

# Semi-Annual Report

Legg Mason Martin Currie Southeast Asia Trust

## Legg Mason Funds

- Legg Mason Western Asset Singapore Dollar Fund

Legg Mason Western Asset Global Bond Trust

Legg Mason Western Asset Asian Bond Trust

Legg Mason Western Asset Singapore Bond Fund

For the financial period ended 30 September 2018



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### Important Information

The minimum CPF interest rate for the Ordinary Account (OA) is 2.5% per annum. As announced in September 2018, the Government will maintain a 4% per annum minimum rate for interest earned on all Special Account and Medisave Account (SMA) and Retirement Account (RA) monies until 31 December 2019. Thereafter, interest rates on all CPF account monies will be subject to a minimum rate of 2.5% per annum unless otherwise announced by the Government. The first S\$60,000 of your combined CPF accounts earns an extra 1% interest. To enable members to earn extra interest, only monies in excess of S\$20,000 in your OA and S\$40,000 in your Special Account can be invested. Please visit the CPF Board website for information on how the CPF interest rate is calculated. Subscriptions using CPF monies shall at all times be subject to inter alia the regulations and such directions or requirements imposed by the CPF Board from time to time.

The Legg Mason Western Asset Asian Bond Trust, Legg Mason Western Asset Global Bond Trust and Legg Mason Western Asset Singapore Bond Fund may invest in derivatives for hedging and/or efficient portfolio management purposes. The Legg Mason Martin Currie Southeast Asia Trust may invest in derivatives for hedging and/or efficient portfolio management purposes, and transferable securities embedding a financial derivative may be used for the purposes of hedging, efficient portfolio management and/or optimizing returns. The Legg Mason Martin Currie Southeast Asia Trust may have net asset values with higher volatility characteristics as a result of their portfolio management style. Please refer to the prospectus for more information.

This Report is prepared by Legg Mason Asset Management Singapore Pte. Limited for information purposes only. It does not constitute an offer or solicitation to buy or sell units of these funds. It must be appreciated that the price of units can fall as well as rise and past performance is not necessarily a guide for future performance. Any forecasts made are not necessarily indicative of the likely or future performance of the fund. All applications for units in the fund must be made on the application forms accompanying the prospectus. Investors should read the prospectus available from Legg Mason or its authorized distributors prior to any subscription.

# Investment Manager's Report

As at 30 September 2018

## Global Fixed Income

### Market Review

Developed market (DM) government yields rose over the month as risk sentiment improved. The US Federal Reserve (Fed) raised rates by a further 0.25% to a range of 2.0%–2.25%. The Fed's forecast for the future path of interest rates was largely static but the characterization of monetary policy as being "accommodative" was removed from its statement. Despite the US imposing additional tariffs on imports from China, emerging market (EM) bonds and currencies stabilized as several EM central banks raised rates, including a surprise 6.25% rate hike in Turkey, and the International Monetary Fund's (IMF) announcement of a new financing program for Argentina. Italian bonds outperformed, but spreads over Germany rose sharply at the end of the month as the new government released budget proposals that indicated a higher than expected deficit of 2.4% of GDP. Core eurozone yields also rose as European Central Bank (ECB) President Mario Draghi described underlying inflation as "vigorous". High-yield corporate bonds and bank loans posted positive returns as demand remained strong and investment-grade corporate bonds outperformed government bonds.

### Outlook and Strategy

Notwithstanding the improved near-term growth outlook in the US, we see little evidence that recent tax changes and government spending will materially improve the longer-term trajectory for the economy. US inflation has moved up to the Fed's 2% target, but has not shown any acceleration past it. The limited increase in inflation, even though growth has improved meaningfully, speaks to the magnitude and persistence of the long-term disinflationary pressures on the US economy. Absent any further acceleration in nominal GDP, we view the uptick in inflation as merely a move back to more normal levels as the economy heals; we believe this scenario is fully priced into the forward markets. Accordingly, we retain a long US duration bias which we also believe remains an effective hedge against risk exposures in global portfolios.

In Europe, we remain underweight 10-year German duration on our view that European data will stabilize in the second half of 2018, led predominantly by domestic consumption and investment. Overall, we expect growth of around 2.0% for 2018 and 2019. Core eurozone inflation is expected to move higher by the end of the year as spare capacity diminishes. As the market begins to look forward to a significant pick-up in net supply in 2019 with the end of the Public Sector Purchase Programme, we expect core European bond yields to move higher. While Italian yields are likely to remain volatile, ultimately we expect the Italian risk premium to recede and continue to retain a modest overweight to Italian bonds.

In line with recent forward guidance, we expect the Bank of Japan to maintain its accommodative monetary policy for some time to meet its 2% inflation goal. With 10-year nominal yields capped around 0.0%, we expect the nominal yield curve to steepen over time and real yields to decline and maintain exposure to Japanese inflation-linked bonds.

We remain modestly overweight in investment-grade corporate bonds. The largest sector bias remains in the financial sector, where deleveraging, capital build and regulatory constraint remain credit-positive. We also remain comfortable keeping a modest overweight in the energy and metals and mining sectors where many issuers remain in deleveraging mode. We continue to be cautious about the potential for further M&A and shareholder-friendly activities in certain industrial sectors such as healthcare/pharmaceuticals and telecommunications.

In currency markets, we continue to believe the long-term trend for the US dollar to weaken as Fed policy normalization is fully priced and growth expectations outside of the US are likely to improve over the coming quarters. Recent political developments in Italy have reignited concerns over the sustainability of the single currency. However, we remain constructive on this front and will look for opportunities to reinstate an overweight position in the euro.

EM bond markets remain volatile on global growth fears with a number of isolated stories further contributing to weakness. We remain mindful of the downside risks to growth from an escalation in global trade tensions, but over the longer term we are still constructive on EM debt and currencies given steady EM growth, improved external accounts, prudent fiscal policy and advantageous positive real rates.

We continue to look for opportunities to benefit from market anomalies. Our focus remains on longer-term fundamentals with diversified strategies to manage risk.

# Investment Manager's Report

As at 30 September 2018

## Asian Fixed Income Review

### Market Review

We took a breather from the recent multi-month run of positive returns as headwinds from higher US rates came back with the US Treasury (UST) 10-year ending September at 3.05% compared with 2.86% at the beginning of the month. The JACI FINS COPR Index saw a -0.1% return, which resulted in a 0.2% return for the first three quarters of 2018, while the JACI NONFINS CORP Index had a tougher time with a return of -0.5%, which resulted in a year-to-date (YTD) performance through September 2018 of -2.0%.

The Markit Asia Local Bond Index (ALBI) saw a -0.60% return in September, bringing YTD returns to -3.82%. Most Asian markets saw losses in the month with the exception of Malaysia, India and China onshore and offshore markets. This was alongside weakness in USTs, which saw yields rising after the US Federal Reserve's (Fed) hike. Emerging market (EM) weakness continued to drive weakness in Asian currencies, specifically in the Indian rupee and Indonesian rupiah with the former seeing losses of 2.38%.

### Outlook and Strategy

Fed officials raised interest rates and cemented expectations for another hike this year as they reaffirmed that a strong US economy will probably warrant further gradual increases well into 2019. The quarter-point move boosted the benchmark fed funds rate to a target range of 2.0% to 2.25%. The policy statement was essentially unchanged, with the exception that the Committee removed references to monetary policy remaining "accommodative." The removal of the term "accommodative" does signal that the neutral rate is on the radar and the Federal Open Market Committee (FOMC) will need to justify restrictive monetary policy in the coming year. The Committee also upgraded median growth expectations for 2018 and 2019, acknowledging stronger-than-anticipated real growth. For the first time, the FOMC published projections for 2021, in which the committee endeavored to project a "soft landing."

The White House announced that it has imposed tariffs on approximately \$200 billion worth of imports from China, effective September 24. The tariffs will start at 10% until the end of the year, but in an unexpected twist, are set to rise to 25% on January 1, 2019. This is even worse than what the market had been pricing in, namely a 10% tariff that would apply indefinitely. The White House added that "if China takes retaliatory action against our farmers or other industries, we will immediately pursue phase three, which is tariffs on approximately \$267 billion of additional imports." The administration's decision to leave out key consumer products such as smartphones is some indication of its worry about the negative impact tariffs may have on American consumers. The negative impact on China's export growth may range from -3.4% to -2.0%, while the direct impact on nominal GDP growth is between -0.5% to -0.3%. China announced a retaliatory tariff list of \$60 billion US imports with additional tariffs ranging between 5% and 10%, and will likely further increase to 5% to 25% on January 1, 2019 as previously announced. China's total imports from the US amounted to \$130 billion in 2017; the announced tariff will cover almost all the US exports to China (\$50 billion plus newly announced list of \$60 billion). The indirect impact will be a near-term negative, with increased pressure on export unemployment in China, the softening of business confidence and re-alignment of supply chains. In the long term, for as long as the broad economy remains supportive, trade tensions will prompt restructuring in favour of increased mechanization, and moving up the quality curve. Premier Li Keqiang sent a clear message that China would not utilize its currency to offset the potential effects of tariffs but rather, continue to reduce China's reliance on low value-added manufacturing exports.

In spite of potential talks and still some political incentive for Trump to strike a deal with China, the chance of any deal is small with the underlying ideological intent on using trade to address China's economic and technological rise and dominance. In the longer run, US efforts to close off its markets and stem the flow of its technology will increase the incentives for Chinese firms to become more competitive by intensifying their own technology investments. The immediate impact though is continued pressure on EM, and continued market momentum riding on the divergence of economic cycles between the US and the rest of the world. Continuing trade tensions will undoubtedly weigh on global growth momentum, even as underlying growth remains supported by CAPEX and productivity growth. The key risk though will be rising wage levels, with G3 wage growth now at 2.3% year-over-year, the highest in 10 years, having risen from an average of 1.6% the past five years. While this has not translated directly to inflation as corporate profits cushion and technology factors dampen the effect of wage growth on inflation. For instance, in the case of the US, while unit labour costs did rise from an average of 1.8% in 2005 to 4.5% in 1Q07, core Person Consumption Expenditures (PCE) rose from an average 2.1% to 2.3% over the same time horizon. Corporates though will face a challenging environment of trade uncertainty, rising unit labour costs and higher real interest rates in this part of a late economic cycle with central banks continuing their countercyclical removal of monetary policy support.

# Investment Manager's Report

As at 30 September 2018

## Asian Fixed Income Review (continued)

Both Bank Indonesia (BI) and the Bangko Sentral ng Pilipinas (BSP) delivered rate hikes of 25 bps to 5.75% and 50 bps to 4.50%, respectively, in their policy meetings. BI continued to cite the decision was consistent with keeping the domestic financial market attractive (i.e., keeping real rates high to encourage capital inflows) and keeping the current account deficit manageable, similar to the previous meeting in August. Indonesia's fiscal policy has tightened in the first eight months of the year with revenue growth outpacing expenditure growth. The YTD fiscal deficit stood at 1.6% of GDP on a seasonally adjusted basis as of August 2018, 1 percentage point lower than the same time last year. The 2019 budget outlines a further decline in the budget deficit to 1.8% of GDP. For BSP, it said "a further tightening of monetary policy was warranted by persistent signs of sustained and broadening price pressures." It added that risks to the inflation outlook emanate from factors such as "exchange rate volatility," which we noted was an added policy justification for BSP's previous 50-bp hike in August. While most EM countries are expected to raise rates in a countercyclical fashion, China is pursuing defensive easing as a response to the ongoing trade tensions. EM economies facing currency depreciation pressure would also be under pressure to keep rates elevated for longer.

# Investment Manager's Report

As at 30 September 2018

## Singapore Fixed Income

### Market Review

In September, the Singapore government bond market saw losses of -0.55%, bringing year-to-date returns to -0.80%. The 3-month SIBOR rate was largely unchanged at 1.64%. The Singapore curve bear-steepened with yields higher by up to 13 basis points (bps) in the long end of the curve while the front end saw moves of up to 11 bps higher. Singapore government securities (SGS) performed in line with US Treasuries (USTs) on the whole during the month. USTs saw yields higher by up to 21 bps in the belly of the curve while long-end yields were higher by 19 bps.

The Consumer Price Index (CPI) for August printed at 0.7% year-over-year (YoY), in line with expectations. Core CPI, however, surprised somewhat on the downside, coming in at 1.9% YoY, missing the market consensus of 2.1% YoY. Yet core inflation was still at a four-year high, prompting market watchers to expect some sort of tightening by the Monetary Authority of Singapore (MAS) during its October meeting. August NODX printed at 5.0% YoY, higher than expectations of 3.9% YoY. Exports to the US (29.3%), the EU (14.1%), and emerging markets (EM) (27.7%) more than offset the loss of exports to China and Korea. Industrial production (IP) growth dropped to 3.3% YoY in August from 6.7% in July (revised up from 6.0%), below expectations (consensus: 4.7%). On a seasonally adjusted month-over-month basis, the decline in headline IP growth worsened to -2.0% from -1.2% in July.

### Outlook and Strategy

Federal Reserve officials raised interest rates and cemented expectations for another hike this year as they reaffirmed that a strong US economy will probably warrant further gradual increases well into 2019. The quarter-point move boosted the benchmark federal funds rate to a target range of 2.0% to 2.25%. The policy statement was essentially unchanged, with the exception that the Committee removed references to monetary policy remaining "accommodative." The removal of the term "accommodative" does signal that the neutral rate is on the radar and the Federal Open Market Committee (FOMC) will need to justify restrictive monetary policy in the coming year. The Committee also upgraded median growth expectations for 2018 and 2019, acknowledging stronger-than-anticipated real growth. For the first time, the FOMC published projections for 2021, in which the Committee endeavored to project a "soft landing."

In spite of potential talks and still some political incentive for President Donald Trump to strike a deal with China, the chance of any deal is small with the underlying ideological intent on using trade to address China's economic and technological rise and dominance. In the longer run, US efforts to close off its markets and stem the flow of its technology will increase the incentives for Chinese firms to become more competitive by intensifying their own technology investments. The immediate impact though is continued pressure on EM, and continued market momentum riding on the divergence of economic cycles between the US and the rest of the world. Continuing trade tensions will undoubtedly weigh on global growth momentum, even as underlying growth remains supported by CAPEX and productivity growth. The key risk, though, will be rising wage levels, with G3 wage growth now at 2.3% YoY, the highest in 10 years, having risen from an average of 1.6% the past five years. This has not translated directly to inflation, as corporate profits cushion and technology factors dampen the effect of wage growth on inflation. For instance, in the case of the US, while unit labour costs did rise from an average of 1.8% in 2005 to 4.5% in 1Q07, core Person Consumption Expenditures (PCE) rose from an average 2.1% to 2.3% over the same time horizon. However, corporates will face a challenging environment of trade uncertainty, rising unit labour costs and higher real interest rates in this part of a late economic cycle with central banks continuing their countercyclical removal of monetary policy support. While most EM countries are expected to raise rates in a countercyclical fashion, China is pursuing defensive easing as a response to the ongoing trade tensions. EM economies facing currency depreciation pressure would also be under pressure to keep rates elevated for longer.

Growth is healthy and core inflation has evolved within (and potentially faster than) MAS expectations. While real wages have risen 3% YoY (partly driven by low headline inflation), unit labour costs have been subdued due to improved productivity. This has helped to keep domestic wage-induced price pressures at bay. The growth outlook is clouded by the deterioration in US-China trade relations, though Singapore is in a favorable position to mitigate against the risks, and capitalize on the opportunities from the corresponding trade diversion, as well as the reshuffling of supply chains by global companies in the medium term.

The longer-term growth outlook remains moderate as demographic headwinds and a continued low tolerance for a rise in immigration point to a structural slowdown of traditional human capital employment-driven growth. The service sector remains a key pillar supporting employment, at 80% of total employment, picking up the decline in the manufacturing sector. Singapore continues to be anchored by its fundamental strength, with an estimate of sovereign foreign net assets at around 90% of GDP as of year-end 2016, according to Fitch.

# Investment Manager's Report

As at 30 September 2018

## Singapore Fixed Income (continued)

We are cautious of the rapid expansion of the Singapore credit market and the relatively low level of risk premium the market is pricing into bonds issued by new entrants. We remain highly selective and will place a strong emphasis on sound credit fundamentals as a key premise. We believe our long-term approach will allow us to ride out any volatility in the next few months and we will seek to minimize our risk exposure. In terms of strategy, we continue to adopt a tactical approach to positioning across the SGS curve in view of global growth headwinds and monetary policy divergence among central banks. We will seek to bolster carry-through exposure in high-quality corporate and bank credits.



# Investment Manager's Report

As at 30 September 2018

## Asean Equities

### Market Review

Overall ASEAN markets were only down a little in September, falling by less than half a percent. However, that hid a significant amount of volatility and some real pressure in the Philippine market, which fell by 8.6% in Singapore dollar terms as measured by the MSCI AC ASEAN index. Meanwhile, Malaysia fell by 1.9% and Indonesia wasn't much better, down 1.8%. The two strongest markets were Singapore, up 1.8% and Thailand up 2.9%. From these moves it's quite clear that investors are moving assets to the economies least at risk from rising rates and foreign exchange risks, even if it means investing in the slower growth economies within the region.

### Outlook and Strategy

Economic pressure is certainly building in the Philippines. The main factor has been inflation, particularly rising food prices, which appear to have become entrenched. The attitude of corporates in the country is that this is a return to the 'usual' operating environment; however, it is now several years since this was an issue and the central bank clearly needs to raise rates. Indeed, there was another 50-basis point (bps) rise in rates in September and economists are increasingly expecting more—clearly putting growth targets under pressure. The Duterte administration will also be under pressure given that tax changes were one of the contributing features and the growth expected from infrastructure investment will now be needed even more than before.

Thailand has been relatively immune to the interest rate and currency concerns hitting the region and although growth is fairly pedestrian, it does appear to be improving. However, the long-term trends are conspiring against Thailand, specifically an ageing population and a heavily indebted one at that. But today tourism and exports are driving a decent recovery. The improvement is not widespread—the consumer isn't really spending and the small and medium-sized enterprise (SME) sector is suffering, in part due to exposures to sectors which are struggling. On the macro side, Thailand operates a current account surplus and as the manufacturing sector benefits from a weaker baht, the Bank of Thailand has been able to stand back and watch as regional peers have been raising rates. Inflation is around 1.6%, and the policy rate at 1.5%, rates are negative. This relatively benign, if unexciting economic situation has led to a relatively strong stockmarket performance of late compared with regional peers.

Indonesia sadly is in the midst of a humanitarian disaster following an earthquake and tsunami affecting Sulawesi. What impact this will have isn't yet clear, although the reconstruction will undoubtedly prove a strain. Economically Indonesia continues to struggle with the issues we have highlighted over the previous few months, namely a weak rupiah forcing the central bank to raise interest rates at a time when the domestic economy doesn't actually require it. Two of the factors driving this outcome are a current account deficit coupled with a bond market with large overseas participation. Recently, the government has imposed additional import taxes on a range of goods to try to stem the deficit, but it is too early to judge the success of this policy. At the same time, Bank Indonesia has raised rates yet again by 25 bps to 5.75%. Exact numbers aren't available, but it appears that the bond market hasn't seen a great deal of outflow as yet, suggesting fixed income investors are somewhat reassured by the proactive policy. This of course is good news, but also suggests that this remains a risk if things deteriorate.

The changed political landscape in Malaysia continues to mean a great deal of uncertainty. While we remain hopeful that eventually this can lead to structural reform, the initial changes concern the fiscal policy. The goods and services (GST) tax has been removed and infrastructure projects cancelled. This could suggest fiscal pressure from reduced tax receipts and a slower growth impetus from government spending. In the short term, however, the higher oil price is very beneficial in alleviating these pressures, but further changes will be necessary to address the economic slowdown.

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## **Legg Mason Martin Currie Southeast Asia Trust**

Legg Mason Funds

- Legg Mason Western Asset Singapore Dollar Fund

Legg Mason Western Asset Global Bond Trust

Legg Mason Western Asset Asian Bond Trust

Legg Mason Western Asset Singapore Bond Fund

## Statement of Total Return (Unaudited)

For the half year ended 30 September 2018

|  | 30/9/2018          | 30/09/2017       |
|--|--------------------|------------------|
|  | \$                 | \$               |
| <b>Income</b>  |                    |                  |
| Dividend income  | 4,048,752          | 2,461,730        |
| Interest income  | 11                 | 1,285            |
|  | <u>4,048,763</u>   | <u>2,463,015</u> |
| <b>Less: Expenses</b>  |                    |                  |
| Audit fee  | 12,470             | 12,887           |
| Custody fee  | 37,737             | 38,905           |
| Management fee   | 1,149,418          | 1,189,955        |
| Trustee fee  | 51,062             | 52,818           |
| Registration fee   | 11,821             | 13,704           |
| Printing fee   | 501                | 4,513            |
| Professional fee   | 20,758             | 10,969           |
| Valuation fee  | 22,290             | 22,966           |
| Goods & services tax   | 9,315              | 62,897           |
| Transaction cost   | 53,127             | 714,275          |
| Other expenses   | 10,386             | 12,435           |
|  | <u>1,378,885</u>   | <u>2,136,324</u> |
| <b>Net gains</b>   | <u>2,669,878</u>   | <u>326,691</u>   |
| <b>Net gains or losses on value of investments and financial derivatives</b> |                    |                  |
| Net (losses)/gains on investments  | (9,171,768)        | 798,833          |
| Net foreign exchange losses  | (44,759)           | (402,999)        |
|  | <u>(9,216,527)</u> | <u>395,834</u>   |
| <b>Total (deficit)/return for the half year before income tax</b>            | <u>(6,546,649)</u> | <u>722,525</u>   |
| <b>Less: Income tax</b>  | (194,410)          | (190,429)        |
| <b>Total (deficit)/return for the half year</b>                              | <u>(6,741,059)</u> | <u>532,096</u>   |

**Statement of Financial Position (Unaudited)**

As at 30 September 2018

|  | <b>30/9/2018</b>   | 31/3/2018   |
|--|--------------------|-------------|
|  | <b>\$</b>          | \$          |
| <b>ASSETS</b>                          |                    |             |
| Portfolio of investments               | <b>138,240,004</b> | 158,979,970 |
| Cash and bank balances                 | <b>7,334,286</b>   | 2,372,074   |
| Receivables                            | <b>539,246</b>     | 524,374     |
| Sales awaiting settlement              | <b>9,999</b>       | 3,374,278   |
| <b>Total assets</b>                    | <b>146,123,535</b> | 165,250,696 |
| <b>LIABILITIES</b>                     |                    |             |
| Payables                               | <b>736,867</b>     | 960,673     |
| Purchases awaiting settlement          | -                  | 3,265,477   |
| <b>Total liabilities</b>               | <b>736,867</b>     | 4,226,150   |
| <b>EQUITY</b>                          |                    |             |
| Net assets attributable to unitholders | <b>145,386,668</b> | 161,024,546 |

## Statement of Movements of Unitholders' Funds (Unaudited)

For the half year ended 30 September 2018

|   | 30/9/2018<br>\$     | 31/3/2018<br>\$ |
|---|---------------------|-----------------|
| <b>Net assets attributable to unitholders at the beginning of the financial period/year</b> | <b>161,024,546</b>  | 163,274,434     |
| <b>Operations</b>   |                     |                 |
| Change in net assets attributable to unitholders resulting from operations                  | <b>(6,741,059)</b>  | 6,709,654       |
| <b>Unitholders' contributions/(withdrawals)</b>   |                     |                 |
| Creation of units   | <b>3,511,040</b>    | 24,482,535      |
| Cancellation of units   | <b>(12,407,859)</b> | (33,442,077)    |
| Change in net assets attributable to unitholders resulting from net cancellation of units   | <b>(8,896,819)</b>  | (8,959,542)     |
| Total decrease in net assets attributable to unitholders                                    | <b>(15,637,878)</b> | (2,249,888)     |
| <b>Net assets attributable to unitholders at the end of the financial period/year</b>       | <b>145,386,668</b>  | 161,024,546     |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|---|---|--|--|
| <b><u>By Geography (Primary)</u></b>      |   |  |  |
| <b>Quoted Equities</b>                    |   |  |  |
| <b>Hong Kong</b>                          |   |  |  |
| Dairy Farm International Holdings Limited | 305,100                                 | 3,751,860  | 2.58   |
| <b>Indonesia</b>                          |   |  |  |
| PT Adaro Energy Tbk                       | 8,153,800                               | 1,371,918  | 0.94   |
| PT Astra International Inc Tbk            | 2,765,200                               | 1,863,570  | 1.28   |
| PT Bank Central Asia Tbk                  | 3,330,700                               | 7,375,383  | 5.07   |
| PT Bank Mandiri Tbk                       | 4,830,600                               | 2,978,690  | 2.05   |
| PT Hanjaya Mandala Sampoerna Tbk          | 4,254,100                               | 1,501,759  | 1.03   |
| PT Matahari Department Store Tbk          | 2,585,000                               | 1,641,392  | 1.13   |
| PT Semen Indonesia (Persero) Tbk          | 3,351,300                               | 3,049,831  | 2.10   |
| PT Telekomunikasi Indonesia Tbk           | 3,806,400                               | 1,270,421  | 0.87   |
| PT United Tractors Tbk                    | 925,700                                 | 2,801,020  | 1.93   |
|   |   | 23,853,984                                       | 16.40  |
| <b>Malaysia</b>                           |   |  |  |
| British American Tobacco Malaysia Berhad  | 159,600                                 | 1,671,418  | 1.14   |
| Genting Berhad                            | 1,762,400                               | 4,544,378  | 3.13   |
| Genting Malaysia Berhad                   | 1,800,700                               | 2,966,613  | 2.04   |
| Lotte Chemical Titan Holding Berhad       | 1,075,400                               | 1,789,450  | 1.23   |
| Malayan Banking Berhad                    | 2,311,400                               | 7,470,966  | 5.14   |
| Tenaga Nasional Berhad                    | 913,200                                 | 4,661,163  | 3.21   |
|   |   | 23,103,988                                       | 15.89  |
| <b>Philippines</b>                        |   |  |  |
| Ayala Corporation                         | 109,190                                 | 2,562,464  | 1.76   |
| BDO Unibank Inc                           | 1,479,530                               | 4,482,368  | 3.08   |
| CEMEX Holdings Philippines Inc            | 5,048,200                               | 303,837  | 0.21   |
| GT Capital Holdings Inc                   | 128,169                                 | 2,657,809  | 1.83   |
| LT Group Inc                              | 3,262,900                               | 1,188,210  | 0.82   |
| Puregold Price Club Inc                   | 2,539,760                               | 2,890,228  | 1.99   |
| Robinsons Retail Holdings Inc             | 719,890                                 | 1,450,947  | 1.00   |
|   |   | 15,535,863                                       | 10.69  |
| <b>Singapore</b>                          |   |  |  |
| Ascendas Real Estate Investment Trust     | 1,587,200                               | 4,190,208  | 2.88   |
| City Developments Limited                 | 518,500                                 | 4,723,535  | 3.25   |
| Cityneon Holdings Limited                 | 584,500                                 | 724,780  | 0.50   |
| DBS Group Holdings Limited                | 518,900                                 | 13,538,101                                       | 9.31   |
| Jumbo Group Limited                       | 3,000,200                               | 1,380,092  | 0.95   |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | Holdings<br>as at<br>30/9/2018 | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% |
|---|--------------------------------|--|--|
| <b>By Geography (Primary)</b> (continued)                   |                                |  |  |
| <b>Quoted Equities</b> (continued)                          |                                |  |  |
| <b>Singapore</b> (continued)                                |                                |  |  |
| Keppel Corporation Limited                                  | 550,600                        | 3,832,176                              | 2.63   |
| MM2 Asia Limited  | 5,196,000                      | 2,000,460                              | 1.38   |
| Singapore Technologies Engineering Limited                  | 987,700                        | 3,516,212                              | 2.42   |
| Singapore Telecommunications Limited                        | 803,600                        | 2,603,664                              | 1.79   |
| United Overseas Bank Limited                                | 431,200                        | 11,676,896                             | 8.03   |
|   |                                | 48,186,124                             | 33.14  |
| <b>Thailand</b>   |                                |  |  |
| C.P. All Public Company Limited                             | 1,311,600                      | 3,823,600                              | 2.63   |
| Intouch Holdings Public Company Limited                     | 2,010,600                      | 4,587,133                              | 3.16   |
| Kasikornbank Public Limited Company                         | 664,800                        | 6,066,897                              | 4.17   |
| PTT Exploration & Production Public Company Limited         | 428,700                        | 2,807,418                              | 1.93   |
| PTT Public Company Limited                                  | 2,846,000                      | 6,523,137                              | 4.49   |
|   |                                | 23,808,185                             | 16.38  |
| <b>Total quoted equities</b>                                |                                | <b>138,240,004</b>                     | <b>95.08</b>   |
| <b>Unquoted Equities</b>                                    |                                |  |  |
| <b>Singapore</b>  |                                |  |  |
| Ezion Holdings Limited Call Warrant 14/04/2023 <sup>^</sup> | 6,564,049                      | -                                      | -  |
|   |                                | -                                      | -  |
| <b>Portfolio of investments</b>                             |                                | <b>138,240,004</b>                     | <b>95.08</b>   |
| <b>Other net assets</b>                                     |                                | <b>7,146,664</b>                       | <b>4.92</b>  |
| <b>Net assets attributable to unitholders</b>               |                                | <b>145,386,668</b>                     | <b>100.00</b>  |

<sup>^</sup> There is no readily available market quotation as the securities are unlisted on the relevant exchange. The Manager made certain estimates and assumptions to arrive at the fair value, after taking into account all relevant information. The actual proceeds that could be realised from the sale of these shares could be different from the estimated fair value.



**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>31/3/2018<br/>%</b> |
|---|--|--|
| <b>By Geography (Summary)</b>                 |  |  |
| <b>Quoted Equities</b>                        |  |  |
| Hong Kong                                     | <b>2.58</b>  | -  |
| Indonesia                                     | <b>16.40</b>   | 17.88  |
| Malaysia                                      | <b>15.89</b>   | 19.07  |
| Philippines                                   | <b>10.69</b>   | 12.83  |
| Singapore                                     | <b>33.14</b>   | 32.66  |
| Thailand                                      | <b>16.38</b>   | 16.29  |
|   | <b>95.08</b>   | 98.73  |
| <b>Unquoted Equities</b>                      |  |  |
| Singapore                                     | -  | -  |
|   | <b>95.08</b>   | 98.73  |
| <b>Portfolio of investments</b>               | <b>95.08</b>   | 98.73  |
| <b>Other net assets</b>                       | <b>4.92</b>  | 1.27   |
| <b>Net assets attributable to unitholders</b> | <b>100.00</b>  | 100.00   |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|--|
| <b>By Industry (Secondary)</b>                |  |  |  |
| Bank  | 53,589,301                             | 36.86  | 35.83  |
| Building and construction                     | 3,049,831                              | 2.10   | 2.05   |
| Building construction materials               | 303,837                                | 0.21   | 0.29   |
| Chemical                                      | 1,789,450                              | 1.23   | 1.38   |
| Consumer                                      | 1,671,418                              | 1.15   | 0.99   |
| Diversified resource                          | 3,832,176                              | 2.63   | 2.66   |
| Energy  | 1,371,918                              | 0.94   | 2.24   |
| Engineering and machinery                     | 2,801,020                              | 1.93   | 1.75   |
| Foods and beverage                            | 6,320,162                              | 4.35   | 1.98   |
| Healthcare                                    | -                                      | -  | 1.29   |
| Hotel   | 7,510,991                              | 5.17   | 5.10   |
| Infrastructure                                | -                                      | -  | 2.03   |
| Investment                                    | 2,657,809                              | 1.83   | 2.26   |
| Media   | 2,000,460                              | 1.37   | 1.65   |
| Oil and gas                                   | 9,330,555                              | 6.42   | 5.37   |
| Real estate and development                   | 7,285,999                              | 5.01   | 5.80   |
| Real estate investment trust                  | 4,190,208                              | 2.88   | 2.59   |
| Retail  | 11,669,737                             | 8.03   | 8.96   |
| Services                                      | 724,780                                | 0.50   | 0.37   |
| Telecommunication                             | 8,461,218                              | 5.82   | 7.73   |
| Tobacco                                       | 1,501,759                              | 1.03   | 1.00   |
| Transport - Air                               | -                                      | -  | 1.58   |
| Transport                                     | 3,516,212                              | 2.42   | 0.71   |
| Utilities                                     | 4,661,163                              | 3.20   | 3.12   |
| <b>Portfolio of investments</b>               | <b>138,240,004</b>                     | <b>95.08</b>   | <b>98.73</b>   |
| <b>Other net assets</b>                       | <b>7,146,664</b>                       | <b>4.92</b>  | <b>1.27</b>  |
| <b>Net assets attributable to unitholders</b> | <b>145,386,668</b>                     | <b>100.00</b>  | <b>100.00</b>  |

# Report to Unitholders

For the half year ended 30 September 2018

## Investment Allocation as at 30 September 2018

| <b>By Country</b>               | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Hong Kong                       | 3,751,860                      | 2.58            |
| Indonesia                       | 23,853,984                     | 16.40           |
| Malaysia                        | 23,103,988                     | 15.89           |
| Philippines                     | 15,535,863                     | 10.69           |
| Singapore                       | 48,186,124                     | 33.14           |
| Thailand                        | 23,808,185                     | 16.38           |
| <b>Portfolio of investments</b> | <b>138,240,004</b>             | <b>95.08</b>    |
| <b>Other net assets</b>         | <b>7,146,664</b>               | <b>4.92</b>     |
| <b>Total</b>                    | <b>145,386,668</b>             | <b>100.00</b>   |

| <b>By Industry</b>              | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Bank                            | 53,589,301                     | 36.86           |
| Building and construction       | 3,049,831                      | 2.10            |
| Building construction materials | 303,837                        | 0.21            |
| Chemical                        | 1,789,450                      | 1.23            |
| Consumer                        | 1,671,418                      | 1.15            |
| Diversified resource            | 3,832,176                      | 2.63            |
| Energy                          | 1,371,918                      | 0.94            |
| Engineering and machinery       | 2,801,020                      | 1.93            |
| Foods and beverage              | 6,320,162                      | 4.35            |
| Hotel                           | 7,510,991                      | 5.17            |
| Investment                      | 2,657,809                      | 1.83            |
| Media                           | 2,000,460                      | 1.37            |
| Oil and gas                     | 9,330,555                      | 6.42            |
| Real estate and development     | 7,285,999                      | 5.01            |
| Real estate investment trust    | 4,190,208                      | 2.88            |
| Retail                          | 11,669,737                     | 8.03            |
| Services                        | 724,780                        | 0.50            |
| Telecommunication               | 8,461,218                      | 5.82            |
| Tobacco                         | 1,501,759                      | 1.03            |
| Transport                       | 3,516,212                      | 2.42            |
| Utilities                       | 4,661,163                      | 3.20            |
| <b>Portfolio of investments</b> | <b>138,240,004</b>             | <b>95.08</b>    |
| <b>Other net assets</b>         | <b>7,146,664</b>               | <b>4.92</b>     |
| <b>Total</b>                    | <b>145,386,668</b>             | <b>100.00</b>   |

| <b>By Asset Class</b>           | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Equity securities               | 138,240,004                    | 95.08           |
| <b>Portfolio of investments</b> | <b>138,240,004</b>             | <b>95.08</b>    |
| <b>Other net assets</b>         | <b>7,146,664</b>               | <b>4.92</b>     |
| <b>Total</b>                    | <b>145,386,668</b>             | <b>100.00</b>   |

# Report to Unitholders

For the half year ended 30 September 2018

## Top 10 Holdings

| <b>Holdings as at 30 September 2018</b> | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| DBS Group Holdings Limited              | 13,538,101                     | 9.31            |
| United Overseas Bank Limited            | 11,676,896                     | 8.03            |
| Malayan Banking Berhad                  | 7,470,966                      | 5.14            |
| PT Bank Central Asia Tbk                | 7,375,383                      | 5.07            |
| PTT Public Company Limited              | 6,523,137                      | 4.49            |
| Kasikornbank Public Limited Company     | 6,066,897                      | 4.17            |
| City Developments Limited               | 4,723,535                      | 3.25            |
| Tenaga Nasional Berhad                  | 4,661,163                      | 3.21            |
| Intouch Holdings Public Company Limited | 4,587,133                      | 3.16            |
| Genting Berhad                          | 4,544,378                      | 3.13            |

| <b>Holdings as at 30 September 2017</b> | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| United Overseas Bank Limited            | 7,383,700                      | 4.95            |
| DBS Group Holdings Limited              | 6,914,322                      | 4.64            |
| PT Telekomunikasi Indonesia Tbk         | 6,880,787                      | 4.62            |
| Singapore Telecommunications Limited    | 6,365,296                      | 4.27            |
| PT Bank Central Asia Tbk                | 6,326,002                      | 4.24            |
| BDO Unibank Inc                         | 5,867,862                      | 3.94            |
| Malayan Banking Berhad                  | 5,498,312                      | 3.69            |
| City Developments Limited               | 5,398,745                      | 3.62            |
| Kasikornbank Public Limited Company     | 4,922,334                      | 3.30            |
| PTT Public Company Limited              | 4,387,493                      | 2.94            |

## Exposure to Derivatives

Nil as at 30 September 2018.

## Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

## Collateral

Nil as at 30 September 2018.

## Securities Lending or Repurchase Transactions

Nil as at 30 September 2018.

## Report to Unitholders

For the half year ended 30 September 2018

### Investment in Other Unit Trust, Mutual Funds and Collective Investment Schemes

|                                       | Market Value<br>in SGD | % of NAV |
|---------------------------------------|------------------------|----------|
| Ascendas Real Estate Investment Trust | 4,190,208              | 2.88     |

### Borrowings

Nil as at 30 September 2018.

### Amount of Redemptions and Subscriptions

For the period 1 April 2018 to 30 September 2018

|               | SGD        |
|---------------|------------|
| Redemptions   | 12,407,859 |
| Subscriptions | 3,511,040  |

### Related Party Transactions

For the period 1 April 2018 to 30 September 2018

The Manager of the Fund is Legg Mason Asset Management Singapore Pte. Limited, the Trustee is HSBC Institutional Trust Services (Singapore) Limited and the Custodian is The Hongkong and Shanghai Banking Corporation Limited. The management fee, trustee fee, custody fee, registration fee and valuation fee paid or payable by the Fund are related party transactions and are shown in the Statement of Total Return.

### Performance

|                 | Legg Mason<br>Martin Currie<br>Southeast Asia<br>Trust - Class A (SGD)<br>Accumulating* | Benchmark |
|-----------------|---|-----------|
| 3-month         | +0.87%  | +4.93%    |
| 6-month         | -4.22%  | -2.94%    |
| 1-year          | +0.00%  | +3.92%    |
| 3-year          | +2.57%  | +9.97%    |
| 5-year          | -3.58%  | +4.17%    |
| 10-year         | +4.68%  | +7.71%    |
| Since inception | +6.53%  | +4.83%    |

\* NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms). Annualised for periods over one year.

Benchmark : MSCI AC Asean Index. With effect from January 2017, the benchmark was rebranded from MSCI Southeast Asia to MSCI AC Asean Index . Prior to 1 October 2013, the benchmark was MSCI AC Far East ex Japan, ex China, ex Hong Kong, exTaiwan, ex Korea (S\$).

The inception date was 2 March 1998

Source : Legg Mason Asset Management Singapore Pte. Limited

### Expense Ratio

|  |       |
|--|-------|
| For the period 1 October 2017 to 30 September 2018 | 1.69% |
| For the period 1 October 2016 to 30 September 2017 | 1.75% |

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 at 30 September 2018 was based on total

# Report to Unitholders

For the half year ended 30 September 2018

## Expense Ratio (continued)

*operating expenses of \$2,638,318 (30 September 2017: \$2,863,128) divided by the average net asset value of \$155,959,163 (30 September 2017: \$163,319,870) for the financial 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 Fund does not pay any performance fee. The average net asset value is based on the daily balances.*

## Turnover Ratio

|  |        |
|--|--------|
| For the period 1 April 2018 to 30 September 2018 | 4.60%  |
| For the period 1 April 2017 to 30 September 2017 | 74.53% |

*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 was based on the lower of the total value of purchases or sales of the underlying investments, being purchases of \$7,029,271 (30 September 2017: purchases of \$117,826,826) divided by the average daily net asset value of \$152,786,208 (30 September 2017: \$158,100,936).*

## Other Material Information

There are no other material information that will adversely impact the valuation of the Fund.

## Soft Dollar Commissions/Arrangements

The Managers currently do not but shall be entitled to receive and enter into soft-dollar commissions/arrangements in respect of the Trust.

The Sub-Manager currently receives and enters into soft-dollar commissions/arrangements in respect of the Trust. The Managers and Sub-Manager will comply with applicable regulatory and industry standards on soft-dollars. The soft-dollar commissions which the Sub-Manager receives and which the Managers may receive include specific advice as to the advisability of dealing in, or the value of any investments, 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 service in relation to the investments managed for clients.

Soft-dollar commissions received shall not include travel, accommodation, entertainment, general administrative goods and services, general office equipment or premises, membership fees, employees' salaries or direct money payment.

The Managers and the Sub-Manager will not accept or enter into soft dollar commissions/arrangements unless such soft-dollar commissions/arrangements would, in the opinion of the Managers or the Sub-Manager (as the case may be), assist it in its management of the Trust, provided that it shall ensure at all times that best execution is carried out for the transactions, and that no unnecessary trades are entered into in order to qualify for such soft-dollar commissions/arrangements.

## Detail of Underlying Funds

The Fund does not invest more than 30% of its NAV in another scheme.

Legg Mason Martin Currie Southeast Asia Trust

**Legg Mason Funds**

**- Legg Mason Western Asset Singapore Dollar Fund**

Legg Mason Western Asset Global Bond Trust

Legg Mason Western Asset Asian Bond Trust

Legg Mason Western Asset Singapore Bond Fund

## Statement of Total Return (Unaudited)

For the half year ended 30 September 2018

|   | 30/9/2018                  | 30/9/2017                 |
|---|----------------------------|---------------------------|
|   | \$                         | \$                        |
| <b>Income</b>   |                            |                           |
| Interest income   | -                          | 53                        |
|   | <hr/>                      | <hr/>                     |
| <b>Less: Expenses</b>                                   |                            |                           |
| Audit fee   | 6,578                      | 6,995                     |
| Custody fee   | 3,844                      | 4,120                     |
| Management fee  | 32,254                     | 37,783                    |
| Registration fee  | 2,974                      | 3,169                     |
| Printing fee  | 501                        | 1,003                     |
| Professional fee  | 8,525                      | 7,977                     |
| Valuation fee   | 2,550                      | 2,989                     |
| Goods & services tax                                    | 855                        | 3,190                     |
| Other expense   | 3,759                      | 4,215                     |
|   | <hr/>                      | <hr/>                     |
|   | <b>61,840</b>              | <b>71,441</b>             |
|   | <hr/>                      | <hr/>                     |
| <b>Net losses</b>                                       | <b>(61,840)</b>            | <b>(71,388)</b>           |
|   | <hr/>                      | <hr/>                     |
| <b>Net gains or losses on value of investments</b>      |                            |                           |
| Net gains on investments                                | 195,978                    | 156,979                   |
| Net foreign exchange losses                             | (16)                       | 13                        |
|   | <hr/>                      | <hr/>                     |
|   | <b>195,962</b>             | <b>156,992</b>            |
|   | <hr/>                      | <hr/>                     |
| <b>Total return for the half year before income tax</b> | <b>134,122</b>             | <b>85,604</b>             |
|   | <hr/>                      | <hr/>                     |
| <b>Less: Income tax</b>                                 | -                          | -                         |
| <b>Total return for the half year</b>                   | <hr/> <b>134,122</b> <hr/> | <hr/> <b>85,604</b> <hr/> |



## Statement of Financial Position (Unaudited)

As at 30 September 2018

|  | <b>30/9/2018</b>  | 31/3/2018     |
|--|-------------------|---------------|
|  | \$                | \$            |
| <b>ASSETS</b>                          |                   |               |
| Portfolio of investments               | <b>21,841,803</b> | 25,709,152    |
| Cash and bank balances                 | <b>237,993</b>    | 357,173       |
| Receivables                            | <b>17,312</b>     | -             |
| <b>Total assets</b>                    | <b>22,097,108</b> | 26,066,325    |
| <b>LIABILITIES</b>                     |                   |               |
| Payables                               | 48,984            | <b>39,316</b> |
| <b>Total liabilities</b>               | <b>48,984</b>     | 39,316        |
| <b>EQUITY</b>                          |                   |               |
| Net assets attributable to unitholders | <b>22,048,124</b> | 26,027,009    |

## Statement of Movements of Unitholders' Funds (Unaudited)

For the half year ended 30 September 2018

|  | 30/9/2018<br>\$    | 31/3/2018<br>\$     |
|--|--------------------|---------------------|
| <b>Net assets attributable to unitholders at the beginning of the financial period/year</b>            | <b>26,027,009</b>  | 29,927,405          |
| <b>Operations</b>  |                    |                     |
| Change in net assets attributable to unitholders resulting from operations                             | <b>134,122</b>     | 187,195             |
| <b>Unitholders' contributions/(withdrawals)</b>  |                    |                     |
| Creation of units  | <b>2,004,405</b>   | <b>7,443,188</b>    |
| Cancellation of units  | <b>(6,117,412)</b> | <b>(11,530,779)</b> |
| Change in net assets attributable to unitholders resulting from net cancellation and creation of units | <b>(4,113,007)</b> | (4,087,591)         |
| Total decrease in net assets attributable to unitholders   | <b>(3,978,885)</b> | (3,900,396)         |
| <b>Net assets attributable to unitholders at the end of the financial period/year</b>                  | <b>22,048,124</b>  | 26,027,009          |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

**Legg Mason Western Asset Singapore Dollar Fund**

|   | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|---|---|--|--|
| <b><u>By Geography - (Primary)</u></b>        |   |  |  |
| <b>Quoted Bonds</b>                           |   |  |  |
| <b>Singapore</b>                              |   |  |  |
| Mas Bill T-Bills Series 84 05/10/2018         | 5,000,000                               | 4,998,400  | 22.67  |
| Mas Bill T-Bills Series 84 12/10/2018         | 3,400,000                               | 3,397,790  | 15.41  |
| Mas Bill T-Bills Series 84 19/10/2018         | 6,622,000                               | 6,615,510  | 30.00  |
| Mas Bill T-Bills Series 84 02/11/2018         | 1,041,000                               | 1,039,262  | 4.71   |
| Mas Bill T-Bills Series 84 16/11/2018         | 1,000,000                               | 997,650  | 4.53   |
| Mas Bill T-Bills Series 84 30/11/2018         | 1,030,000                               | 1,026,848  | 4.66   |
| Mas Bill T-Bills Series 84 21/12/2018         | 3,782,000                               | 3,766,343  | 17.08  |
|   |   | 21,841,803                                       | 99.06  |
| <b>Total quoted bonds</b>                     |   | <b>21,841,803</b>                                | <b>99.06</b>   |
| <b>Accrued interest on quoted bonds</b>       |   | -  | -  |
|   |   | <b>21,841,803</b>                                | <b>99.06</b>   |
| <b>Portfolio of investments</b>               |   | <b>206,321</b>                                   | <b>0.94</b>  |
| <b>Other net assets</b>                       |   | <b>22,048,124</b>                                | <b>100.00</b>  |
| <b>Net assets attributable to unitholders</b> |   | <b>22,048,124</b>                                | <b>100.00</b>  |

# Statement of Portfolio (Unaudited)

As at 30 September 2018

## Legg Mason Western Asset Singapore Dollar Fund

|   | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>31/3/2018<br/>%</b> |
|---|--|--|
| <b>By Geography (Summary)</b>                 |  |  |
| <b>Quoted Bonds</b>                           |  |  |
| Singapore                                     | <b>99.06</b>   | 98.76  |
|   | <b>99.06</b>   | 98.76  |
| <b>Accrued interest on quoted bonds</b>       | -  | 0.02   |
| <b>Portfolio of investments</b>               | <b>99.06</b>   | 98.78  |
| <b>Other net assets</b>                       | <b>0.94</b>  | 1.22   |
| <b>Net assets attributable to unitholders</b> | <b>100.00</b>  | 100.00   |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

**Legg Mason Western Asset Singapore Dollar Fund**

|   | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|--|
| <b>By Industry (Secondary)</b>                |  |  |  |
| Government                                    | 21,841,803                             | 99.06  | 98.76  |
|   | <b>21,841,803</b>                      | <b>99.06</b>   | 98.76  |
| Accrued interest on quoted bonds              | -                                      | -  | 0.02   |
| Portfolio of investments                      | 21,841,803                             | 99.06  | 98.78  |
| Other net assets                              | 206,321                                | 0.94   | 1.22   |
| <b>Net assets attributable to unitholders</b> | <b>22,048,124</b>                      | <b>100.00</b>  | 100.00   |

# Report to Unitholders

For the half year ended 30 September 2018

## Investment Allocation as at 30 September 2018

### Legg Mason Western Asset Singapore Dollar Fund

| <b>By Country</b>               | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Singapore                       | 21,841,803                     | 99.06           |
| <b>Portfolio of investments</b> | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>         | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>                    | <b>22,048,124</b>              | <b>100.00</b>   |

| <b>By Industry</b>              | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Government                      | 21,841,803                     | 99.06           |
| <b>Portfolio of investments</b> | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>         | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>                    | <b>22,048,124</b>              | <b>100.00</b>   |

| <b>By Asset Class</b>           | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Fixed Income securities         | 21,841,803                     | 99.06           |
| <b>Portfolio of investments</b> | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>         | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>                    | <b>22,048,124</b>              | <b>100.00</b>   |

| <b>By Credit Rating *</b>       | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| Unrated                         | 21,841,803                     | 99.06           |
| <b>Portfolio of investments</b> | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>         | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>                    | <b>22,048,124</b>              | <b>100.00</b>   |

*\*By Standard & Poor's /Moody's /Fitch*

## Distribution of Investments

| <b>By type of money market instruments / debt securities</b> | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|--|--------------------------------|-----------------|
| Singapore Government MAS-Bills                               | 21,841,803                     | 99.06           |
| <b>Portfolio of investments</b>                              | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>                                      | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>   | <b>22,048,124</b>              | <b>100.00</b>   |

| <b>By Maturity Breakdown</b>    | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---------------------------------|--------------------------------|-----------------|
| 30 days or less                 | 15,011,700                     | 68.08           |
| 31-90 days                      | 6,830,103                      | 30.98           |
| <b>Portfolio of investments</b> | <b>21,841,803</b>              | <b>99.06</b>    |
| <b>Other net assets</b>         | <b>206,321</b>                 | <b>0.94</b>     |
| <b>Total</b>                    | <b>22,048,124</b>              | <b>100.00</b>   |

# Report to Unitholders

For the half year ended 30 September 2018

## Top 10 Holdings

### Legg Mason Western Asset Singapore Dollar Fund

#### Holdings as at 30 September 2018

|                                       | Market Value<br>in SGD | % of NAV |
|---------------------------------------|------------------------|----------|
| Mas Bill T-Bills Series 84 19/10/2018 | 6,615,510              | 30.00    |
| Mas Bill T-Bills Series 84 05/10/2018 | 4,998,400              | 22.67    |
| Mas Bill T-Bills Series 84 21/12/2018 | 3,766,343              | 17.08    |
| Mas Bill T-Bills Series 84 12/10/2018 | 3,397,790              | 15.41    |
| Mas Bill T-Bills Series 84 02/11/2018 | 1,039,262              | 4.71     |
| Mas Bill T-Bills Series 84 30/11/2018 | 1,026,848              | 4.66     |
| Mas Bill T-Bills Series 84 16/11/2018 | 997,650                | 4.53     |

#### Holdings as at 30 September 2017

|   | Market Value<br>in SGD | % of NAV |
|---|------------------------|----------|
| Mas Bill T-Bills Series 84 13/10/2017                       | 8,196,392              | 27.38    |
| Mas Bill T-Bills Series 84 17/11/2017                       | 5,840,816              | 19.51    |
| Mas Bill T-Bills Series 84 27/10/2017                       | 5,794,896              | 19.36    |
| Mas Bill T-Bills Series 84 03/11/2017                       | 3,116,537              | 10.41    |
| Mas Bill T-Bills Series 84 10/11/2017                       | 2,197,074              | 7.34     |
| Mas Bill T-Bills Series 84 06/10/2017                       | 1,499,670              | 5.01     |
| Housing & Development Board Series MTN<br>1.368% 29/05/2018 | 999,510                | 3.34     |
| Cagamas Global PLC Series EMTN 2.37% 27/11/2017             | 750,415                | 2.51     |
| SMRT Capital Pte Ltd Series MTN 1.388% 16/10/2017           | 499,936                | 1.67     |
| Mas Bill T-Bills Series 84 15/12/2017                       | 498,755                | 1.67     |

## Exposure to Derivatives

Nil as at 30 September 2018.

## Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Sub-Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Sub-Fund at any time.

## Collateral

Nil as at 30 September 2018.

## Securities Lending or Repurchase Transactions

Nil as at 30 September 2018.

## Investment in Other Unit Trust, Mutual Funds and Collective Investment Schemes

Nil as at 30 September 2018.

# Report to Unitholders

For the half year ended 30 September 2018

## Borrowings

Nil as at 30 September 2018.

## Amount of Redemptions and Subscriptions

For the period 1 April 2018 to 30 September 2018

|               | <b>SGD</b> |
|---------------|------------|
| Redemptions   | 6,117,412  |
| Subscriptions | 2,004,405  |

## Related Party Transactions

For the period 1 April 2018 to 30 September 2018

The Manager of the Fund is Legg Mason Asset Management Singapore Pte. Limited, the Trustee is HSBC Institutional Trust Services (Singapore) Limited and the Custodian is The Hongkong and Shanghai Banking Corporation Limited. The management fee, trustee fee, custody fee, registration fee and valuation fee paid or payable by the Fund are related party transactions and are shown in the Statement of Total Return.

Trustee fee of the Sub-Fund is absorbed by the Manager.

## Performance

|                 | <b>Legg Mason Western Asset<br/>Singapore Dollar Fund*</b> |                                       | <b>Benchmark</b> |
|-----------------|--|---------------------------------------|------------------|
|                 | <b>Class A (SGD)<br/>Accumulating</b>                      | <b>Class B (SGD)<br/>Accumulating</b> |                  |
| 3-month         | +0.22%   | +0.29%                                | +0.43%           |
| 6-month         | +0.39%   | +0.52%                                | +0.83%           |
| 1-year          | +0.66%   | +0.92%                                | +1.52%           |
| 3-year          | +0.46%   | +0.71%                                | +1.10%           |
| 5-year          | +0.33%   | +0.57%                                | +0.87%           |
| 10-year         | +0.32%   | +0.57%                                | +0.60%           |
| Since inception | +0.73%   | +1.10%                                | +0.99%           |

\* NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms). Annualised for periods over one year.

Benchmark : Monetary Authority of Singapore Benchmark Govt Bill Yield 3 Month\*\*

The benchmark is changed from the 1-month Singapore Inter-Bank Bid Rate Average to the Monetary Authority of Singapore Benchmark Govt Bill Yield 3 Month (Bloomberg ticker: MASB3M) with effect from 3 October 2016 because the benchmark data of the 1-month Singapore Inter-Bank Bid Rate Average is no longer published from 30 September 2015. Benchmark performance shown is based on the Monetary Authority of Singapore Benchmark Govt Bill Yield 3 Month and performance prior to 3 October 2016 is for reference only.

\*\* Benchmark data for the Monetary Authority of Singapore Benchmark Govt Bill Yield 3 Month reproduced with the permission of the Monetary Authority of Singapore ("MAS"). By assessing and using any part of the data, you shall be deemed to have accepted to be legally bound by the Terms of Use of the MAS website, available at <http://www.mas.gov.sg/Terms-of-Use.aspx>

The inception dates were 28 June 2002 and 17 April 2000 respectively for Class A and Class B.

Benchmark since inception performance is for Class A only.

Since inception figures are calculated from the first full month of investment.

Source : Legg Mason Asset Management Singapore Pte. Limited



## Report to Unitholders

For the half year ended 30 September 2018

### Expense Ratio

#### Class A

|  |       |
|--|-------|
| For the period 1 October 2017 to 30 September 2018 | 0.70% |
| For the period 1 October 2016 to 30 September 2017 | 0.70% |

#### Class B

|  |       |
|--|-------|
| For the period 1 October 2017 to 30 September 2018 | 0.45% |
| For the period 1 October 2016 to 30 September 2017 | 0.45% |

The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS").

The calculation of the Sub-Fund's expense ratios at 30 September 2018 was based on total operating expenses divided by the average net asset value respectively for the year. The total operating expenses do not include (where applicable) brokerage and other transaction 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 do not pay any performance fee. The average net asset value is based on the daily balances.

Total operating expenses and average net asset value are as below:

|                          | 30/9/2018 |              | 30/9/2017 |              |
|--------------------------|-----------|--------------|-----------|--------------|
|                          | Class A   | Class B      | Class A   | Class B      |
| Total operating expenses | \$ 2,219  | \$ 117,591   | \$ 2,762  | \$ 134,989   |
| Average net asset value  | \$315,292 | \$25,904,625 | \$393,393 | \$29,876,478 |

### Turnover Ratio

|  |         |
|--|---------|
| For the period 1 April 2018 to 30 September 2018 | 209.71% |
| For the period 1 April 2017 to 30 September 2017 | 266.51% |

The portfolio turnover ratios are calculated in accordance with the formula stated in the Code on Collective Investment Schemes. The calculation of the portfolio turnover ratio was based on the lower of the total value of purchases or sales of the underlying investments divided by the average daily net asset value respectively as below:

|   | 30/9/2018    | 30/9/2017    |
|---|--------------|--------------|
| Total value of purchases or sales of the underlying investments | \$53,338,945 | \$79,448,733 |
| Average daily net asset value                                   | \$25,434,977 | \$29,811,302 |

### Other Material Information

There are no other material information that will adversely impact the valuation of the Sub-Fund.

### Soft Dollar Commissions/Arrangements

The Manager and the sub-manager currently do not but shall be entitled to receive or enter into, soft dollar commissions or arrangements in respect of the Legg Mason Western Asset Singapore Dollar Fund.

### Detail of Underlying Funds

The Sub-Fund do not invest more than 30% of its NAV in another scheme.

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Legg Mason Martin Currie Southeast Asia Trust

Legg Mason Funds

- Legg Mason Western Asset Singapore Dollar Fund

**Legg Mason Western Asset Global Bond Trust**

Legg Mason Western Asset Asian Bond Trust

Legg Mason Western Asset Singapore Bond Fund

## Statement of Total Return (Unaudited)

For the half year ended 30 September 2018

|  | 30/9/2018          | 30/9/2017          |
|--|--------------------|--------------------|
|  | \$                 | \$                 |
| <b>Income</b>  |                    |                    |
| Interest income  | 15,689             | 8,368              |
| <b>Less: Expenses</b>  |                    |                    |
| Audit fee  | 13,140             | 13,578             |
| Commission fee   | 25,182             | 31,951             |
| Custody fee  | 28,879             | 27,362             |
| Management fee   | 1,471,966          | 1,379,250          |
| Trustee fee  | 99,384             | 93,203             |
| Registration fee   | 11,745             | 12,693             |
| Printing fee   | 501                | 3,510              |
| Professional fee   | 6,832              | 8,071              |
| Valuation fee  | 52,199             | 49,108             |
| Goods & services tax   | 18,254             | 74,449             |
| Transaction cost   | 142                | 720                |
| Other expenses   | 8,934              | 8,778              |
|  | <b>1,737,158</b>   | <b>1,702,673</b>   |
| <b>Net losses</b>  | <b>(1,721,469)</b> | <b>(1,694,305)</b> |
| <b>Net gains or losses on value of investments and financial derivatives</b> |                    |                    |
| Net gains on investments   | 1,500,502          | 11,587,307         |
| Net losses on forward foreign exchange contracts                             | (5,348,902)        | (4,424,327)        |
| Net (losses)/gains on future contracts                                       | (606,862)          | 766,702            |
| Net foreign exchange gains   | 82,100             | 188,991            |
|  | <b>(4,373,162)</b> | <b>8,118,673</b>   |
| <b>Total (deficit)/return for the half year before income tax</b>            | <b>(6,094,631)</b> | <b>6,424,368</b>   |
| <b>Less: Income tax</b>  | <b>(41,631)</b>    | <b>(33,417)</b>    |
| <b>Total (deficit)/return for the half year</b>                              | <b>(6,136,262)</b> | <b>6,390,951</b>   |

**Statement of Financial Position (Unaudited)**

As at 30 September 2018

|  | <b>30/9/2018</b>   | 31/3/2018   |
|--|--------------------|-------------|
|  | <b>\$</b>          | \$          |
| <b>ASSETS</b>                          |                    |             |
| Portfolio of investments               | <b>364,570,817</b> | 368,966,964 |
| Cash and bank balances                 | <b>28,908,815</b>  | 11,713,663  |
| Margin accounts                        | <b>4,075,042</b>   | 3,463,998   |
| Receivables                            | <b>468,405</b>     | 1,041,547   |
| Fair value of financial derivatives    | <b>2,091,625</b>   | 4,730,719   |
| <b>Total assets</b>                    | <b>400,114,704</b> | 389,916,891 |
| <b>LIABILITIES</b>                     |                    |             |
| Payables                               | <b>863,613</b>     | 806,534     |
| Fair value of financial derivatives    | <b>2,125,754</b>   | 2,228,986   |
| <b>Total liabilities</b>               | <b>2,989,367</b>   | 3,035,520   |
| <b>EQUITY</b>                          |                    |             |
| Net assets attributable to unitholders | <b>397,125,337</b> | 386,881,371 |

## Statement of Movements of Unitholders' Funds (Unaudited)

For the half year ended 30 September 2018

|   | <b>30/9/2018</b>    | 31/3/2018    |
|---|---------------------|--------------|
|   | \$                  | \$           |
| <b>Net assets attributable to unitholders at the beginning of the financial period/year</b>           | <b>386,881,371</b>  | 355,372,829  |
| <b>Operations</b>   |                     |              |
| Change in net assets attributable to unitholders resulting from operations                            | <b>(6,136,262)</b>  | 6,395,014    |
| <b>Unitholders' contributions/(withdrawals)</b>   |                     |              |
| Creation of units   | <b>44,091,232</b>   | 90,967,024   |
| Cancellation of units   | <b>(27,711,004)</b> | (65,853,496) |
| Change in net assets attributable to unitholders resulting from net creation or cancellation of units | <b>16,380,228</b>   | 25,113,528   |
| Total increase in net assets attributable to unitholders  | <b>10,243,966</b>   | 31,508,542   |
| <b>Net assets attributable to unitholders at the end of the financial period/year</b>                 | <b>397,125,337</b>  | 386,881,371  |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | Holdings<br>as at<br>30/9/2018 | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% |
|---|--------------------------------|--|--|
| <b><u>By Geography (Primary)</u></b>                          |                                |  |  |
| <b>Quoted Bonds</b>   |                                |  |  |
| <b>Australia</b>  |                                |  |  |
| Government of Australia 5.75% 15/07/2022                      | 1,380,000                      | 1,542,668                              | 0.39   |
| <b>Belgium</b>  |                                |  |  |
| Kingdom of Belgium Government Bond 0.8% 22/06/2027            | 5,860,000                      | 9,380,355                              | 2.36   |
| <b>Canada</b>   |                                |  |  |
| Government of Canada 2.25% 01/06/2025                         | 6,820,000                      | 7,151,518                              | 1.80   |
| Government of Canada Series WL43 5.75% 01/06/2029             | 500,000                        | 692,855                                | 0.17   |
|   |                                | 7,844,373                              | 1.97   |
| <b>France</b>   |                                |  |  |
| Government of France OAT (BR) 4.00% 25/04/2055                | 1,650,000                      | 4,208,967                              | 1.06   |
| Government of France OAT 0.25% 25/11/2026                     | 13,570,000                     | 21,055,552                             | 5.30   |
|   |                                | 25,264,519                             | 6.36   |
| <b>Germany</b>  |                                |  |  |
| Bundesrepublik Deutschland (BR) 0.5% 15/02/2026               | 640,000                        | 1,039,320                              | 0.26   |
| Bundesrepublik Deutschland (BR) 2.50% 15/08/2046              | 1,540,000                      | 3,301,568                              | 0.83   |
| Bundesrepublik Deutschland Series 05 (BR)<br>4.00% 04/01/2037 | 2,390,000                      | 5,838,268                              | 1.47   |
|   |                                | 10,179,156                             | 2.56   |
| <b>Great Britain</b>  |                                |  |  |
| UK Treasury 3.25% 22/01/2044                                  | 840,000                        | 1,887,117                              | 0.48   |
| UK Treasury 4.25% 07/06/2032                                  | 540,000                        | 1,258,273                              | 0.32   |
| UK Treasury 4.25% 07/12/2040                                  | 4,800,000                      | 12,182,731                             | 3.07   |
|   |                                | 15,328,121                             | 3.87   |
| <b>Ireland</b>  |                                |  |  |
| Irish Treasury 3.40% 18/03/2024                               | 1,840,000                      | 3,414,045                              | 0.86   |
| <b>Italy</b>  |                                |  |  |
| Buoni Poliennali Del Tes 1.45% 15/09/2022                     | 13,010,000                     | 20,138,320                             | 5.07   |
| Buoni Poliennali Del Tes 2% 01/12/2025                        | 7,660,000                      | 11,539,713                             | 2.91   |
| Buoni Poliennali Del Tes 4.75% 01/09/2044                     | 1,070,000                      | 1,999,656                              | 0.50   |
| Buoni Poliennali Del Tes 5.00% 01/09/2040                     | 1,574,000                      | 2,989,495                              | 0.75   |
| Buoni Poliennali Del Tesoro 0.45% 01/06/2021                  | 5,750,000                      | 8,859,451                              | 2.23   |
| Republic of Italy 3.25% 01/09/2046                            | 290,000                        | 434,224                                | 0.11   |
|   |                                | 45,960,859                             | 11.57  |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|  | Holdings<br>as at<br>30/9/2018 | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% |
|--|--------------------------------|--|--|
| <b>By Geography (Primary)</b> (continued)                        |                                |  |  |
| <b>Quoted Bonds</b> (continued)                                  |                                |  |  |
| <b>Japan</b>   |                                |  |  |
| Japanese Government CPI Linked Bond Series 21<br>0.1% 10/03/2026 | 714,000,000                    | 8,941,636                              | 2.25   |
| <b>Mexico</b>  |                                |  |  |
| Mex Bonds De Desarrollo Series M 8.00% 11/06/2020                | 79,737,100                     | 5,851,396                              | 1.47   |
| Mex Bonds Desarr Fix RT Series M 7.75% 13/11/2042                | 183,241,400                    | 12,881,279                             | 3.24   |
|  |                                | 18,732,675                             | 4.71   |
| <b>Spain</b>   |                                |  |  |
| Bonos Y Oblig Del Estado 1.15% 30/07/2020                        | 4,400,000                      | 7,154,853                              | 1.80   |
| Bonos Y Oblig Del Estado 1.45% 31/10/2027                        | 3,320,000                      | 5,303,901                              | 1.34   |
| Bonos Y Oblig Del Estado 5.15% 31/10/2044                        | 1,070,000                      | 2,586,705                              | 0.65   |
| Spain Government Bond 1.3% 31/10/2026                            | 5,280,000                      | 8,440,547                              | 2.13   |
|  |                                | 23,486,006                             | 5.92   |
| <b>Supra-National</b>  |                                |  |  |
| Inter-Amer Development Bank 3.875% 14/02/2020                    | 2,460,000                      | 3,407,438                              | 0.86   |
| <b>United States of America</b>                                  |                                |  |  |
| United States Treasury N/B 1.875% 31/01/2022                     | 5,040,000                      | 6,663,395                              | 1.68   |
| US Treasury N/B 1.375% 15/01/2020                                | 8,280,000                      | 11,121,400                             | 2.80   |
| US Treasury Bond 2.875% 15/05/2043                               | 9,830,000                      | 12,697,349                             | 3.20   |
| US Treasury Bond 4.50% 15/08/2039                                | 10,840,000                     | 17,843,767                             | 4.49   |
| US Treasury N/B 1.50% 31/12/2018                                 | 25,530,000                     | 34,817,937                             | 8.77   |
| Us Treasury N/B 1.625% 15/11/2022                                | 20,990,000                     | 27,230,461                             | 6.86   |
| US Treasury N/B 1.625% 30/04/2019                                | 4,180,000                      | 5,684,734                              | 1.43   |
| US Treasury N/B 1.625% 31/12/2019                                | 100,000                        | 134,829                                | 0.03   |
| US Treasury N/B 1.75% 30/06/2022                                 | 8,160,000                      | 10,692,684                             | 2.69   |
| US Treasury N/B 1.750% 31/03/2022                                | 22,790,000                     | 29,945,976                             | 7.54   |
| US Treasury N/B 2% 15/02/2025                                    | 1,220,000                      | 1,570,548                              | 0.40   |
| Us Treasury N/B 2% 31/10/2022                                    | 1,350,000                      | 1,779,032                              | 0.45   |
| US Treasury N/B 2.125% 29/02/2024                                | 11,320,000                     | 14,821,273                             | 3.73   |
| US Treasury N/B 2.250% 15/11/2024                                | 90,000                         | 117,897                                | 0.03   |
| US Treasury N/B 2.875% 15/08/2045                                | 4,830,000                      | 6,213,175                              | 1.56   |
| US Treasury N/B 3% 15/05/2045                                    | 3,030,000                      | 3,994,100                              | 1.01   |
| US Treasury N/B 3% 15/05/2047                                    | 353,000                        | 464,640                                | 0.12   |



**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|  | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|--|---|--|--|
| <b><u>By Geography (Primary)</u></b> (continued) |   |  |  |
| <b>Quoted Bonds</b> (continued)                  |   |  |  |
| <b>United States of America</b> (continued)      |   |  |  |
| US Treasury Strip Princ 0.00% 15/05/2043         | 4,990,000                               | 3,116,079  | 0.78   |
|  |   | 188,909,276                                      | 47.57  |
| <b>Total quoted bonds</b>                        |   | <b>362,391,127</b>                               | <b>91.25</b>   |
| <b>Accrued interest on quoted bonds</b>          |   | <b>2,179,690</b>                                 | <b>0.55</b>  |
| <b>Portfolio of investments</b>                  |   | <b>364,570,817</b>                               | <b>91.80</b>   |
| <b>Other net assets</b>                          |   | <b>32,554,520</b>                                | <b>8.20</b>  |
| <b>Net assets attributable to unitholders</b>    |   | <b>397,125,337</b>                               | <b>100.00</b>  |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>31/3/2018<br/>%</b> |
|---|--|--|
| <b>By Geography (Summary)</b>                 |  |  |
| <b>Quoted Bonds</b>                           |  |  |
| Australia                                     | <b>0.39</b>  | 0.41   |
| Belgium                                       | <b>2.36</b>  | 2.48   |
| Canada  | <b>1.97</b>  | 3.11   |
| France  | <b>6.36</b>  | 6.67   |
| Germany                                       | <b>2.56</b>  | 2.66   |
| Great Britain                                 | <b>3.87</b>  | 3.72   |
| Ireland                                       | <b>0.86</b>  | 0.91   |
| Italy   | <b>11.57</b>   | 10.87  |
| Japan   | <b>2.25</b>  | 6.25   |
| Mexico  | <b>4.71</b>  | 4.96   |
| Poland  | -  | 3.59   |
| Spain   | <b>5.92</b>  | 4.89   |
| Supra-National                                | <b>0.86</b>  | 0.86   |
| United States of America                      | <b>47.57</b>   | 43.38  |
|   | <b>91.25</b>   | 94.76  |
| <b>Accrued interest on quoted bonds</b>       | <b>0.55</b>  | 0.61   |
| <b>Portfolio of investments</b>               | <b>91.80</b>   | 95.37  |
| <b>Other net assets</b>                       | <b>8.20</b>  | 4.63   |
| <b>Net assets attributable to unitholders</b> | <b>100.00</b>  | 100.00   |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|--|
| <b>By Industry (Secondary)</b>                |  |  |  |
| Banks   | 3,407,438                              | 0.86   | 0.86   |
| Government                                    | 358,983,689                            | 90.39  | 93.90  |
|   | <b>362,391,127</b>                     | <b>91.25</b>   | <b>94.76</b>   |
| <b>Accrued interest on quoted bonds</b>       | <b>2,179,690</b>                       | <b>0.55</b>  | <b>0.61</b>  |
| <b>Portfolio of investments</b>               | <b>364,570,817</b>                     | <b>91.80</b>   | <b>95.37</b>   |
| <b>Other net assets</b>                       | <b>32,554,520</b>                      | <b>8.20</b>  | <b>4.63</b>  |
| <b>Net assets attributable to unitholders</b> | <b>397,125,337</b>                     | <b>100.00</b>  | <b>100.00</b>  |

# Report to Unitholders

For the half year ended 30 September 2018

## Investment Allocation as at 30 September 2018

| <b>By Country</b>                       | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Australia                               | 1,542,668                      | 0.39            |
| Belgium                                 | 9,380,355                      | 2.36            |
| Canada                                  | 7,844,373                      | 1.97            |
| France                                  | 25,264,519                     | 6.36            |
| Germany                                 | 10,179,156                     | 2.56            |
| Great Britain                           | 15,328,121                     | 3.87            |
| Ireland                                 | 3,414,045                      | 0.86            |
| Italy                                   | 45,960,859                     | 11.57           |
| Japan                                   | 8,941,636                      | 2.25            |
| Mexico                                  | 18,732,675                     | 4.71            |
| Spain                                   | 23,486,006                     | 5.92            |
| Supra-National                          | 3,407,438                      | 0.86            |
| United States of America                | 188,909,276                    | 47.57           |
|   | <b>362,391,127</b>             | <b>91.25</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>2,179,690</b>               | <b>0.55</b>     |
| <b>Portfolio of investments</b>         | <b>364,570,817</b>             | <b>91.80</b>    |
| <b>Other net assets</b>                 | <b>32,554,520</b>              | <b>8.20</b>     |
| <b>Total</b>                            | <b>397,125,337</b>             | <b>100.00</b>   |

  

| <b>By Industry</b>                      | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Banks                                   | 3,407,438                      | 0.86            |
| Government                              | 358,983,689                    | 90.39           |
|   | <b>362,391,127</b>             | <b>91.25</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>2,179,690</b>               | <b>0.55</b>     |
| <b>Portfolio of investments</b>         | <b>364,570,817</b>             | <b>91.80</b>    |
| <b>Other net assets</b>                 | <b>32,554,520</b>              | <b>8.20</b>     |
| <b>Total</b>                            | <b>397,125,337</b>             | <b>100.00</b>   |

  

| <b>By Asset Class</b>                   | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Fixed Income securities                 | 362,391,127                    | 91.25           |
|   | <b>362,391,127</b>             | <b>91.25</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>2,179,690</b>               | <b>0.55</b>     |
| <b>Portfolio of investments</b>         | <b>364,570,817</b>             | <b>91.80</b>    |
| <b>Other net assets</b>                 | <b>32,554,520</b>              | <b>8.20</b>     |
| <b>Total</b>                            | <b>397,125,337</b>             | <b>100.00</b>   |

## Report to Unitholders

For the half year ended 30 September 2018

| <b>By Credit Rating *</b>               | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Aaa                                     | 208,766,832                    | 52.57           |
| Aa2                                     | 40,592,640                     | 10.22           |
| AA-                                     | 9,380,355                      | 2.36            |
| A                                       | 8,941,636                      | 2.25            |
| A2                                      | 3,414,045                      | 0.86            |
| Baa1                                    | 23,486,006                     | 5.91            |
| BBB+                                    | 18,732,675                     | 4.72            |
| Baa2                                    | 45,960,859                     | 11.57           |
| Unrated                                 | 3,116,079                      | 0.79            |
|   | <b>362,391,127</b>             | <b>91.25</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>2,179,690</b>               | <b>0.55</b>     |
| <b>Portfolio of investments</b>         | <b>364,570,817</b>             | <b>91.80</b>    |
| <b>Other net assets</b>                 | <b>32,554,520</b>              | <b>8.20</b>     |
| <b>Total</b>                            | <b>397,125,337</b>             | <b>100.00</b>   |

\*By Standard & Poor's /Moody's/Fitch

### Top 10 Holdings

| <b>Holdings as at 30 September 2018</b>           | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| US Treasury N/B 1.50% 31/12/2018                  | 34,817,937                     | 8.77            |
| US Treasury N/B 1.750% 31/03/2022                 | 29,945,976                     | 7.54            |
| Us Treasury N/B 1.625% 15/11/2022                 | 27,230,461                     | 6.86            |
| Government of France OAT 0.25% 25/11/2026         | 21,055,552                     | 5.30            |
| Buoni Poliennali Del Tes 1.45% 15/09/2022         | 20,138,320                     | 5.07            |
| US Treasury Bond 4.50% 15/08/2039                 | 17,843,767                     | 4.49            |
| US Treasury N/B 2.125% 29/02/2024                 | 14,821,273                     | 3.73            |
| Mex Bonds Desarr Fix RT Series M 7.75% 13/11/2042 | 12,881,279                     | 3.24            |
| US Treasury Bond 2.875% 15/05/2043                | 12,697,349                     | 3.20            |
| UK Treasury 4.25% 07/12/2040                      | 12,182,731                     | 3.07            |

| <b>Holdings as at 30 September 2017</b>                   | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| US Treasury N/B 1.50% 31/12/2018                          | 33,716,067                     | 9.18            |
| Buoni Poliennali Del Tes 1.45% 15/09/2022                 | 21,497,632                     | 5.85            |
| Government of France OAT 0.25% 25/11/2026                 | 20,990,791                     | 5.71            |
| US Treasury Bond 4.50% 15/08/2039                         | 19,024,786                     | 5.18            |
| US Treasury N/B 2.125% 29/02/2024                         | 15,379,091                     | 4.19            |
| Mex Bonds Desarr Fix RT Series M 7.75% 13/11/2042         | 14,908,049                     | 4.06            |
| Government of Japan CPI Linked Series 16 1.40% 10/06/2018 | 14,676,096                     | 4.00            |
| Buoni Poliennali Del Tes 2% 01/12/2025                    | 13,678,585                     | 3.72            |
| US Treasury Bond 2.875% 15/05/2043                        | 13,449,717                     | 3.66            |
| UK Treasury 4.25% 07/12/2040                              | 12,525,591                     | 3.41            |

# Report to Unitholders

For the half year ended 30 September 2018

## Exposure to Derivatives

|  | Market Value<br>in SGD | % of NAV |
|--|------------------------|----------|
| Forward foreign exchange and futures contracts as at<br>30 September 2018          | (34,129)               | (0.01)   |
| Net loss on contracts realised for the period 1 April 2018 at<br>30 September 2018 | (5,921,636)            |          |
| Net loss on outstanding contracts marked to market as at<br>30 September 2018      | (34,129)               |          |

## Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

## Collateral

There are margin deposits of SGD4,075,042 held in respect of exchange-traded futures contract with a financial institution which is a non-related company.

## Securities Lending or Repurchase Transactions

Nil as at 30 September 2018.

## Investment in Other Unit Trust, Mutual Funds and Collective Investment Schemes

Nil as at 30 September 2018.

## Borrowings

Nil as at 30 September 2018.

## Amount of Redemptions and Subscriptions

*For the period 1 April 2018 to 30 September 2018*

|               | SGD        |
|---------------|------------|
| Redemptions   | 27,711,004 |
| Subscriptions | 44,091,232 |

## Related Party Transactions

*For the period 1 April 2018 to 30 September 2018*

The Manager of the Fund is Legg Mason Asset Management Singapore Pte. Limited, the Trustee is HSBC Institutional Trust Services (Singapore) Limited and the Custodian is The Hongkong and Shanghai Banking Corporation Limited. The management fee, trustee fee, custody fee, registration fee and valuation fee paid or payable by the Fund are related party transactions and are shown in the Statement of Total Return.

## Report to Unitholders

For the half year ended 30 September 2018

### Performance

|                 | <b>Legg Mason<br/>Western Asset<br/>Global Bond Trust<br/>Class A (SGD)<br/>Accumulating*</b> | <b>Benchmark</b> |
|-----------------|---|------------------|
| 3-month         | -0.99%  | -0.70%           |
| 6-month         | -1.55%  | -0.86%           |
| 1-year          | -1.62%  | +0.12%           |
| 3-year          | +0.17%  | +1.63%           |
| 5-year          | +2.22%  | +3.31%           |
| 10-year         | +2.13%  | +2.71%           |
| Since inception | +1.84%  | +3.44%           |

\* NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms). Annualised for periods over one year. Benchmark : FTSE World Government Bond Index (S\$) ex Japan, hedged to S\$. From 3 January 2005 to 31 March 2011, the benchmark was FTSE World Government Bond Index (S\$) ex Japan. Prior to that, the benchmark was FTSE World Government Bond Index (S\$).

The inception date was 2 November 1998

Source : Legg Mason Asset Management Singapore Pte. Limited

### Expense Ratio

|  |       |
|--|-------|
| For the period 1 October 2017 to 30 September 2018 | 0.85% |
| For the period 1 October 2016 to 30 September 2017 | 0.89% |

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 at 30 September 2018 was based on total operating expenses of \$3,259,502 (30 September 2017: \$3,240,879) divided by the average net asset value of \$382,487,281 (30 September 2017: \$363,209,826) for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, commission fee, 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 Fund does not pay any performance fee. The average net asset value is based on the daily balances.

### Turnover Ratio

|  |        |
|--|--------|
| For the period 1 April 2018 to 30 September 2018 | 13.74% |
| For the period 1 April 2017 to 30 September 2017 | 16.05% |

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 was based on the lower of the total value of purchases or sales of the underlying investments, being purchases of \$53,767,765 (30 September 2017: sales of \$58,891,927) divided by the average daily net asset value of \$391,408,166 (30 September 2017: \$366,864,720).

### Other Material Information

On 3 September 2018, Western Asset Management Company Pte. Ltd. (the "WAMC") retired as the Manager of the Legg Mason Western Asset Global Bond Trust (the "Fund"). The new Manager is Legg Mason Asset Management Singapore Pte. Limited. WAMC will be appointed as a sub-manager for the Fund, alongside the existing sub-managers, Western Asset Management Company, LLC (formerly known as Western Asset Management Company) and Western Asset Management Company Limited.

There are no other material information that will adversely impact the valuation of the Fund.

# **Report to Unitholders**

For the half year ended 30 September 2018

## **Soft Dollar Commissions/Arrangements**

The Managers and, as the case may be, the Sub-Managers currently do not but shall be entitled to receive or enter into soft-dollar commissions/arrangements in respect of the Trust.

## **Detail of Underlying Funds**

The Fund does not invest more than 30% of its NAV in another scheme.



Legg Mason Martin Currie Southeast Asia Trust

Legg Mason Funds

- Legg Mason Western Asset Singapore Dollar Fund

Legg Mason Western Asset Global Bond Trust

**Legg Mason Western Asset Asian Bond Trust**

Legg Mason Western Asset Singapore Bond Fund

## Statement of Total Return (Unaudited)

For the half year ended 30 September 2018

|  | 30/9/2018<br>\$  | 30/9/2017<br>\$  |
|--|------------------|------------------|
| <b>Income</b>  |                  |                  |
| Interest income  | 675              | 190              |
|  | <u>675</u>       | <u>190</u>       |
| <b>Less: Expenses</b>  |                  |                  |
| Audit fee  | 6,334            | 6,631            |
| Custody fee  | 4,877            | 5,305            |
| Management fee   | 199,534          | 219,220          |
| Trustee fee  | 11,230           | 12,214           |
| Registration fee   | 7,426            | 7,697            |
| Printing fee   | 501              | 1,003            |
| Professional fee   | 10,218           | 7,256            |
| Valuation fee  | 8,122            | 8,614            |
| Goods & services tax   | 2,189            | 12,564           |
| Transaction cost   | 443              | 701              |
| Other expense  | 1,616            | 1,927            |
|  | <u>252,490</u>   | <u>283,132</u>   |
| <b>Net losses</b>  | <u>(251,815)</u> | <u>(282,942)</u> |
| <b>Net gains or losses on value of investments and financial derivatives</b> |                  |                  |
| Net gains on investments   | 595,256          | 625,799          |
| Net (losses)/gains on forward foreign exchange contracts                     | (1,108,636)      | 498,362          |
| Net foreign exchange losses  | (5,755)          | (24,922)         |
|  | <u>(519,135)</u> | <u>1,099,239</u> |
| <b>Total (deficit)/return for the half year before income tax</b>            | <u>(770,950)</u> | 816,297          |
| <b>Less: Income tax</b>  | <u>(38,382)</u>  | <u>(34,820)</u>  |
| <b>Total (deficit)/return for the half year</b>                              | <u>(809,332)</u> | <u>781,477</u>   |

**Statement of Financial Position (Unaudited)**

As at 30 September 2018

|  | <b>30/9/2018</b>  | 31/3/2018  |
|--|-------------------|------------|
|  | \$                | \$         |
| <b>ASSETS</b>                          |                   |            |
| Portfolio of investments               | <b>38,709,168</b> | 40,591,011 |
| Cash and bank balances                 | <b>214,178</b>    | 569,025    |
| Margin accounts                        | <b>78,386</b>     | 78,151     |
| Receivables                            | <b>21,932</b>     | 1,320      |
| Fair value of financial derivatives    | <b>71,564</b>     | 32,540     |
| <b>Total assets</b>                    | <b>39,095,228</b> | 41,272,047 |
| <b>LIABILITIES</b>                     |                   |            |
| Payables                               | <b>101,772</b>    | 126,954    |
| Fair value of financial derivatives    | -                 | 69,587     |
| <b>Total liabilities</b>               | <b>101,772</b>    | 196,541    |
| <b>EQUITY</b>                          |                   |            |
| Net assets attributable to unitholders | <b>38,993,456</b> | 41,075,506 |

## Statement of Movements of Unitholders' Funds (Unaudited)

For the half year ended 30 September 2018

|  | <b>30/9/2018</b>   | 31/3/2018   |
|--|--------------------|-------------|
|  | <b>\$</b>          | \$          |
| <b>Net assets attributable to unitholders at the beginning of the financial period/<br/>year</b> | <b>41,075,506</b>  | 43,739,564  |
| <b>Operations</b>  |                    |             |
| Change in net assets attributable to unitholders resulting from operations                       | <b>(809,332)</b>   | 276,721     |
| <b>Unitholders' contributions/(withdrawals)</b>  |                    |             |
| Creation of units  | <b>2,909,963</b>   | 4,030,106   |
| Cancellation of units  | <b>(4,182,681)</b> | (6,970,885) |
| Change in net assets attributable to unitholders resulting from net cancellation<br>of units     | <b>(1,272,718)</b> | (2,940,779) |
| Total decrease in net assets attributable to unitholders   | <b>(2,082,050)</b> | (2,664,058) |
| <b>Net assets attributable to unitholders at the end of the financial period/year</b>            | <b>38,993,456</b>  | 41,075,506  |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|---|---|--|--|
| <b><u>By Geography (Primary)</u></b>                                |   |  |  |
| <b>Quoted Bonds</b>   |   |  |  |
| <b>Australia</b>  |   |  |  |
| AusNet Services Holdings Pty Ltd Var 17/03/2076                     | 500,000                                 | 710,502  | 1.82   |
| Commonwealth Bank of Australia Series EMTN<br>4.2% 26/10/2020       | 5,000,000                               | 998,262  | 2.56   |
|   |   | 1,708,764  | 4.38   |
| <b>British Virgin Islands</b>                                       |   |  |  |
| Tsinghua Unigroup Limited 4.75% 31/01/2021                          | 400,000                                 | 499,150  | 1.28   |
| <b>Canada</b>   |   |  |  |
| Harvest Operations Corporation 4.2% 01/06/2023                      | 300,000                                 | 415,797  | 1.07   |
| <b>China</b>  |   |  |  |
| Bank of China Limited VAR PERP                                      | 2,000,000                               | 406,252  | 1.04   |
| Bank of China Sydney Series FRN 02/03/2020                          | 700,000                                 | 692,283  | 1.78   |
| Bank of China/Macau Series EMTN 2.875% 20/04/2022                   | 2,000,000                               | 397,735  | 1.02   |
| Charming Light Investments Limited Series EMTN<br>4.375% 21/12/2027 | 400,000                                 | 516,961  | 1.33   |
| China Aoyuan Property Group 6.35% 11/01/2020                        | 400,000                                 | 544,490  | 1.40   |
| China Overseas Finance 4.25% 26/04/2023                             | 300,000                                 | 407,071  | 1.04   |
| China SCE Group Holdings Limited 7.45% 17/04/2021                   | 200,000                                 | 270,537  | 0.69   |
| Chinalco Capital Holdings 4.25% 21/04/2022                          | 200,000                                 | 263,022  | 0.67   |
| Chinalco Capital Holdings Limited 4% 25/08/2021                     | 200,000                                 | 266,438  | 0.68   |
| Country Garden Holdings Co Limited 5.8% 12/03/2021                  | 1,000,000                               | 198,997  | 0.51   |
| Far East Horizon Limited Series EMTN FRN 03/07/2021                 | 200,000                                 | 272,587  | 0.70   |
| Gansu Provincial Highway Aviation 3% 18/11/2019                     | 200,000                                 | 266,267  | 0.68   |
| Guangxi Communications Investment Group<br>3% 04/11/2019            | 200,000                                 | 266,139  | 0.68   |
| Hesteel Hong Kong Co Limited 4.25% 07/04/2020                       | 400,000                                 | 539,025  | 1.38   |
| Huaneng Hong Kong Capital Limited VAR PERP                          | 500,000                                 | 626,478  | 1.61   |
| Hubei Sci Tech Hk 4.375% 05/03/2021                                 | 500,000                                 | 656,975  | 1.69   |
| Logan Property Holdings 6.125% 16/04/2021                           | 750,000                                 | 734,955  | 1.88   |
| Longfor Properties 4.5% 16/01/2028                                  | 200,000                                 | 245,601  | 0.63   |
| MCC Holding HK Corporation Limited VAR PERP                         | 500,000                                 | 683,175  | 1.75   |
| Yuzhou Properties Co Limited 7.9% 11/05/2021                        | 200,000                                 | 272,902  | 0.70   |
|   |   | 8,527,890  | 21.86  |
| <b>Great Britain</b>  |   |  |  |
| HSBC Holdings Plc Series EMTN VAR PERP                              | 1,500,000                               | 1,511,970  | 3.88   |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|  | Holdings<br>as at<br>30/9/2018 | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% |
|--|--------------------------------|--|--|
| <b>By Geography (Primary)</b> (continued)  |                                |  |  |
| <b>Quoted Bonds</b> (continued)  |                                |  |  |
| <b>Hong Kong</b>   |                                |  |  |
| Bank of East Asia Limited  | 500,000                        | 677,296                                | 1.74   |
| Bank of East Asia Limited (Reg s) VAR 03/11/2026                                 | 400,000                        | 532,983                                | 1.37   |
| China Cinda Finance 2017 I Series Limited<br>3.875% 08/02/2023                   | 200,000                        | 268,332                                | 0.69   |
| China Life Insurance Overs/HK VAR 27/07/2027                                     | 200,000                        | 256,359                                | 0.66   |
| CNAC HK Finbridge Co Limited 4.625% 14/03/2023                                   | 600,000                        | 826,377                                | 2.12   |
| Dah Sing Bank Limited Series EMTN VAR 30/11/2026                                 | 200,000                        | 268,941                                | 0.69   |
| FWD Limited 6.25% PERP 29/12/2049  | 200,000                        | 273,270                                | 0.70   |
| Leader Goal Intl Limited VAR PERP  | 250,000                        | 327,070                                | 0.84   |
| Radiant Access Limited 4.6% 18/11/2065   | 200,000                        | 231,255                                | 0.59   |
| Shimao Property Holdings Limited 5.75% 15/03/2021                                | 3,000,000                      | 596,620                                | 1.53   |
| Sun Hung Kai Properties 4.45% PERP   | 300,000                        | 349,956                                | 0.90   |
| Trade Horizon Global FRN 02/08/2021  | 300,000                        | 405,294                                | 1.04   |
| Vanke Real Estate HK Series EMTN 4.15% 18/04/2023                                | 300,000                        | 400,069                                | 1.03   |
|  |                                | 5,413,822                              | 13.90  |
| <b>India</b>   |                                |  |  |
| Housing Development Finance Corporation Limited<br>Series EMTN 6.875% 30/04/2020 | 20,000,000                     | 363,967                                | 0.93   |
|  |                                | 363,967                                | 0.93   |
| <b>Indonesia</b>   |                                |  |  |
| Indonesia Eximbank Series OB 7.6% 15/08/2020                                     | 13,000,000,000                 | 1,173,581                              | 3.01   |
| Indonesia Government Series FR69 (Reg)<br>7.875% 15/04/2019                      | 36,620,000,000                 | 3,374,722                              | 8.65   |
| Perusahaan Listrik Negar 4.125% 15/05/2027                                       | 250,000                        | 322,587                                | 0.83   |
| PT Pelabuhan Indonesia II 5.375% 05/05/2045                                      | 200,000                        | 254,824                                | 0.65   |
| Sarana Multigriya Finans Series Ob 6.25% 23/10/2018                              | 2,550,000,000                  | 233,546                                | 0.60   |
|  |                                | 5,359,260                              | 13.74  |
| <b>Malaysia</b>  |                                |  |  |
| GOHL Capital Limited 4.25% 24/01/2027  | 500,000                        | 651,899                                | 1.67   |
| Malaysia Sovereign Sukuk 3.043% 22/04/2025                                       | 250,000                        | 325,421                                | 0.83   |
| SSG Resources Limited 4.25% 04/10/2022   | 200,000                        | 272,838                                | 0.70   |
|  |                                | 1,250,158                              | 3.20   |
| <b>Netherlands</b>   |                                |  |  |
| Minejesa Capital BV Series 4.625% 10/08/2030                                     | 300,000                        | 376,352                                | 0.97   |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|  | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|--|---|--|--|
| <b>By Geography (Primary)</b> (continued)                    |   |  |  |
| <b>Quoted Bonds</b> (continued)                              |   |  |  |
| <b>Singapore</b>   |   |  |  |
| AACI REIT MTN Pte Limited Series MTN 3.6% 22/03/2022         | 250,000                                 | 237,650  | 0.61   |
| AACI REIT MTN Pte Limited Series MTN 3.8% 21/05/2019         | 750,000                                 | 745,958  | 1.91   |
| Ascott Residence Trust VAR PERP (Issue date: 27/10/2014)     | 750,000                                 | 757,493  | 1.94   |
| DBS Group Holdings Limited Series MTN VAR PERP               | 250,000                                 | 249,693  | 0.64   |
| DBS Group Holdings Limited Series VAR 11/12/2028             | 800,000                                 | 1,106,437  | 2.84   |
| First Real Estate Invest Series MTN VAR PERP                 | 1,250,000                               | 1,208,538  | 3.10   |
| Jurong Shipyard Pte Limited Series EMTN<br>2.95% 10/09/2021  | 500,000                                 | 485,450  | 1.25   |
| Lippo Malls Indonesia Retail Series EMTN VAR PERP            | 750,000                                 | 623,723  | 1.60   |
| Mapletree Treasury Services EMTN VAR PERP                    | 250,000                                 | 247,237  | 0.63   |
| QUE CT Treasury Pte Limited 3.03% 05/09/2020                 | 1,000,000                               | 991,010  | 2.54   |
| Oversea-Chinese Banking Corporation Limited VAR PERP         | 250,000                                 | 252,340  | 0.65   |
| Sembcorp Industries Limited MTN VAR PERP                     | 1,000,000                               | 1,005,690  | 2.58   |
| Sembcorp Industries Limited Series MTN VAR PERP              | 1,000,000                               | 987,990  | 2.53   |
|  |   | 8,899,209  | 22.82  |
| <b>South Korea</b>   |   |  |  |
| Industrial Bank of Korea VAR PERP                            | 200,000                                 | 260,664  | 0.67   |
| Korea Development Bank Series 625 4.2% 15/12/2018            | 6,000,000                               | 1,189,448  | 3.05   |
| Korea Exchange Bank 4.25% 14/10/2024                         | 400,000                                 | 536,437  | 1.38   |
| Korea Resources Corporation 4% 18/04/2023                    | 250,000                                 | 341,946  | 0.88   |
| Korea Southern Power Series 3% 29/01/2021                    | 200,000                                 | 269,615  | 0.69   |
|  |   | 2,598,110  | 6.67   |
| <b>Sri Lanka</b>   |   |  |  |
| Republic of Sri Lanka Series 6.2% 11/05/2027                 | 200,000                                 | 258,582  | 0.66   |
| Sri Lanka Government International Bond<br>6.825% 18/07/2026 | 360,000                                 | 483,893  | 1.24   |
|  |   | 742,475  | 1.90   |
| <b>Vietnam</b>   |   |  |  |
| Socialist Republic of Vietnam 4.80% 19/11/2024               | 299,000                                 | 417,159  | 1.07   |
|  |   | 417,159  | 1.07   |
| <b>Total quoted bonds</b>                                    |   | <b>38,084,083</b>                                | <b>97.67</b>   |
| <b>Accrued interest on quoted bonds</b>                      |   | <b>625,085</b>                                   | <b>1.60</b>  |
|  |   | <b>38,709,168</b>                                | <b>99.27</b>   |
| <b>Portfolio of investments</b>                              |   | <b>38,709,168</b>                                | <b>99.27</b>   |
| <b>Other net assets</b>                                      |   | <b>284,288</b>                                   | <b>0.73</b>  |
| <b>Net assets attributable to unitholders</b>                |   | <b>38,993,456</b>                                | <b>100.00</b>  |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|
| <b>By Geography (Summary)</b>                 |  |  |
| <b>Quoted Bonds</b>                           |  |  |
| Australia                                     | 4.38   | 1.67   |
| British Virgin Islands                        | 1.28   | -  |
| Canada  | 1.07   | -  |
| China   | 21.86  | 28.01  |
| Great Britain                                 | 3.88   | 1.84   |
| Hong Kong                                     | 13.90  | 7.01   |
| India   | 0.93   | 3.52   |
| Indonesia                                     | 13.74  | 13.74  |
| Malaysia                                      | 3.20   | 3.01   |
| Netherlands                                   | 0.97   | 0.93   |
| Singapore                                     | 22.82  | 23.26  |
| South Korea                                   | 6.67   | 11.72  |
| Sri Lanka                                     | 1.90   | 1.82   |
| Vietnam                                       | 1.07   | 0.98   |
|   | <hr/> 97.67  | 97.51  |
| <b>Accrued interest on quoted bonds</b>       | <b>1.60</b>  | <b>1.31</b>  |
|   | <hr/> 99.27  | 98.82  |
| <b>Portfolio of investments</b>               | <b>99.27</b>   | 98.82  |
| <b>Other net assets</b>                       | <b>0.73</b>  | 1.18   |
| <b>Net assets attributable to unitholders</b> | <hr/> <b>100.00</b> <hr/>  | 100.00   |



**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|--|
| <b>By Industry (Secondary)</b>                |  |  |  |
| Automotives and Trucks                        | -                                      | -  | 0.95   |
| Bank  | 9,856,587                              | 25.28  | 22.70  |
| Chemical                                      | -                                      | -  | 1.25   |
| Consumer                                      | 651,899                                | 1.67   | 1.57   |
| Diversified resource                          | 233,546                                | 0.60   | 0.59   |
| Electrical and Electronic                     | 592,202                                | 1.52   | 1.41   |
| Energy  | -                                      | -  | 1.30   |
| Engineering and Construction                  | 327,070                                | 0.84   | 0.79   |
| Finance                                       | 1,806,714                              | 4.63   | 6.47   |
| Government                                    | 4,859,777                              | 12.46  | 12.30  |
| Insurance                                     | 529,629                                | 1.36   | 1.27   |
| Investment                                    | 1,406,689                              | 3.61   | 3.38   |
| Iron and Steel                                | 539,025                                | 1.38   | 1.26   |
| Metals  | 946,197                                | 2.43   | 2.22   |
| Mining  | 608,384                                | 1.56   | 0.62   |
| Miscellaneous                                 | 1,092,644                              | 2.80   | 2.56   |
| Oil and gas                                   | 415,797                                | 1.07   | 0.93   |
| Real estate                                   | 6,401,110                              | 16.42  | 11.17  |
| Real estate investment trust                  | 2,589,754                              | 6.64   | 10.55  |
| Semiconductor                                 | 1,156,125                              | 2.96   | 3.48   |
| Telecommunication                             | 710,502                                | 1.82   | 1.67   |
| Transport                                     | 2,733,954                              | 7.01   | 7.57   |
| Utilities                                     | 626,478                                | 1.61   | 1.50   |
|   | <b>38,084,083</b>                      | <b>97.67</b>   | <b>97.51</b>   |
| <b>Accrued interest on quoted bonds</b>       | <b>625,085</b>                         | <b>1.60</b>  | <b>1.31</b>  |
| <b>Portfolio of investments</b>               | <b>38,709,168</b>                      | <b>99.27</b>   | <b>98.82</b>   |
| <b>Other net assets</b>                       | <b>284,288</b>                         | <b>0.73</b>  | <b>1.18</b>  |
| <b>Net assets attributable to unitholders</b> | <b>38,993,456</b>                      | <b>100.00</b>  | <b>100.00</b>  |

# Report to Unitholders

For the half year ended 30 September 2018

## Investment Allocation as at 30 September 2018

| <b>By Country</b>                       | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Australia                               | 1,708,764                      | 4.38            |
| British Virgin Islands                  | 499,150                        | 1.28            |
| Canada                                  | 415,797                        | 1.07            |
| China                                   | 8,527,890                      | 21.86           |
| Great Britain                           | 1,511,970                      | 3.88            |
| Hong Kong                               | 5,413,822                      | 13.90           |
| India                                   | 363,967                        | 0.93            |
| Indonesia                               | 5,359,260                      | 13.74           |
| Malaysia                                | 1,250,158                      | 3.20            |
| Netherlands                             | 376,352                        | 0.97            |
| Singapore                               | 8,899,209                      | 22.82           |
| South Korea                             | 2,598,110                      | 6.67            |
| Sri Lanka                               | 742,475                        | 1.90            |
| Vietnam                                 | 417,159                        | 1.07            |
|   | <b>38,084,083</b>              | <b>97.67</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>625,085</b>                 | <b>1.60</b>     |
| <b>Portfolio of investments</b>         | <b>38,709,168</b>              | <b>99.27</b>    |
| <b>Other net assets</b>                 | <b>284,288</b>                 | <b>0.73</b>     |
| <b>Total</b>                            | <b>38,993,456</b>              | <b>100.00</b>   |

| <b>By Industry</b>                      | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Bank                                    | 9,856,587                      | 25.28           |
| Consumer                                | 651,899                        | 1.67            |
| Diversified resource                    | 233,546                        | 0.60            |
| Electrical and Electronic               | 592,202                        | 1.52            |
| Engineering and Construction            | 327,070                        | 0.84            |
| Finance                                 | 1,806,714                      | 4.63            |
| Government                              | 4,859,777                      | 12.46           |
| Insurance                               | 529,629                        | 1.36            |
| Investment                              | 1,406,689                      | 3.61            |
| Iron & Steel                            | 539,025                        | 1.38            |
| Metals                                  | 946,197                        | 2.43            |
| Mining                                  | 608,384                        | 1.56            |
| Miscellaneous                           | 1,092,644                      | 2.80            |
| Oil and Gas                             | 415,797                        | 1.07            |
| Real Estate                             | 6,401,110                      | 16.42           |
| Real estate investment trust            | 2,589,754                      | 6.64            |
| Semiconductor                           | 1,156,125                      | 2.96            |
| Telecommunication                       | 710,502                        | 1.82            |
| Transport                               | 2,733,954                      | 7.01            |
| Utilities                               | 626,478                        | 1.61            |
|   | <b>38,084,083</b>              | <b>97.67</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>625,085</b>                 | <b>1.60</b>     |
| <b>Portfolio of investments</b>         | <b>38,709,168</b>              | <b>99.27</b>    |
| <b>Other net assets</b>                 | <b>284,288</b>                 | <b>0.73</b>     |
| <b>Total</b>                            | <b>38,993,456</b>              | <b>100.00</b>   |

## Report to Unitholders

For the half year ended 30 September 2018

| <b>By Asset Class</b>                   | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Fixed Income securities                 | 38,084,083                     | 97.67           |
|   | <b>38,084,083</b>              | <b>97.67</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>625,085</b>                 | <b>1.60</b>     |
| <b>Portfolio of investments</b>         | <b>38,709,168</b>              | <b>99.27</b>    |
| <b>Other net assets</b>                 | <b>284,288</b>                 | <b>0.73</b>     |
| <b>Total</b>                            | <b>38,993,456</b>              | <b>100.00</b>   |

| <b>By Credit Rating *</b>               | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Aa2                                     | 415,797                        | 1.07            |
| Aa3                                     | 998,262                        | 2.56            |
| AA-                                     | 1,459,063                      | 3.74            |
| A1                                      | 349,956                        | 0.90            |
| A                                       | 1,431,964                      | 3.67            |
| A2                                      | 231,255                        | 0.59            |
| A-                                      | 256,359                        | 0.66            |
| A3                                      | 1,704,696                      | 4.37            |
| Baa1                                    | 2,854,508                      | 7.32            |
| Baa2                                    | 5,344,317                      | 13.71           |
| Baa3                                    | 3,590,020                      | 9.21            |
| BBB                                     | 1,750,305                      | 4.49            |
| BBB-                                    | 1,841,635                      | 4.72            |
| Ba2                                     | 1,211,230                      | 3.11            |
| Ba3                                     | 417,159                        | 1.07            |
| BB                                      | 406,252                        | 1.04            |
| BB-                                     | 734,955                        | 1.88            |
| B+                                      | 272,902                        | 0.70            |
| B1                                      | 742,475                        | 1.90            |
| B2                                      | 815,027                        | 2.09            |
| Unrated                                 | 11,255,946                     | 28.87           |
|   | <b>38,084,083</b>              | <b>97.67</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>625,085</b>                 | <b>1.60</b>     |
| <b>Portfolio of investments</b>         | <b>38,709,168</b>              | <b>99.27</b>    |
| <b>Other net assets</b>                 | <b>284,288</b>                 | <b>0.73</b>     |
| <b>Total</b>                            | <b>38,993,456</b>              | <b>100.00</b>   |

\*By Standard & Poor's /Moody's/Fitch

# Report to Unitholders

For the half year ended 30 September 2018

## Top 10 Holdings

### Holdings as at 30 September 2018

|  | Market Value<br>in SGD | % of NAV |
|--|------------------------|----------|
| Indonesia Government Series FR69 (Reg) 7.875% 15/04/2019   | 3,374,722              | 8.65     |
| HSBC Holdings Plc Series EMTN VAR PERP                     | 1,511,970              | 3.88     |
| First Real Estate Invest Series MTN VAR PERP               | 1,208,538              | 3.10     |
| Korea Development Bank Series 625 4.2% 15/12/2018          | 1,189,448              | 3.05     |
| Indonesia Eximbank Series OB 7.6% 15/08/2020               | 1,173,581              | 3.01     |
| DBS Group Holdings Limited Series VAR 11/12/2028           | 1,106,437              | 2.84     |
| Sembcorp Industries Limited MTN VAR PERP                   | 1,005,690              | 2.58     |
| Commonwealth Bank of Australia Series EMTN 4.2% 26/10/2020 | 998,262                | 2.56     |
| OUE CT Treasury Pte Limited 3.03% 05/09/2020               | 991,010                | 2.54     |
| Sembcorp Industries Limited Series MTN VAR PERP            | 987,990                | 2.53     |

### Holdings as at 30 September 2017

|  | Market Value<br>in SGD | % of NAV |
|--|------------------------|----------|
| Indonesia Government Series FR69 (Reg) 7.875% 15/04/2019     | 4,119,332              | 9.46     |
| Ascendas Real Estate Investment Var PERP                     | 1,327,025              | 3.05     |
| Indonesia Eximbank Series OB 7.6% 15/08/2020                 | 1,325,076              | 3.04     |
| First Real Estate Invest Series MTN VAR PERP                 | 1,290,000              | 2.96     |
| Bank of East Asia Limited                                    | 1,240,804              | 2.85     |
| Korea Development Bank Series 625 4.2% 15/12/2018            | 1,222,814              | 2.81     |
| Oversea-Chinese Banking Corporation Limited 3.15% 11/03/2023 | 1,090,108              | 2.50     |
| NTPC Limited Series EMTN 4.375% 26/11/2024                   | 1,082,554              | 2.49     |
| Sembcorp Industries Limited MTN VAR PERP                     | 1,021,800              | 2.35     |
| Export-Import Bank of Korea Series EMTN 3.6% 10/06/2018      | 1,014,165              | 2.33     |

### Exposure to Derivatives

|   | Market Value<br>in SGD | % of NAV |
|---|------------------------|----------|
| Forward foreign exchange contracts as at 30 September 2018                      | 71,564                 | 0.18     |
| Net loss on contracts realised for the period 1 April 2018 to 30 September 2018 | (1,180,200)            |          |
| Net gain on outstanding contracts marked to market as at 30 September 2018      | 71,564                 |          |

## Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

## Collateral

There are margin deposits of SGD78,386 held in respect of exchange-traded futures contract with a financial institution which is a non-related company.

## Securities Lending or Repurchase Transactions

Nil as at 30 September 2018.

## Report to Unitholders

For the half year ended 30 September 2018

### Investment in Other Unit Trust, Mutual Funds and Collective Investment Schemes

Nil as at 30 September 2018.

### Borrowings

Nil as at 30 September 2018.

### Amount of Redemptions and Subscriptions

For the period 1 April 2018 to 30 September 2018

|               | <b>SGD</b> |
|---------------|------------|
| Redemptions   | 4,182,681  |
| Subscriptions | 2,909,963  |

### Related Party Transactions

For the period 1 April 2018 to 30 September 2018

The Manager of the Fund is Legg Mason Asset Management Singapore Pte. Limited, the Trustee is HSBC Institutional Trust Services (Singapore) Limited and the Custodian is The Hongkong and Shanghai Banking Corporation Limited. The management fee, trustee fee, custody fee, registration fee and valuation fee paid or payable by the Fund are related party transactions and are shown in the Statement of Total Return.

### Performance

|                 | <b>Legg Mason<br/>Western Asset<br/>Asian Bond Trust<br/>Class A (SGD)<br/>Accumulating*</b> | <b>Benchmark</b> |
|-----------------|--|------------------|
| 3-month         | -0.37%   | +0.44%           |
| 6-month         | -1.97%   | +0.86%           |
| 1-year          | -3.16%   | +1.49%           |
| 3-year          | +1.66%   | +1.26%           |
| 5-year          | +1.81%   | +1.03%           |
| 10-year         | +4.41%   | +3.58%           |
| Since inception | +2.31%   | N/A              |

\* NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms). Annualised for periods over one year.

Benchmark : US\$ 3-month LIBOR hedged to S\$. From November 2006 to March 2011, benchmark was Customised JP Morgan Asian Credit Index, Sovereign & Quasi Sovereign, fully hedged into SGD. From October 2002 to October 2006, benchmark was JP Morgan Asian Credit Index—Sovereign and Quasi Sovereign (Hedged in S\$). Since January 1999 to September 2002, benchmark was JP Morgan Asian Credit Index Sovereign (Hedged in S\$).

The inception date was 23 December 1996

Source : Legg Mason Asset Management Singapore Pte. Limited

### Expense Ratio

|  |       |
|--|-------|
| For the period 1 October 2017 to 30 September 2018 | 1.23% |
| For the period 1 October 2016 to 30 September 2017 | 1.25% |

# Report to Unitholders

For the half year ended 30 September 2018

## Expense Ratio (continued)

*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 at 30 September 2018 was based on total operating expenses of \$505,494 (2017: \$544,420) divided by the average net asset value of \$40,989,726 (2017: \$43,505,259) for the year. The total operating expenses do not include (where applicable) brokerage and other transactions costs, commission fee, 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 Fund does not pay any performance fee. The average net asset value is based on the daily balances.*

## Turnover Ratio

|  |        |
|--|--------|
| For the period 1 April 2018 to 30 September 2018 | 24.20% |
| For the period 1 April 2017 to 30 September 2017 | 37.07% |

*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 was based on the lower of the total value of purchases or sales of the underlying investments, being purchases of \$9,631,571 (2017: sales of \$16,204,880) divided by the average daily net asset value of \$39,804,471 (2017: \$43,717,383).*

## Other Material Information

There are no other material information that will adversely impact the valuation of the Fund.

## Soft Dollar Commissions/Arrangements

The Managers and sub-manager currently do not but shall be entitled to receive and enter into soft-dollar commissions/arrangements in respect of the Trust.

## Detail of Underlying Funds

The Fund does not invest more than 30% of its NAV in another scheme.

Legg Mason Martin Currie Southeast Asia Trust

Legg Mason Funds

- Legg Mason Western Asset Singapore Dollar Fund

Legg Mason Western Asset Global Bond Trust

Legg Mason Western Asset Asian Bond Trust

**Legg Mason Western Asset Singapore Bond Fund**

## Statement of Total Return (Unaudited)

For the half year ended 30 September 2018

|   | 30/9/2018<br>\$       | 30/9/2017<br>\$  |
|---|-----------------------|------------------|
| <b>Income</b>   |                       |                  |
| Dividend income   | 120,835               | 120,835          |
| Other income  | -                     | 5                |
|   | <u>120,835</u>        | <u>120,840</u>   |
| <b>Less: Expenses</b>                                   |                       |                  |
| Audit fee   | 9,478                 | 9,868            |
| Custody fee   | 14,741                | 14,264           |
| Management fee  | 299,077               | 290,872          |
| Trustee fee   | 26,628                | 25,524           |
| Registration fee  | 5,649                 | 6,180            |
| Printing fee  | 501                   | 1,003            |
| Professional fee  | 9,339                 | 8,071            |
| Valuation fee   | 16,448                | 15,895           |
| Goods and services tax                                  | 4,118                 | 17,440           |
| Transaction cost  | 689                   | 788              |
| Other expenses  | 4,891                 | 4,858            |
|   | <u>391,559</u>        | <u>394,763</u>   |
| <b>Net losses</b>                                       | <u>(270,724)</u>      | <u>(273,923)</u> |
| <b>Net gains or losses on value of investments</b>      |                       |                  |
| Net gains on investments                                | 409,634               | 2,102,867        |
| Net foreign exchange losses                             | (37)                  | (21)             |
|   | <u>409,597</u>        | <u>2,102,846</u> |
| <b>Total return for the half year before income tax</b> | <b>138,873</b>        | 1,828,923        |
| <b>Less: Income tax</b>                                 | -                     | -                |
| <b>Total return for the half year</b>                   | <u><b>138,873</b></u> | <u>1,828,923</u> |



**Statement of Financial Position (Unaudited)**

As at 30 September 2018

|  | <b>30/9/2018</b>   | 31/3/2018   |
|--|--------------------|-------------|
|  | <b>\$</b>          | \$          |
| <b>ASSETS</b>                          |                    |             |
| Portfolio of investments               | <b>109,813,118</b> | 103,206,289 |
| Cash and bank balances                 | <b>2,450,499</b>   | 1,333,295   |
| Receivables                            | <b>20,600</b>      | 325,396     |
| <b>Total assets</b>                    | <b>112,284,217</b> | 104,864,980 |
| <b>LIABILITY</b>                       |                    |             |
| Payables                               | <b>190,733</b>     | 113,541     |
| <b>Total liability</b>                 | <b>190,733</b>     | 113,541     |
| <b>EQUITY</b>                          |                    |             |
| Net assets attributable to unitholders | <b>112,093,484</b> | 104,751,439 |

## Statement of Movements of Unitholders' Funds (Unaudited)

For the half year ended 30 September 2018

|  | 30/9/2018<br>\$    | 31/3/2018<br>\$ |
|--|--------------------|-----------------|
| <b>Net assets attributable to unitholders at the beginning of the financial period/<br/>year</b> | <b>104,751,439</b> | 103,164,755     |
| <b>Operations</b>  |                    |                 |
| Change in net assets attributable to unitholders resulting from operations                       | <b>138,873</b>     | 1,331,194       |
| <b>Unitholders' contributions/(withdrawals)</b>  |                    |                 |
| Creation of units  | <b>15,486,256</b>  | 19,662,632      |
| Cancellation of units  | <b>(8,283,084)</b> | (19,407,142)    |
| Change in net assets attributable to unitholders resulting from net creation<br>of units         | <b>7,203,172</b>   | 255,490         |
| Total increase in net assets attributable to unitholders   | <b>7,342,045</b>   | 1,586,684       |
| <b>Net assets attributable to unitholders at the end of the financial period/year</b>            | <b>112,093,484</b> | 104,751,439     |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|  | <b>Holdings<br/>as at<br/>30/9/2018</b> | <b>Fair value<br/>as at<br/>30/9/2018<br/>\$</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> |
|--|---|--|--|
| <b><u>By Geography (Primary)</u></b>   |   |  |  |
| <b>Quoted Bonds</b>  |   |  |  |
| <b>China</b>   |   |  |  |
| Huarong Finance 2017 Company Limited 3.20% 27/04/2021                          | 3,000,000                               | 2,950,770  | 2.63   |
| <b>Japan</b>   |   |  |  |
| Mizuho Bank Limited Series EMTN 2.01% 28/10/2019                               | 1,250,000                               | 1,246,425  | 1.11   |
| <b>Netherlands</b>   |   |  |  |
| ABN AMRO Bank NV Series EMTN VAR 01/04/2026                                    | 6,750,000                               | 6,923,070  | 6.18   |
| <b>Singapore</b>   |   |  |  |
| AACI REIT MTN Pte Limited Series MTN 3.6% 22/03/2022                           | 3,500,000                               | 3,327,100  | 2.97   |
| Ascendas Real Estate Investment VAR PERP                                       | 1,000,000                               | 1,026,000  | 0.92   |
| Ascott Residence Trust VAR PERP  | 1,000,000                               | 1,016,150  | 0.91   |
| CCT MTN Pte Ltd Series MTN 3.17% 05/03/2024                                    | 1,500,000                               | 1,495,305  | 1.33   |
| CCT MTN Pte Ltd Series MTN 3.327% 21/03/2025                                   | 1,500,000                               | 1,501,957  | 1.34   |
| DBS Group Holdings Limited VAR PERP<br>(Issue date: 03 Dec 2013)               | 5,500,000                               | 5,562,315  | 4.96   |
| DBS Group Holdings Limited VAR PERP<br>(Issue date: 12 Sept 2018)              | 1,250,000                               | 1,248,462  | 1.11   |
| Fcot Treasury Pte Ltd Series MTN 3.185% 28/02/2023                             | 500,000                                 | 499,240  | 0.45   |
| FCT MTN Private Limited Series MTN (BR)<br>3.00% 21/01/2020                    | 500,000                                 | 501,860  | 0.45   |
| FCT MTN Private Limited Series MTN 2.90% 10/04/2019                            | 500,000                                 | 500,965  | 0.45   |
| First Real Estate Investment Trust VAR PERP                                    | 500,000                                 | 483,415  | 0.43   |
| Jurong Shipyard Pte Limited Series EMTN<br>2.95% 10/09/2021                    | 2,250,000                               | 2,184,525  | 1.95   |
| Jurong Shipyard Pte Limited Series EMTN<br>3.85% 10/09/2029                    | 750,000                                 | 688,650  | 0.61   |
| Keppel Corporation Limited Series EMTN<br>4.00% 07/09/2042                     | 2,000,000                               | 1,985,340  | 1.77   |
| Lippo Malls Indonesia Retail Trust EMTN VAR PERP<br>(Issue date: 27 Sept 2016) | 2,000,000                               | 1,789,120  | 1.60   |
| Lippo Malls Indonesia Retail Trust EMTN VAR PERP<br>(Issue date: 19 Jun 2017)  | 750,000                                 | 623,722  | 0.56   |
| Mapletree Commercial Trust MTN 2.795% 15/11/2023                               | 3,000,000                               | 2,960,715  | 2.64   |
| Mapletree Logistics Trust EMTN VAR PERP  | 500,000                                 | 492,340  | 0.44   |
| Mapletree Treasury Services EMTN 2.85% 29/08/2025                              | 2,000,000                               | 1,939,000  | 1.73   |
| Mapletree Treasury Services EMTN VAR PERP<br>(Issue date: 19 Jan 2017)         | 3,000,000                               | 3,028,710  | 2.70   |
| Mapletree Treasury Services EMTN VAR PERP<br>(Issue date: 12 May 2017)         | 2,250,000                               | 2,225,138  | 1.98   |
| Mas Bill T-Bills Series 28 05/10/2018  | 3,000,000                               | 2,999,040  | 2.68   |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | Holdings<br>as at<br>30/9/2018 | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% |
|---|--------------------------------|--|--|
| <b>By Geography (Primary)</b> (continued)                             |                                |  |  |
| <b>Quoted Bonds</b> (continued)                                       |                                |  |  |
| <b>Singapore</b> (continued)  |                                |  |  |
| Mas Bill T-Bills Series 28 26/10/2018                                 | 7,500,000                      | 7,490,025                              | 6.68   |
| Mas Bill T-Bills Series 84 12/10/2018                                 | 1,500,000                      | 1,499,025                              | 1.34   |
| Mas Bill T-Bills Series 84 19/10/2018                                 | 1,000,000                      | 999,020                                | 0.89   |
| Mas Bill T-Bills Series 84 23/11/2018                                 | 1,500,000                      | 1,495,950                              | 1.33   |
| NTUC Income Insurance VAR 23/08/2027                                  | 500,000                        | 510,655                                | 0.46   |
| Sembcorp Industries Limited MTN VAR PERP<br>(Issue date: 20 May 2015) | 2,000,000                      | 2,011,380                              | 1.79   |
| Sembcorp Industries Limited MTN VAR PERP<br>(Issue date: 22 Jun 2017) | 1,000,000                      | 987,990                                | 0.88   |
| Singapore Government Bond 2.125% 01/06/2026                           | 5,000,000                      | 4,895,500                              | 4.37   |
| Singapore Government Bond 2.25% 01/08/2036                            | 1,850,000                      | 1,707,199                              | 1.52   |
| Singapore Government SIGB 2.75% 01/03/2046                            | 4,000,000                      | 3,931,960                              | 3.51   |
| Singapore Government SIGB 2.875% 01/09/2030                           | 2,000,000                      | 2,047,500                              | 1.83   |
| Singapore Government SIGB 3.00% 01/09/2024                            | 11,000,000                     | 11,404,470                             | 10.17  |
| Singapore Government SIGB 3.50% 01/03/2027                            | 7,410,000                      | 7,994,871                              | 7.13   |
| Singapore Post Limited (BR) 3.50% 30/03/2020                          | 750,000                        | 761,115                                | 0.68   |
| Singapore Republic 2.875% 01/07/2029                                  | 1,500,000                      | 1,543,230                              | 1.38   |
| Starhub Limited MTN VAR PREP  | 750,000                        | 738,217                                | 0.66   |
| United Overseas Bank Limited 4% 29/12/2049                            | 2,500,000                      | 2,527,650                              | 2.25   |
| United Overseas Bank Limited Series MTN VAR<br>27/02/2029             | 1,750,000                      | 1,771,508                              | 1.58   |
| United Overseas Bank Limited VAR PERP                                 | 1,250,000                      | 1,272,763                              | 1.14   |
|   |                                | 93,669,097                             | 83.57  |
| <b>United Kingdom</b>   |                                |  |  |
| HSBC Holdings PLC VAR PERP  | 4,250,000                      | 4,283,915                              | 3.82   |
| <b>Total quoted bonds</b>   |                                | <b>109,073,277</b>                     | <b>97.31</b>   |
| <b>Accrued interest on quoted bonds</b>                               |                                | <b>739,841</b>                         | <b>0.66</b>  |
| <b>Portfolio of investments</b>                                       |                                | <b>109,813,118</b>                     | <b>97.97</b>   |
| <b>Other net assets</b>   |                                | <b>2,280,366</b>                       | <b>2.03</b>  |
| <b>Net assets attributable to unitholders</b>                         |                                | <b>112,093,484</b>                     | <b>100.00</b>  |

**Statement of Portfolio (Unaudited)**

As at 30 September 2018

|   | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>30/9/2018<br/>%</b> | <b>Percentage of<br/>total net assets<br/>attributable to<br/>unitholders at<br/>31/3/2018<br/>%</b> |
|---|--|--|
| <b>By Geography (Summary)</b>                 |  |  |
| <b>Quoted Bonds</b>                           |  |  |
| China   | <b>2.63</b>  | 2.86   |
| Japan   | <b>1.11</b>  | 1.19   |
| Netherlands                                   | <b>6.18</b>  | 6.68   |
| Singapore                                     | <b>83.57</b>   | 87.05  |
| United Kingdom                                | <b>3.82</b>  | -  |
|   | <hr/> <b>97.31</b>   | <hr/> 97.78  |
| <b>Accrued interest on quoted bonds</b>       | <b>0.66</b>  | 0.75   |
|   | <hr/> <b>97.97</b>   | <hr/> 98.53  |
| <b>Portfolio of investments</b>               | <b>97.97</b>   | 98.53  |
| <b>Other net assets</b>                       | <b>2.03</b>  | 1.47   |
| <b>Net assets attributable to unitholders</b> | <hr/> <b>100.00</b>  | <hr/> 100.00   |

## Statement of Portfolio (Unaudited)

As at 30 September 2018

|   | Fair value<br>as at<br>30/9/2018<br>\$ | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>30/9/2018<br>% | Percentage of<br>total net assets<br>attributable to<br>unitholders at<br>31/3/2018<br>% |
|---|--|--|--|
| <b>By Industry (Secondary)</b>                |  |  |  |
| Bank  | 24,836,108                             | 22.16  | 22.73  |
| Diversified Resources                         | 1,985,340                              | 1.77   | 1.92   |
| Finance                                       | -                                      | -  | 4.56   |
| Government                                    | 48,007,790                             | 42.83  | 33.45  |
| Hotel   | -                                      | -  | 2.39   |
| Insurance                                     | 510,655                                | 0.45   | 0.49   |
| Investment                                    | 10,143,618                             | 9.05   | 9.73   |
| Real estate                                   | 3,327,100                              | 2.97   | 3.76   |
| Real estate investment trust                  | 12,890,789                             | 11.50  | 11.77  |
| Telecommunication                             | 738,217                                | 0.66   | 0.71   |
| Transportation                                | 6,633,660                              | 5.92   | 6.27   |
|   | <b>109,073,277</b>                     | <b>97.31</b>   | <b>97.78</b>   |
| <b>Accrued interest on quoted bonds</b>       | <b>739,841</b>                         | <b>0.66</b>  | <b>0.75</b>  |
| <b>Portfolio of investments</b>               | <b>109,813,118</b>                     | <b>97.97</b>   | <b>98.53</b>   |
| <b>Other net assets</b>                       | <b>2,280,366</b>                       | <b>2.03</b>  | <b>1.47</b>  |
| <b>Net assets attributable to unitholders</b> | <b>112,093,484</b>                     | <b>100.00</b>  | <b>100.00</b>  |

## Report to Unitholders

For the half year ended 30 September 2018

### Investment Allocation as at 30 September 2018

| <b>By Country</b>                       | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| China                                   | 2,950,770                      | 2.63            |
| Japan                                   | 1,246,425                      | 1.11            |
| Netherlands                             | 6,923,070                      | 6.18            |
| Singapore                               | 93,669,097                     | 83.57           |
| United Kingdom                          | 4,283,915                      | 3.82            |
|   | <b>109,073,277</b>             | <b>97.31</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>739,841</b>                 | <b>0.66</b>     |
| <b>Portfolio of investments</b>         | <b>109,813,118</b>             | <b>97.97</b>    |
| <b>Other net assets</b>                 | <b>2,280,366</b>               | <b>2.03</b>     |
| <b>Total</b>                            | <b>112,093,484</b>             | <b>100.00</b>   |

  

| <b>By Industry</b>                      | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Bank                                    | 24,836,108                     | 22.16           |
| Diversified Resources                   | 1,985,340                      | 1.77            |
| Government                              | 48,007,790                     | 42.83           |
| Insurance                               | 510,655                        | 0.45            |
| Investment                              | 10,143,618                     | 9.05            |
| Real estate                             | 3,327,100                      | 2.97            |
| Real estate investment trust            | 12,890,789                     | 11.50           |
| Telecommunication                       | 738,217                        | 0.66            |
| Transportation                          | 6,633,660                      | 5.92            |
|   | <b>109,073,277</b>             | <b>97.31</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>739,841</b>                 | <b>0.66</b>     |
| <b>Portfolio of investments</b>         | <b>109,813,118</b>             | <b>97.97</b>    |
| <b>Other net assets</b>                 | <b>2,280,366</b>               | <b>2.03</b>     |
| <b>Total</b>                            | <b>112,093,484</b>             | <b>100.00</b>   |

  

| <b>By Asset Class</b>                   | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Fixed Income securities                 | 109,073,277                    | 97.31           |
|   | <b>109,073,277</b>             | <b>97.31</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>739,841</b>                 | <b>0.66</b>     |
| <b>Portfolio of investments</b>         | <b>109,813,118</b>             | <b>97.97</b>    |
| <b>Other net assets</b>                 | <b>2,280,366</b>               | <b>2.03</b>     |
| <b>Total</b>                            | <b>112,093,484</b>             | <b>100.00</b>   |

# Report to Unitholders

For the half year ended 30 September 2018

| <b>By Credit Rating *</b>               | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|---|--------------------------------|-----------------|
| Aaa                                     | 33,524,730                     | 29.91           |
| A+                                      | 510,655                        | 0.46            |
| A1                                      | 1,246,425                      | 1.11            |
| A3                                      | 1,771,508                      | 1.58            |
| Baa1                                    | 5,911,485                      | 5.27            |
| Baa2                                    | 8,448,310                      | 7.54            |
| Baa3                                    | 4,283,915                      | 3.82            |
| BBB+                                    | 4,761,202                      | 4.25            |
| BBB                                     | 9,338,427                      | 8.33            |
| BBB-                                    | 1,272,763                      | 1.14            |
| Unrated#                                | 38,003,857                     | 33.90           |
|   | <b>109,073,277</b>             | <b>97.31</b>    |
| <b>Accrued interest on quoted bonds</b> | <b>739,841</b>                 | <b>0.66</b>     |
| <b>Portfolio of investments</b>         | <b>109,813,118</b>             | <b>97.97</b>    |
| <b>Other net assets</b>                 | <b>2,280,366</b>               | <b>2.03</b>     |
| <b>Total</b>                            | <b>112,093,484</b>             | <b>100.00</b>   |

# 12.92% (2017: 1.48%) relates to Singapore government-issued securities

\*By Standard & Poor's /Moody's/Fitch's

## Top 10 Holdings

| <b>Holdings as at 30 September 2018</b>                                | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|--|--------------------------------|-----------------|
| Singapore Government SIGB 3.00% 01/09/2024                             | 11,404,470                     | 10.17           |
| Singapore Government SIGB 3.50% 01/03/2027                             | 7,994,871                      | 7.13            |
| Mas Bill T-Bills Series 28 26/10/2018                                  | 7,490,025                      | 6.68            |
| ABN AMRO Bank NV Series EMTN VAR 01/04/2026                            | 6,923,070                      | 6.18            |
| DBS Group Holdings Limited VAR PERP<br>(Issue date: 03 Dec 2013)       | 5,562,315                      | 4.96            |
| Singapore Government Bond 2.125% 01/06/2026                            | 4,895,500                      | 4.37            |
| HSBC Holdings PLC VAR PERP   | 4,283,915                      | 3.82            |
| Singapore Government SIGB 2.75% 01/03/2046                             | 3,931,960                      | 3.51            |
| AACI REIT MTN Pte Limited Series MTN 3.6% 22/03/2022                   | 3,327,100                      | 2.97            |
| Mapletree Treasury Services EMTN VAR PERP<br>(Issue date: 19 Jan 2017) | 3,028,710                      | 2.70            |
| <b>Holdings as at 30 September 2017</b>                                | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
| Singapore Government SIGB 3.00% 01/09/2024                             | 11,739,640                     | 11.61           |
| Singapore Government SIGB 3.50% 01/03/2027                             | 8,263,336                      | 8.17            |
| DBS Group Holdings Limited VAR PERP                                    | 7,530,575                      | 7.45            |
| ABN AMRO Bank NV Series EMTN VAR 01/04/2026                            | 7,154,393                      | 7.08            |
| Singapore Government Bond 2.125% 01/06/2026                            | 5,027,650                      | 4.97            |
| OCBC Capital Corporation Preference                                    | 4,839,120                      | 4.79            |
| Singapore Government SIGB 2.75% 01/03/2046                             | 4,205,840                      | 4.16            |
| United Overseas Bank Limited 4% 29/12/2049                             | 3,894,075                      | 3.85            |
| AACI REIT MTN Pte Limited Series MTN 3.6% 22/03/2022                   | 3,490,165                      | 3.45            |
| Mapletree Treasury Services EMTN VAR PERP (SG78A5000007)               | 3,125,250                      | 3.09            |



## Report to Unitholders

For the half year ended 30 September 2018

### Exposure to Derivatives

Nil as at 30 September 2018.

### Global Exposure

The global exposure relating to derivative instruments is calculated using the commitment approach by converting the derivative positions into equivalent positions in the underlying assets embedded in those derivatives.

The global exposure of the Fund to financial derivative instruments or embedded financial derivative instruments will not exceed 100% of the net asset value of the Fund at any time.

### Collateral

Nil as at 30 September 2018.

### Securities Lending or Repurchase Transactions

Nil as at 30 September 2018.

### Investment in Other Unit Trust, Mutual Funds and Collective Investment Schemes

|  | <b>Market Value<br/>in SGD</b> | <b>% of NAV</b> |
|--|--------------------------------|-----------------|
| Mapletree Commercial Trust MTN 2.795% 15/11/2023                               | 2,960,715                      | 2.64            |
| Lippo Malls Indonesia Retail Trust EMTN VAR PERP<br>(Issue date: 27 Sept 2016) | 1,789,120                      | 1.60            |
| CCT MTN Pte Ltd Series MTN 3.327% 21/03/2025                                   | 1,501,957                      | 1.34            |
| CCT MTN Pte Ltd Series MTN 3.17% 05/03/2024                                    | 1,495,305                      | 1.33            |
| Ascendas Real Estate Investment VAR PERP                                       | 1,026,000                      | 0.92            |
| Ascott Residence Trust VAR PERP  | 1,016,150                      | 0.91            |
| Lippo Malls Indonesia Retail Trust EMTN VAR PERP<br>(Issue date: 19 Jun 2017)  | 623,722                        | 0.56            |
| FCT MTN Private Limited Series MTN (BR) 3.00% 21/01/2020                       | 501,860                        | 0.45            |
| FCT MTN Private Limited Series MTN 2.90% 10/04/2019                            | 500,965                        | 0.45            |
| Fcot Treasury Pte Ltd Series MTN 3.185% 28/02/2023                             | 499,240                        | 0.45            |
| Mapletree Logistics Trust EMTN VAR PERP  | 492,340                        | 0.44            |
| First Real Estate Investment Trust VAR PERP                                    | 483,415                        | 0.43            |

### Borrowings

Nil as at 30 September 2018.

### Amount of Redemptions and Subscriptions

For the period 1 April 2018 to 30 September 2018

|               |            |
|---------------|------------|
|               | <b>SGD</b> |
| Redemptions   | 8,283,084  |
| Subscriptions | 15,486,256 |

# Report to Unitholders

For the half year ended 30 September 2018

## Related Party Transactions

For the period 1 April 2018 to 30 September 2018

The Manager of the Fund is Legg Mason Asset Management Singapore Pte. Limited, the Trustee is HSBC Institutional Trust Services (Singapore) Limited and the Custodian is The Hongkong and Shanghai Banking Corporation Limited. The management fee, trustee fee, custody fee, registration fee and valuation fee paid or payable by the Fund are related party transactions and are shown in the Statement of Total Return.

## Performance

|                 | Legg Mason Western Asset<br>Singapore Bond Fund* |                               | Benchmark |
|-----------------|--|-------------------------------|-----------|
|                 | Class A (SGD)<br>Accumulating                    | Class B (SGD)<br>Accumulating |           |
| 3-month         | +0.21%   | +0.30%                        | +0.63%    |
| 6-month         | +0.00%   | +0.10%                        | +0.17%    |
| 1-year          | -0.53%   | -0.30%                        | -0.38%    |
| 3-year          | +2.30%   | +2.55%                        | +2.15%    |
| 5-year          | +2.71%   | +2.97%                        | +2.05%    |
| 10-year         | +3.15%   | +3.41%                        | +2.67%    |
| Since inception | +3.05%   | +3.41%                        | +2.70%    |

\* NAV-NAV basis, with net income and dividends reinvested, if any (SGD terms). Annualised for periods over one year. Benchmark : J.P Morgan Singapore Government Bond Index (S\$) . Prior to 3 April 2017, the benchmark was UOB Singapore Government Bond Index All (S\$) and prior to 1 October 2006, the benchmark was 70% 3-month SIBID and 30% UOB SGS Index.

The inception dates were 15 November 1997 and 21 April 1998 respectively for Class A and Class B.

Benchmark since inception performance is for Class A only.

Since inception figures are calculated from the first full month of investment.

Source : Legg Mason Asset Management Singapore Pte. Limited

## Expense Ratio

### Class A

For the period 1 October 2017 to 30 September 2018 0.90%

For the period 1 October 2016 to 30 September 2017 0.94%

### Class B

For the period 1 October 2017 to 30 September 2018 0.65%

For the period 1 October 2016 to 30 September 2017 0.69%

The expense ratios have been computed based on the guidelines laid down by the Investment Management Association of Singapore ("IMAS"). The calculation of the Funds' expense ratios at 30 September 2018 were based on total operating expenses divided by the average net asset value respectively for the year. The total operating expenses do not include (where applicable) brokerage and other transaction costs, 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 Fund do not pay any performance fee. The average net asset value is based on the daily balances.

## Report to Unitholders

For the half year ended 30 September 2018

### Expense Ratio (continued)

Total operating expenses and average net asset value are as below:

|                                 | <b>30/9/2018</b>  | <b>30/9/2017</b> |
|---------------------------------|-------------------|------------------|
|                                 | <b>\$</b>         | <b>\$</b>        |
| <b>Total operating expenses</b> |                   |                  |
| Class A                         | <b>243,838</b>    | 270,286          |
| Class B                         | <b>507,259</b>    | 493,160          |
| <b>Average net asset value</b>  |                   |                  |
| Class A                         | <b>26,976,157</b> | 28,788,607       |
| Class B                         | <b>77,525,725</b> | 71,560,236       |

### Turnover Ratio

For the period 1 April 2018 to 30 September 2018

18.19%

For the period 1 April 2017 to 30 September 2017

20.34%

*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 was based on the lower of the total value of purchases or sales of the underlying investments, being sales of \$19,315,503 (30 September 2017: purchases of \$20,702,655) divided by the average daily net asset value of \$106,212,649 (30 September 2017: \$101,769,599).*

### Other Material Information

There are no other material information that will adversely impact the valuation of the Fund.

### Soft Dollar Commissions/Arrangements

The Managers and sub-manager currently do not but shall be entitled to receive and enter into soft-dollar commissions/arrangements in respect of the Scheme.

### Detail of Underlying Funds

The Fund does not invest more than 30% of its NAV in another scheme.

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**LEGG MASON**  
GLOBAL ASSET MANAGEMENT

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