

Monthly fund update - April 2021

Investment approach

Each Fund provides access to a selection of high quality, specialist active and index investment managers across a variety of asset classes via its underlying investments. The investment portfolios provide access to investments which have been constructed in a manner that Sandhurst believes will meet the investment return objective of each Fund. Each Fund aims to provide a total return after fees in excess of a stated percentage above inflation over a full market cycle (typically 7 to 10 years), where inflation is measured by the Australian Consumer Price Index (CPI).

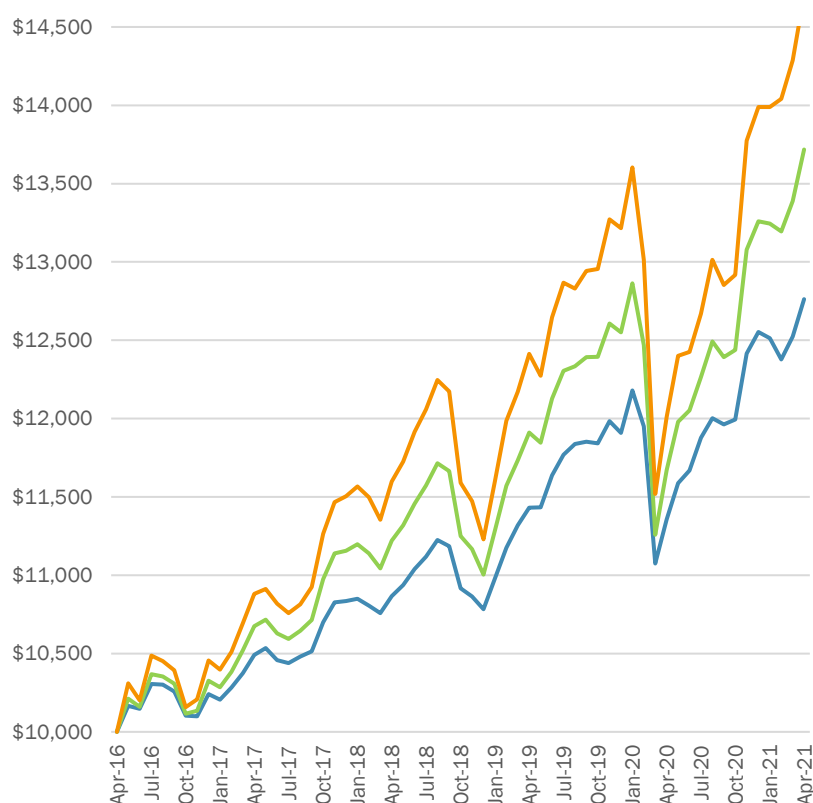
Fund performance¹

as at 30 April 2021	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Sandhurst Conservative Fund	1.99	12.38	5.50	5.00	5.34
Sandhurst Balanced Fund	3.57	17.53	6.93	6.53	5.59
Sandhurst Growth Fund	5.11	22.42	8.23	8.02	6.19

An example of how your investment grows

Growth of \$10,000¹

(Based on historic Fund performance over 5 years)



Fund facts

Fund inception date	7 June 2002
Distribution frequency	Half yearly

Sandhurst Conservative Fund

Fund APIR Code	STL0008AU
Return objective	CPI + 1.5%
Recommended investment timeframe	3 years +
Risk level	Low to medium
Management costs ²	1.550% p.a.
Buy / Sell Spread ²	+0.13%/-0.15%

Sandhurst Balanced Fund

Fund APIR Code	STL0009AU
Return objective	CPI + 2.5%
Recommended investment timeframe	4 years +
Risk level	Medium
Management costs ²	1.569% p.a.
Buy / Sell Spread ²	+0.14%/-0.15%

Sandhurst Growth Fund

Fund APIR Code	STL00010AU
Return objective	CPI + 3.5%
Recommended investment timeframe	5 years +
Risk level	Medium to high
Management costs ²	1.586% p.a.
Buy / Sell Spread ²	+0.15%/-0.15%

Do you have any questions?

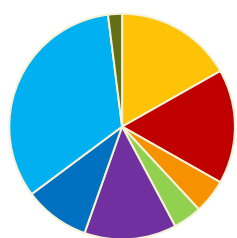
For further information contact us on 1800 634 969 or visit www.sandhursttrustees.com.au

Unit prices

as at 30 April 2021	Application price	Withdrawal price
Sandhurst Conservative Fund	\$1.07348	\$1.07048
Sandhurst Balanced Fund	\$1.17628	\$1.17287
Sandhurst Growth Fund	\$1.14449	\$1.14107

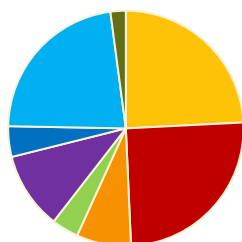
Asset allocation

Sandhurst Conservative Fund



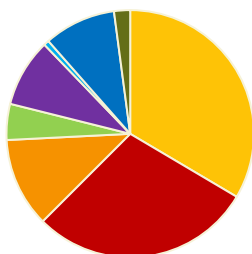
■ Aust Sh	16.8%
■ Int Sh	16.4%
■ Int Sh (Hedged)	4.9%
■ Property & Infra	4.1%
■ Cash	13.2%
■ Int FI	9.4%
■ Aust FI	33.2%
■ Alternative	2.0%

Sandhurst Balanced Fund



■ Aust Sh	24.2%
■ Int Sh	25.1%
■ Int Sh (Hedged)	7.5%
■ Property & Infra	3.7%
■ Cash	10.6%
■ Int FI	4.2%
■ Aust FI	22.6%
■ Alternative	2.1%

Sandhurst Growth Fund



■ Aust Sh	33.5%
■ Int Sh	29.0%
■ Int Sh (Hedged)	11.7%
■ Property & Infra	4.7%
■ Cash	8.9%
■ Int FI	0.7%
■ Aust FI	9.4%
■ Alternative	2.1%

Performance commentary

Returns for the month ending April were strong across all risk profiles as every major asset class returned in the black. Investments in strong growing companies performed well, in particular the technology sector, in which the U.S. company reporting season validated the majority of the markets optimistic earnings expectations. Inflation expectations rose over the month, while bond yields remained stable. This resulted in strong returns for the Funds allocation to gold and Australian inflation linked bonds. Performance amongst the Funds active managers were mixed with no notable standouts. The Funds maintain a bias towards Australian equities given the large weighting to resource companies and banks, in which resources continue to be supported by strong global demand, and banks which are supported by strong credit growth.

Economic commentary

The month of April was positive for the majority of major asset classes. Boosting equity markets over the month was the reporting season in the U.S. At the time of writing, with nearly 90% reported, the earnings growth rate is expected to exceed 50% year on year. The sectors experiencing the largest earnings growth included discretionary stocks up 189% and financials up 138%. The spectacular rise in earnings masks the turbulent journey, in which the cut of the data reflects the period from the market bottom to the recovery today. Financials performed particularly well given the reversal of credit provisions written down during the Covid sell off, and earnings tailwinds in a steeper yield curve and strong credit growth conditions.

Given the base effects of data rebounding from Covid lows, economic growth and inflation prints painted a strong recovery. Global accommodative monetary policy combined with an unprecedented level of government stimulus has brought about one of the most impressive recoveries experienced in any economic downturn. Governments around the world have communicated strong ongoing support for spending programs until full employment is reached, with ambitious social and infrastructure plans.

The Australian sharemarket had another strong month up 3.7% for the month and 31.6% year on year (S&P ASX 300 Total Return Index). The two largest sectors of the Australian market being financials and materials have both fired, with iron ore prices in excess of \$200, boosting the share price of Australia's large miners, while strong credit growth has aided bank earnings.

Over the period the Reserve Bank of Australia has maintained the cash rate at record lows of 0.10%, and continues to purchase government bonds, aiming to hold the three year government bond at 0.1%. This in effect maintains low interest rates for Australian mortgage holders, who can lock in low 3 year fixed rates.

Footnotes

1. Fund performance figures are calculated before tax and after fees and costs; using withdrawal prices and assumes distributions are reinvested. Past performance is not an indication of future performance. Funds start date 7 June 2002.
2. Management costs are based on costs incurred by the Fund in the past financial year and may be different in the current and future financial years. Other fees and costs may apply. See the Product Disclosure Statement for full details.

The managed funds detailed in this update (individually referred to as 'Fund' or collectively as 'Funds') are issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (the Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Funds or the service they provide, full details of which are contained in the relevant Product Disclosure Statement (PDS). Investments in the Funds are not deposits with, guaranteed by, or liabilities of the Bank or any of its related entities. Economic and outlook forecasts are not guaranteed to occur. Sandhurst has prepared this document based on information available to it. The information and opinions provided in this document have not been verified and Sandhurst has no obligation to notify you in the event that any information or opinions change. No representation is made to the fairness and accuracy of the information, opinions and conclusions contained in this document. This update is provided by Sandhurst and contains general advice only. Please consider your situation and read the relevant PDS available at www.sandhursttrustees.com.au/pds, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision.

The information is current as at 30 April 2021 (unless stated otherwise) and is subject to change without notice.

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