

Sandhurst Diversified Funds

Quarterly fund update - September 2024

Investment approach

Each Fund provides access to a selection of high quality, specialist active and index investment managers across a variety of asset classes via its underlying investments. The investment portfolios provide access to investments which have been constructed in a manner that Sandhurst believes 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 10 year period, where inflation is measured by the Australian Consumer Price Index (CPI).

Fund performance¹

as at 30 September 2024

	3 months %	1 year %	3 years %p.a.	5 years %p.a.	Since inception %p.a.
Sandhurst Conservative Fund	3.53	11.65	1.65	3.12	4.88
Sandhurst Balanced Fund	4.15	14.25	2.20	4.23	5.21
Sandhurst Growth Fund	4.71	16.45	2.60	5.29	5.84

An example of how your investment grows

Growth of \$10,000¹

(Based on historic Fund performance over 5 years)



Fund facts

Fund inception date	7 June 2002
Distribution frequency	Half yearly

Sandhurst Conservative Fund

Fund APIR Code	STL0008AU
Return objective	CPI + 1.5%
Recommended investment timeframe	3 years +
Risk level	Medium
Management fees & costs ²	1.43% p.a.
Buy / Sell Spread ²	+0.12%/-0.15%

Sandhurst Balanced Fund

Fund APIR Code	STL0009AU
Return objective	CPI + 2.5%
Recommended investment timeframe	4 years +
Risk level	Medium to high
Management fees & costs ²	1.45% p.a.
Buy / Sell Spread ²	+0.14%/-0.16%

Sandhurst Growth Fund

Fund APIR Code	STL00010AU
Return objective	CPI + 3%
Recommended investment timeframe	5 years +
Risk level	Medium to high
Management fees & costs ²	1.48% p.a.
Buy / Sell Spread ²	+0.15%/-0.16%

Do you have any questions?

For further information contact us on 1800 634 969 or visit our website: www.bendigobank.com.au/managedfunds

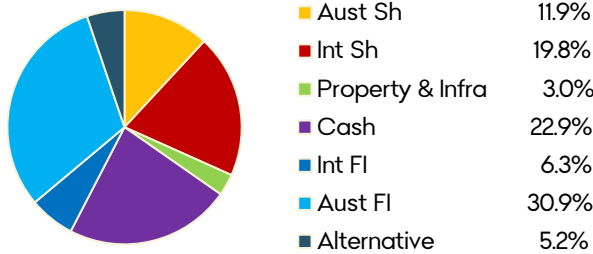
Unit prices

as at 30 September 2024

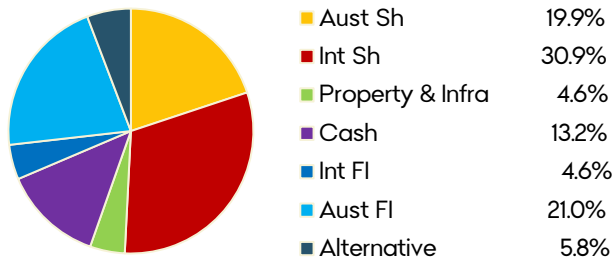
	Application price	Withdrawal price
Sandhurst Conservative Fund	\$1.03014	\$1.02736
Sandhurst Balanced Fund	\$1.10272	\$1.09942
Sandhurst Growth Fund	\$1.04063	\$1.03741

Asset allocation

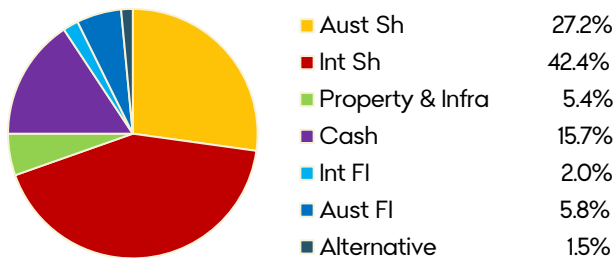
Sandhurst Conservative Fund



Sandhurst Balanced Fund



Sandhurst Growth Fund



Performance commentary

Returns for the quarter across the Funds were strong. With inflation data coming in softer, bond yields moved lower, leading to attractive returns in fixed income, while equity markets continued their strong run. Overall, the Funds performed in line with the peer group, with manager selection neither adding or detracting from relative returns. Working against the Fund was the overweight to Australian fixed income over global fixed income, in that global fixed income performed more favourably. In the US inflation has fallen faster than Australian inflation, which is largely linked to differences in monetary and fiscal policy between the regions.

Economic commentary

The September quarter was another positive period for risk assets, in which Australian shares (S&P ASX 300 Accumulation) rose 7.8%, while hedged global equities rose 4.4% (MSCI World Ex Australia Hedged AUD Total Return Index). Australian banks drove the ASX higher, while mining stocks staged a rally late in the quarter driven by announced China stimulus. Australian and global banks have performed particularly well over the past twelve months, while domestic conditions of an expansion of credit and rising home values have supported bank share prices. Currently relative to historical metrics, Australian banks are expensive to both historical price to earnings ratio and on a dividend yield versus risk free interest rates perspective.

Late in the quarter China stimulus spurred Chinese stocks and mining shares, in which these areas have been particularly weak and unloved for an extended period of time. In September the Hang Seng rose 17.5% on the back of multi-targeted stimulus, and the expectation that the Chinese government will continue to expand stimulus measures.

September saw a flurry of central banks cut interest rates, the European Central Bank has now cumulative cut interest rates by 0.85% since June, the Bank of Canada in total 0.75%, Bank of England 0.25% and the highly anticipated Federal Reserve dropped their cash rate by 0.5% in September's meeting. Against the grain, BOJ has hinted at further rate hikes, while Australia's RBA have advised they are a while away from easing interest rates. Driving the divergence is the inflation backdrop, in which Australia's core inflation (excluding energy and volatile items) continues to remain sticky, with domestic factors such as rent inflation, which is linked to a housing demand/supply imbalance, poor productivity.

Looking forward markets appear well supported into the year end through tailwinds from global fiscal and monetary policy. The outcome from the US elections is likely to shape winners and losers in which will impact markets in the last quarter.

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. Funds start date 7 June 2002.
2. Management fees & costs are based on fees and 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, any Bendigo Bank branch or by phoning 1800 634 969 before making an investment decision.

For target market determination: www.bendigobank.com.au/TMD

The information is current as at 30 September 2024 (unless stated otherwise) and is subject to change without notice.