

Fullerton Lux Funds - Asian Bonds - Class I (USD) 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.

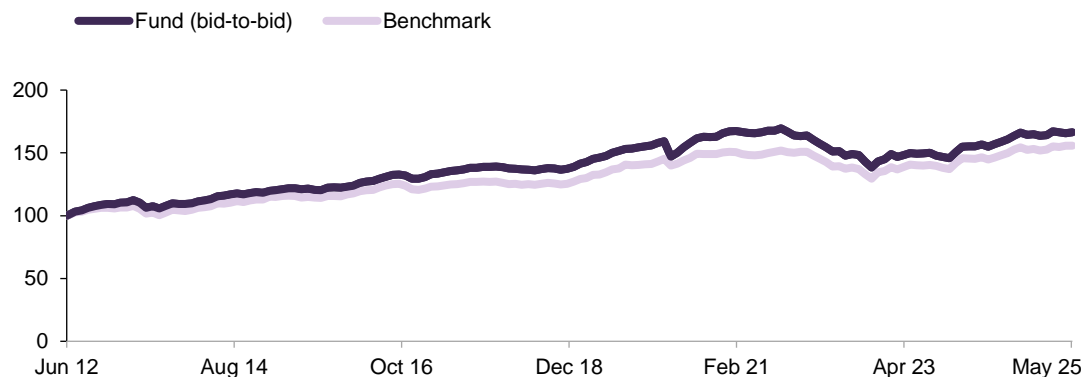
The Asian countries include but are not limited to China (including Hong Kong SAR and Taiwan), South Korea, India, Thailand, Malaysia, Singapore, Indonesia, the Philippines, Pakistan and Vietnam.

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)	0.36	-0.63	0.62	5.17	2.52	0.82	2.48	3.31	4.79
Fund (offer-to-bid)	-4.42	-5.36	-4.17	0.16	0.86	-0.16	1.99	2.92	NA
Benchmark	0.11	0.40	1.68	6.47	3.77	1.60	3.02	3.48	4.21

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in USD 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 Index.

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

Inception date

22 Jun 2012

Fund size

USD 122.14 million

Base Currency

USD

Pricing Date

31 May 2025

NAV*

USD 9.44

Management fee**

Up to 0.60% 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**

0.75% 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

FASBIUD LX

ISIN Code

LU0790902471

Distributions paid per unit#

Dec 2023 : USD 0.117
Mar 2024 : USD 0.119
Jun 2024 : USD 0.119
Sep 2024 : USD 0.121
Dec 2024 : USD 0.120
Mar 2025 : USD 0.120

* 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.

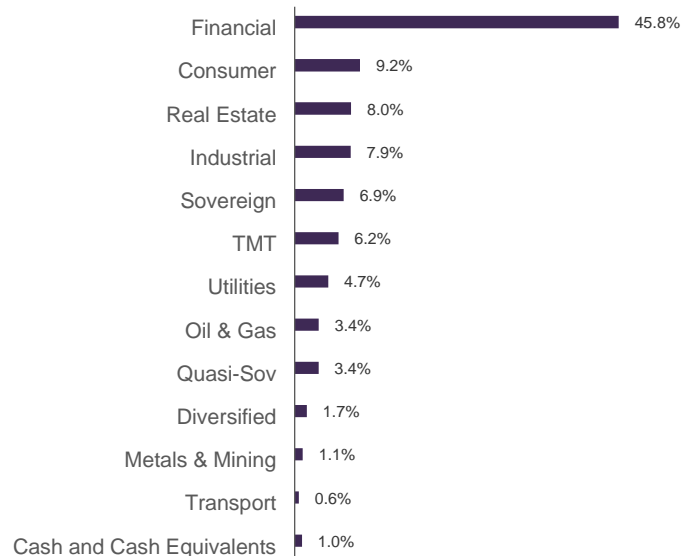
Please refer to our website for more details

Portfolio

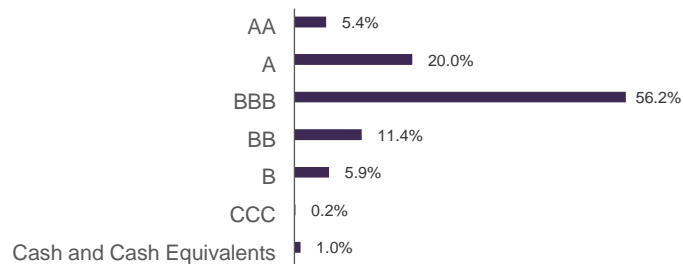
Geographical Breakdown



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:

Fullerton Fund Management Company Ltd (UEN: 200312672W)

3 Fraser Street
#09-28 DUO Tower
Singapore 189352

T +65 6808 4688 | F +65 6820 6878
www.fullertonfund.com

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.

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 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.

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