

### Monthly fund update - November 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).

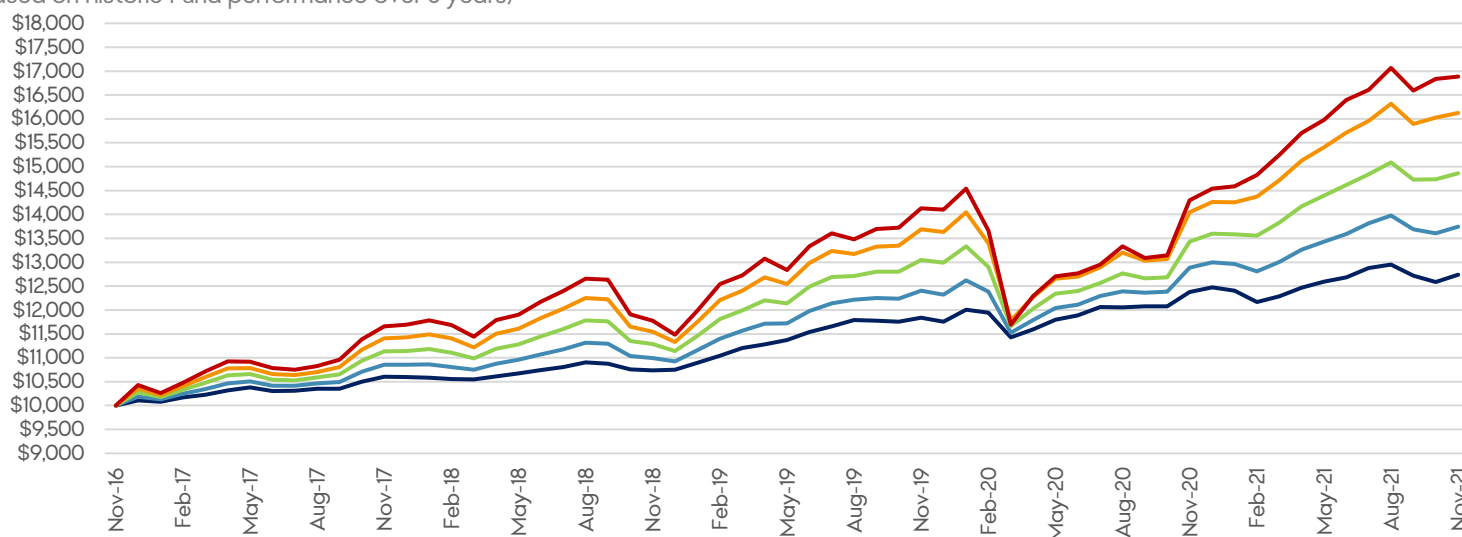
#### Fund performance<sup>1</sup>

| as at 30 November 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 Index Fund</b><br><i>Peer Comparison</i>    | ★★★★★                                    | 1 / 23  | -1.65<br>-1.32 | 2.90<br>2.08   | 5.87<br>3.86   | 4.96<br>3.40   | \$111.93      |
| <b>Bendigo Conservative Index Fund</b><br><i>Peer Comparison</i> | ★★★★★                                    | 3 / 113                                       | -1.67<br>-1.01 | 6.67<br>4.94   | 7.71<br>5.26   | 6.57<br>4.51   | \$480.88      |
| <b>Bendigo Balanced Index Fund</b><br><i>Peer Comparison</i>     | ★★★★★                                    | 4 / 114                                       | -1.51<br>-1.05 | 10.67<br>9.13  | 9.60<br>7.61   | 8.25<br>6.39   | \$517.15      |
| <b>Bendigo Growth Index Fund</b><br><i>Peer Comparison</i>       | ★★★★★                                    | 6 / 193                                       | -1.18<br>-1.02 | 14.80<br>12.84 | 11.77<br>9.54  | 10.03<br>7.97  | \$434.80      |
| <b>Bendigo High Growth Index Fund</b><br><i>Peer Comparison</i>  | ★★★★                                     | 27 / 128                                      | -1.08<br>-0.93 | 18.11<br>17.44 | 12.76<br>11.87 | 11.04<br>10.06 | \$84.93       |

#### 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)

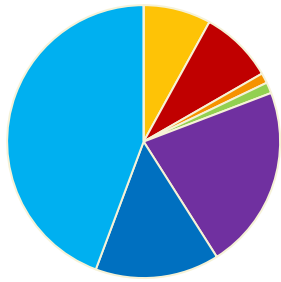


#### Fund Facts

|  | 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 Index Fund</b>    | STL0031AU | 30 Sept 2011        | Half yearly            | CPI + 1.5%       | 2 years +                        | Low            | 0.390% p.a.                   | +0.09%/-0.12%                  |
| <b>Bendigo Conservative Index Fund</b> | STL0032AU | 30 Sept 2011        | Half yearly            | CPI + 2%         | 3 years +                        | Low to medium  | 0.410% p.a.                   | +0.10%/-0.10%                  |
| <b>Bendigo Balanced Index Fund</b>     | STL0033AU | 30 Sept 2011        | Half yearly            | CPI + 3%         | 4 years +                        | Medium         | 0.430% p.a.                   | +0.10%/-0.10%                  |
| <b>Bendigo Growth Index Fund</b>       | STL0034AU | 30 Sept 2011        | Half yearly            | CPI + 4%         | 5 years +                        | Medium to high | 0.450% p.a.                   | +0.10%/-0.10%                  |
| <b>Bendigo High Growth Index Fund</b>  | STL0035AU | 30 Sept 2011        | Half yearly            | CPI + 5%         | 7 years +                        | High           | 0.460% p.a.                   | +0.10%/-0.10%                  |

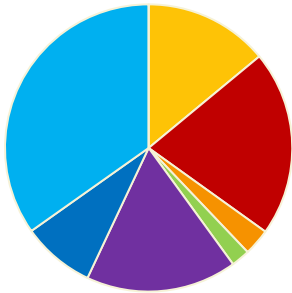
## Asset allocation

### Bendigo Defensive Index Fund



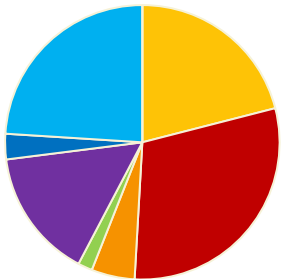
|                    |       |
|--------------------|-------|
| ■ Aust Sh          | 8.0%  |
| ■ Int Sh           | 8.7%  |
| ■ Int Sh (Hedged)  | 1.2%  |
| ■ Property & Infra | 1.3%  |
| ■ Cash             | 21.8% |
| ■ Int FI           | 14.7% |
| ■ Aust FI          | 44.3% |
| ■ Alternative      | 0.0%  |

### Bendigo Conservative Index Fund



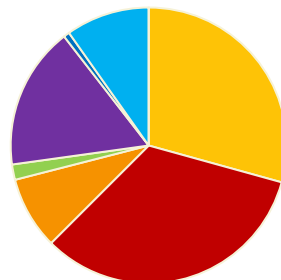
|                    |       |
|--------------------|-------|
| ■ Aust Sh          | 14.0% |
| ■ Int Sh           | 20.9% |
| ■ Int Sh (Hedged)  | 3.0%  |
| ■ Property & Infra | 2.1%  |
| ■ Cash             | 17.0% |
| ■ Int FI           | 8.2%  |
| ■ Aust FI          | 34.8% |
| ■ Alternative      | 0.0%  |

### Bendigo Balanced Index Fund



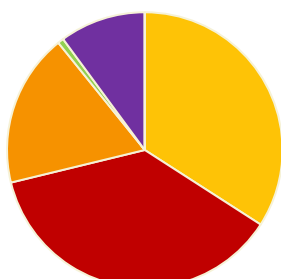
|                    |       |
|--------------------|-------|
| ■ Aust Sh          | 21.0% |
| ■ Int Sh           | 29.9% |
| ■ Int Sh (Hedged)  | 5.1%  |
| ■ Property & Infra | 1.7%  |
| ■ Cash             | 15.3% |
| ■ Int FI           | 3.0%  |
| ■ Aust FI          | 24.0% |
| ■ Alternative      | 0.0%  |

### Bendigo Growth Index Fund



|                    |       |
|--------------------|-------|
| ■ Aust Sh          | 29.3% |
| ■ Int Sh           | 33.2% |
| ■ Int Sh (Hedged)  | 8.5%  |
| ■ Property & Infra | 1.8%  |
| ■ Cash             | 16.7% |
| ■ Int FI           | 0.7%  |
| ■ Aust FI          | 9.8%  |
| ■ Alternative      | 0.0%  |

### Bendigo High Growth Index Fund



|                    |       |
|--------------------|-------|
| ■ Aust Sh          | 34.1% |
| ■ Int Sh           | 37.1% |
| ■ Int Sh (Hedged)  | 18.0% |
| ■ Property & Infra | 0.7%  |
| ■ Cash             | 10.1% |
| ■ Int FI           | 0.0%  |
| ■ Aust FI          | 0.0%  |
| ■ Alternative      | 0.0%  |

## Unit prices

as at 30 November 2021

Application price  
Withdrawal price

|  |           |           |
|--|-----------|-----------|
| <b>Bendigo Defensive Index Fund</b>    | \$1.15909 | \$1.15665 |
| <b>Bendigo Conservative Index Fund</b> | \$1.33489 | \$1.33222 |
| <b>Bendigo Balanced Index Fund</b>     | \$1.51191 | \$1.50889 |
| <b>Bendigo Growth Index Fund</b>       | \$1.75319 | \$1.74969 |
| <b>Bendigo High Growth Index Fund</b>  | \$1.83348 | \$1.82982 |

## 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.bendigobank.com.au/managedfunds](http://www.bendigobank.com.au/managedfunds)

## Performance commentary

The Funds on aggregate performed in line with the peer group of over the month. Aiding performance was the Funds foreign exposure in which given the falls in the Australian dollar, buffeted equity market weakness. Given falls in bond yields over the period, positioning in inflation linked bonds and Australian government bonds both added to returns. Looking forward, we believe the Funds are well positioned with a good blend of growth drivers (global technology companies) as well as inflation protection (inflation linked bonds and gold) and downside protection (government risk free securities, foreign currency exposure).

## Economic commentary

Markets were mixed over the month of November, as an early month rally in risk assets gave way to a selloff promoted by the Omicron variant and a less accommodative monetary stance from the US Federal Reserve. The Australian dollar fell over 5% with bond yields following the same course, as the market repriced global growth expectations lower. Whilst testing is still early, the variant is expected to be milder, however more contagious, than previous versions of the virus.

Data flow continues to suggest economic growth will remain strong moving into 2022. ISM PMI surveys on both the services and manufacturing sectors display robust readings, with measures such as prices and new orders being high relative to historical levels. This coupled with tight customer inventories indicate demand is well supported. Labour statistics back this data, with US job openings above 11 million, well above pre-Covid measures of approximately seven million. Within Australia, jobs advertisements data from SEEK indicate a tightening employment market. For November, SEEK job ads are up 50% year on year in which is 52% higher than November 2019. Despite the seemingly tighter employment market, the Reserve Bank of Australia has continued to communicate that they do not expect to raise interest rates until 2024. This is contrary to market pricing, in which financial markets have priced in three cash rate rises over the upcoming 12-month period.

Over the month emerging markets displayed some glimmers of hope in which has been a troubling asset class over the past year. Despite strong returns experienced across developed world markets, the CSI 300 Index, which comprises of China listed companies, has fallen over 16% from the high point in February 2021 to the end of November. Whilst predominately self-inflicted, China has steered an easing in credit growth and property speculation in which is aimed at reducing inequality, hence allowing for a more sustainable growth path leading forward. This, coupled with political interference in some of the larger constituents of the Chinese stock market, has led to a loss of investor confidence within the region. More recently the Chinese Government has pledged more support for the economy, in which markets have cheered.

### 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 5-Star Overall Morningstar Rating™ out of 23 Multisector Conservative funds as of 30 November 2021. In the Morningstar Multisector Conservative Category, the Bendigo Defensive Index Fund 5 year return was ranked 1 out of 23 funds as of 30 November 2021. Source: [www.morningstar.com.au/Funds/FundReport/19288](http://www.morningstar.com.au/Funds/FundReport/19288)

Bendigo Conservative Index Fund received a 5-Star Overall Morningstar Rating™ out of 115 Multisector Moderate funds as of 30 November 2021. In the Morningstar Multisector Moderate Category, the Bendigo Conservative Index Fund 5 year return was ranked 3 out of 113 funds as of 30 November 2021. Source: [www.morningstar.com.au/Funds/FundReport/19289](http://www.morningstar.com.au/Funds/FundReport/19289)

Bendigo Balanced Index Fund received a 5-Star Overall Morningstar Rating™ out of 122 Multisector Balanced funds as of 30 November 2021. In the Morningstar Multisector Balanced Category, the Bendigo Balanced Index Fund 5 year return was ranked 4 out of 114 funds as of 30 November 2021. Source: [www.morningstar.com.au/Funds/FundReport/19290](http://www.morningstar.com.au/Funds/FundReport/19290)

Bendigo Growth Index Fund received a 5-Star Overall Morningstar Rating™ out of 200 Multisector Growth funds as of 30 November 2021. In the Morningstar Multisector Growth Category, the Bendigo Growth Index Fund 5 year return was ranked 6 out of 193 funds as of 30 November 2021. Source: [www.morningstar.com.au/Funds/FundReport/19291](http://www.morningstar.com.au/Funds/FundReport/19291)

Bendigo High Growth Index Fund received a 4-Star Overall Morningstar Rating™ out of 132 Multisector Aggressive funds as of 30 November 2021. In the Morningstar Multisector Aggressive Category, the Bendigo High Growth Index Fund 5 year return was ranked 27 out of 128 funds as of 30 November 2021. Source: [www.morningstar.com.au/Funds/FundReport/19292](http://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.bendigobank.com.au/managedfundsforms](http://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](http://www.bendigobank.com.au/TMD)

The information is current as at 30 November 2021 (unless stated otherwise) and is subject to change without notice.

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