Fullerton USD Income Fund - Class R (USD)

June 2025

Investment Objective

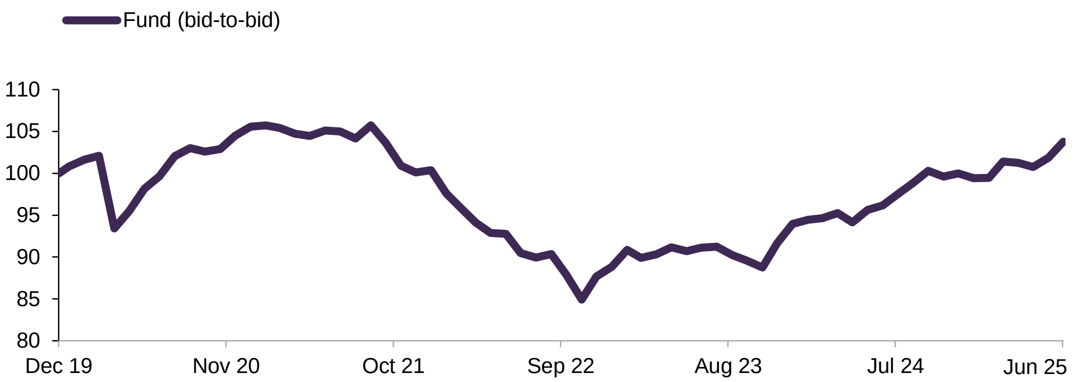
The investment objective of the Fund is to generate long term capital appreciation and/or income for investors by investing primarily in fixed income or debt securities.

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	SI. Ann. Ret.	SI. Ann. Vol.
Fund (bid-to-bid)	1.81	2.33	4.10	7.33	4.11	0.26	0.12	6.26

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.
Source: Fullerton Fund Management Company Ltd

Inception date
10 Dec 2019

Fund size
USD 227.19 million

Base Currency
USD

Pricing Date
30 Jun 2025

NAV*
USD 0.81

Management fee
Currently 0.5% p.a.,
Maximum 1%p.a.

Expense Ratio
0.61% p.a. (For financial year ended 31 Mar 2024)

Minimum Initial Investment
None

Minimum Subsequent Investment
None

Preliminary Charge
Not applicable for Class R

Dealing day
Daily, up to 5pm (Singapore time)

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

Bloomberg Code
FULUSIR SP

ISIN Code
SG9999016083

Distributions paid per unit#

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

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

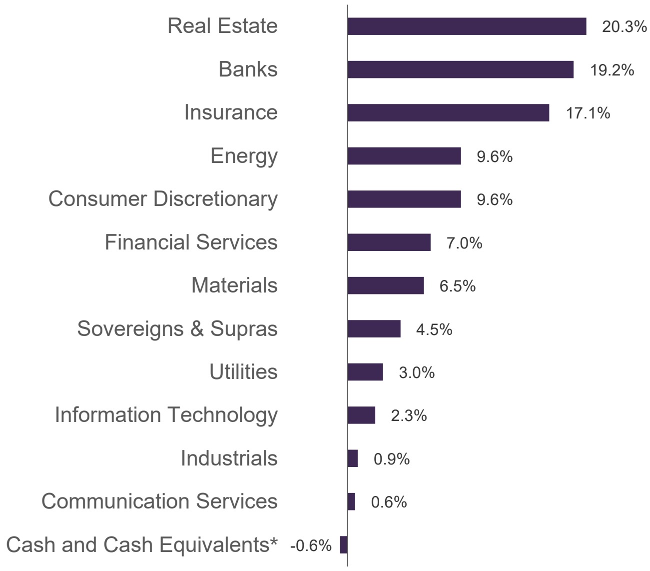
\# Please refer to our website for more details

FULLERTON FUND MANAGEMENT

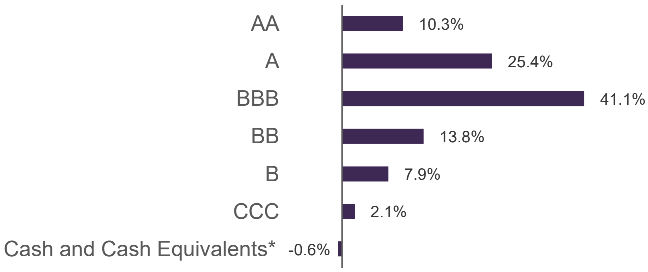
■ Portfolio

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.

FULLERTON FUND MANAGEMENT

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

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