

# LionGlobal SGD Money Market Fund

The Fund aims to manage liquidity and risk while looking to provide a return which is comparable to that of SGD short-term deposits. The Fund will invest in high quality short-term money market instruments and debt securities. Some of the investments may include government and corporate bonds, commercial bills and deposits with financial institutions.

## Fund Manager's Commentary

March 2024 was a month of central bank meetings where Bank of Japan (BOJ) finally ended its negative interest rate policy (NIRP) and yield curve control. Swiss National Bank surprised market, becoming the first major central bank to cut rates. The Bank of England (BOE) left the policy rate unchanged but is moving closer to loosening as two hawks who previously voted to hike turned neutral. Federal Reserve (Fed) and European Central Bank (ECB) governors continue to advocate that they are in no rush to start cutting rates. Some members of the Governing Council are leaning to June 2024 for the first cut. While Powell indicated that January 2024's hotter than expected inflation data was likely a bump in the road, Governor Waller was hawkish and flagged that it is appropriate to reduce the overall number of rate cuts or push them further into the future in view of recent inflation data. On the data front, US February 2024 core Personal Consumption Expenditure (PCE) softened to 0.26% Month-on-Month (M-o-M), down from January 2024's upward revised print of 0.45% M-o-M, providing some comfort for the Fed.

In line with market expectations, the Federal Open Market Committee (FOMC) left the Federal Fund Rate (FFR) target range and forward guidance unchanged. While there were minimal changes to the policy statement, overall outcome of the March 2024 meeting was slightly dovish as signaled by the Summary of Economic Projections (SEP) and Powell's tone at the press conference. Despite January 2024's high inflation prints and a 20 basis points (bps) upward revision to 2024 core PCE projection, the 2024 median FFR remains unchanged at 4.625%. The median FFR for 2025 and 2026 were higher by 25 bps each, indicating a likely shallower rate cut cycle and the median long run rate was adjusted slightly upwards by 5 bps to 2.6%. The FOMC is feeling more confident on the US economy with growth forecast revised upwards for 2024-2026. Powell revealed that discussions on the balance sheet took place but no decision was made. He further indicated that the general sense was that it may be appropriate to slow down the pace of runoff soon.

6M Singapore Overnight Rate Average (SORA) was relatively flat in March 2024 and ended the month at 3.72%. 6M London Interbank Offered Rate (LIBOR) traded in a narrow range and was 6 bps lower at the end of March 2024. Given that the last week of March 2024 also coincided with quarter end, cut offs were high with the cutoff for 28 days bills at 4.12%, breaching the 4% mark while cutoffs for 12-week bills were at 3.99%, a level last seen in January 2024. The cutoff range for 28 days bills and 12-week bills in March 2024 were 3.91% – 4.12% and 3.90% - 3.99% respectively.

Unlike in January 2024, inflation surprised on the upside in February 2024. Monetary Authority of Singapore (MAS) core inflation jumped to 3.6% Year-on-Year(Y-o-Y) in February 2024 from 3.1% in January 2024, exceeding consensus of 3.4%. The jump was led by higher services and food inflation and could be partly attributed to seasonal effects associated with the Chinese New Year. Led by higher travel-related expenses, services inflation was up by 4.2% Y-o-Y, up from January 2024's figure of 3.3%. With the uptick in core inflation and higher accommodation inflation, headline inflation printed higher at 3.4% in February 2024 (January 2024: 2.9%). Accommodation inflation rose to 3.9% in February 2024 from 2.1% in February 2024 due to the absence of Service & Conservancy Charges (S&CC) rebates which were disbursed in January 2024. MAS maintained the headline and core inflation forecast at 1.5% – 2.5% for 2024 (excluding impact of Goods and Services Tax (GST) increase). Inflationary pressures in 2024 are expected to be lower with lower imported inflation and cooling of labour market. With core inflation still running around the top of MAS forecast range and upside risks relating to global energy and food commodity prices, there is no urgency for MAS to loosen its policy. The street is generally expecting MAS to maintain the status quo at its upcoming meeting in April 2024.

**All data are sourced from Lion Global Investors and Bloomberg as of 31 March 2024 unless otherwise stated.**

## Performance (%)

		1- year	3- years p.a.	5-years p.a.	10- years p.a.	Since Inception p.a.
<b>SGD Class A<sup>1</sup></b>	NAV	3.7	2.1	1.7	1.4	1.4
	Benchmark <sup>#</sup>	3.8	2.0	1.6	1.1	1.0
<b>SGD Class L<sup>1</sup></b>	NAV	3.8	NA	NA	NA	2.6
	Benchmark <sup>#</sup>	3.8	NA	NA	NA	2.5

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

Source: Lion Global Investors Ltd / Morningstar

## Fund Facts

Fund Inception Date:	
SGD Class A	1 November 1999
SGD Class L	2 November 2021
Subscription Mode:	Cash, SRS <sup>5</sup>
Minimum Investment:	
SGD Class A	S\$ 1,000
SGD Class L	S\$ 100
Initial Charge:	Currently NIL Maximum 5%
Management Fee:	Currently 0.25% p.a. Maximum 2.0% p.a.
SGD Class A	
SGD Class L	Currently 0.125% p.a. Maximum 2.0% p.a.
Valuation Dealing:	Every dealing day
NAV Price:	
SGD Class A	S\$1.417
SGD Class L	S\$1.063
Fund Size:	S\$ 719.4 million
Weighted Yield to Maturity <sup>2</sup> :	4.10 %
Weighted Duration <sup>3</sup> :	0.25 years
Weighted Credit Rating <sup>4</sup> :	A+

## Country Allocation (% of NAV)

SINGAPORE	46.4%
AUSTRALIA	10.1%
CHINA	6.2%
HONG KONG	4.3%
KOREA, SOUTH	3.4%
JAPAN	3.3%
UNITED STATES	2.7%
UNITED KINGDOM	2.7%
CANADA	1.8%
INDONESIA	1.6%
UNITED ARAB EMIRATES	1.5%
SWITZERLAND	1.3%
FRANCE	1.3%
CHINA	0.7%
MALAYSIA	0.4%
GERMANY	0.4%
QATAR	0.1%
NETHERLANDS	0.1%
CASH EQUIVALENT	11.7%

## Sector Allocation (% of NAV)

SOVEREIGN	31.9%
FINANCIAL	24.8%
REAL ESTATE	10.7%
UTILITIES	9.9%
INDUSTRIAL	6.7%
BASIC MATERIALS	1.7%
COMMUNICATIONS	1.6%
CONSUMER DISCRETIONARY	1.1%
CASH EQUIVALENT	11.7%

## Codes

<b>SGD Class A</b>	SG9999002760 OCBSGDM
<b>SGD Class L</b>	SGXZ84554112 OCBSGDL SP

## Currency Exposure (% of NAV)

<b>SGD</b>	99.7
<b>USD</b>	0.2
<b>Others</b>	0.1
	<b>100.0</b>

## Credit Rating<sup>4</sup> (% of NAV)

<b>Investment Grade</b>	100.0
	<b>100.0</b>

## Top 10 Holdings (% of NAV)

MAS BILL (SER 84) ZCP 26/04/2024	3.5
MAS BILL (SER 31) ZCP 01/04/2024	3.1
MAS BILL (SER 25) ZCP 26/04/2024	2.8
MAS BILL (SER 84) ZCP 24/05/2024	2.8
BOC AVIATION USA CORP (SER REGS) (REG) (REG S) 1.625% 29/04/2024	2.6
MAS BILL (SER 28) ZCP 05/04/2024	2.4
MAS BILL (SER 84) ZCP 12/04/2024	2.4
MAS BILL (SER 84) ZCP 31/05/2024	2.4
UNITED ENERGY DISTRIBUTI (SER MTN) (REG) (REG S) 3.85% 23/10/2024	2.4
MINERA Y METALURGICA DEL (REG) (REG S) 3.25% 17/04/2024	2.3

### # Benchmark:

From 23 Jan 2003: 1 Month SGD Interbank Bid Rate.

From 1 May 2014: 1 Month SGD Interbank Offered Rate -0.25%.

<sup>1</sup>Returns are based on a single pricing basis. Return periods longer than 1 year are annualized. Dividends are reinvested net of all charges payable upon reinvestment and in respective share class currency terms.

<sup>2</sup> Amortised cost basis. Hedged back to Singapore dollar basis. Inclusive of cash & equivalents at a yield of 0%.

<sup>3</sup> Inclusive of cash & equivalents which are assumed to be zero duration.

<sup>4</sup> Includes cash & equivalents @ AA, takes the worst of S&P, Moody's, Fitch or Internal ratings and based on a straight-line model.

<sup>5</sup> Supplementary Retirement Scheme ("SRS") monies may be used to purchase SGD Class Units only.

The above is based on information available as of 31 March 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)

# LionGlobal SGD Money Market Fund



For further information or to  
obtain a copy of the prospectus:

Funds Hotline | +65 6417 6900  
Facsimile | +65 6417 6806  
[www.lionglobalinvestors.com](http://www.lionglobalinvestors.com)

**Lion Global Investors Limited**  
65 Chulia Street #18-01  
OCBC Centre  
Singapore 049513

This advertisement or publication has not been reviewed by the Monetary Authority of Singapore. It is for information only, and is not a recommendation, offer or solicitation for the purchase or sale of any capital markets products or investments and does not have regard to your specific investment objectives, financial situation, tax position or needs.

You should read the prospectus and Product Highlights Sheet of the relevant fund which are available and may be obtained from Lion Global Investors Limited ("LGI") or any of its distributors, for further details including the risk factors and consider if a fund is suitable for you and seek such advice from a financial adviser if necessary, before deciding whether to invest in the fund. Applications for units in our funds must be made on forms accompanying the prospectus.

Investments in our funds are not obligations of, deposits in, guaranteed or insured by LGI or any of its affiliates and are subject to investment risks including the possible loss of the principal amount invested. The performance of a fund is not guaranteed and the value of units in a fund and the income accruing to the units, if any, may rise or fall. Past performance, payout yields and payments as well as any predictions, projections, or forecasts are not necessarily indicative of the future or likely performance, payout yields and payments of a fund. Any extraordinary performance may be due to exceptional circumstances which may not be sustainable. Dividend distributions, which may be either out of income and/or capital, are not guaranteed and subject to LGI's discretion. Any such dividend distributions will reduce the available capital for reinvestment and may result in an immediate decrease in the net asset value of the fund. Any references to specific securities are for illustration purposes and are not to be considered as recommendations to buy or sell the securities. It should not be assumed that investment in such specific securities will be profitable. There can be no assurance that any of the allocations or holdings presented will remain in the fund at the time this information is presented. Any information (which includes opinions, estimates, graphs, charts, formulae or devices) is subject to change or correction at any time without notice and is not to be relied on as advice. You are advised to conduct your own independent assessment and investigation of the relevance, accuracy, adequacy and reliability of any information or contained herein and seek professional advice on them. No warranty is given and no liability is accepted for any loss arising directly or indirectly as a result of you acting on such information. The fund may, where permitted by the prospectus, invest in financial derivative instruments for hedging purposes or for the purpose of efficient portfolio management. LGI, its related companies, their directors and/or employees may hold units of a fund and be engaged in purchasing or selling units of a fund for themselves or their clients.

This publication is issued in Singapore ©Lion Global Investors® Limited (UEN/ Registration No. 198601745D). All rights reserved. LGI is a Singapore incorporated company, and is not related to any corporation or trading entity that is domiciled in Europe or the United States (other than entities owned by its holding companies).