

# LionGlobal SGD Enhanced Liquidity Fund

The Fund aims to preserve capital, enhance income and provide a high level of liquidity by investing in a broadly diversified portfolio of high quality debt instruments. The Fund's approach to enhancing income while providing liquidity is to invest in a high quality portfolio of debt instruments diversified across varying issuers and tenures while maintaining a weighted average portfolio credit rating of A- and a weighted average duration of around 12 months.

## Fund Manager's Commentary

- Risk markets cheered during beginning of June 2020 as investors were optimistic about the economic recovery as countries and states continued to reopen, but the subsequent resurgence of covid-19 cases raised further concerns of a second outbreak and lockdown. Federal Reserve pledged to keep interest rates unchanged at near zero through 2022 while keeping up with its current pace of bond buying. Even though jobs data looked promising, Fed expected a long road to recovery.
- US Treasury yields range-traded and closed at low levels, with 2-year yield near zero at 0.15% and 10-year at 0.66%. Singapore Government Securities (SGS) underperformed due to the 30-year auction which saw market cautious ahead of auction. Short-dated USD and SGD remained low. Credit spreads, on the other hand, tightened, as the Fed's corporate bond buying programme as well as flushed liquidity globally kept bonds well-bid.
- While we are seeing improvement in economic data, the pace of recovery will be slow as authorities remain cautious to guard against a second wave of infections. While lower earnings will pressure corporate credit metrics, government support programmes will bolster the flow of credit to corporates. In a low interest rate environment, we expect short-dated investment grade corporate bonds to remain well-bid and scarce. The Fund maintains its strategy of receiving higher portfolio yield accrual by holding a diversified portfolio of investment-grade credits; as well as short-dated MAS bills and SGS for liquidity management.

## Fund Facts

Fund Inception Date:	30 November 2018
Subscription Mode:	Cash, SRS <sup>2</sup>
Minimum Investment:	
SGD Class A	S\$100
SGD Class I	S\$ 1,000,000
Initial Charge:	
SGD Class A/I	Currently 0% to 2% Maximum 2%
Management Fee:	
SGD Class A:	Currently up to 0.35% p.a.
SGD Class I:	Currently up to 0.25% p.a.
Valuation Dealing:	Every dealing day
NAV Price:	
SGD Class A	S\$1.0256
SGD Class I	S\$1.0272
Fund Size:	S\$ 150.4 million
Weighted Yield to Maturity <sup>3</sup> :	2.32%
Weighted Duration <sup>4</sup> :	0.75years
Weighted Credit Rating <sup>5</sup> :	A

## Performance (%)

		1 Year P.a	3 Years P.a	5 Years P.a	10 Years P.a	Since Inception P.a
SGD	NAV	1.8	NA	NA	NA	1.6
Class	NAV <sup>A</sup>	1.8	NA	NA	NA	1.6
A <sup>1</sup>	Benchmark#	1.5	NA	NA	NA	1.7
SGD	NAV	1.9	NA	NA	NA	1.7
Class	NAV <sup>A</sup>	1.9	NA	NA	NA	1.7
I <sup>1</sup>	Benchmark#	1.5	NA	NA	NA	1.7

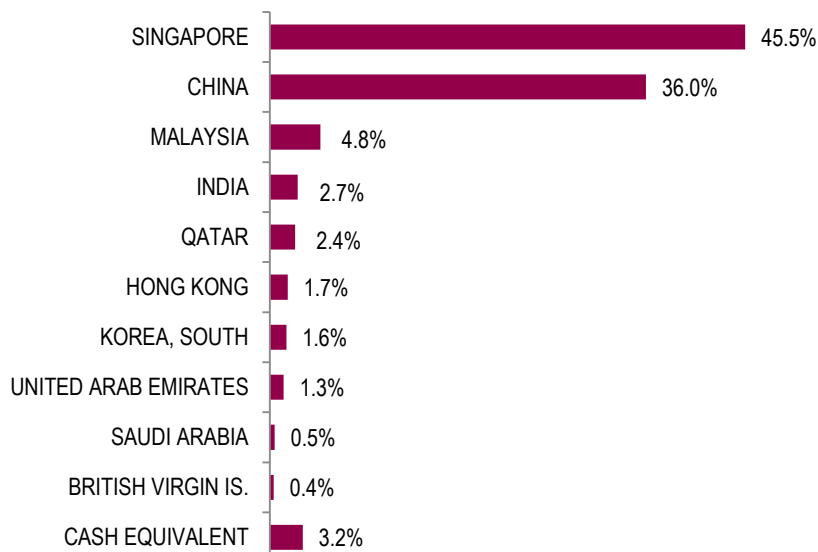
Past performance is not necessarily indicative of future performance

Source: Lion Global Investors Ltd / Morningstar

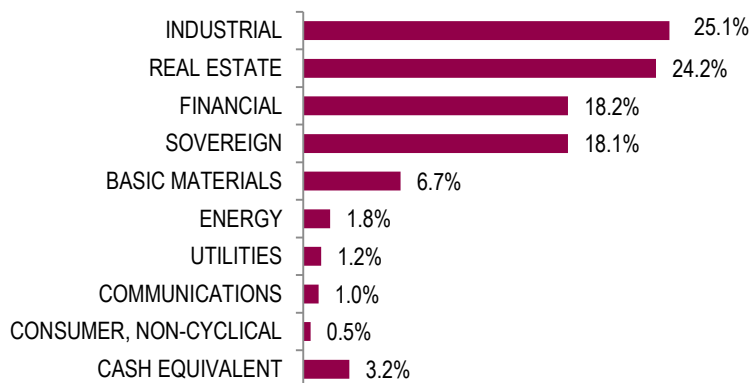
## Codes

SGD Class A	SG9999019293 LNWELAA SP
SGD Class I	SG9999019301 LNWELIA SP

## Country Allocation (% of NAV)



## Sector Allocation (% of NAV)



## Top 10 Holdings (% of NAV)

SHANGHAI PORT GROUP BVI (REG S) (REG) CONV 0% 09/08/2021	3.4
BOC AVIATION LTD (REG) (REG S) SER GMTN 3% 23/05/2022	3.3
CHINA RAILWAY CONSTRUCT (REG S) (REG) CONV 0% 29/01/2021	3.2
CRRG CORP LTD (REG S) (REG) CONV 0% 05/02/2021	3.2
LEND LEASE RETAIL INVEST SER MTN (REG S) (BR) 3.28% 03/09/2021	2.9
MAPLETREE TREASURY SVCS (REG) (REG S) SER EMTN 2.888% 21/06/2021	2.8
DANGA CAPITAL BHD (REG S) 3.725% 11/08/2020	2.2
SINGAPORE TREASURY BILL (SER 182) ZCP 06/10/2020	2.1
MAS BILL (SER 87) ZCP 03/08/2020	1.9
IOI INVESTMENT SER EMTN (REG) 4.375% 27/06/2022	1.9

<sup>^</sup> Figures include the applicable initial charges for the respective classes.

# Benchmark: 3-month MAS Bill

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

<sup>2</sup> Supplementary Retirement Scheme ("SRS")

<sup>3</sup> Amortised cost basis, hedged back to Singapore Dollar.

<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, Fitch or Internal ratings and based on a straight-line model

The above is based on information available as of 30 June 2020, unless otherwise stated. Securities referenced are not intended as recommendations to buy or sell securities.

Opinions and estimates constitute our judgment and along with other portfolio data, are subject to change without notice.

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For further information or to  
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