

Fullerton USD Income Fund - Class F (USD)

December 2025

Investment Objective

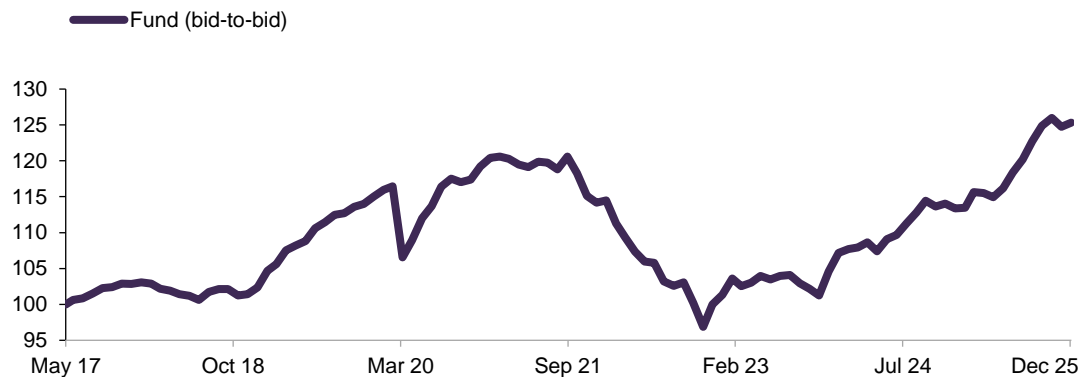
The investment objective of the Fund is to generate long term capital appreciation and/or income for investors by investing primarily in fixed income or debt securities.

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)	0.39	0.20	5.52	9.80	6.65	0.15	1.98	5.32
Fund (offer-to-bid)	-2.53	-2.72	2.45	6.60	5.60	-0.44	1.64	NA

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

08 May 2017

Fund size

USD 212.75 million

Base Currency

USD

Pricing Date

31 Dec 2025

NAV*

USD 0.83

Management fee

Currently 0.6% p.a.,
Maximum 1% p.a.

Expense Ratio

0.65% p.a. (For financial year ended 31 Mar 2025)

Minimum Initial Investment

USD 30 million

Minimum Subsequent Investment

USD 10 million

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

FULUSIF SP

ISIN Code

SG9999015663

Distributions paid per unit[#]

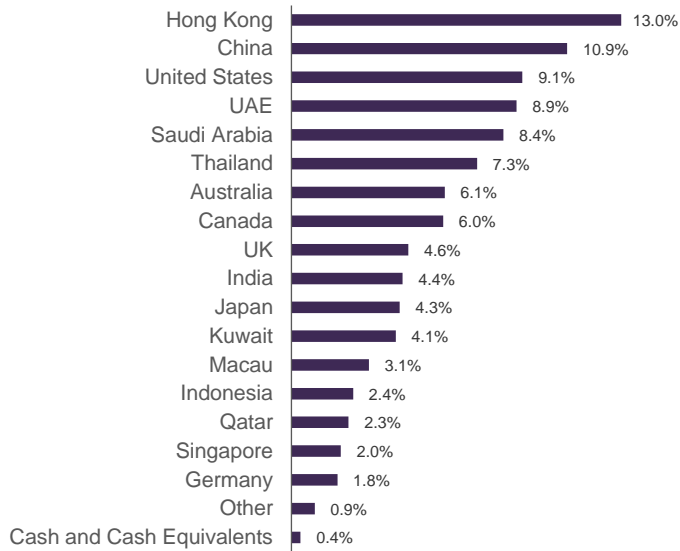
Sep 2024 : USD 0.010
Dec 2024 : USD 0.010
Mar 2025 : USD 0.011
Jun 2025 : USD 0.011
Sep 2025 : USD 0.012
Dec 2025 : USD 0.011

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

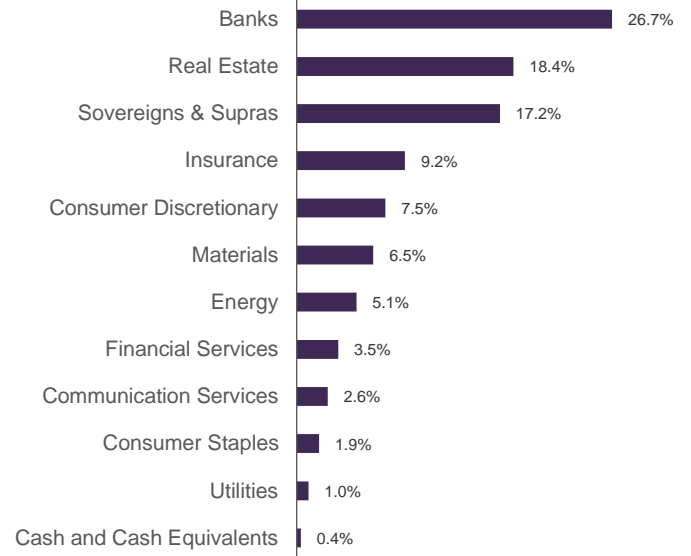
[#] Please refer to our website for more details

■ Portfolio

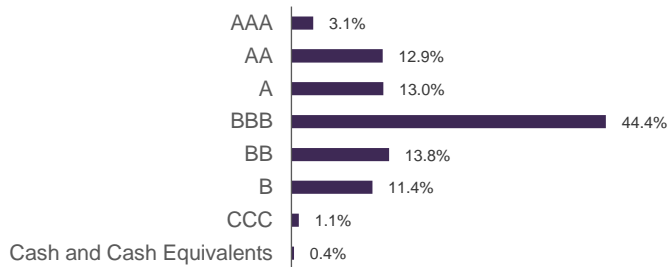
Geographical Breakdown



Sector Breakdown



Rating Breakdown



Fund Characteristics

Average coupon	5.2%
Average credit rating	BBB
Number of holdings	83
Average duration (years)	4.8
Yield to Worst	5.5%

Top 5 Holdings

United States Treasury Bill Jan 2026	5.1%
Elect Global Investments Ltd 7.200 PERP	4.4%
Riyad Sukuk Ltd 6.209 Jul 2035	3.0%
Saudi Awwal Bank 5.947 Sep 2035	2.4%
Global Sukuk Ventures 4.250 Nov 2035	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.

Market Review

Asian USD credit markets delivered positive returns in December, as measured by the J.P. Morgan Asian Credit Index, with performance driven primarily by spread-related gains that more than offset the headwind from higher rates. Duration-related returns were negative as U.S. Treasury yields moved higher over the month; however, resilient investor demand and stable market technicals supported spread compression across much of the Asian credit universe, underpinning overall performance. In the U.S., Treasury markets were influenced by a combination of policy signals, economic data releases, and global spillovers, resulting in a modest steepening of the yield curve. While the Federal Reserve delivered its third rate cut of the year, this was outweighed by signs of continued economic resilience, rising government bond yields in Europe and Japan, and heavy corporate issuance early in the month.

Within Asian credit, high-yield outperformed investment grade, supported by stronger spread compression that more than offset the relatively modest impact from U.S. Treasury moves, while investment-grade performance was more constrained by duration effects. At the country level, Pakistan, Macau, Vietnam and Mongolia were among the stronger performers, where positive spread returns comfortably outweighed the negative contribution from U.S. Treasury duration. In contrast, Taiwan, Malaysia and Hong Kong lagged on a relative basis, although returns in these markets remained modestly positive overall. Sector performance showed a similar pattern of differentiation. Metals & mining and consumer-related sectors were among the top performers, benefiting from spread tightening amid improving fundamentals and sustained demand for carry. Conversely, weaker performance was observed in sectors such as TMT (Technology, Media, and Telecommunications), where spread widening driven by sector-specific risks or profit-taking pressures compounded the drag from higher U.S. Treasury yields, resulting in more subdued outcomes.

Investment Strategy

A useful way to frame 2026 is as a year of two halves. The first half should see firmer growth, supported by fiscal stimulus in the U.S., China, Japan and Germany, reduced tariff uncertainty, and ongoing monetary easing. The second half, however, is likely to soften as easing cycles mature, and fiscal support begins to fade. In the U.S., we expect 2026 growth to exceed consensus expectations, underpinned by healthy private-sector balance sheets and continued fiscal stimulus, even as labour-market conditions gradually normalise. After delivering early 'insurance cuts' to cushion labour-market softness, the Fed is likely to remain data-dependent, balancing the need to sustain growth with ensuring a durable decline in inflation.

Within Asia, the macro backdrop remains constructive, supported by positive spillovers from the U.S. and China, improving intra-Asia trade flows, and the region's rising competitiveness in higher value-added exports linked to the AI cycle, particularly in Taiwan, Korea, Singapore and parts of ASEAN. China's fiscal stance is expected to remain supportive in 2026, with growth momentum stronger in the first half on front-loaded easing and the delayed passthrough of late-2025 stimulus. While the property sector remains in a de-leveraging phase, much of the adjustment appears to be behind us, with incremental policy support helping to stabilise sentiment and reduce downside tail risks.

In terms of portfolio strategies, the Fund adopts a flexible, income-oriented approach without benchmark constraints. Entering the year, positioning has been relatively cautious, with buffers built to manage geopolitical risks and crowded risk positioning. We are broadly constructive on credit risk and more neutral on rates, leading to a reduction in portfolio duration to below five years. The strategy focuses on short-dated high-yield credits with attractive carry, complemented by selective trading opportunities in convertibles, new issues, and investment-grade names where we see scope for alpha generation. Looking ahead, market technicals are expected to remain supportive, with attractive all-in yield, and manageable net supply, providing a constructive backdrop for income generation and selective credit risk-taking.

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

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