FULLERTON FUND MANAGEMENT
A member of Seviora Group

Fullerton Singapore Bond Fund - Class A (SGD)

December 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.

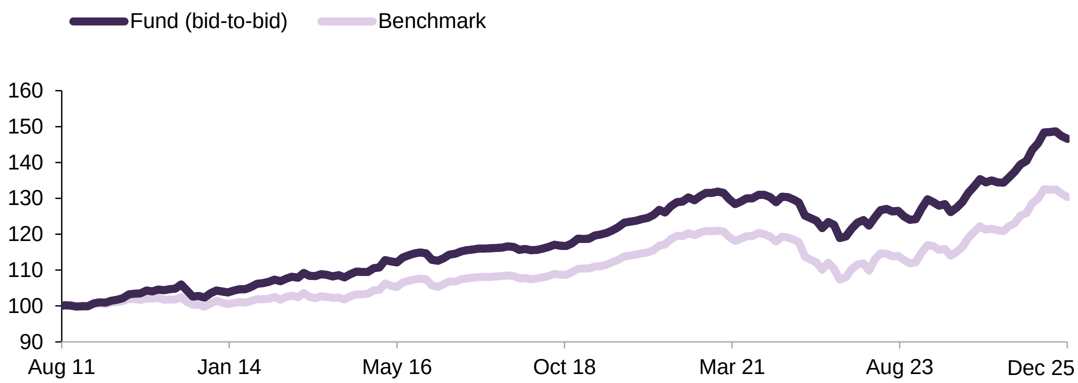
Investment Focus and Approach

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	SI. Ann. Ret.	SI. Ann. Vol.
Fund (bid-to-bid)	-0.59	-1.37	1.95	8.63	5.59	1.79	2.60	2.34	2.91
Fund (offer-to-bid)	-3.48	-4.25	-1.02	5.46	4.55	1.19	2.30	2.13	NA
Benchmark	-0.74	-1.55	1.35	7.65	5.33	1.50	2.34	1.86	2.98

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 205.19 million

Base Currency
SGD

Pricing Date
31 Dec 2025

NAV*
SGD 1.39

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)

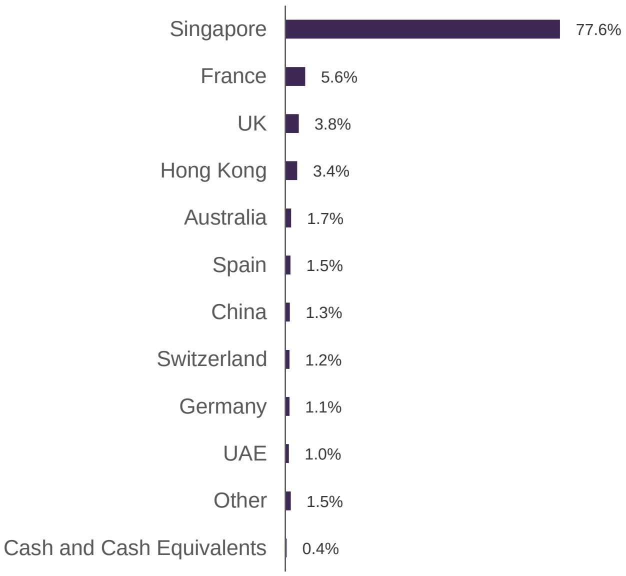
Bloomberg Code
FSINGBA SP

ISIN Code
SG9999007785

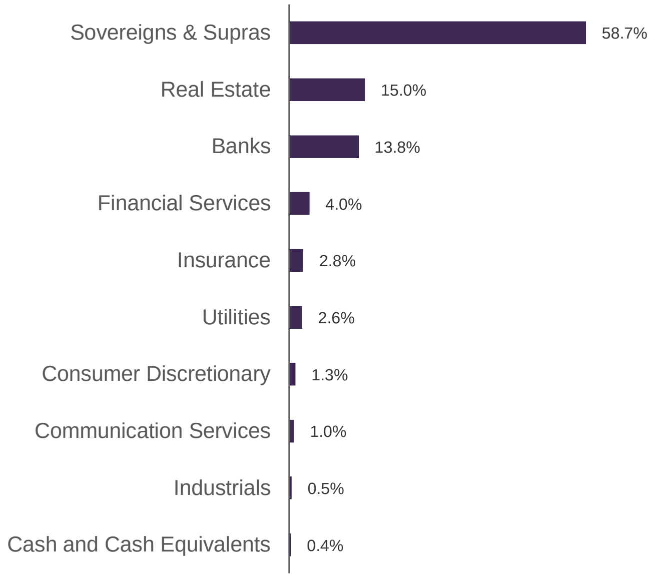
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

■ Portfolio

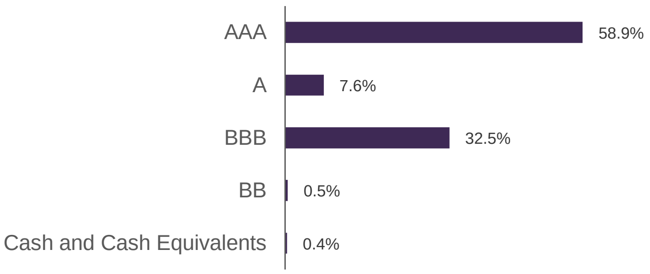
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average duration (years)	8.2
Yield to Worst	2.3%
Yield to Maturity	2.5%

Top 5 Holdings

Singapore Government Bond 2.250 Aug 2036	10.7%
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	5.4%
Singapore Government Bond 3.000 Aug 2072	4.5%

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.

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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 moved higher across the curve with the 10-year SGS yield rising 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 (Fed) delivered its third rate cut of the year, this was outweighed by evidence of ongoing economic resilience, rising government bond yields in Europe and Japan, and heavy corporate issuance early in the month. Fed communication following the December meeting highlighted divergent views on the path of further easing, while data such as firmer labour-market prints pushed yields higher at times, offset by rallies following softer inflation data and strong auction demand. Elsewhere, the Singapore non-government sector posted modest decline and outperformed SGS, according to the Markit iBoxx ALBI Singapore indices.

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.

A more range-bound global rates environment is likely to place greater emphasis on carry, which continues to support our overweight in SGD credit. From a portfolio perspective, duration is positioned around neutral versus the benchmark, while curve exposure is biased towards an underweight at the long end, reflecting a preference for curve steepening amid potential spillovers from global rates markets.

On the non-government side, 2025 saw elevated SGD issuance as issuers brought forward funding plans. With much of this supply front-loaded, issuance is expected to normalise in 2026, particularly in the first half, which should be supportive of SGD bond market technicals and valuations.

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