

Fullerton Short Term Interest Rate - Class B (SGD)

February 2026

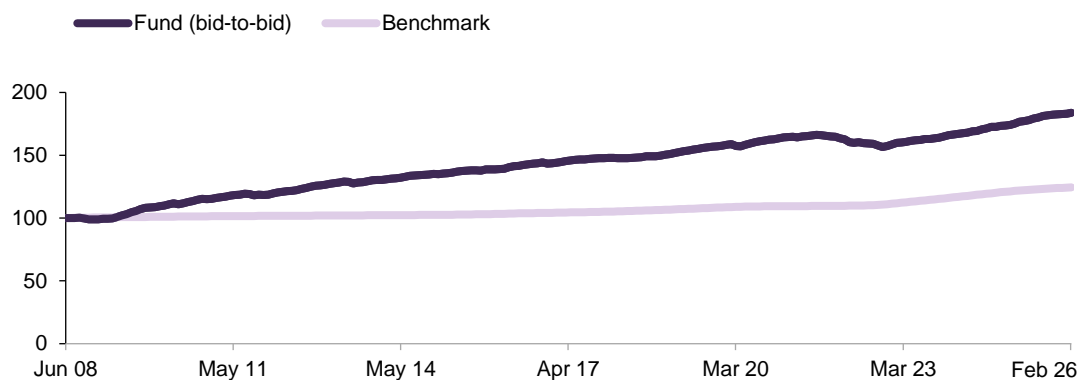
Investment Objective

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)	0.41	0.64	1.28	4.64	4.46	2.02	2.59	3.26	1.41
Fund (offer-to-bid)	-2.51	-2.29	-1.67	1.60	3.44	1.41	2.29	3.09	NA
Benchmark	0.13	0.43	0.93	2.35	3.54	2.60	1.87	1.24	0.36

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

04 Jun 2008

Fund size

SGD 1,098.98 million

Base Currency

SGD

Pricing Date

28 Feb 2026

NAV*

SGD 1.77

Management fee

Currently 0.20% p.a.

Expense Ratio

0.23% 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 3%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

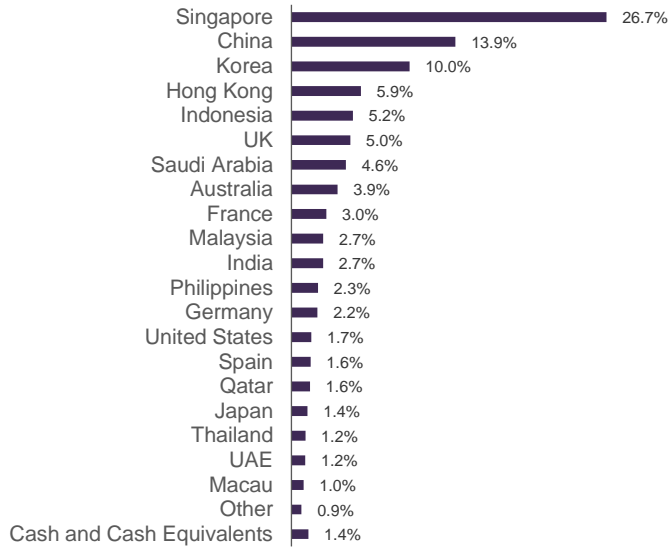
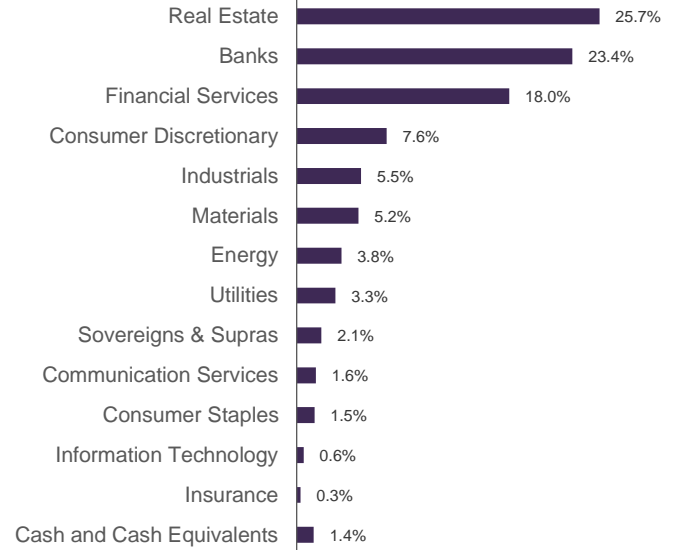
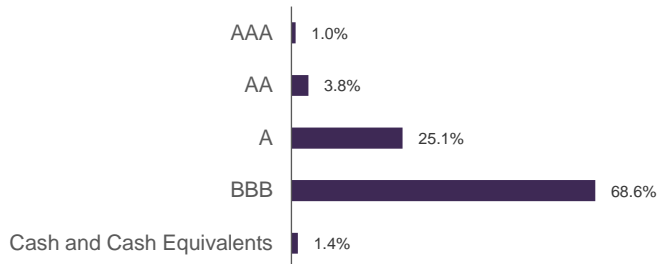
FULSTIB SP

ISIN Code

SG9999005508

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	3.9%
Average credit rating	BBB
Number of holdings	160
Average duration (years)	2.0
Yield to Worst (before hedging)	3.3%
Yield to Worst (after hedging)	2.0%

Top 5 Holdings

Deutsche Bank AG 4.400 Apr 2028	2.2%
HSBC Holdings PLC 4.500 Jun 2029	2.1%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	1.8%
Santos Finance Ltd 5.250 Mar 2029	1.8%
Credit Agricole SA/London 4.400 Jul 2027	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

Major bond markets rallied early in the month amid a risk-off episode, as rapid advances in artificial intelligence prompted investors to reassess the sustainability of parts of the technology sector, particularly software companies, supporting demand for duration assets. U.S. inflation data showed headline CPI softer than expected while core inflation was broadly in line, reinforcing the disinflation trend. However, stronger-than-expected labour market data later in the month underscored the resilience of economic activity and put some upward pressure on Treasury yields after the initial rally. Overall, U.S. Treasuries ended the month firmer, with the 10-year yield falling about 30 bps to around 3.9%.

Over in Singapore, revised data showed the economy grew 6.9% y/y (2.1% q/q SA) in Q4 2025, lifting full-year 2025 growth to 5.0% and prompting MTI to raise its 2026 GDP forecast to 2–4%, supported by AI-related external demand. Official CPI data for January, released on 23 February, showed MAS Core Inflation easing to 1.0%/y/y (-0.3% m/m), while CPI-All Items edged up to 1.4% y/y (-0.5% m/m), and MAS–MTI reiterated that both core and headline inflation are projected to average 1.0–2.0% in 2026. Against this backdrop, Singapore Government Securities extended their rally, with the 10-year SGS yield falling to around 1.9%, roughly 12 bps lower over the month. SGD non-government bonds also delivered positive performance and outperformed SGS, as reflected in the Markit iBoxx Singapore Non-Government Index.

Asian USD credit markets also delivered a positive performance over the month, according to the JP Morgan Asian Credit Index, with returns largely driven by U.S. Treasury duration gains, while spread returns were modestly negative, reflecting some risk premium adjustment amid evolving macro conditions. The investment grade sector posted gains and outperformed the high yield peers, supported by stronger duration sensitivity and stability in higher-quality credits. The high yield segment also generated positive returns but lagged investment grade peers, as spread widening partially offset the benefit from the rally in U.S. Treasuries.

Investment Strategy

The key focus is on the geopolitical situation in the Middle East which has escalated following significant military developments in late February, raising concerns about broader regional spillovers and potential disruptions to global energy supply. Market attention is largely centred on the Strait of Hormuz, a critical oil transit route, as any sustained disruption could lead to higher energy prices and renewed inflation pressures. While geopolitical shocks historically tend to fade over time, uncertainty around the duration and scope of this episode remains elevated, with the situation evolving rapidly.

Against the backdrop of heightened tensions in the GCC, we expect SGS to remain relatively resilient, supported by safe-haven demand. Thus far, the impact on SGD investment-grade credits has been well contained, underpinned by limited primary supply and strong market technicals. Looking ahead, we see a reasonable likelihood that MAS may steepen the SGD NEER slope at one of the upcoming policy reviews (April/July); empirically, such a shift in policy stance has been constructive for SGS performance.

While the Fund has exposure to Middle East holdings, these are predominantly SGD-denominated and hence benefit from the same favourable technical backdrop of scarce SGD supply and resilient domestic demand. Exposures are focused in high-quality sovereign, quasi-sovereign and financial issuers, many with government links or ownership. Middle East banks with strong sovereign linkages continue to be viewed as fundamentally sound, supported by robust government balance sheets, and we do not see immediate liquidity or credit concerns at this juncture.

Looking ahead, we continue to monitor both downside and upside scenarios. Risks include broader regional escalation, sustained energy supply disruptions, or spillovers into broader financial markets. However, history suggests that geopolitical shocks often normalise once the extent of disruption becomes clearer. If the conflict remains contained and energy flows continue largely uninterrupted, risk premia could gradually retrace and allow markets to refocus on underlying economic fundamentals.

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.