Fullerton USD Income Fund - Class D (EUR Hedged)

April 2025

Investment Objective

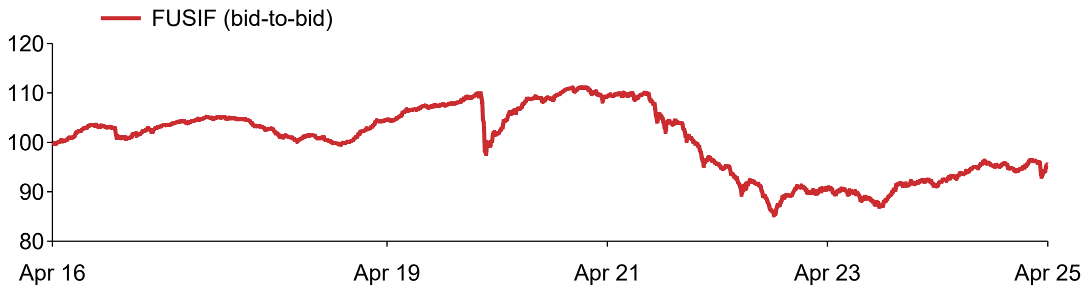
The investment objective of the Fund is to generate long term capital appreciation and/or income for investors by investing primarily in fixed income or debt securities.

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 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)	-0.52	0.85	0.16	4.65	-0.05	-1.29	-0.51	5.14
Fund (offer-to-bid)	-3.42	-2.09	-2.76	1.60	-1.03	-1.88	-0.84	NA

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

Market Review

Asia USD credit markets posted mixed results in April, reflecting a bifurcation between investment-grade and high-yield segments. Investment-grade credits delivered modest gains, supported by duration gains, even as average credit spreads widened. In contrast, high-yield names came under pressure, with broader spread widening more than offsetting the positive impact from lower yields, resulting in underperformance relative to their investment-grade counterparts.

Volatility in global rates markets was a defining feature in April, driven by geopolitical developments in the United States. The announcement of sweeping U.S. tariffs under President Trump's "Liberation Day" policy on April 2 triggered a sharp flight to safety environment, sending Treasury yields to year-to-date lows by April 4. That, however, subsequently gave way to rising yields as elevated market volatility triggered an exodus from crowded trades. Despite the mid-month turbulence, softer economic data toward month-end shifted sentiment back toward policy easing. The 10-year Treasury yield ultimately closed the month slightly lower at 4.16%, down from 4.21% in March, having traded in a wide 72 basis point range during the month.

At the country level, Indonesia, Korea, and the Philippines emerged as the strongest performers within the Asia USD credit space. Returns in these markets were primarily driven by duration gains, although credit spread performance was more mixed. On the other end of the spectrum, Sri Lanka, Pakistan, and Mongolia underperformed due to spread widening that outweighed any benefit from duration, resulting in weaker total returns.

From a sector perspective, sovereigns, quasi-sovereigns, and transportation credits led performance. These areas were generally more resilient amid the global risk-off tone, supported by their higher credit quality and defensive characteristics. In contrast, sectors with heavy high-yield representation—including metals and mining, real estate, and consumer—faced headwinds. Weaker investor sentiment toward riskier assets, coupled with widening spreads, weighed on returns in these segments.

Inception date
15 Apr 2016

Fund size
EUR 184.70 million

Base Currency
USD

Pricing Date
30 Apr 2025

NAV*
EUR 0.75

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

Expense Ratio
0.90% p.a. (For financial year ended 31 Mar 2024)

Distributions paid per unit #
Dec 2023: EUR 0.010
Mar 2024: EUR 0.010
Jun 2024: EUR 0.010
Sep 2024: EUR 0.010
Dec 2024: EUR 0.010
Mar 2025: EUR 0.011

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
FULUSID SP

ISIN Code
SG9999015192

For additional information on Fullerton and its funds, please contact:
Fullerton Fund Management Company Ltd
3 Fraser Street
#09-28 DUO Tower
Singapore 189352
T +65 6808 4688
F +65 6820 6878
www.fullertonfund.com
UEN: 200312672W

* 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.

Investment Strategy

Looking ahead, the global macro environment remains fluid, shaped by renewed trade tensions and shifting geopolitical dynamics. The latest round of U.S. tariff measures has reintroduced volatility into global markets. While there are tentative signs of re-engagement between China and the U.S., the path to resolution remains uncertain. As markets grapple with this evolving landscape, we expect continued episodes of dislocation and sentiment-driven volatility.

Despite these uncertainties, the Asian credit market continues to benefit from healthy technical support and generally sound corporate fundamentals. Most investment-grade issuers maintain robust balance sheets, with limited direct exposure to U.S. trade flows. Elsewhere, we maintain a constructive stance on short-dated high yield credit , where we see attractive medium-term return potential. These positions are anchored in names with limited refinancing needs, resilient cash flows, and business models capable of withstanding trade-related pressures. Following the sharp repricing earlier in the year, we selectively increased exposure to high-conviction issuers, and continue to monitor lagging credits for tactical entry opportunities.

At the same time, we have tactically reduced cash allocations as market conditions stabilise and secondary liquidity improves. This allows for more efficient deployment into new issues and dislocated secondary credits, while still preserving flexibility in a volatile macro environment. Overall, our strategy is focused on maintaining portfolio resilience while capturing upside from credit market normalisation.

FULLERTON FUND MANAGEMENT

April 2025

Geographical Breakdown

Australia	6.4%
China	17.1%
Germany	4.7%
Hong Kong	10.2%
India	6.3%
Indonesia	12.0%
Japan	1.8%
Korea	1.2%
Macau	3.0%
Malaysia	1.3%
Qatar	1.2%
Saudi Arabia	5.6%
Singapore	1.1%
Supranational	2.9%
UAE	7.8%
UK	6.8%
US	6.5%
Others	4.2%
Cash and cash equivalents*	-0.1%

Rating Breakdown

AAA	2.9%
AA	10.6%
A	17.6%
BBB	42.1%
BB	16.7%
B	8.0%
CCC	2.2%
Cash and cash equivalents*	-0.1%

Top 5 Holdings

Elect Global Inv Ltd 7.2% Dec 2199	4.0%
US Treasury N/B 4.25% Jan 2030	2.5%
Qbe Insurance Group Ltd 5.25% PERP	2.5%
Greensaif Pipelines Bidc 6.1027% Aug 2042	2.4%
Scentre Group Trust 2 5.125% Sep 2080	1.9%

Fund Characteristics

Average coupon	4.8%
Average credit rating	BBB
Number of holdings	93
Average duration (years)	4.8
Yield to Worst	5.8%

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.

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.

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