

# 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, real estate investment trusts ("REITs"), business trusts and other related securities. There is no target industry or sector.

## Fund Manager's Commentary

- US economic data releases continued to portray a sanguine economic outlook, buttressed by the stronger than expected Institute of Supply Management (ISM) data and nonfarm payrolls, where ISM Manufacturing registered above the 60 handle for the first time since 2004. During the month, the FOMC delivered a 25 basis points (bps) hike while stating that they are on track to produce another 2 hikes this year. Coupled with the liquidity squeeze from higher US Treasury (UST) bill issuances to fund the fiscal budget, this resulted in a flattening UST curve, with spreads on 2/10y USTs tightening to 47bps by the end of March 2018, narrowing from its recent high of 78bps seen in February 2018. Similar to the flatter bond yield curves seen in the global markets, Singapore Government Securities (SGS) curve flattened in March 2018, with yields on 2 Yr SGS adding 13bps m-o-m, underperforming the short dated USTs amid the larger than expected 2 Yr and 5 Yr SGS reopenings in March 2018. This resulted into the short dated Singapore corporate bonds underperforming with corporate bond yields rising circa 35bps.
- The Fund detracted 0.22%<sup>1</sup> to its benchmark return of 0.10%<sup>#</sup> as the Fund's holdings of SGD bonds continued to be affected by rising Singapore rates. With the corporate bonds marked at lower levels, the bonds are looking attractive from a risk reward perspective. The Fund continues to hold to its position of short dated investment grade bonds.

## Performance (%)

		Year-to-Date	1-year	3-years	5-years	10-years	Since Inception
				p.a.	p.a.	p.a.	p.a.
SGD Class A Dist <sup>1</sup>	NAV	-0.7	0.9	2.3	2.5	3.4	3.9
	NAV <sup>^</sup>	-5.7	-4.1	0.6	1.5	2.8	3.8
	Benchmark <sup>#</sup>	0.3	1.2	1.1	0.8	0.7	1.7
SGD Class I Dist <sup>1</sup>	NAV	-0.7	1.2	2.7	NA	NA	3.1
	NAV <sup>^</sup>	-5.6	-3.9	1.0	NA	NA	1.7
	Benchmark <sup>#</sup>	0.3	1.2	1.1	NA	NA	1.0
USD - Hedged Class A Dist <sup>1</sup>	NAV	-0.5	1.4	NA	NA	NA	2.4
	NAV <sup>^</sup>	-5.5	-3.6	NA	NA	NA	0.1
	Benchmark <sup>##</sup>	0.5	1.8	NA	NA	NA	1.5
USD-Hedged Class I Dist <sup>1</sup>	NAV	-0.5	1.8	NA	NA	NA	2.1
	NAV <sup>^</sup>	-5.5	-3.3	NA	NA	NA	-0.6
	Benchmark <sup>##</sup>	0.5	1.8	NA	NA	NA	1.6
SGD Class A Acc <sup>1</sup>	NAV	-0.7	0.9	NA	NA	NA	1.8
	NAV <sup>^</sup>	-5.7	-4.1	NA	NA	NA	-2.3
	Benchmark <sup>#</sup>	0.3	1.2	NA	NA	NA	1.2
SGD Class I Acc <sup>1</sup>	NAV	-0.7	1.1	NA	NA	NA	1.9
	NAV <sup>^</sup>	-5.6	-3.9	NA	NA	NA	-2.2
	Benchmark <sup>#</sup>	0.3	1.2	NA	NA	NA	1.2

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 SGD Class A/I ACC: 28 December 2016
Subscription Mode:	Cash, CPFIS-OA <sup>2</sup> , CPFIS-SA <sup>2</sup> , SRS <sup>2</sup>
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\$1.6202/S\$1.0168 USD Hedged Class A/I D: US\$0.9944/US\$0.9908 SGD Class A/I Acc: S\$1.0220/S\$1.0240
Fund Size:	S\$360.8 million
Weighted Yield to Maturity <sup>3</sup> :	3.24%
Weighted Duration <sup>4</sup> :	2.19 years
Weighted Credit Rating <sup>5</sup> :	BBB

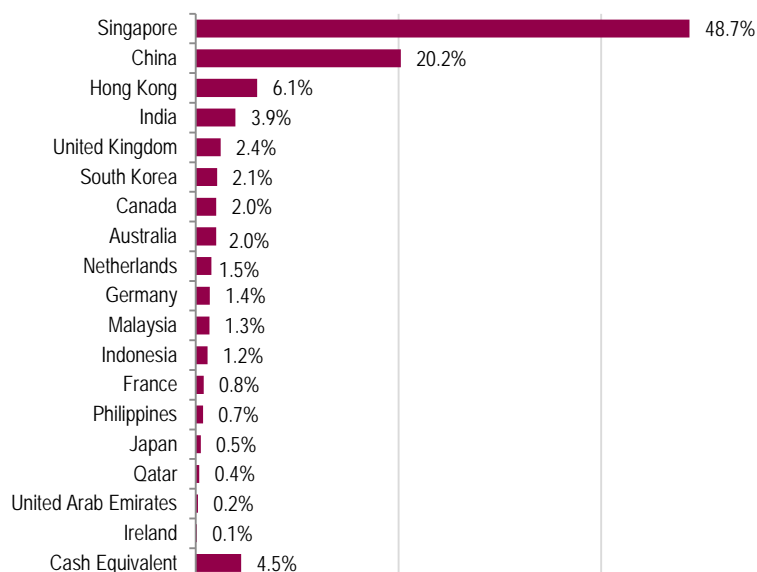
## Codes

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	99.4
CNY	0.1
USD	0.5
	<b>100.0</b>

## Country Allocation (% of NAV)



## Distribution History (SGD Class A) <sup>6</sup>

Dividend Amount (Per 100 units SGD)	Ex-Dividend Date	Date of Distribution
\$1.240	3-Jul-17	21-Jul-17
\$1.240	2-Oct-17	23-Oct-17
\$1.240	2-Jan-18	22-Jan-18

<sup>#</sup> 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%.

<sup>##</sup> 12-Month London Interbank Bid Rate ("LIBID")

<sup>^</sup> NAV: Figures include Initial Charge

<sup>1</sup> 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.

<sup>2</sup> 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.

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

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

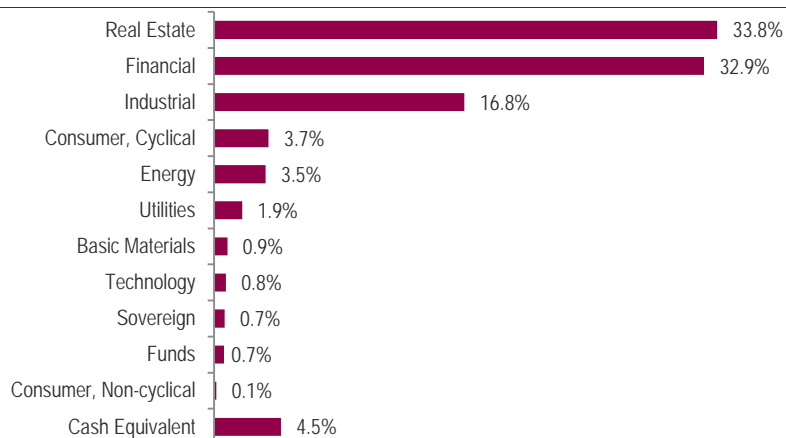
<sup>5</sup> Includes cash & equivalents @ AA, takes the worst of S&P, Moody's or Internal ratings and based on a straight-line model.

<sup>6</sup> 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.

<sup>7</sup> 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 March 2018, unless otherwise stated.

## Sector Allocation (% of NAV)



# LionGlobal Short Duration Bond Fund



## Top 10 Holdings (% of NAV)

## Next Call/Put Date

DBS CAPITAL FUNDING II VAR PERP (15/06/2018)	15/06/2018	2.5
UNITED OVERSEAS BANK LTD SER EMTN (REG S) (REG) VAR 16/09/2026	16/09/2018	2.1
ASCOTT REIT MTN PTE LTD SER MTN (REG S) (BR) 4.205% 23/11/2022		2.0
ASCENDAS HOSPITALITY TRU SER MTN (REG S)(REG) 3.3% 07/04/2020		2.0
CAPITALAND LTD SER (REG S) (REG) CONV 2.8% 08/06/2025	08/06/2022	1.9
MAPLETREE TREASURY SVCS EMTN (REG S) VAR PERP	19/01/2022	1.8
ICBC ASIA LTD EMTN (REG S) VAR 10/10/2023 10/10/2018	10/10/2018	1.7
STANDARD CHARTERED PLC (REG S) (BR) VAR 23/01/2026	23/01/2021	1.7
OVERSEAS UNION ENTERPRISE LTD SER MTN 4.25% 30/10/2019	30/04/2018	1.7
FCOT TREASURY PTE LTD (REG S) SER MTN (BR) FRN 03/05/2022		1.6

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

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