LionGlobal Singapore Fixed Income Investment

The LionGlobal Singapore Fixed Income Investment aims to achieve steady returns over time by investing primarily in bonds and other debt securities denominated in Singapore Dollars. In addition, the Fund may also invest in bonds and other debt securities in currencies other than the Singapore Dollar. It is the current intention of the Managers to invest this as a direct investment portfolio.

Fund Manager's Commentary

Following Federal Open Market Committee (FOMC)'s first 25 basis points (bps) Fed Funds Rate ("FFR") liftoff in March 2022, FOMC minutes released in early April 2022 revealed further insights, with members highlighting the potential for a 50bps FFR hike in March 2022, if not for the Ukraine war. FOMC minutes also laid out a plan for Quantitative Tightening ("QT"), with monthly caps set at USD60billion(bn) and USD35bn for US Treasury (USTs) and agency mortgage-backed securities respectively, bringing the annual reduction of balance sheet close to USD1bn on an annual basis. While the QT monthly caps announced are slightly higher than previous QT cycle and market consensus expectations, Federal Reserve (Fed) is expected to rely on the redemption of Treasury bills to reach the monthly cap if the redemption of notes and bonds are below USD60bn, instead of an outright sale. Furthermore, hawkish Fedspeak through April 2022 have also affirmed Fed's inflation focused agenda and hawkish central bank rhetoric, with the continued sell-off in USTs in April 2022 signaled market's expectations for Fed to be more aggressive in curbing inflation. The Consumer Price Index (CPI) data print was the highlight of the month, with the March 2022 print revealing that inflationary pressures accelerated at the headline level, led by food and energy prices, while core price pressures softened, undermined by declines in used car prices. Risks to higher price pressures remained skewed to the upside, as higher food and energy prices continue to feed through, alongside the persisting supply bottlenecks as a result of the Ukraine war, supporting the inexorable expectations for UST yields to climb higher. The UST curve bear steepened in April 2022, with yields on 2year (y) and 10y USTs added another 38bps and 60bps Month on Month (M-o-M) to 2.71% and 2.93% respectively, with heightened corporate USD mega bond supply from the likes of Amazon and US banks also acting as a key catalyst driving UST yields higher in April 2022.

Over in Singapore, Monetary Authority of Singapore (MAS) tightened its monetary policy framework further in April 2022, building on the tightening moves in October 2021 and January 2022, via an upward re-centering of the midpoint of the policy band at the prevailing level, and an increase in the steepness of the slope. Separately, Singapore's 1Q advanced Gross Domestic Product (GDP) printed at 3.4% Year-on-Year, below consensus estimates of 3.8% expansion, and below the 6.1% expansion registered in 4Q2021, in spite of the recovering services sector. The relatively aggressive tightening had been in line with market's expectations, with GDP growth projections for 2022 kept unchanged at 3.0-5.0%, in spite of the Ukraine war and potential setbacks from the pandemic. MAS's 2022 CPI projects were however revised higher from 2.0-3.0% to 2.5-3.5%, owing to external price pressures from higher global commodity prices and renewed supply chain disruptions, as well as domestic price pressures from tight labour market and strong pent-up demand for discretionary spending. MAS's monetary policy tightening move in April 2022, coupled with expectations for further tightening penned in the October 2021 Monetary Policy Statement (MPS) meeting drove a comparatively moderate climb in Singapore Government Securities (SGS) yields in April 2022, with yields on 2y and 10y SGS climbing by 16bps and 19bps M-o-M to 2.01% and 2.53%, registering a slower upward yield climb vis-à-vis the USTs.

On the very short end of the curve, the 3month (m) London Inter-Bank Offered Rate tracked the general market higher by 37bps to 1.33% in April 2022, foreshadowing the FFR hikes penned over the short term horizon. The 3m Swap Offer Rate (SOR) and 3m Singapore Interbank Offered Rates registered a similar uptick of +31bps and +30bps M-o-M to 1.27% and 1.09%, amid tightening domestic liquidity as MAS continues drain SGD liquidity via bill issuances. Separately, the SGD corporate bond issuance pipeline was kept busy through April 2022, with a total of USD2.8bn worth of SGD issuances from an array of issuers within the Singapore real estate sector, as well as Sembcorp, Fraser & Neave, and PSA. While the SOR curve continued to climb higher in April 2022, SGD issuers took the opportunity to issuance bonds and lock in the borrowing rates, albeit staying on the shorter tenor bonds amid the steepening SOR curve seen in April 2022, where 2y and 5y SOR rose by 15bps and 19bps to 2.26% and 2.60% respectively.

In spite of the rising UST yields seen through April 2022 on the back of aggressive expectations for Fed to managing the persisting inflationary pressures, investors have been slow re-engage the UST market at current levels, even as current UST yields have pierced through many market participants and strategists' initial targets. The hesitancy appears to stem from lingering expectations that Fed continues to be behind the curve, which could drive more FFR hikes to the current crowded schedule, and more importantly, the steady US economic prints that assures investors that the Fed can afford to focus on taming inflation as the economy coasts along. Over the coming quarters, while the FFR have appeared to be locked into a hiking schedule towards Fed's prescribed neutral rate expeditiously, the aggressive one-sided view of the markets would continue to fuel the volatility in the rates market, especially if the actual tightening schedule and forward guidance differs, against the backdrop of tightening financial conditions.

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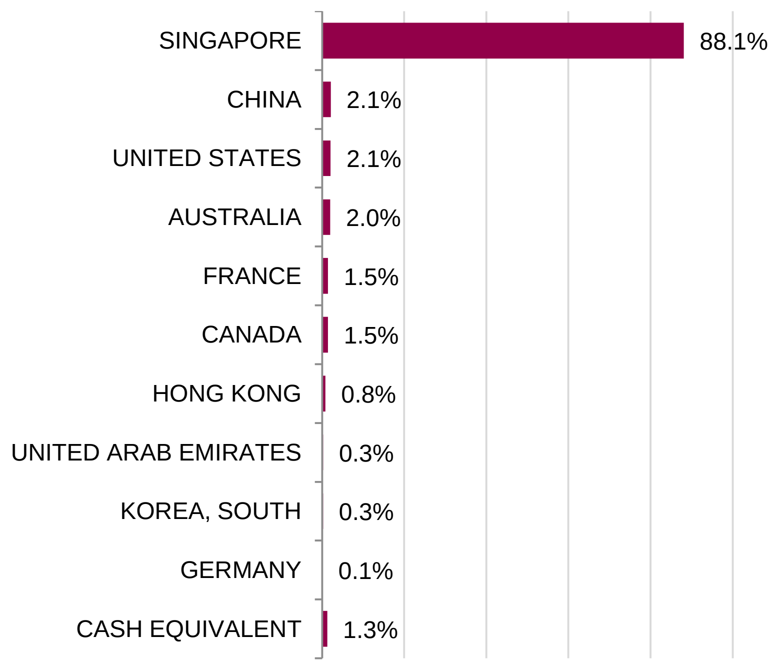
Performance (%)

		1-year	3-years p.a.	5-years p.a.	10-years p.a.	Since Inception p.a.
SGD Class A[1]	NAV	-4.3	0.8	1.2	1.9	2.7
	NAV^	-7.1	-0.2	0.6	1.5	2.5
	Benchmark#	-5.0	0.8	1.1	1.5	2.8
SGD Class I[1]##	NAV	-4.0	1.1	1.5	NA	1.7
	NAV^	-4.0	1.1	1.5	NA	1.7
	Benchmark#	-5.0	0.8	1.1	NA	1.2

Past performance is not necessarily indicative of future performance
Source: Lion Global Investors Ltd / Morningstar

Country Allocation (% of NAV)



Fund Facts

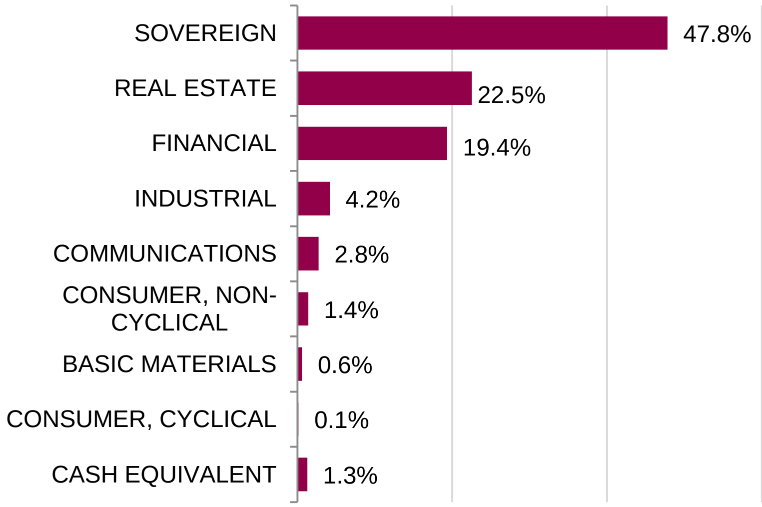
Fund Inception Date: SGD Class A SGD Class I	 31 August 2001 06 April 2016
Subscription Mode:	Cash, CPFIS-OA[5], CPFIS-SA[5], SRS[5]
Minimum Investment: SGD Class A / SGD Class I	 S$1,000 / S$1million
Initial Charge:	Class A: Currently 3% Maximum 5% Class I: Currently Nil Maximum 5%
Management Fee: SGD Class A/ SGD Class I	Class A: Currently 0.5%p.a. Maximum 2.0%p.a. Class I: Currently 0.25%p.a. Maximum 2.0%p.a.
Switching Fee SGD Class A / SGD Class I:	1.0% / Nil
Valuation Frequency:	Every dealing day
NAV Price (Class A / SGD Class I):	S$1.730/S$1.755
Fund Size:	S$187.6 million
Weighted Yield to Maturity[2]:	2.75%
Weighted Duration[3]:	6.06 years
Weighted Credit Rating[4]:	A+

Codes

SGD Class A	SG9999003263 OCBSFIA
SGD Class I	SG9999003271 OCBSFII

LionGlobal Singapore Fixed Income Investment

Sector Allocation (% of NAV)



[#] Benchmark: JP Morgan SGB Index.
[##] Class I SGD reinstated on 6th April 2016
^ 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] In local currency yield terms and on unhedged Foreign Exchange (FX) basis. Inclusive of cash & equivalents at a yield of 0.10%.
[3] Inclusive of cash & equivalents which are assumed to be zero duration.
[4] Includes cash & equivalents @ AA, takes the worst of S&P, Moody's or Internal ratings and based on a straight-line model.
[5] CPFIS Ordinary Account ("CPFIS-OA"), CPFIS Special Account ("CPFIS-SA ") and Supplementary Retirement Scheme ("SRS") monies may be used to purchase the Class A (SGD) Units only.
Distribution of income and capital will be at the Managers' sole discretion. Any distributions made out of capital will reduce the net asset value of the Fund.

The above is based on information available as of 30 April 2022, 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.

Currency Exposure of Bonds (% of NAV)

SGD	100.0
	100.0

Credits Rating[4] (% of NAV)

Investment Grade	99.9
High Yield	0.1

Top 10 Holdings (% of NAV)

SINGAPORE GOVERNMENT 2.25% 01/08/2036	6.9
SINGAPORE (GOVT OF) 2.875% 01/09/2030	6.3
SINGAPORE (REPUBLIC OF) 2.875% 01/07/2029	5.3
SINGAPORE (GOVT OF) 3.5% 01/03/2027	3.4
SINGAPORE (GOVT OF) 2.75% 01/04/2042	3.2
SINGAPORE GOVERNMENT 2.625% 01/05/2028	3.1
SINGAPORE GOVERNMENT 2.125% 01/06/2026	3.0
SINGAPORE GOVERNMENT 2.75% 01/03/2046	3.0
SINGAPORE GOVERNMENT 1.25% 01/11/2026	2.6
SINGAPORE (GOVT OF) 3.375% 01/09/2033	2.5

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

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