A member of Seviora Group

# Fullerton Singapore Bond Fund - Class A (SGD)

June 2026

## 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.

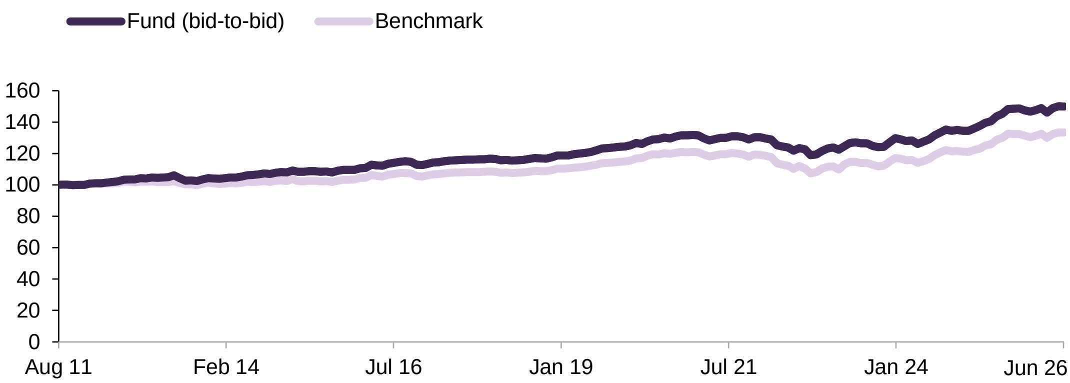
## Investment Focus and Approach

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)** | -0.09 | 2.68 | 2.16 | 4.14 | 5.51 | 2.55 | 2.47 | 2.40 | 2.97 |
| **Fund (offer-to-bid)** | -3.00 | -0.31 | -0.82 | 1.11 | 4.47 | 1.94 | 2.17 | 2.20 | NA |
| **Benchmark** | 0.00 | 2.72 | 2.32 | 3.70 | 5.41 | 2.23 | 2.27 | 1.95 | 3.03 |

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 209.61 million

**Base Currency**
SGD

**Pricing Date**
30 Jun 2026

**NAV***
SGD 1.42

**Management fee**
Currently 0.30% p.a.,
Maximum 0.50% p.a.

**Expense Ratio**
0.38% p.a. (For financial year ended 31 Mar 2026)

**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)

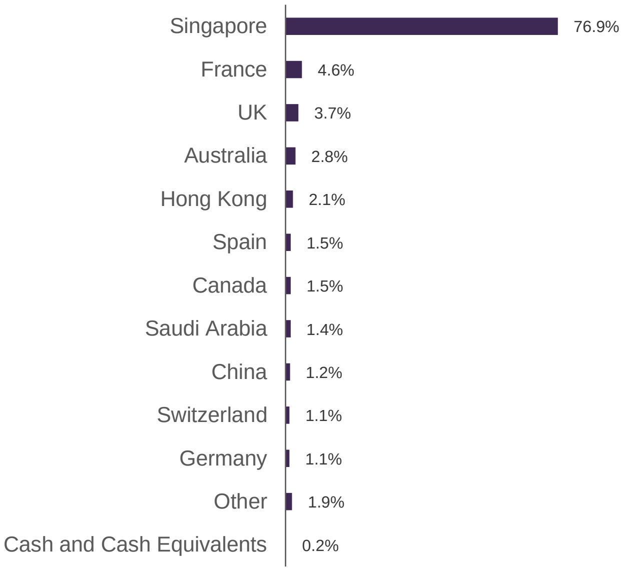
**Bloomberg Code**
FSINGBA SP

**ISIN Code**
SG9999007785

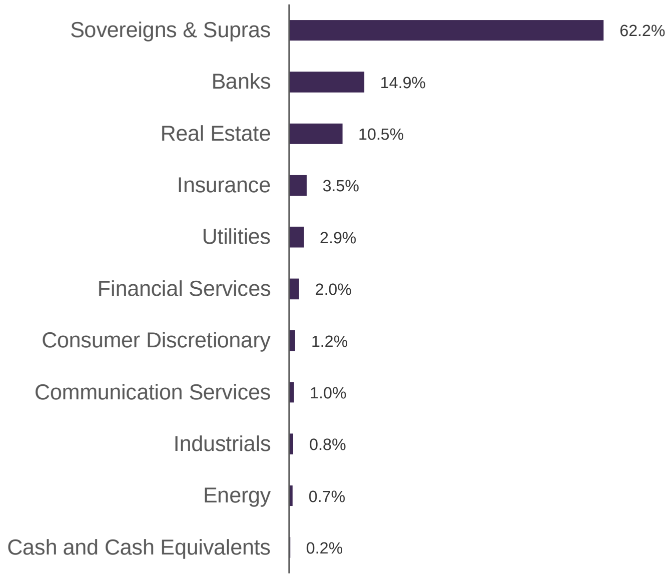
* Figures have been truncated to 2 decimal places. The official price is published on Fullerton's website.

Portfolio

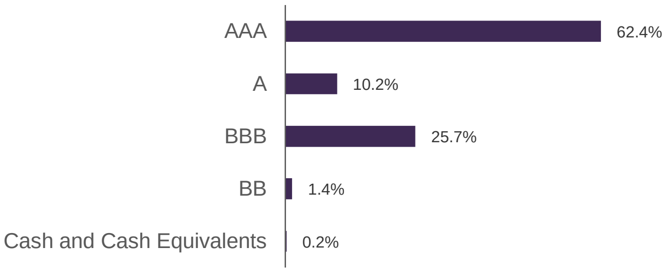
## Geographical Breakdown




## Sector Breakdown




## Rating Breakdown




## Fund Characteristics

| | |
|---|---|
| Average duration (years) | 8.7 |
| Yield to Worst | 2.2% |
| Yield to Maturity | 2.4% |

## Top 5 Holdings

| | |
|---|---|
| Singapore Government Bond 2.250 Aug 2036 | 10.7% |
| Singapore Government Bond 2.875 Sep 2030 | 6.8% |
| Singapore Government Bond 2.625 Aug 2032 | 5.8% |
| Singapore Government Bond 1.875 Mar 2050 | 5.4% |
| 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

Developed market fixed income was influenced by easing geopolitical tensions, a more hawkishly interpreted Federal Reserve (Fed) and lower oil prices during June. Stronger-than-expected US economic data, particularly the May employment report, together with a hawkish outcome from the June FOMC meeting under new Chair Kevin Warsh, reinforced expectations that the Fed would keep monetary policy restrictive for longer, pushing front-end Treasury yields higher. Meanwhile, progress towards a ceasefire between the US and Iran led to a sharp decline in oil prices, easing inflation expectations and supporting demand for longer-dated government bonds. As a result, the US Treasury yield curve bear-flattened over the month, with the 2-year yield rising 17 basis points, the 10-year yield increasing 3 basis points and the 30-year yield declining 2 basis points.

In Singapore, economic fundamentals remained resilient. May headline and core CPI stayed benign at 1.8% and 1.4% year-on-year, respectively, while strong merchandise exports and robust electronics demand continued to support external growth. Manufacturing activity remained healthy, with industrial production rising 13.0% year-on-year, and first-quarter GDP growth was revised higher to 6.0% year-on-year, prompting the Ministry of Trade and Industry to maintain its 2026 growth forecast of 2%–4%. Against this backdrop, the Singapore Government Securities (SGS) yield curve steepened modestly, in contrast to the bear-flattening seen in US Treasuries. Front-end SGS yields moved slightly higher, with the 2-year yield rising 3 basis points, while the 10-year SGS yield was broadly unchanged at around 2.0% by month-end while the 30-year yields rose 9bps over the month. Singapore non-government markets remained resilient, with non-government bonds delivering positive returns and outperforming SGS.

## Investment Strategy

The broader global backdrop has become more supportive in recent weeks. Tail risks from a further escalation in the US-Iran conflict have receded, while global growth remains robust, positive economic surprises continue to emerge, and liquidity conditions appear to be keeping pace with nominal growth. At the same time, inflation expectations are sliding, and oil prices have retraced to around pre-conflict levels, helping to reduce concerns over a renewed external inflation shock.

This backdrop should allow the disinflation process to continue, in our view. With production costs still relatively contained, including softer labour and capital cost pressures, the risk of a sustained re-acceleration in inflation appears limited for now. Market pricing is also consistent with a calmer energy outlook: prices across oil blends have normalised and the Brent forward curve is broadly back to where it was a year ago, which should continue to support risk appetite if macro data remains resilient.

In Singapore, the growth outlook remains constructive, underpinned by continued strength in the technology and electronics sectors. That said, the expansion remains uneven, with the strongest momentum concentrated in more capital-intensive industries while parts of the broader domestic economy remain comparatively subdued. In our view, this points to an economy that continues to expand at a healthy pace without exhibiting signs of broad-based overheating, supporting a favourable backdrop for Singapore fixed income.

On monetary policy, we think the Monetary Authority of Singapore (MAS) is likely to remain data dependent. Recent core inflation readings have been softer than expected, although the latest utility tariff increase could lift inflation in the near term. At the same time, firmer growth and a still-positive output gap mean the MAS is unlikely to turn dovish quickly. The central bank is likely to retain a modest tightening bias, but any further move will depend on whether upcoming growth and inflation data point to more persistent and broad-based price pressures rather than temporary cost effects alone.

Against this backdrop, we have maintained a modest overweight in portfolio duration relative to the benchmark, while retaining the flexibility to extend duration opportunistically should valuations become more attractive or the risk-reward improve. Along the curve, we continue to favour the intermediate to long end while remaining underweight the front end. Limited long-dated bond supply, together with structural demand from liability-driven investors, should help anchor longer-dated SGS yields. By contrast, the Federal Reserve's shift towards a less pre-committed and less guidance-heavy policy framework under Chair Warsh could result in greater volatility at the front end of the US Treasury curve, potentially spilling over into the SGS market. At the same time, moderating energy prices should help contain longer-term inflation expectations, limiting upward pressure on longer-dated yields. Within the portfolio, we continue to overweight SGD-denominated credits, which remain well supported by healthy demand for yield and a limited supply backdrop.

FULLERTON FUND MANAGEMENT

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