

Monthly fund update - October 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 October 2021	Fund return	Benchmark ²	Excess return
1 month (%)	0.01	0.00	0.01
3 months (%)	0.20	0.00	0.20
6 months (%)	1.01	0.01	1.00
1 year (%)	3.42	0.03	3.39
Since inception (%)	3.76	0.05	3.71

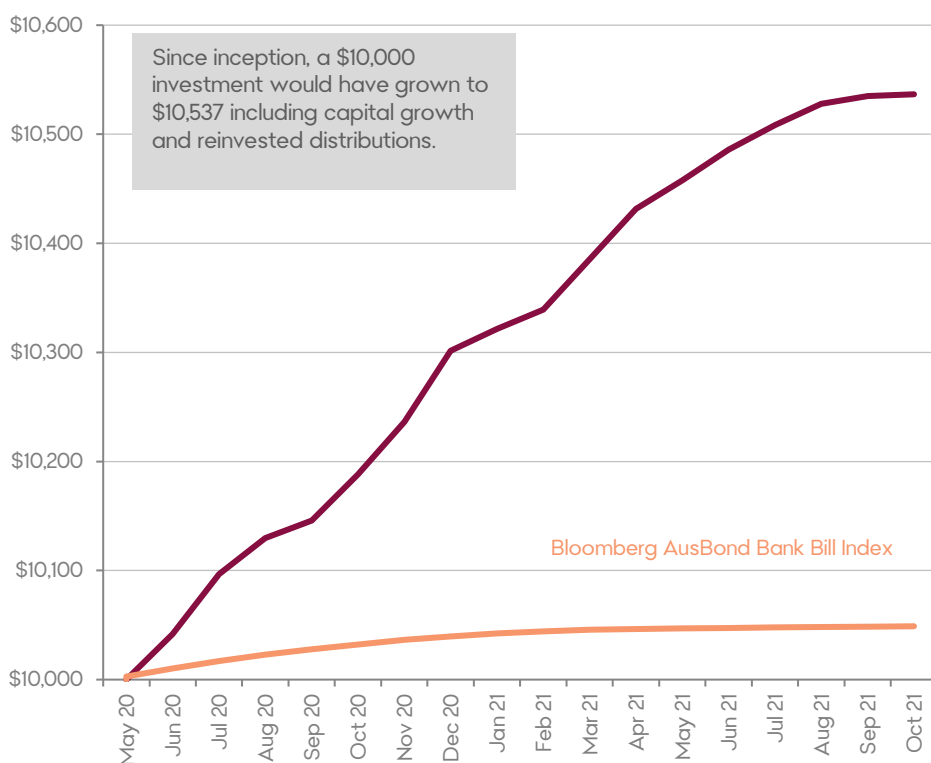
Fund facts

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 31 October 2021

Application price	\$1.02400
Withdrawal price	\$1.02155

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 October 2021, the Bendigo Income Generation Fund achieved a 0.01% return (after fees). Returns were impacted by volatility in credit markets over the month. The Fund has produced a positive return of 3.42% over the 12 months to 31 October 2021. Since inception the Fund has produced a return of 5.37%.

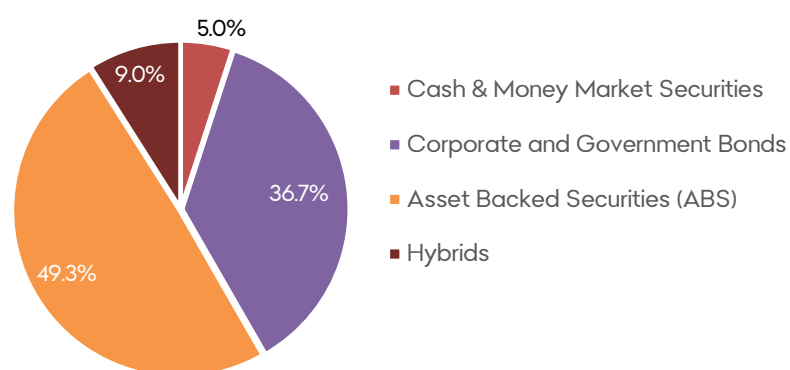
Global equity markets rebounded after a pullback in September. The third quarter reporting season boosted sentiment with more than 80% of companies beating estimates. However, central banks and monetary policy noise, in addition to supply chain issues, and inflation, continued to drag on economic growth and views on outlook. Emerging markets also saw a more positive month although lagged developed markets.

In global credit, investment grade credit spreads were broadly flat. In contrast, high yield experienced elevated volatility as concerns on Chinese property developers worsened. The contagion spread to other high yield markets in the US and Europe with spreads widening through the month, albeit at a slower pace.

The Australian credit market had its own struggles with further widening pressure on financial credit spreads and longer dated corporates. Investors are sitting on the sidelines waiting on an increase in new supply. The expectation is that new supply will apply pressure on credit spreads. Additionally, interest rate markets experienced heightened volatility over the month with inflation fears adding a defensive tone. Overall liquidity reduced, sparking a "risk off" move broadly in the Australian credit market.

The Fund's focus remains on high quality assets. The Fund maintained a high average credit rating of 'A' with 5.0% in cash instruments, 36.7% in corporate bonds, 49.3% in securitised assets and 9.0% 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 31 October 2021 (unless stated otherwise) and is subject to change without notice.

