

# LionGlobal SGD Enhanced Liquidity Fund

The Fund aims to preserve capital, enhance income and provide a high level of liquidity by investing in a broadly diversified portfolio of high quality debt instruments. The Fund's approach to enhancing income while providing liquidity is to invest in a high quality portfolio of debt instruments diversified across varying issuers and tenures while maintaining a weighted average portfolio credit rating of A- and a weighted average duration of around 12 months.

## Fund Manager's Commentary

The unwinding of the aggressive pricing of rate cuts continued in February 2024, which saw US interest rates rising on stronger US data. Non-farm payrolls came in strong with 335k new jobs, well exceeding market's expectation of 185k increase. Both US Consumer Price Index (CPI) and Producer Price Index (PPI) were stronger than expected, with the yearly CPI still not falling below 3% and price increases were seen across most categories. The Institute for Supply Management (ISM) manufacturing recovery was strong, having risen 2 percentage points to 49.1, contributed by new orders. The release of the January 2024 Federal Open Market Committee (FOMC) meeting minutes also indicated that Federal Reserve (Fed) policymakers endorsed the pivot (by acknowledging that Fed Funds Rate (FFR) was at its peak) but flagged the risk of cutting rates too soon, and emphasized the importance of evaluating whether inflation was moving sustainably towards 2%. The 2-year US Treasury (UST) yield traded up from 4.21% to 4.62% as the market repriced from 6 rate cuts in 2024 to 3, in line with Feds projection.

SGD rates outperformed US rates with Singapore Government Securities (SGS) yields rising only half of UST yield increases. This followed milder yield declines seen in SGS when the market priced in aggressive rate cuts in December 2023.

The Fund maintains its strategy of receiving yield accrual by holding a diversified portfolio of investment-grade credits, Monetary Authority of Singapore (MAS) bills and sovereign bills.

**All data are sourced from Lion Global Investors and Bloomberg as of 29 February 2024 unless otherwise stated.**

## Performance (%)

|                |                        | 1<br>Year | 3 Years<br>P.a | 5 Years<br>P.a | 10<br>Years<br>P.a | Since<br>Inception<br>P.a |
|----------------|------------------------|-----------|----------------|----------------|--------------------|---------------------------|
| SGD            | NAV                    | 3.00      | 1.83           | 1.83           | NA                 | 1.78                      |
| Class          | NAV^                   | 0.94      | 1.15           | 1.42           | NA                 | 1.39                      |
| A <sup>1</sup> | Benchmark <sup>#</sup> | 4.09      | 2.38           | 1.90           | NA                 | 1.90                      |
| SGD            | NAV                    | 3.10      | 1.93           | 1.93           | NA                 | 1.88                      |
| Class          | NAV^                   | 1.04      | 1.25           | 1.52           | NA                 | 1.49                      |
| I <sup>1</sup> | Benchmark <sup>#</sup> | 4.09      | 2.38           | 1.90           | NA                 | 1.90                      |

**Past performance is not necessarily indicative of future performance**

Source: Lion Global Investors Ltd / Morningstar

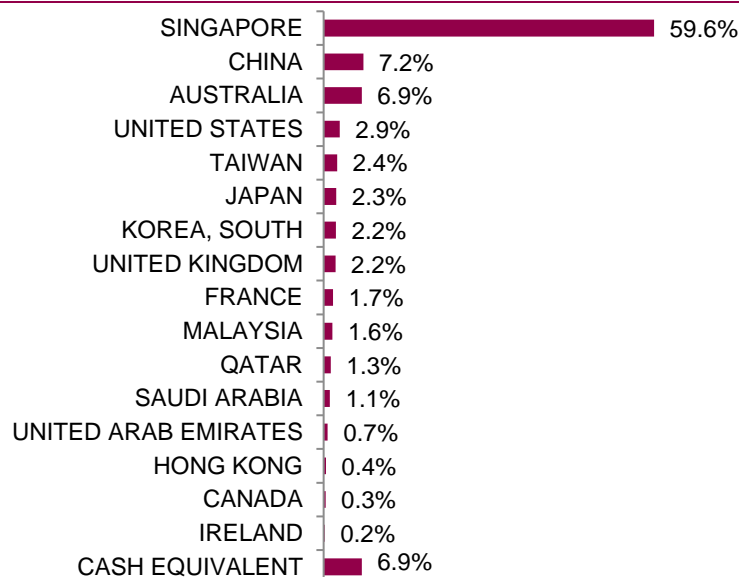
## Fund Facts

|   |                                    |
|---|------------------------------------|
| Fund Inception Date:                      | 30 November 2018                   |
| Subscription Mode:                        | Cash, SRS <sup>2</sup>             |
| Minimum Investment:                       |                                    |
| SGD Class A                               | S\$100                             |
| SGD Class I                               | S\$ 1,000,000                      |
| Initial Charge:                           |                                    |
| SGD Class A/I                             | Currently 0% to 2%.<br>Maximum 2%. |
| Management Fee:                           |                                    |
| SGD Class A:                              | Currently up to 0.35% p.a.         |
| SGD Class I:                              | Currently up to 0.25% p.a.         |
| Valuation Dealing:                        | Every dealing day                  |
| NAV Price:                                |                                    |
| SGD Class A                               | S\$1.097                           |
| SGD Class I                               | S\$1.103                           |
| Fund Size:                                | S\$ 680.5 million                  |
| Weighted Yield to Maturity <sup>3</sup> : | 3.99%                              |
| Weighted Duration <sup>4</sup> :          | 0.30 years                         |
| Weighted Credit Rating <sup>5</sup> :     | AA-                                |

## Codes

|             |                            |
|-------------|----------------------------|
| SGD Class A | SG9999019293<br>LNWELAA SP |
| SGD Class I | SG9999019301<br>LNWELIA SP |

## Country Allocation (% of NAV)



<sup>^</sup> Figures include the applicable initial charges for the respective classes.

<sup>#</sup> Benchmark: 3-month MAS Bill

<sup>1</sup> Returns are based on single pricing basis. Dividends are reinvested net of all charges payable upon reinvestment. Return periods longer than 1 year are annualized.

<sup>2</sup> Supplementary Retirement Scheme ("SRS")

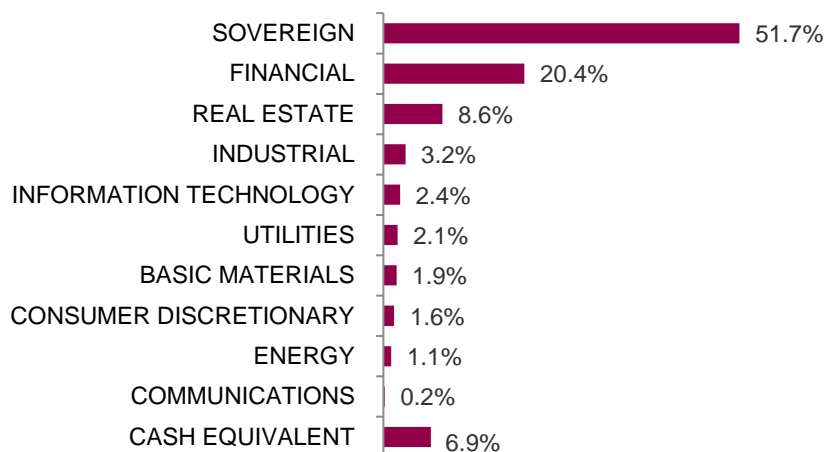
<sup>3</sup> Amortised cost basis, hedged back to Singapore Dollar.

<sup>4</sup> Inclusive of cash & equivalents which are assumed to be zero duration.

<sup>5</sup> Includes cash & equivalents @ AA, takes the worst of S&P, Moody's, Fitch or Internal ratings and based on a straight-line model

The above is based on information available as of 29 February 2024, unless otherwise stated. The bonds referenced are not intended as recommendations to buy or sell. Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice. For explanation of additional technical terms, please visit [www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)

## Sector Allocation (% of NAV)



## Top 10 Holdings (% of NAV)

Next Put  
Date

|  |   |     |
|--|---|-----|
| MAS BILL (SER 84) ZCP 08/03/2024                       | - | 5.1 |
| MAS BILL (SER 84) ZCP 10/05/2024                       | - | 4.5 |
| MAS BILL (SER 84) ZCP 15/03/2024                       | - | 4.4 |
| MAS BILL (SER 84) ZCP 12/04/2024                       | - | 4.4 |
| MAS BILL (SER 28) ZCP 08/03/2024                       | - | 4.1 |
| MAS BILL (SER 84) ZCP 03/05/2024                       | - | 4.1 |
| MAS BILL (SER 28) ZCP 15/03/2024                       | - | 3.7 |
| MAS BILL (SER 84) ZCP 05/04/2024                       | - | 3.7 |
| MAS BILL (SER 84) ZCP 19/04/2024                       | - | 3.7 |
| COMPET TEAM TECH LTD (REG S) (REG)<br>3.75% 12/03/2024 | - | 2.4 |

# LionGlobal SGD Enhanced Liquidity Fund



For further information or to  
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