

Fullerton SGD Income Fund - Class D (USD Hedged)

March 2026

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.

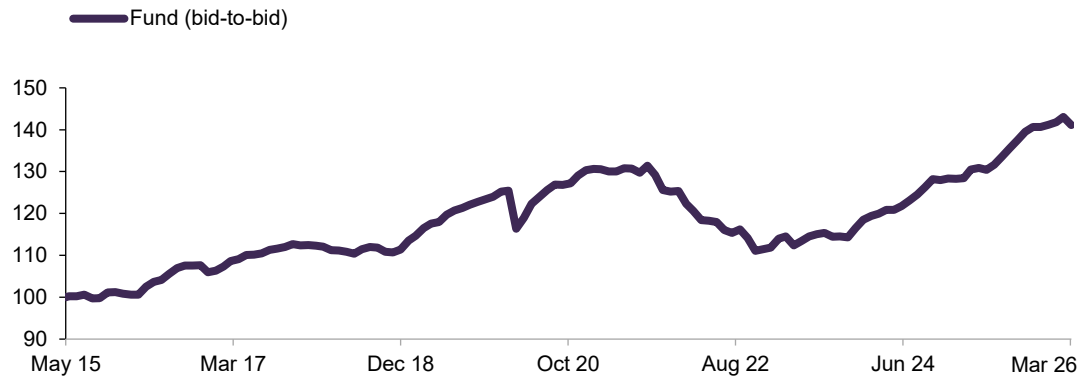
Investment Focus and Approach

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.
Fund (bid-to-bid)	-1.41	-0.26	0.76	6.90	6.99	0.81	2.82	2.82	4.08
Fund (offer-to-bid)	-4.29	-3.17	-2.18	3.79	5.94	0.21	2.51	2.54	NA

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 3% which may or may not be charged to investors.

Source: Fullerton Fund Management Company Ltd.

Inception date

19 May 2015

Fund size

USD 653.46 million

Base Currency

SGD

Pricing Date

31 Mar 2026

NAV*

USD 0.86

Management fee

Currently 0.80% p.a.

Expense Ratio

0.83% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

USD 100,000

Minimum Subsequent Investment

USD 100,000

Preliminary Charge

Up to 3%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FULSGID SP

ISIN Code

SG9999013387

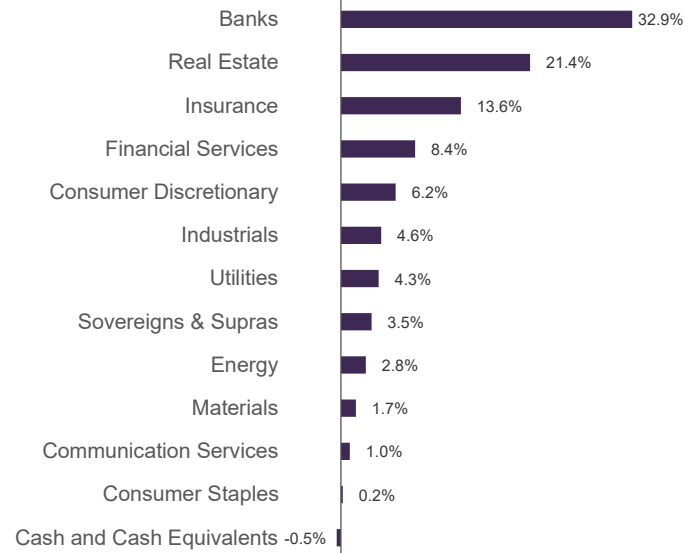
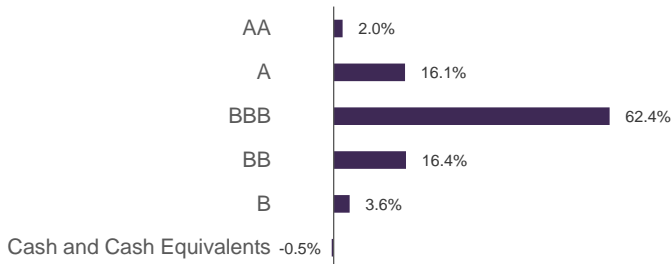
Distributions paid per unit[#]

Dec 2024 : USD 0.011
 Mar 2025 : USD 0.011
 Jun 2025 : USD 0.011
 Sep 2025 : USD 0.011
 Dec 2025 : USD 0.011
 Mar 2026 : USD 0.011

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

Distribution amount is not guaranteed. Please refer to our website for more details.

Portfolio
Geographical Breakdown

Sector Breakdown

Rating Breakdown

Fund Characteristics

Average coupon	4.9%
Average credit rating	BBB
Number of holdings	218
Average duration (years)	4.4
Yield to Worst (before hedging)	4.6%
Yield to Worst (after hedging)	3.4%

Top 5 Holdings

AIA Group Ltd 2.900 PERP	2.4%
ABN AMRO Bank NV 5.500 Oct 2032	2.1%
ESR-REIT 6.000 PERP	1.6%
BNP Paribas SA 5.250 Jul 2032	1.5%
BPCE SA 5.000 Mar 2034	1.5%

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.

Negative balances are due to cross month trades, and subscription/redemption.

Market Review

Bond markets in March were dominated by a sharp repricing of inflation risks following the escalation of the US–Israel–Iran conflict, which drove a surge in oil prices and brought stagflation concerns to the forefront. Central bank expectations shifted materially, with markets scaling back prior expectations of rate cuts and, in some cases, repricing towards a more hawkish path. Against this backdrop, US Treasury yields moved significantly higher, with the 10-year yield rising by around 38bps over the month to approximately 4.3%.

Over in Singapore, MAS core inflation edged up to 1.4% y/y in February, while headline inflation eased to 1.2% on softer accommodation and transport costs. Growth signals were mixed: Non-Oil Domestic Exports (NODX) extended its expansion but moderated, industrial production dipped slightly after a strong prior month, while retail sales were weaker year-on-year due to seasonal effects but remained firm on a sequential basis, pointing to resilient underlying consumption.

Against this backdrop, Singapore Government Securities (SGS) yields also moved higher but outperformed US Treasuries on a relative basis, with the 10-year yield rising by around 34bps to approximately 2.9%. SGD non-government bonds also registered negative returns over the period, reflecting the broader rates-driven sell-off. However, they outperformed SGS, as reflected in the Markit iBoxx Singapore Non-Government Index. Elsewhere, the Asian credit markets, as represented by the JPM Morgan Asian Credit Index in USD, delivered negative returns over the month, driven primarily by adverse duration-related returns as US Treasury yields moved higher. While coupon income provided some offset, both US Treasury returns and spread returns detracted, with the former being the dominant driver. Within the index, investment grade proved relatively more resilient, with more contained spread widening, while the high yield segment underperformed due to significantly wider spreads.

Investment Strategy

The geopolitical situation in the Middle East remains fluid, and we are monitoring developments closely. The macro impact will depend on how prolonged and severe the disruption becomes, particularly with respect to energy supply and key shipping routes. A more extended episode could lead to higher inflation and, over time, lead to demand destruction, ultimately weighing on global growth. In this context, the direction of US Treasury yields is less straightforward, as markets balance opposing forces: higher inflation pushing yields up, versus growth concerns driving yields lower.

Against a backdrop of heightened tensions in the Middle East, we expect Singapore Government Securities (SGS) to remain relatively resilient, supported by safe-haven demand. Thus far, SGD credit has held up better than USD credit, underpinned by limited primary supply and supportive market technicals. Looking ahead, the Singapore policy outlook remains finely balanced between growth and inflation. On balance, MAS may still opt to modestly steepen the Singapore Dollar Nominal Effective Exchange Rate (S\$NEER) slope in April, allowing a stronger SGD to help offset higher imported costs and anchor inflation expectations.

In terms of investment strategies, capital preservation remains a top priority. On that note, we are holding higher level of cash which helps to mitigate near-term drawdowns and preserve capital, while keeping us nimble and ready to re-risk when there is better visibility or if the situation de-escalates. We also reduced duration to lower sensitivity to rate volatility. In terms of high yield exposure, we trimmed positions at the margin, while continuing to focus on active position management and trading around existing holdings rather than making wholesale changes to our overall stance. Beyond the Middle East, we are closely monitoring the broader impact on supply chains and energy markets, as any prolonged disruption could affect companies across regions and sectors. Our credit analysts are stress-testing issuers that could be more vulnerable if the situation drags on, with particular attention to funding needs and liquidity profiles. Overall, the portfolio remains well diversified across countries, sectors and issuers, and we are maintaining a defensive but nimble stance, focused on capital preservation while staying ready to deploy risk selectively as opportunities arise.

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.

Please refer to <https://www.fullertonfund.com/use-of-third-party-data-information/> for disclaimers on use of data from third parties.

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