

Fullerton Short Term Interest Rate - Class D (USD Hedged)

August 2025

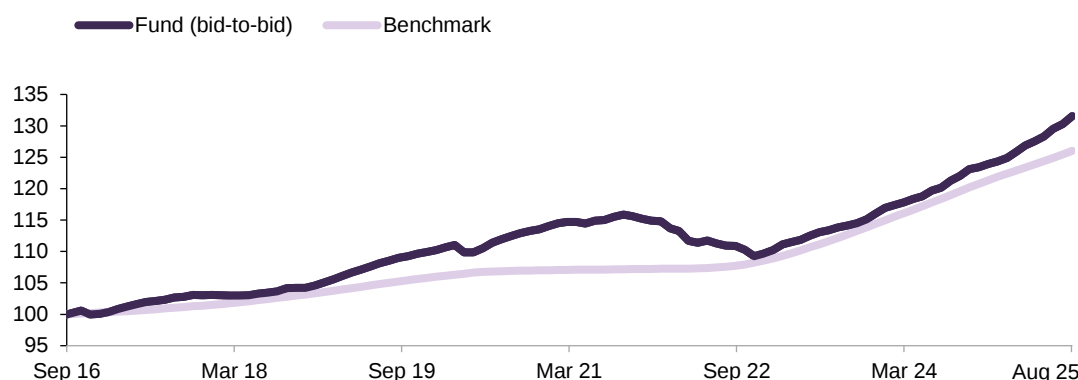
Investment Objective

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	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	0.94	2.40	4.31	7.25	5.32	2.70	2.84	1.42
Fund (offer-to-bid)	-2.00	-0.58	1.27	4.12	4.29	2.10	2.50	NA
Benchmark	0.44	1.31	2.59	5.39	5.37	3.34	2.61	0.60

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.

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

15 Sep 2016

Fund size

USD 764.01 million

Base Currency

SGD

Pricing Date

31 Aug 2025

NAV*

USD 1.29

Management fee

Currently 0.50% p.a.

Expense Ratio

0.53% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

None

Minimum Subsequent Investment

None

Preliminary Charge

Up to 3%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FULSTID SP

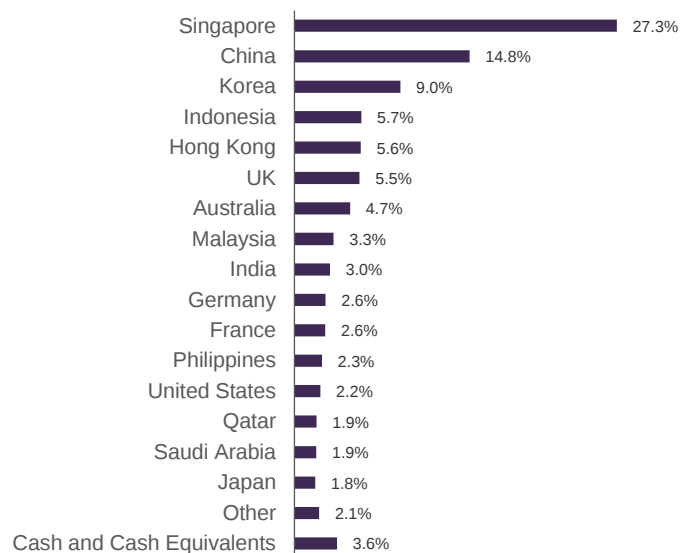
ISIN Code

SG9999015671

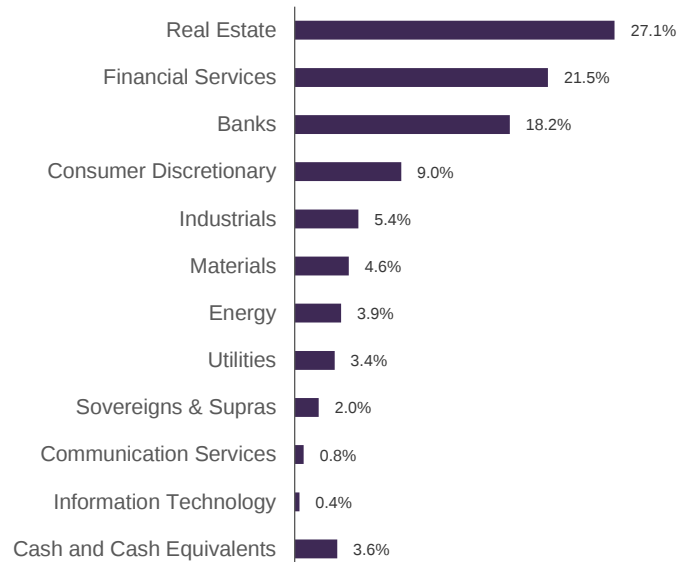
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

Portfolio

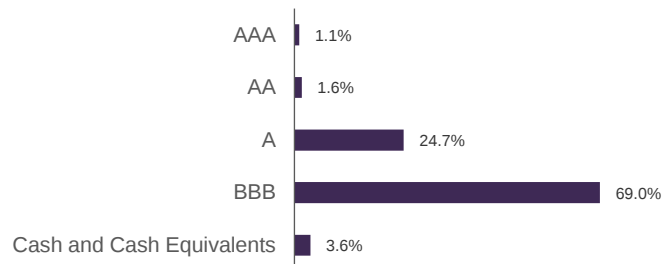
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	3.8%
Average credit rating	BBB
Number of holdings	145
Average duration (years)	2.1
Yield to Worst	1.8%

Top 5 Holdings

HSBC Holdings PLC 4.500 Jun 2029	2.3%
Deutsche Bank AG 4.400 Apr 2028	2.1%
Santos Finance Ltd 5.250 Mar 2029	2.0%
Equinix Asia Financing Corp Pte Ltd 3.500 Mar 2030	2.0%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	2.0%

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

In August, global bond markets were driven by shifting expectations around US monetary policy. A weaker US payrolls report early in the month altered the employment outlook, prompting a decline in US Treasury yields as markets moved to price in a September Federal Reserve rate cut. The US 10-year yield traded within a 4.18–4.40% range and ended the month at 4.2%, 14bps lower than July's close. Fed Chair Powell noted labour market softness at Jackson Hole, while political developments, including the dismissal of the Bureau of Labor Statistics head and Fed Governor Cook, coincided with a steepening of the US yield curve.

In Singapore, real GDP expanded by 4.4% year-on-year in Q2 2025 and rose 1.4% quarter-on-quarter, following a contraction in Q1. On the back of this stronger performance, the Ministry of Trade and Industry raised its full-year GDP forecast to 1.5%–2.5% from 0.0%–2.0%. Core inflation eased to 0.5% year-on-year in July, well below the elevated levels seen in 2023. Singapore Government Securities (SGS) rallied alongside US Treasuries, with notable outperformance at the long end of the curve, where the 10-year yield declined to 1.8% from 2.1% in July. The SGD non-government bond segment, as measured by the Markit iBoxx ALBI Singapore Non-Government Index, also delivered positive returns, though performance lagged the SGS market. Investor demand remained steady, supporting overall credit market sentiment.

Meanwhile, Asian credit delivered positive returns in August, as measured by the JPM Asian Credit Index in USD, with gains supported by both duration-related returns and tighter credit spreads. Investment grade and high yield segments both advanced, with high yield outperforming on the back of more pronounced spread compression.

Investment Strategy

Singapore's SGD bond market enters the final months of 2025 on resilient footing despite ongoing global uncertainties. Inflation risks are now viewed as more balanced and the growth outlook has improved, with full-year GDP revised higher to 1.5–2.5%, even if this remains slower than 2024's pace. The MAS recalibrated policy earlier in the year by reducing the slope of SGD NEER appreciation but has since paused, with risks still tilted towards further easing if global headwinds intensify. After a strong run of outperformance versus US Treasuries in the first half of the year, Singapore Government Securities may lag in a Treasury rally but should hold up better in bear steepening scenarios. SGS bond supply remains well managed, with long-dated auctions spaced to support market stability.

SGD credits present compelling opportunities heading into the last quarter of the year. Having underperformed SGS earlier, they are now poised to benefit from stable corporate fundamentals, limited new issuance, and attractive yield carry. Favorable market technicals, supported by strong investor demand in the search for yield, should help spreads remain resilient and provide a buffer against rate volatility.

In terms of positioning, we have progressively extended duration and are now close to the upper bound, and positioned to benefit from anticipated Fed rate cuts. We remain comfortable with this profile while continuing to redeploy maturing bonds into new issues and taking profits in names where valuations have tightened, ensuring the portfolio is positioned for both resilience and income generation. USDSGD hedging costs remain volatile in the near term but are expected to moderate over time, which should gradually restore the relative appeal of USD-denominated credits.

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.

All information provided herein regarding JPMorgan Chase & Co. ("JPMorgan") index products (referred to herein as "Index" or "Indices"), is provided for informational purposes only and does not constitute, or form part of, an offer or solicitation for the purchase or sale of any financial instrument, or an official confirmation of any transaction, or a valuation or price for any product referencing the Indices (the "Product"). Nor should anything herein be construed as a recommendation to adopt any investment strategy or as legal, tax or accounting advice. All market prices, data and other information contained herein is believed to be reliable but JPMorgan does not warrant its completeness or accuracy. The information contained herein is subject to change without notice. Past performance is not indicative of future returns, which will vary. No one may reproduce or disseminate the information, whether in whole or in part, relating to the Indices contained herein without the prior written consent of JPMorgan.

J.P. Morgan Securities LLC (the "Index Sponsor") does not sponsor, endorse or otherwise promote any Product referencing any of the Indices. The Index Sponsor makes no representation or warranty, express or implied, regarding the advisability of investing in securities or financial products generally, or in the Product particularly, or the advisability of any of the Indices to track investment opportunities in the financial markets or otherwise achieve their objective. The Index Sponsor has no obligation or liability in connection with the administration, marketing or trading of any Product. The Index Sponsor does not warrant the completeness or accuracy or any other information furnished in connection with the Index. The Index is the exclusive property of the Index Sponsor and the Index Sponsor retains all property rights therein.

Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, JPMorgan Chase & Co. All rights reserved.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.