



# Welcome to Singapore



**Tony Lewis** – Chairman, Singapore National Markets Group





# Evacuation Alarm

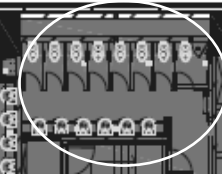
- 1<sup>st</sup> Stage Alarm
  - SGX host to prepare the attendee and be ready to evacuate.
  
- 2<sup>nd</sup> Stage Alarm (Continuous ringing and with the message to evacuate)
  - Evacuate all attendees in the Auditorium/ Academy 1/ Academy 2/ IPO Stage
  - Inform attendees to proceed to Primary Assembly Area (PAA) at The Promontory @ Marina Bay.
  
- Action at Assembly Area
  - Stay together
  - Contact your SGX HOST to report your safety.

# SGX Centre 1 Level 2 Evacuating Route

Manila  
Bangkok  
Melbourne



Ladies

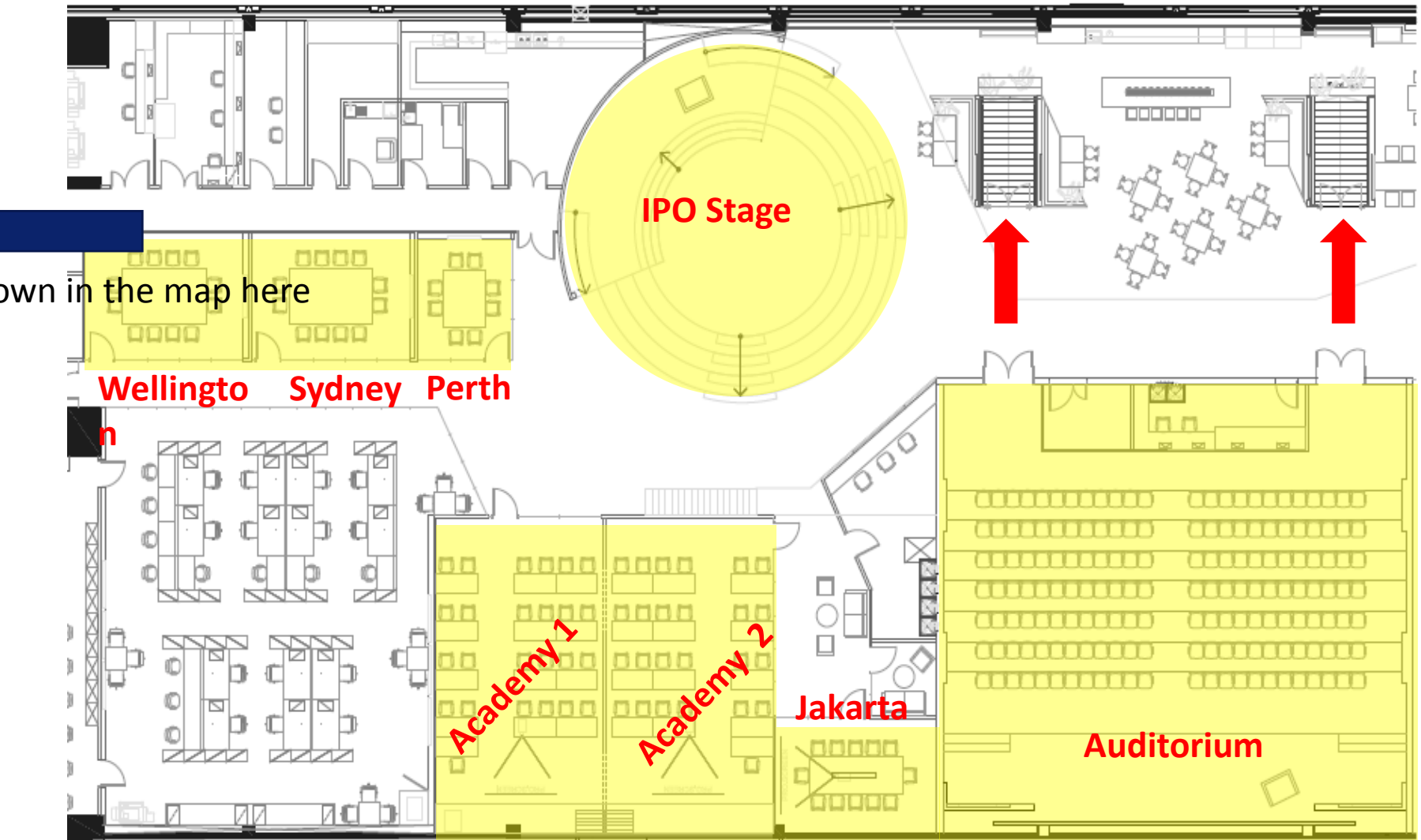


Auckland

Gents



# SGX Centre 2 Level 2 – Podium Evacuation Route





# SGX Primary Assembly Area

The Promontory @ Marina Bay



# Some “less known” facts about Singapore



- The world's first night zoo - **The Night Safari**, is located in Singapore
- Singapore's **Gardens by the bay** project cost was a whopping **SGD 1.035 billion**
- According to a study, Singaporeans are the fastest walkers in the planet - **60 feet in 10:55 sec**, compared to 12:00 sec for New Yorkers and 31:60 seconds for those living in the African city of Blantyre, Malawi
- Despite being largely urbanised, Singapore is the **largest exporter of ornamental fish** (25% of the world market)
- The **Bukit Timah Nature Reserve** in Singapore contains more species of trees than the entire North American continent
- The largest fountain in the world is located in Singapore at **Suntec City**. Made of cast bronze, it cost an estimated US\$6 million to build in 1997
- In 2003, Singapore's Changi Airport won the award for “**Best Airport Worldwide**” for the 16th consecutive year from the UK/Europe edition of the Business Traveller magazine
- Singapore has more than **3,000 kilometers** of roads. Stretched end to end, they can cover the distance from Singapore to Hong Kong
- 8 in 10 people in Singapore own cell phones. In fact, telecom companies issue new numbers at the rate of **30,000 to 40,000** per month

# Overview of Singapore Economy



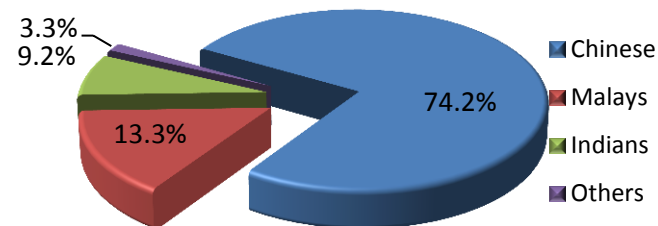
Statistics	2011	2012	2013	2014	Q1 2015	Q2 2015
Population ('000)	5,183	5,312	5,400	5,469	NA	NA
Labour force ('000)	3,237	3,358	3,490	3,622	3,618	3,633
Unemployment rate(%)	2.0	2.0	1.9	2.0	1.8	2.0
GDP (%)	6.1	2.5	3.9	2.9	2.8	1.8
Inflation (%)	5.2	4.6	2.4	1.0	-0.3	-0.4
USD/SGD (Average)	1.257	1.249	1.251	1.267	1.356	1.344

## 2<sup>nd</sup> Quarter 2015

- The **Singapore economy expanded by 1.8 per cent** compared to the same period last year, led by growth in wholesale & retail trade and finance & Insurance sectors.
- After contracting last quarter, **overall employment rose by 15,700** in the second quarter, supported by an increase in employment **in the construction and services sectors**. However, taken as a whole, employment growth in the first half of the year moderated compared to the same period a year ago.
- The labour market remained tight as **overall employment stayed low** in the second quarter, despite a marginal increase over the quarter. The **number of redundancies fell** the second consecutive quarter, while overall hiring expectations remained positive.
- The consumer Price Index (CPI) **declined by 0.4 percent** compared to the same period a year ago.

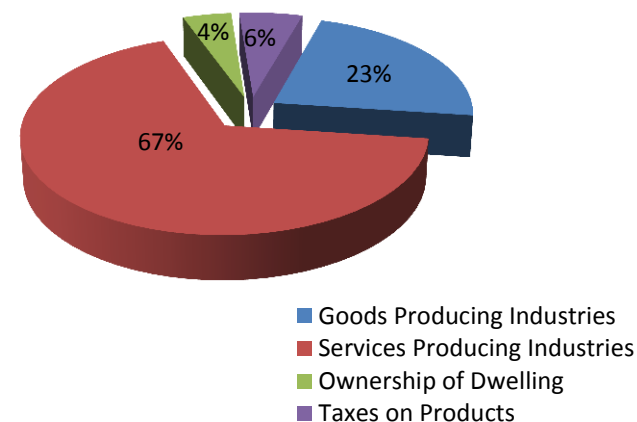
Source: Monetary Authority of Singapore / Ministry of Trade And Industry Singapore , Ministry of Manpower, Singapore Department of Statistics, HSBC Research

## Population Breakdown



Source: Singapore Department of Statistics, Sep 2014

## Share of GDP



Source: Ministry of Trade and Industry, Singapore, 2 Qtr 2015

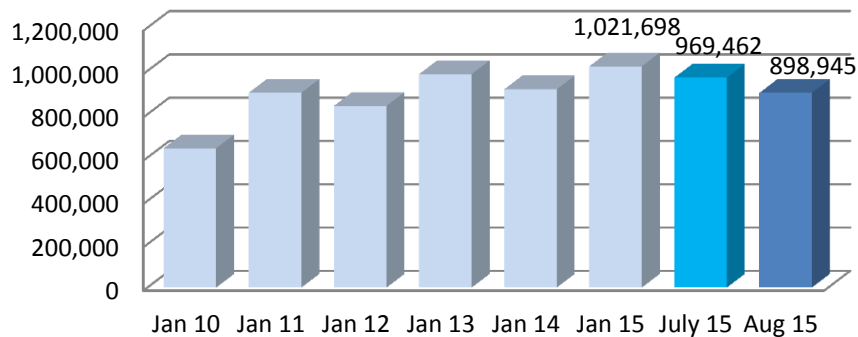




- Just as a sign to express the growth of Singapore, tracing from the time Singapore became an independent nation -
  - GDP per capita in 1965 **US\$500** - same level as Mexico and South Africa
  - GDP per capita in 1990 **US\$13,000** surpassing South Korea, Israel, and Portugal
  - GDP per capita in 2015 **US\$56,000** - caught up with Germany and the United States
  - By 2040 it is expected to reach **US\$96,000**

Singapore is already among the top-ranked countries in the world and our benchmark became cities. We were among the top 25 cities then

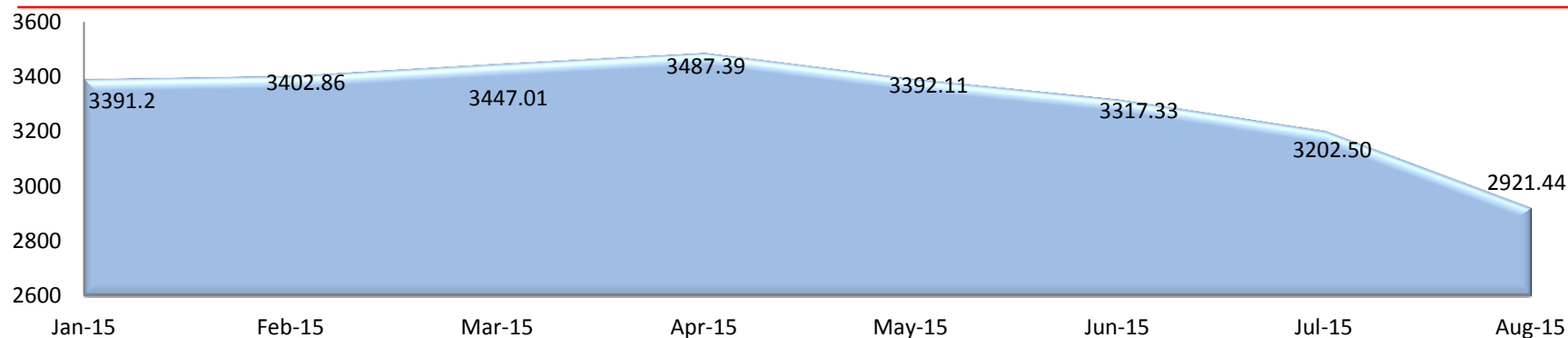
## Singapore Market Capitalization (SGD million)



	Jul 15	Aug 15
Securities Market Turnover Volume (mil share)	41,768	35,455
Securities Market Turnover Value (SGD mil)	24,187	28,125

Source: Singapore Exchange, Market Statistics, August 2015

## STI Index historical chart



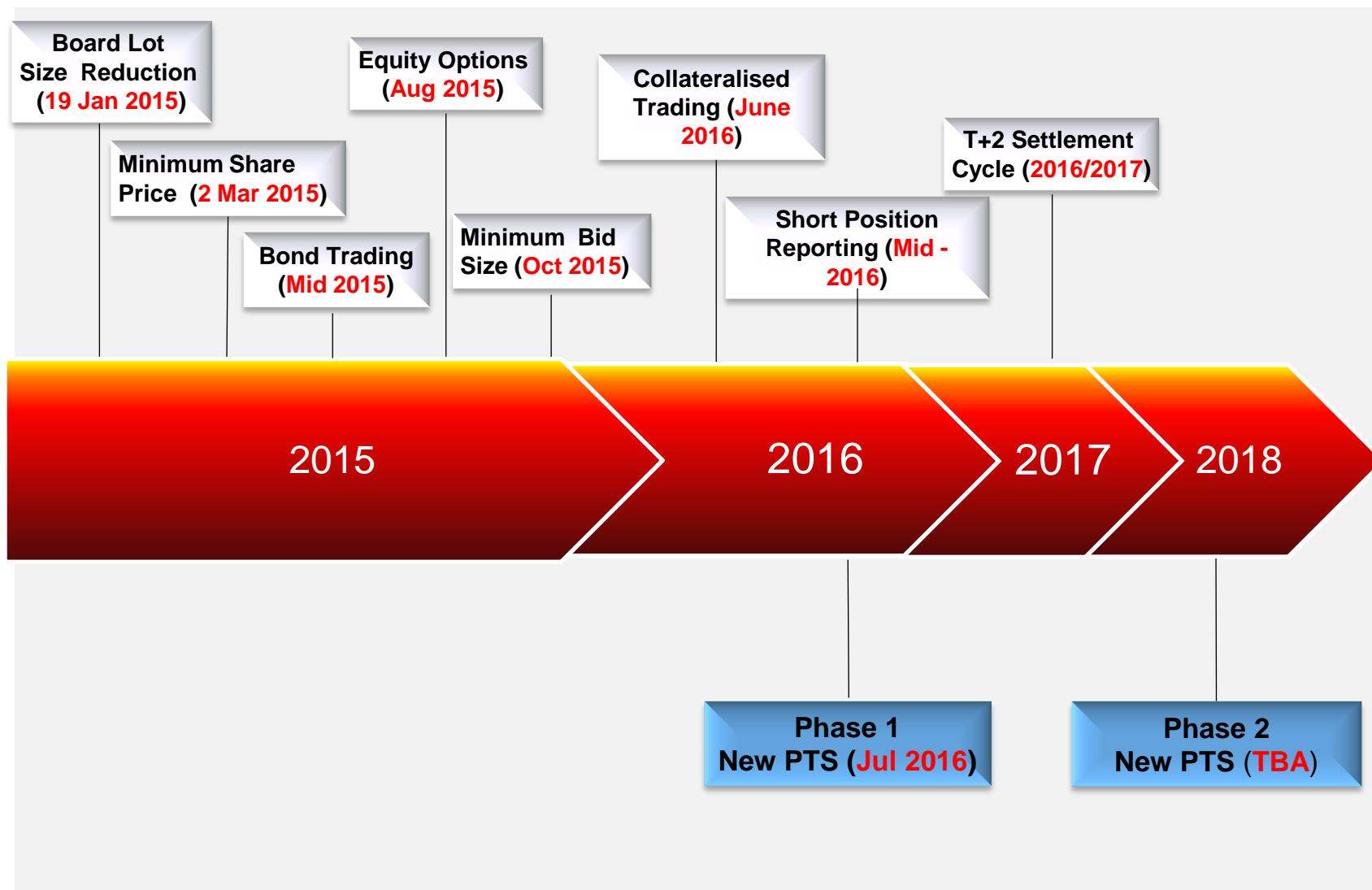
Source: Yahoo, Singapore Exchange, Market Statistics, Aug 2015

## Market Constituents

	2011	2012	2013	2014	Aug 15
Singapore companies	467	472	479	484	483
Overseas companies (excluding China)	165	159	160	165	165
China companies	146	145	137	126	123
<b>Total number of listed securities</b>	<b>773</b>	<b>776</b>	<b>776</b>	<b>775</b>	<b>771</b>

Debt Securities	Jul 15	Aug 15
Total Outstanding Bond Listing	1,978	1,994
New Bond Listing	50	23

# Securities Market Timeline



- Operational since 2000, but more active from 2008. Three Workstreams
  - Transactional – Settlements, Reconciliations & Corporate Actions
  - Market Advocacy
  - Communications
- Set-up the inaugural funds workstream in March 2015 – first meeting held. Transaction team met for **13 times in 2015**
- Representations from custodian banks, SGX, CDP and service providers (SWIFT, PWC for funds )
- Engaged in a number of initiatives to reform the Singapore securities market
- Whole committee meets once a quarter ; this year meeting was held only in March
- Workstreams (especially transactional ) meet regularly depending upon matters discussed
- Coordinates with other established committees such as ASIFMA, AGC, Asian Corporate Governance Forum
- Very actively engaged and involved during the pre-PSMS implementation in 2008
- Port of first call for all changes initiated by SGX / CDP and like-wise also the forum to propose market efficiency and automation initiatives

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- **Settlements**

- PSMS Field Changes / Market fee changes
- Movement to T+2, multiple settlement batches
- Automation of transfer requests, change of Net Debit Cap

- **Corporate Actions**

- Successfully launched SGX News in Q4 2014 - CA announcements to be transmitted via SWIFT MT564
- Pursuing proxy e-voting with SGX for custodian banks in Singapore market i.e. having one central utility (such as SGX, possibly by leveraging BR solutions) that would provide a standardized and electronic “market venue” between DAs and issuers/registrars for proxy voting processes
- Engage with proxy agent and registrars on process change arising from introduction of multiple-proxies for meetings to CPF investors target to implement in Q1 2016
- De-clustering of AGMs so not to take place together in April

- **Miscellaneous**

- Fee collections survey conducted with other stock exchanges and central depositories of other countries for SGX’s reference.
- Engaged World Gold Council to provide briefing to the SG NMPG on corporate events in their gold ETFs listed in SGX
- Facilitated a pilot scheme for SGX e-statements sent to custodian banks





- Keen interest to create local NMPG Funds Workstream group
- Proven success in Europe – to drive the direction for Singapore to be the next Leading Funds Centre for Asia

### **Growth / Potential Growth**

- Strong support by Monetary Authority of Singapore (MAS) in facilitating funds growth in Singapore
- Anticipate growth to onshore market with more fund manufacturing moving locally to Singapore
- Potential of digitalization of funds distribution to online platforms. Singapore is tech-savvy & IDA envisions it to be a "smart" nation in the coming years.
- Potential for Singapore to be a leading funds listing location –
- Funds Passporting

### **Challenges**

- Distribution
  - Limited players & banks which distribute funds through limited channels
  - Fragmented structure through direct & feeder schemes
- Technology readiness and costs for e-distribution
- Traction from all Asian countries about ASEAN CIS & Passporting schemes
- Perception of Singapore's marketplace as a growing hub for funds - versus competitors such as HK.