

Monthly fund update - February 2022

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.



Foresight Analytics has assigned a VERY STRONG investment rating with a product complexity indicator designating the Fund as a Relatively Simple Product⁵

Fund performance¹

as at 28 February 2022	Fund return	Benchmark ²	Excess return
1 month (%)	0.00	0.01	-0.01
3 months (%)	0.41	0.01	0.40
6 months (%)	0.47	0.02	0.45
1 year (%)	2.30	0.03	2.27
Since inception (%) p.a.	3.26	0.05	3.21

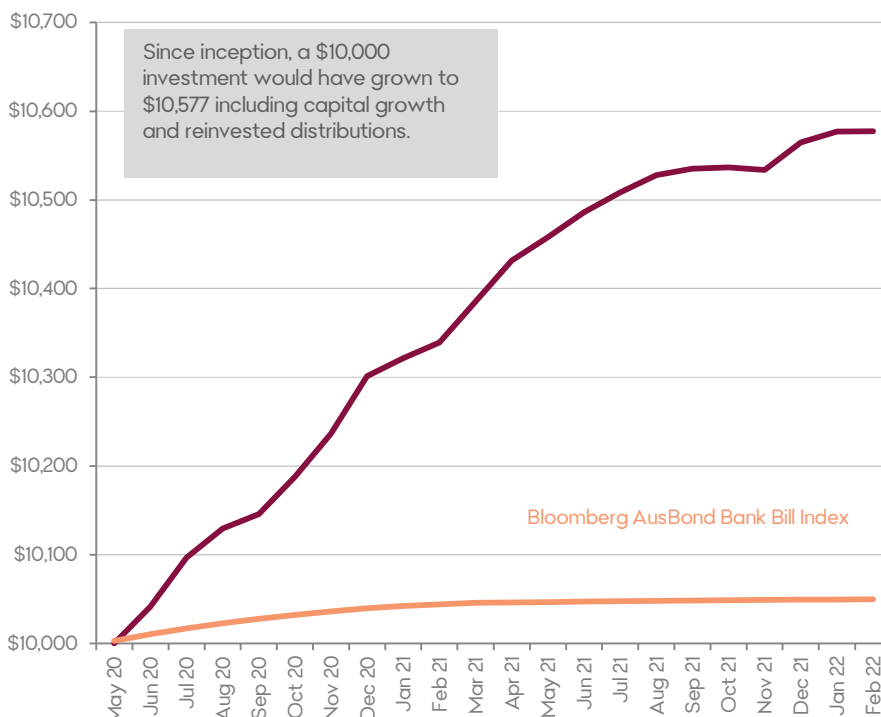
Fund facts

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

as at 28 February 2022

Application price	\$1.02122
Withdrawal price	\$1.01877

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

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.

Do you have any questions?

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

Portfolio performance

In late February, markets saw heightened volatility as geopolitical tensions spiked in relation to Russia's invasion of Ukraine, prompting a risk-off move in markets. Bond yields also rose as the likelihood of monetary tightening from central banks increased due to elevated inflation. The combination of geopolitical and monetary policy risks pushed credit spreads (the difference between the yield on credit assets and risk-free assets) wider translating to capital losses across credit markets. Commodities prices also soared as the war in Ukraine threatened to push shortages further.

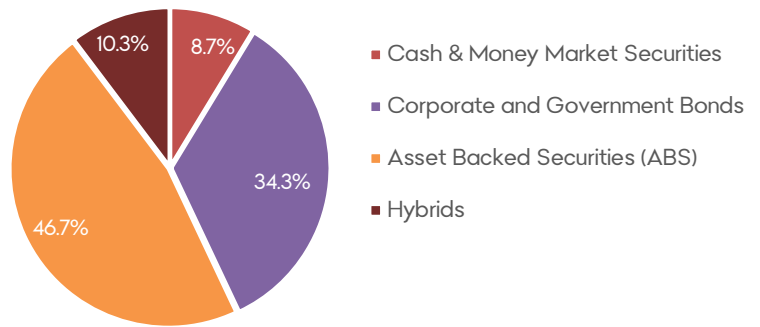
Due to the late-month volatility, the Bendigo Income Generation Fund achieved a flat 0.00% return (after fees) for the month. The return was impacted by capital volatility across credit markets. The Fund has produced a positive return of 2.30% over the 12 months to 28 February 2022.

Investors grew increasingly concerned on the potential impacts of the war and subsequent sanctions to supply chains, energy, and agricultural commodities. There was limited shelter for investors, with volatility affecting both fixed income markets as well as equity markets.

In contrast, Australian equity markets posted a gain over the month, outperforming global benchmarks. However, there was volatility in Australian bond markets due to concerns over rising inflation, indicated by a rise in government bond yields. Additionally, credit markets were impacted by increased credit bond supply from the major banks, which caused a widening in Australian credit spreads.

The Fund's focus remains on high quality assets as the fallout from the Russian invasion continues. The Fund maintained a high average credit rating of 'A' with 8.7% in cash instruments, 34.3% in corporate bonds, 46.7% in securitised assets and 10.3% in hybrid securities.

Asset allocation



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.
5. Foresight Analytics has assigned a VERY STRONG investment rating with a product complexity indicator designating the Fund as a Relatively Simple Product. This rating indicates a very strong conviction that the Fund can deliver a risk adjusted return in line with its investment objective. Designation as a Relatively Simple Product indicates that the investment manager will seek to outperform their chosen mainstream market sector. A rating is not a recommendation to invest, retain or redeem units in the Fund. The rating may be subject to change or withdrawal at any time. A copy of Foresight Analytics Financial Services Guide can be found at www.foresight-analytics.com/financial-services-guide

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 28 February 2022 (unless stated otherwise) and is subject to change without notice.