FULLERTON FUND MANAGEMENT

A member of Seviora Group

Fullerton Short Term Interest Rate - Class B1 (SGD)

September 2026

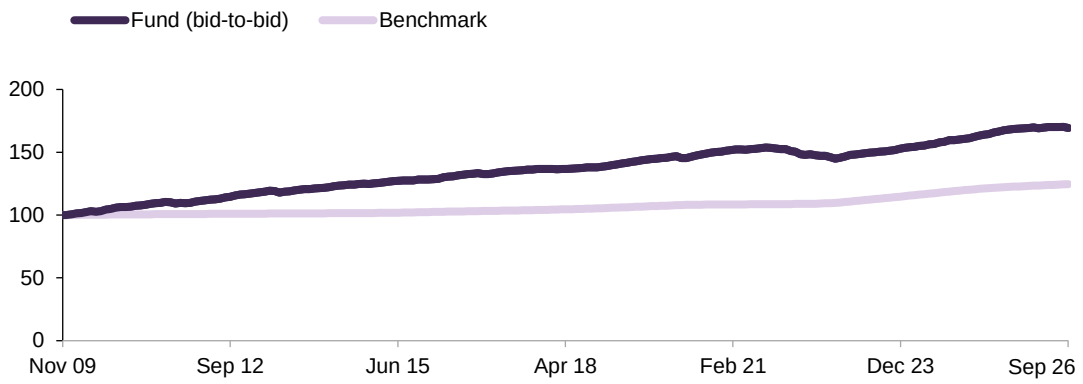
Investment Objective

The investment objective of the Fund is to achieve medium-term capital appreciation for investors. The investments of the Fund will be broadly diversified with no specific industry or sectoral emphasis.

Investment Focus and Approach

The Fund is primarily focused on fixed income securities and money market instruments. The Fund may invest in futures and derivatives for hedging purposes. The maturity limit of underlying securities is 5 years and all foreign currency denominated bonds are fully hedged back to SGD 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)	-0.61	-0.67	-0.11	0.26	3.46	1.59	2.07	2.77	1.31
Fund (offer-to-bid)	-3.51	-3.56	-3.02	-2.66	2.45	0.99	1.77	2.59	NA
Benchmark	0.15	0.44	0.85	1.76	3.05	2.77	1.91	1.31	NA

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 3% which may or may not be charged to investors.
Benchmark: 3M SORA + 0.60% p.a.
With effect from 1 August 2023, the benchmark is 3M SORA + 0.60% p.a. From inception till 31 July 2023, the benchmark was 3M SIBID.
Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date
09 Nov 2009

Fund size
SGD 1,113.44 million

Base Currency
SGD

Pricing Date
30 Sep 2026

NAV*
SGD 1.59

Management fee
Currently 0.50% p.a.

Expense Ratio
0.39% p.a. (For financial year ended 31 Mar 2026)

Minimum Initial Investment
SGD 100,000

Minimum Subsequent Investment
SGD 10,000

Preliminary Charge
Up to 3%

Dealing day
Daily, up to 5pm (Singapore time)

Bloomberg Code
FULSTB1 SP

ISIN Code
SG9999006464

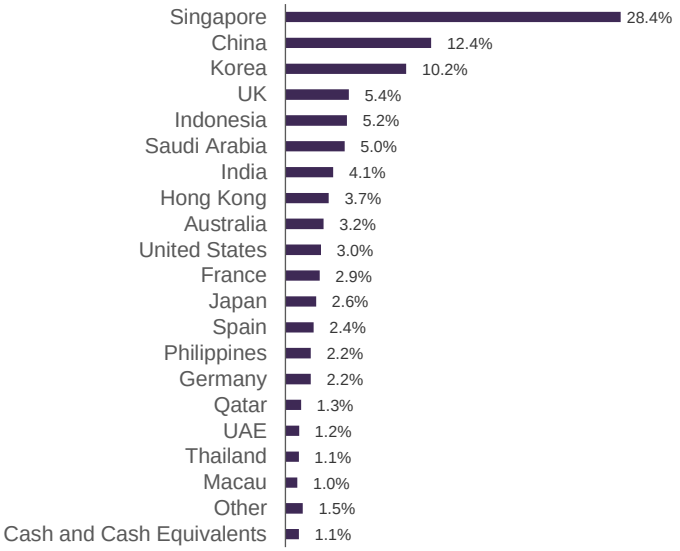
The Fund is available for SRS subscription.

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

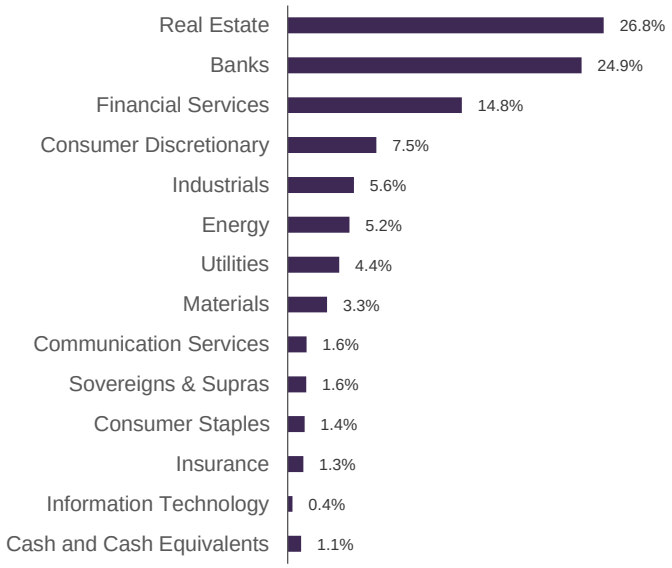
FULLERTON FUND MANAGEMENT
A member of Seviora Group

Portfolio

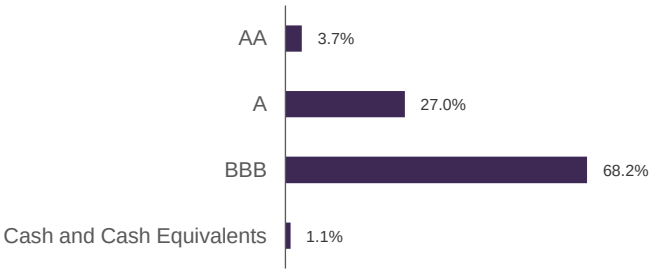
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	4.0%
Average credit rating	BBB
Number of holdings	165
Average duration (years)	2.1
Yield to Worst (before hedging)	4.0%
Yield to Worst (after hedging)	2.8%

Top 5 Holdings

Deutsche Bank AG 4.400 Apr 2028	2.2%
Seatrium Financial Services Pte Ltd 2.950 Apr 2031	2.1%
HSBC Holdings PLC 4.500 Jun 2029	2.0%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	1.8%
Banco Santander SA 3.600 Oct 2030	1.7%

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 government bonds weakened in September amid the broader rise in global government bond yields, although SGS outperformed US Treasuries. Yields rose across the SGS curve, led by shorter and intermediate maturities, with the 2-year yield increasing 29bps to 2.0% and the 10-year yield rising a more modest 11bps. The domestic macroeconomic backdrop remained firm: August non-oil domestic exports surged 46.2% year-on-year, led by electronics, while manufacturing output increased 15.4%. The MAS Survey of Professional Forecasters released during the month raised its median 2026 GDP growth forecast to 5.0% from 3.5%, while August MAS core and headline inflation edged higher to 2.2% and 2.3% year-on-year, respectively. There was no MAS monetary policy review in September, with the next review scheduled for October.

Global rates nevertheless provided a challenging backdrop, as US Treasuries sold off sharply following a 25bp Fed rate hike, stronger economic data and higher oil prices, alongside concerns over inflation and increased US government borrowing. The US Treasury curve bear-flattened, with 2-year and 10-year yields rising 55bps and 53bps respectively, compared with a 39bp increase in the 30-year yield; the 10-year yield reached levels last seen in 2007.

Against this backdrop, Singapore non-government bonds also declined over the month and underperformed SGS, as measured by the Markit iBoxx ALBI Singapore Non-Government Index in SGD terms. Elsewhere, Asian US dollar credit markets also posted negative returns, as measured by the J.P. Morgan Asia Credit Index, primarily reflecting the sharp rise in US Treasury yields. Investment-grade bonds underperformed their high-yield counterparts given their longer duration and greater sensitivity to the rise in underlying government bond yields. High-yield credits proved relatively more resilient, supported by stronger spread performance and their lower duration profile.

Investment Strategy

Globally, we view the Fed's latest rate hike to form part of a relatively shallow tightening cycle rather than the start of a prolonged period of rate increases. Further measured tightening should help reinforce the Fed's policy credibility and anchor inflation expectations, providing greater stability to long-end Treasury yields. This is particularly important given the greater transmission of long-term borrowing costs to interest-rate-sensitive areas of the economy, including housing.

The US economy also remains relatively well positioned to absorb some additional policy tightening. Growth remains resilient, unemployment is low, corporate interest burdens are manageable, and investment and consumer spending remain solid. Robust productivity growth is supporting corporate earnings, while longer-term market-based inflation expectations remain relatively contained. Together, these factors reduce the risk that a limited amount of further tightening translates into significant stress for the broader economy or credit markets.

In Singapore, inflation remains in the upper half of the forecast range while growth continues to hold up well. Against this backdrop, we expect MAS to increase the rate of appreciation of the S$NEER policy band slightly again in October. While near-term rate volatility may remain elevated, the rise in yields has created increasingly attractive opportunities in SGD bonds for investors able to take a longer-term perspective.

Within the portfolio, we favour SGD credit over USD credit, with a greater contribution to portfolio duration coming from SGD exposure. We continue to favour this positioning given the more supportive supply-demand technicals for SGS relative to US Treasuries. Limited SGS supply heading into year-end, alongside structural domestic demand and Singapore's AAA sovereign credit rating, should continue to underpin the SGD bond market. The relative value case for SGD credits is further supported by the relatively high cost of hedging USD exposure back into SGD, which can significantly erode the incremental yield offered by USD credit.

FULLERTON
FUND MANAGEMENT
A member of Seviora Group

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.