

Monthly fund update - December 2021

Investment approach

The Fund aims to provide customers with regular income. The Fund will invest in a portfolio of Credit Securities to generate regular income consistently higher than traditional cash investments. The Fund will be actively managed to balance risk and return opportunities through different market conditions.

Fund performance¹

as at 31 December 2021	Fund return	Benchmark ²	Excess return
1 month (%)	0.30	0.00	0.30
3 months (%)	0.28	0.01	0.27
6 months (%)	0.75	0.01	0.74
1 year (%)	2.55	0.03	2.52
Since inception (%)	3.53	0.05	3.48

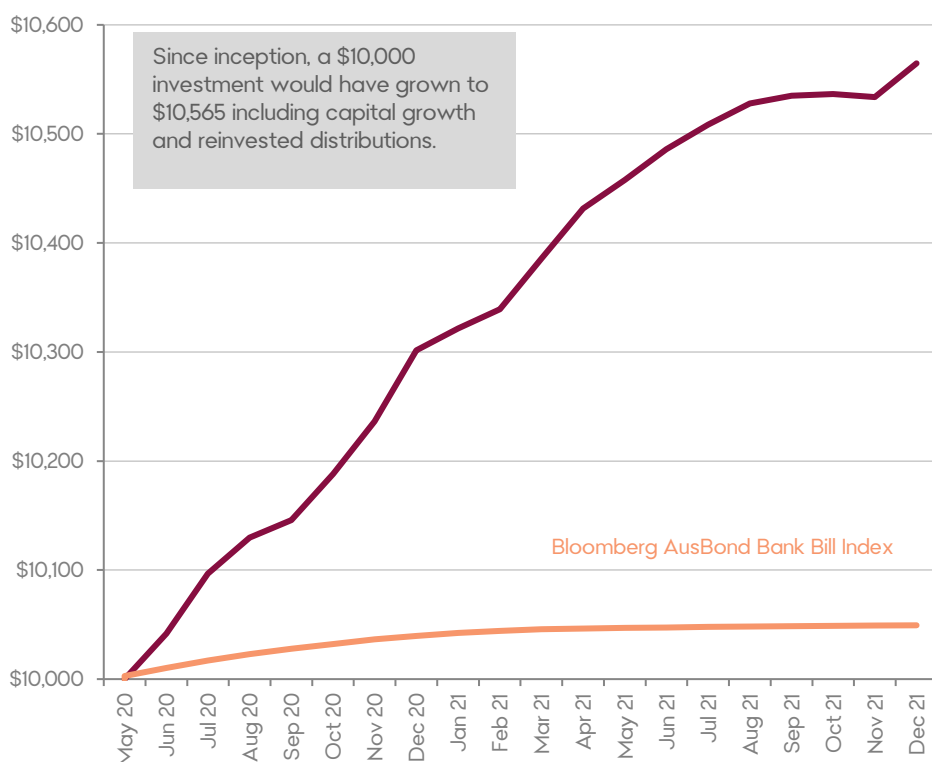
Fund facts

Fund APIR code	STL8864AU
Fund start date ³	20 May 2020
Management costs ⁴	0.60% p.a.
Buy / Sell spread ⁴	+0.04% / -0.20%
Minimum investment / minimum balance	\$2,000
Recommended investment timeframe	2 years +
Risk level	Low to medium

An example of how your investment grows

Growth of \$10,000¹

(Based on historic Fund performance since inception)



Unit price (ex distribution)

as at 31 December 2021

Application price	\$1.02002
Withdrawal price	\$1.01757

Distribution details (cents per unit)

31 Mar 21	\$0.00510
30 Jun 21	\$0.01006
30 Sep 21	\$0.00770
31 Dec 21	\$0.00670

Do you have any questions?

For further information contact us on 1800 634 969 or visit www.bendigobank.com.au/managedfunds

Benefits of investing

- ▶ regular income from quarterly distributions;
- ▶ access to a diversified credit portfolio therefore reducing your risk and potentially enhancing returns;
- ▶ there's no requirement to rollover or lock away your investment for a fixed term; and
- ▶ a regular savings plan option from \$50 per month.

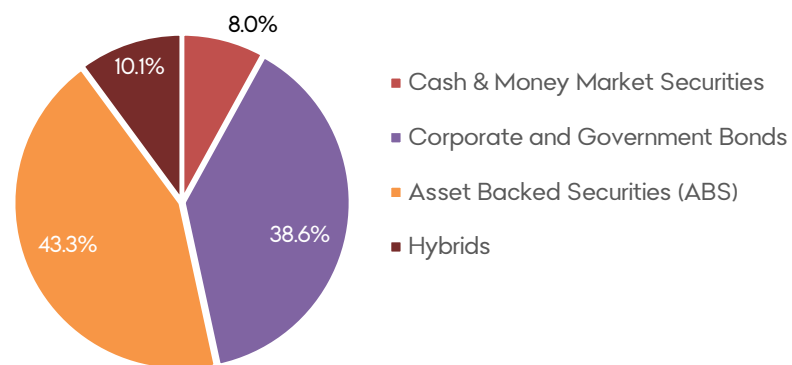
Portfolio performance

For the month of December 2021, the Bendigo Income Generation Fund achieved a 0.30% return (after fees). The Fund has produced a positive return of 2.55% over the 12 months to 31 December 2021. Since inception the Fund has produced a return of 5.65%.

A global surge in Omicron cases throughout December and a more hawkish tone from the US Federal Reserve threatened the possibility of a weaker end to the year for global share markets. Despite these developments causing unease amongst investors, equity markets finished the year strongly. Driving the performance was the reluctance from governments to impose severe restrictions and lockdowns as seen in prior Covid waves. This calmed investor fears that the economic recovery would be derailed by the Omicron wave. Although the hawkish tone intensified from the Federal Reserve, markets rallied following the meeting as positioning prior was seen as too defensive. The S&P 500 posted its third-best month of 2021 (rose 4.36%) while domestically the ASX 200 increased by 2.9%.

The rapid rise of Covid-19 cases and persistent global inflationary pressures led to increased volatility in the Australian bond market. This volatility was further fuelled by the RBA's asset purchase program which

Asset allocation



has tightened liquidity. The RBA kept the benchmark interest rate at its all-time low of 0.1% and noted that it would wait until February to review its bond buying program. The Australian government bond yield curve had risen over the past month through expectations that the RBA will continue to tighten their policy positions and credit market spreads also finished the month wider.

The Fund's focus remains on high quality assets. The Fund maintained a high average credit rating of 'A' with 8.0% in cash instruments, 38.6% in corporate bonds, 43.3% in securitised assets and 10.1% in hybrid securities.

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.
2. The benchmark for the Fund is Bloomberg AusBond Bank Bill Index.
3. The Fund commenced on 20 May 2020 and issued as a retail offering 11 February 2021.
4. 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 Bendigo Income Generation Fund (Fund) is issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (Bank) ABN 11 068 049 178 AFSL 237879. Sandhurst and the Bank receive remuneration on the issue of the Fund or the service they provide, full details of which are contained in the Product Disclosure Statement (PDS). Investments in the Fund 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 provided in this document has not been verified. Accordingly, 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. Details of applicable fees and costs are set out in the PDS. Please consider your situation and read the PDS available at www.bendigobank.com.au/managedfundsforms, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision. For target market determination: www.bendigobank.com.au/TMD

This information is current as at 31 December 2021 (unless stated otherwise) and is subject to change without notice.

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