

Monthly fund update - November 2020

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).

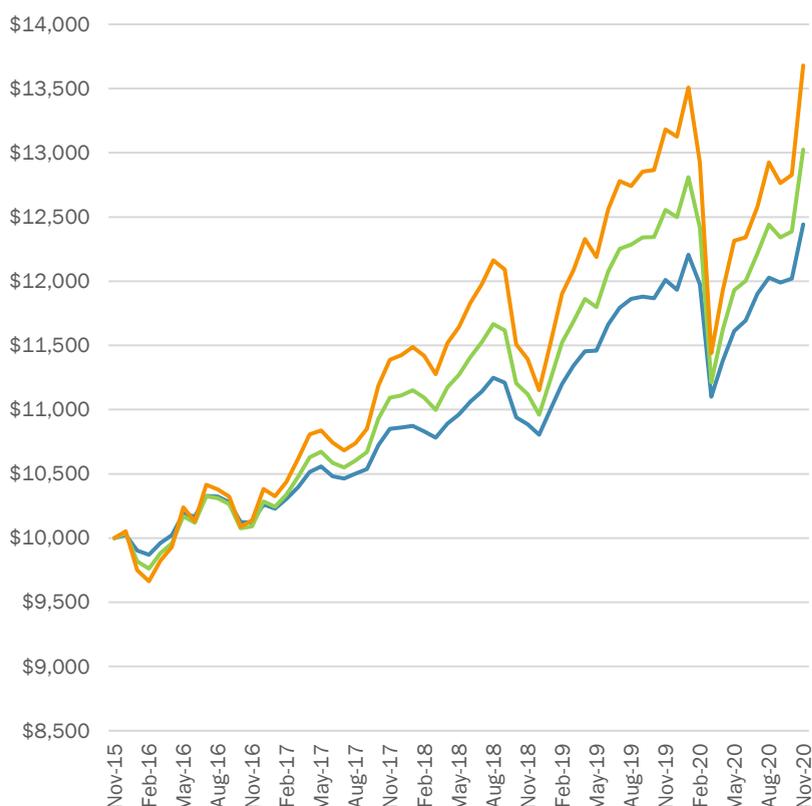
Fund performance¹

as at 30 November 2020	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Sandhurst Conservative Fund	3.44	3.60	4.67	4.47	5.31
Sandhurst Balanced Fund	4.69	3.75	5.50	5.43	5.45
Sandhurst Growth Fund	5.85	3.78	6.30	6.47	5.96

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	1.50% 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	1.50% 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	1.50% p.a.
Buy / Sell Spread ²	+0.15%/-0.15%

Do you have any questions?

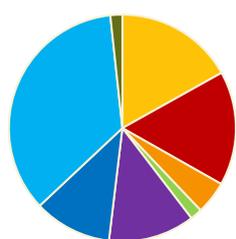
For further information contact us on 1800 634 969 or visit www.sandhursttrustees.com.au

Unit prices

as at 30 November 2020	Application price	Withdrawal price
Sandhurst Conservative Fund	\$1.05207	\$1.04913
Sandhurst Balanced Fund	\$1.12969	\$1.12642
Sandhurst Growth Fund	\$1.08089	\$1.07765

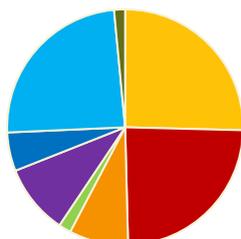
Asset allocation

Sandhurst Conservative Fund



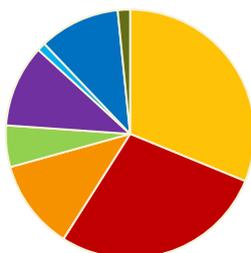
■ Aust Sh	16.9%
■ Int Sh	16.3%
■ Int Sh (Hedged)	4.7%
■ Property & Infra	1.7%
■ Cash	12.3%
■ Int FI	11.1%
■ Aust FI	35.3%
■ Alternative	1.7%

Sandhurst Balanced Fund



■ Aust Sh	25.4%
■ Int Sh	24.2%
■ Int Sh (Hedged)	8.1%
■ Property & Infra	1.7%
■ Cash	9.6%
■ Int FI	5.3%
■ Aust FI	24.2%
■ Alternative	1.5%

Sandhurst Growth Fund



■ Aust Sh	31.2%
■ Int Sh	27.8%
■ Int Sh (Hedged)	11.7%
■ Property & Infra	5.4%
■ Cash	10.7%
■ Int FI	1.1%
■ Aust FI	10.5%
■ Alternative	1.6%

Performance commentary

From both a peer relative and absolute return perspective, the Sandhurst Diversified Funds performance was positive for the month of November. Risk assets were buoyed by positive vaccine developments which aided investor sentiment. An overweight to risk assets benefitted the funds while Gold exposures detracted in the month of November. Tilts to Australian and smaller companies within the growth allocation proved to be beneficial.

Active management was mixed over the month, outperformance from fixed interest managers was offset by slight underperformance of active equity exposures.

Economic commentary

Risk on investor sentiment characterised the month of November. Risk assets bounced back from a mixed October. The US presidential election held in the first week of November dictated market movements early in the month. US equities ended the month 10.4% higher as investors were buoyed by the split powers in government moderating expectations of sweeping tax reforms which would have had a negative impact on corporate earnings. In Australia, lower infections resulted in easing of restrictions which fuelled a reopening rotation trade. This resulted in many beaten down sectors such as Australian Property recording large gains in the month of November. Australian property measured by the S&P/ASX 300 A-REIT Index appreciated 12.9% while the Australian share index appreciated 10.2% (S&P/ASX 300 Index).

US quarterly corporate earnings also concluded in November. For the quarter, a large majority of companies in the broad US equity index reported positive earnings surprises, and positive revenue surprises. This indicates median analyst expectations for earnings and revenue were beaten for most companies and provides a better than expected backdrop of the health of businesses in the US despite rising infections. However, it should be noted that year over year blended earnings growth for the index was negative, so despite better than expected outcomes, companies have certainly felt the economic impacts of restrictions around the world.

Challenges remain on the horizon, with recent data pointing to an increase in infections around the globe. Positive developments in vaccines are supportive of the recovery and positive news flow of efficacy and safety of vaccine trials continues to keep investors optimistic. The investment team is cognisant of the importance of diversification in portfolios and pragmatic risk management will be required through the various stages of the recovery.

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. 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.

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