

### Monthly fund update - May 2021

#### Investment approach

Each Fund invests via a selection of expert asset managers that specialise in managing specific asset classes. Sandhurst will invest the Fund's assets across a variety of asset classes. Together through the selection of expert asset managers and the asset allocation, Sandhurst will seek to meet or exceed the investment return objective of each Fund. Each Fund aims to provide a total return after fees in excess of a stated percentage above inflation over a full market cycle (typically 7 to 10 years).

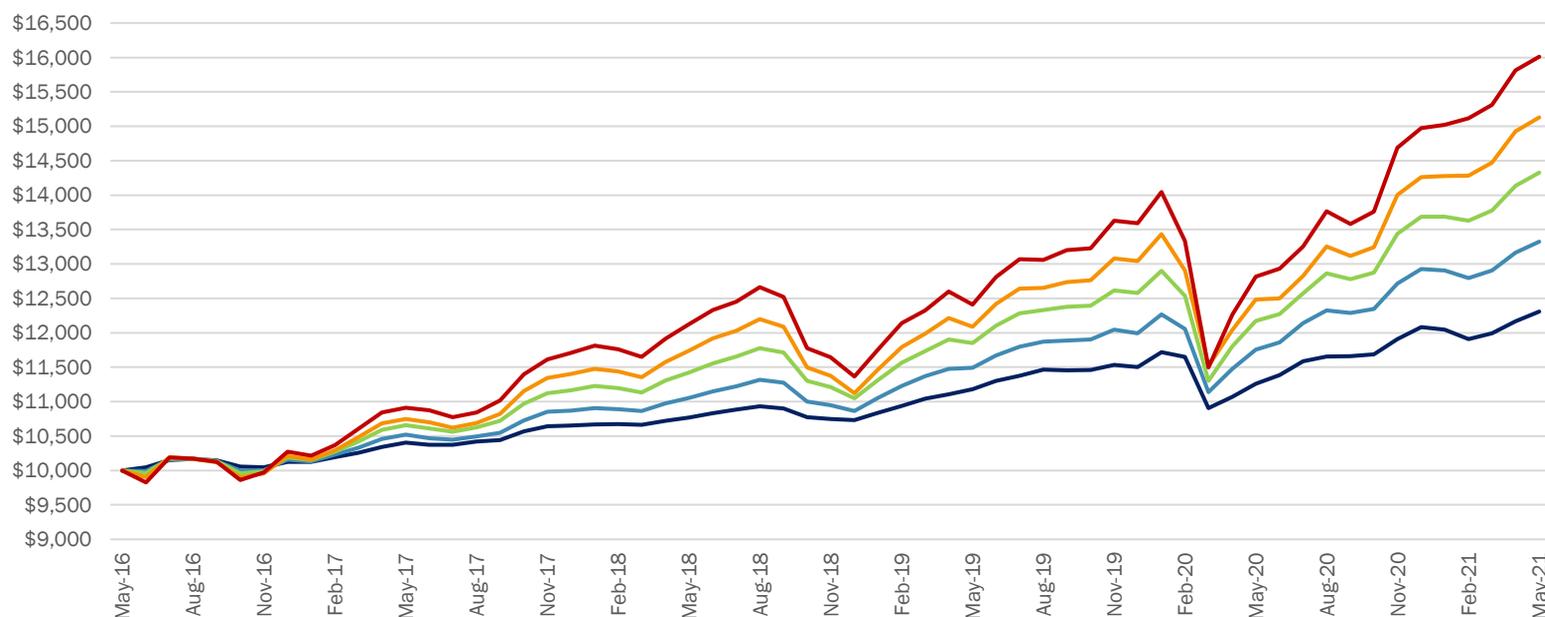
#### Fund performance<sup>1</sup>

as at 31 May 2021	Morningstar Rating™ Overall <sup>2</sup>	Morningstar Category Rank 5 Year <sup>2</sup>	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Fund size \$m
<b>Bendigo Defensive Wholesale Fund</b>	★★★★	4 / 23	3.37	9.33	4.56	4.24	\$35.88
<i>Peer Comparison</i>			2.31	4.97	3.51	3.29	
<b>Bendigo Conservative Wholesale Fund</b>	★★★★★	6 / 114	4.13	13.36	6.42	5.91	\$162.18
<i>Peer Comparison</i>			3.28	7.92	4.51	4.24	
<b>Bendigo Balanced Wholesale Fund</b>	★★★★★	9 / 115	5.11	17.69	7.84	7.46	\$203.85
<i>Peer Comparison</i>			5.15	14.07	6.26	6.06	
<b>Bendigo Growth Wholesale Fund</b>	★★★★★	18 / 191	5.92	21.17	8.83	8.63	\$83.85
<i>Peer Comparison</i>			6.58	18.63	7.43	7.40	
<b>Bendigo High Growth Wholesale Fund</b>	★★★★	33 / 121	5.90	24.95	9.71	9.87	\$46.77
<i>Peer Comparison</i>			8.05	24.38	9.09	9.31	

#### An example of how your investment grows

##### Growth of \$10,000 over 5 years<sup>1</sup>

(Based on historic Fund performance over 5 years)

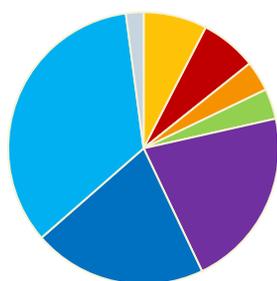


#### Fund Facts

	APIR Code	Fund inception date	Distribution frequency	Return objective	Recommended investment timeframe	Risk level	Management costs <sup>3</sup>	Buy / Sell spread <sup>3</sup>
<b>Bendigo Defensive Wholesale Fund</b>	STL0029AU	30 Sept 2011	Half yearly	CPI + 1.5%	2 years +	Low	0.600% p.a.	+0.12%/-0.15%
<b>Bendigo Conservative Wholesale Fund</b>	STL0012AU	6 June 2002	Half yearly	CPI + 2%	3 years +	Low to medium	0.834% p.a.	+0.15%/-0.17%
<b>Bendigo Balanced Wholesale Fund</b>	STL0013AU	6 June 2002	Half yearly	CPI + 3%	4 years +	Medium	0.962% p.a.	+0.17%/-0.17%
<b>Bendigo Growth Wholesale Fund</b>	STL0014AU	6 June 2002	Half yearly	CPI + 4%	5 years +	Medium to high	1.089% p.a.	+0.20%/-0.20%
<b>Bendigo High Growth Wholesale Fund</b>	STL0030AU	30 Sept 2011	Half yearly	CPI + 5%	7 years +	High	1.280% p.a.	+0.23%/-0.23%

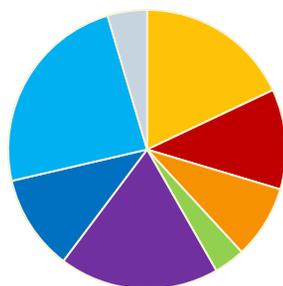
## Asset allocation

### Bendigo Defensive Wholesale Fund



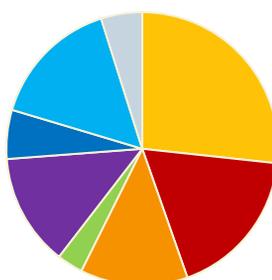
■ Aust Sh	7.6%
■ Int Sh	6.7%
■ Int Sh (Hedged)	3.6%
■ Property & Infra	3.6%
■ Cash	21.4%
■ Int FI	20.7%
■ Aust FI	34.3%
■ Alternative	2.1%

### Bendigo Conservative Wholesale Fund



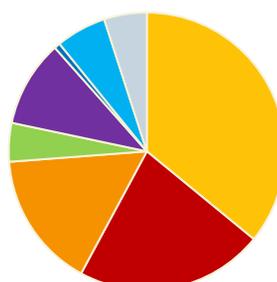
■ Aust Sh	18.0%
■ Int Sh	11.6%
■ Int Sh (Hedged)	8.5%
■ Property & Infra	3.6%
■ Cash	18.6%
■ Int FI	11.1%
■ Aust FI	24.0%
■ Alternative	4.6%

### Bendigo Balanced Wholesale Fund



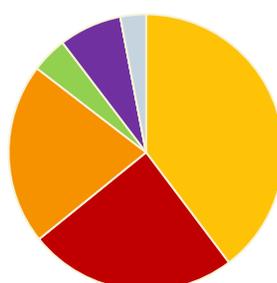
■ Aust Sh	26.7%
■ Int Sh	17.9%
■ Int Sh (Hedged)	12.8%
■ Property & Infra	3.1%
■ Cash	13.3%
■ Int FI	5.8%
■ Aust FI	15.5%
■ Alternative	4.9%

### Bendigo Growth Wholesale Fund



■ Aust Sh	35.9%
■ Int Sh	22.0%
■ Int Sh (Hedged)	15.9%
■ Property & Infra	4.5%
■ Cash	10.1%
■ Int FI	0.7%
■ Aust FI	5.9%
■ Alternative	5.0%

### Bendigo High Growth Wholesale Fund



■ Aust Sh	39.7%
■ Int Sh	24.5%
■ Int Sh (Hedged)	21.2%
■ Property & Infra	4.2%
■ Cash	7.4%
■ Int FI	0.0%
■ Aust FI	0.0%
■ Alternative	3.0%

## Unit prices

as at 31 May 2021

	Application price	Withdrawal price
<b>Bendigo Defensive Wholesale Fund</b>	\$1.15666	\$1.15354
<b>Bendigo Conservative Wholesale Fund</b>	\$1.17307	\$1.16932
<b>Bendigo Balanced Wholesale Fund</b>	\$1.14099	\$1.13712
<b>Bendigo Growth Wholesale Fund</b>	\$1.10510	\$1.10069
<b>Bendigo High Growth Wholesale Fund</b>	\$1.55683	\$1.54968

## Make the most of your investment

You need \$50,000 to start an investment in one of our Bendigo Managed Wholesale Funds

### ► 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? You can 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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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)

## Performance commentary

Returns for the month ending May were strong across all risk profiles as every major asset class had positive returns. Inflation expectations rose over the month, while bond yields remained stable. This resulted in strong returns for the Funds allocation to gold and Australian inflation linked bonds. On the growth side of the ledger, large capitalisation Australian equities aided returns the most in May given higher commodity prices and improving operating conditions for financial companies such as the major banks. Performance amongst the Funds active managers were strongest for Australian active managers, all managed to outperform but Bennelong continues to stand out returning 3.5% in May. The Funds maintain a bias towards Australian equities given the large weighting to resource companies and banks, in which resources continue to be supported by strong global demand, and banks which are supported by strong credit growth.

## Economic commentary

Strong corporate earnings, improving economic data and inflation normalising post COVID disruptions buoyed most major asset classes in the month of May. The push and pull between elevated inflation being transitory or structurally higher for longer has puzzled investors and as a result caused divergences in performance between longer and shorter duration asset classes.

Longer duration assets have underperformed relative to their peers as the market has doubted the steadfast stance of central bank officials that recent higher inflation prints are transitory in nature. Federal Reserve and RBA officials expect that CPI prints will normalise towards the end of the calendar year following the easing of disruptions to supply chains and low base effects of data rebounding from COVID lows.

Of all the major equity indices, Australian large capitalisation equities performed strongest in May (up 2.3%) given higher commodity prices which benefited resource stocks and improving operating conditions for financial companies such as the major banks. Global equities underperformed (up 1.0%) as the rotation into cyclical business continued in May, hurting growth sectors trading at elevated multiples which gave back some of their gains from earlier in the year.

Inflation data over the next couple months will be key in understanding the likely path of price rises and its impact on the business cycle. Fiscal and monetary conditions remain accommodative and will continue to support financial assets going forward. The investment team believes a balanced approach to building portfolios will ensure protection from heightened volatility in outcomes related to inflation and will continue to manage the portfolio with regard to changing market conditions.

### 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. Morningstar rates managed funds from one to five stars based on how well they've performed (after adjusting for risk) in comparison to similar funds. Within each Morningstar Category, the top 10% of funds receive five stars, the next 22.5% four stars, the middle 35% three stars, the next 22.5% two stars, and the bottom 10% receive one star. Funds are rated for up to three time periods - three, five, and 10 years - and these ratings are combined to produce an overall rating. Funds with less than three years of history are not rated. Ratings are objective, based entirely on a mathematical evaluation of past performance. They're a useful tool for identifying funds worthy of further research, but shouldn't be considered buy or sell recommendations.

Bendigo Defensive Wholesale Fund received a 4-Star Overall Morningstar Rating™ out of 23 Multisector Conservative funds as of 31 May 2021. In the Morningstar Multisector Conservative Category, the Bendigo Defensive Wholesale Fund 5 year return was ranked 4 out of 23 funds as of 31 May 2021. Source: [www.morningstar.com.au/Funds/FundReport/19293](http://www.morningstar.com.au/Funds/FundReport/19293)

Bendigo Conservative Wholesale Fund received a 5-Star Overall Morningstar Rating™ out of 119 Multisector Moderate funds as of 31 May 2021. In the Morningstar Multisector Moderate Category, the Bendigo Conservative Wholesale Fund 5 year return was ranked 6 out of 114 funds as of 31 May 2021. Source: [www.morningstar.com.au/Funds/FundReport/13196](http://www.morningstar.com.au/Funds/FundReport/13196)

Bendigo Balanced Wholesale Fund received a 5-Star Overall Morningstar Rating™ out of 125 Multisector Balanced funds as of 31 May 2021. In the Morningstar Multisector Balanced Category, the Bendigo Balanced Wholesale Fund 5 year return was ranked 9 out of 115 funds as of 31 May 2021. Source: [www.morningstar.com.au/Funds/FundReport/13195](http://www.morningstar.com.au/Funds/FundReport/13195)

Bendigo Growth Wholesale Fund received a 5-Star Overall Morningstar Rating™ out of 198 Multisector Growth funds as of 31 May 2021. In the Morningstar Multisector Growth Category, the Bendigo Growth Wholesale Fund 5 year return was ranked 18 out of 191 funds as of 31 May 2021. Source: [www.morningstar.com.au/Funds/FundReport/13197](http://www.morningstar.com.au/Funds/FundReport/13197)

Bendigo High Growth Wholesale Fund received a 4-Star Overall Morningstar Rating™ out of 131 Multisector Aggressive funds as of 31 May 2021. In the Morningstar Multisector Aggressive Category, the Bendigo High Growth Wholesale Fund 5 year return was ranked 33 out of 121 funds as of 31 May 2021. Source: [www.morningstar.com.au/Funds/FundReport/19294](http://www.morningstar.com.au/Funds/FundReport/19294)

'Peer Comparison' performance refers to the performance of the relevant 'Morningstar Category' for the stated period. Investments are placed into Morningstar Categories based on their compositions and portfolio statistics so that investors can make meaningful comparisons. 'Morningstar Category Rank' is the Fund's performance rank relative to all funds in the same Morningstar Category.

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3. 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 managed funds detailed in this update (individually referred to as 'Fund' or collectively as 'Funds') are 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 Funds or the service they provide, full details of which are contained in the relevant Product Disclosure Statement (PDS). Investments in the Funds 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 and opinions provided in this document have not been verified and Sandhurst has no obligation to notify you in the event that any information or opinions change. 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 relevant 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.

The information is current as at 31 May 2021 (unless stated otherwise) and is subject to change without notice.

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