

# Fullerton Total Return Multi-Asset Advantage

March 2024

## Investment Objective

The Fund aims to generate medium to long term capital appreciation for investors by investing into various asset classes.

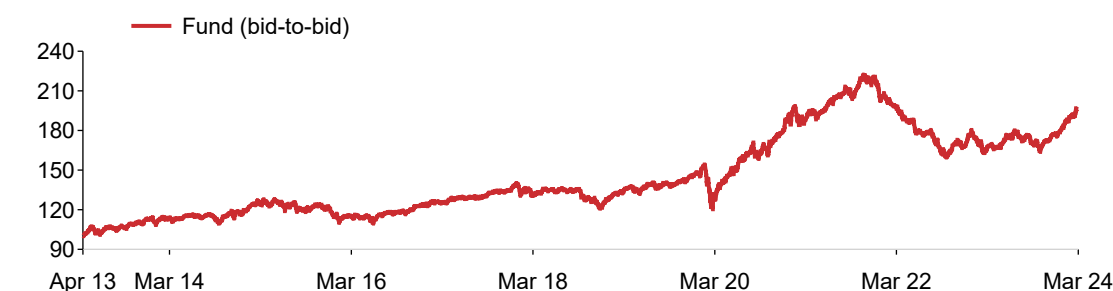
## Investment Focus and Approach

The Fund will invest primarily in will invest primarily in a diversified portfolio of collective investment schemes, other investment funds, exchange traded funds ("ETFs") (including but not limited to gold ETFs), securities and/or hold cash, as deemed appropriate by us in accordance with its investment objective.

Fixed income securities and/or collective investment schemes invested by the Fund may be denominated in SGD and/or foreign currencies. Foreign currency denominated fixed income securities and/or collective investment schemes will generally be hedged back to the SGD except for some frictional currency limit (to account for possible deviation from a 100% hedge).

The Manager may use FDIs (including, without limitation, treasury futures, interest rate futures, equity futures, gold futures, options, interest rate swaps and foreign exchange forwards) for hedging and efficient portfolio management purposes.

## Performance (%)



	1 mth	3 mths	6 mths	1 yr	3 yrs	5 yrs	10 yrs	Sl. Ann. Ret.	Sl. Ann. Vol.
<b>Fund (bid-to-bid)</b>	3.36	10.30	15.41	17.15	1.42	7.96	5.66	6.34	9.24
<b>Fund (offer-to-bid)</b>	-1.56	5.05	9.92	11.57	-0.21	6.93	5.15	5.87	NA

Returns of more than 1 year are annualised. Returns are calculated on a single pricing basis in SGD with net dividends and distributions (if any) reinvested. Offer-to-bid returns include an assumed preliminary charge of 5% which may or may not be charged to investors.

Fullerton Dynamic Strategies Fund - Aggressive has updated its name to Fullerton Total Return Multi-Asset Advantage on 2 May 2022.

Source: Fullerton Fund Management Company Ltd, and Bloomberg.

## Market Review

Equities had a strong quarter in 2024 Q1 mainly driven by hopes of a soft economic landing, along with ongoing optimism around potential offered by generative artificial intelligence. After a small correction in the early part of January, global equities, led by US, recaptured their upward momentum, with S&P500 Index returning 10.6% in dollars over the quarter. Measured in dollars, global equities MSCI AC World Index also delivered positive return, ended the quarter 8.3% higher. Japanese stocks registered decent gains in the first quarter of the year, buoyed by strong recovery in corporate profits and market re-rating due to a shift out of deflation. The Nikkei 225 Index was up 13.0% in dollars. Comparatively, the Stoxx Europe 600 Index posted 5.2% gain in dollars as concerns of recession continued to linger.

Ongoing worries over China's slower growth means MSCI Asia ex-Japan Index only delivered 2.4% in dollars. Fixed income market experienced some volatility in the quarter as investors adjusted their expectations of interest rate cuts this year due to stronger inflation prints. The 10-year benchmark US Treasury yield rose 32 bps in the quarter to end at 4.20%. USD hedged Bloomberg Global Aggregate Bond Index ended the quarter flat whereas JACI Investment Grade Index returned 1.4% as carry from credit more than offset the rising bond yield.

Three of the developed market (DM) central banks, namely the Federal Reserve, the European Central Bank and the Bank of England, kept their policy unchanged in March as February's inflation ticked up. However, the Bank of Japan raised its target policy rate for the first time in 17 years and abandoned its yield curve control policy. On the other hand, the Swiss National Bank surprised markets as the first DM central bank to ease with a 25 bps rate cut.

## Inception date

17 Apr 2013

## Fund size

SGD 24.57 million

## Base Currency

SGD

## Pricing Date

31 Mar 2024

## NAV\*

SGD 1.96

## Management fee

Currently 1.2% p.a.

## Expense Ratio

1.60% p.a. (For financial year ended 31 Mar 2023)

## Minimum Initial Investment

None

## Minimum Subsequent Investment

None

## Preliminary Charge

Up to 5%

## Dealing day

Daily, up to 5pm (Singapore time)

## Bloomberg Code

FULDSAA SP

## ISIN Code

SG9999010128

The Fund is available for SRS subscription.

## 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](http://www.fullertonfund.com)

UEN: 200312672W

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

## Market Review (Cont'd)

---

With inflation surprising on the upside and central banks still signalling rate cuts, precious metals had a strong quarter - silver was up 4.9% and spot gold was 8.1% stronger - with all the quarter's returns coming in March. With OPEC+ holding back on production and rising geopolitical tensions linked to OPEC+ producer Russia, Dated Brent continued to creep higher and ended the month at USD87/barrel.

## Investment Outlook

---

Resilient US macro data indicates the economy remains robust, and talks of fewer than three 25 bps cuts this year are surfacing. February's non-farm payroll data indicate another 275,000 jobs were added to the US economy. Some of these jobs are likely to be part-time, hence an increase in unemployment rate to 3.9%. Structural issues and rising labour costs may be the cause for elevated inflation data in a number of DM countries. Rising Purchasing Managers Index numbers indicate a bottom has been established and DM economies, in general, are rebounding.

Meanwhile, China's recent economic activities are also generally beating expectations. Industrial production rose 7.0% year-on-year (yoy), consistent with stronger-than-expected export data and solid manufacturing activity. Manufacturing investment and steady infrastructure investment jointly contributed to fixed asset investment (FAI) growth of 4.2% yoy but real estate investment continues to drag.

Geopolitical developments, including the ongoing Russo-Ukraine War, Israel-Hamas conflicts, and Houthi attacks of cargo ships in the Red Sea can bring about a resurgence in inflation (surging commodity prices), recession (trade wars) and a breakdown of the financial system (confiscation of Russian foreign reserves) compel us to be nimble in managing the Fund.

## Investment Strategy

---

The stronger data coming out of US suggests it is likely to be growing above trend. Coupled with Fed's articulated policy guidance, the necessary backdrop for continued positive return on global risk assets is quite clear. In this respect, the Fund's asset allocation is tilted to favour equities. Among developed economies, we retain an overweight in US equities, where corporate growth prospects are clearer amid continued fiscal policy support.

Despite the aforementioned change in policy, Japan is still flush with liquidity and monetary policy remains easy. Challenges in Europe – from high energy prices and stalling growth in a number of countries – will continue to raise doubts. Nonetheless, we expect European corporates to continue adjusting to the new realities and capitalise on their strength.

We continue to underweight China until bolder government initiatives and conviction in underwriting systemic risks faced by the property sector are evident. Our exposure in emerging market Asia equities is primarily outside of China where both Taiwan and Korea are favoured for their technology. As an up-and-coming economic power, Indian equities will be a longer-term story.

We expect central banks to start cutting interest rates in mid-2024, providing a supportive environment for fixed income. The Fund will take advantage of rising long end bond yield to extend duration judiciously for the fixed income portfolio. This is a hedge against growth risk and should cushion the Fund from volatility in equities when this risk materialises.

To manage the risk outcomes, diversification – by geography, sector and themes – is key.

### Asset Allocation

Fixed Income	10.2%
Equities	85.9%
Cash and cash equivalents	3.9%

### Top 5 Holdings (Equities, as % of NAV)

Industrial Select Sector SPDR	5.7%
Microsoft Corporation	5.6%
NVIDIA Corp	4.8%
iShares Core MSCI World UCITS ETF	4.8%
Meta Platforms Inc	4.1%

**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.