

Phillip Treasury Fund

SEMI-ANNUAL REPORT

For the period ended 30 September 2024 (unaudited)

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Phillip Treasury Fund

MANAGER

Phillip Capital Management (S) Ltd
250 North Bridge Road #06-00,
Raffles City Tower,
Singapore 179101
(Company Registration No. 199905233W)

DIRECTORS OF THE MANAGER

Lim Hua Min
Jeffrey Lee Chay Khiong
Linus Lim Wen Sheong
Lim Wah Sai
Louis Wong Wai Kit

TRUSTEE & REGISTRAR

BNP Paribas Trust Services Singapore Limited
20 Collyer Quay,
#01-01,
Singapore 049319
(Company Registration No. 200800851W)

CUSTODIAN AND FUND ADMINISTRATOR

BNP Paribas, acting through its Singapore Branch
20 Collyer Quay, #01-01,
Singapore 049319
(Company Registration No. S71FC2142G)

AUDITORS

KPMG LLP
12 Marina View, #15-01,
Asia Square Tower 2,
Singapore 018961

SOLICITORS TO THE MANAGER

Chan & Goh LLP
8 Eu Tong Sen St
#24-93 The Central
Singapore 059818

SOLICITORS TO THE TRUSTEE

Dentons Rodyk & Davidson LLP
80 Raffles Place,
#33-00 UOB Plaza 1,
Singapore 048624

MANAGER'S INVESTMENT REPORT

The US Dollar Money Market Fund returned 2.52% (bid-to-bid basis), after fees and expenses, over the 6 months ended 30 September 2024, 13 basis points (“bps”) higher than the corresponding period last year. In comparison, the Federal Funds Target Rate – Lower Bound benchmark returned 2.71% over the same period.

As at 30 September 2024, the overall portfolio’s Weighted Average Maturity (“WAM”) stood at 44 days, while the non-deposit investment segment’s WAM stood at 135 days. The portfolio remains well diversified across countries, sectors and issuers, with debt issues in financial services constituting the largest non-deposit investment allocation.

During the most recent Federal Open Market Committee meeting in November 2024, the Federal Reserve elected to lower the policy rate by another 25bps citing a better balanced labour market alongside inflation making progress towards their target level. Meanwhile, the Federal Reserve’s balance sheet has also fallen by almost US\$2.0 trillion to the current US\$7.0 trillion from its mid-2022 peak, shrinking at a monthly pace of US\$60 billion. Rising geopolitical tensions, elevated fiscal deficits and presidential election outcome posed risks could potentially lead to upside risks for the inflation outlook, although Jerome Powell maintained that existing policy still remains within restrictive territory.

The Federal Reserve recognized that while economic activities have remained robust, an acceleration in economic activities under the Trump administration could reduce the central bank’s capacity to lower the policy rate due to inflationary buildup. However, the Federal Reserve also reiterate that while the monetary policy remains well-positioned, they would continue monitoring incoming economic data for risks to labour market conditions or pricing stability and act accordingly. As of June 2024, the US Federal Reserve slowed down the pace of the balance sheet runoff in reducing the monthly redemption cap on Treasury securities from US\$60 billion down to US\$25 billion.

Based on the United States Department of Commerce’s report in October 2024, the US GDP expanded by an annualized rate of 2.8% for the third quarter of 2024 decelerating from the 3.0% recorded for the previous quarter. Economic growth resilience was spurred by robust consumer expenditure, exports and federal government spending, although elevated household inflation, falling private inventory investment and declining residential fixed investment are areas of concern. Going forward, economic growth will likely see some moderation given drags brought about by labour market disruptions and natural disasters.

Our strategy remains to buy and hold high-quality securities to maturity, and to manage interest rate risk by buying papers and placing deposits across a range of maturities (subject to the two-year maturity limit). We expect to target the overall portfolio WAM at between one to two months, with the non-deposit investment segment’s WAM at between 130-170 days. Our liquidity strategy is to have overnight and weekly liquidity of at least 10% and 20% respectively, for the portfolio. We will continue with prudent management of concentration and liquidity risks with a wide diversification of issuers and banks for the portfolio.

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

The following contains additional information relating to the Phillip USD Money Market Fund (the "Sub-Fund"):

1. Distribution of investments

Please refer to the Statement of Portfolio on pages 14 - 16.

2. Schedule of investments by asset class

Phillip USD Money Market Fund

Asset Class	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Fixed income securities	71,775,977	12.31
Term deposits	420,269,591	72.07
Cash and cash equivalents	91,414,368	15.67
Other net assets	(306,190)	(0.05)
	<u>583,153,746</u>	<u>100.00</u>

Types of money market instruments and debt securities

Asset class	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Floating rate notes	17,602,640	3.02
Fixed rate notes	53,601,259	9.19
Accrued interest on debt securities	572,078	0.10
	<u>71,775,977</u>	<u>12.31</u>

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

3. Credit rating

i) Debt securities

Phillip USD Money Market Fund

	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Aa2	41,058,047	7.04
A1	23,551,280	4.04
A3	3,185,414	0.55
A+*	3,409,158	0.58
Accrued interest on debt securities	572,078	0.10
Total	71,775,977	12.31

Source of credit rating is from Moody's except for the following:

* Credit rating is from Standard & Poor's

ii) Fixed deposits

Phillip USD Money Market Fund

	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
P-1	323,258,043	55.43
P-2	94,297,600	16.17
Accrued interest on fixed deposits	2,713,948	0.47
Total	420,269,591	72.07

Source of credit rating is from Moody's

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

4. Top 10 holdings

10 largest holdings at 30 September 2024	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Bank Of China Limited/Macau 6.15529% due 28/04/2025	17,602,640	3.02
Korea Development Bank/The 2.125% due 01/10/2024	10,000,000	1.72
DBS Group Holdings Limited 1.169% due 22/11/2024	9,940,600	1.70
Korea Development Bank/The 0.75% due 25/01/2025	9,864,200	1.69
Korea National Oil Corporation 0.875% due 05/10/2025	7,713,388	1.32
Sinopec Group Overseas Development 2015 Limited 3.25% due 28/04/2025	5,948,640	1.02
Australia & New Zealand Banking Group Limited/New York NY 5.088% due 08/12/2025	3,539,859	0.61
Kookmin Bank/Singapore 5.46% due 10/03/2025	3,409,158	0.58
Baidu Incorporation 4.125% due 30/06/2025	3,185,414	0.55

10 largest holdings at 30 September 2023	Fair value at 30 September 2023 US\$	Percentage of total net assets attributable to unitholders at 30 September 2023 %
MUFG Bank Limited 3.75% due 10/03/2024	12,110,379	3.28
ADCB Finance Cayman Limited 6.7965% due 20/06/2024	12,040,920	3.26
China Development Bank 6.40208% due 12/12/2023	11,610,434	3.14
Woori Bank 6.40895% due 21/05/2024	10,379,704	2.81
Korea Development Bank/The 3.75% due 22/01/2024	10,208,506	2.77
Hana Bank 6.41686% due 13/06/2024	10,015,000	2.71
Export-Import Bank Of Korea 3.625% due 27/11/2023	9,967,000	2.70
Agricultural Bank Of China Limited/Hong Kong 1% due 22/10/2023	5,984,700	1.62
Hong Kong Mortgage Corporation Limited/The 5% due 22/02/2024	4,977,318	1.35
Agricultural Bank Of China Limited/New York 0.85% due 19/01/2024	4,925,500	1.33

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

5. Maturity profile of investments

Maturity profile of underlying investments	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Up to 30 days	96,744,905	16.59
31 - 90 days	111,927,170	19.19
91 - 180 days	197,150,104	33.81
181 - 365 days	71,684,116	12.29
366 - 732 days	11,253,247	1.93
Non-interest bearing	3,286,026	0.57
	<u>492,045,568</u>	<u>84.38</u>

6. (i) Exposure to derivatives as at 30 September 2024

Nil.

(ii) Gain/loss on derivative contracts realised for the year ended 30 September 2024

Nil.

(ii) Net gain/loss on outstanding derivative contracts marked to market as at 30 September 2024

Nil.

7. Global exposure to financial derivatives

The global exposure to financial derivatives is computed using the commitment approach which is calculated as the sum of:

- a. the absolute value of the exposure of each individual financial derivative not involved in netting or hedging arrangement;
- b. the absolute value of the net exposure of each individual financial derivative after netting or hedging arrangements; and
- c. the sum of the values of cash collateral received pursuant to:
 - i. the reduction of exposure to counterparties of OTC financial derivatives; and
 - ii. EPM techniques relating to securities lending and repurchase transactions, and that are reinvested.

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

8. Collateral

Nil

9. Securities lending or repurchase transactions

Nil.

10. Amount and percentage of total fund size invested in other unit trusts, mutual funds and collective investment schemes

Nil.

11. Amount and percentage of borrowings of total fund size as at 30 September 2024

Nil.

12. Amount of units created and cancelled for the financial year ended 30 September 2024

Phillip USD Money Market Fund

	US\$
Total amount of redemptions	(319,664,831)
Total amount of subscriptions	422,924,078

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

13. Turnover ratio

		30 September 2024	30 September 2023
Lower of total value of purchases or sales	US\$	-	83,759,604
Average daily net asset value	US\$	510,166,607	382,666,884
Total turnover ratio ^{Note 1}	%	-	21.89

Note 1 The portfolio turnover ratio is calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio is based on the total value of purchases or sales of the underlying investments divided by the weighted average daily net asset value preceding 6 months at the close of the semi-annual financial statements. The total value of bonds matured during the year is not included in the computation of portfolio turnover ratio.

14. Expense ratio

		30 September 2024	30 September 2023
Class A Units			
Total operating expenses	US\$	2,149,057	1,811,121
Average daily net asset value	US\$	451,757,329	360,719,407
Total expense ratio ^{Note 2}	%	0.48	0.50

		30 September 2024	30 September 2023
Class I Units			
Total operating expenses	US\$	51,738	26,745
Average daily net asset value	US\$	16,367,878	7,838,598
Total expense ratio ^{Note 2}	%	0.32	0.34

Note 2 The expense ratio has been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the expense ratio is based on total operating expenses divided by the average net asset value for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, performance fee, interest expense, distribution paid out to unitholders, foreign exchange gains/losses, front or back end loads arising from the purchase or sale of other funds and tax deducted at source or arising out of income received. The Sub-Fund does not pay any performance fee. The average net asset value is based on the daily balances.

Phillip Treasury Fund

Report to Unitholders For the period ended 30 September 2024 (unaudited)

15. Performance of the Fund

As at 30 September 2024			
	Class A	Class I	Benchmark performance
Cumulative (%)*			
3 months	1.27	1.31	1.15
6 months	2.52	2.58	2.32
1 year	5.05	5.16	4.75
3 years	9.83	10.36	10.17
5 years	11.00	-	10.83
10 years	17.17	-	15.79
Since inception **	21.76	10.76	15.79
Annualised (%)			
1 year	5.05	5.16	4.75
3 years	3.18	3.34	3.28
5 years	2.11	-	2.08
10 years	1.60	-	1.48
Since inception **	1.29	2.47	0.96

Note *Cumulative returns are in US dollars calculated on a bid to bid basis, with net dividends reinvested. Benchmark: 1-week US\$ Libor (Source: Bloomberg)

** Class A and Class I inception date was 6 May 2009 and 27 July 2020 respectively.

16. Related party transactions

In the normal course of the business of the Sub-Fund, management fees and trustee fees have been paid or are payable to the Manager and the Trustee respectively as noted in the Statement of Total Return.

In addition, the bank holding company and related parties of the Trustee have also provided custodian, banking, foreign exchange, fund administration and brokerage services to the Sub-Fund in the normal course of business at terms agreed between the parties and within the provisions of the Trust Deed.

Other than as disclosed elsewhere in the financial statements, the following significant transactions took place between the Sub-Fund and its related parties during the year:

	Phillip USD Money Market Fund	
	30 September 2024	31 March 2024
	US\$	US\$
Cash and bank balances held with a related party of the Trustee	40,280,361	16,110,066

**Report to Unitholders
For the period ended 30 September 2024 (unaudited)**

17. Any other material information that will adversely impact the valuation of the Sub-Fund.

Nil.

18. Soft dollar commissions

The Manager may receive or enter into soft-dollar commissions or arrangements. The Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Manager may receive include research and advisory services, economic and political analyses, portfolio analyses including valuation and performance measurements, market analyses, data and quotation services, computer hardware and software or any other information facilities to the extent that they are used to support the investment decision making process, the giving of advice, or the conduct of research or analysis and custodial services in relation to the investments managed for clients. The soft dollar credits utilised are not allocated on a specific client basis. The brokers also execute trades for other funds managed by the Manager.

The Manager will not accept or enter into soft dollar commissions/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Manager, assist the Manager in its management of clients' funds, provided that the Manager shall ensure at all times that transactions are executed on the best available terms taking into account the relevant market at the time for transactions of the kind and size concerned, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

The Manager does not, and is not entitled to retain cash rebates for its own account in respect of rebates earned when transacting in securities for account of the Sub-Fund.

The Manager did not receive any soft dollar services in respect of the fund during the year.

Statement of Total Return
Period ended 30 September 2024 (unaudited)

	Phillip USD Money Market Fund	
	30 September 2024	30 September 2023
	US\$	US\$
Income		
Interest on cash and bank balances	11,593,645	7,760,498
	11,593,645	7,760,498
Less: Expenses		
Management fee	1,011,257	759,312
Transfer agent fee	5,101	3,831
Trustee fee	63,761	47,887
Custody fee	12,752	9,577
Audit fee	5,424	4,759
Valuation fee	84,164	63,211
Other expenses	49,559	65,477
	1,232,018	954,054
Net income	10,361,627	6,806,444
Net gains or losses on value of investments and foreign exchange		
Net gains on investments	2,180,615	2,328,930
Net gains/(losses) on foreign exchange	31,410	(12,982)
	2,212,025	2,315,948
Total return for the financial period before income tax	12,573,652	9,122,392
Less: Income tax	-	-
Total return for the financial period after income tax	12,573,652	9,122,392

Statement of Financial Position
As at 30 September 2024 (unaudited)

	Phillip USD Money Market Fund	
	30 September 2024	31 March 2024
	US\$	US\$
ASSETS		
Portfolio of investments	492,045,568	441,104,422
Receivables	172,387	102,959
Cash and cash equivalents	91,414,368	26,678,781
Total assets	583,632,323	467,886,162
Liabilities		
Payables	478,577	565,315
Total liabilities	478,577	565,315
Equity		
Net assets attributable to unitholders	583,153,746	467,320,847

Statement of Movements of Unitholders' Funds
For the period ended 30 September 2024 (unaudited)

	Phillip USD Money Market Fund	
	30 September 2024	31 March 2024
	US\$	US\$
Net assets attributable to unitholders at the beginning of the financial period/year	467,320,847	355,433,760
Operations		
Change in net assets attributable to unitholders resulting from operations	12,573,652	19,925,167
Unitholders' contributions/(withdrawals)		
Creation of units	422,924,078	591,876,222
Cancellation of units	(319,664,831)	(499,914,302)
Change in net assets attributable to unitholders resulting from net creation and cancellation of units	103,259,247	91,961,920
Total increases in net assets attributable to unitholders	115,832,899	111,887,087
Net assets attributable to unitholders at the end of the financial period/year	583,153,746	467,320,847

Statement of Portfolio
As at 30 September 2024 (unaudited)

By Geography (Primary)	Phillip USD Money Market Fund		
	Holdings at 30 September 2024	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %
Quoted Debt Securities			
AUSTRALIA			
Australia & New Zealand Banking Group Limited/New York NY 5.088% due 08/12/2025	3,500,000	3,539,859	0.61
Total Australia		3,539,859	0.61
BRITISH VIRGIN ISLANDS			
Sinopec Group Overseas Development 2015 Limited 3.25% due 28/04/2025	6,000,000	5,948,640	1.02
Total British Virgin Islands		5,948,640	1.02
CAYMAN ISLANDS			
Baidu Incorporation 4.125% due 30/06/2025	3,200,000	3,185,414	0.55
Total Cayman Islands		3,185,414	0.55
CHINA			
Bank of China Limited/Macau 6.15529% due 28/04/2025	17,600,000	17,602,640	3.02
Total China		17,602,640	3.02
SINGAPORE			
DBS Group Holdings Limited 1.169% due 22/11/2024	10,000,000	9,940,600	1.70
Total Singapore		9,940,600	1.70
SOUTH KOREA			
Kookmin Bank/Singapore 5.46% due 10/03/2025	3,400,000	3,409,158	0.58
Korea Development Bank/The 0.75% due 25/01/2025	10,000,000	9,864,200	1.69
Korea Development Bank/The 2.125% due 01/10/2024	10,000,000	10,000,000	1.72
Korea National Oil Corporation 0.875% due 05/10/2025	8,000,000	7,713,388	1.32
Total South Korea		30,986,746	5.31
Accrued interest on debt securities		572,078	0.10
Total Quoted Debt Securities		71,775,977	12.31

Statement of Portfolio
As at 30 September 2024 (unaudited)

By Geography (Primary) (continued)	Phillip USD Money Market Fund		Percentage of total net assets attributable to unitholders at 30 September 2024 %
	Holdings at 30 September 2024	Fair value at 30 September 2024 US\$	
Fixed Deposits			
Singapore			
Commerce Intl Merchant Bankers Bhd		48,992,138	8.39
ICBC		30,000,000	5.14
Bank Julius Baer & Co Ltd		40,035,667	6.87
Maybank Singapore		45,305,462	7.77
National Bank of Kuwait		48,382,779	8.30
Qatar National Bank		44,617,057	7.65
Saudi National Bank		50,318,108	8.63
Scotiabank Hong Kong		46,709,238	8.01
Sumitomo Mitsui Banking Corporation		35,965,082	6.17
Sumitomo Mitsui Trust Bank Ltd		27,230,112	4.67
		417,555,643	71.60
Accrued interest on fixed deposits		2,713,948	0.47
		420,269,591	72.07
Total Fixed Deposits			
Portfolio of investments		492,045,568	84.38
Other net assets		91,108,178	15.62
Net assets attributable to unit holders		583,153,746	100.00

Statement of Portfolio
As at 30 September 2024 (unaudited)

Phillip USD Money Market Fund By Geography (Summary)	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %	Percentage of total net assets attributable to unitholders at 31 March 2024 %
Australia	3,539,859	0.61	-
British Virgin Islands	5,948,640	1.02	-
Canada	-	-	0.28
Cayman Islands	3,185,414	0.55	3.67
China	17,602,640	3.02	2.19
Japan	-	-	1.48
Singapore	427,496,243	73.30	78.85
South Korea	30,986,746	5.31	7.42
	<u>488,759,542</u>	<u>83.81</u>	<u>93.89</u>
Accrued interest on debt securities	572,078	0.10	0.11
Accrued interest on fixed deposit	<u>2,713,948</u>	<u>0.47</u>	<u>0.39</u>
Portfolio of investments	492,045,568	84.38	94.39
Other net assets	91,108,178	15.62	5.61
Net assets attributable to unit holders	<u><u>583,153,746</u></u>	<u><u>100.00</u></u>	<u><u>100.00</u></u>

Phillip USD Money Market Fund By Industry (Secondary)	Fair value at 30 September 2024 US\$	Percentage of total net assets attributable to unitholders at 30 September 2024 %	Percentage of total net assets attributable to unitholders at 31 March 2024 %
Communications	3,185,414	0.55	1.10
Energy	13,662,028	2.34	1.88
Financial	471,912,100	80.92	90.91
	<u>488,759,542</u>	<u>83.81</u>	<u>93.89</u>
Accrued interest on debt securities	572,078	0.10	0.11
Accrued interest on fixed deposit	<u>2,713,948</u>	<u>0.47</u>	<u>0.39</u>
Portfolio of investments	492,045,568	84.38	94.39
Other net assets	91,108,178	15.62	5.61
Net assets attributable to unitholders	<u><u>583,153,746</u></u>	<u><u>100.00</u></u>	<u><u>100.00</u></u>

Important Information

Phillip USD Money Market Fund (the "Sub-Fund") is sub-fund of Phillip Treasury Fund (the "Fund"), an open-ended umbrella unit trust authorised under the Securities and Futures Act, 2001, by the Monetary Authority of Singapore.

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Given the economic and market risks, there can be no assurance that the Sub-Fund will achieve their investment objectives. Investments in the Sub-Fund is not deposits or other obligations of, or guaranteed, or insured by the Manager or the distributors or their affiliates and are subject to investment risks, including the possible loss of the full principal amount invested. Returns may be affected by, among other things, the investment strategies or objectives of the Sub-Fund and material market and economic conditions. The value of the units and the income from them can fall as well as rise. Past performance is not necessarily indicative of the future performance of the Sub-Fund.

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