

# Fullerton SGD Income Fund - Class A

June 2025

## Investment Objective

The investment objective of the Fund is to generate long term capital appreciation and/or income for investors in SGD terms by investing primarily in fixed income or debt securities.

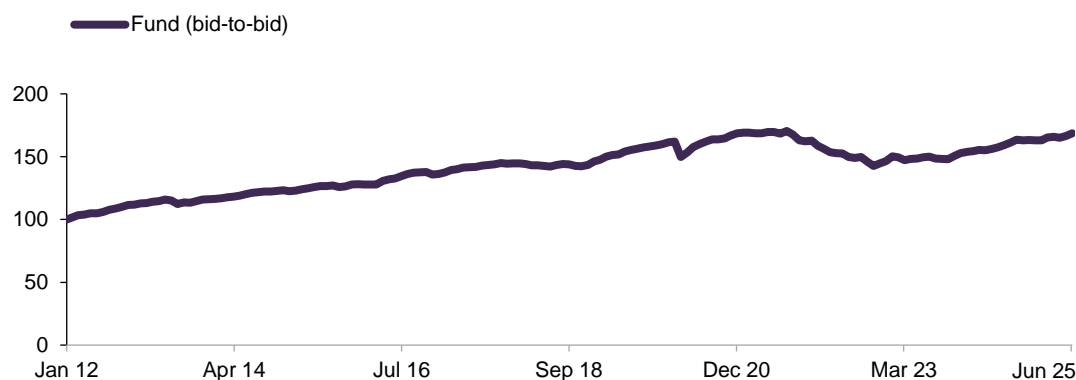
## Investment Focus and Approach

The Managers seek to add value from interest rate accruals, selection of bonds and/or credits and duration management (optimisation of bond returns by selecting bonds with different terms to maturity). The Fund will invest in a diversified portfolio of primarily investment grade fixed income or debt securities having a minimum long term credit rating of BBB- by Fitch, Baa3 by Moody's or BBB- by Standard & Poor's (or their respective equivalents) and cash.

The Fund may also invest in non-investment grade bonds (i.e. bonds with a long term credit rating of less than BBB- by Standard & Poor's, Baa3 by Moody's or BBB- by Fitch (or their respective equivalents)) of up to 30% of its Net Asset Value.

The Fund may invest in Singapore Dollar and foreign currency denominated bonds including but not limited to US Dollar, Euro, Japanese Yen and Australian Dollar. The foreign currency denominated bonds will be fully hedged back to the Singapore Dollar except for a 5% frictional currency limit.

## Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
<b>Fund (bid-to-bid)</b>	1.21	1.51	3.11	6.19	3.19	0.23	2.04	3.08	3.90
<b>Fund (offer-to-bid)</b>	-1.74	-1.45	0.11	3.10	2.18	-0.36	1.74	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 3% which may or may not be charged to investors.

Source: Fullerton Fund Management Company Ltd.

## Inception date

05 Jan 2012

## Fund size

SGD 839.82 million

## Base Currency

SGD

## Pricing Date

30 Jun 2025

## NAV\*

SGD 0.88

## Management fee

Currently 0.80% p.a.

## Expense Ratio

0.89% p.a. (For financial year ended 31 Mar 2024)

## Minimum Initial Investment

SGD 100,000

## Minimum Subsequent Investment

SGD 100,000

## Preliminary Charge

Up to 3%

## Dealing day

Daily, up to 5pm (Singapore time)

## Bloomberg Code

FULSGIA SP

## ISIN Code

SG9999008411

## Distributions paid per unit#

Mar 2024 : SGD 0.011  
 Jun 2024 : SGD 0.011  
 Sep 2024 : SGD 0.011  
 Dec 2024 : SGD 0.011  
 Mar 2025 : SGD 0.011  
 Jun 2025 : SGD 0.011

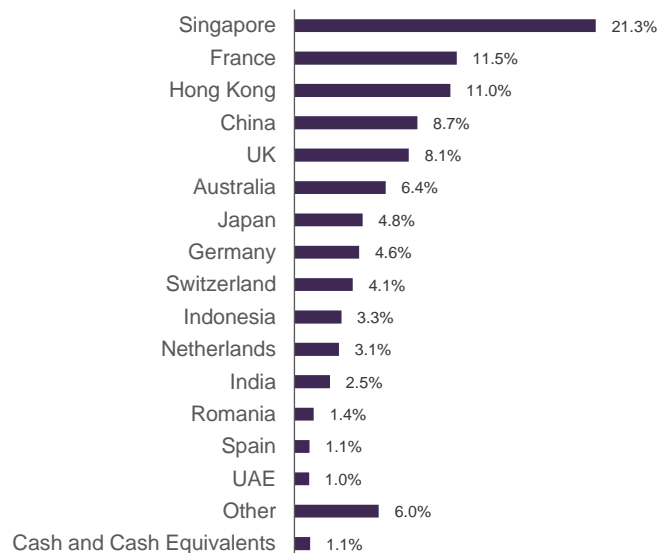
The Fund is available for SRS subscription.

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

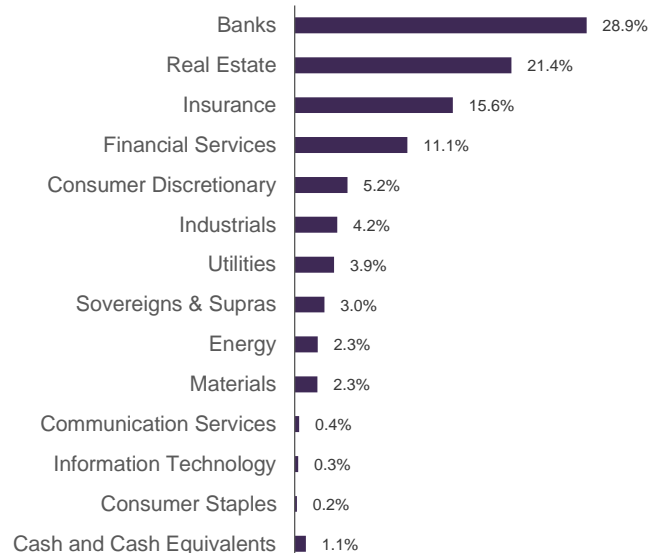
# Please refer to our website for more details

## ■ Portfolio

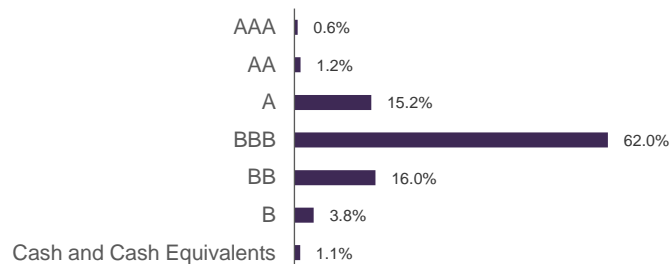
### Geographical Breakdown



### Sector Breakdown



### Rating Breakdown



### Fund Characteristics

Average coupon	4.8%
Average credit rating	BBB
Number of holdings	201
Average duration (years)	4.4
Yield to Worst	3.5%

### Top 5 Holdings

Credit Agricole SA 3.800 Apr 2031	2.3%
AIA Group Ltd 2.900 PERP	2.2%
ABN AMRO Bank NV 5.500 Oct 2032	2.0%
Deutsche Bank AG 4.400 Apr 2028	1.8%
ESR-REIT 6.000 PERP	1.6%

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 taking into account the hedging cost. Not guaranteed. Past performance is not necessarily indicative of future performance.

## Market Review

---

Singapore released a series of macroeconomic indicators in June that provided a snapshot of current domestic conditions. Headline inflation remained subdued, with May CPI rising just 0.8% year-on-year, underscoring the absence of significant price pressures despite external uncertainties. Meanwhile, industrial production declined on a seasonally adjusted monthly basis, although year-on-year growth stayed in positive territory.

Against this backdrop, Singapore Government Securities (SGS) yields declined meaningfully across the curve, mirroring global bond market movements. The 2-year SGS yield fell by 22 basis points, while the 10-year yield declined by 24 basis points—outperforming both U.S. Treasuries and the non-SGS market, as reflected by the Markit iBoxx ALBI Singapore indices.

In the U.S., Treasury yields also declined across the curve, as dovish shifts in rate expectations drove yields. The 10-year Treasury yield fell by 17 basis points, while the 2-year yield declined 18 basis points, reflecting growing market confidence in an earlier start to the Fed's easing cycle. This was driven by softer-than-expected inflation prints and weaker ISM services data. Speculation also intensified that President Trump might appoint a more dovish Fed chair, contributing to lower front-end yields. Although geopolitical tensions in the Middle East triggered brief intra-month volatility—pushing oil prices and yields higher temporarily—these moves quickly reversed as risk sentiment remained resilient overall.

Asian credit markets responded positively to the supportive rate environment. The JP Morgan Asian Credit Index posted gains for the month, driven largely by duration-related returns as US Treasury yields declined. Investment-grade (IG) credits outperformed high yield (HY), benefiting more significantly from falling US Treasury yields. HY bonds also generated positive returns, albeit to a lesser extent, as credit spreads narrowed modestly across both segments.

## Investment Strategy

---

Looking ahead, we see the global economy leaning toward a mild stagflationary environment, marked by softening global growth and persistent core inflation—largely driven by renewed price pressures in the U.S. Our base case assumes fading U.S. exceptionalism, with downside risks from potential negative shocks such as a further escalation in U.S. tariffs and weakening global business sentiment. That said, a full-blown U.S. recession remains unlikely. Outside the U.S., inflation pressures are expected to remain contained, and with the U.S. dollar weakening amid fading growth differentials, the backdrop remains supportive of monetary policy easing across Asia.

In Singapore, external headwinds continue to weigh on its export-oriented economy. GDP growth forecasts for 2025 have been revised lower to a range of 0.0–2.0%, and real economic activity has shown signs of moderation. Inflation remains subdued, reinforcing expectations that the Monetary Authority of Singapore (MAS) will maintain its easing bias. A further reduction in the slope of the S\$NEER policy band is likely, potentially as early as the July policy meeting or by October. With the MAS continuing FX operations and maintaining flush liquidity conditions, SGS yields are expected to stay rangebound or potentially drift lower—particularly at the front end. Demand for SGS and SGD government bills remains firm, underpinned by strong domestic liquidity and a stable technical backdrop.

In terms of investment strategies, we continue to maintain our current duration positioning, which is near the upper end of the Fund's 5-year limit, as recent rallies in both U.S. Treasuries and Singapore Government Securities (SGS) have added positively to overall performance. Within credit, we maintain a preference for SGD-denominated bonds over USD exposure, supported by ample SGD liquidity and elevated USD/SGD hedging costs that currently diminish the relative appeal of USD credit. Our high yield allocation remains stable at around 20%, with a focus on short-dated credits offering attractive carry, low refinancing risk, and resilient business profiles—critical features amid ongoing macro headwinds and trade uncertainties.

**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](http://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.

Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, JPMorgan Chase & Co. All rights reserved.

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