

Fullerton SGD Income Fund - Class D (USD Hedged)

August 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.

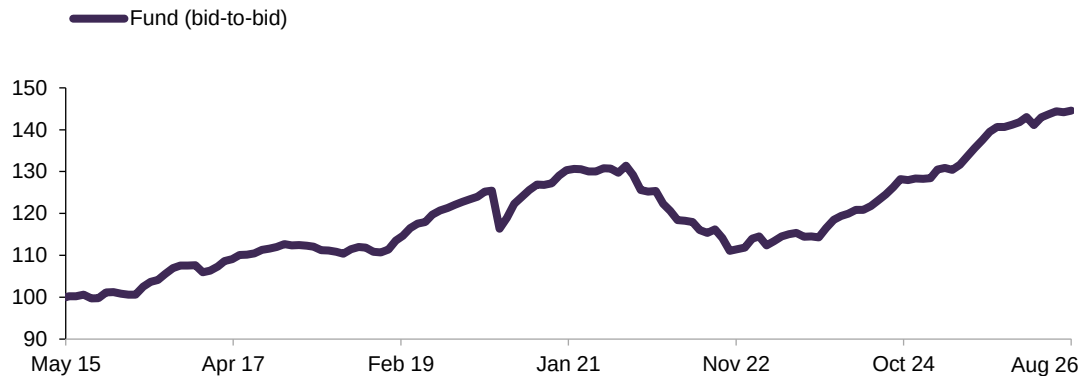
Investment Focus and Approach

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)	0.22	0.38	0.63	4.21	7.18	1.07	2.54	2.90	4.02
Fund (offer-to-bid)	-2.70	-2.54	-2.31	1.17	6.13	0.47	2.23	2.63	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 610.96 million

Base Currency

SGD

Pricing Date

31 Aug 2026

NAV*

USD 0.86

Management fee

Currently 0.80% p.a.

Expense Ratio

0.88% p.a. (For financial year ended 31 Mar 2026)

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[#]

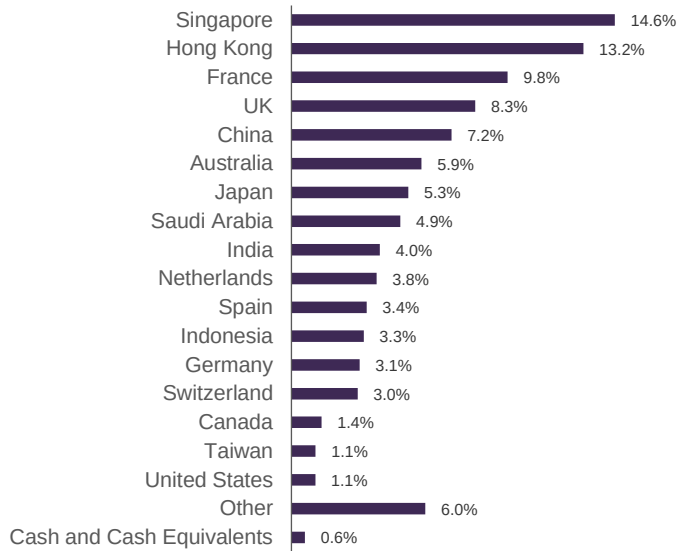
Mar 2025	: USD 0.011
Jun 2025	: USD 0.011
Sep 2025	: USD 0.011
Dec 2025	: USD 0.011
Mar 2026	: USD 0.011
Jun 2026	: USD 0.011

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

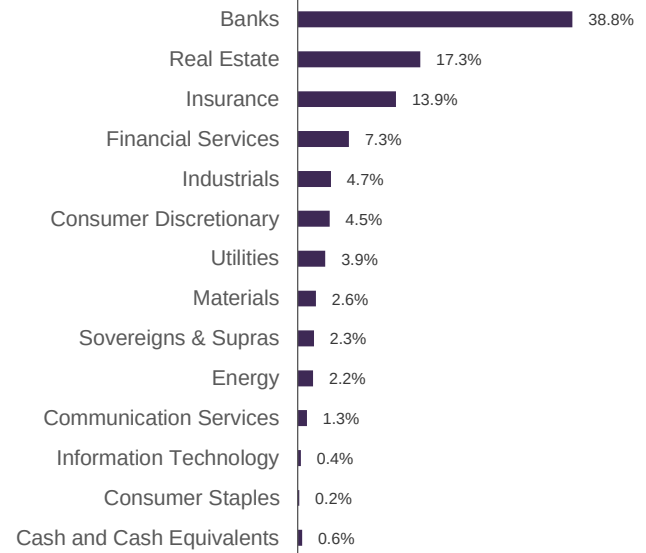
[#] Distribution amount is not guaranteed. Please refer to our website for more details.

■ Portfolio

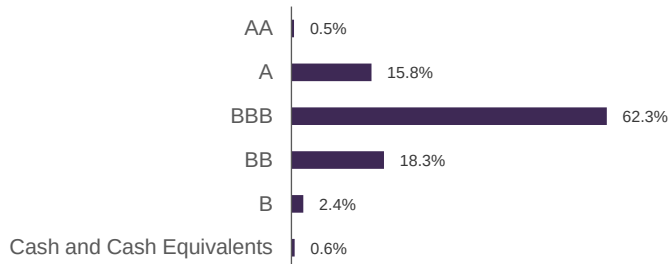
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	4.9%
Average credit rating	BBB
Number of holdings	206
Average duration (years)	4.4
Yield to Worst (before hedging)	4.5%
Yield to Worst (after hedging)	3.4%

Top 5 Holdings

AIA Group Ltd 2.900 PERP	2.5%
ABN AMRO Bank NV 5.500 Oct 2032	2.2%
ESR-REIT 6.000 PERP	1.8%
BPCE SA 5.000 Mar 2034	1.6%
BNP Paribas SA 5.250 Jul 2032	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's fixed income market entered August against a firmer domestic growth backdrop. MTI revised second-quarter GDP growth higher to 5.9% year on year and 1.4% quarter on quarter on a seasonally adjusted basis, bringing first-half growth to 6.1%. Reflecting the economy's stronger-than-expected performance, Singapore's 2026 growth forecast was raised to 4.5–5.5% from 2.0–4.0%, supported in part by resilient electronics- and AI-related demand. Price pressures also picked up modestly, with MAS and MTI reporting that July core inflation rose to 2.0% year on year from 1.6% in June, while headline inflation increased to 2.2% from 1.9%. Nevertheless, both measures remained within the authorities' 2026 forecast range of 1.5–2.5%.

In global rates, US Treasury yields generally ended August higher, led by the front end. The US Treasury's announcement that it would double the size of its liquidity-support buybacks initially triggered a sharp but short-lived bull-flattening move. This subsequently reversed following Federal Reserve Chair Kevin Warsh's inflation-focused remarks at Jackson Hole, which reinforced expectations that monetary policy could remain restrictive and prompted markets to price a greater probability of rate hikes in the coming months.

Against this backdrop, the US Treasury curve flattened over the month. Two- and five-year yields rose by around 5 bps each, while the 10-year yield increased by around 2 bps and the 30-year yield declined by 3 bps. The 10-year yield peaked on the final trading day of the month following the Jackson Hole speech, while the 30-year yield had earlier risen above 5.33% on 18 August, its highest level since 2007.

Singapore Government Securities (SGS) similarly bear-flattened over the month, with front-end yields rising more than longer-dated yields. The five-year SGS yield rose by 11 bps, while the 10-year yield was broadly unchanged at 2.3% and the 30-year yield declined by 1 bp. Elsewhere, the Singapore non-government bond sector declined and underperformed SGS over the month, as measured by the Markit ALBI Singapore Non-Government Index.

In Asian credit, performance was positive in August, as measured by the J.P. Morgan Asia Credit Index (JACI) in US dollar terms. Both investment-grade and high-yield credits posted gains, with high yield outperforming as stronger spread compression provided an additional boost to returns.

Investment Strategy

Looking ahead, global growth is expected to remain above trend, supported by resilient corporate earnings and healthy fundamentals. Inflation remains elevated across several major economies and may take time to normalise, but contained inflation expectations and services inflation should limit the risk of a more disruptive inflation shock to risk assets in our base case. Nevertheless, a more data-dependent Fed, geopolitical uncertainty and elevated fiscal supply are likely to keep global interest rate volatility high in the near term.

Against this backdrop, our credit outlook remains cautiously constructive. Healthy corporate fundamentals, supportive technicals and continued investor demand should underpin credit markets. However, valuations are tight across several segments, leaving limited scope for broad-based spread compression. We therefore expect credit returns to be driven primarily by coupon carry, relative-value opportunities and disciplined security selection.

In Singapore, Singapore Government Securities (SGS) should remain relatively well supported by their safe-haven characteristics and favourable supply-demand dynamics. MAS policy is expected to remain data dependent, with any further tightening likely requiring evidence that inflation pressures are becoming broader and more persistent.

In terms of investment strategy, we have increased SGD duration through new issues while reducing USD duration, leaving overall portfolio duration at around low 4 years. We continue to favour SGD credit over USD credit, given the greater volatility in US Treasury yields and the relatively high cost of hedging US dollar exposure back into Singapore dollars, which can erode the incremental yield offered by USD credit. We also maintain selective high-yield exposure within the 30% limit, while avoiding long-duration or richly valued credits and focusing instead on relative value and alpha opportunities. With valuations relatively tight and rate volatility likely to remain elevated in the near term, we remain focused on capturing attractive carry and adding risk selectively where valuations offer compelling risk-adjusted opportunities.

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

Fullerton Fund Management Company Ltd (UEN: 200312672W)

3 Fraser Street
#18-28 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.