

Fullerton Lux Funds - Asian Bonds - Class A (SGD) Dist

May 2025

Investment Objective

The investment objective of the Fund is to generate long term capital appreciation for investors.

Investment Focus and Approach

The Investment Manager seeks to achieve the objective of the Fund by investing in fixed income or debt securities denominated primarily in USD and Asian currencies, issued by companies, governments, quasi-governments, government agencies or supranationals in the Asian region.

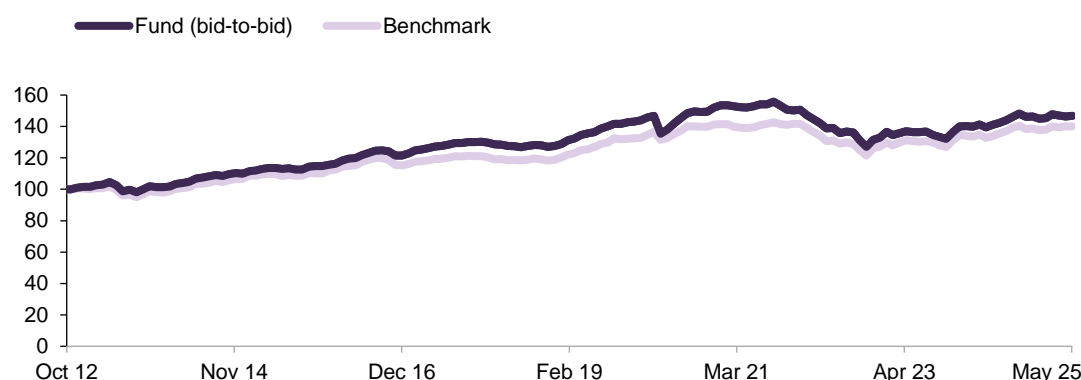
The Asian countries include but are not limited to China (including Hong Kong SAR and Taiwan), South Korea, India, Thailand, Malaysia, Singapore, Indonesia, the Philippines, Pakistan and Vietnam.

SFDR Classification:

Article 8 fund.

In line with its ESG methodology, the fund promotes environmental characteristics but does not commit to make environmentally sustainable investments as defined in the taxonomy regulation.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	0.20	-1.02	-0.28	2.86	0.71	-0.45	1.47	1.97	4.80
Fund (offer-to-bid)	-4.57	-5.73	-5.03	-2.03	-0.92	-1.41	0.98	1.58	NA
Benchmark	-0.07	-0.07	0.78	4.46	2.24	0.71	2.48	2.70	4.22

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 5% which may or may not be charged to investors. Past performance is not indicative of future returns.

Benchmark: JACI Investment Grade Total Return – SGD Hedged Index.

Source: Fullerton Fund Management Company Ltd, J.P. Morgan Securities LLC and Bloomberg.

Inception date

16 Oct 2012

Fund size

SGD 157.52 million

Base Currency

USD

Pricing Date

31 May 2025

NAV*

SGD 7.86

Management fee**

Up to 1.00% p.a.

Management company^ fee**

Up to 0.04% p.a. subject to a minimum monthly fee of EUR 750.00 per Fund per month applied at the Company level

Expense Ratio**

1.19% p.a. (For financial year ended 31 Mar 2024)

Preliminary Charge**

Up to 5% of subscription amount (equivalent to a max. of 5.26315% of the Net Asset Value per share)

Dealing day

Daily

Deadline

1pm (CET); 5pm (Singapore time) on each Business Day

Bloomberg Code

FASASHD LX

ISIN Code

LU0830378575

Distributions paid per unit#

Dec 2023 : SGD 0.100
Mar 2024 : SGD 0.101
Jun 2024 : SGD 0.101
Sep 2024 : SGD 0.102
Dec 2024 : SGD 0.101
Mar 2025 : SGD 0.100

The Fund is available for SRS subscription.

* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

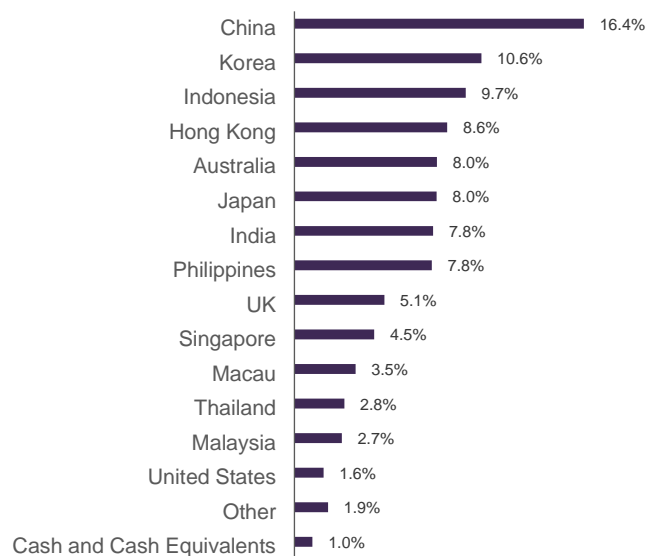
** The list of cost is not exhaustive and the fund may incur other expenses. Please refer to the Prospectus/KIID for more information.

^ Management Company of the Fund is Lemanik Asset Management S.A.

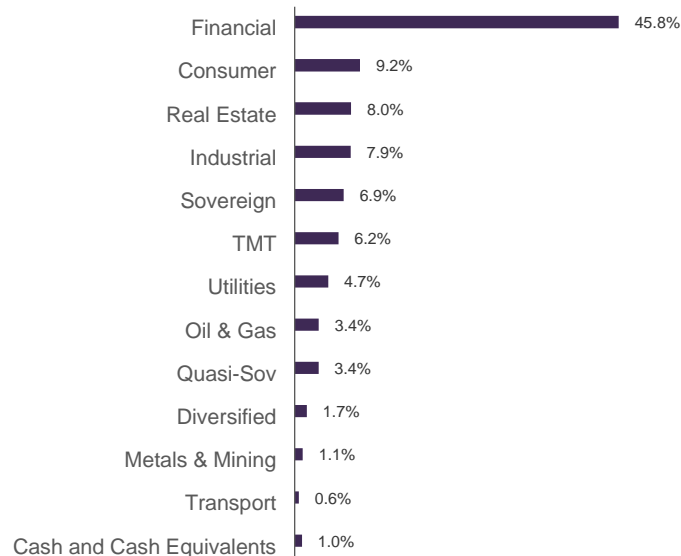
Please refer to our website for more details

Portfolio

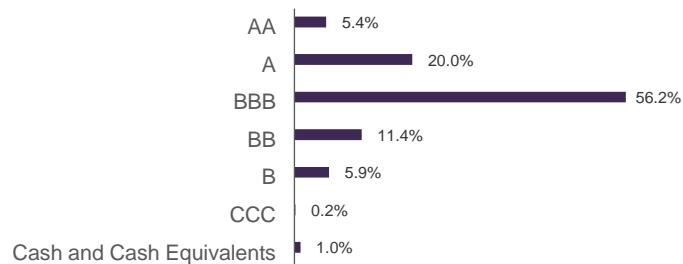
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	4.8%
Average credit rating	BBB
Number of holdings	193
Average duration (years)	4.5
Yield to Worst	5.8%

Top 5 Holdings

Lendlease US Capital Inc 4.500 May 2026	1.6%
Philippine Government International Bond 5.900 Feb 2050	1.5%
Kyobo Life Insurance Co Ltd 5.900 Jun 2052	1.3%
LG Energy Solution Ltd 5.875 Apr 2035	1.3%
DBS Group Holdings Ltd Float Mar 2028	1.3%

Credit Rating : Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.

Yield to Worst (YTW): Refers to YTW in base currency. Not guaranteed. Past performance is not necessarily indicative of future performance.

Market Review

Global fixed income markets in May were heavily shaped by developments in the United States. Hopes of easing trade tensions lifted sentiment after the U.S. reached a trade framework with the UK and made significant concessions to China to advance negotiations. Meanwhile, political attention remained centered on the proposed "One Big Beautiful Bill," a broad fiscal package with implications for U.S. budget deficits. The Federal Reserve left its policy rate unchanged at 4.25–4.50%, with Chair Powell maintaining a hawkish tone despite acknowledging employment risks. U.S. Treasury yields rose across the curve on strong early-month activity data, with the 10-year yield peaking above 4.50% before retreating to close May at 4.4% on softer macroeconomic prints.

In Asia, credit markets delivered modestly positive returns despite upward pressure on U.S. yields. Credit spreads broadly tightened, supported by improved risk sentiment following signs of a temporary tariff truce. High yield outperformed investment-grade credits, driven by stronger spread compression, particularly in higher-beta names.

At the country level, Pakistan, Sri Lanka, and Mongolia were the top performers in May, benefitting from significant spread tightening and improved investor sentiment. However, gains in these markets were partially offset by negative contributions from duration. Conversely, Malaysia, Singapore, and Taiwan underperformed on a relative basis, as duration-related losses weighed on returns despite some spread compression.

Sector-wise, metals and mining, and consumer-related credits led performance, reflecting their high-yield tilt and favourable spread dynamics. In contrast, the oil and gas sector, along with real estate, lagged. The real estate sector, in particular, was affected by widening credit spreads among Hong Kong developers which detracted from overall returns.

Investment Strategy

The current investment landscape is defined more by macro volatility than micro stress. Despite heightened geopolitical and policy-driven uncertainty—particularly from U.S. tariff escalations—micro credit fundamentals remain resilient. Corporate balance sheets are generally sound, banking system liquidity is ample, and there is limited evidence of stress stemming from financial imbalances.

That said, policy visibility from the US remains low, with the evolving trajectory of trade tariffs emerging as the key macro risk. In this environment, our strategy remains anchored in balance and selectivity. We are focused on maximising carry from diversified sources, while maintaining structural defensiveness to navigate potential market dislocations.

In the U.S., this evolving macro backdrop presents a particularly complex inflation-growth mix. Inflation is expected to rise due to tariff-related cost pass-throughs, while growth is expected to slow as business investment and consumer sentiment weaken. The Federal Reserve is likely to remain data dependent, awaiting clearer evidence of economic strain before initiating rate cuts. That said, its reaction function appears asymmetrical—more attuned to labour market weakness than to inflation overshoots.

We maintain a modest underweight in duration, particularly at the long end of the curve. This positioning reflects concerns over elevated U.S. Treasury supply and mounting fiscal pressures, which could drive long-end yield repricing. While the US administration has signaled an intent to manage bond market stability, we believe fiscal dynamics and debt sustainability will continue to shape rate direction into the summer. Elsewhere, we retain an overweight position in high yield, where carry remains attractive in a liquidity-supported environment. We are also actively participating in the primary market, which has seen a pickup in activity in May following April's risk-off pause in the wake of "Liberation Day."

For additional information on Fullerton and its funds, please contact:

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The source of the JACI Investment Grade Total Return – SGD Hedged Index is J.P. Morgan Securities LLC, the Index Sponsor. Prior to 1 October 2012, the benchmark was computed by the Managers derived from JACI Investment Grade Total Return Index. The source was changed retrospectively from 8 May 2010.

For EU investors:

This is a marketing communication. The investment which is promoted concerns the acquisition of shares in a fund. The Fund is actively managed with reference to the benchmark, "JACI Investment Grade Total Return – SGD Hedged Index", for performance comparison purpose. You should read the prospectus and the key investor information before making any final investment decision. A summary of investor rights can be found in English at <https://www.lemanikgroup.com/governance-asset-management/>. A copy of the prospectus and the key investor information is available in English and other languages (as applicable), and can be obtained from the registered office of the Fund or at www.fullertonfund.com. Please also refer to https://www.fullertonfund.com/literature/fullerton-lux-funds/?_sft_registered=luxembourg for the sustainability-related disclosures of the Fund. The Management Company of the Fund is Lemanik Asset Management S.A. ("Lemanik"). Please note that Lemanik may terminate the marketing arrangements of the Fund in accordance with Article 93a of Directive 2009/65/EC.

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