

## Fullerton SGD Income Fund - Class D (USD Hedged)

May 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.

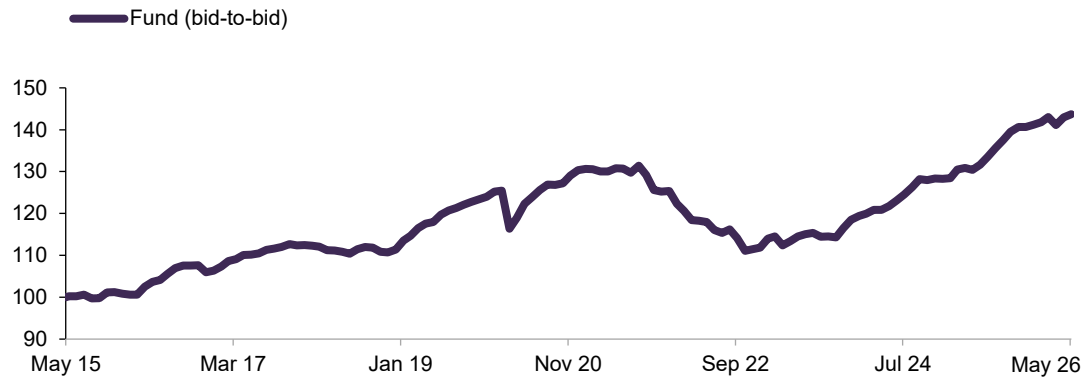
### Investment Focus and Approach

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.
<b>Fund (bid-to-bid)</b>	0.48	0.24	1.71	8.24	6.96	1.05	2.83	2.94	4.06
<b>Fund (offer-to-bid)</b>	-2.45	-2.68	-1.25	5.09	5.91	0.45	2.52	2.66	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 648.38 million

### Base Currency

SGD

### Pricing Date

31 May 2026

### NAV\*

USD 0.87

### 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

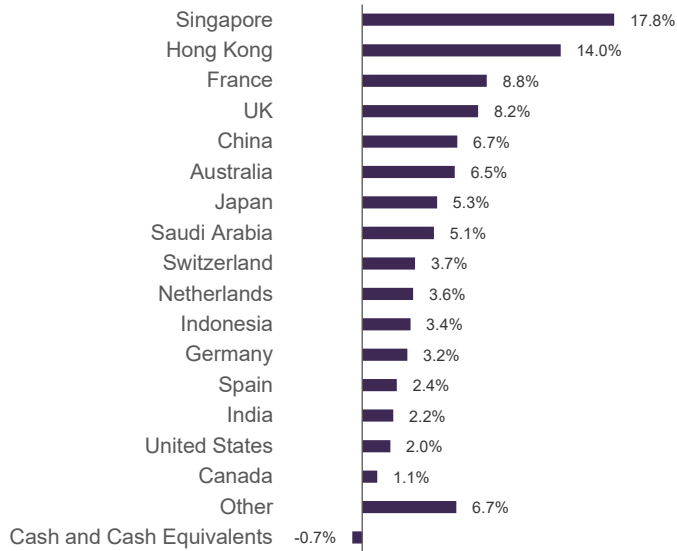
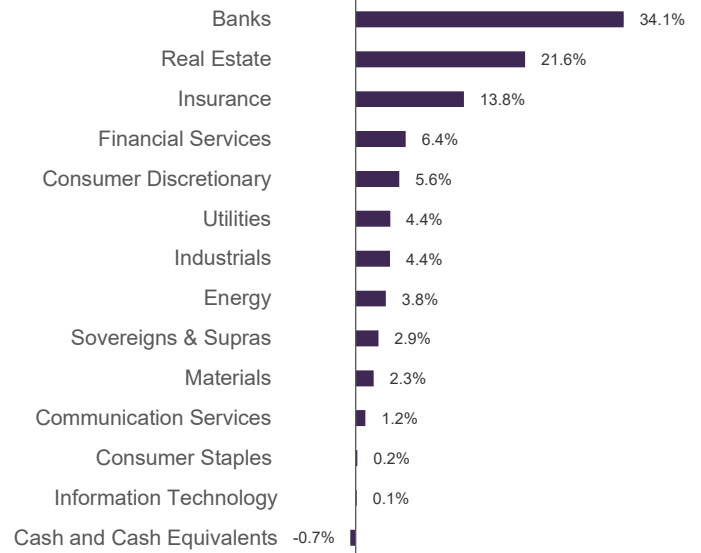
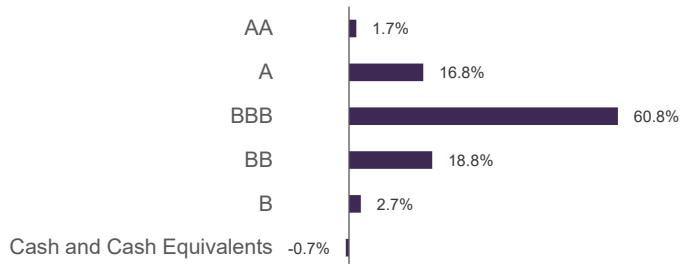
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### Distributions paid per unit#

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	5.0%
Average credit rating	BBB
Number of holdings	225
Average duration (years)	4.4
Yield to Worst (before hedging)	4.4%
Yield to Worst (after hedging)	3.2%

**Top 5 Holdings**

AIA Group Ltd 2.900 PERP	2.4%
ABN AMRO Bank NV 5.500 Oct 2032	2.0%
ESR-REIT 6.000 PERP	1.7%
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

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Market sentiment during the month was shaped by developments surrounding the Iran–US conflict, with fluctuations in oil prices and shifting expectations around ceasefire negotiations contributing to bouts of volatility across global rates markets. In the US, Treasury yields moved higher amid stronger-than-expected economic data, persistent inflation pressures and a more hawkish reassessment of the Federal Reserve policy outlook. Yields rose sharply in the first half of the month, with the 30-year Treasury yield reaching its highest level since 2007 and the 10-year Treasury yield briefly approaching 4.7%. However, part of the move reversed later in the month as oil prices declined on growing expectations of a diplomatic resolution to the conflict and market-implied inflation expectations moderated. Overall, the Treasury yield curve bear-flattened, with front-end yields rising more than longer-dated maturities as markets priced a lower probability of near-term Fed easing.

In Singapore, economic data released during the month continued to point to resilient growth momentum. Revised first-quarter GDP data showed the economy expanding by 6.0% year-on-year and 1.0% quarter-on-quarter on a seasonally adjusted basis, while retail sales and industrial production also remained firm. At the same time, inflation remained well contained, with April headline CPI steady at 1.8% year-on-year and core inflation easing to 1.4%. Against this backdrop, Singapore government bonds outperformed US Treasuries, with yields declining across the curve, led by the long end. The combination of resilient growth, contained inflation and the absence of significant domestic price pressures helped support the market despite higher global yields earlier in the month. The 10-year SGS yield ended the month at 2.0%, down from 2.1% a month earlier, while the 10-year US Treasury yield finished at 4.4% after reaching nearly 4.7% intra-month. SGD non-government bonds also generated positive returns over the period, although they modestly lagged SGS as reflected by the Markit iBoxx Singapore Non-Government Index.

Asian USD credit markets, as represented by the J.P. Morgan Asia Credit Index, delivered a positive performance over the month, with returns supported mostly by spread tightening. Within the index, investment grade and non-investment grade both advanced, but the latter outperformed as stronger spread compression added meaningfully to carry.

## Investment Strategy

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Looking ahead, the absence of a more severe escalation in the Middle East has helped sustain risk appetite and support broader market sentiment, although sustained elevated energy prices and lingering inflationary pressures remain key risks. At the same time, US economic growth has remained relatively resilient, while inflation continues to exhibit sufficient persistence to keep the Federal Reserve cautious. As a result, the Fed is likely to remain data dependent, with the policy outlook continuing to be shaped by the balance between inflation persistence and any emerging signs of softer economic activity.

In Asia, the near-term impact of higher energy prices and supply chain disruptions has been partly mitigated by substitution effects, alternative sourcing channels and some moderation in demand. Nevertheless, inflation-targeting central banks may still need to maintain a relatively hawkish bias to anchor inflation expectations and safeguard financial stability, while remaining data dependent. Fiscal policy, including targeted subsidies and support measures, should continue to provide a degree of counter-cyclical support against downside growth risks. In Singapore, relatively resilient economic activity and stable inflation dynamics provide the Monetary Authority of Singapore (MAS) with the flexibility to remain patient and data dependent, particularly given the country's open economy and sensitivity to external developments.

Against this backdrop, we are comfortable with the current duration stance of around 4 plus years, which sits broadly within the neutral range. This positioning preserves flexibility while allowing us to extend duration more meaningfully should the macroeconomic balance shift more decisively towards weaker growth and a more supportive policy environment. On credit, we continue to see merit in maintaining an overweight to credit beta. Credit spreads have demonstrated notable resilience and, in many cases, have retraced to levels seen prior to the recent geopolitical tensions, reflecting the strength of underlying corporate fundamentals. More broadly, Asian credit continues to benefit from relatively low net supply, attractive all-in-yields and a shorter duration profile than US credit. Within SGD credit, resilient fundamentals, softer supply technicals and continued investor demand remain supportive. At the same time, SGS has held up relatively better than US Treasuries in the recent environment, supported by haven demand and a more limited supply backdrop.

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

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