

LionGlobal Short Duration Bond Fund

**LION
GLOBAL
INVESTORS**

The investment objective of the Fund is to provide total return of capital growth and income over the medium to long term, through an actively managed portfolio of Singapore and international bonds, high quality interest rate securities and other related securities. There is no target industry or sector. For the avoidance of doubt, while we will generally invest in bonds with investment grade quality, we may nonetheless also invest or expose the Fund to sub-investment grade securities.

Fund Manager's Commentary

- Yields continued to drop with investors turning to risk off mode as stock markets and commodity prices fell. Markets are getting jittery on slower economic numbers out of Europe and China while the ongoing US China trade war exacerbated the pessimism. The Fed hiked its overnight lending rate in December and said that it would continue to reduce the size of its balance sheet at the current pace.
- The US 10 year yield dropped 30 basis points (bps) to 2.68% while yields on the 10 year Singapore Government Securities were lower by 31 bps to 2.03%. Both SGD and USD corporate spreads widened, in line with the fall in equity markets.
- We believe current short dated corporate bonds presents value as interest rates have overpriced the Fed's hike cycle. Spreads are wide and will likely compress while rates are likely to move lower. We continue to hold on to short dated corporate bonds.

Performance (%)

		1- year	3-years p.a.	5- years p.a.	10- years p.a.	Since Inception p.a.
SGD Class A Dist ¹	NAV	0.3	1.8	2.6	4.1	3.9
	NAV [^]	-4.7	0.1	1.5	3.5	3.7
	Benchmark [#]	1.6	1.3	1.0	0.7	1.7
SGD Class I Dist ¹	NAV	0.6	2.1	NA	NA	2.9
	NAV [^]	-4.5	0.4	NA	NA	1.7
	Benchmark [#]	1.6	1.3	NA	NA	1.1
USD - Hedged Class A Dist ¹	NAV	0.9	NA	NA	NA	2.3
	NAV [^]	-4.1	NA	NA	NA	0.5
	Benchmark ^{##}	2.6	NA	NA	NA	1.8
USD- Hedged Class I Dist ¹	NAV	1.6	NA	NA	NA	2.3
	NAV [^]	-3.5	NA	NA	NA	0.3
	Benchmark ^{##}	2.6	NA	NA	NA	1.9
SGD Class A Acc ¹	NAV	1.4	NA	NA	NA	2.2
	NAV [^]	-3.6	NA	NA	NA	-0.4
	Benchmark [#]	1.6	NA	NA	NA	1.4
SGD Class I Acc ¹	NAV	0.6	NA	NA	NA	1.8
	NAV [^]	-4.5	NA	NA	NA	-0.8
	Benchmark [#]	1.6	NA	NA	NA	1.4

Past performance is not necessarily indicative of future performance.

Source: Lion Global Investors Ltd / Morningstar.

Fund Facts

Fund Inception Date:	SGD Class A Dist.: 22 March 1991 SGD Class I Dist.: 8 July 2014 USD-Hedged Class A Dist: 4 January 2016 USD-Hedged Class I Dist: 28 April 2016 D Class A/I ACC: 28 December 2016
Subscription Mode:	Cash, CPFIS-OA ² , CPFIS-SA ² , SRS ²
Minimum Investment:	Class A: S\$ / US\$ 1,000 Class I: S\$ / US\$1,000,000
Initial Charge:	Currently 3.0%, maximum 5%
Management Fee:	Class A/I: Currently 0.50%/0.25% p.a Class A/I: Maximum 1.0%/1.0% p.a
Valuation Dealing:	Every dealing day
NAV Price:	SGD Class A/I D: S\$1.6004/S\$1.0063 USD Hedged Class A/I D: US\$0.9863/US\$0.9893 SGD Class A/I Acc: S\$1.0440/S\$1.0365
Fund Size:	S\$349.3 million
Weighted Yield to Maturity ³ :	3.96%
Weighted Duration ⁴ :	1.96 years
Weighted Credit Rating ⁵ :	BBB

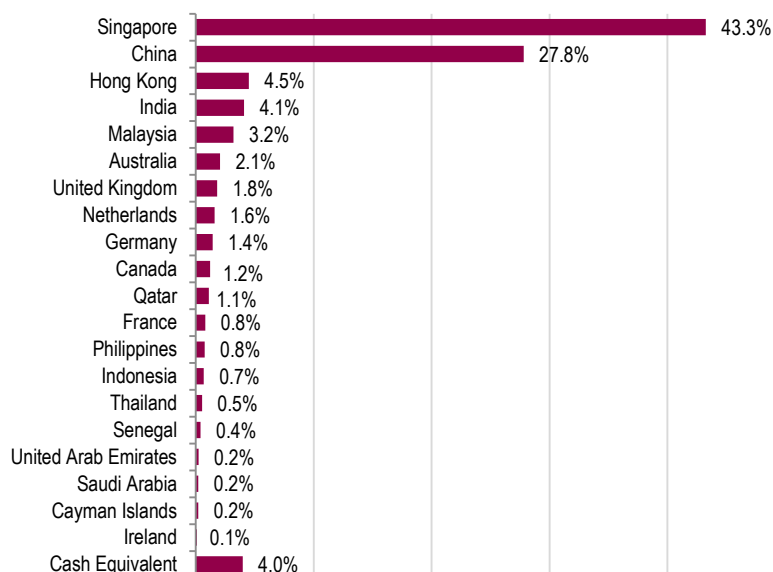
Codes

SGD Class A Dist:	SG9999002646 OCBSGBF
SGD Class I Dist:	SG9999011837 OCBSGBI
USD-Hedged Class A Dist:	SG9999014856 OCBSAUH
USD-Hedged Class I Dist:	SG9999014849 OCBSIUH SP
SGD Class A Acc:	SG9999016000 LGSDAAS SP
SGD Class I Acc:	SG9999016026 LGSDIAS SP

Currency Exposure (% of NAV)

SGD	98.6
USD	1.4
	100.0

Country Allocation (% of NAV)



Distribution History (SGD Class A) ⁶

Dividend Amount (Per 100 units SGD)	Ex-Dividend Date	Date of Distribution
\$1.220	2-Apr-18	20-Apr-18
\$1.210	2-Jul-18	20-Jul-18
\$1.210	1-Oct-18	19-Oct-18

[#] Benchmark:

Inception to 6 Aug 06: 1-Month S\$ Interbank Bid Rate

From 7 Aug 06: 12-Month S\$ Interbank Bid Rate

From 1 May 14: 12-Month S\$ Interbank Offer Rate -0.25%.

^{##} 12-Month London Interbank Bid Rate ("LIBID")

[^] NAV: Figures include Initial Charge

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

² Supplementary Retirement Scheme ("SRS"), CPFIS Ordinary Account ("CPFIS-OA") and CPFIS Special Account ("CPFIS-SA") monies may be used to purchase the Class A (SGD) Dist. Units only while SRS monies may be used to purchase Class A (SGD) Acc. units only.

³ In local currency yield terms and on unhedged Foreign exchange basis. Inclusive of cash & equivalents at a yield of 0.10%.

⁴ Inclusive of cash & equivalents which are assumed to be zero duration.

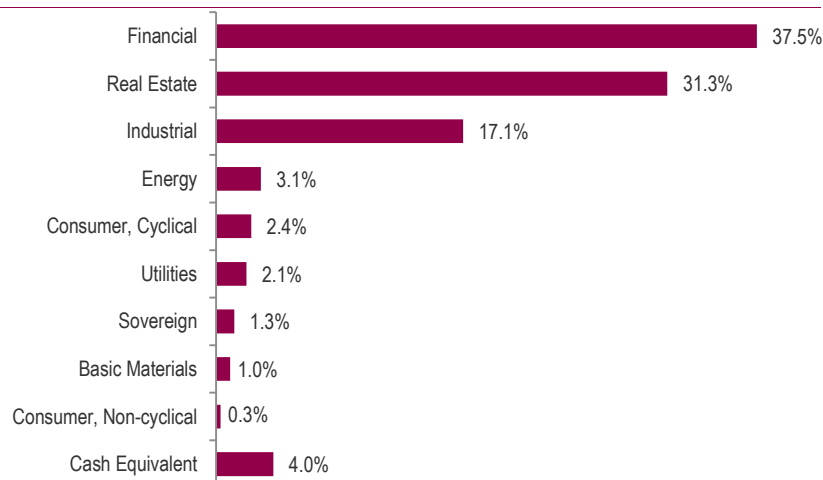
⁵ Includes cash & equivalents @ AA, takes the worst of S&P, Moody's or Internal ratings and based on a straight-line model.

⁶ Distribution payments comprise of only distributed income, only capital, or both. Distribution of income and/or capital is not guaranteed and will be at the Managers' sole discretion. Past payout yields and payments do not represent future payout yields and payments. Any distributions made will reduce the net asset value of the Fund.

⁷ Securities 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.

The above is based on information available as of 31 December 2018, unless otherwise stated.

Sector Allocation (% of NAV)



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Top 10 Holdings⁷(% of NAV)

Next Call/Put Date

DBS GROUP HOLDINGS LTD SER GMTN (REG S) VAR PERP	9/7/2021	2.3
UNITED OVERSEAS BANK LTD SER EMTN (REG S) (REG) VAR 16/09/2026		2.2
ASCOTT REIT MTN PTE LTD SER MTN (REG S) (BR) 4.205% 23/11/2022		2.0
STRAITS TRADING CO LTD (REG S) SER EMTN 3.73% 19/07/2021		2.0
KEPPEL LAND FINANCIAL EMTN (REGS) (BR) 3.259% 11/12/2019		1.9
CAPITALAND LTD SER (REG S) (REG) CONV 2.8% 08/06/2025	8/6/2022	1.9
BAGAN CAPITAL LTD (REG S) (REG) 0% CONV 23/09/2021	23/9/2019	1.9
STANDARD CHARTERED PLC (REG S) (BR) VAR 23/01/2026	23/1/2021	1.8
ONGC VIDESH LTD (REG S) 3.25% 15/07/2019		1.7
FCOT TREASURY PTE LTD (REG S) SER MTN (BR) FRN 03/05/2022		1.7

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

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