

# Why Singapore can be your base to Trade Asia

presented by Singapore Exchange, Enterprise Singapore

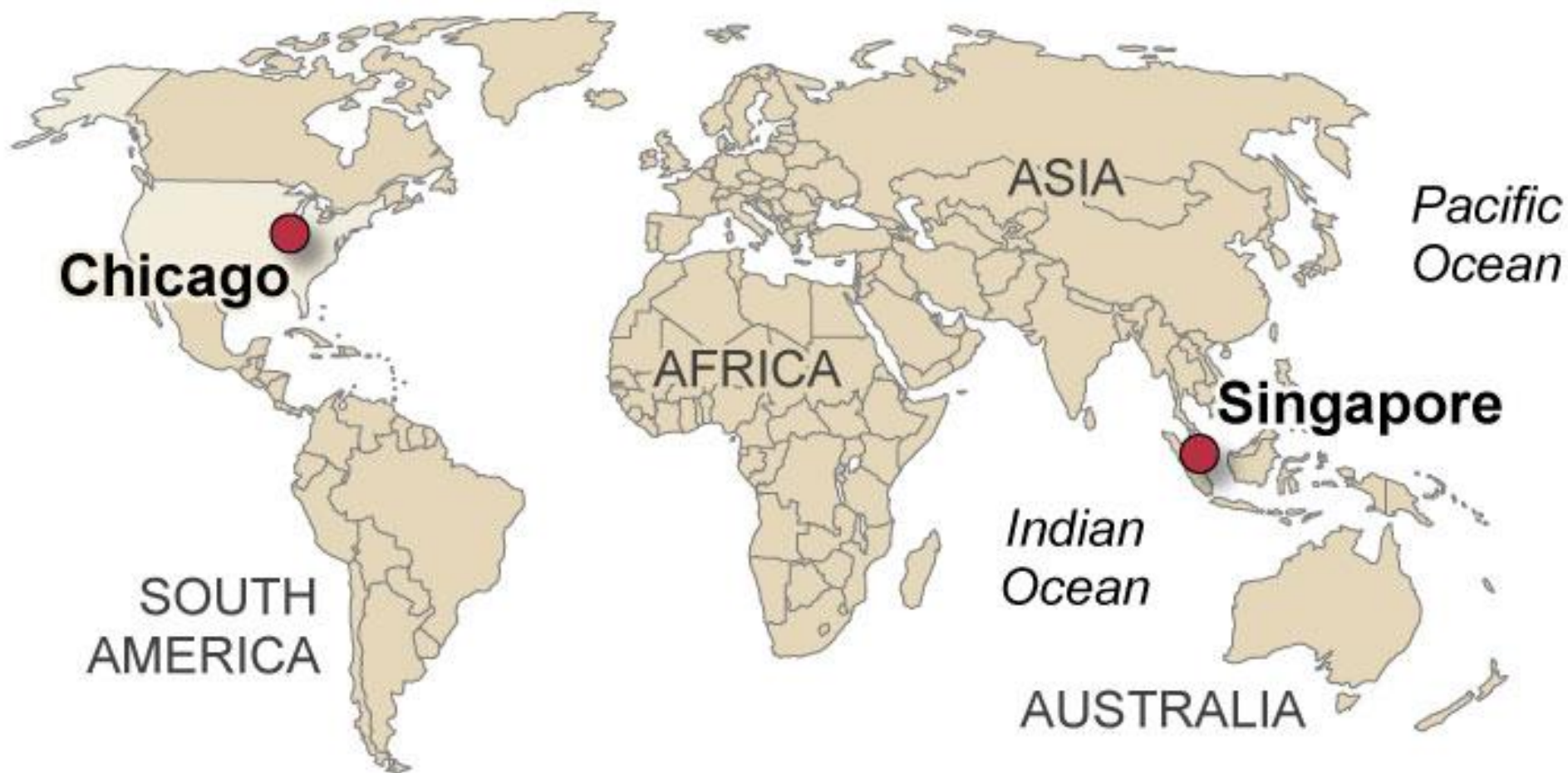




# Singapore, Michigan?

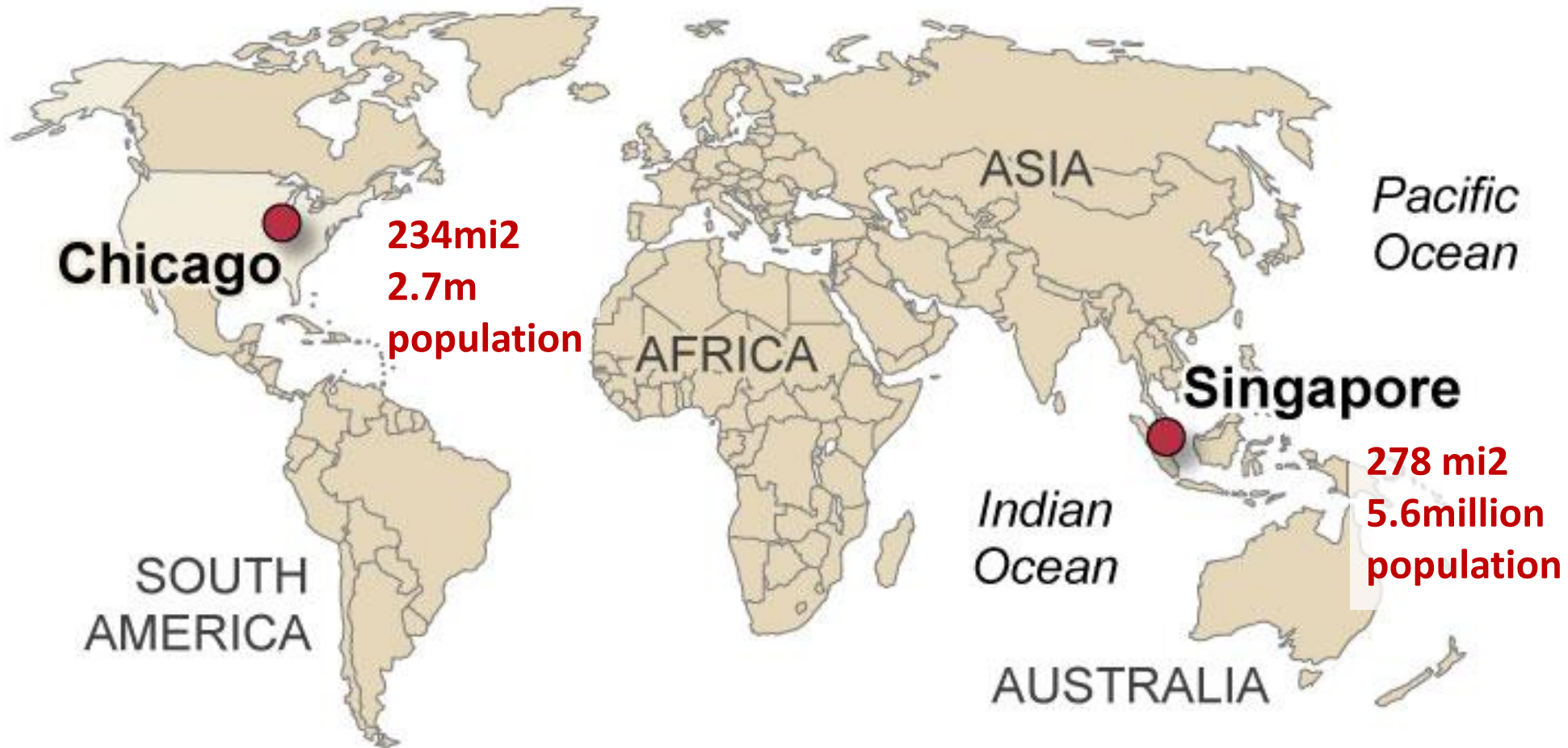


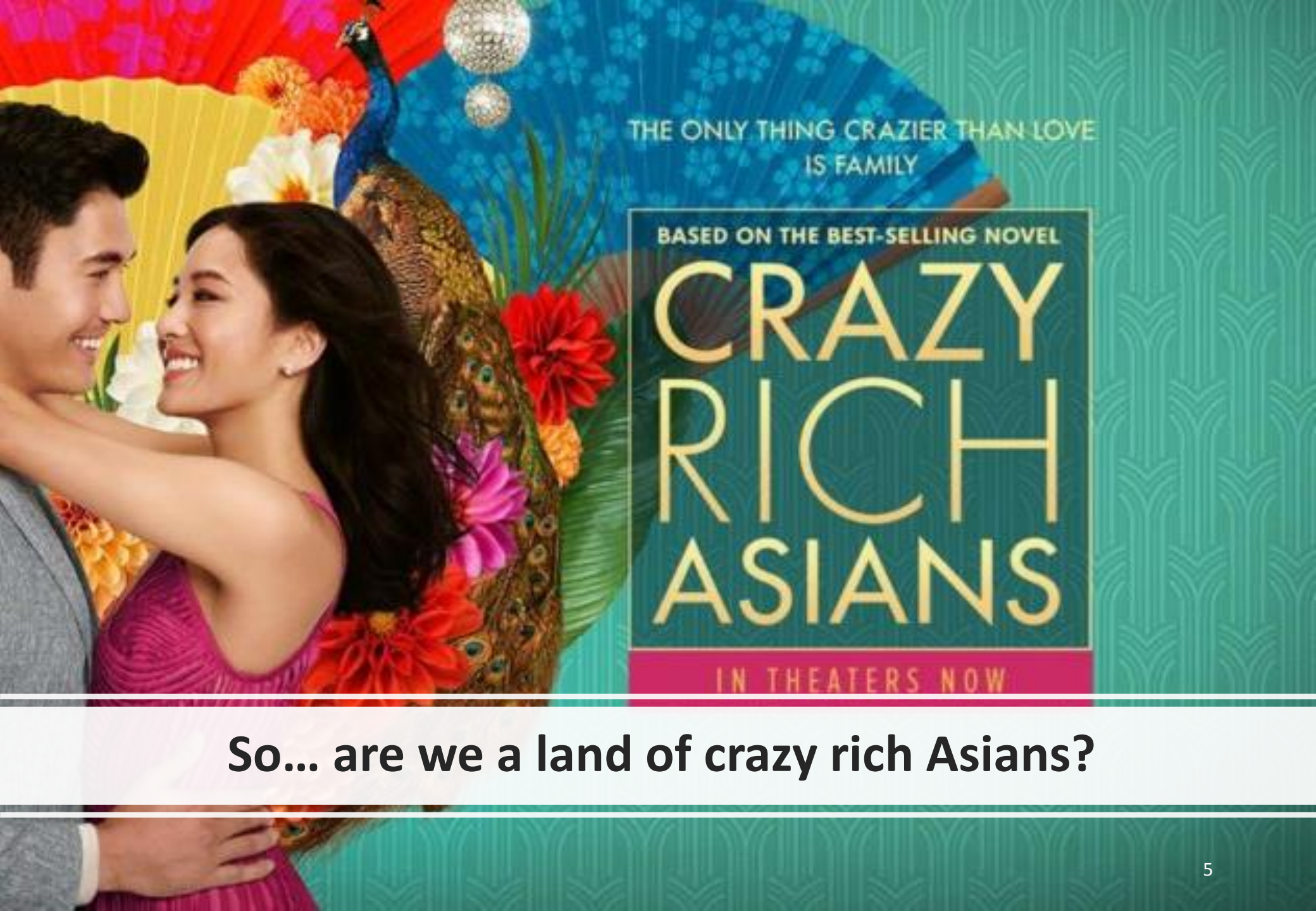
# Singapore





# Singapore





THE ONLY THING CRAZIER THAN LOVE  
IS FAMILY

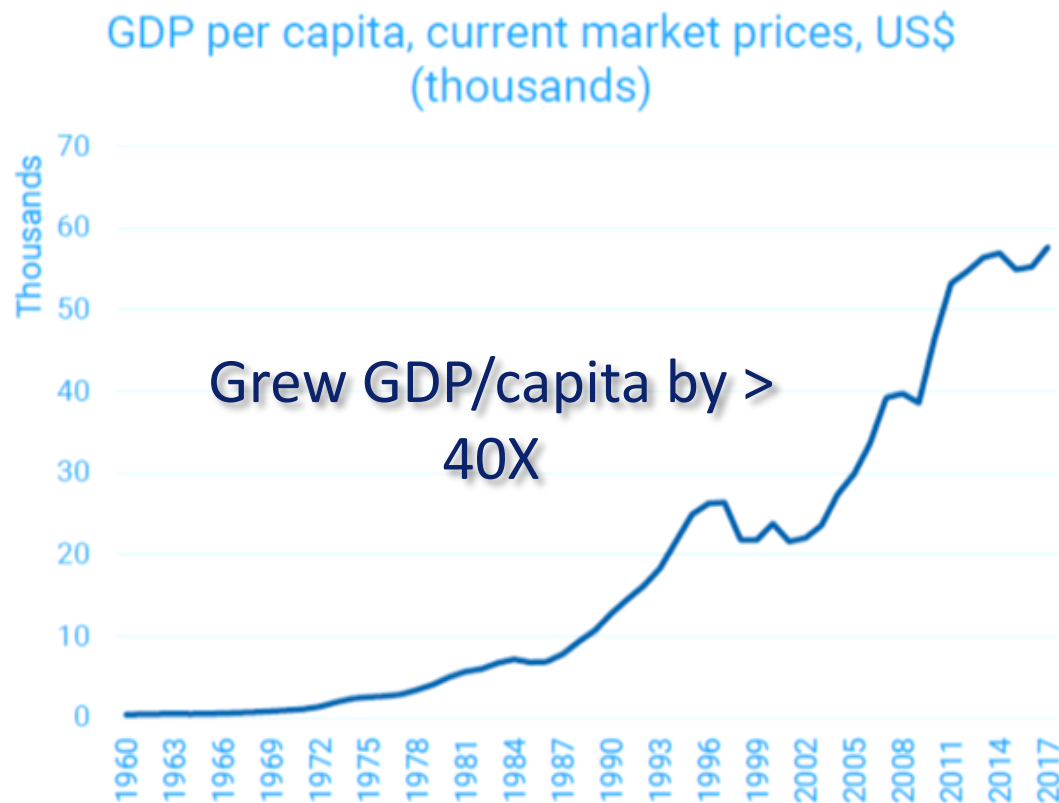
BASED ON THE BEST-SELLING NOVEL

# CRAZY RICH ASIANS

IN THEATERS NOW

**So... are we a land of crazy rich Asians?**

# High GDP per capita ranked just one below the USA

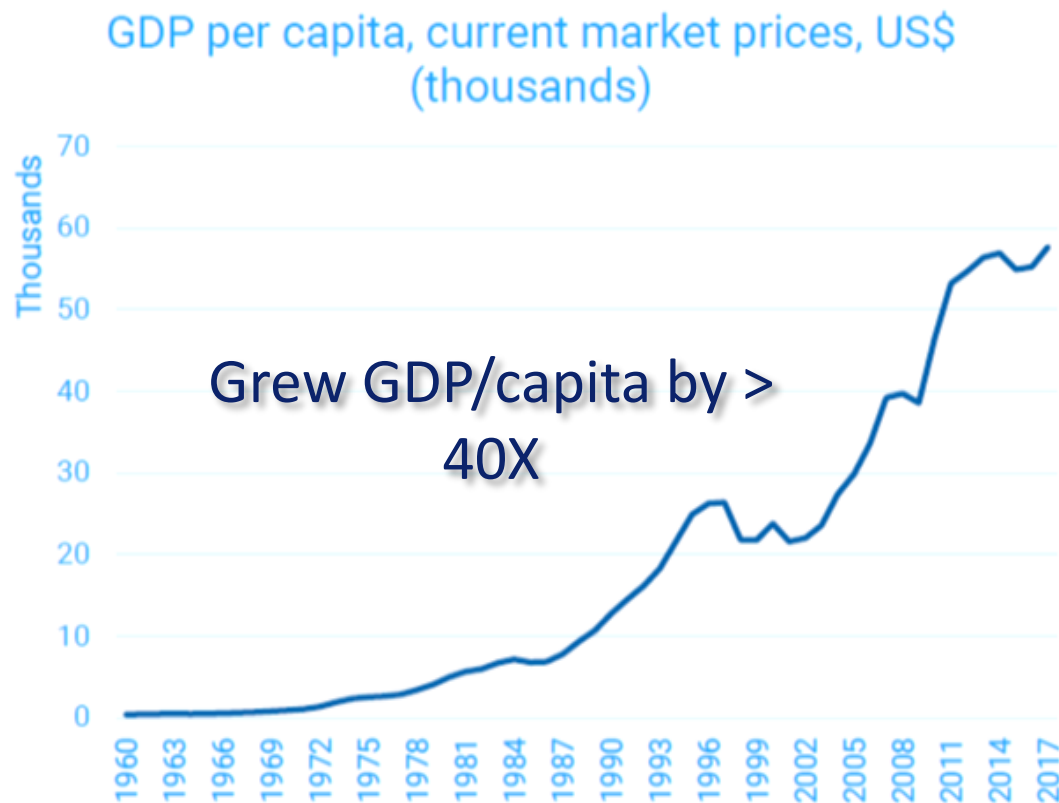


Singapore

**World Bank Rankings**  
**(2017)**

**USA #7**  
**US\$59,532**

# High GDP per capita ranked just one below the USA



Singapore

## World Bank Rankings (2017)

**USA #7**  
**US\$59,532**

**Singapore #8**  
**US\$57,714**



# Singapore is an International Business and Financial Hub

## World's **BEST** Business Environment\*

Only Asian country with a  
Fitch **AAA Rating**



## World's **No. 4** Financial Centre

Singapore is a key **Asian financial centre** and  
**world's fourth most important venue** for  
financiers

## Asia's Wealth Management Hub



- Over S\$2.7 trillion AUM
- Over 591 registered & licensed fund managers
- Poised to be the 2<sup>nd</sup> largest global asset management hub by 2018

## Global Hub for Institutional Investors



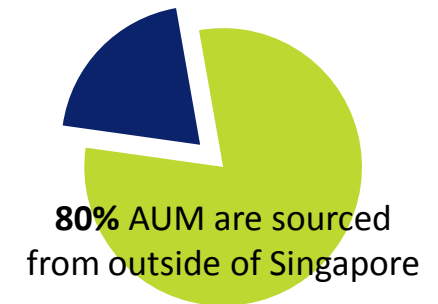
- Home to major sovereign wealth funds such as GIC, Temasek, Norges Bank Investment Management, Canada's Caisse, Korean National Pension Service, Investment Company of People's Republic of China, etc.

## Ultra High Net Worth Individuals (UHNWIs<sup>^</sup>)



- Singapore has 2,500 UHNWIs, is the 3<sup>rd</sup> most important city to the world's UHNWIs
- One of the world's fastest growing number of UHNWI in the next decade

## Serving Global Investors



<sup>^</sup>Note: UHNWI refers to individuals with a net worth of over US\$30m in assets

\*Source: Knight Frank Wealth Report (2016), Economist Intelligence Unit (2014), MAS Annual Report (2015/2016), Fitch Ratings (2015), Global Financial Centres Index rankings (2016)





## **Our competitive advantage**

- Connecting you to Asia
- Pro-Business Environment & Regulation
- Skilled Workforce





# Maritime Hub of Asia

**Connected to over 600 ports in  
over 120 countries**

**Best Global Container Terminal  
Operating Company for 12th  
time**

**Best Container Terminal - Asia  
(Over 4 Million TEUs) for 28th  
time**



# Connectivity & Ease of Access to Asia

Strategically located in the heart of Asia

Close to 4 billion people within a 7-hour flight radius





# **Pro-Business Environment**

**37,000 International companies  
based in Singapore**

**#1 in Asia for IP Protection (WEF)**

**#2 for ease of doing business (World  
Bank)**

**#3 most Competitive Economy in  
the World (IMF)**







# Skilled Workforce

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**96.8% Literacy Rate**

**80% English Proficiency**

**55% % of workforce white collared**

**52.8% with tertiary education\*\***

**\*source : Total Workforce Index 2017**

**\*\*source: Singstat 2017**



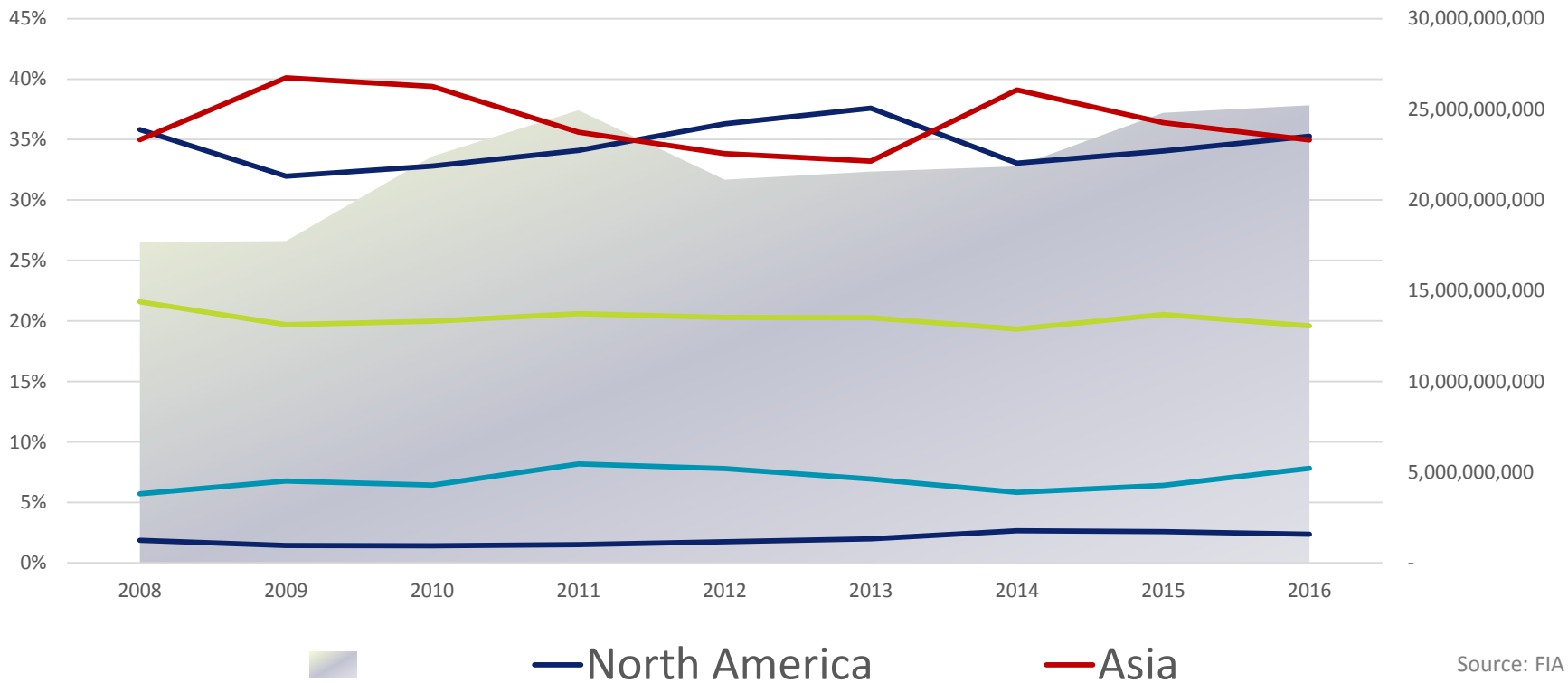




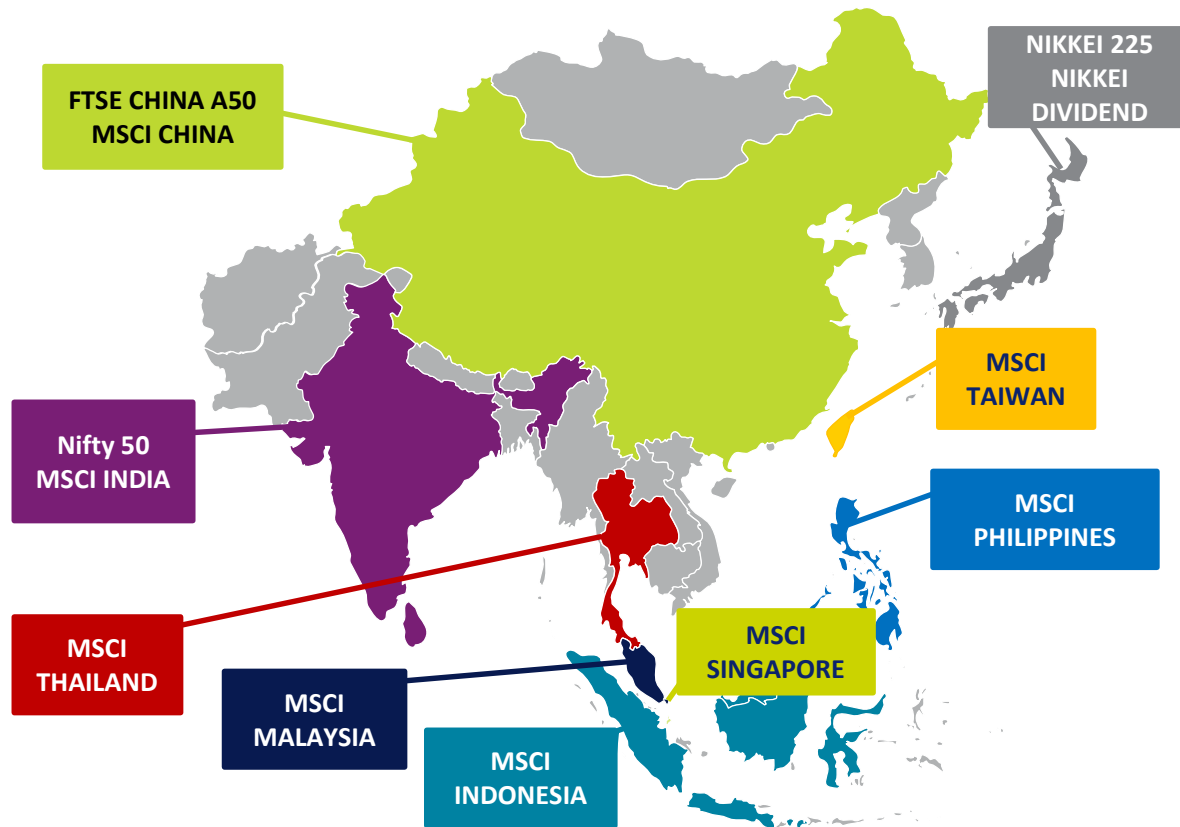
# **Why Singapore can be your base for Trading Asia – Singapore Exchange (SGX)**

**Singapore Exchange**

# Global Futures & Options Volume 2017



# Asia's Broadest Range of Listed Index Futures and Options



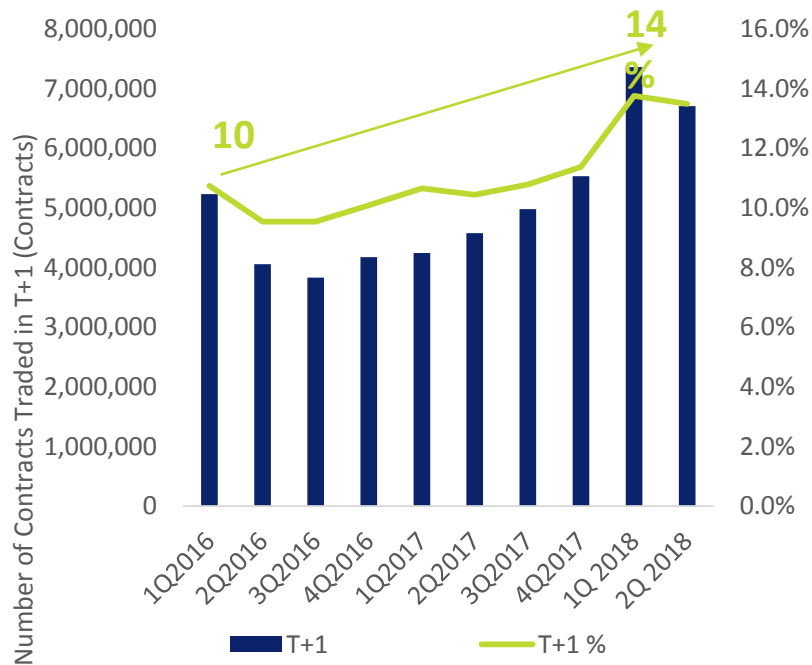
- **ADV: 934,000 Contracts (>US\$20m)**
- **Open Interest: 1.8 million Contracts (>US\$50m)**
- *7 key Asia benchmarks covers 80% of Asia's top economies: China, Japan, India, Taiwan and Indonesia, and Southeast Asia*
- *FBOT-approved platform & CFTC-approved products; USD-denominated & Cash settled*
- *High efficiency of connectivity and high capital efficiency through cross margins.*
- *23.5 hour platform provides round-the-clock capability for trading*



# Growing US Day session activity



ADV crossed 100,000 contracts

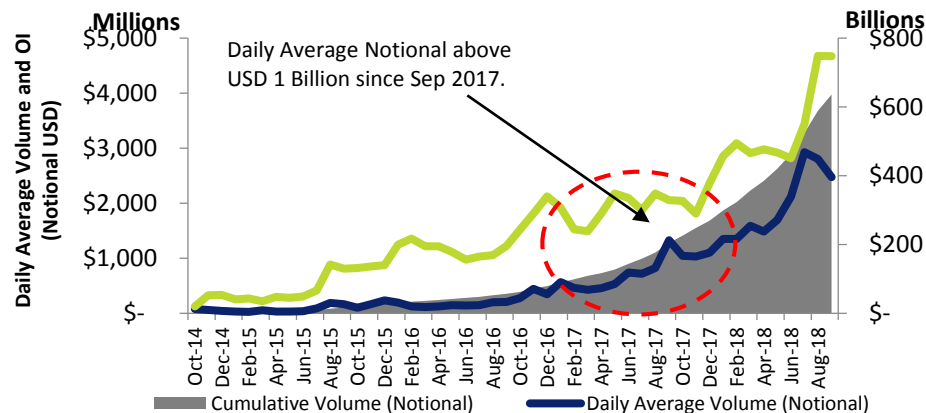


T+1 (US Day) 45% Growth ;  
China A50 & USD/CNH ~2X growth

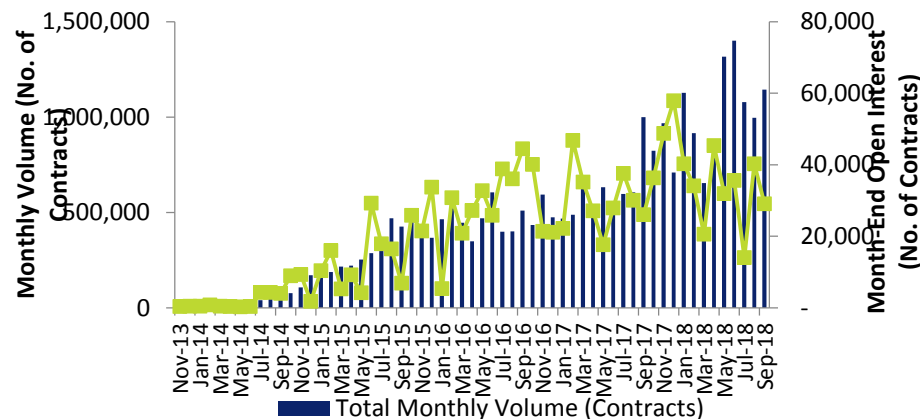


# SGX FX Futures

## SGX USD/CNH Futures Volume Growth



## SGX INR/USD Futures Volume Growth



## Key Highlights

Total Notional Volumes Up to Date

**US\$4.62Bn**

46,162 lots

Record USD/CNH futures traded on 16 August 2018

**US\$2.47Bn**

Average daily notional in Sep 2018

Total Notional Volumes Up to Date

**US\$3.8Bn**

124,297 lots

Record INR/USD traded on 26 Sep 2017

**US\$1.76Bn**

Sep 2018

# SGX Commodities growing as an Asset Class

Complements Singapore's commodities hub status

## Price-Discovery Centre For The Steel Value Chain



Iron Ore  
CFR China (62%)

Coking Coal  
FOB Australia,  
CFR China



Steel HRC Steel (CFR ASEAN)



Freight  
Time Charter FFA (CV,PV,SV,HV)  
Single Routes (C5, 2A, 3A)



Maritime Indices

## Other Commodities Products



Rubber  
(TSR & RSS3)

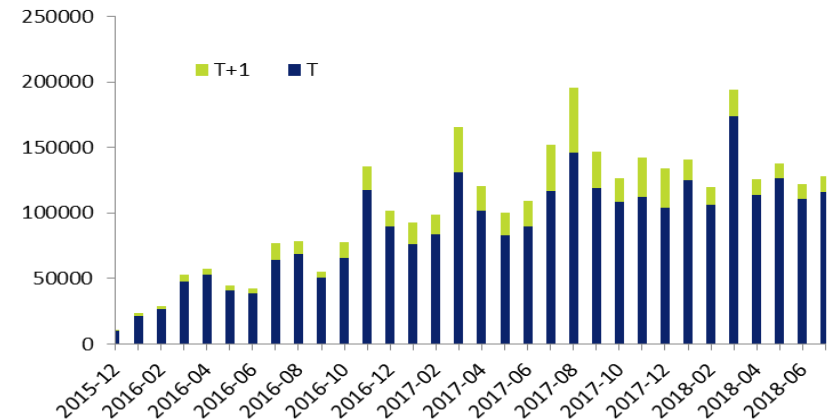


Energy



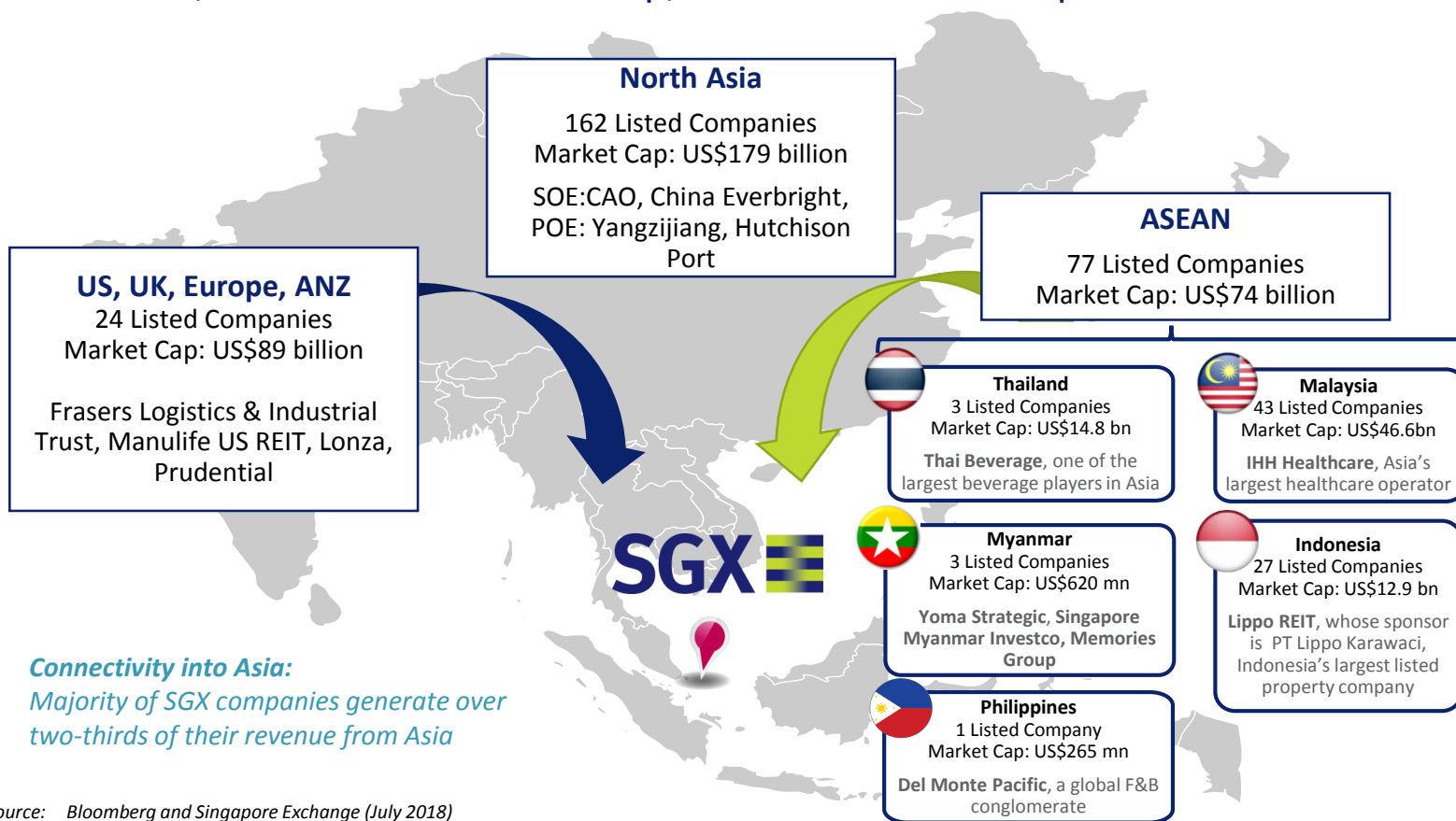
Electricity

Monthly Iron ore Screen Volumes



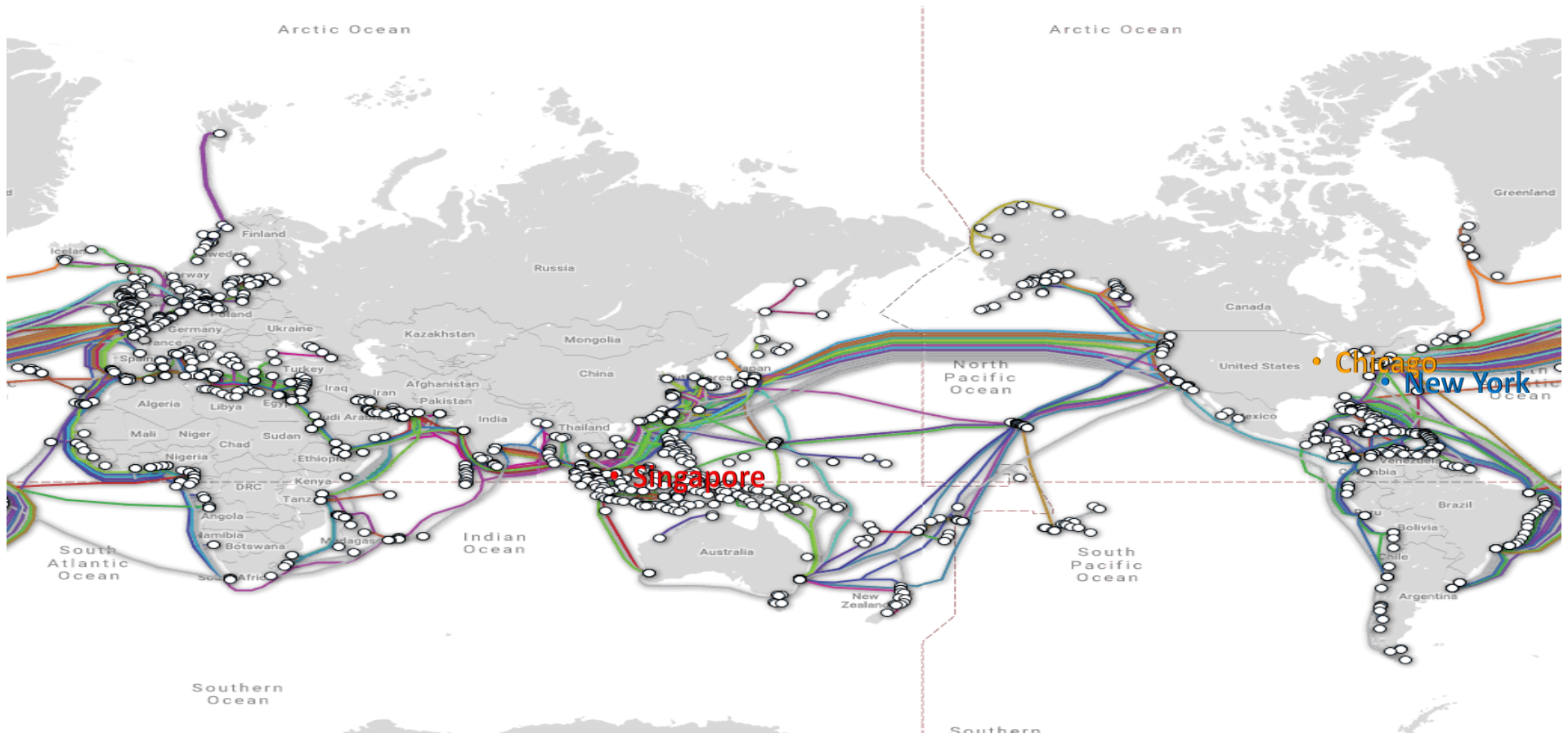
# SGX Connectivity to Asia & Rest of World

US\$360bn, ~50% of total market cap, of international companies listed on SGX





# How the world is interconnected? – Submarine Cables



# Why Singapore can be your base for Trading Asia?

1

## Asia with Global Reach

*Access to multiple exchanges, liquidity hubs, ECNs across geographies worldwide.*

3

## Asia's Largest Offshore Futures Markets

*Home to a suite of widely traded Asian equity derivatives such as: MSCI Singapore, MSCI Taiwan, Nikkei 225, Nifty 50, FTSE China A50*

5

## Competitive Tax Environment

*There is no tax on income derived and received outside of Singapore, and no capital gains or estate taxes to worry about*

2

## Multi Asset Class

*SGX is a multi-asset class exchange and trusted market infrastructure operator in Asia catering to the investment and risk management needs for the global community*

4

## Longest Trading Hours in Asia >21 hrs

*Trading session opens as early as 0725 hrs and closing at 0445 hrs the following day.*

6

## Most Livable City in Asia

*Mercer's 2018 Quality of Living Survey*





# Asian Data Center Location Ranking



Data Center Risk Index identifies the top risks likely to affect data center business operations:

- Internet Bandwidth
- Ease of doing business
- Energy stability
- Political stability
- Natural disaster

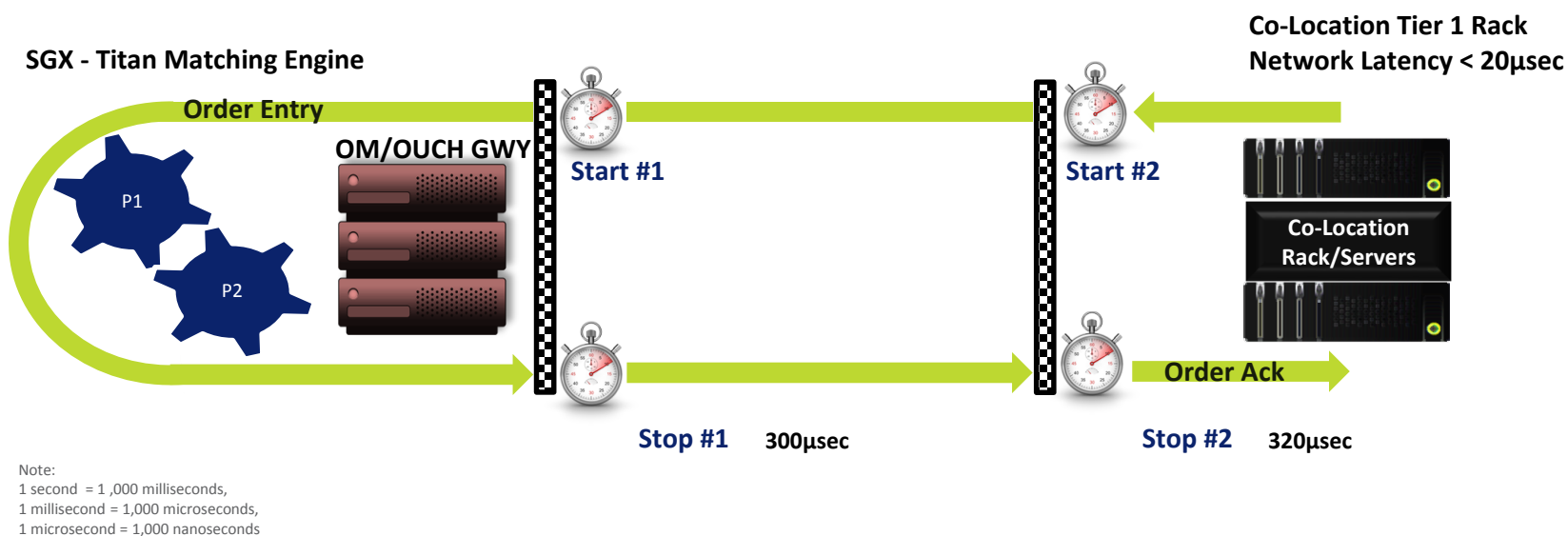
**Singapore is the most robust market out of 10 Asian countries in terms of business operations for data centers**

Source: Cushman and Wakefield Research Publication, October 2017, Data Center Investment

# SGX Co-Location – Gateway for the Financial Community

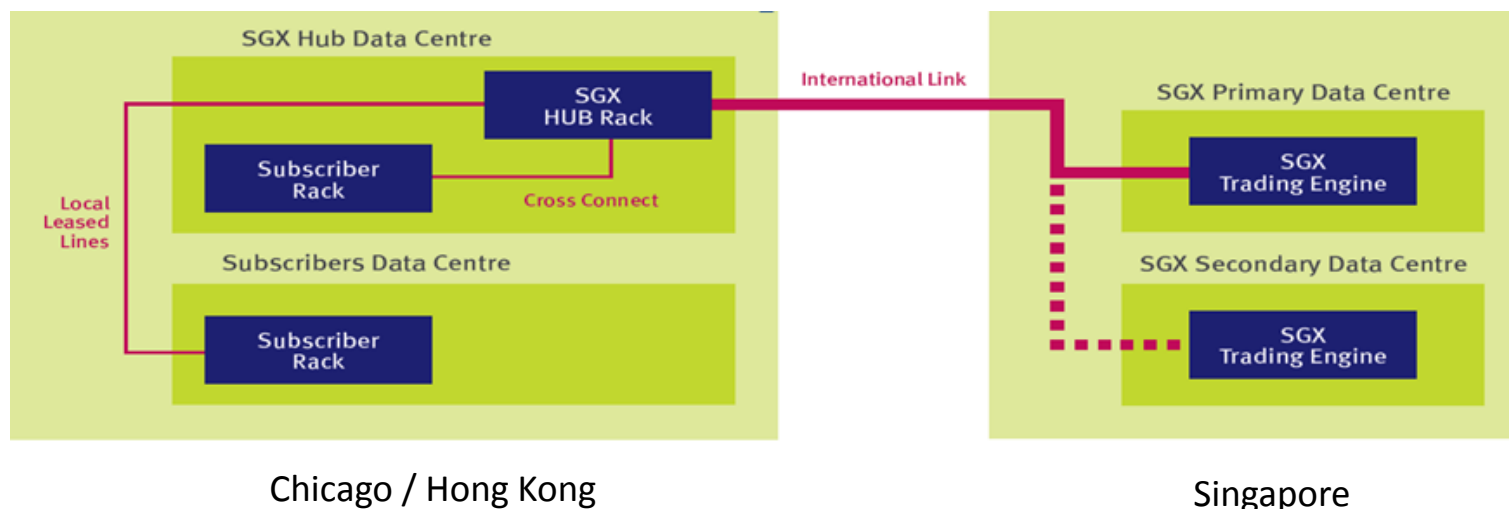


# The Fastest Access - Order Round Trip within SGX Co-Location





# SGX Liquidity Hub



**Cost effective** – Lower international connectivity fees to SGX

**Convenient** – One stop engagement with SGX for all Trading, market data and remote network access requirements

**Faster time to market** – Shorter lead time to set up international connectivity

**Business continuity** – Support for contingency access to SGX

Q&A

[sgx.com](https://sgx.com)

# Thank you

**Singapore Exchange**

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## Appendix A - SGX Co-Location Financial Ecosystem

Broker	Exchange Point of Presence	Network Provider	Service Vendor
<ul style="list-style-type: none"> <li>• ABN AMRO Clearing</li> <li>• Bank of America Merrill Lynch</li> <li>• Credit Suisse</li> <li>• KGI Securities</li> <li>• Morgan Stanley</li> <li>• Newedge</li> <li>• Phillip Futures Pte Ltd.</li> <li>• UBS Futures Singapore Ltd.</li> <li>• UBS Securities Pte. Ltd.</li> <li>• UOB Bullion Futures</li> </ul>	<ul style="list-style-type: none"> <li>• ASX</li> <li>• Eurex, Deutsche Boerse Group</li> </ul>	<ul style="list-style-type: none"> <li>• Avelacom</li> <li>• BSO Network Solutions</li> <li>• BT Radianz</li> <li>• CenturyLink</li> <li>• China Telecom</li> <li>• COLT</li> <li>• Hibernia Atlantic</li> <li>• IPC</li> <li>• M1 Limited</li> <li>• McKay Brothers</li> <li>• Navigate Communications</li> <li>• NTT</li> <li>• PacNet</li> <li>• Perseus</li> <li>• Singtel</li> <li>• SPTel</li> <li>• Starhub</li> <li>• Superloop</li> <li>• Tata Communications</li> <li>• Telstra Global</li> <li>• Transaction Network Services</li> <li>• Verizon</li> <li>• ViewQwest</li> <li>• Vodafone</li> </ul>	<ul style="list-style-type: none"> <li>• ACTIV Financial Systems, Inc.</li> <li>• Assurity Trusted Solutions</li> <li>• Bloomberg Finance L.P</li> <li>• CQG</li> <li>• Fidessa</li> <li>• FIS</li> <li>• Guavatech Inc</li> <li>• Interactive Data</li> <li>• IRESS Limited</li> <li>• PICO (Singapore) Pte Ltd</li> <li>• QuantHouse</li> <li>• Thomson Reuters</li> <li>• Trading Technologies</li> <li>• TradingScreen</li> <li>• ULLINK</li> </ul>

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