

Singapore

Singapore's total local currency (LCY) bonds outstanding stood at SGD298 billion (US\$237 billion) at end-March, dropping 2.6% quarter-on-quarter (q-o-q) while marginally rising 0.3% year-on-year (y-o-y). The q-o-q decrease was driven largely by the net redemption of Singapore Government Securities (SGS) bills; the 3- and 6-month SGS bills have been replaced by the issuance of 12-week and 6-month Monetary Authority of Singapore (MAS) bills, respectively. The corporate bond market also experienced a similar growth trend as corporate bonds outstanding shrank 1.8% q-o-q but rose 1.2% y-o-y.

Table 1: Size and Composition of the LCY Bond Market in Singapore

	Outstanding Amount (billion)						Growth Rate (%)			
	1Q13		4Q13		1Q14		1Q13		1Q14	
	SGD	US\$	SGD	US\$	SGD	US\$	q-o-q	y-o-y	q-o-q	y-o-y
Total	297	239	305	242	298	237	5.2	14.5	(2.6)	0.3
Government	184	148	189	150	183	146	6.4	13.7	(3.0)	(0.3)
SGS Bills and Bonds	147	118	125	99	109	87	2.9	2.0	(12.7)	(25.8)
MAS Bills	37	30	64	51	74	59	22.8	106.7	15.9	100.0
Corporate	113	91	116	92	114	91	3.4	16.0	(1.8)	1.2

() = negative, LCY = local currency, MAS = Monetary Authority of Singapore, q-o-q = quarter-on-quarter, SGS = Singapore Government Securities, y-o-y = year-on-year.
Notes:

1. Government bonds are calculated using data from national sources. Corporate bonds are based on *AsianBondsOnline* estimates.

2. SGS bills and bonds do not include the special issue of SGS held by the Singapore Central Provident Fund (CPF).

3. Bloomberg LP end-of-period LCY-US\$ rates are used.

4. Growth rates are calculated from LCY base and do not include currency effects.

Sources: Monetary Authority of Singapore, Singapore Government Securities, and Bloomberg LP.

Singapore's LCY corporate bond issuance during 1Q14 totaled SGD4.2 billion, more than 30% of which was issued by the Housing and Development Board (HDB). The table below lists some of the notable LCY corporate bond issuance during 1Q14.

Table 2: Notable LCY Corporate Bond Issuance in 1Q14

Corporate Issuers	Coupon Rate (%)	Issued Amount (SGD million)
Housing and Development Board		
7-year	3.008	750
15-year	3.948	600
Citymall Trust		
7-year	3.080	350
Suntec REIT		
6-year	3.350	310
Hyflux		
Perpetual	5.750	300
National University of Singapore		
5-year	1.708	250
Amtek Engineering		
5-year	6.900	200

LCY = local currency.
Source: Bloomberg LP.

Total LCY bonds outstanding among Singapore's top 30 corporate bond issuers stood at SGD61.6 billion at end-March, representing more than one-half of the total corporate bond market in Singapore. The largest issuer remained HDB. Issuers from the financing, real estate, and banking sectors continued to dominate Singapore's corporate bond market in 1Q14.

Table 3: Top 30 Issuers of LCY Corporate Bonds in Singapore

	Issuers	Outstanding Amount		State-Owned	Listed Company	Type of Industry
		LCY Bonds (SGD billion)	LCY Bonds (US\$ billion)			
1.	Housing and Development Board	18.7	14.8	Yes	No	Real Estate
2.	United Overseas Bank	4.6	3.6	No	Yes	Banking
3.	Temasek Financial I	3.6	2.9	No	No	Financing
4.	DBS Bank	3.3	2.6	No	Yes	Banking
5.	SP PowerAssets	2.4	1.9	No	No	Utilities
6.	CapitaLand	2.3	1.9	No	Yes	Real Estate
7.	Public Utilities Board	2.1	1.7	Yes	No	Utilities
8.	GLL IHT	1.8	1.5	No	No	Financing
9.	Land Transport Authority	1.8	1.4	Yes	No	Transportation
10.	City Developments	1.7	1.4	No	Yes	Real Estate
11.	Keppel	1.5	1.2	No	Yes	Diversified
12.	Olam International	1.4	1.1	No	Yes	Consumer Goods
13.	Neptune Orient Lines	1.3	1.0	No	Yes	Logistics
14.	Hyflux	1.3	1.0	No	Yes	Utilities
15.	Keppel Land	1.1	0.9	No	Yes	Real Estate
16.	PSA	1.0	0.8	No	No	Port Operator
17.	Oversea-Chinese Banking	1.0	0.8	No	Yes	Banking
18.	Overseas Union Enterprise	1.0	0.8	No	Yes	Real Estate
19.	CapitaMalls Asia Treasury	1.0	0.8	No	No	Financing
20.	Mapletree Treasury Services	1.0	0.8	No	No	Financing
21.	Sembcorp Financial Services	0.9	0.7	No	No	Financing
22.	Singtel Group Treasury	0.9	0.7	No	No	Telecommunications
23.	DBS Group	0.8	0.6	No	Yes	Banking
24.	Singapore Airlines	0.8	0.6	No	No	Transportation
25.	Temasek Financial III	0.8	0.6	No	No	Financing
26.	National University of Singapore	0.8	0.6	Yes	No	Education
27.	Global Logistic Properties	0.8	0.6	No	Yes	Real Estate
28.	CMT MTN	0.8	0.6	No	No	Financing
29.	CapitaLand Treasury	0.7	0.6	No	No	Financing
30.	Joynote	0.7	0.6	No	No	Financing
Total Top 30 LCY Corporate Issuers		61.6	49.0			
Total LCY Corporate Bonds		114.3	90.9			
Top 30 as % of Total LCY Corporate Bonds		53.9%	53.9%			

LCY = local currency.

Notes:

1. Data as of end-March 2014.

2. State-owned firms are defined as those in which the government has more than a 50% ownership stake.

Source: *AsianBondsOnline* calculations based on Bloomberg data.