

# Bendigo Global Share Fund

## Monthly fund update - September 2020

### Investment approach

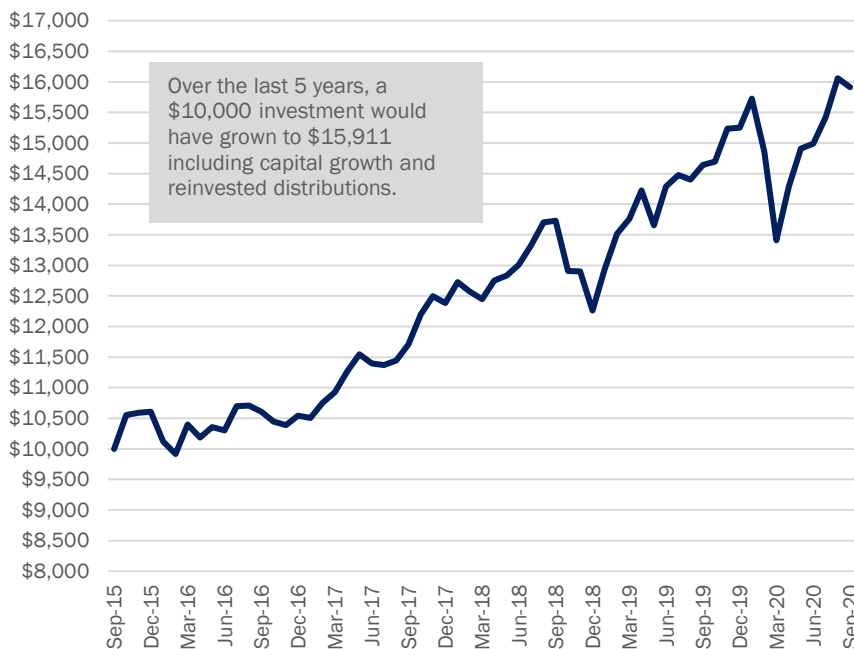
The Fund aims to deliver long-term capital growth with moderate income through investment in a diversified portfolio of predominantly international shares. The Fund invests with a selection of high quality Australian and international investment managers that employ a range of management styles that 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 30 September 2020	3 months %	6 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Bendigo Global Share Fund	6.14	18.64	8.68	10.78	9.73	6.72
Benchmark <sup>2</sup>	5.12	17.50	5.56	10.45	8.80	8.10

### An example of how your investment grows

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



### 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 30 September 2020

Application price	\$1.45684
Withdrawal price	\$1.45233

### 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

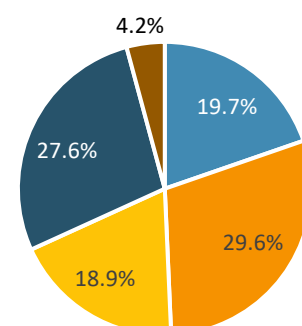
Making regular contributions to your investment can both grow your investment and smooth the effects of market highs and lows.

**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.

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### Investment manager allocation



- T. Rowe Price (hedged)
- T. Rowe Price
- Vanguard International Shares (unhedged)
- Vanguard International Shares (hedged)
- Sandhurst

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

## Portfolio performance

The Bendigo Global Share Fund continued its strong performance in the September quarter and returned 6.1%, outperforming the benchmark by 1% and peer group by 0.1%. Against the benchmark, the Fund benefited from active manager positions within the technology sector, led by positions in Apple and Adyen (a payments platform from the Netherlands). The sector that detracted the most over the quarter was financials. This sector has had the headwind of large provisions expensed on financial institutions income statements in recent periods for bad and doubtful debts as a result of economic lockdowns to contain the spread of the virus. Since the Fund's transition to a multi-manager investment strategy at the end of calendar year 2016, the Fund has experienced much stronger relative performance, beating the benchmark over this period. Diversification will be key going forward with uncertainties remaining around the timeline for a return to economic growth, however, the Fund is positioned accordingly with diversified risk exposures across different industry sectors and countries.

## Economic commentary

The first fiscal quarter of 2020-2021 was positive for risk assets. While returns were largely positive for developed world equity markets, the month of September did see higher levels of volatility return. Overall, Australian shares (measured by the S&P ASX 300 accumulation index) recorded a 5.9% rise while global equity markets (measured by the MSCI World Ex Australia hedged total return index) appreciated 6.4% over the same period. Investors have been encouraged by the scale and speed of stimulatory measures enacted by governments and central banks alike to soften the economic impacts of shutdown measures taken to slow COVID-19 transmissions.

Despite the coordinated efforts of governments around the world, higher equity valuations came under selling pressure in September. Sectors that have been the biggest direct beneficiaries of social distancing such as technology gave back some of their gains during the month of September, with market darlings such as Apple and Afterpay retracing 13.7% and 12.5% respectively. Fundamentally, many of these businesses are sound and the recent correction in their share prices are more reflective of profit taking by investors following a sharp run up rather than concerns of long-term business profitability.

In Australia, the Federal Budget release was closely watched with the government unveiling the largest ever deficit by some margin in response to the ongoing economic disruption of COVID-19. Net debt is expected to be peak at 43.8% of GDP at the end of 2023-2024 with several spending initiatives aimed at returning Australia back to trend GDP growth and lowering the unemployment rate. This is a notable increase in debt to GDP, however, it compares favourably to our overseas counterparts and with interest rates at record lows, the interest burden for the government is manageable.

Looking forward, challenges remain on the health front with recent data pointing to an increase in infections around the globe. The race to a vaccine remains and will be imperative to the recovery. The recent bout of volatility is a timely reminder of the importance of diversification in portfolios and that pragmatic risk management will be required through the various stages of the recovery.

## 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 30 September 2020 (unless stated otherwise) and is subject to change without notice.

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