

## Monthly fund update - January 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 Product<sup>5</sup>

### Fund performance<sup>1</sup>

as at 31 January 2022

	Fund return	Benchmark <sup>2</sup>	Excess return
1 month (%)	0.11	0.01	0.10
3 months (%)	0.38	0.01	0.37
6 months (%)	0.58	0.02	0.56
1 year (%)	2.47	0.03	2.44
Since inception (%) p.a.	3.42	0.05	3.37

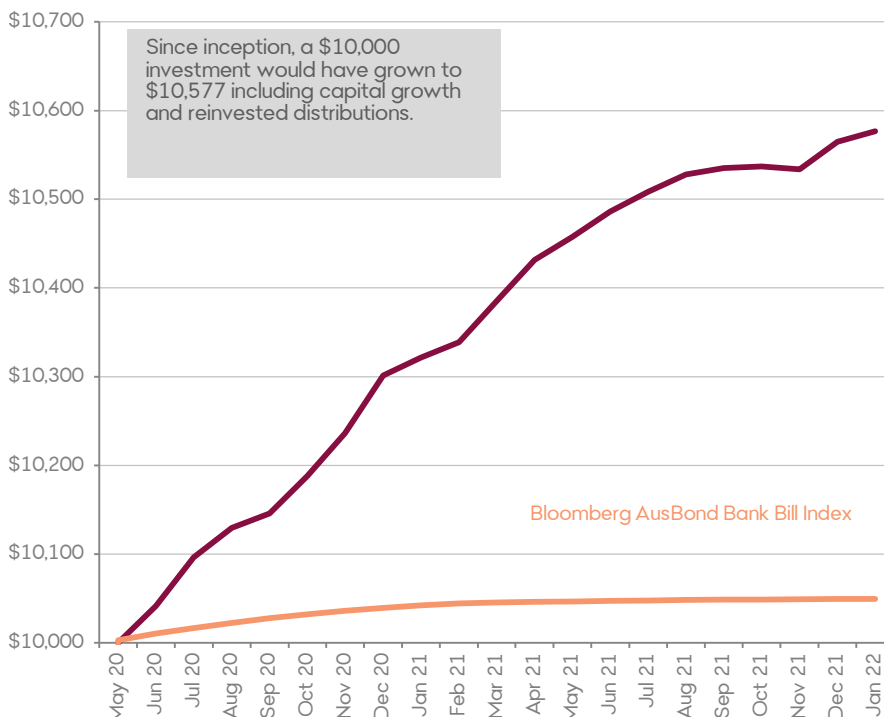
### Fund facts

Fund APIR code	STL8864AU
Fund start date <sup>3</sup>	20 May 2020
Management costs <sup>4</sup>	0.60% p.a.
Buy / Sell spread <sup>4</sup>	+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 \$10,000<sup>1</sup>

(Based on historic Fund performance since inception)



### Unit price

as at 31 January 2022

Application price	\$1.02118
Withdrawal price	\$1.01873

### 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](http://www.bendigobank.com.au/managedfunds)

## Portfolio performance

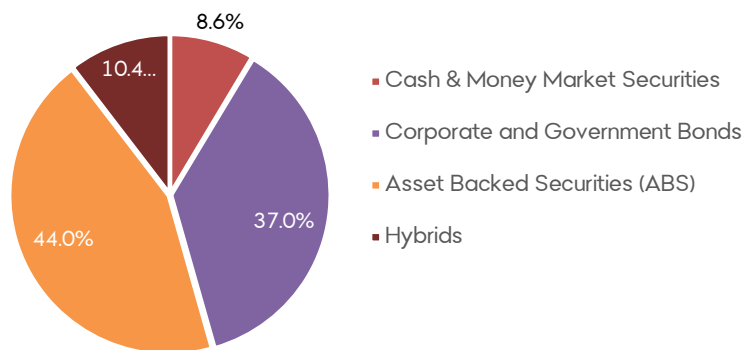
For the month of January 2022, the Bendigo Income Generation Fund achieved a 0.11% return (after fees). The Fund has produced a positive return of 2.47% over the 12 months to 31 January 2022. Since inception the Fund has produced a return of 5.77%.

January saw increased volatility in share markets as the S&P 500 fell by 5.26% and the ASX 200 lost 6.35%. There were several headwinds that contributed to the biggest monthly pullback in equities since the depths of the pandemic in March 2020. The main factor that drove the risk-off theme in January came from the US Federal Reserve (Fed). The Fed's hawkish tone has intensified as they outlined that the benchmark federal funds rate may need to be raised sooner or at a faster pace to stem inflation. Geopolitical tensions following Russia's deployment of military forces on the Ukraine border and risks for new COVID variants as well as the continued spread of Omicron also contributed to the fall in markets.

There was no meeting for the Reserve Bank of Australia Board in January and Australian government bond yields took their lead from the US. CBA kicked off the primary market for 2022 with a \$4bn 5-year senior unsecured floating rate note transaction. The Bendigo Income Generation Fund participated in this issue which is the largest bond issue in Australia. Investors had strong appetite for the transaction, and it paved the way for several other Financial Institutions tapping into the market. The Australian credit market has started 2022 on a strong note but the outlook remains uncertain with central banks around the globe becoming more likely to raise interest rates.

The Fund's focus remains on high quality assets. The Fund maintained a high average credit rating of 'A' with 8.6% in cash instruments, 37.0% in corporate bonds, 44.0% in securitised assets and 10.4% 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](http://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](http://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](http://www.bendigobank.com.au/TMD)

This information is current as at 31 January 2022 (unless stated otherwise) and is subject to change without notice.

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