

Investment Objective

The investment objective of the Fund is to seek to balance between liquidity and yield, targeting a higher return than SGD fixed deposit rate.

Investment Focus and Approach

The Fund will invest in a diversified portfolio of primarily government bills, cash, money market instruments, and investment grade fixed income securities having a minimum long term credit rating of BBB by Fitch, Baa2 by Moody's or BBB by Standard & Poor's (or their respective equivalents). Non-rated bonds will be subject to the Managers' internal rating process and will follow the Managers' internal equivalent rating accordingly. For the avoidance of doubt, the minimum long term credit rating for fixed income securities is applicable at the point of purchase only.

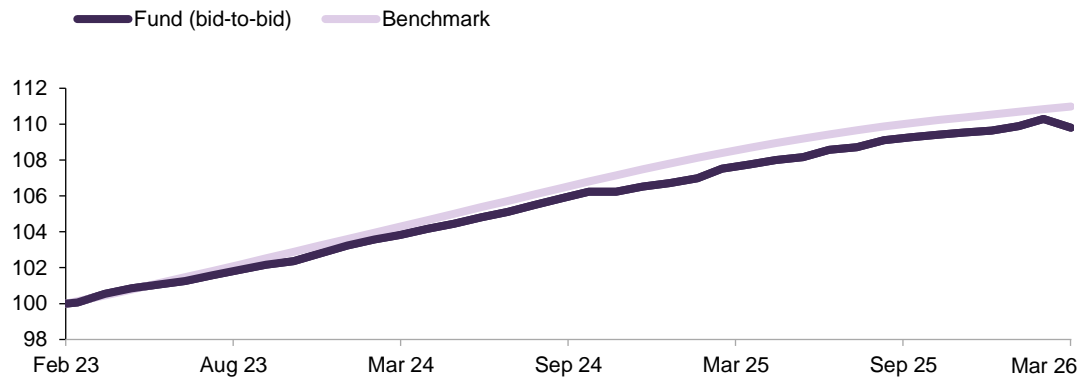
The Fund may invest in Singapore Dollar and foreign currency denominated bonds. The foreign currency denominated bonds will be hedged back to the Singapore Dollar except for a 5% frictional currency limit (to account for possible deviations from a 100% hedge).

The Fund may enter into repurchase transactions for the purpose of efficient portfolio management.

The Managers may use Financial Derivative Instruments (FDIs) for hedging and efficient portfolio management purposes.

The Managers may also invest in other Authorised Investments.

Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	-0.51	0.03	0.27	1.50	2.61	2.67	0.58
Fund (offer-to-bid)	-1.00	-0.47	-0.22	0.99	2.44	2.51	NA
Benchmark	0.13	0.40	0.85	2.12	3.38	3.39	0.28

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 0.5% which may or may not be charged to investors.

Source: Fullerton Fund Management Company Ltd.

Benchmark: 3M SORA Compounded Average + 0.50% p.a.

Inception date

15 Feb 2023

Fund size

SGD 38.91 million

Base Currency

SGD

Pricing Date

31 Mar 2026

NAV*

SGD 1.09

Management fee

Currently 0.30% p.a.

Expense Ratio

0.50% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

SGD 1,000

Minimum Subsequent Investment

SGD 1,000

Preliminary Charge

Up to 0.5%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

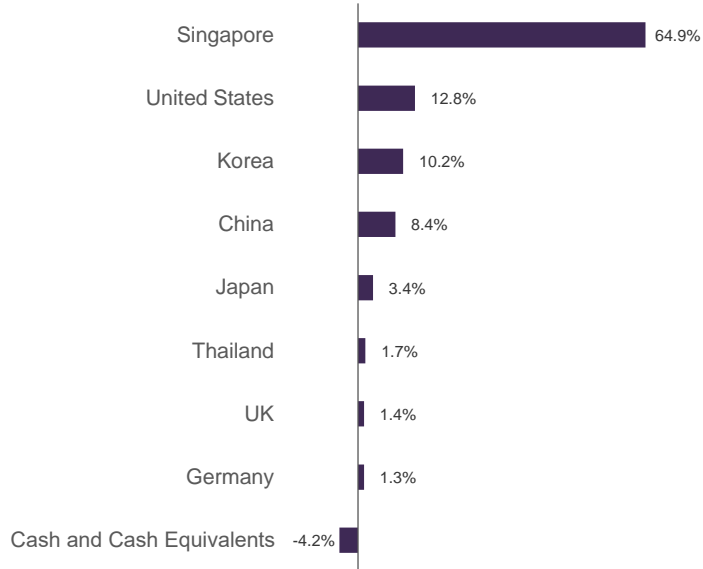
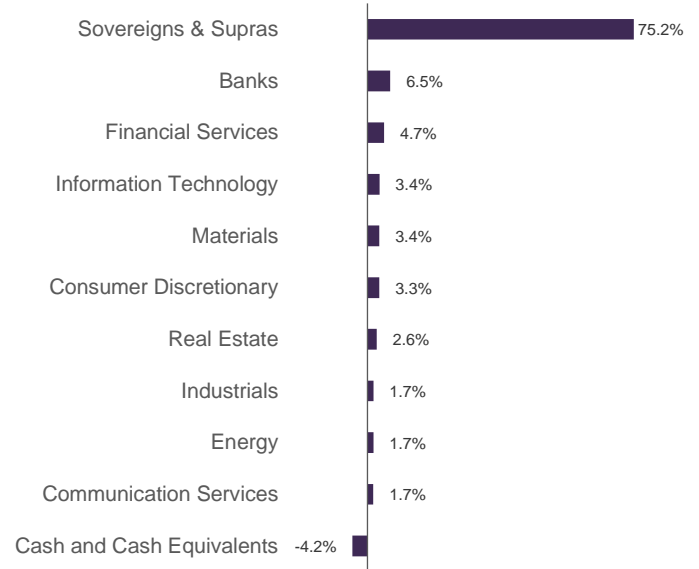
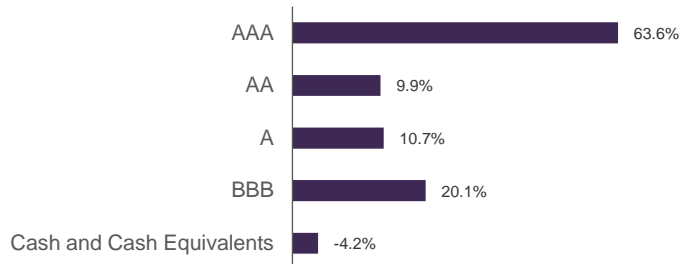
FULLSSA SP

ISIN Code

SGXZ83416925

The Fund is available for SRS subscription.

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

■ Portfolio
Geographical Breakdown

Sector Breakdown

Rating Breakdown

Fund Characteristics

Average coupon	2.0%
Average credit rating	AA
Number of holdings	33
Average duration (years)	1.4
Yield to Worst (before hedging)	2.6%
Yield to Worst (after hedging)	1.7%

Top 5 Holdings

United States Treasury Note/Bond 3.625 Dec 2030	9.9%
Singapore Treasury Bill May 2026	7.2%
Monetary Authority of Singapore Bill Apr 2026	6.7%
Monetary Authority of Singapore Bill Apr 2026	6.2%
Singapore Treasury Bill Apr 2026	6.2%

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.

Cash and Cash Equivalents contains Fixed Deposits

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 potentially 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.

From an investment strategy perspective, capital preservation remains a top priority. The portfolio's elevated allocation to bills and cash equivalents provides a strong buffer against near-term drawdowns. Duration risk also remains modest, with the 1.5-year duration limit helping to reduce sensitivity to rate volatility. More broadly, SGD credit has held up better than USD credit, supported by the relative resilience of SGS versus US Treasuries and more favourable domestic market technicals. In addition, USDSGD hedging costs have remained relatively elevated. Against this backdrop, we continue to favour SGD credit over USD credit.

Beyond the Middle East, we are also closely monitoring the broader impact on supply chains and energy markets, as any prolonged disruption could affect issuers across regions and sectors. Our credit analysts are actively stress-testing names that may be more vulnerable in a prolonged scenario, with a focus on funding needs and liquidity profiles. Overall, the portfolio remains conservatively positioned, with a strong focus on capital preservation and liquidity. We maintain a cautious but flexible stance, allowing us to selectively deploy into opportunities as they 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.