FULLERTON FUND MANAGEMENT
A member of Seviora Group

Fullerton Total Return Multi-Asset Income

December 2025

Investment Objective

The investment objective of the Fund is to generate regular income and long term capital appreciation for investors by investing in equities, fixed income, cash and other permissible investments.

The Fund will invest primarily in a diversified portfolio of collective investment schemes, other investment funds, exchange traded funds ("ETFs") (including but not limited to gold ETFs), securities and/or hold cash, as deemed appropriate by us in accordance with its investment objective.

Fixed income securities and/or collective investment schemes invested by the fund may be denominated in SGD and/or foreign currencies. Prior to 5 March 2025, foreign currency denominated fixed income securities and/or collective investment schemes will generally be hedged back to the SGD except for some frictional currency limit (to account for possible deviation from a 100% hedge). From 5 March 2025, a portion of the foreign currency denominated fixed income securities and/or collective investment schemes will generally be hedged back to the SGD (base currency of the fund) at our discretion according to investment views.

The fund may use Financial Derivative Instruments ("FDIs"), including, without limitation, treasury futures, interest rate futures, equity futures, gold futures, options, interest rate swaps and foreign exchange forwards for hedging and efficient portfolio management purposes.

Fund Information

Fund Size	SGD 216.91 million
Base Currency	SGD
Preliminary Charge	Currently up to 5%
Dealing Frequency	Every Business Day
Subscription Mode	Cash, SRS

Manager's Commentary

Market Review

Global equity markets ended 2025 on a firm footing, with risk assets broadly higher over Q4 despite bouts of volatility as investors digested shifting macro signals and central bank movements. Major developed market benchmarks extended their gains, supported by resilient earnings and growing confidence that inflation is on a sustainable downward path. The month of December was characterised by choppy trading in the run-up to the US Federal Reserve's final meeting of the year, followed by a renewed rally as the Fed delivered another 25 basis point rate cut.

December saw Europe and Asian markets leading, while Chinese equity market and the technology sector exhibited softer performance. The S&P 500 Index ended the month up 0.5% (2.6% in Q4), while the Nasdaq Composite Index recorded a slight decline of -0.1% (up 2.6% in Q4) as concerns over the sustainability of heavy artificial intelligence capital expenditure continued to drive profit-taking. The MSCI AC World Index was up 1.4% on the month in dollar terms (3.3% in Q4), mostly driven by Europe's 3.9% contribution (6.2% in Q4), while Japan was up 1.2% (3.2% in Q4). Europe's performance was supported by easing energy prices and ongoing disinflation, but lingering pressure from US tariffs and uncertainty over global trade remains a shadow over the euro area's future growth trajectory.

Across Asia, equity performance in Q4 was mixed. North Asian markets that are closely linked to the global technology and semiconductor cycle generally participated in the Q4 rally. For December, the MSCI Asia ex-Japan Index was up 2.7% in dollar terms (4.3% in Q4). On the other hand, investors took profit on China after a strong return of 40% in the first nine months of the year, hence MSCI China's -1.2% (-7.4% in Q4) was a drag.

In 2025, the US market benefitted from a combination of strong nominal growth, disinflation and lower policy rates, albeit at the cost of rising worries about fiscal sustainability as investors focused on the implications of large deficits and the growing debt servicing costs. Earlier in 2025, longer-dated US Treasury yields surged to highs last seen in October 2023 as markets digested the administration's expansive spending plans, before stabilising in the subsequent months as the Fed's easing cycle gained traction. Against this backdrop, December saw a sharp initial back-up in developed market yields amid speculation that central banks outside the US might adopt a more hawkish tone amid persistently high US budget deficit.

The earlier-than-expected announcement by the Fed that it will increase its holdings of Treasury bills, and if needed other short-dated Treasury Notes, to maintain ample reserves is interpreted as an additional source of liquidity support, reinforcing its policy stance to keep market flush with liquidity. Nonetheless, the US 10-year Treasury yield rose to 15 bps on the month to 4.17%, as the longer-end remains sensitive to the possibility that the Fed's policy path might not ease as fast as hoped and the possibility of Japanese investors selling Treasury to buy Japanese Government Bond. A hawkish Bank of Japan led JGB yields higher 25 bps in December to end the year at 2.07%, the highest since 1999.

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Returns of broad market bond indices were generally range-bound over the month. The Bloomberg Global Aggregate Index returned 0.5% unhedged in dollar terms (0.1% hedged), while the dollar denominated J.P. Morgan JACI Investment Grade Index returned 0.3% (1.2% in Q4). Investment-grade spreads stayed compressed relative to historical levels, reflecting healthy investors' demand and an absence of broad-based default stress.

The US Dollar Index, which had already weakened materially over 2025, drifted 1.1% lower through the month from further pressure following the aforementioned rate cut and announcement of bill purchases. This caused the Index to close the year 9.4% lower as investors continue to reassess the dollar's safe-haven role given the fiscal deficits and tariff policy.

Commodity markets exhibited meaningful divergence throughout 2025. Gold gained 2.1% over the month (11.9% in Q4) and rounded off the year delivering an annual return of 64.6%, its best since the late 1970s. In 2026, investors sought safe-haven assets to hedge against policy and geopolitical uncertainties, while the softer US dollar also supported the advance in gold. In contrast, Brent crude fell -4.2% in December (-7.9% in Q4) and ended the year -18.5% lower as the global oil market continues to navigate dynamics of excess supply and concerns over global demand.

Investment Outlook and Strategy

We maintain our baseline view that resilient earnings coupled with moderating inflation and gradual global rate easing can sustain growth and support risk assets going into 2026, albeit with sporadic volatility as markets recalibrate to policy guidance and trade headlines. With the Fed's December rate cut bringing the total to three 25 bps cuts in 2025, the policy backdrop remains supportive for risk assets as liquidity conditions ease, with the expectation of more rate cuts in 2026.

We maintain a constructive yet selective stance on equities, and will continue to diversify allocations across regions and sectors nimbly to mitigate idiosyncratic and policy risks given evolving tariff regimes and cross-border complexity. While we see scope for further upside in drivers such as AI and automation, we are also cognisant of high valuations and vulnerability from the interconnectedness of the AI ecosystem. We are keeping a close watch on indicators which may suggest a pullback is imminent. We have also diversified our investment thesis in other broad themes, such as policy shifts and the reconfiguration of supply chains as re-globalisation takes place.

Within fixed income, we maintain broad diversification and balanced duration, prioritising high-quality carry and selective credit where spread compensation aligns with fundamentals and liquidity. We remain positive on Asian investment grade credit, especially high-quality issuers in sectors with resilient cash flows and robust fundamentals.

At the same time, we are closely monitoring incoming economic data and policy signals, including the evolution of global growth and inflation, the pace and breadth of global monetary easing, and developments in trade and fiscal policy. Our observation is that traditional diversification via long-dated government bonds is becoming less reliable in a world where fiscal dynamics, debt sustainability concerns and changes in the safe-haven nature of US Treasuries and US dollar become more dominant drivers. In recognition of this phenomenon, we continue to place emphasis on a more dynamic approach to portfolio construction, diversification and nimbleness in reallocating capital as the macro narrative evolves. In this climate of optimism tempered by policy and geopolitical uncertainty, we remain selective, focused on identifying durable winners and capturing regional and thematic opportunities as they arise, while maintaining attention to robust tail-risk management.

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Performance (%)

	1 mth	3 mths	YTD	1 year	3 years	5 years	Since Inception	Volatility
A-SGD (bid-to-bid)	1.52	3.96	15.11	15.11	13.76	-	5.05	9.39
A-SGD (offer-to-bid)	-3.31	-0.99	9.63	9.63	11.92	-	3.92	NA
B-SGD (bid-to-bid)	1.52	3.96	15.11	15.11	13.76	-	5.05	9.39
B-SGD (offer-to-bid)	-3.31	-0.99	9.63	9.63	11.92	-	3.92	NA
B1-USD (bid-to-bid)	2.15	4.32	21.28	21.28	15.59	-	5.76	10.68
B1-USD (offer-to-bid)	-2.72	-0.65	15.51	15.51	13.73	-	4.63	NA
C-SGD (bid-to-bid)	1.52	3.96	15.11	15.11	13.76	-	5.05	9.39
C-SGD (offer-to-bid)	-3.31	-0.99	9.63	9.63	11.92	-	3.92	NA
C1-USD (bid-to-bid)	2.14	4.33	21.26	21.26	15.61	-	5.71	10.73
C1-USD (offer-to-bid)	-2.72	-0.64	15.48	15.48	13.74	-	4.58	NA

Returns are calculated on a single pricing basis with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors. Returns more than a year are annualised.

Asset Allocation (%)[1]

Equities	66.8
Fixed Income	22.8
Cash and cash equivalents*	5.7
Commodities	4.6

Note: *Cash and cash equivalents included short-term US Treasury Bills.

Geographical Exposure (%)[1]

US	45.2
China	9.5
Germany	7.9
Korea	6.4
Canada	4.6
Singapore	4.1
Japan	3.7
Taiwan	3.5
Saudi Arabia	2.6
Italy	2.4
Others (Developed Markets)	5.2
Others	5.2

Top 5 Holdings (Fixed Income, % of NAV)

SNB FUNDING LTD 6% JUN 2035	0.8
MEIJI YASUDA LIFE INSURA 6.1% JUN 2055	0.6
NH INVESTMENT & SECS 4.625% JUL 2028	0.5
RIYAD SUKUK 6.209% JUL 2035	0.5
MTR CORP CI LTD 5.625% PERP	0.5

Sector Exposure (%)[1]

Financials	25.4
Information Technology	19.3
Industrials	13.8
Consumer Discretionary	8.7
Materials	8.2
Communication Services	7.6
Energy	4.6
Consumer Staples	3.6
Health Care	3.0
Sovereigns & Supranational	1.8
Utilities	1.3
Real Estate	0.6
Others	2.0

Top 5 Holdings (Equities, % of NAV)

Alphabet Inc	5.5
S&P GLOBAL INC	3.1
Samsung Electronics Co Ltd	3.0
Amazon.com Inc	2.8
Siemens Energy AG	2.7

Fund Statistic

Fixed Income	
Duration	5.8 years
Average Credit Rating[2]	A-
Yield-to-Worst[3]	4.7%
Equities[4]	
Dividend Yield	1.6%
Price to Book	3.1x
Price to Earnings	18.2x

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Dividend History[5]

	Dividend / share	Record Date	Annualised Dividend (%)
Class B	SGD 0.0037	28 Nov 2025	4.46
Class B	SGD 0.0038	31 Dec 2025	4.53
Class B1	USD 0.0037	28 Nov 2025	4.35
Class B1	USD 0.0039	31 Dec 2025	4.51
Class C	SGD 0.0051	28 Nov 2025	6.90
Class C	SGD 0.0052	31 Dec 2025	6.97
Class C1	USD 0.0052	28 Nov 2025	6.88
Class C1	USD 0.0053	31 Dec 2025	6.90

Fund Details

	Class A	Class A1
Inception Date	16 June 2021	To be incepted
NAV per Unit[6]	SGD 1.25	To be incepted
Management Fee	Currently 1.00% p.a.	Currently 1.00% p.a.
Initial Investment	None	None
Subsequent Investment	None	None
ISIN Code	SGXZ43030667	SGXZ70708284
Bloomberg Code	FULTRMA SP	FULTMA1 SP

	Class B (Distribution)	Class B1 (Distribution)
Inception Date	16 June 2021	16 June 2021
NAV per Unit[6]	SGD 1.03	USD 1.06
Management Fee	Currently 1.00% p.a.	Currently 1.00% p.a.
Initial Investment	None	None
Subsequent Investment	None	None
ISIN Code	SGXZ89799159	SGXZ86998101
Bloomberg Code	FULTRMB SP	FULTMB1 SP

	Class C (Distribution)	Class C1 (Distribution)
Inception Date	16 June 2021	16 June 2021
NAV per Unit[6]	SGD 0.92	USD 0.95
Management Fee	Currently 1.00% p.a.	Currently 1.00% p.a.
Initial Investment	None	None
Subsequent Investment	None	None
ISIN Code	SGXZ13306394	SGXZ69984508
Bloomberg Code	FULTRMC SP	FULTMC1 SP

Note: All fund data are sourced from Fullerton, Bloomberg dated as at 31 December 2025, unless otherwise stated.

1. Numbers might not add due to rounding. Countries that are below 2% are classified under Others (Developed Market) and Others. ETFs with no sector classification are classified under Others. Geographical and Sector exposures exclude derivatives, Gold, cash and cash equivalents but include ETFs.
2. Where the security is not rated by external rating agencies, Fullerton's internal rating methodology will apply.
3. Refers to Yield-to-Worst in base currency, before hedging.
4. This represent the underlying holdings in Fullerton Lux Funds.
5. Please refer to our website for more details on the dividend payouts.
6. Figures are truncated to 2 decimal places. Please refer to Fullerton's website for official price.

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