

# 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 data was marginally stronger with Flash Markit Manufacturing PMI beating market expectation at 56.6 versus estimate of 56.5. Regional Federal Reserve (Fed) activity surveys have also recently reflected stronger confidence in the economy. Unemployment rate was down 0.2% to 3.9%, while headline April 2018 durable goods orders missed at -1.7% month on month (m/m) versus estimates of -1.3% m/m. This was due to large airplane orders in the previous month. The Fed expectedly kept its rates unchanged in May 2018, indicating that it remains on track to raise them gradually in the coming months. The Fed's policy statement reflected that both overall and core inflation "have moved close to 2%", replacing language that had highlighted last year's shortfall. Subsequent minutes recorded that the Committee had a dovish tilt. The removal of accommodative forward guidance would suggest the Fed is very close to neutral rates. US rates moved higher during the month due to stronger data but later fell on the dovish Fed minutes and the Italian political crisis. The Fund's performance was flat at 0.0%<sup>1</sup> to its benchmark return of 0.10%<sup>#</sup> as the accruals from the bond holdings helped to offset losses as a result of rising rates. With the market pricing in more than two hikes for the rest of this year, we think that rates will not rise sharply from here. Singapore corporate bonds are looking attractive from a risk adjusted basis; the fund continues to hold to its position of short dated investment grade bonds.

## Performance (%)

		Year-to-Date	1-year	3-years p.a.	5-years p.a.	10-years p.a.	Since Inception p.a.
SGD Class A Dist <sup>1</sup>	NAV	-0.6	0.4	1.9	2.8	3.5	3.9
	NAV <sup>^</sup>	-5.6	-4.7	0.2	1.7	2.9	3.7
	Benchmark#	0.7	1.3	1.1	0.9	0.7	1.7
SGD Class I Dist <sup>1</sup>	NAV	-0.5	0.6	2.3	NA	NA	3.0
	NAV <sup>^</sup>	-5.4	-4.4	0.6	NA	NA	1.6
	Benchmark#	0.7	1.3	1.1	NA	NA	1.0
USD - Hedged Class A Dist <sup>1</sup>	NAV	-0.3	0.8	NA	NA	NA	2.2
	NAV <sup>^</sup>	-5.3	-4.2	NA	NA	NA	0.2
	Benchmark##	1.2	2.0	NA	NA	NA	1.6
USD-Hedged Class I Dist <sup>1</sup>	NAV	-0.2	1.0	NA	NA	NA	2.0
	NAV <sup>^</sup>	-5.2	-4.0	NA	NA	NA	-0.4
	Benchmark##	1.2	2.0	NA	NA	NA	1.7
SGD Class A Acc <sup>1</sup>	NAV	0.5	1.5	NA	NA	NA	2.3
	NAV <sup>^</sup>	-4.5	-3.6	NA	NA	NA	-1.1
	Benchmark#	0.7	1.3	NA	NA	NA	1.3
SGD Class I Acc <sup>1</sup>	NAV	-0.5	0.6	NA	NA	NA	1.7
	NAV <sup>^</sup>	-5.4	-4.4	NA	NA	NA	-1.7
	Benchmark#	0.7	1.3	NA	NA	NA	1.3

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
Subscription Mode:	USD-Hedged Class A Dist: 4 January 2016 USD-Hedged Class I Dist: 28 April 2016 SGD Class A/ ACC: 28 December 2016
Minimum Investment:	Cash, CPFIS-OA <sup>2</sup> , CPFIS-SA <sup>2</sup> , SRS <sup>2</sup> 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\$1.6101/S\$1.0111 USD Hedged Class A/ I D: US\$0.9890/US\$0.9864 SGD Class A/ I Acc: S\$1.0347/S\$1.0259
Fund Size:	S\$366.8 million
Weighted Yield to Maturity <sup>3</sup> :	3.44%
Weighted Duration <sup>4</sup> :	2.15 years
Weighted Credit Rating <sup>5</sup> :	BBB

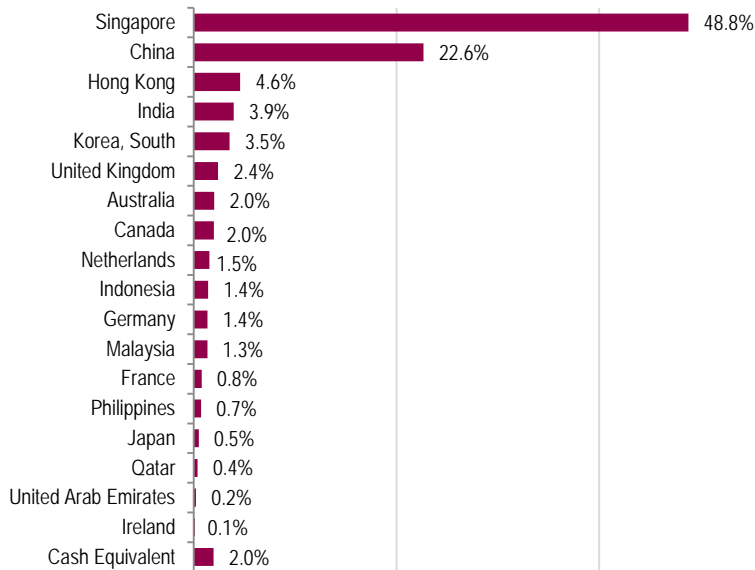
## Codes

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	99.7
CNY	0.1
USD	0.2
	<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	2-Oct-17	23-Oct-17
\$1.240	2-Jan-18	22-Jan-18
\$1.220	2-Apr-18	20-Apr-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.

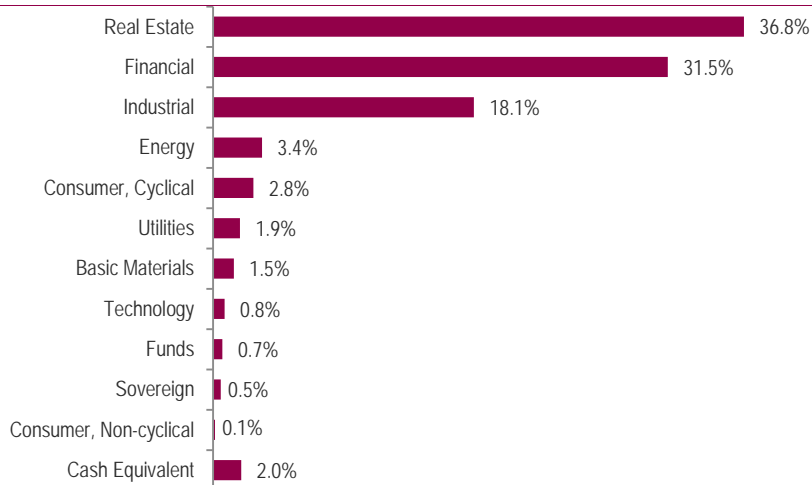
<sup>5</sup> Includes cash & equivalents @ AA, takes the worst of S&P, Moody's or Internal ratings and based on a straight-line model.

<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 30 June 2018, unless otherwise stated.

## Sector Allocation (% of NAV)



Top 10 Holdings <sup>7</sup> (% of NAV)	Next Call/Put Date	
UNITED OVERSEAS BANK LTD SER EMTN (REG S) (REG) VAR 16/09/2026	16/9/2018	2.1
ASCENDAS HOSPITALITY TRU SER MTN (REG S)(REG) 3.3% 07/04/2020		1.9
ASCOTT REIT MTN PTE LTD SER MTN (REG S) (BR) 4.205% 23/11/2022		1.9
STRAITS TRADING CO LTD (REG S) SER EMTN 3.73% 19/07/2021		1.9
CAPITALAND LTD SER (REG S) (REG) CONV 2.8% 08/06/2025	08/06/2022	1.9
ICBC ASIA LTD EMTN (REG S) VAR 10/10/2023	10/10/2018	1.7
MAPLETREE TREASURY SVCS EMTN (REG S) VAR PERP	19/01/2022	1.7
STANDARD CHARTERED PLC (REG S) (BR) VAR 23/01/2026	23/01/2021	1.7
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		1.6

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

This publication is for information only. It is not a recommendation, offer or solicitation for the purchase or sale of any securities or investments and does not have regard to your specific investment objectives, financial situation, tax position or needs. Applications for units in our funds must be made on forms accompanying the prospectus. You should read the prospectus and Product Highlights Sheet which is available and may be obtained from Lion Global Investors Limited ("LGI") or any of its distributors, 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. 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, as well as any predictions, projections, or forecasts are not necessarily indicative of the future or likely performance of a fund. 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 information (which includes opinions and estimates) 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 contained herein and 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. Lion Global Investors® Limited (UEN/ Registration No. 198601745D) is a Singapore incorporated company, and is not related to any asset or fund management entity that is domiciled in Europe or the United States.