

# Bendigo Global Share Fund

## Monthly fund update - August 2020

### Investment approach

The Fund aims to deliver long-term capital growth with moderate income through investment in a diversified portfolio of predominantly international shares. The Fund invests with a selection of high quality Australian and international investment managers that employ a range of management styles that include active and index management, and who specialise in managing portfolios of international shares (which may include Australia).

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

as at 31 August 2020	3 months %	6 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Bendigo Global Share Fund	7.73	8.06	11.49	11.96	9.37	6.83
Benchmark <sup>2</sup>	7.48	6.48	9.62	11.02	9.75	8.27

### An example of how your investment grows

#### Growth of \$10,000<sup>1</sup>

(Based on historic Fund performance over the last 5 years)



### Fund facts

Fund APIR code	STL0015AU
Fund inception date	1 June 2006
Distribution frequency	Half yearly
Management costs <sup>3</sup>	0.95% p.a.
Buy / Sell spread <sup>3</sup>	+0.17% / -0.14%
Minimum investment / minimum balance	\$5,000
Recommended investment timeframe	5 years +
Suggested risk level	High

### Unit price

as at 31 August 2020

Application price	\$1.47041
Withdrawal price	\$1.46586

### Distribution details (cents per unit)

31 December 2019	\$0.00150
30 June 2020	\$0.04257

### Make the most of your investment

#### ► The power of compounding

Compounding can be a powerful tool in wealth creation. Reinvesting distributions can be one of the easiest and cheapest ways to increase your holdings over time. You're compounding your investment's growth by continually adding more units which, in turn, will generate distributions of their own.

**Why not reinvest your half yearly distributions?**

#### ► The benefits of making it regular

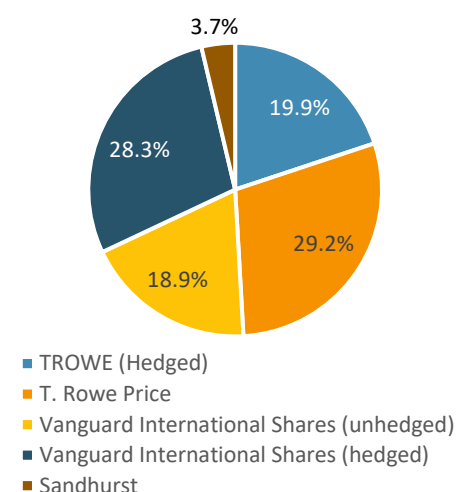
Making regular contributions to your investment can both grow your investment and smooth the effects of market highs and lows.

**Why not add a Regular Savings Plan to your investment? Establish one from as little as \$50 per month.**

You can also use BPAY® to add to your investment at any time with as little as \$100. See your statement for your BPAY reference number.

© Registered to BPAY Pty Ltd ABN 69 079 137 518

### Investment manager allocation



\* Includes small amounts of cash that are held in Bendigo Bank operating accounts.

## Portfolio performance

The Fund posted strong returns in August, however narrowly underperformed its benchmark. Positioning by active manager T Rowe Price in emerging markets detracted, given the relative underperformance of this market versus developed equity markets.

## Economic commentary

Global equity markets moved higher over the month of August as broadly declining global Coronavirus cases and supportive monetary policy from the US Federal Reserve boosted risk appetite. Whilst markets face uncertainty regarding the upcoming US election, increased tensions with China and the continual threat of the virus, momentum continues to be positive for risk assets.

In Australia, August is a busy time for corporate earnings updates and while companies are generally careful to guide markets ahead of results, it is interesting to see the trends cemented in the updates. Overall, the conditions since the Coronavirus outbreak has divided many stocks, with consumer related companies such as JB Hi-Fi, Kogan, Afterpay and Bunnings Warehouse enjoying the fiscal stimulus, super withdrawals and mortgage deferrals. While travel companies, for example Qantas, Corporate Travel Management and Flight Centre face the opposite fate. Australian banks have been on the wrong side of the ledger with low interest rates eating profit margins as well as rising bad debts and constrained private credit growth. Within listed property, retail trusts such as Scentre Group have seen their price fall by over 40% for the calendar year to August, while industrial property has proven favourable in which Goodman Group is up close to 35% over this same period.

The other interesting dynamic is the current surge in US housing despite the pandemic, where a combination of improved affordability through interest rate declines, a general lack of supply and movement out of major city centres are impacting on the positive price side. This dynamic is playing out in homebuilder companies, with Australian listed building materials company James Hardie experiencing good growth. Australian mining companies have also been benefiting, with commodity prices lifting on the back of government construction programs aimed at stimulating ailing economies.

Whilst conditions have favoured some and not others, looking forward the prices of the beneficiaries reflect this reality. For active managers the easy money appears to be behind them, with the next movements in equity markets highly dependent on monetary and fiscal action. Governments so far have put aside fears of large deficits, putting to the test as to whether government deficits do not actually matter, as a rising voice of monetary theorists claim.

## Do you have any questions?

For further information contact us on 1800 634 969 or visit [www.sandhursttrustees.com.au](http://www.sandhursttrustees.com.au)

### 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 MSCI World ex Australia 50% hedged to AUD Index was adopted as the Fund's benchmark on 31 December 2016, benchmark calculations prior to this date are based on the MSCI World Accumulation Index (AUD) Hedged. The benchmark is a custom index rather than standard index and MSCI does not express any opinion about Sandhurst or the Fund.
3. Other fees and costs may apply. See the Product Disclosure Statement for full details.

The Bendigo Global Share Fund (previously known as the Sandhurst Professional GVI Global Industrial Fund) (Fund), is issued by Sandhurst Trustees Limited (Sandhurst) ABN 16 004 030 737 AFSL 237906 a subsidiary of Bendigo and Adelaide Bank Limited (the 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. 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. Please consider your situation and read the PDS available at [www.sandhursttrustees.com.au/pds](http://www.sandhursttrustees.com.au/pds), any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision.

This information is current as at 31 August 2020 (unless stated otherwise) and is subject to change without notice.

Proudly part of



**Bendigo and  
Adelaide Bank**