A member of Seviora Group

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

December 2025

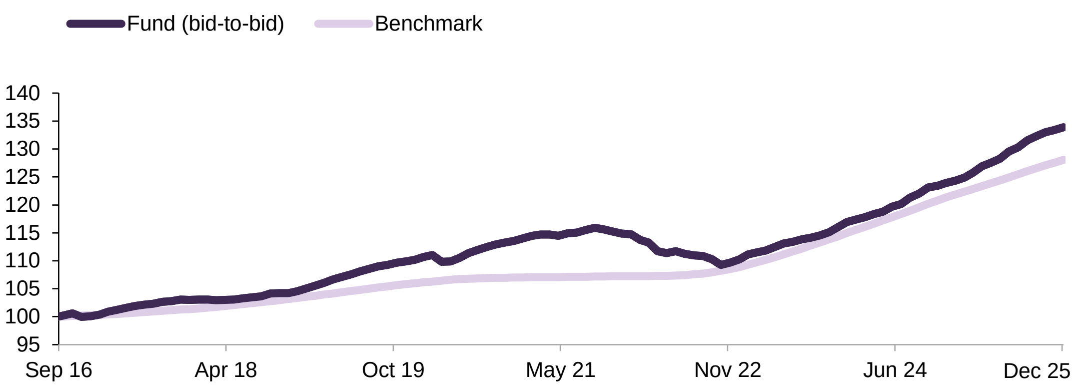
Investment Objective

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	SI. Ann. Ret.	SI. Ann. Vol.
Fund (bid-to-bid)	0.33	1.07	3.08	7.15	6.14	2.75	2.91	1.40
Fund (offer-to-bid)	-2.59	-1.87	0.08	4.03	5.10	2.14	2.58	NA
Benchmark	0.39	1.20	2.52	5.08	5.56	3.65	2.70	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 819.99 million

Base Currency
SGD

Pricing Date
31 Dec 2025

NAV*
USD 1.31

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.

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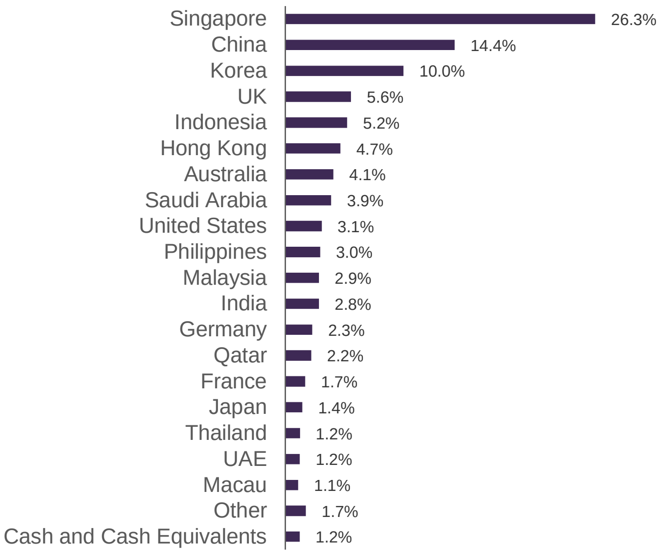
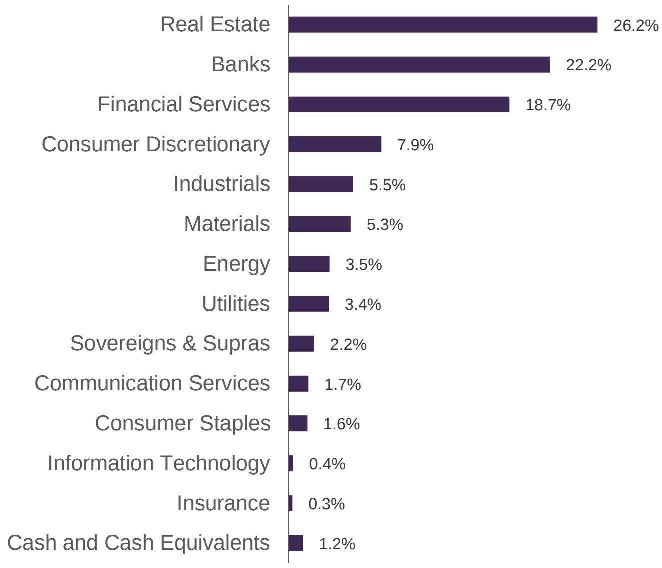
Portfolio

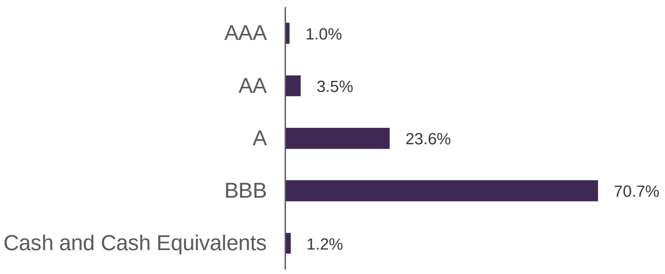
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	3.9%
Average credit rating	BBB
Number of holdings	156
Average duration (years)	2.2
Yield to Worst (before hedging)	3.3%
Yield to Worst (after hedging)	2.1%

Top 5 Holdings

Deutsche Bank AG 4.400 Apr 2028	2.3%
HSBC Holdings PLC 4.500 Jun 2029	2.2%
Santos Finance Ltd 5.250 Mar 2029	1.9%
UOL Treasury Services Pte Ltd 2.330 Aug 2028	1.9%
Equinix Asia Financing Corp Pte Ltd 3.500 Mar 2030	1.8%

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 December, Singapore macro-economic releases pointed to steady growth conditions alongside moderate inflation. November CPI data, released during the month, showed both headline CPI-All-Items and MAS Core Inflation holding at 1.2% year-on-year, unchanged from October. External trade momentum remained firm, with non-oil domestic exports rising 11.6%, reflecting broad-based growth across both electronics and non-electronics segments, supported by stronger shipments to key markets and firmer demand for semiconductors.

Against this backdrop, Singapore Government Securities (SGS) yields rose across the curve, with the 10-year SGS yield increasing by around 8bps over December, broadly tracking the upward move in U.S. Treasury yields. Over in the U.S., Treasuries were shaped by a mix of policy signals, data releases, and global spillovers, resulting in a modest steepening of the yield curve. While the Federal Reserve delivered its third rate cut of the year, this was offset by evidence of continued economic resilience, rising government bond yields in Europe and Japan, and heavy corporate issuance early in the month.

Elsewhere, Singapore non-government bonds posted a modest decline but outperformed SGS, according to the Markit iBoxx ALBI Singapore indices. More broadly, Asian credit markets delivered positive returns, as measured by the J.P. Morgan Asia Credit Index, with performance supported primarily by favourable spread-related returns that more than offset the drag from higher rates. While duration-related returns were negative as U.S. Treasury yields rose, spread compression driven by resilient demand and stable market technicals underpinned overall performance across the Asian credit space.

Investment Strategy

A useful way to frame 2026 is as a year of two halves. The first half is likely to be characterised by firmer growth, supported by fiscal stimulus across major economies including the U.S., China, Japan and Germany, reduced tariff uncertainty, and the ongoing effects of monetary easing. As the year progresses, growth momentum is expected to moderate as easing cycles mature and fiscal support gradually fades. In the U.S., we expect growth to exceed consensus expectations, underpinned by healthy private-sector balance sheets and continued fiscal stimulus, even as labour-market conditions gradually normalise. Following earlier 'insurance cuts' to cushion labour-market softness, the Federal Reserve (Fed) is likely to remain data-dependent, balancing the need to sustain growth with ensuring a durable decline in inflation.

In Singapore, economic growth is expected to moderate in 2026 following the exceptionally strong performance in 2025. While core inflation has edged up modestly in recent months, it is likely to remain manageable, with the output gap expected to stay positive. Against this backdrop, we expect the Monetary Authority of Singapore (MAS) to maintain its current policy stance in January.

This environment points to a more range-bound global rates backdrop, with carry playing a larger role in fixed income returns. From a portfolio perspective, duration is maintained at current levels. Market conditions remain supportive of SGD credits. 2025 was an active year for SGD bond issuance, partly reflecting issuers bringing forward funding plans. As a result, issuance is expected to normalise in 2026, particularly in the first half, which should be supportive of SGD bond market technicals. Foreign issuers, including those from the Middle East and Europe, are also expected to continue accessing the SGD bond market, contributing to market depth and liquidity.

FULLERTON
FUND MANAGEMENT
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