

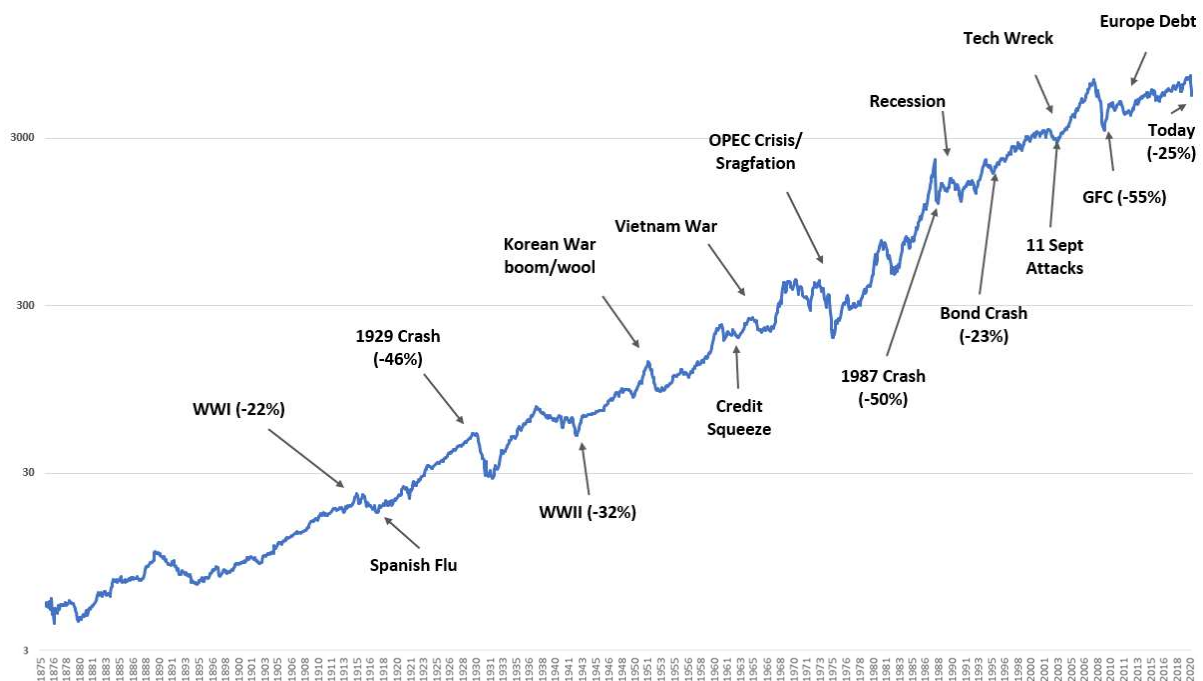
## Share market volatility and COVID-19

### The share market and the impacts of COVID-19

The disruption to businesses, share markets and consumers globally from COVID-19 continues to evolve and is currently reflected in share market and investor confidence. In response, global central banks are lowering interest rates and governments are implementing various stimulus packages and preventative measures.

### Some facts to consider about your investments

The market volatility we are experiencing and may continue to experience in the short-term, is a normal financial market response to a significant economic event. Financial markets do not like uncertainty - however temporary - but with history as our guide, we know that markets eventually recover. You may be familiar with other historic disruptive events such as the Spanish Flu, World War II and the Global Financial Crisis. These events eventually came to an end. It is very likely this latest downturn will be no different. The following table highlights the many significant market disruptive events from the past 100+ years and the impact on the Australian share market over time.



Source: Sandhurst based on *All Ordinaries: Australian Shares 1875-2020 (Log Scale)*

### What happens if I do nothing?

It is understandable you may be worried about the value of your super or other investments. But whilst these disruptions are undesirable, here are some facts to keep in mind:

- Super is a long-term investment and generally can only be accessed when you retire. For many people, this means there should be enough time to recover from short-term movements.
- Higher returns do come with some risk. Ensure you understand how much risk you are comfortable with for your investment. It's important to put the current market movements in the context of your long-term investment objectives.

- Sandhurst Trustees has a team of highly experienced managers continuously monitoring this situation for you; many having worked through the Global Financial Crisis. The team is trained to deal with stressed market events and will continue to monitor this situation closely.

### **What happens if I switch to cash?**

It may be tempting to change your investment strategy to cash. However, it's important to understand the impact of doing so, which could include:

- You risk locking in a loss. Furthermore, you may not be able to take advantage of the market upturn.
- Your request may not happen immediately: it can take time for changes to your investment to be processed.

### **Who can I talk to?**

We appreciate such events can be unsettling. If you are still concerned about the recent market volatility, speak with your financial planner about your investment options. We can arrange a financial planning appointment for you by calling us on 1800 033 426.

*Prepared as at 17 March 2020 by Sandhurst Trustees Limited ABN 16 004 030 737 AFSL 237906, a subsidiary of the Bendigo and Adelaide Bank Limited ABN 11 068 049 178 AFSL 237879 (the Bank). The information contains general information only, it does not constitute any recommendation or advice. It has been prepared without taking into account your personal objectives, financial situation or needs and you should consider its appropriateness before acting on it. You should seek advice from a professional financial planner before making any financial decisions. Past performance is not a reliable indicator of future performance and you should consider other factors before choosing a fund or changing your investments. Your Investments in these products are not deposits with, guaranteed by, or liabilities of the Bendigo and Adelaide Bank.*