

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.

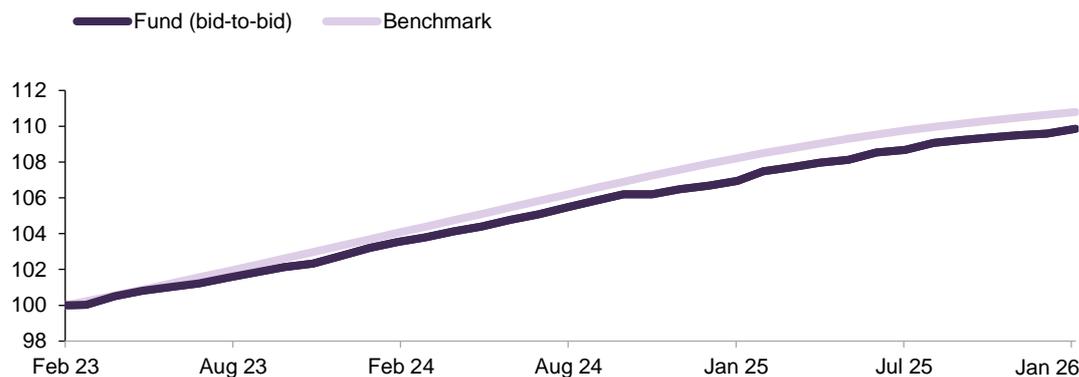
The Fund may invest in Singapore Dollar and foreign currency denominated bonds. The foreign currency denominated bonds will be hedged back to the Singapore Dollar except for a 5% frictional currency limit (to account for possible deviations from a 100% hedge).

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	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	0.22	0.37	0.96	2.47	2.94	0.41
Fund (offer-to-bid)	-0.28	-0.12	0.45	1.96	2.77	NA
Benchmark	0.14	0.43	0.94	2.38	3.49	0.25

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

06 Feb 2023

Fund size

SGD 41.21 million

Base Currency

SGD

Pricing Date

31 Jan 2026

NAV*

SGD 1.09

Management fee

Currently 0.20% p.a.

Expense Ratio

0.40% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

SGD 1,000,000

Minimum Subsequent Investment

SGD 100,000

Preliminary Charge

Up to 0.5%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FULLSSB SP

ISIN Code

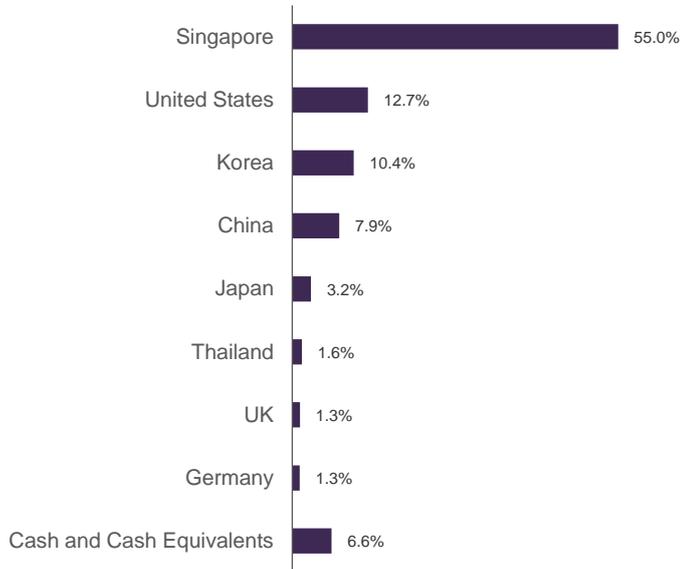
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The Fund is available for SRS subscription.

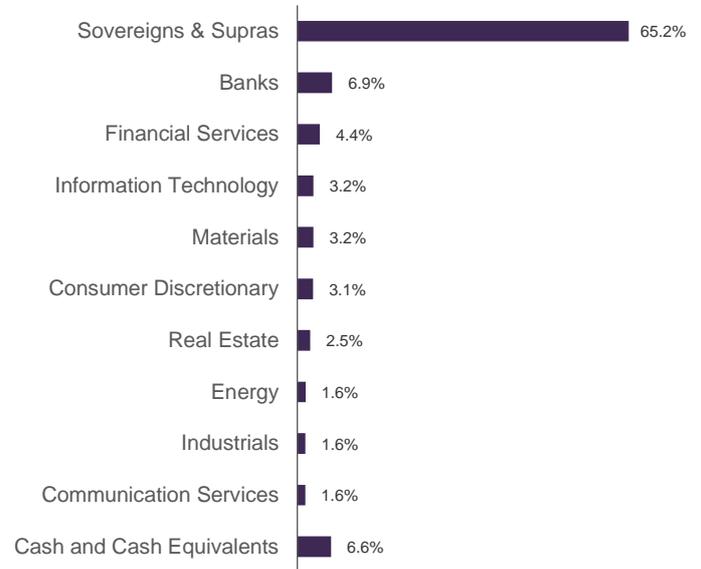
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

■ Portfolio

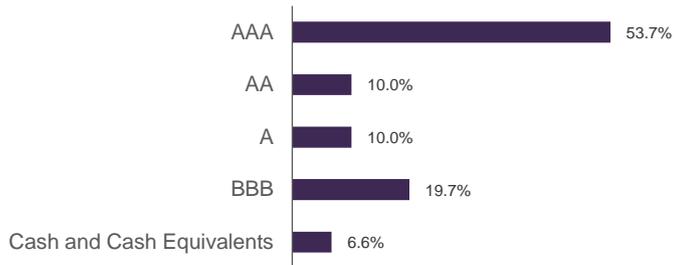
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	1.9%
Average credit rating	AA
Number of holdings	30
Average duration (years)	1.4
Yield to Worst (before hedging)	2.5%
Yield to Worst (after hedging)	1.7%

Top 5 Holdings

United States Treasury Note/Bond 3.625 Dec 2030	10.0%
Monetary Authority of Singapore Bill Mar 2026	8.7%
Singapore Treasury Bill Mar 2026	8.3%
Singapore Treasury Bill May 2026	6.8%
Monetary Authority of Singapore Bill Apr 2026	6.3%

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

Market Review

In January, the Singapore fixed income market was supported by strong domestic macroeconomic data from late 2025 alongside a key policy decision by the Monetary Authority of Singapore (MAS). Advance estimates from the Ministry of Trade and Industry showed that Singapore's economy expanded by 1.9% quarter-on-quarter (seasonally adjusted) in the fourth quarter of 2025. For the whole of 2025, the economy expanded by 4.8 per cent, extending the 4.4 per cent growth in 2024, driven primarily by technology-linked manufacturing benefiting from the global AI capex cycle. Looking ahead, official projections point to a moderation in growth to a 1–3% range in 2026, implying a still-positive output gap as activity normalises from the robust 2025 outturn. Inflation data released during the month showed headline and core CPI holding at 1.2% year-on-year in December 2025, leaving MAS Core Inflation at just 0.7% for the full year. Nevertheless, MAS raised its inflation forecast ranges for 2026 to 1.0–2.0% for both headline and core inflation, reflecting expectations of a gradual normalisation as domestic demand and wage pressures firm. Against this backdrop, MAS kept its exchange-rate-based monetary policy unchanged at its January review, maintaining the S\$ Nominal Effective Exchange Rate (S\$NEER) policy band on a modest appreciation path and signalling confidence that current settings remain appropriate while preserving flexibility amid upside risks to growth and inflation.

Globally, attention was focused on the U.S. Federal Reserve (Fed) and incoming labour market data. The Fed held policy rates steady at its January meeting, with Chair Powell noting a "clear improvement" in the U.S. outlook and signs of stabilisation in labour market conditions. Against this backdrop, U.S. Treasury yields ended the month modestly higher, with the 10-year U.S. Treasury yield rising by around 7 basis points over the month. In contrast, Singapore Government Securities (SGS) yields declined across much of the curve and outperformed U.S. Treasuries, with the 10-year SGS yield falling by about 4 basis points by month-end. The non-government SGD bond sector also recorded modest gains, as measured by the Markit iBoxx ALBI Singapore Non-government Index, although performance lagged that of SGS.

Elsewhere, Asian credit markets delivered a modestly positive performance during the month, led by the high yield segment, which outperformed investment grade peers. High yield returns were driven primarily by credit spread tightening and lower sensitivity to interest rate movements, allowing them to weather the rise in global yields more effectively. In contrast, investment grade credits were more exposed to duration-related headwinds, while credit spreads were broadly flat to slightly wider on average, resulting in more muted overall performance.

Investment Strategy

The global macro backdrop remains constructive but increasingly differentiated. The U.S. economy continues to expand at a pace above expectations, supported by strong productivity, resilient consumption and gradual cooling in the labour market. Outside the U.S., several large economies including Germany, Japan and China are stepping up fiscal support, adding another layer of growth impulse into 2026.

In Singapore, the Monetary Authority of Singapore (MAS) has maintained the S\$NEER slope at around 0.5% per annum in January, while raising its 2026 headline and core inflation forecasts to the 1–2% range. With the output gap likely to remain positive and risks to growth and inflation tilted to the upside, the policy bias appears skewed toward a hawkish tilt. Barring an external shock, this sets the stage for a hawkish tilt or tightening at the April MPS, with markets likely to start pre-pricing this in the months ahead.

Against this backdrop, the Singapore yield curve remains relatively steep, offering opportunities to enhance carry and roll-down. We have modestly extended portfolio duration to slightly above one year to capture yield pick-up, while maintaining core allocations to MAS and SITB bills for liquidity and stability. In credit, we maintained exposure toward the upper end of the 30% limit. While investment grade credit spreads are tight, all-in yields remain compelling in a slower-but-positive growth environment. We continue to rotate out of lower-yielding bonds into more attractively priced issues, focusing on good credit selection and resilience through cycles. As long as liquidity conditions remain supportive and growth does not deteriorate meaningfully, the credit market should continue to hold up even through periods of heightened macro volatility.

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