

Fullerton USD Income Fund - Class E (GBP Hedged)

March 2026

Investment Objective

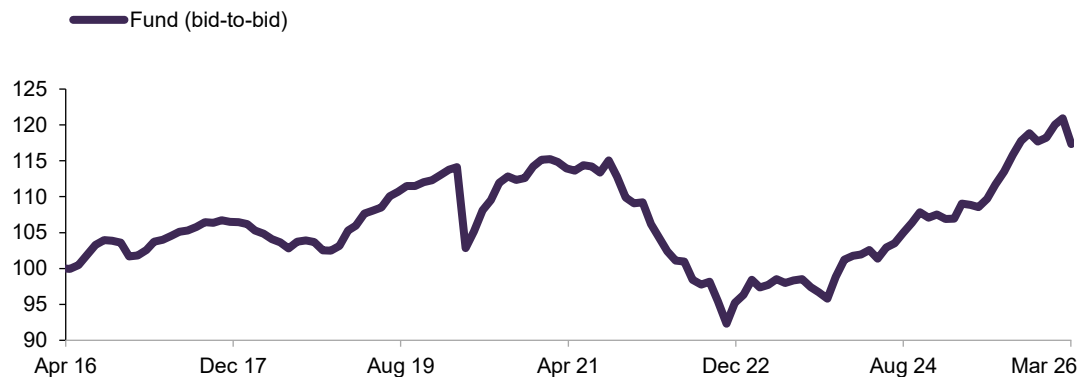
The investment objective of the Fund is to generate long term capital appreciation and/or income for investors by investing primarily in fixed income or debt securities.

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)	-3.06	-0.97	-0.82	6.83	5.38	-0.26	1.18	5.35
Fund (offer-to-bid)	-5.88	-3.86	-3.71	3.72	4.35	-0.85	0.88	NA

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

GBP 152.96 million

Base Currency

USD

Pricing Date

31 Mar 2026

NAV*

GBP 0.79

Management fee

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

Expense Ratio

0.85% p.a. (For financial year ended 31 Mar 2025)

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

FULUSIE SP

ISIN Code

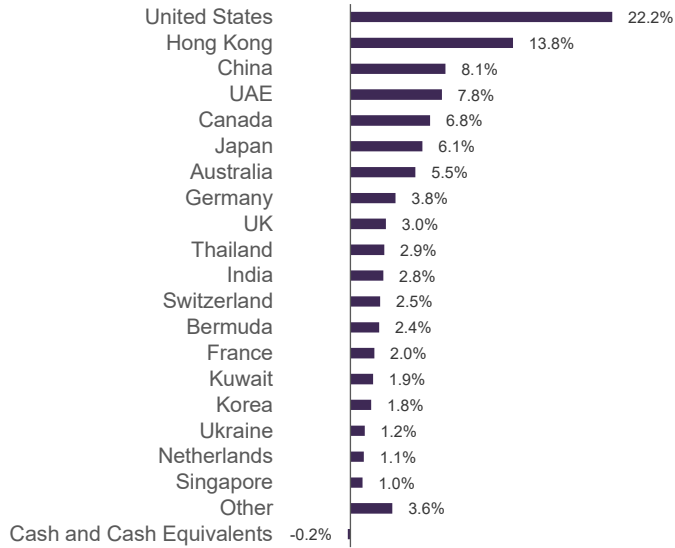
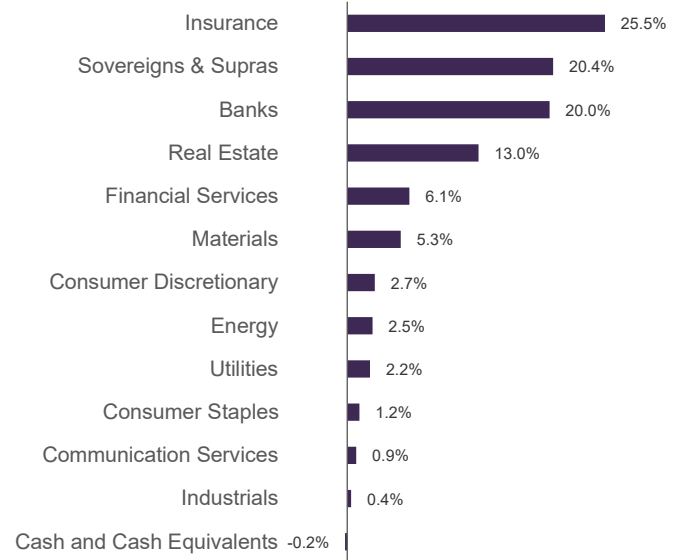
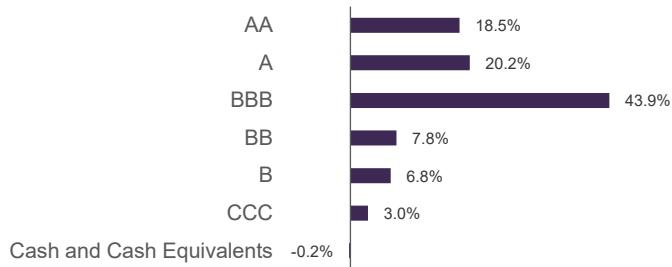
SG9999015200

Distributions paid per unit#

Dec 2024 : GBP 0.010
Mar 2025 : GBP 0.011
Jun 2025 : GBP 0.011
Sep 2025 : GBP 0.011
Dec 2025 : GBP 0.011
Mar 2026 : GBP 0.011

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

Distribution amount is not guaranteed. Please refer to our website for more details.

■ Portfolio
Geographical Breakdown

Sector Breakdown

Rating Breakdown

Fund Characteristics

Average coupon	4.5%
Average credit rating	BBB
Number of holdings	85
Average duration (years)	3.8
Yield to Worst	5.5%

Top 5 Holdings

United States Treasury Bill Apr 2026	16.2%
Allianz SE 3.200 PERP	2.8%
Elect Global Investments Ltd 7.200 PERP	2.4%
Convex Group Ltd 6.500 Jan 2046	2.4%
Sumitomo Life Insurance Co 5.875 Sep 2055	2.2%

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 subscription/redemption.

Market Review

Bond markets in March were dominated by a sharp repricing of inflation risks following the escalation of the US–Israel–Iran conflict, which drove a surge in oil prices and brought stagflation concerns to the forefront. Central bank expectations shifted materially, with markets scaling back prior expectations of rate cuts and, in some cases, repricing towards a more hawkish path. Against this backdrop, US Treasury yields moved significantly higher, with the 10-year yield rising by around 38bps over the month to approximately 4.3%.

Asian credit markets, as represented by the JPM Morgan Asian Credit Index in USD, delivered negative returns over the month, driven primarily by adverse duration-related returns as US Treasury yields moved higher. While coupon income provided some offset, both UST returns and spread returns detracted, with the former being the dominant driver. Within the index, investment grade proved relatively more resilient, with more contained spread widening, while the high yield segment underperformed due to significantly wider spreads.

At the country level, the top performers included Korea, Singapore and China, where returns were comparatively more resilient as tighter or only modestly wider spreads helped cushion the negative impact from higher US Treasury yields. In contrast, the weakest performers were Sri Lanka, Pakistan, Indonesia, and the Philippines where returns were driven sharply lower by significant spread widening, which compounded the drag from negative duration-related returns. Across sectors, a similar pattern was evident, with all sectors impacted by the rise in US Treasury yields, but with varying degrees of spread contribution. Financials, Diversified and Infrastructure were among the better-performing sectors, supported by relatively contained spread widening. In contrast, Real Estate, Oil & Gas and Consumer sectors underperformed, weighed down by more pronounced spread widening.

Investment Strategy

Markets have softened amid rising geopolitical uncertainty, particularly around the Middle East, although credit has remained relatively resilient overall. The key uncertainty lies in the duration of the conflict, as a prolonged disruption could lift inflation expectations through higher energy prices, while also increasing the risk of demand destruction, ultimately weighing on growth. This creates a more nuanced macro-economic backdrop, where the balance between inflation pressures and growth risks is likely to drive market direction.

Recent market moves reflect this shifting narrative. US Treasury yields have risen as markets reassess the path of policy rates in light of potential inflationary pressures. Credit valuations have also cheapened, although we remain cautious on areas of vulnerability, including select segments of the banking sector and industries more exposed to higher energy costs or tighter liquidity conditions. That said, selective opportunities are emerging, including in convertibles and short-dated Asian high yield where the recent price adjustments have improved entry points, while front-end rates continue to offer relatively attractive risk-reward.

From a portfolio perspective, we remain focused on capital preservation while retaining flexibility to respond to evolving conditions. Duration has been lowered to reduce interest rate volatility. Liquidity has been increased meaningfully: cash and equivalents, including T-bills, have been raised providing both a buffer in volatile markets and dry powder to deploy when opportunities arise. High yield exposure has been trimmed, while maintaining selective exposure to resilient issuers. This strikes a balance between maintaining attractive running yield and moderating downside risk.

Beyond the Middle East, we are also closely monitoring the broader impact on supply chains and energy markets, as any prolonged disruption could affect issuers across regions and sectors. Our credit analysts are actively stress-testing names that may be more vulnerable in a prolonged scenario, with a focus on funding needs and liquidity profiles. Overall, the portfolio remains well diversified across countries, sectors and issuers, and we maintain a defensive but nimble stance, focused on preserving capital while remaining ready to deploy risk selectively as opportunities arise.

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.

Please refer to <https://www.fullertonfund.com/use-of-third-party-data-information/> for disclaimers on use of data from third parties.

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