

Fullerton USD Income Fund - Class C (AUD Hedged)

June 2025

Investment Objective

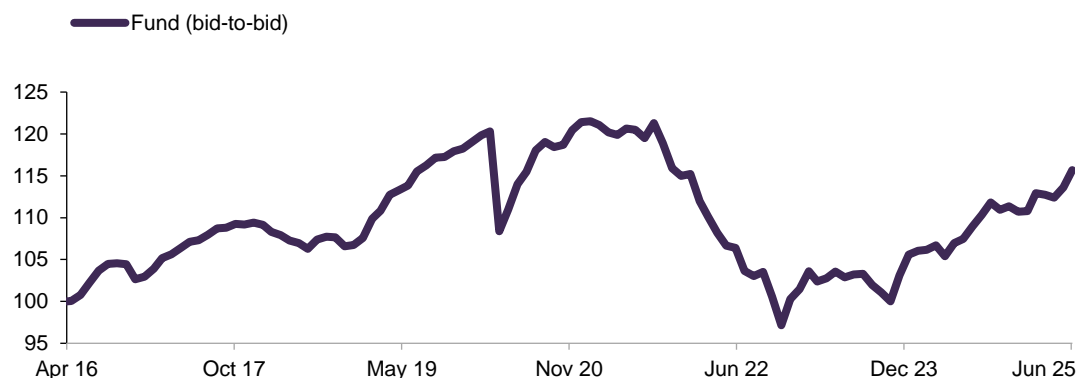
The investment objective of the Fund is to generate long term capital appreciation and/or income for investors by investing primarily in fixed income or debt securities.

Investment Focus and Approach

The Fund will invest in a diversified portfolio of primarily investment grade fixed income securities having a minimum long-term credit rating of BBB- by Fitch, Baa3 by Moody's or BBB- by Standard & Poor's (or their respective equivalents) and cash. The Fund may also invest in non-investment grade bonds of up to 30% of its Net Asset Value. Non-rated bonds are permitted if they meet the Managers' internal equivalent rating of investment grade. The Fund aims to invest at least 50% of its Net Asset Value in USD denominated bonds. The Fund will be broadly diversified with no specific geographical or sectoral emphasis.

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	Sl. Ann. Ret.	Sl. Ann. Vol.
Fund (bid-to-bid)	1.74	2.36	4.03	6.73	2.85	-0.69	1.20	5.39
Fund (offer-to-bid)	-1.23	-0.62	1.00	3.62	1.85	-1.27	0.87	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in AUD 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.

Source: Fullerton Fund Management Company Ltd

Inception date

15 Apr 2016

Fund size

AUD 346.68 million

Base Currency

USD

Pricing Date

30 Jun 2025

NAV*

AUD 0.79

Management fee

Currently 0.8% p.a.,
Maximum 1%p.a.

Expense Ratio

0.91% p.a. (For financial year ended 31 Mar 2024)

Minimum Initial Investment

None

Minimum Subsequent Investment

None

Preliminary Charge

Up to 3%

Dealing day

Daily, up to 5pm (Singapore time)

Deadline

1pm (CET); 5pm (Singapore time)
on each Business Day

Bloomberg Code

FULUSIC SP

ISIN Code

SG9999015184

Distributions paid per unit#

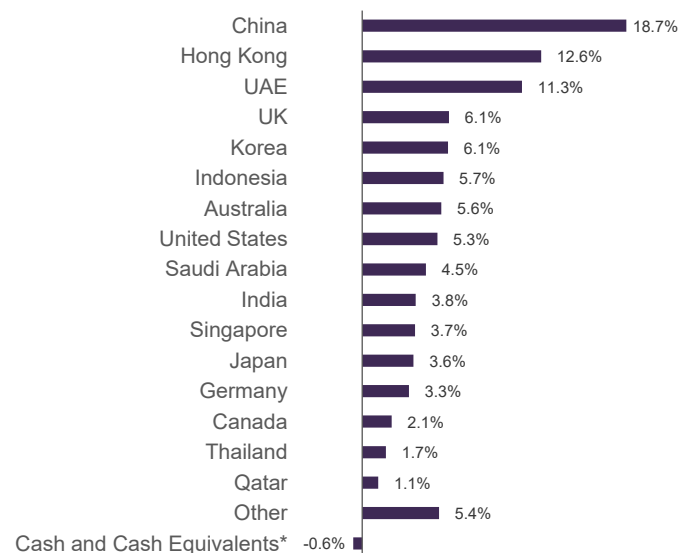
Mar 2024 : AUD 0.010
Jun 2024 : AUD 0.010
Sep 2024 : AUD 0.010
Dec 2024 : AUD 0.010
Mar 2025 : AUD 0.011
Jun 2025 : AUD 0.011

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

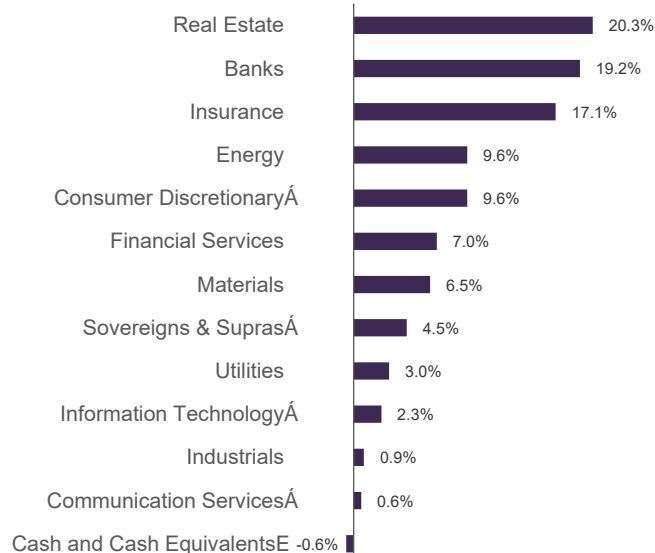
Please refer to our website for more details

Portfolio

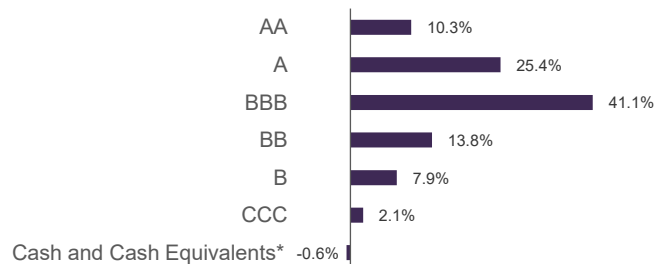
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	5.1%
Average credit rating	BBB
Number of holdings	92
Average duration (years)	4.9
Yield to Worst	5.3%

Top 5 Holdings

Elect Global Investments Ltd 7.200 PERP	3.8%
Hanwha Life Insurance Co Ltd 6.300 Jun 2055	3.2%
Abu Dhabi Crude Oil Pipeline LLC 4.600 Nov 2047	2.8%
SNB Funding Ltd 6.000 Jun 2035	2.4%
United States Treasury Note/Bond 4.250 Jan 2030	2.3%

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.

*Negative balances are due to cross month trades, and subscriptions/redemptions.

Market Review

Asian credit, as measured by the JP Morgan Asian Credit Index, posted positive returns in June, supported by both falling U.S. Treasury yields and modest credit spread tightening. Investment-grade (IG) credits outperformed high yield (HY), with IG benefiting more meaningfully from the duration uplift amid the rally in U.S. Treasuries. While HY also delivered gains, returns were more modest by comparison. Overall, the bulk of the return was driven by the duration component, reflecting the supportive backdrop of dovish Fed expectations and lower Treasury yields.

U.S. Treasury yields declined across the curve during the month, with the 10-year and 2-year yields falling by 17 and 18 basis points, respectively. The move was catalysed by weaker-than-expected inflation prints and a soft ISM services report, which reinforced expectations of an earlier start to the Fed's easing cycle. Additionally, market speculation intensified around the possibility of a more dovish Federal Reserve chair replacing Jerome Powell in 2026, which added further pressure to front-end yields. Geopolitical tensions in the Middle East led to brief intra-month volatility—temporarily lifting oil prices—but those moves were quickly reversed as overall risk sentiment remained resilient.

At the country level, Pakistan and Sri Lanka were the top performers, driven primarily by significant credit spread compression alongside moderate duration gains. In contrast, China and Hong Kong lagged the broader index, although they still delivered positive returns. From a sector perspective, metals and mining led performance, followed by longer-duration sectors such as energy and transportation, which benefited from falling rates. The real estate sector was the notable underperformer, with the spread widening outweighing the positive impact from lower Treasury yields.

Investment Strategy

In the second half of 2025, the Asian USD credit market is supported by a favourable technical backdrop and improving investor sentiment, even as macroeconomic uncertainty lingers. Fund flows into Asian credit vehicles have stabilised, and the structural bid from onshore Asia remains resilient—driven by attractive yields relative to local alternatives. Net new USD supply is expected to remain flat or negative this year, with most issuance concentrated in investment grade, further anchoring spreads. Regional investors continue to provide a strong buyer base, creating a stable demand floor for the Asian credit market. All-in yields remain near the upper end of their historical range, offering compelling carry opportunities for investors seeking stable income in a low-growth environment.

While some macro headwinds persist—including elevated U.S. tariffs and lingering uncertainty around global trade—the sharp tail risks from the U.S.-China trade conflict appeared to have receded following mutual tariff reductions. Meanwhile, the weakening U.S. dollar, and subdued inflation across Asia have created a more conducive environment for regional monetary policy easing, which should provide additional support for Asian credit fundamentals. Importantly, fallen angel risk remains minimal in Asian investment grade sector, and default risk in Asian high yield sector remains idiosyncratic, not systemic.

From an investment strategy perspective, the recent rally in U.S. Treasuries has contributed positively to returns. Our measured allocation to the long end—consistent with our curve steepening bias—also proved beneficial. Amid improving risk sentiment, we selectively took profits on certain high-yield positions, while maintaining a constructive view on the high-yield sector as a whole. We continue to focus on identifying relative value opportunities, rotating into new issues, and remain disciplined in taking profits on positions that have rallied meaningfully.

For additional information on Fullerton and its funds, please contact:

Fullerton Fund Management Company Ltd (UEN: 200312672W)

3 Fraser Street
#09-28 DUO Tower
Singapore 189352

T +65 6808 4688 | F +65 6820 6878
www.fullertonfund.com

Disclaimer: This publication is for information only and your specific investment objectives, financial situation and needs are not considered here. The value of units in the Fund and any accruing income from the units may fall or rise. Any past performance, prediction or forecast is not indicative of future or likely performance. Any past payout yields and payments are not indicative of future payout yields and payments. Distributions (if any) may be declared at the absolute discretion of Fullerton Fund Management Company Ltd (UEN: 200312672W) ("Fullerton") and are not guaranteed. Distribution may be declared out of income and/or capital of the Fund, in accordance with the prospectus. Where distributions (if any) are declared in accordance with the prospectus, this may result in an immediate reduction of the net asset value per unit in the Fund. Applications must be made on the application form accompanying the prospectus, which can be obtained from Fullerton or its approved distributors. You should read the prospectus and seek advice from a financial adviser before investing. If you choose not to seek advice, you should consider whether the Fund is suitable for you. The Fund may use or invest in financial derivative instruments. Please refer to the prospectus of the Fund for more information.

All information provided herein regarding JPMorgan Chase & Co. ("JPMorgan") index products (referred to herein as "Index" or "Indices"), is provided for informational purposes only and does not constitute, or form part of, an offer or solicitation for the purchase or sale of any financial instrument, or an official confirmation of any transaction, or a valuation or price for any product referencing the Indices (the "Product"). Nor should anything herein be construed as a recommendation to adopt any investment strategy or as legal, tax or accounting advice. All market prices, data and other information contained herein is believed to be reliable but JPMorgan does not warrant its completeness or accuracy. The information contained herein is subject to change without notice. Past performance is not indicative of future returns, which will vary. No one may reproduce or disseminate the information, whether in whole or in part, relating to the Indices contained herein without the prior written consent of JPMorgan.

J.P. Morgan Securities LLC (the "Index Sponsor") does not sponsor, endorse or otherwise promote any Product referencing any of the Indices. The Index Sponsor makes no representation or warranty, express or implied, regarding the advisability of investing in securities or financial products generally, or in the Product particularly, or the advisability of any of the Indices to track investment opportunities in the financial markets or otherwise achieve their objective. The Index Sponsor has no obligation or liability in connection with the administration, marketing or trading of any Product. The Index Sponsor does not warrant the completeness or accuracy or any other information furnished in connection with the Index. The Index is the exclusive property of the Index Sponsor and the Index Sponsor retains all property rights therein.

Information has been obtained from sources believed to be reliable, but J.P. Morgan does not warrant its completeness or accuracy. The Index is used with permission. The Index may not be copied, used, or distributed without J.P. Morgan's prior written approval. Copyright 2021, JPMorgan Chase & Co. All rights reserved.

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore.