Fullerton Asia Income Return Fund - Class E (SGD)

April 2025

Investment Objective

The investment objective of the Fund is to generate regular income and long term capital appreciation for investors by investing in equities, fixed income, cash and other permissible investments.

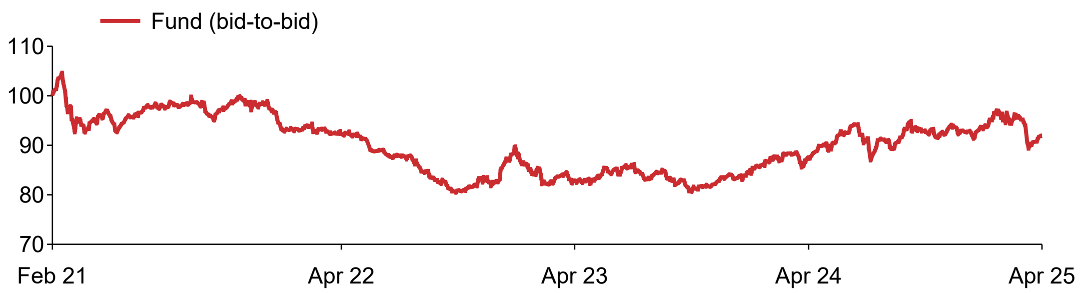
Investment Focus and Approach

The Fund may invest in collective investment schemes and other investment funds (including exchange traded funds ("ETFs")), securities and/or hold cash, in accordance with its investment objective and asset allocation strategy, as we deem appropriate.

We may use Financial Derivative Instruments (FDIs) (including, without limitation, treasury, bond or equities futures, interest rate swaps and foreign exchange forwards) for hedging, efficient portfolio management, optimising returns or a combination of all three objectives.

The Fund may also invest in other Authorised Investments.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	SI. Ann. Ret.	SI. Ann. Vol.
Fund (bid-to-bid)	-3.38	-2.20	-0.75	5.44	-0.12	-1.95	7.92
Fund (offer-to-bid)	-7.10	-5.96	-4.57	1.38	-1.42	-2.85	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 4% which may or may not be charged to investors.
Fullerton Total Return Fund (FTRF) updated its name to Fullerton Asia Income Return (FAIR) on 21 December 2017.
Source: Fullerton Fund Management Company Ltd.

Market Review

April began with global markets grappling with a complex mix of slowing economic growth, persistent inflation, and divergent central bank policies. The situation escalated sharply when President Trump announced high tariffs on all U.S. trading partners, triggering a swift sell-off in risk assets worldwide. Concerns about hedge funds unwinding leveraged positions and basis trades intensified market volatility, pushing long-duration Treasury yields higher. Market tensions eased only after Trump suspended the initial tariffs plan for 90 days and replaced it with a temporary 10% tariff on U.S. imports from all countries except China where a 145% tariff is imposed.

U.S. economic data showed slowing momentum, yet inflation - especially in energy and core services - remained above the Federal Reserve's 2% target. In response to tariff uncertainties, the Federal Reserve kept its federal funds rate steady at 4.25% to 4.50% during its 30 March meeting but indirectly eased by slowing its balance sheet run-off pace from $60 billion to $40 billion monthly. Meanwhile, the European Central Bank cut rates twice - by 25 basis points each time - in early March and mid-April, citing weaker eurozone growth and rising trade tensions, which helped moderate financial market volatility.

In Asia, the economic picture was mixed. China posted strong first-quarter GDP growth, buoyed by exports and early signs of domestic recovery, supported by a policy shift toward growth-oriented measures. Manufacturing and credit activity improved, though structural challenges remained. Japan's central bank maintained a cautious stance on policy normalization despite inflation pressures.

Global equity markets delivered mixed results. The MSCI AC World Index returned 0.9% in dollar terms, driven by strong gains in Europe (+4.4%) and Japan (+5.2%) in dollar terms, as investors rebalanced portfolios away from U.S. equities. Lower valuations and easing energy concerns were sufficient to entice the move. In emerging markets Asia, the MSCI Asia ex-Japan Index gained 0.7% in dollar terms, despite a -4.3% decline in the MSCI China Index in dollar terms, due to structural growth concerns and tariff-related uncertainties. Also in dollar terms, India (+4.8%), Taiwan (+2.4%), and Korea (+4.7%)

Inception date
02 Feb 2021

Fund size
SGD 521.98 million

Base Currency
USD

Pricing Date
30 Apr 2025

NAV*
SGD 0.68

Management fee
Currently 0.60% p.a.

Expense Ratio
0.92% p.a. (For financial year ended 31 Mar 2024)

Distributions paid per unit [#]
Mar 2024: SGD 0.012
Jun 2024: SGD 0.013
Sep 2024: SGD 0.012
Dec 2024: SGD 0.012
Jan 2025: SGD 0.007**
Mar 2025: SGD 0.012

Minimum Initial Investment
SGD 1 Million

Minimum Subsequent Investment
SGD 1 Miillion

Preliminary Charge
Up to 4%

Dealing day
Daily, up to 5pm (Singapore time)

Bloomberg Code
FULFTRE SP

ISIN Code
SGXZ28035020

The Fund is available for SRS subscription.

For additional information on Fullerton and its funds, please contact:
Fullerton Fund Management Company Ltd
3 Fraser Street
#09-28 DUO Tower
Singapore 189352
T +65 6808 4688
F +65 6820 6878
www.fullertonfund.com
UEN: 200312672W

* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.
[#] Please refer to our website for more details.
**Figure includes a special dividend of $0.0070

Market Review (Cont'd)

outperformed, benefitting from lower U.S. tariffs.

Short- to medium-term U.S. Treasuries saw modest buying on the back of cooling inflation and slowing growth, while long-term bond yields rose due to basis trade unwinding. While the 30-year U.S. Treasury yield rose 11 basis points to 4.68%, the 10-year yield ended April slightly lower at 4.16%, and Germany's 10-year Bund fell 30 basis points in April to 2.44% following ECB's easing. High-quality government bonds led gains in the Bloomberg Global Aggregate Index, returning 2.94% unhedged in dollars (+0.98% hedged), while the J.P. Morgan JACI Investment Grade Index returned 0.25% in dollars. Credit markets were mostly muted as spreads widened amid rate volatility and unwinding of risks. The U.S. dollar index (DXY) declined 4.6% as long dollar positions unwound alongside global equity rebalancing.

Commodity performance was mixed. Gold stood out, rising 5.3% as investors sought safe havens amid macroeconomic uncertainty. In contrast, oil prices fell sharply, with Brent crude declining -21.2% due to concerns that demand is not keeping pace with increased production. This imbalance, coupled with fears of a recession triggered by U.S. tariffs, weighed heavily on the market.

Geopolitical risks continued to shape commodity markets, with conflicts in the Middle East, Ukraine, and U.S.–China strategic competition disrupting supply chains and commodity flows. Investors favoured over-sold quality assets, defensive sectors, and gold as hedges against uncertainty.

Investment Outlook & Strategy

Looking ahead, the investment environment remains highly uncertain, with downside risks to growth forecasts mainly stemming from U.S. tariffs. At the same time, the Federal Reserve is reluctant to ease interest rates as a policy response due to concerns that inflation could rise as a result. In view of these uncertainties, Fullerton-managed funds with absolute return objectives are prioritising risk management, recognising the longer-term market implications of the current environment.

We are closely monitoring economic data and market signals, assessing the wide range of possible outcomes as trade policy rhetoric evolves. A nimble approach is essential until a clear path emerges toward resolving trade tensions and restoring risk appetite. Markets generally dislike uncertainty, so any U.S. trade agreement could serve as a catalyst to rebuild investor confidence and encourage risk-taking.

FULLERTON FUND MANAGEMENT

Sector Breakdown (Equities)

Communication Services	17.8%
Financials	17.8%
Industrials	14.8%
Consumer Discretionary	14.0%
Real Estate	13.6%
Information Technology	10.7%
Utilities	6.3%
Materials	2.6%
Consumer Staples	1.8%
Others	0.6%

Geographical Breakdown (Equities)

China	30.9%
India	23.0%
Singapore	12.5%
US	11.3%
Taiwan	9.2%
Korea	5.1%
Germany	3.0%
Japan	1.6%
Hong Kong	1.3%
France	1.0%
Others	1.1%

Asset Allocation

Fixed Income	28.3%
Equities	44.7%
Cash and cash equivalents	26.9%

Ratings Breakdown (Fixed Income)

AAA	10.3%
AA	4.7%
A	38.2%
BBB	46.8%

Geographical Breakdown (Fixed Income)

US	25.8%
Australia	15.8%
Korea	14.8%
Singapore	8.5%
Japan	7.9%
China	6.2%
Indonesia	4.5%
Philippines	2.4%
Hong Kong	2.2%
Malaysia	1.9%
UK	1.7%
United Arab Emirates	1.5%
India	1.3%
Taiwan	1.2%
Macau	1.0%
Others	3.2%

Top 5 Holdings (Equities, as % of NAV)

SPDR Gold MiniShares Trust	3.8%
Lion-Phillip S-REIT ETF	3.0%
Tencent Holdings Ltd	1.2%
Taiwan Semiconductor Manufacturing	1.0%
NTPC Ltd	1.0%

Top 5 Holdings (Fixed Income, as % of NAV)

SINGAPORE GOVERNMENT 2.75% MAR 2046	1.7%
MEIJI YASUDA LIFE INSURA 6.1% JUN 2055	0.5%
AUST & NZ BANKING GROUP 5.204% SEP 2035	0.4%
MIZUHO FINANCIAL GROUP 5.422% MAY 2036	0.4%
FIRST ABU DHABI BANK PJS 5.804% JAN 2035	0.4%

Country and Sector breakdown (Equities) does not include Cash and Cash equivalents.
Country breakdown (Fixed Income) does not include Cash and Cash equivalents.
Credit Rating : Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.

FULLERTON FUND MANAGEMENT

Disclaimer: This publication is for information only and your specific investment objectives, financial situation and needs are not considered here. The value of units in the Fund and any accruing income from the units may fall or rise. Any past performance, prediction or forecast is not indicative of future or likely performance. Any past payout yields and payments are not indicative of future payout yields and payments. Distributions (if any) may be declared at the absolute discretion of Fullerton Fund Management Company Ltd (UEN: 200312672W) (“Fullerton”) and are not guaranteed. Distribution may be declared out of income and/or capital of the Fund, in accordance with the prospectus. Where distributions (if any) are declared in accordance with the prospectus, this may result in an immediate reduction of the net asset value per unit in the Fund. Applications must be made on the application form accompanying the prospectus, which can be obtained from Fullerton or its approved distributors. You should read the prospectus and seek advice from a financial adviser before investing. If you choose not to seek advice, you should consider whether the Fund is suitable for you. The Fund may use or invest in financial derivative instruments. Please refer to the prospectus of the Fund for more information.

All information provided herein regarding JPMorgan Chase & Co. (“JPMorgan”) index products (referred to herein as "Index" or "Indices"), is provided for informational purposes only and does not constitute, or form part of, an offer or solicitation for the purchase or sale of any financial instrument, or an official confirmation of any transaction, or a valuation or price for any product referencing the Indices (the “Product”). Nor should anything herein be construed as a recommendation to adopt any investment strategy or as legal, tax or accounting advice. All market prices, data and other information contained herein is believed to be reliable but JPMorgan does not warrant its completeness or accuracy. The information contained herein is subject to change without notice. Past performance is not indicative of future returns, which will vary. No one may reproduce or disseminate the information, whether in whole or in part, relating to the Indices contained herein without the prior written consent of JPMorgan.

J.P. Morgan Securities LLC (the "Index Sponsor") does not sponsor, endorse or otherwise promote any Product referencing any of the Indices. The Index Sponsor makes no representation or warranty, express or implied, regarding the advisability of investing in securities or financial products generally, or in the Product particularly, or the advisability of any of the Indices to track investment opportunities in the financial markets or otherwise achieve their objective. The Index Sponsor has no obligation or liability in connection with the administration, marketing or trading of any Product. The Index Sponsor does not warrant the completeness or accuracy or any other information furnished in connection with the Index. The Index is the exclusive property of the Index Sponsor and the Index Sponsor retains all property rights therein.

Copyright 2021, S&P Global Market Intelligence. Reproduction of S&P Credit Ratings in any form is prohibited except with the prior written permission of S&P Global Market Intelligence (together with its affiliates, S&P). S&P does not guarantee the accuracy, completeness, timeliness or availability of any information, including ratings, and is not responsible for any errors or omissions (negligent or otherwise), regardless of the cause, or for the results obtained from the use of ratings. S&P GIVES NO EXPRESS OR IMPLIED WARRANTIES, INCLUDING, BUT NOT LIMITED TO, ANY WARRANTIES OF MERCHANTABILITY OR FITNESS FOR A PARTICULAR PURPOSE OR USE. S&P shall not be liable for any direct, indirect, incidental, exemplary, compensatory, punitive, special or consequential damages, costs, expenses, legal fees, or losses (including lost income or profits and opportunity costs or losses caused by negligence) in connection with any use of Ratings. S&P’s ratings are statements of opinions and are not statements of fact or recommendations to purchase, hold or sell securities. They do not address the market value of securities or the suitability of securities for investment purposes, and should not be relied on as investment advice.

Neither MSCI nor any other party involved in or related to compiling, computing or creating the MSCI data makes any express or implied warranties or representations with respect to such data (or the results to be obtained by the use thereof), and all such parties hereby expressly disclaim all warranties of originality, accuracy, completeness, merchantability or fitness for a particular purpose with respect to any of such data. Without limiting any of the foregoing, in no event shall MSCI, any of its affiliates or any third party involved in or related to compiling, computing or creating the data have any liability for any direct, indirect, special, punitive, consequential or any other damages (including lost profits) even if notified of the possibility of such damages. No further distribution or dissemination of the MSCI data is permitted without MSCI's express written consent.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.