vanguard International Equity Index Funds;
2. Based on my knowledge, this report does not contain any untrue statement of a material fact or omit to state a material fact necessary to make the statements made, in light of the circumstances under which such statements were made, not misleading with respect to the period covered by this report;
3. Based on my knowledge, the financial statements, and other financial information included in this report, fairly present in all material respects the financial condition, results of operations, changes in net assets, and cash flows (if the financial statements are required to include a statement of cash flows) of the registrant as of, and for, the periods presented in this report;
4. The registrant's other certifying officer(s) and I are responsible for establishing and maintaining disclosure controls and procedures (as defined in Rule 30a-3(c) under the Investment Company Act of 1940) and internal control over financial reporting (as defined in Rule 30a-3(d) under the Investment Company Act of 1940) for the registrant and have:
 - (a) Designed such disclosure controls and procedures, or caused such disclosure controls and procedures to be designed under our supervision, to ensure that material information relating to the registrant, including its consolidated subsidiaries, is made known to us by others within those entities, particularly during the period in which this report is being prepared;
 - (b) Designed such internal control over financial reporting, or caused such internal control over financial reporting to be designed under our supervision, to provide reasonable assurance regarding the reliability of financial reporting and the preparation of financial statements for external purposes in accordance with generally accepted accounting principles;
 - (c) Evaluated the effectiveness of the registrant's disclosure controls and procedures and presented in this report our conclusions about the effectiveness of the disclosure controls and procedures, as of a date within 90 days prior to the filing date of this report based on such evaluation; and
 - (d) Disclosed in this report any change in the registrant's internal control over financial reporting that occurred during the second fiscal quarter of the period covered by this report that has materially affected, or is reasonably likely to materially affect, the registrant's internal control over financial reporting; and
5. The registrant's other certifying officer(s) and I have disclosed to the registrant's auditors and the audit committee of the registrant's board of directors (or persons performing the equivalent functions):
 - (a) All significant deficiencies and material weaknesses in the design or operation of internal control over financial reporting which are reasonably likely to adversely affect the registrant's ability to record, process, summarize, and report financial information; and
 - (b) Any fraud, whether or not material, that involves management or other employees who have a significant role in the registrant's internal control over financial reporting.

Date: June 15, 2017

/s/ Thomas J Higgins

Thomas J. Higgins
Chief Financial Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Name of Issuer: **Vanguard International Equity Index Funds**

In connection with the Report on Form N-CSR of the above-named issuer that is accompanied by this certification, the undersigned hereby certifies, to his knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Date: June 15, 2017

/s/ F. William McNabb III

F. William McNabb III
Chief Executive Officer

**Certification Pursuant to 18 U.S.C. Section 1350,
As Adopted Pursuant to
Section 906 of the Sarbanes-Oxley Act of 2002**

Name of Issuer: **Vanguard International Equity Index Funds**

In connection with the Report on Form N-CSR of the above-named issuer that is accompanied by this certification, the undersigned hereby certifies, to his knowledge, that:

1. The Report fully complies with the requirements of Section 13(a) or 15(d) of the Securities Exchange Act of 1934; and
2. The information contained in the Report fairly presents, in all material respects, the financial condition and results of operations of the issuer.

Date: June 15, 2017

/s/ Thomas J Higgins

Thomas J. Higgins
Chief Financial Officer