

Fullerton Singapore Bond Fund - Class A (SGD)

October 2025

Investment Objective

The investment objective of the Fund is to generate long term capital appreciation for investors by investing primarily in fixed income or debt securities denominated in Singapore Dollars. These securities will primarily be issued by the Singapore government, government agencies, quasi-government institutions, statutory boards and corporations.

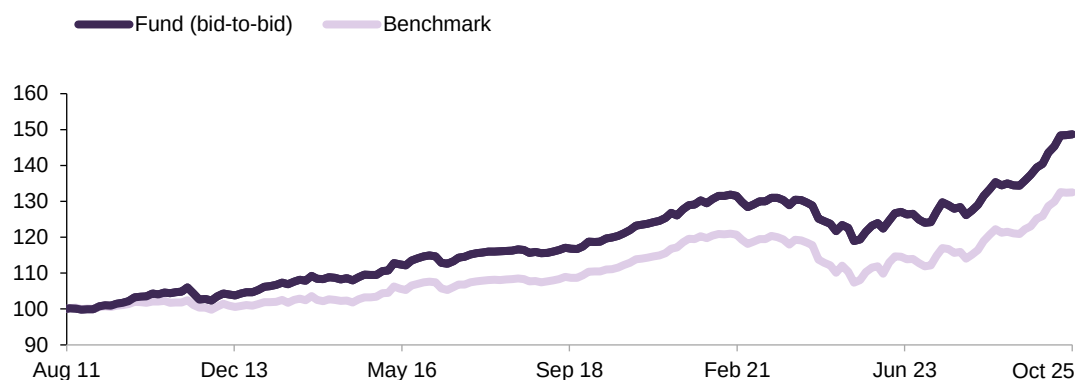
Investment Focus and Approach

The Managers seek to add value from the following sources: interest rate accrual, credit selection and yield curve positioning (duration management).

The Managers' investment process is a combination of top-down macro research and bottom-up analysis. Economic research and monetary policy analysis is the basis for arriving at the interest rate outlook and bottom-up analysis forms the basis for credit selection and yield curve positioning. Within this framework, the Managers will evaluate fixed income and debt securities to determine their fair value and formulate the duration and credit strategies for the Fund.

The Fund will primarily invest in investment grade issues having a minimum long term credit rating of BBB- by Fitch, Baa3 by Moody's or BBB- by Standard & Poor's. However, non-rated SGD corporate issues are permitted if they meet the Managers' internal equivalent rating of investment grade. The Managers may use Financial Derivative Instruments ("FDIs") for hedging and efficient portfolio management purposes.

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)	0.09	2.23	6.44	10.18	7.20	2.12	2.74	2.47	2.91
Fund (offer-to-bid)	-2.82	-0.74	3.34	6.97	6.15	1.52	2.44	2.26	NA
Benchmark	0.06	1.96	5.85	9.22	7.03	1.84	2.52	2.00	2.97

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: Markit iBoxx ALBI Singapore.

With effect from 19 October 2021, the benchmark is Markit iBoxx ALBI Singapore TR Index. From inception till 31 May 2017, the benchmark was 50% UOB SGS Bond All and 50% UOB SGS Bond Short Index. The benchmark was changed to a composite of 50% TR/SGX Singapore Fixed Income Index and 50% TR/SGX Singapore Fixed Income 1-3Y Index with effect from 1 June 2017. Subsequently, it was changed to 50% Thomson Reuters / iEdge Singapore Fixed Income and 50% Thomson Reuters / iEdge Singapore Fixed Income 1Y-3Y Index with effect from 3 September 2018.

Source: Fullerton Fund Management Company Ltd and Bloomberg.

Inception date

16 Aug 2011

Fund size

SGD 208.24 million

Base Currency

SGD

Pricing Date

31 Oct 2025

NAV*

SGD 1.41

Management fee

Currently 0.30% p.a.,
Maximum 0.50% p.a.

Expense Ratio

0.38% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

SGD 50 million

Minimum Subsequent Investment

SGD 10 million

Preliminary Charge

Up to 3%

Dealing day

Daily, up to 5pm (Singapore time)

Bloomberg Code

FSINGBA SP

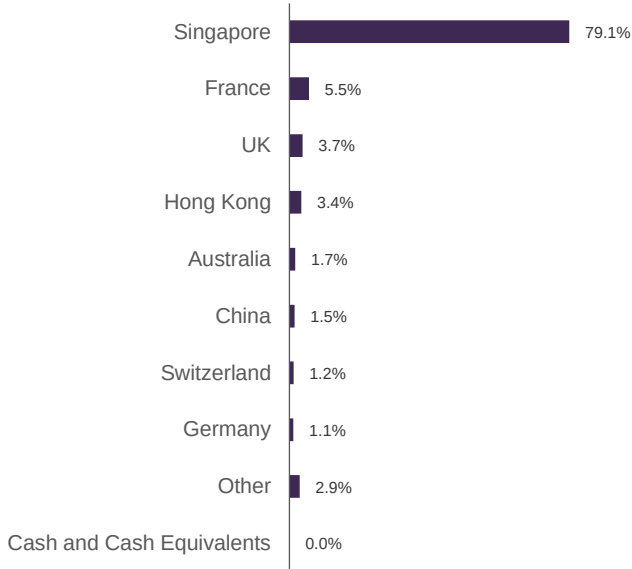
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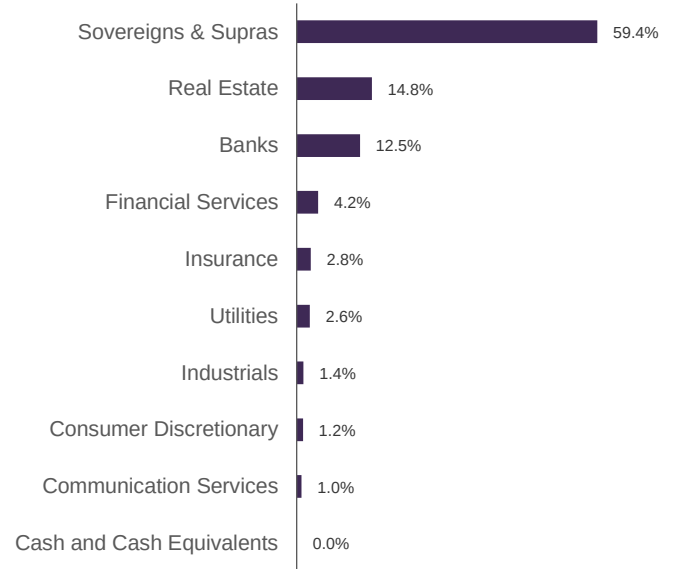
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

■ Portfolio

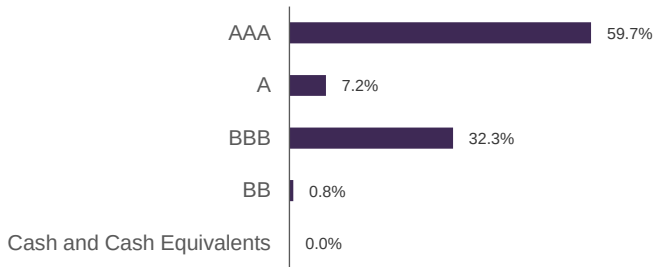
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average duration (years)	8.5
Yield to Worst	2.1%
Yield to Maturity	2.3%

Top 5 Holdings

Singapore Government Bond 2.250 Aug 2036	10.8%
Singapore Government Bond 2.875 Sep 2030	6.9%
Singapore Government Bond 2.625 Aug 2032	5.9%
Singapore Government Bond 1.875 Mar 2050	5.6%
Singapore Government Bond 3.000 Aug 2072	4.6%

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. Not guaranteed. Past performance is not necessarily indicative of future performance.

Market Review

Global bond markets were steady in October as investors balanced softer inflation readings against hawkish central bank guidance. Singapore Government (SGS) yields largely tracked U.S. Treasuries, with both markets consolidating after recent rallies amid cautious policy signals.

In Singapore, the Monetary Authority of Singapore (MAS) kept its monetary policy stance unchanged, maintaining the S\$ Nominal Effective Exchange Rate Index (S\$NEER) band and reiterating that current settings remain "appropriate." Inflation stayed subdued, with MAS Core Inflation rising modestly and headline CPI-All Items holding below 1% y/y. On the growth front, advance estimates showed Q3 2025 GDP expanding by 2.9% y/y (1.3% q/q SA), underpinned by resilient manufacturing and consumer-facing sectors even as overall momentum softened. Against this backdrop, the 10-year SGS yield was broadly steady at around 1.9%. The Markit iBoxx ALBI Singapore Government Index posted modest gains, while the Non-Government Index edged slightly lower.

In the U.S., the Federal Reserve (Fed) delivered a widely expected 25bp rate cut, lowering the Fed Funds policy rate range to 3.75–4.00%. However, Chair Powell's hawkish tone, emphasising that further cuts were "not a foregone conclusion". This shift prompted a modest repricing of rate expectations, leading US Treasury yields to end the month slightly higher from mid-month lows. The U.S. 10-year Treasury yield traded within a 3.9–4.2% range, closing at 4.1%, about 7bps lower than September's close.

Investment Strategy

Recent macroeconomic indicators point to a gradual softening of the U.S. labour market, while inflation has largely remained in line with expectations. The Federal Reserve (Fed) is expected to stay data-dependent and could consider additional "insurance" cuts should labour market weakness persist. In Asia, China's economy remains bifurcated: industrial production and exports are resilient, but domestic demand continues to lag. Growth momentum is expected to firm as policy support intensifies and tariffs de-escalate, with the faster-than-anticipated rollout of the RMB 500 billion policy-bank tool likely to lift activity into year-end. Across the rest of the Asian region, central banks broadly retain an easing bias, though improving exports and targeted fiscal measures have reduced the urgency for near-term rate cuts. Inflation is not a binding constraint, having moderated to or below many central banks' targets.

In Singapore, the October MAS policy statement reiterated the July message, reflecting greater confidence in the growth outlook compared with 1H 2025, while acknowledging that inflation risks are now more balanced. Core inflation is projected to average around 0.5% for 2025 and between 0.5%–1.5% in 2026. The MAS expects the output gap to remain positive through 2025, though the balance of risks still leans toward further policy easing should growth momentum soften and inflation stay contained. Singapore Government Securities (SGS) have outperformed U.S. Treasuries year-to-date, though they may lag in a Treasury-led rally while continuing to outperform in bear-steepening scenarios.

In terms of investment strategy, we remain constructive on duration and continue to maintain an overweight to relative duration. We continue to overweight the non-SGS segment favouring credits over statutory board bonds. SGD credits have underperformed SGS so far this year and could play catch-up. Stable fundamentals, limited supply and excess carry should help credits to perform well.

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