

Monthly fund update - February 2021

Investment approach

Each Fund invests via expert asset managers that specialise in index strategies that seek to track the performance of selected benchmarks as well as alternative assets and cash. Alternative assets and cash may or may not invest in index strategies. Sandhurst will invest each Fund's assets across a variety of asset classes in a manner that we believe will meet 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), where inflation is measured by the Australian Consumer Price Index (CPI).

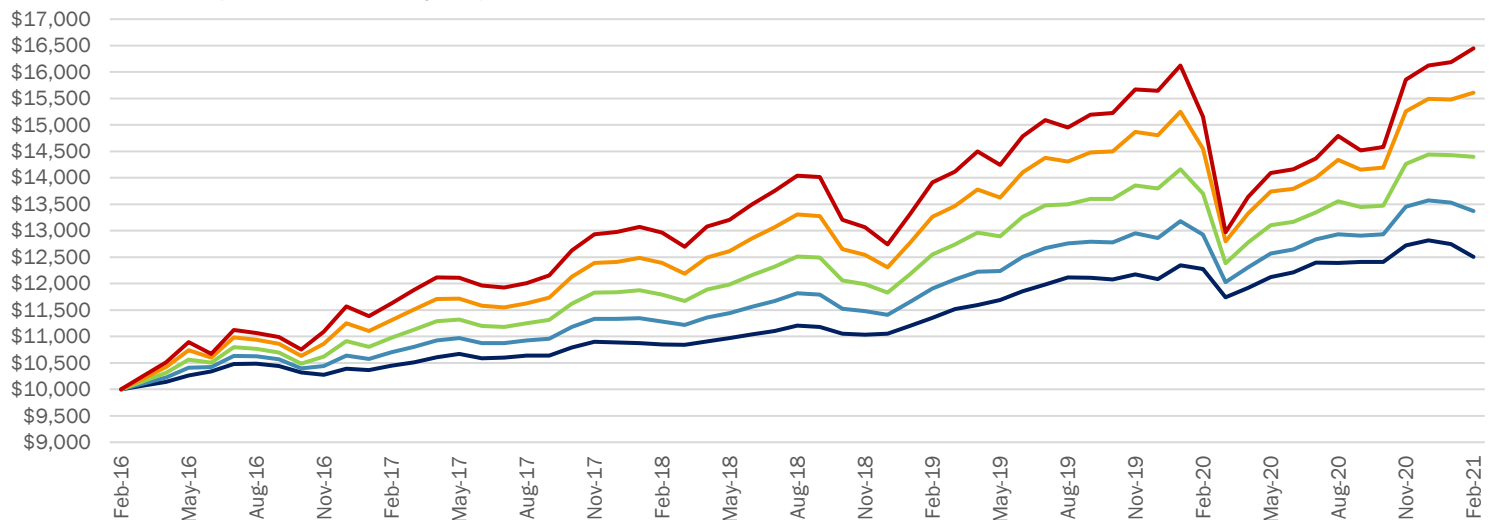
Fund performance¹

as at 28 February 2021	Morningstar Rating™ Overall ²	Morningstar Category Rank 5 Year ²	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Fund size \$m
Bendigo Defensive Index Fund	★★★★	3 / 24	-1.70	1.86	4.85	4.57	\$110.96
<i>Peer Comparison</i>			-1.15	0.36	2.91	3.25	
Bendigo Conservative Index Fund	★★★★★	6 / 120	-0.59	3.45	5.83	5.99	\$463.74
<i>Peer Comparison</i>			-0.22	1.83	3.67	4.20	
Bendigo Balanced Index Fund	★★★★★	8 / 116	0.92	5.06	6.87	7.56	\$478.56
<i>Peer Comparison</i>			0.94	4.17	4.83	6.00	
Bendigo Growth Index Fund	★★★★★	7 / 197	2.31	7.28	8.01	9.31	\$361.74
<i>Peer Comparison</i>			1.61	5.52	5.60	7.29	
Bendigo High Growth Index Fund	★★★★	20 / 123	3.73	8.52	8.26	10.46	\$72.01
<i>Peer Comparison</i>			2.92	7.85	6.73	9.27	

An example of how your investment grows

Growth of \$10,000 over 5 years¹

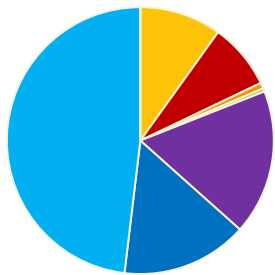
(Based on historic Fund performance over 5 years)



Fund Facts	APIR Code	Fund inception date	Distribution frequency	Return objective	Recommended investment timeframe	Risk level	Management costs ³	Buy / Sell spread ³
Bendigo Defensive Index Fund	STL0031AU	30 Sept 2011	Half yearly	CPI + 1.5%	2 years +	Low	0.390% p.a.	+0.09%/-0.12%
Bendigo Conservative Index Fund	STL0032AU	30 Sept 2011	Half yearly	CPI + 2%	3 years +	Low to medium	0.410% p.a.	+0.10%/-0.10%
Bendigo Balanced Index Fund	STL0033AU	30 Sept 2011	Half yearly	CPI + 3%	4 years +	Medium	0.430% p.a.	+0.10%/-0.10%
Bendigo Growth Index Fund	STL0034AU	30 Sept 2011	Half yearly	CPI + 4%	5 years +	Medium to high	0.450% p.a.	+0.10%/-0.10%
Bendigo High Growth Index Fund	STL0035AU	30 Sept 2011	Half yearly	CPI + 5%	7 years +	High	0.460% p.a.	+0.10%/-0.10%

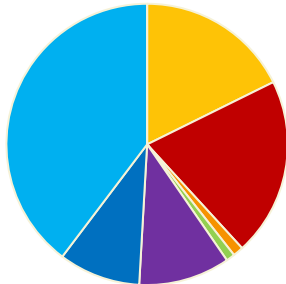
Asset allocation

Bendigo Defensive Index Fund



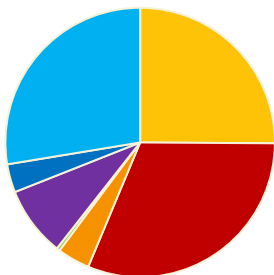
■ Aust Sh	9.9%
■ Int Sh	8.0%
■ Int Sh (Hedged)	0.7%
■ Property & Infra	0.4%
■ Cash	17.6%
■ Int FI	15.3%
■ Aust FI	48.1%
■ Alternative	0.0%

Bendigo Conservative Index Fund



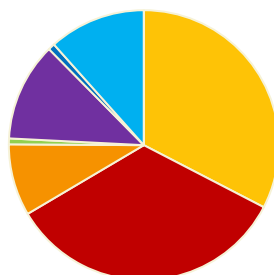
■ Aust Sh	17.7%
■ Int Sh	20.5%
■ Int Sh (Hedged)	1.2%
■ Property & Infra	1.0%
■ Cash	10.5%
■ Int FI	9.4%
■ Aust FI	39.7%
■ Alternative	0.0%

Bendigo Balanced Index Fund



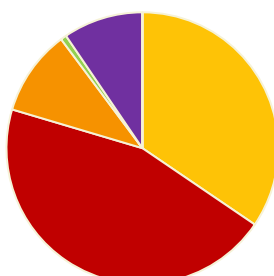
■ Aust Sh	25.1%
■ Int Sh	31.2%
■ Int Sh (Hedged)	3.9%
■ Property & Infra	0.4%
■ Cash	8.4%
■ Int FI	3.4%
■ Aust FI	27.6%
■ Alternative	0.0%

Bendigo Growth Index Fund



■ Aust Sh	32.6%
■ Int Sh	33.9%
■ Int Sh (Hedged)	8.6%
■ Property & Infra	0.7%
■ Cash	11.8%
■ Int FI	0.8%
■ Aust FI	11.6%
■ Alternative	0.0%

Bendigo High Growth Index Fund



■ Aust Sh	34.5%
■ Int Sh	45.1%
■ Int Sh (Hedged)	10.2%
■ Property & Infra	0.7%
■ Cash	9.5%
■ Int FI	0.0%
■ Aust FI	0.0%
■ Alternative	0.0%

Unit prices

as at 28 February 2021

Application price Withdrawal price

Bendigo Defensive Index Fund	\$1.15795	\$1.15552
Bendigo Conservative Index Fund	\$1.31302	\$1.31040
Bendigo Balanced Index Fund	\$1.46557	\$1.46265
Bendigo Growth Index Fund	\$1.64715	\$1.64386
Bendigo High Growth Index Fund	\$1.70678	\$1.70337

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

Performance commentary

Returns for the month of February were mixed as bond yields started to rise following the roll out of vaccines and proposed additional fiscal stimulus. The rise of bond yields affected most major asset classes negatively, but the degree of underperformance was exacerbated in assets such as bonds and pockets of growth equities. Domestic equities, which have a larger allocation to companies that produce commodities benefitted returns given higher commodity prices over the last 12 months. An underweight to property and infrastructure also aided returns as rising yields negatively affects these sectors that typically have greater levels of debt on their balance sheet. Defensive assets such as gold and bonds detracted from returns because of the rise in bond yields.

Economic commentary

Risk assets ended the period in positive territory but softened as bond yields rose in response to higher inflation expectations and an improved economic growth outlook. Additional large fiscal stimulus from the US coupled with the mass roll out of vaccinations across the globe underpin the rise in expectations. The Nasdaq, dominated by growth technology stocks, suffered the worst response to the rise in inflation expectations and increased optimism around the outlook for economies reopening. Technology stocks benefitted most from shutdowns, so this tailwind normalising has some investors questioning the valuation gap between growth and value orientated sectors which would benefit greatly from reopening and a reduction in the output gap.

Evidence of a large fiscal stimulus program improving economic growth came in the Australian December quarter GDP print. Following the first recession recorded in over 30 years, economic growth expanded 3.1% following a 3.4% rise in the September quarter. It represents the first time in 60 years that Australia has recorded more than 3% growth in 2 consecutive quarters. A V-shape recovery appears to be taking place in Australia with year-on-year GDP only 1.1% below December 2019 figures. An outstanding outcome when one reflects on the measures taken during 2020 to curb the spread of infections.

Looking forward, fiscal and monetary policy must remain loose to support economies. Also, it will be important for the distribution of vaccines to continue smoothly to ensure the world returns to economic growth. Australia still requires gains in employment to return to full employment and maintain inflation within the RBA's target range, however, progress has been made towards this goal since the height of the lockdowns.

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 Index Fund received a 4-Star Overall Morningstar Rating™ out of 24 Multisector Conservative funds as of 28 February 2021. In the Morningstar Multisector Conservative Category, the Bendigo Defensive Index Fund 5 year return was ranked 3 out of 24 funds as of 28 February 2021. Source: www.morningstar.com.au/Funds/FundReport/19288

Bendigo Conservative Index Fund received a 5-Star Overall Morningstar Rating™ out of 125 Multisector Moderate funds as of 28 February 2021. In the Morningstar Multisector Moderate Category, the Bendigo Conservative Index Fund 5 year return was ranked 6 out of 120 funds as of 28 February 2021. Source: www.morningstar.com.au/Funds/FundReport/19289

Bendigo Balanced Index Fund received a 5-Star Overall Morningstar Rating™ out of 125 Multisector Balanced funds as of 28 February 2021. In the Morningstar Multisector Balanced Category, the Bendigo Balanced Index Fund 5 year return was ranked 8 out of 116 funds as of 28 February 2021. Source: www.morningstar.com.au/Funds/FundReport/19290

Bendigo Growth Index Fund received a 5-Star Overall Morningstar Rating™ out of 204 Multisector Growth funds as of 28 February 2021. In the Morningstar Multisector Growth Category, the Bendigo Growth Index Fund 5 year return was ranked 7 out of 197 funds as of 28 February 2021. Source: www.morningstar.com.au/Funds/FundReport/19291

Bendigo High Growth Index Fund received a 4-Star Overall Morningstar Rating™ out of 133 Multisector Aggressive funds as of 28 February 2021. In the Morningstar Multisector Aggressive Category, the Bendigo High Growth Index Fund 5 year return was ranked 20 out of 123 funds as of 28 February 2021. Source: www.morningstar.com.au/Funds/FundReport/19292

'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, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision.

The information is current as at 28 February 2021 (unless stated otherwise) and is subject to change without notice.

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