

Monthly fund update - November 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 30 November 2021	Fund return	Benchmark ²	Excess return
1 month (%)	-0.03	0.01	-0.04
3 months (%)	0.05	0.01	0.04
6 months (%)	0.73	0.01	0.72
1 year (%)	2.90	0.02	2.88
Since inception (%)	3.53	0.05	3.48

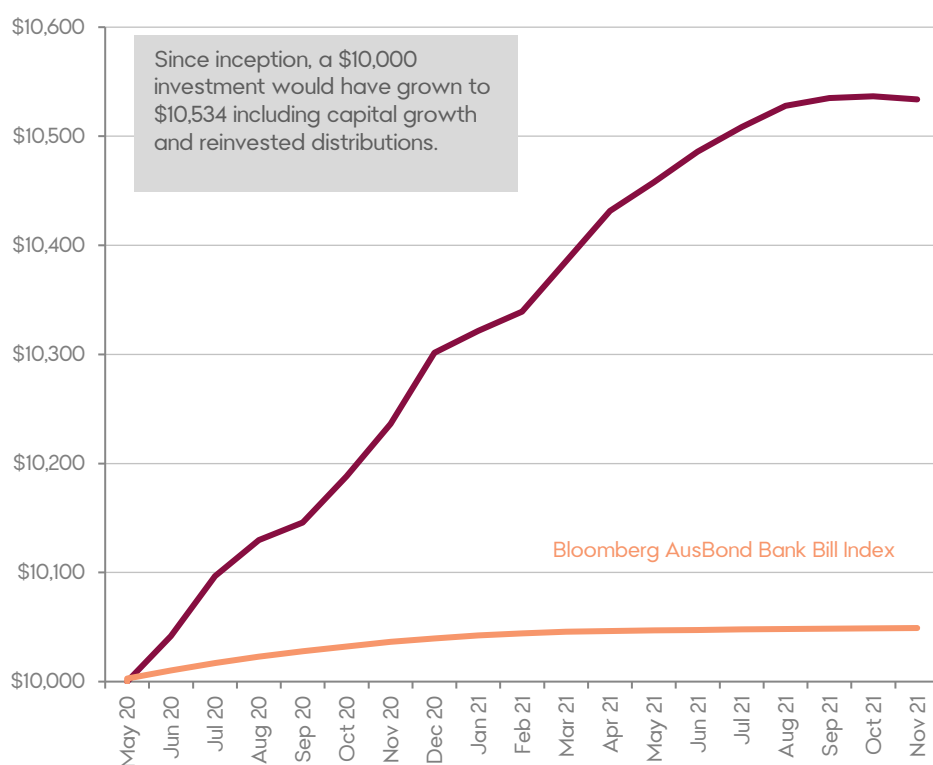
Fund facts

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

as at 30 November 2021

Application price	\$1.02371
Withdrawal price	\$1.02126

Distribution details (cents per unit)

31 Dec 20	\$0.00450
31 Mar 21	\$0.00510
30 Jun 21	\$0.01006
30 Sep 21	\$0.00770

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 November 2021, the Bendigo Income Generation Fund posted a (0.03) % return (after fees). Performance was impacted by increased volatility. The Fund produced a positive return of 2.90% over the 12 months to 30 November 2021.

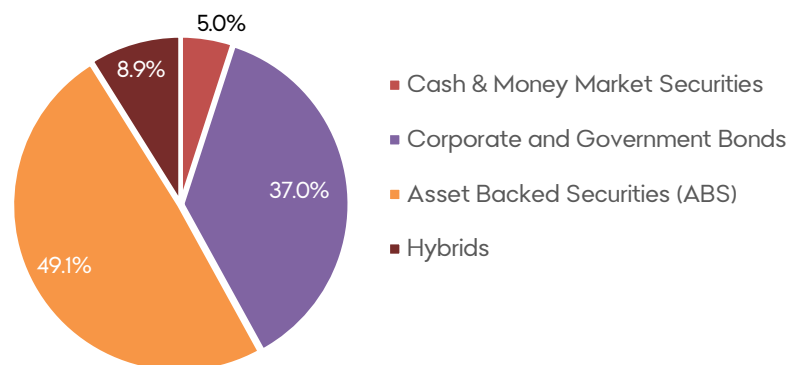
Volatility picked up in November on the back of a higher-than-expected Consumer Price Index (CPI) data print in several countries. Investors sold off risk assets on the news developing a defensive tone with global equity markets giving back the gains achieved in October. Credit spreads followed with a widening in spreads that caused asset prices to reprice negatively. Financial credits assets in the domestic market moved wider by 2-8 basis points across spectrum and underperformed the wider market.

Adding further to the volatility was confirmation from the RBA that it would cease its Yield Curve Control (YCC) program that targeted a 0.10% yield for the Australian April-2024 Government bond. The RBA reiterated that it does not see rate hikes before 2023. Market pricing remains disconnected from that view with rate hikes priced for 2022. Investors moved expectations of a rate hike to as early as February 2022 leading to a flattening of the rates curve in Australia through a spike in short term rates and compression in the long end.

Adding further unease to the market was news of the Omicron Covid-19 variant. Details were scant but reminded investors that whilst vaccination rates are increasing and economies are reopening, there are no guarantees just yet on getting back to normal.

The Fund's focus remains on high quality assets to minimise volatility. The Fund maintained a high average credit rating of 'A' with 5.0% in cash instruments, 37.0% in corporate bonds, 49.1% in asset backed securities and 8.9% 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.

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 30 November 2021 (unless stated otherwise) and is subject to change without notice.

