



**FULLERTON**  
FUND MANAGEMENT

# **FULLERTON FUND**

## **ANNUAL REPORT AND FINANCIAL STATEMENTS**

*For the year ended 31 March 2024*



# **FULLERTON FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

## **FULLERTON SHORT TERM INTEREST RATE FUND**

**FULLERTON FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND**

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**Managers**

Fullerton Fund Management Company Ltd

(UEN. 200312672W)

3 Fraser Street, #09-28 DUO Tower, Singapore 189352

**Directors of the Manager**

Ho Tian Yee

Nels Radley Friets

Phoon Siew Heng

Lester Edward Gray

Jenny Sofian

Vincent Lien Jown Jing

Chen Peng

Adelene Tan

Wolfgang Klemm (alternate director to Phoon Siew Heng)

**Trustee**

HSBC Institutional Trust Services (Singapore) Limited

10 Marina Boulevard, #48-01, Marina Bay Financial Centre Tower 2, Singapore 018983

**Auditors**

PriceWaterhouseCoopers LLP

7 Straits View, Marina One. East Tower, Level 12, Singapore 018936

**Legal Advisors to the Managers**

Tan Peng Chin LLC

50 Raffles Place, #27-01 Singapore Land Tower, Singapore 048623

**Legal Advisors to the Trustee**

Shook Lin & Bok LLP

1 Robinson Road, #18-00 AIA Tower, Singapore 048542

**FULLERTON FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND**

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**FULLERTON FUND***(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND****A) Fund Performance as at 31 March 2024**

<b>Fund Performance <sup>(1)</sup> / Benchmark Returns</b>	<b>3-mth %</b>	<b>6-mth %</b>	<b>1-year %</b>	<b>3-year<sup>(3)</sup> %</b>	<b>5-year<sup>(3)</sup> %</b>	<b>10- year<sup>(3)</sup> %</b>	<b>Since Inception<sup>(3)</sup> %</b>
Class A S\$ (Inception: 9 September 2004)	0.85	2.48	4.15	0.48	1.78	2.33	3.03
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.05	2.13	4.24	2.32	1.85	1.37	1.25
Class B S\$ (Inception: 4 June 2008)	0.83	2.43	4.04	0.38	1.67	2.22	3.09
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.05	2.13	4.24	2.32	1.85	1.37	1.01
Class B1 S\$ (Inception: 9 November 2009)	0.79	2.36	3.89	0.23	1.52	2.07	2.70
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.05	2.13	4.24	2.32	1.85	1.37	1.05
Class C S\$ (Inception: 25 September 2009)	0.75	2.28	3.73	0.08	1.37	1.92	2.60
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.05	2.13	4.24	2.32	1.85	1.37	1.05
Class R S\$ (Inception: 29 October 2015)	0.8	2.38	3.94	0.27	1.57	-	1.95
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.05	2.13	4.24	2.32	1.85	-	1.54
Class D US\$ (US\$ Hedged) <sup>(4)</sup> (Inception: 15 September 2016)	1.08	3.09	5.28	0.54	1.77	-	2.04
Benchmark (3M SORA + 0.60% p.a. <sup>(2)</sup> )	1.46	2.99	5.86	2.89	2.28	-	2.06

- Notes:
- (1) Fund performance is calculated on a bid-to-bid basis with dividends (if any) reinvested
  - (2) Source: Bloomberg. With effect from 1 August 2023, the benchmark is 3M SORA + 0.60% p.a. From inception till 31 July 2023, the benchmark was 3M SIBID.
  - (3) Annualised
  - (4) USD hedged computed by Fullerton Fund Management Company Ltd derived from 3-mth SORA

## **FULLERTON FUND**

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### **REPORT TO UNITHOLDERS**

#### **FULLERTON SHORT TERM INTEREST RATE FUND**

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#### **Market Review**

The last year to March 2024 has been marked by a series of surprises, from the slowing of China's recovery to US Treasury yields reaching 16-year highs, followed by a 2023 year-end rally alongside the Federal Reserve's (Fed) dovish pivot. Meanwhile, the Swiss National Bank was the first major DM central bank to cut its policy rate in 2024, diverging from the stance of the Fed, which remained on hold. In contrast, the Bank of Japan (BoJ) ended eight years of negative interest rates in a historical move, abandoning its yield-curve control and raising its short-term interest rate from “-0.1%” to “0% to +0.1%”.

Turning to Singapore, the Monetary Authority of Singapore (MAS) maintained the rate of appreciation of the Singapore dollar's Nominal Effective Exchange Rate (NEER) policy band throughout 2023 and over Q1 2024, with no adjustments to the width of the band or its centered level. Notably, the central bank transitioned to quarterly meetings from half-yearly ones, reflecting a need for more agile responses to evolving economic conditions. Looking ahead, the MAS anticipates an improvement in Singapore's economy over the course of 2024, with GDP growth forecast to come in between 1-3%. In terms of its inflation projections, the MAS maintained its 2.5-3.5% forecast range for both 2024 core inflation and headline inflation, and highlighted that core inflation is forecast to stay elevated in the immediate quarters ahead, before stepping down more discernibly in Q4 2024 and into 2025.

Against such a backdrop, the SGS yield curve remained inverted, as evidenced by the 4.0% yield on the 3-month MAS bill, as of end March 2024, while the yields on the 2-year and 10-year sovereign notes of the Singapore Government Securities (SGS) closed the period at 2.5% and 3.1%, marking an increase of 15 and 16 basis points, respectively. Separately, Singapore's non-government sector outperformed its SGS peers, as evidenced by the Markit iBoxx ALBI Singapore Non-government index's returns. In terms of Asian credit, they demonstrated broad gains, with both investment grade and high yield sectors advancing, with high yield bonds particularly benefiting from a compression in credit spreads. The Asian investment grade sector also rose, benefitting from tighter credit spreads even as duration detracted. On the latter, yields on US Treasuries rose, with the yield on the 10-year Treasury rising 75 basis points to close the period at 4.2%.

During the 12-month period ending March 31, 2024, the Fund achieved gains primarily driven by positive coupon carry, reflecting its bias towards credit allocation. However, detractors included losses stemming from duration-related factors, exacerbated by the rise in US Treasury and SGS yields. Credit spread performance exhibited mixed dynamics, with SGD credit spreads widening in contrast to relatively stable USD credit spread performances.

#### **Strategy and outlook**

The unexpected economic resilience witnessed thus far this year, characterised by stronger inflation readings, robust growth, and sustained tightness in labour markets, has prompted markets to adjust their expectations for monetary easing, anticipating them to commence later and to be less aggressive compared to projections made a few months ago. The persistent strength observed in incoming economic data poses a challenge to the communication efforts of central banks in developed markets (DM), which had previously hinted at easing measures to commence around mid-year.

## FULLERTON FUND

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### REPORT TO UNITHOLDERS

#### FULLERTON SHORT TERM INTEREST RATE FUND

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In Singapore, we anticipate that the Monetary Authority of Singapore (MAS) will leave its foreign exchange (FX) policy settings unchanged due to lingering inflation concerns. Despite inflation being more contained in 2024 compared to the previous two years, navigating the final stages of disinflation may pose greater challenges. Furthermore, the MAS anticipates that economic growth in 2024 will improve which also diminishes the urgency for the central bank to implement policy adjustments anytime soon.

Looking ahead, we believe the technical aspects of Asian and SGD credit markets are expected to remain supportive, underpinned by the ongoing search for yield amid a sluggish rebound in supply. Projections indicate that net issuance is anticipated to register a decline this year. This active pursuit of yield is likely to intensify, particularly if the Fed commences interest rate reductions later in the year, which would enhance the appeal of carry trades. To fund these investments, we may draw from our MAS bill allocation or reallocate from existing bonds where prices have surged, and valuations appear inflated. In our approach, we exercise caution, particularly in sectors susceptible to fallen angel risks. This includes sectors such as Chinese asset management companies, Chinese real estate, and Chinese local government financing vehicles (LGFVs).

#### B) Distribution of investments

Investments at fair value and as a percentage of Net Asset Value (NAV) of the Fund as at 31 March 2024 classified by:

- i. Country, industry and asset class

Please refer to the Statements of Portfolio on pages 17 - 26.

- ii. Credit rating of debt securities

	Fair Value S\$	% of NAV %
A/ A2	69,240,602	9.72
A-/ A3	173,119,156	24.31
A+/ A1	65,675,128	9.22
AA/ Aa2	20,727,400	2.91
AAA/ Aaa	67,864,520	9.53
BBB/ Baa2	70,281,835	9.87
BBB-/ Baa3	137,988,520	19.37
BBB+/ Baa1	128,456,448	18.04
C	3,685,047	0.52
Accrued interest on debt securities	5,304,439	0.74
<b>Total</b>	<b>742,343,095</b>	<b>104.23</b>

**FULLERTON FUND***(Constituted under a Trust Deed registered in the Republic of Singapore)***REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND****C) Top ten holdings**

<b>Holdings as at 31 March 2024</b>	<b>Fair Value S\$</b>	<b>% of NAV %</b>
MAS Bill Series 84 ZCP due 19/04/2024	49,900,250	7.01
Ping An International Financial Leasing Company Limited 2.5% due 27/08/2024	20,885,587	2.93
Hotel Properties Limited Series MTN 3.8% due 02/06/2025	20,785,263	2.92
UOL Treasury Services Pte Limited Series MTN 3% due 23/05/2024	19,968,200	2.80
UBS AG 5.125% due 15/05/2024	19,782,148	2.78
Deutsche Bank AG Series EMTN Var due 05/04/2028	19,273,774	2.71
Shangri-La Hotel Limited Series EMTN 4.5% due 12/11/2025	18,626,540	2.62
MAS Bill Series 28 ZCP due 19/04/2024	17,964,270	2.52
CDL Properties Limited Series MTN 2.958% due 09/05/2024	16,973,820	2.38
BNP Paribas Series EMTN 3.65% due 09/09/2024	16,227,738	2.28
<b>Holdings as at 31 March 2023</b>	<b>Fair Value S\$</b>	<b>% of NAV %</b>
Shangri-La Hotel Limited Series EMTN 4.5% due 12/11/2025	26,000,000	2.75
City Developments Limited Series MTN 2.8% due 27/06/2023	21,406,260	2.26
Hotel Properties Limited Series MTN 3.8% due 02/06/2025	20,822,238	2.20
Ping An International Financial Leasing Company Limited 2.5% due 27/08/2024	19,897,668	2.10
UOL Treasury Services Pte Limited Series MTN 3% due 23/05/2024	19,715,400	2.09
Mercatus Co-operative Series DMTN 2.8% due 26/07/2024	19,653,800	2.08
Keppel Corporation Limited Series EMTN 2.459% due 04/06/2025	19,125,657	2.02
BNP Paribas Series EMTN 3.65% due 09/09/2024	19,048,068	2.01
UBS AG 5.125% due 15/05/2024	19,007,729	2.01
Suntec REIT MTN Pte Limited Series MTN 3.4% due 10/05/2023	17,976,600	1.90



**FULLERTON FUND**

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**REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND**

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**D) Exposure to derivatives as of 31 March 2024**

- i. Fair value of derivative contracts and as a percentage of NAV

	<b>Fair value</b>	<b>% of NAV</b>
	<b>S\$</b>	<b>%</b>
Forward foreign exchange contracts	(2,306,386)	(0.32)
<b>Total</b>	<b>(2,306,386)</b>	<b>(0.32)</b>

- ii. Net realised and unrealised gains/losses on derivative contracts

	<b>Net Realised</b>	<b>Net Unrealised</b>
	<b>Gain/(Losses)</b>	<b>Gain/(Losses)</b>
	<b>S\$</b>	<b>S\$</b>
Forward foreign exchange contracts	(5,978,731)	(2,306,386)
<b>Total</b>	<b>(5,978,731)</b>	<b>(2,306,386)</b>

**E) Global Exposure to Financial Derivatives**

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- i. The absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangements; and
- ii. The absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements.

**F) Collateral**

Nil

**G) Securities Lending or Repurchase Transactions**

Nil

**H) Amount and percentage of NAV invested in other schemes as at 31 March 2024**

Nil

**I) Amount and percentage of borrowings to NAV as at 31 March 2024**

Nil

**FULLERTON FUND**

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**REPORT TO UNITHOLDERS****FULLERTON SHORT TERM INTEREST RATE FUND**

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**J) Amount of redemptions and subscriptions for the period 1 April 2023 to 31 March 2024**

Total amount of subscriptions	S\$ 30,672,244
Total amount of redemptions	S\$ 298,762,942

**K) Related-party transactions for the period 1 April 2023 to 31 March 2024**

Please refer to Note 7 of Notes to the Financial Statements on page 46.

**L) Financial Ratios**

Please refer to Note 9 of Notes to the Financial Statements on page 46.

**M) Any material information that will adversely impact the valuation of the scheme such as contingent liabilities of open contracts**

Nil

**N) Key information on underlying schemes which comprise of more than 30% of NAV** Not applicable**O) Soft dollar commissions**

The Manager is entitled to and may currently receive soft-dollar commissions from, or enter into soft dollar arrangements with, selected brokers who execute trades undertaken for funds it manages. The soft dollars received are restricted to the following kinds of services: research and advisory services, economic and political analysis, portfolio analysis including valuation and portfolio measurement, market analysis, data and quotation services, and computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process.

The Manager will not accept or enter into soft-dollar commissions/arrangements unless such soft-dollar commissions/arrangements will in the opinion of the Managers generally assist the Managers in their provision of investment services. Transactions executed for the Fund were on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned; and there was no churning of trades to qualify for such soft-dollar commissions/arrangements.

The Manager will comply with applicable regulatory and industry standards on soft dollars.

**P) Pre-determined payouts**

Not applicable

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**REPORT OF THE TRUSTEE**

*For the financial year ended 31 March 2024*

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The Trustee is under a duty to take into custody and hold the assets of the sub-fund of Fullerton Fund (the "Fund"), namely Fullerton Short Term Interest Rate Fund (the "Sub-Fund") in trust for the unitholders. In accordance with the Securities and Futures Act 2001, its subsidiary legislation and the Code on Collective Investment Schemes, the Trustee shall monitor the activities of the Manager for compliance with the limitations imposed on the investment and borrowing powers as set out in the Trust Deed in each annual accounting year and report thereon to unitholders in an annual report.

To the best knowledge of the Trustee, the Manager has, in all material respects, managed the Sub-Fund during the financial year covered by these financial statements, comprising the Statements of Total Return, Statements of Financial Position, Statements of Movements of Unitholders' Funds, Statements of Portfolio and Notes to the Financial Statements in accordance with the limitations imposed on the investment and borrowing powers set out in the Trust Deed.

For and on behalf of the Trustee  
HSBC Institutional Trust Services (Singapore) Limited

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Authorised signatory  
27 June 2024

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT BY THE MANAGER**

*For the financial year ended 31 March 2024*

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In the opinion of Fullerton Fund Management Company Ltd (“the Manager”), the accompanying financial statements comprising the Statement of Total Return, Statement of Financial Position, Statement of Movements of Unitholders’ Funds, Statement of Portfolio and Notes to the Financial Statements are drawn up so as to present fairly, in all material respects, the financial positions and the portfolio holdings of Fullerton Short Term Interest Rate Fund (the “Sub-Fund”) as at 31 March 2024, and the financial performance and movements in unitholders’ funds for the financial year then ended 31 March 2024, in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants. At the date of this statement, there are reasonable grounds to believe that the Sub-Fund will be able to meet its financial obligations as and when they materialise.

For and on behalf of the Manager  
Fullerton Fund Management Company Ltd

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Authorised signatories  
27 June 2024

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF FULLERTON FUND –  
FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed in the Republic of Singapore)*

**Our opinion**

In our opinion, the accompanying financial statements of the sub-fund of Fullerton Fund, namely Fullerton Short Term Interest Rate Fund (the “Sub-Fund”), are properly drawn up in accordance with the recommendations of Statement of Recommended Accounting Practice 7 “Reporting Framework for Investment Funds” issued by the Institute of Singapore Chartered Accountants (“RAP 7”), so as to present fairly, in all material respects, the financial position and portfolio holdings of the Sub-Fund as at 31 March 2024, and of the financial performance and movements of unitholders’ funds for the financial year ended on that date.

*What we have audited*

The financial statements of the Sub-Fund comprise:

- the Statement of Total Return for the financial year ended 31 March 2024;
- the Statement of Financial Position as at 31 March 2024;
- the Statement of Movements of Unitholders’ Funds for the financial year then ended;
- the Statement of Portfolio as at 31 March 2024; and
- the Notes to the financial statements, including material accounting policy information.

**Basis for Opinion**

We conducted our audit in accordance with Singapore Standards on Auditing (“SSAs”). Our responsibilities under those standards are further described in the Auditor’s Responsibilities for the Audit of the Financial Statements section of our report.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our audit opinion.

*Independence*

We are independent of the Sub-Fund in accordance with the Accounting and Corporate Regulatory Authority Code of Professional Conduct and Ethics for Public Accountants and Accounting Entities (“ACRA Code”) together with the ethical requirements that are relevant to our audit of the financial statements in Singapore, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the ACRA Code.

**Other Information**

The Sub-Fund’s Manager (the “Manager”) is responsible for the other information. The other information comprises all the sections of the annual report but does not include the financial statements and our auditor’s report thereon.

Our opinion on the financial statements does not cover the other information and we do not express any form of assurance conclusion thereon.

In connection with our audit of the financial statements, our responsibility is to read the other information and, in doing so, consider whether the other information is materially inconsistent with the financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If, based on the work we have performed, we conclude that there is a material misstatement of this other information, we are required to report that fact. We have nothing to report in this regard.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF FULLERTON FUND –  
FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed in the Republic of Singapore)*

**Responsibilities of the Manager for the Financial Statements**

The Manager is responsible for the preparation and fair presentation of these financial statements in accordance with the recommendations of RAP 7 and for such internal control as the Manager determines is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the financial statements, the Manager is responsible for assessing the Sub-Fund's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless the Manager either intends to terminate the Sub-Fund or to cease the Sub-Fund's operations, or has no realistic alternative but to do so.

The Manager's responsibilities include overseeing the Sub-Fund's financial reporting process.

**Auditor's Responsibilities for the Audit of the Financial Statements**

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with SSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with SSAs, we exercise professional judgement and maintain professional scepticism throughout the audit. We also:

- Identify and assess the risks of material misstatement of the financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Sub-Fund's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Manager.
- Conclude on the appropriateness of the Manager's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Sub-Fund's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to modify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Sub-Fund to cease to continue as a going concern.

**INDEPENDENT AUDITOR'S REPORT  
TO THE UNITHOLDERS OF FULLERTON FUND –  
FULLERTON SHORT TERM INTEREST RATE FUND**  
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**Auditor's Responsibilities for the Audit of the Financial Statements (continued)**

- Evaluate the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We communicate with the Manager regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

**Other matter**

This report is intended for the sole benefit and use of the only unitholders of Fullerton Short Term Interest Rate Fund and is neither intended to nor may it be relied upon by any other party ("Third Party"). Neither this report nor its contents or any part thereof may be distributed to, discussed with or otherwise disclosed to any Third Party without our prior written consent. We accept no liability or responsibility to any Third Party to whom this report is disclosed or otherwise made available to.

PricewaterhouseCoopers LLP  
Public Accountants and Chartered Accountants  
Singapore, 27 June 2024

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF TOTAL RETURN**

*For the financial year ended 31 March 2024*

	Note	2024 S\$	2023 S\$
<b>Investment income</b>			
Interest on deposits		118,845	62,461
Sundry income		-	58,781
		<b>118,845</b>	<b>121,242</b>
<b>Less: Expenses</b>			
Management fee	7	3,653,830	4,993,396
Trustee fees	7	132,565	163,646
Audit fee	8	47,609	19,889
Custodian fees	7	81,380	113,071
Valuation fee	7	6,013	5,997
Transaction costs		2,319	3,130
Others		169,735	18,021
		<b>4,093,451</b>	<b>5,317,150</b>
<b>Net loss</b>		<b>(3,974,606)</b>	<b>(5,195,908)</b>
<b>Net gains or losses on value of investments and financial derivatives</b>			
Net gains/(losses) on investments		46,764,713	(3,088,961)
Net losses on foreign exchange forward contracts		(8,285,117)	(2,174,165)
Net gains on futures contracts		-	327,398
Net foreign exchange gains/(losses)		287,768	(4,264,160)
		<b>38,767,364</b>	<b>(9,199,888)</b>
<b>Total return/(deficit) for the financial year before income tax</b>		<b>34,792,758</b>	<b>(14,395,796)</b>
<b>Less: Income tax</b>	3	-	(154)
<b>Total return/(deficit) for the financial year after income tax</b>		<b>34,792,758</b>	<b>(14,395,950)</b>

*The accompanying notes form an integral part of these financial statements.*



**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF FINANCIAL POSITION**

*As at 31 March 2024*

	Note	2024 S\$	2023 S\$
<b>ASSETS</b>			
Portfolio of investments		<b>742,343,095</b>	909,178,992
Financial derivatives, at fair value	4	<b>1,069,971</b>	2,581,953
Other receivables		-	95,691
Interest receivable		<b>152</b>	159
Margin deposit		<b>4,457</b>	-
Due from unitholders		<b>195,250</b>	201,782
Sales awaiting settlements		<b>1,697,977</b>	413,902
Cash and cash equivalents	7	<b>1,249,931</b>	35,637,069
<b>Total assets</b>		<b>746,560,833</b>	948,109,548
<b>LIABILITIES</b>			
Financial derivatives, at fair value	4	<b>3,376,357</b>	697,045
Accrued expenses and other payables		<b>39,006</b>	20,417
Due to Manager		<b>802,867</b>	1,050,203
Due to Trustee		<b>30,524</b>	36,091
Due to unitholders		<b>3,203,840</b>	819,762
Purchases awaiting settlements		<b>26,920,149</b>	-
<b>Total liabilities</b>		<b>34,372,743</b>	2,623,518
<b>EQUITY</b>			
Net assets attributable to unitholders	5	<b>712,188,090</b>	945,486,030

*The accompanying notes form an integral part of these financial statements.*

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF MOVEMENTS OF UNITHOLDERS' FUNDS**

*For the financial year ended 31 March 2024*

	Note	2024 S\$	2023 S\$
<b>Net assets attributable to unitholders at the beginning of the financial year</b>		<b>945,486,030</b>	1,453,932,652
<b>Operations</b>			
Change in net assets attributable to unitholders		<b>34,792,758</b>	(14,395,950)
<b>Unitholders' contributions/(withdrawals)</b>			
Creation of units		<b>30,672,244</b>	43,230,841
Cancellation of units		<b>(298,762,942)</b>	(537,281,513)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units		<b>(268,090,698)</b>	(494,050,672)
Total decrease in net assets attributable to unitholders		<b>(233,297,940)</b>	(508,446,622)
<b>Net assets attributable to unitholders at the end of the financial year</b>	5	<b>712,188,090</b>	945,486,030

*The accompanying notes form an integral part of these financial statements.*

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary</b>			
<b>MONEY MARKET INSTRUMENTS (QUOTED)</b>			
<b>Singapore</b>			
MAS Bill Series 28 ZCP due 19/04/2024	18,000,000	17,964,270	2.52
MAS Bill Series 84 ZCP due 19/04/2024	50,000,000	49,900,250	7.01
<b>Total Singapore</b>		<b>67,864,520</b>	<b>9.53</b>
<b>Total Money Market Instruments</b>		<b>67,864,520</b>	<b>9.53</b>
<b>DEBT SECURITIES (QUOTED)</b>			
<b>Australia</b>			
Macquarie Bank Limited Series 4.875% due 10/06/2025	800,000	1,067,782	0.15
Macquarie Group Limited Series EMTN Var due 18/08/2026	12,000,000	12,093,600	1.70
<b>Total Australia</b>		<b>13,161,382</b>	<b>1.85</b>
<b>China</b>			
Alibaba Group Holding Limited 3.6% due 28/11/2024	2,000,000	2,665,820	0.37
Beijing Gas Singapore Capital Corporation Series EMTN 1.875% due 18/01/2025	1,850,000	2,425,340	0.34
Beijing State-Owned Assets Management (Hong Kong) Company Limited 4.125% due 26/05/2025	9,418,000	12,567,539	1.76
Bocom Leasing Management Hong Kong Company Limited Series EMTN FRN due 05/09/2024	6,630,000	8,967,757	1.26
CCBL Cayman 1 Corporation Series EMTN 1.78% due 28/09/2025	5,550,000	7,091,085	0.99
CCBL Cayman 1 Corporation Series EMTN 1.99% due 21/07/2025	3,400,000	4,387,658	0.62
CDBL Funding Two Series EMTN 2% due 04/03/2026	2,000,000	2,542,592	0.36
China Cinda Finance 2017 I Limited Series EMTN 4.375% due 08/02/2025	2,750,000	3,671,280	0.51
CMB International Leasing Management Limited Series EMTN 1.25% due 16/09/2024	1,150,000	1,520,999	0.21
CMB International Leasing Management Limited Series EMTN 1.75% due 16/09/2026	1,000,000	1,238,413	0.17
CMB International Leasing Management Limited Series EMTN 1.875% due 12/08/2025	3,200,000	4,111,206	0.58
CMB International Leasing Management Limited Series EMTN 3% due 03/07/2024	700,000	938,027	0.13

The accompanying notes form an integral part of these financial statements.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>China (continued)</b>			
CMB International Leasing Series EMTN 2% due 04/02/2026	3,875,000	4,920,468	0.69
CNAC HK Finbridge Company Limited 2% due 22/09/2025	4,500,000	5,765,653	0.81
Contemporary Ruiding Development Limited 1.5% due 09/09/2026	600,000	739,153	0.10
Contemporary Ruiding Development Limited 1.875% due 17/09/2025	1,300,000	1,667,326	0.24
Cosl Singapore Capital Limited Series EMTN 4.5% due 30/07/2025	1,900,000	2,536,995	0.36
CSSC Capital 2015 Limited 2.1% due 27/07/2026	4,750,000	5,939,036	0.83
Far East Horizon Limited Series EMTN 4.25% due 26/10/2026	3,500,000	4,506,078	0.63
Haidilao International H 2.15% due 14/01/2026	1,000,000	1,265,250	0.18
ICBC Financial Leasing Company Limited Series EMTN 1.625% due 02/11/2024	6,000,000	7,908,561	1.11
ICBCIL Finance Company Limited 1.25% due 02/08/2024	6,000,000	7,978,808	1.12
ICBCIL Finance Company Limited 1.75% due 25/08/2025	3,000,000	3,844,153	0.54
Inventive Global Investments Limited Series EMTN 1.65% due 03/09/2025	7,500,000	9,582,396	1.35
JIC Zhixin Limited 1.5% due 27/08/2025	6,800,000	8,689,416	1.22
Legend Fortune Limited Series EMTN 1.375% due 02/06/2024	6,000,000	8,041,524	1.13
Ping An International Financial Leasing Company Limited 2.5% due 27/08/2024	15,900,000	20,885,587	2.93
Shangri-La Hotel Limited Series EMTN 4.5% due 12/11/2025	18,500,000	18,626,540	2.62
Sinochem Offshore Capital Series EMTN 1.625% due 29/10/2025	1,000,000	1,282,201	0.18
Sunny Optical Tech 5.95% due 17/07/2026	1,300,000	1,763,217	0.25
Tencent Holdings Limited 3.8% due 11/02/2025	2,000,000	2,662,761	0.37
Vigorous Champion International Limited Series EMTN 3.625% due 28/05/2024	1,200,000	1,613,301	0.23
Weibo Corporation 3.5% due 05/07/2024	2,700,000	3,621,807	0.51
Zhongsheng Group 3% due 13/01/2026	1,450,000	1,837,059	0.26
<b>Total China</b>		<b>177,805,006</b>	<b>24.96</b>

The accompanying notes form an integral part of these financial statements.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>France</b>			
BNP Paribas Series EMTN 3.65% due 09/09/2024	16,250,000	16,227,738	2.28
Societe Generale Series Var due 12/01/2027	1,500,000	2,041,270	0.29
<b>Total France</b>		<b>18,269,008</b>	<b>2.57</b>
<b>Germany</b>			
Deutsche Bank AG (London Branch) Series EMTN due 15/02/2025	5,000,000	6,660,681	0.93
Deutsche Bank AG Series EMTN Var due 05/09/2026	12,500,000	12,616,000	1.77
Deutsche Bank AG Series EMTN Var due 05/04/2028	19,250,000	19,273,774	2.71
<b>Total Germany</b>		<b>38,550,455</b>	<b>5.41</b>
<b>Great Britain</b>			
HSBC Bank PLC Series EMTN 3.6% due 01/03/2026	6,000,000	5,983,800	0.84
Standard Chartered PLC Series Var due 30/01/2026	2,000,000	2,629,777	0.37
Standard Chartered PLC Series Var due 09/01/2027	2,050,000	2,791,472	0.39
Standard Chartered PLC Series Var due 14/01/2027	1,000,000	1,252,552	0.18
<b>Total Great Britain</b>		<b>12,657,601</b>	<b>1.78</b>
<b>Hong Kong</b>			
Bank of East Asia Limited Series EMTN Var due 13/03/2027	5,000,000	6,767,164	0.95
Eastern Air Overseas (Hong Kong) Corporation Limited 2% due 15/07/2026	15,000,000	14,354,250	2.02
Inventive Global Investment Limited Series EMTN 1.1% due 01/09/2024	3,350,000	4,435,190	0.62
Inventive Global Investment Limited Series EMTN 1.6% due 01/09/2026	1,000,000	1,234,945	0.17
Nan Fung Treasury Limited 4.875% due 29/05/2024	1,000,000	1,347,069	0.19
Wharf REIC Finance BVI Limited Series EMTN 2.375% due 07/05/2025	2,550,000	3,322,112	0.47
<b>Total Hong Kong</b>		<b>31,460,730</b>	<b>4.42</b>

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**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>India</b>			
HDFC Bank Limited Series EMTN 5.18% due 15/02/2029	3,000,000	4,028,273	0.57
Power Finance Corporation Limited 3.25% due 16/09/2024	1,050,000	1,400,252	0.20
Power Finance Corporation Limited 3.75 % due 18/06/2024	1,100,000	1,477,397	0.21
REC Limited 3.5% due 12/12/2024	2,950,000	3,912,065	0.55
REC Limited Series GMTN 3.375% due 25/07/2024	3,300,000	4,415,935	0.62
<b>Total India</b>		<b>15,233,922</b>	<b>2.15</b>
<b>Indonesia</b>			
PT Bank Mandiri (Persero) Tbk Series EMTN 3.75% due 11/04/2024	1,200,000	1,618,702	0.23
PT Indonesia Asahan Aluminium (Persero) Series 4.75% due 15/05/2025	1,000,000	1,334,417	0.19
PT Sarana Multi Infrastruktur (Persero) Series EMTN 2.05% due 11/05/2026	6,100,000	7,581,323	1.06
<b>Total Indonesia</b>		<b>10,534,442</b>	<b>1.48</b>
<b>Japan</b>			
Mitsubishi UFJ Finance Group FRN due 20/02/2026	3,250,000	4,396,920	0.62
Mitsubishi UFJ Finance Group FRN due 17/04/2026	2,850,000	3,875,808	0.54
Sumitomo Mitsui Financial Group 5.464% due 13/01/2026	900,000	1,220,239	0.17
Sumitomo Mitsui Financial Group FRN due 13/01/2026	2,000,000	2,735,873	0.38
<b>Total Japan</b>		<b>12,228,840</b>	<b>1.71</b>

*The accompanying notes form an integral part of these financial statements.*

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>Malaysia</b>			
Dua Capital Limited 1.658% due 11/05/2026	9,500,000	11,865,572	1.67
Malayan Banking Berhad Series EMTN due 07/05/2024	3,000,000	4,049,164	0.57
<b>Total Malaysia</b>		<b>15,914,736</b>	<b>2.24</b>
<b>Qatar</b>			
QNB Finance Limited Series 4.02% due 28/02/2026	10,000,000	9,958,600	1.39
<b>Total Qatar</b>		<b>9,958,600</b>	<b>1.39</b>
<b>Singapore</b>			
AIMS APAC REIT Series 3.6% due 12/11/2024	7,000,000	6,971,790	0.98
Ascendas REIT Series MTN 3.14% due 02/03/2025	9,500,000	9,441,670	1.33
ASL Marine Holdings Limited Series MTN STP due 28/03/2025	8,700,000	3,685,047	0.52
BOC Aviation Limited Series EMTN 3.25% due 29/04/2025	900,000	1,184,866	0.17
BOC Aviation Limited Series EMTN 3.5% due 10/10/2024	900,000	1,201,945	0.17
BOC Aviation Limited Series EMTN 3.93% due 11/05/2025	1,750,000	1,749,510	0.24
BOC Aviation Limited Series GMTN 1.75% due 21/01/2026	1,500,000	1,901,995	0.27
CCT MTN Pte Limited Series MTN 3.327% due 21/03/2025	5,500,000	5,480,365	0.77
CDL Properties Limited Series MTN 1.65% due 11/12/2025	3,000,000	2,864,310	0.40
CDL Properties Limited Series MTN 2.958% due 09/05/2024	17,000,000	16,973,820	2.38
City Developments Limited Series MTN 2.7% due 23/01/2025	2,000,000	1,977,300	0.27
CMT MTN Pte Limited Series EMTN 3.2% due 21/08/2025	5,250,000	5,210,047	0.73
CMT Pte Limited Series MTN 3.48% due 06/08/2024	1,250,000	1,248,025	0.18
ESR-REIT Series MTN 2.6% due 04/08/2026	12,500,000	11,830,875	1.66

The accompanying notes form an integral part of these financial statements.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

*As at 31 March 2024*

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>Singapore (continued)</b>			
FH REIT Treasury Pte Limited Series EMTN 3.08% due 08/11/2024	10,250,000	10,172,100	1.43
First Real Estate Investment 3.25% due 07/04/2027	3,000,000	2,952,780	0.41
FLCT Treasury Pte Limited 2.18% due 26/07/2028	1,250,000	1,173,100	0.16
FLCT Treasury Pte Limited 3.83% due 26/03/2029	10,500,000	10,508,820	1.48
Frasers Property Treasury Pte Limited Series MTN 4.15% due 23/02/2027	3,000,000	2,993,610	0.42
Frasers Property Treasury Pte Limited Series MTN 4.25% due 21/04/2026	8,250,000	8,253,382	1.16
Hotel Properties Limited Series MTN 3.8% due 02/06/2025	21,250,000	20,785,263	2.92
Keppel Corporation Limited Series EMTN 2.459% due 04/06/2025	10,000,000	13,008,659	1.82
Keppel Corporation Limited Series MTN 3% due 07/05/2024	2,250,000	2,247,548	0.32
Keppel Land Limited Series MTN 2% due 28/05/2026	16,750,000	16,094,070	2.26
Keppel Land Limited Series MTN 3.9% due 07/11/2024	2,500,000	2,498,500	0.35
Keppel REIT MTN Pte Limited Series MTN 3.275% due 08/04/2024	750,000	749,835	0.11
Mapletree Commercial Trust Series MTN 3.045% due 27/08/2027	2,000,000	1,962,260	0.28
OUE Treasury Pte Limited Series EMTN 3.5% due 21/09/2026	8,000,000	7,706,400	1.08
Prime Asset Holdings Limited Series MTN 2.9% due 24/10/2024	2,750,000	2,728,639	0.38
RCS Trust Series EMTN 3.05% due 04/09/2024	5,000,000	4,976,500	0.70
RCS Trust Series MTN 3.2% due 14/03/2025	1,750,000	1,731,520	0.24
Sembcorp Financial Services Series MTN 3.64% due 27/05/2024	3,000,000	2,998,770	0.42

*The accompanying notes form an integral part of these financial statements.*



**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**STATEMENT OF PORTFOLIO**

As at 31 March 2024

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>Singapore (continued)</b>			
Sembcorp Financial Services Series MTN 4.25% due 30/08/2025	6,750,000	6,763,770	0.95
Singapore Exchange 3.45% due 26/02/2027	4,250,000	4,248,130	0.60
Singpost Group Treasury Series MTN 3.23% due 29/03/2027	750,000	741,742	0.10
Starhill Global REIT MTN Pte Limited 3.15% due 05/06/2025	2,250,000	2,227,073	0.31
Suntec REIT MTN Pte Limited Series MTN 3.355% due 07/02/2025	1,250,000	1,242,813	0.18
UOL Treasury Services Pte Limited Series MTN 2.33% due 31/08/2028	10,000,000	9,414,900	1.32
UOL Treasury Services Pte Limited Series MTN 3% due 23/05/2024	20,000,000	19,968,200	2.80
Wing Tai Holdings 4.38% due 03/04/2029	5,750,000	5,750,000	0.81
<b>Total Singapore</b>		<b>235,619,949</b>	<b>33.08</b>
<b>South Korea</b>			
Daewoo Engineer and Construction 3.88% due 05/03/2029	6,500,000	6,544,395	0.92
GS Caltex Corporation 1.625% due 27/07/2025	4,000,000	5,131,611	0.72
Harvest Operations Corporation 1% due 26/04/2024	2,200,000	2,960,343	0.42
Hyundai Capital America Series 2.125% due 24/04/2025	3,000,000	3,899,677	0.55
Hyundai Capital America Series 5.125% due 05/02/2029	1,100,000	1,469,355	0.20
Hyundai Capital Services Series GMTN 4.25% due 12/07/2025	2,250,000	2,255,839	0.32
Kia Motors Corp 1% due 16/04/2024	1,000,000	1,347,412	0.19
Korea Mine Rehabilitation and Mineral Resources Corporation 1.75% due 15/04/2026	8,150,000	10,211,767	1.43
Korea National Oil Corporation 3.25% due 10/07/2024	3,000,000	4,021,752	0.56

The accompanying notes form an integral part of these financial statements.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

*As at 31 March 2024*

	Holdings at 31 March 2024	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %
<b>By Geography – Primary (continued)</b>			
<b>DEBT SECURITIES (QUOTED) (continued)</b>			
<b>South Korea (continued)</b>			
KT Corporation 4% due 08/08/2025	2,300,000	3,046,659	0.43
LG Chem Limited 4.375% due 14/07/2025	950,000	1,262,018	0.18
Posco Capital 4.375% due 04/08/2025	3,000,000	3,979,150	0.56
Shinhan Bank 3.875% due 24/03/2026	1,350,000	1,766,891	0.25
Shinhan Card Company Limited 5.5% due 12/03/2029	1,150,000	1,563,005	0.22
SK Hynix Inc 3% due 17/09/2024	700,000	933,256	0.13
Woori Bank Series EMTN 4.75% due 30/04/2024	3,250,000	4,381,757	0.61
<b>Total South Korea</b>		<b>54,774,887</b>	<b>7.69</b>
<b>Switzerland</b>			
UBS AG 5.125% due 15/05/2024	14,689,000	19,782,148	2.78
UBS Group AG Var due 05/08/2025	2,400,000	3,222,430	0.45
<b>Total Switzerland</b>		<b>23,004,578</b>	<b>3.23</b>
<b>Total Debt Securities</b>		<b>669,174,136</b>	<b>93.96</b>
<b>Accrued interest on debt securities</b>		<b>5,304,439</b>	<b>0.74</b>
<b>Portfolio of investments</b>		<b>742,343,095</b>	<b>104.23</b>
<b>Other net liabilities</b>		<b>(30,155,005)</b>	<b>(4.23)</b>
<b>Net assets attributable to unitholders</b>		<b>712,188,090</b>	<b>100.00</b>

*The accompanying notes form an integral part of these financial statements.*

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

*As at 31 March 2024*

	<b>Percentage of total net assets attributable to unitholders at 31 March 2024 %</b>	<b>Percentage of total net assets attributable to unitholders at 31 March 2023 %</b>
<b>By Geography - Primary (Summary)</b>		
Australia	1.85	1.68
China	24.96	25.29
France	2.57	2.44
Germany	5.41	1.96
Great Britain	1.78	1.31
Hong Kong	4.42	4.57
India	2.15	1.53
Indonesia	1.48	1.07
Japan	1.71	0.86
Malaysia	2.24	3.50
Qatar	1.39	1.16
Singapore	42.61	42.32
South Korea	7.69	5.32
Switzerland	3.23	2.34
Accrued interest on debt securities	0.74	0.81
<b>Portfolio of investments</b>	<b>104.23</b>	<b>96.16</b>
<b>Other net (liabilities)/assets</b>	<b>(4.23)</b>	<b>3.84</b>
<b>Net assets attributable to unitholders</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying notes form an integral part of these financial statements.*

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
*(Constituted under a Trust Deed registered in the Republic of Singapore)*

**STATEMENT OF PORTFOLIO**

*As at 31 March 2024*

	Fair value at 31 March 2024 S\$	Percentage of total net assets attributable to unitholders at 31 March 2024 %	Percentage of total net assets attributable to unitholders at 31 March 2023 %
<b>By Industry - Secondary</b>			
Bank and Finance	308,073,303	43.25	38.49
Building/Construction	6,544,395	0.92	-
Chemicals	7,027,671	0.99	0.71
Communications	8,950,388	1.25	0.92
Consumer,Cyclical	8,972,283	1.26	0.88
Diversified Resource	-	-	0.66
Electric/Electronics	933,256	0.13	0.52
Energy	12,618,246	1.77	1.27
Engineering and Construction	15,256,207	2.14	2.26
Financial	12,574,905	1.77	-
Government	67,864,520	9.53	1.95
Hotel	41,389,103	5.81	12.32
Industrial	1,763,217	0.25	0.19
Insurance	1,613,301	0.23	0.17
Investment	24,433,111	3.43	4.61
Iron and Steel	-	-	0.21
Mining	1,334,417	0.19	0.53
Miscellaneous	-	-	2.08
Oil and Gas	17,076,041	2.40	2.10
Real Estate	94,733,626	13.30	10.39
Real Estate Investment Trusts	76,636,760	10.77	11.53
Retail	3,102,309	0.44	0.31
Ship Building	5,939,036	0.83	0.61
Shipping	3,685,047	0.52	0.39
Telecommunications	3,046,659	0.43	0.86
Transport	13,470,855	1.88	1.39
Accrued interest on debt securities	5,304,439	0.74	0.81
<b>Portfolio of investments</b>	<b>742,343,095</b>	<b>104.23</b>	<b>96.16</b>
<b>Other net (liabilities)/assets</b>	<b>(30,155,005)</b>	<b>(4.23)</b>	<b>3.84</b>
<b>Net assets attributable to unitholders</b>	<b>712,188,090</b>	<b>100.00</b>	<b>100.00</b>

*The accompanying notes form an integral part of these financial statements.*

## **FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**

*(Constituted under a Trust Deed registered in the Republic of Singapore)*

### **NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 March 2024*

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These notes form an integral part of and should be read in conjunction with the accompanying financial statements.

#### **1. General**

Fullerton Fund (the "Fund") is a Singapore registered umbrella fund constituted by a Deed of Trust dated 15 March 2004 between Fullerton Fund Management Company Ltd (the "Manager") and HSBC Institutional Trust Services (Singapore) Limited (the "Trustee"). The Deed of Trust and all supplemental deeds are governed in accordance with the laws of the Republic of Singapore.

As at 31 March 2024, The Fund comprises sixteen separate and distinct sub-funds, namely Fullerton Short Term Interest Rate Fund ("FSTI"), Fullerton SGD Cash Fund ("FSCF"), Fullerton Asian Bond Fund ("FABF"), Fullerton Singapore Bond Fund ("FSBF"), Fullerton SGD Income Fund ("FSIF"), Fullerton Total Return Multi-Asset Advantage ("FDSA"), Fullerton Asia Income Return ("FAIR"), Fullerton USD Income Fund ("FUIF"), Fullerton USD Cash Fund ("FUCF"), Fullerton MoneyOwl WiseIncome ("FMDF"), Fullerton Total Return Multi-Asset Income ("FTRM"), Fullerton SGD Heritage Balanced Fund ("FSHB"), Fullerton SGD Heritage Growth Fund ("FSHG"), Fullerton SGD Heritage Income Fund ("FSHI"), Fullerton SGD Savers Fund ("FSSD") and Fullerton SGD Liquidity Fund ("FSLF").

This report only comprises one separate and distinct sub-fund, namely Fullerton Short Term Interest Rate Fund ("FSTI" or this "Sub-Fund").

The investment objective of FSTI is to achieve medium-term capital appreciation through investment primarily in Singapore dollar denominated debt securities of up to 5 years tenure and money market instruments. FSTI may invest in foreign currency denominated bonds (fully hedged back into Singapore dollars except for a 1% frictional currency limit) with investment-grade credit ratings of at least BBB- by Standard and Poor's or Baa3 by Moody's (or their respective equivalent) of up to 5 years tenure. FSTI may also utilise derivatives for the purposes of hedging and/or efficient portfolio management.

FSTI currently offers six classes of units, namely Class A SGD\$, Class B SGD\$, Class B1 SGD\$, Class C SGD\$, Class D (USD-Hedged) and Class R SGD\$.

The management fee rates of Class A SGD\$, Class B SGD\$, and Class R SGD\$ respectively are 0.1%, 0.2%, and 0.3% per annum, and the management fee for Class B1 SGD\$, Class C SGD\$, and Class D (USD-Hedged) is 0.5% per annum.

The Classes in the Fund differ, amongst other things, in terms of the currency of denomination, management fee rate, distribution policy etc.

The Manager adopted dilution adjustment for FSTI. The Sub-Fund is single priced and may suffer a reduction in value as a result of the transaction costs incurred in the purchase and sale of its underlying investments and the spread between the buying and selling prices of such investments caused by subscriptions, switches and/or redemptions in and out of a Sub-Fund. This is known as "dilution". In order to counter this and to protect unitholders' interests, the Manager applies a technique known as swing pricing or dilution adjustment as part of its valuation policy. This means that in certain circumstances the Manager makes adjustments in the calculations of the Net Asset Values per unit, to counter the impact of dealing and other costs on occasions when these are deemed to be significant.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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For the financial year ended 31 March 2024

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**1. General (continued)**

The need to make a dilution adjustment depends upon the net value of subscriptions, switches and redemptions received by a Sub-Fund on each Dealing Day. The Manager therefore reserves the right to make a dilution adjustment where a Sub-Fund experiences a net cash movement which exceeds a threshold of the previous Dealing Day's Net Asset Value.

As at 31 March 2024, the Sub-Fund did not reach the swing threshold and no swing pricing has been applied on that date.

**2. Material accounting policy information**

**2.1 Basis of preparation**

The financial statements have been prepared under the historical cost basis as modified by the revaluation of financial instruments at fair value through profit or loss, and in accordance with the recommendations of Statement of Recommended Accounting Practice 7 "Reporting Framework for Investment Funds" ("RAP7") revised and issued by the Institute of Singapore Chartered Accountants in August 2023 for the financial year beginning on or after 1 January 2023.

The adoption of this revised RAP 7 did not result in substantial changes to the accounting policies of the fund and had no material effect on the amounts reported for the current or prior years.

**2.2 Recognition of income**

Interest income on deposits placed with financial institutions is recognised on a time proportion basis using the effective interest method.

Dividend income from investments is recognised when the right to receive payment is established.

**2.3 Investments**

Investments are classified as financial assets at fair value through profit and loss.

**(i) Initial recognition**

Purchases of investments are recognised on the trade date. Investments are recorded at fair value on initial recognition.

**(ii) Subsequent measurement**

Investments are subsequently carried at fair value. Net change in the fair value of investments are included in the Statement of Total Return in the year, in which they arise.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**2. Material accounting policy information (continued)**

**2.3 Investments (continued)**

(iii) Derecognition

Investments are derecognised on the trade date of disposal when the rights to receive cash flows from the investments have expired or have been transferred. The resultant realised gains and losses on the sales of investments are computed on the basis of the difference between the weighted average cost and selling price gross of transaction costs, and are taken up in the Statement of Total Return.

**2.4 Basis of valuation of investments**

The fair value of financial assets and liabilities traded in active markets is based on quoted market prices at the close of trading on the reporting date. The quoted market price used for investments in debt securities held by the Sub-Fund is the market mid prices. Accrued interest or discount or premium on debt securities at the reporting date are included in the fair value of debt securities. Interest income on debt securities is presented within net gains or losses on investments on the Statement of Total Return.

The quoted market price used for investments in underlying funds held by the Sub-Fund is the published price of the underlying funds at the close of trading on the reporting date.

**2.5 Foreign currency translation**

(i) Functional and presentation currency

Items included in the financial statements are measured using the currency of the primary environment in which it operates ("the functional currency").

The functional currency of the Sub-Fund is S\$, which reflects the fact that subscriptions and redemption and reporting to the unitholders of the Sub-Fund, as well as settlement of fees and expenses are carried out in S\$.

The Sub-Fund has adopted S\$ as their presentation currency and the financial statements are presented in S\$.

(ii) Transactions and balances

Foreign currency monetary assets and liabilities are translated into S\$ at the rates of exchange ruling at the end of the reporting period. Foreign currency transactions during the year are converted into S\$ at the rates of exchange ruling on the transaction dates. Foreign exchange gains and losses resulting from the settlement of foreign currency transactions and from translation of foreign currency monetary assets and liabilities at the end of the reporting period are recognised in the Statement of Total Return. Translation differences on financial assets and liabilities carried at fair value through profit or loss are recognised in the Statement of Total Return in 'net foreign exchange gains/(losses)'.  

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**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**2. Material accounting policy information (continued)**

**2.6 Offsetting financial instruments**

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously. The legally enforceable right must not be contingent on future events and must be enforceable in the normal course of business and in the event of default, insolvency or bankruptcy of the company or the counterparty.

Cash collateral provided by the Sub-Fund is identified in the Statement of Financial Position as margin deposits and is not included as a component of cash and cash equivalents.

**2.7 Expenses charged to the Sub-Fund**

All direct expenses relating to the Sub-Fund is charged directly to the Statement of Total Return. In addition, certain expenses shared by all unit trusts managed by the Manager are allocated to Sub-Fund based on the respective Sub-Fund's net asset value.

**2.8 Structured entities**

A structured entity is an entity that has been designed so that voting or similar rights are not the dominant factor in deciding who controls the entity, such as when any voting rights relate to administrative tasks only and the relevant activities are directed by means of contractual arrangements. A structured entity often has some or all of the following features or attributes: (a) restricted activities, (b) a narrow and well-defined objective, such as to provide investment opportunities for investors by passing on risks and rewards associated with the assets of the structured entity to investors, (c) insufficient equity to permit the structured entity to finance its activities without subordinated financial support and (d) financing in the form of multiple contractually linked instruments to investors that create concentrations of credit or other risks (tranches).

The Sub-Fund considers investments in the investee funds ("Investee Funds") to be investment in unconsolidated structured entities. The Sub-Fund invests in Investee Funds whose objectives range from achieving short to long term capital growth and whose investment strategy does not include the use of leverage. Investee Funds may be managed by related asset managers and apply various investment strategies to accomplish their respective investment objectives. Investee Funds finance their operations by issuing redeemable shares which are puttable at the holder's option and entitles the holder to a proportional stake in the respective fund's net assets. The Funds hold redeemable shares in each of their Investee Funds.

The change in fair value of the Investee Fund is included in the Statement of Total Return in "Net gains/(losses) on investments".

**2.9 Financial derivatives**

Financial derivatives which may include forwards, swaps, options and futures are entered into for the purpose of efficient portfolio management, tactical asset allocation or specific hedging of financial assets held as determined by the Manager and in accordance with the provisions of the Trust Deed.



**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**2. Material accounting policy information (continued)**

2.9 Financial derivatives (continued)

Financial derivatives outstanding at the end of the reporting period are measured at their fair values using the “mark-to-market” method, and the resultant gains and losses are recognised in the Statement of Total Return.

2.10 Other receivables

Other receivables are non-derivative financial assets with fixed or determinable payments that are not quoted in an active market. Other receivables are initially recognised at their fair value and subsequently carried at amortised cost using the effective interest method, less accumulated impairment losses.

2.11 Payables

Payables are recognised initially at fair value and subsequently stated at amortised cost using the effective interest method.

2.12 Cash and cash equivalents

Cash and cash equivalents comprise cash at banks and deposits with financial institutions which are subject an insignificant risk of change in value.

2.13 Sales and purchases awaiting settlement

Sales and purchases awaiting settlement represent receivables for securities sold and payables for securities purchased that have been contracted for but not yet settled or delivered on the statement of financial position date respectively. These amounts are recognised initially at fair value and subsequently measured at amortised cost.

2.14 Margin deposits

The margin deposits comprise cash held with the financial derivatives counter parties for the purpose of transferring of cash to fund future margin maintained with the clearing house.

2.15 Creation and cancellation of units

Units are issued and redeemed at the prices based on the Sub-Fund's net asset value per unit at the time of issue or redemption for each respective class. The Sub-Fund's net asset value per unit is calculated by dividing the net asset attributable to the holders of each class of units with the total number of outstanding units for each respective class.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**2. Material accounting policy information (continued)**

2.16 Taxation

Current income tax for current period is recognised at the amount expected to be paid to or recovered from the tax authorities, using the tax rates and tax laws that have been enacted or substantively enacted by the statement of financial position date. Manager periodically evaluated position taken in tax returns with respect to situations in which applicable tax regulation is subject to interpretation and considers whether it is probable that a tax authority will accept an uncertain tax treatment. The Sub-Funds measure their tax balances either based on the most likely amount or the expected value, depending on which method provides a better prediction of the resolution of the uncertainty.

Current income taxes are recognised as income or expense in the statement of total return, except to the extent that the tax arises from a business combination or a transaction which is recognised directly in equity.

**3. Income tax**

The Sub-Fund was granted the status of Designated Unit Trusts (DUT) in Singapore. The Trustee of the Sub-Fund will ensure that the Sub-Fund fulfils their reporting obligations under the DUT Scheme.

Under the DUT Scheme, subject to certain conditions and reporting obligations being met, certain income of the DUT fund is not taxable in accordance with Sections 35(12) and 35(12A) of the Income Tax Act. Such income includes:

- (a) gains or profits derived from Singapore or elsewhere from the disposal of securities;
- (b) interest (other than interest for which tax has been deducted under Section 45 of the Income Tax Act);
- (c) dividends derived from outside Singapore and received in Singapore;
- (d) gains or profits derived from foreign exchange transactions, transactions in futures contracts, transactions in interest rate or currency forwards, swaps or option contracts and transactions in forwards or option contracts relating to any securities or financial index;
- (e) discount, prepayment fee, redemption premium and break cost from qualifying debt securities issued during the prescribed period; and
- (f) distributions from foreign unit trusts derived from outside Singapore and received in Singapore.

Singapore income tax represents tax deducted at source for Singapore sourced dividends.

	<b>2024</b>	<b>2023</b>
	<b>S\$</b>	<b>S\$</b>
Singapore income tax	-	154
Total income tax	-	154

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**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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**4. Financial derivatives, at fair value**

Financial derivative contracts comprise forward foreign exchange contracts for the purchase and sale of foreign currencies. The year-end positive and negative fair values represent the unrealised gains and losses respectively on revaluation of derivative financial instruments at the end of the reporting year. The contract or underlying principal amounts of these financial derivatives and their corresponding gross positive or negative fair values at the end of the reporting year are analysed below.

	At 31 March 2024			At 31 March 2023		
	Contract amount S\$	Fair value assets S\$	Fair value liabilities S\$	Contract amount S\$	Fair value assets S\$	Fair value liabilities S\$
Forward foreign exchange contracts - with related parties of the Trustee	7,047,935	-	84,121	33,802,406	193,022	88,926
Forward foreign exchange contracts - others	437,698,653	1,069,971	3,292,236	662,301,616	2,388,931	608,119
		<u>1,069,971</u>	<u>3,376,357</u>		<u>2,581,953</u>	<u>697,045</u>

**5. Units in issue**

	Class A		Class B	
	2024 Units	2023 Units	2024 Units	2023 Units
Units at beginning of the financial year	1,161,789	1,301,875	100,509,089	176,222,111
Created	-	-	549,697	156,853
Cancelled	-	(140,086)	(38,552,753)	(75,869,875)
Units at ending of the financial year	<u>1,161,789</u>	<u>1,161,789</u>	<u>62,506,033</u>	<u>100,509,089</u>
Net assets attributable to unitholders (S\$)	<u>2,085,813</u>	<u>2,001,401</u>	<u>101,246,346</u>	<u>156,371,196</u>
Net assets attributable to unitholders per unit (S\$)	<u>1.79534</u>	<u>1.72268</u>	<u>1.61978</u>	<u>1.55579</u>
	Class C		Class B1	
	2024 Units	2023 Units	2024 Units	2023 Units
Units at beginning of the financial year	406,326,183	570,798,393	17,114,083	22,730,182
Created	13,969,552	15,374,963	83,050	288,079
Cancelled	(104,824,958)	(179,847,173)	(4,525,263)	(5,904,178)
Units at ending of the financial year	<u>315,470,777</u>	<u>406,326,183</u>	<u>12,671,870</u>	<u>17,114,083</u>
Net assets attributable to unitholders (S\$)	<u>457,999,355</u>	<u>568,288,348</u>	<u>18,611,882</u>	<u>24,179,507</u>
Net assets attributable to unitholders per unit (S\$)	<u>1.45179</u>	<u>1.39860</u>	<u>1.46875</u>	<u>1.41284</u>

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**NOTES TO THE FINANCIAL STATEMENTS**

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**5. Units in issue (continued)**

	Class D		Class R	
	2024 Units	2023 Units	2024 Units	2023 Units
Units at beginning of the financial year	114,805,157	208,436,447	22,750,918	26,653,968
Created	3,009,737	7,044,082	4,525,703	9,714,089
Cancelled	(50,290,474)	(100,675,372)	(5,184,315)	(13,617,139)
Units at ending of the financial year	67,524,420	114,805,157	22,092,306	22,750,918
Net assets attributable to unitholders (Class Currency)	US\$78,709,981	US\$127,023,983	S\$26,017,703	S\$25,760,841
Net assets attributable to unitholders per unit (Class Currency)	US\$1.16565	US\$1.10643	S\$1.17768	S\$1.13229
Net assets attributable to unitholders (S\$)	106,226,991	168,884,737	26,017,703	25,760,841
Net assets attributable to unitholders per unit (S\$)	1.57316	1.10643	1.17768	1.13229

A reconciliation of the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units at the financial year end date is presented below:

	Class A	Class B	Class C
	2024 S\$	2024 S\$	2024 S\$
Net assets attributable to unitholders per per financial statements	1.79534	1.61978	1.45179
Effect for movement in the net asset value between the last dealing date and the end of the reporting period	(0.00124)	(0.00112)	(0.00100)
Net assets attributable to unitholders for issuing/redeeming	1.79410	1.61866	1.45079

  

	Class B1	Class D	Class R
	2024 S\$	2024 US\$	2024 S\$
Net assets attributable to unitholders per per financial statements	1.46875	1.16565	1.17768
Effect for movement in the net asset value between the last dealing date and the end of the reporting period	(0.00101)	(0.00081)	(0.00082)
Net assets attributable to unitholders for issuing/redeeming	1.46774	1.16484	1.17686

There is no difference between the net assets attributable to unitholders per unit per the financial statements and the net assets attributable to unitholders per unit for issuing/redeeming units as at 31 March 2023.

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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**6. Financial risk management**

The Sub-Fund's activities may expose it to a variety of risks, including but not limited to market risk (including price, currency and interest rate risk), credit risk and liquidity risk, which are associated with the financial instruments and markets in which the Sub-Fund invests.

The overall responsibility for the management of the Sub-Fund's financial risks lies with the Manager. The risk management policies employed by the Manager to manage these risks are discussed below.

**6.1 Market risk**

At the end of the reporting period, the Sub-Fund's market risk comprises three main components, namely changes in actual market prices of investments ("price risk"), foreign currency movements and interest rates.

(a) Price risk

The Sub-Fund attempts to manage the fluctuation in prices of its underlying investments by engaging in extensive investment research and diversifying their investments across markets, sectors and securities.

The table below summarises the Sub-Fund's overall market exposure at the end of the reporting year.

	2024		2023	
	Fair value S\$	% of total net assets attributable to unitholders	Fair value S\$	% of total net assets attributable to unitholders
<b>Assets</b>				
<u>Financial assets at fair value through profit or loss</u>				
- Portfolio of investments				
- Debt securities	674,478,575	94.70	893,203,807	94.47
- Money market instruments	67,864,520	9.53	15,975,185	1.69
- Derivative financial assets, at fair value (Note 4)	1,069,971	0.15	2,581,953	0.27
<b>Liabilities</b>				
<u>Financial liabilities at fair value through profit or loss</u>				
- Derivative financial liabilities, at fair value (Note 4)	(3,376,357)	(0.47)	(697,045)	(0.07)
	<b>740,036,709</b>	<b>103.91</b>	<b>911,063,900</b>	<b>96.36</b>

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
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**NOTES TO THE FINANCIAL STATEMENTS**

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**6. Financial risk management** (continued)

6.1 Market risk (continued)

(a) Price risk (continued)

One of the principal tool used to monitor price risk is Value at Risk (VaR). VaR estimates the probability of portfolio losses based on the statistical analysis of historical price volatilities. The Manager tracks VaR as a percentage of net asset value ("NAV"), taking into account its investments, cash, margin and outstanding trade positions.

The Manager recognises that while VaR is a valuable guide to risk, it has its limitations. The use of historical data as a proxy for estimating future events may not encompass all potential events, particularly those which are extreme in nature.

The table below summarises the VaR analysis as at 31 March 2024 and 2023 respectively, which has been presented as a percentage of NAV using a 260-day (2023: 260-day) holding period at a 95% (2023: 95%) confidence level.

	<b>2024</b>	2023
95% (2023:95%) Confidence (VaR as a % of NAV)	<b>1.4%</b>	<b>2.2%</b>

The use of a 260-day (2023: 260-day) holding period reflects the Sub-Fund's emphasis to hold investments for the medium to long term to realise the inherent value of the investments.

The VaR analysis as at 31 March 2024 and 2023 has been presented as a percentage of NAV using a 260-day holding period at a 95% (2023:95%) confidence level, measured using a Factor-Based approach.

(b) Currency risk

The Sub-Fund holds assets and liabilities denominated in currencies other than the functional currency. They are therefore exposed to currency risk as the value of the assets and liabilities denominated in other currencies will fluctuate due to changes in exchange rates. The Manager adopts an active currency management approach. As such, the foreign currency exposure of the Sub-Fund may not be fully hedged.

The Manager may manage the currency risks by hedging through forward currency contracts, currency futures, currency swap agreements or currency options.

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**6. Financial risk management (continued)**

**6.1 Market risk (continued)**

**(b) Currency risk (continued)**

The table below summarises the Sub-Fund's exposure to key currencies at the end of the reporting period. Monetary and non-monetary items have been taken into account for the analysis.

At 31 March 2024	<u>US\$</u> S\$	<u>S\$</u> S\$	<u>Others</u> S\$	<u>Total</u> S\$
<b>Assets</b>				
Portfolio of investments	335,864,622	406,478,473	-	742,343,095
Interest receivable	152	-	-	152
Margin deposit	4,457	-	-	4,457
Due from unitholders	38,825	156,425	-	195,250
Sales awaiting settlements	-	1,697,977	-	1,697,977
Cash and cash equivalents	425,443	818,778	5,710	1,249,931
<b>Total assets</b>	<b>336,333,499</b>	<b>409,151,653</b>	<b>5,710</b>	<b>745,490,862</b>
<b>Liabilities</b>				
Accrued expenses and other payables	334	38,672	-	39,006
Due to Manager	-	802,867	-	802,867
Due to Trustee	-	30,524	-	30,524
Due to unitholders	-	3,203,840	-	3,203,840
Purchases awaiting settlements	-	26,920,149	-	26,920,149
<b>Total liabilities</b>	<b>334</b>	<b>30,996,052</b>	<b>-</b>	<b>30,996,386</b>
<b>Notional value of forward contracts</b>	<b>(228,821,043)</b>	<b>226,514,657</b>	<b>-</b>	
<b>Net currency exposure</b>	<b>107,512,122</b>	<b>604,670,258</b>	<b>5,710</b>	
At 31 March 2023	<u>US\$</u> S\$	<u>S\$</u> S\$	<u>Others</u> S\$	<u>Total</u> S\$
<b>Assets</b>				
Portfolio of investments	416,892,043	492,286,949	-	909,178,992
Other receivables	-	95,691	-	95,691
Interest receivable	150	7	2	159
Due from unitholders	130,573	71,209	-	201,782
Sales awaiting settlements	-	413,902	-	413,902
Cash and cash equivalents	24,797,802	10,833,322	5,945	35,637,069
<b>Total assets</b>	<b>441,820,568</b>	<b>503,701,080</b>	<b>5,947</b>	<b>945,527,595</b>
<b>Liabilities</b>				
Accrued expenses and other payables	297	20,120	-	20,417
Due to Manager	-	1,050,203	-	1,050,203
Due to Trustee	-	36,091	-	36,091
Due to unitholders	729,380	90,382	-	819,762
<b>Total liabilities</b>	<b>729,677</b>	<b>1,196,796</b>	<b>-</b>	<b>1,926,473</b>
<b>Notional value of forward contracts</b>	<b>(257,662,873)</b>	<b>259,547,781</b>	<b>-</b>	
<b>Net currency exposure</b>	<b>183,428,018</b>	<b>762,052,065</b>	<b>5,947</b>	

The Sub Fund's currency risk associated with movements in prevailing levels of foreign currency rates is incorporated in the VaR analysis in Note 6.1(a).

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**6. Financial risk management (continued)**

**6.2 Interest rate risk**

The Sub-Fund invests mainly in quoted debt securities which are interest bearing, and are therefore exposed to significant amounts of risk due to fluctuations in the prevailing levels of market interest rates. Excess cash and cash equivalents of the Sub-Fund, which are held with approved reputable financial institutions, are also exposed to interest rate risk. The Sub Fund's interest rate risk associated with movements in prevailing levels of market interest rates is incorporated in the VaR analysis in Note 6.1(a).

The Sub-Fund's interest-bearing financial assets expose them to risks associated with the effects of fluctuations in the prevailing levels of market interest rates on their financial position and cash flows. The Manager has in place investment processes which actively monitor and evaluate interest rate risk. In addition, there are restrictions on duration and tenor to ensure investment recommendations are consistent with the Sub-Fund's objectives. The Manager may hedge interest rate risk through interest rate and bond futures, interest rate swaps and/or bond options.

The table below summarises the Sub-Fund's exposure to interest rate risk. It includes the Sub-Fund's assets and liabilities, categorised by the earlier of contractual re-pricing or maturity dates.

At 31 March 2024	Less than <u>1 year</u> S\$	<u>1-5 years</u> S\$	More than <u>5 years</u> S\$	Non-interest <u>bearing</u> S\$	<u>Total</u> S\$
<b>Assets</b>					
Portfolio of investments	316,031,340	415,257,316	5,750,000	5,304,439	742,343,095
Financial derivatives, at fair value	-	-	-	1,069,971	1,069,971
Interest receivable	-	-	-	152	152
Margin deposit	-	-	-	4,457	4,457
Due from unitholders	-	-	-	195,250	195,250
Sales awaiting settlements	-	-	-	1,697,977	1,697,977
Cash and cash equivalents	1,249,931	-	-	-	1,249,931
<b>Total assets</b>	<b>317,281,271</b>	<b>415,257,316</b>	<b>5,750,000</b>	<b>8,272,246</b>	<b>746,560,833</b>
<b>Liabilities</b>					
Financial derivatives, at fair value	-	-	-	3,376,357	3,376,357
Accrued expenses and other payables	-	-	-	39,006	39,006
Due to Manager	-	-	-	802,867	802,867
Due to Trustee	-	-	-	30,524	30,524
Due to unitholders	-	-	-	3,203,840	3,203,840
Purchases awaiting settlements	-	-	-	26,920,149	26,920,149
<b>Total liabilities</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>34,372,743</b>	<b>34,372,743</b>
<b>Total interest sensitivity gap</b>	<b>317,281,271</b>	<b>415,257,316</b>	<b>5,750,000</b>	<b>(26,100,497)</b>	<b>712,188,090</b>



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**6. Financial risk management (continued)**

**6.2 Interest rate risk (continued)**

<b>At 31 March 2023</b>	Less than <u>1 year</u> S\$	<u>1-5 years</u> S\$	More than <u>5 years</u> S\$	Non-interest <u>bearing</u> S\$	<u>Total</u> S\$
<b>Assets</b>					
Portfolio of investments	233,540,471	668,019,214	-	7,619,307	909,178,992
Financial derivatives, at fair value	-	-	-	2,581,953	2,581,953
Other receivables	-	-	-	95,691	95,691
Interest receivable	-	-	-	159	159
Due from unitholders	-	-	-	201,782	201,782
Sales awaiting settlements	-	-	-	413,902	413,902
Cash and cash equivalents	35,637,069	-	-	-	35,637,069
<b>Total assets</b>	<u>269,177,540</u>	<u>668,019,214</u>	<u>-</u>	<u>10,912,794</u>	<u>948,109,548</u>
<b>Liabilities</b>					
Financial derivatives, at fair value	-	-	-	697,045	697,045
Accrued expenses and other payables	-	-	-	20,417	20,417
Due to Manager	-	-	-	1,050,203	1,050,203
Due to Trustee	-	-	-	36,091	36,091
Due to unitholders	-	-	-	819,762	819,762
<b>Total liabilities</b>	<u>-</u>	<u>-</u>	<u>-</u>	<u>2,623,518</u>	<u>2,623,518</u>
<b>Total interest sensitivity gap</b>	<u>269,177,540</u>	<u>668,019,214</u>	<u>-</u>	<u>8,289,276</u>	<u>945,486,030</u>

**6.3 Credit risk**

The Sub-Fund takes on exposure to credit risk, which is the risk that a counterparty will be unable to pay amounts in full when due.

Credit risk arises from cash and cash equivalents, debt securities and derivatives, and credit exposures to brokers arising from outstanding and committed transactions. The Sub-Fund is also exposed to the risk that its assets held with the custodian may not be recoverable in the event of default by the custodian.

The Sub-Fund limits its exposure to credit risk by undertaking transactions with reputable financial institutions. All transactions in quoted securities are settled or paid for upon delivery using approved brokers. The risk of default is considered minimal, as delivery of securities sold is only made once the Sub-Fund's brokers have received payment. Payment is made on a purchase once the securities have been received by the Sub-Fund. The trade will fail if either party fails to meet its obligation.

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**6. Financial risk management (continued)**

**6.3 Credit risk (continued)**

The tables below summarise the credit ratings of banks and custodians in which the Sub-Fund's assets are held, expressed as a percentage of financial assets. The credit ratings are based on Long-Term Local Issuer Ratings published by the rating agency.

	Percentage of financial assets (%)	S&P's credit rating
<b>At 31 March 2024</b>		
The Hongkong and Shanghai Banking Corporation Limited	<b>99.9</b>	<b>AA-</b>
BNP Paribas	<b>0.1</b>	<b>A+</b>
JP Morgan Chase Bank NA	*	<b>A+</b>
UBS AG	*	<b>A+</b>
<b>At 31 March 2023</b>		
The Hongkong and Shanghai Banking Corporation Limited	99.7	AA-
BNP Paribas SA	*	A+
JP Morgan Chase Bank NA	0.1	A+
State Street Bank & Trust Company	0.2	AA-
UBS AG	*	A+

\* denotes less than 0.1%

The Sub-Fund also invests in debt securities, which have an investment grade as rated by well-known rating agencies. The table below analyses the portfolio of debt securities by rating category:

**Debt securities and money market instruments portfolio by rating category**

Rating	2024 % of total net assets attributable to unitholders	2023 % of total net assets attributable to unitholders
AAA/Aaa	<b>9.53</b>	1.69
AA/Aa2	<b>2.91</b>	1.50
A+/A1	<b>9.22</b>	3.24
A/A2	<b>9.72</b>	11.90
A-/A3	<b>24.31</b>	22.20
B+/BBB+/Baa1	<b>18.04</b>	24.35
BBB/Baa2	<b>9.87</b>	5.68
BB-/BBB-/Baa3	<b>19.37</b>	24.40
C	<b>0.52</b>	0.39
Accrued interest on debt securities	<b>0.74</b>	0.81
<b>Total</b>	<b>104.23</b>	96.16

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

**6. Financial risk management (continued)**

**6.4 Fair value estimation**

The Sub-Fund classifies fair value measurements using a fair value hierarchy that reflects the significance of the inputs used in making the measurements. The fair value hierarchy has the following levels:

- Quoted prices (unadjusted) in active markets for identical assets or liabilities (Level 1).
- Inputs other than quoted prices included within Level 1 that are observable for the asset or liability, either directly (that is, as prices) or indirectly (that is, derived from prices) (Level 2).
- Inputs for the asset or liability that are not based on observable market data (that is, unobservable inputs) (Level 3).

The following table analyses within the fair value hierarchy the Sub-Fund's financial assets and liabilities (by class) measured at fair value at 31 March 2024 and 2023:

**31 March 2024**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Assets</b>				
<u>Financial assets at fair value through profit or loss</u>				
- Portfolio of investments				
- Debt securities	-	674,478,575	-	674,478,575
- Money market instruments	67,864,520	-	-	67,864,520
- Derivative financial instruments	-	1,069,971	-	1,069,971
	<u>67,864,520</u>	<u>675,548,546</u>	-	<u>743,413,066</u>
<b>Liabilities</b>				
<u>Financial liabilities at fair value through profit or loss</u>				
- Derivative financial instruments	-	3,376,357	-	3,376,357
	-	<u>3,376,357</u>	-	<u>3,376,357</u>

**31 March 2023**

	Level 1 S\$	Level 2 S\$	Level 3 S\$	Total S\$
<b>Assets</b>				
<u>Financial assets at fair value through profit or loss</u>				
- Portfolio of investments				
- Debt securities	-	893,203,807	-	893,203,807
- Money market instruments	15,975,185	-	-	15,975,185
- Derivative financial instruments	-	2,581,953	-	2,581,953
	<u>15,975,185</u>	<u>895,785,760</u>	-	<u>911,760,945</u>
<b>Liabilities</b>				
<u>Financial liabilities at fair value through profit or loss</u>				
- Derivative financial instruments	-	697,045	-	697,045
	-	<u>697,045</u>	-	<u>697,045</u>

**FULLERTON FUND - FULLERTON SHORT TERM INTEREST RATE FUND**  
(Constituted under a Trust Deed registered in the Republic of Singapore)

**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**6. Financial risk management** (continued)

6.4 Fair value estimation (continued)

Investments whose values are based on quoted market prices in active markets, are classified within Level 1, including MAS bills. The Sub-Fund does not adjust the quoted price for these instruments.

Financial instruments that trade in markets that are not considered to be active but are valued based on quoted market prices, dealer quotations or alternative pricing sources supported by observable inputs are classified within Level 2. These include quoted debt securities and over-the-counter derivatives.

The assets and liabilities included in the statement of financial position except portfolio of investments and financial derivatives are carried at amortised cost, their carrying values are reasonable approximation of fair value.

6.5 Offsetting financial assets and financial liabilities

Financial assets and liabilities are offset and the net amount reported in the Statement of Financial Position when there is a legally enforceable right to offset the recognised amounts and there is an intention to settle on a net basis or realise the asset and settle the liability simultaneously.

The following tables present the Sub-Fund's financial assets and liabilities subject to offsetting, enforceable master netting arrangements and similar agreements. The tables are presented by type of financial instrument.

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**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 March 2024*

**6. Financial risk management (continued)**

**6.5 Offsetting financial assets and financial liabilities (continued)**

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

<b>2024</b>	<b>A</b>	<b>B</b>	<b>C = A - B</b>	<b>D</b>		<b>E = C - D</b>
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	Related amounts not set-off in the statement of financial position		
				D(i) and D(ii) Financial Instruments	D(ii) Cash Collaterals Received	Net Amount
Derivative financial instruments	<b>1,069,971</b>	-	<b>1,069,971</b>	-	-	<b>1,069,971</b>

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:

<b>2024</b>	<b>A</b>	<b>B</b>	<b>C = A - B</b>	<b>D</b>		<b>E = C - D</b>
	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set-off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	Related amounts not set-off in the statement of financial position		
				D(i) and D(ii) Financial Instruments	D(ii) Cash Collaterals Paid	Net Amount
Derivative financial instruments	<b>3,376,357</b>	-	<b>3,376,357</b>	-	-	<b>3,376,357</b>

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For the financial year ended 31 March 2024

**6. Financial risk management (continued)**

**6.5 Offsetting financial assets and financial liabilities (continued)**

Financial assets subject to offsetting, enforceable master netting arrangements and similar agreements:

2023	A	B	C = A - B	D		E = C - D
	Gross amounts of recognised financial assets	Gross amounts of recognised financial liabilities set-off in the statement of financial position	Net amounts of financial assets presented in the statement of financial position	D(i) and D(ii) Financial Instruments	D(ii) Cash Collaterals Received	Net Amount
Derivative financial instruments	2,581,953	-	2,581,953	(360,964)	-	2,220,989

Financial liabilities subject to offsetting, enforceable master netting arrangements and similar agreements:

2023	A	B	C = A - B	D		E = C - D
	Gross amounts of recognised financial liabilities	Gross amounts of recognised financial assets set-off in the statement of financial position	Net amounts of financial liabilities presented in the statement of financial position	D(i) and D(ii) Financial Instruments	D(ii) Cash Collaterals Paid	Net Amount
Derivative financial instruments	697,045	-	697,045	(360,964)	-	336,081

**6.6 Liquidity and capital risks**

Liquidity risk is the risk that the Sub-Fund will not have the ability to liquidate positions to satisfy commitments to unitholders for redemptions due to market conditions. The Manager monitors the Sub-Fund's' liquidity position on a daily basis.

The Sub-Fund's financial liabilities have a less than three-month maturity based on the remaining period at the end of the reporting period to their respective contractual maturity dates.

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**NOTES TO THE FINANCIAL STATEMENTS**

For the financial year ended 31 March 2024

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**6. Financial risk management** (continued)

6.6 Liquidity and capital risks (continued)

Units are redeemable at the unitholders' option. However, in accordance with the Sub-Fund's prospectus, if Sub-Fund does not hold sufficient cash or cash equivalents to make payment for the redemption without detriment to the Sub-Fund, as determined in the sole discretion of the Trustee, then the Trustee (on behalf of the Sub-Fund) shall make such payment at the earliest possible date when it is able to do so.

6.7 Derivative risk

As the Sub-Fund may invest in derivatives for purposes of hedging and for efficient portfolio management, investments in the Sub-Fund will be subject to risks associated with such derivative investments. Investments in derivatives may require the deposit of initial margin and additional deposit of margin on short notice if the market moves against the investment positions. If no provision is made for the required margin within the prescribed time, the Sub-Fund's derivative investment may be liquidated at a loss. Therefore, it is essential that such investments in derivatives are monitored closely.

Investments in derivatives are subject to similar risk guidelines stipulated for the underlying instruments. Derivatives investments are included in the overall risk monitoring and measurement process for the portfolio.

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**7. Related party disclosure**

7.1 The Manager of the Fund is Fullerton Fund Management Company Ltd. The Trustee is HSBC Institutional Trust Services (Singapore) Limited, a subsidiary of HSBC Holdings PLC. The management fee, custodian fees, valuation fees and the trustee fees paid or payable by the Sub-Fund are shown in the Statement of Total Return and are on terms set out in the Trust Deed.

7.2 At the end of the financial year, the Sub-Fund maintained current accounts and deposits with HSBC Bank:

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Current accounts (HSBC Bank)	<b>1,249,931</b>	35,637,069

**8. Auditors' remuneration**

During the financial year, the following fees were paid or payable for services provided by the auditor of the Fund.

	<b>2024</b>	2023
	<b>S\$</b>	S\$
<b>Auditors' remuneration paid/payable to</b>		
- Auditor of the Fund	<b>47,609</b>	19,889
<b>Other fees paid/payable to:</b>		
- Auditor of the Fund	<b>11,597</b>	9,573
<b>Total</b>	<b>59,206</b>	29,462

**9. Financial ratios**

	<b>2024</b>	2023
	<b>%</b>	%
<b>Expense ratio</b> <sup>(1), (2)</sup>		
- Class A	<b>0.15</b>	0.13
- Class B	<b>0.25</b>	0.23
- Class B1	<b>0.40</b>	0.38
- Class C	<b>0.55</b>	0.53
- Class D	<b>0.55</b>	0.53
- Class R	<b>0.35</b>	0.33
<b>Turnover ratio</b> <sup>(3)</sup>	<b>170.35</b>	26.23

(1) The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS").



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**NOTES TO THE FINANCIAL STATEMENTS**

*For the financial year ended 31 March 2024*

**9. Financial ratios (continued)**

The calculation of the Sub-Fund's expense ratios at 31 March 2024 was based on total operating expenses divided by the average net asset value respectively for the year/period. The total operating expenses do not include (where applicable) brokerage and other transaction costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of the Sub-Fund and tax deducted at source or arising out of income received. The Sub-Fund do not pay any performance fee. The average net asset value is based on the daily balances. The total operating expenses and average net asset values of the Sub-Fund are presented in the table below.

(2) The expense ratio is the sum of the Sub-Fund's expense ratio and the weighted average of the underlying funds' unaudited expense ratios. The weighted average of the underlying funds' unaudited expense ratios are presented in the table below.

	<b>2024</b>	2023
	<b>S\$</b>	S\$
<b>Total operating expenses</b>		
Class A	<b>3,085</b>	2,765
Class B	<b>312,148</b>	451,252
Class B1	<b>84,958</b>	102,947
Class C	<b>2,859,230</b>	3,464,773
Class D	<b>717,652</b>	1,224,516
Class R	<b>94,664</b>	81,806
	<b>_____</b>	<b>_____</b>
<b>Average net asset value</b>		
Class A	<b>2,041,161</b>	2,133,965
Class B	<b>124,056,755</b>	196,208,580
Class B1	<b>21,143,459</b>	27,080,895
Class C	<b>517,738,847</b>	653,219,982
Class D	<b>129,747,839</b>	230,446,009
Class R	<b>26,929,638</b>	24,795,080
	<b>_____</b>	<b>_____</b>

(3) The portfolio turnover ratios are calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value respectively as below:

	<b>2024</b>	2023
	<b>S\$</b>	S\$
Total value of purchases or sales	<b>1,399,683,993</b>	297,413,934
Average net asset value	<b>821,657,699</b>	1,133,884,511
	<b>_____</b>	<b>_____</b>