

Singapore

The local currency (LCY) bond market of Singapore expanded 2.6% quarter-on-quarter (q-o-q) and 14.7% year-on-year in the fourth quarter (Q4) of 2019, reaching SGD457.1 billion (USD339.6 billion) at the end of December on the back of increases in both LCY government and corporate bonds. There was a total of SGD285.7 billion in LCY government bonds outstanding at the end of Q4 2019, corresponding to a 3.1% q-o-q increase, mainly due to a rise in Singapore Government Securities bonds. LCY corporate bonds outstanding amounted to SGD171.4 billion at the end of December on growth of 1.7% q-o-q.

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

	Outstanding Amount (billion)						Growth Rate (%)			
	Q4 2018		Q3 2019		Q4 2019		Q4 2018		Q4 2019	
	SGD	USD	SGD	USD	SGD	USD	q-o-q	y-o-y	q-o-q	y-o-y
Total	398	292	446	322	457	340	0.1	7.2	2.6	14.7
Government	244	179	277	200	286	212	1.5	10.2	3.1	16.9
SGS Bills and Bonds	125	92	163	118	183	136	2.1	7.7	12.4	46.3
MAS Bills	120	88	114	83	103	77	0.8	12.9	(10.0)	(13.8)
Corporate	154	113	169	122	171	127	(2.1)	2.7	1.7	11.3

() = negative, LCY = local currency, MAS = Monetary Authority of Singapore, q-o-q = quarter-on-quarter, Q3 = third quarter, Q4 = fourth quarter, SGD = Singapore dollar, SGS = Singapore Government Securities, USD = United States dollar, y-o-y = year-on-year.

Notes:

- Government bonds are calculated using data from national sources. Corporate bonds are based on *AsianBondsOnline* estimates.
- SGS bills and bonds do not include the special issue of SGS held by the Singapore Central Provident Fund.
- Bloomberg LP end-of-period LCY-USD rates are used.
- Growth rates are calculated from an LCY base and do not include currency effects.

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

LCY corporate bond issuances dropped 48.9% q-o-q to SGD2.8 billion in Q4 2019. The largest corporate issuance during the quarter came from the Housing & Development Board.

Table 2: Notable Local Currency Corporate Bond Issuance in the Fourth Quarter of 2019

Corporate Issuers	Coupon Rate (%)	Issued Amount (SGD million)
Housing & Development Board		
5-year bond	1.75	700
CapitalLand Treasury		
Perpetual bond	3.65	500
Singapore Press Holdings		
Perpetual bond	4.00	300
Mapletree Commercial Trust		
10-year bond	3.05	250
Hotel Properties		
Perpetual bond	4.40	160
Hongkong Land Treasury		
20-year bond	3.45	150
GSH Corporation		
3-year bond	5.20	50

SGD = Singapore dollar.

Source: Bloomberg LP.

The outstanding LCY corporate bonds of the top 30 issuers amounted to SGD82.7 billion at the end of December, or 48.3% of total LCY corporate bonds outstanding. The government's Housing & Development Board topped all issuers at the end of 2019. It also led the real estate sector to top all sectors with SGD35.3 billion of outstanding bonds at the end of Q4 2019, or 42.7% of the aggregate LCY corporate bonds of the top 30 issuers.

Table 3: Top 30 Issuers of Local Currency Corporate Bonds in Singapore

	Issuers	Outstanding Amount		State-Owned	Listed Company	Type of Industry
		LCY Bonds (SGD billion)	LCY Bonds (USD billion)			
1.	Housing & Development Board	23.7	17.6	Yes	No	Real Estate
2.	Land Transport Authority	10.4	7.7	Yes	No	Transportation
3.	Singapore Airlines	4.4	3.3	Yes	Yes	Transportation
4.	Frasers Property	4.0	3.0	No	Yes	Real Estate
5.	Temasek Financial	3.6	2.7	Yes	No	Finance
6.	United Overseas Bank	3.3	2.4	No	Yes	Banking
7.	Mapletree Treasury Services	2.7	2.0	No	No	Finance
8.	CapitaLand Treasury	2.7	2.0	No	No	Finance
9.	DBS Group Holdings	2.5	1.9	No	Yes	Banking
10.	Keppel Corporation	2.4	1.8	No	Yes	Diversified
11.	Sembcorp Financial Services	2.4	1.7	No	No	Engineering
12.	CapitaLand	1.8	1.4	Yes	Yes	Real Estate
13.	Oversea-Chinese Banking Corporation	1.5	1.1	No	Yes	Banking
14.	City Developments Limited	1.5	1.1	No	Yes	Real Estate
15.	CMT MTN	1.4	1.0	No	No	Finance
16.	SP Powerassets	1.3	1.0	No	No	Utilities
17.	Public Utilities Board	1.3	1.0	Yes	No	Utilities
18.	GLL IHT	1.2	0.9	No	No	Real Estate
19.	Singtel Group Treasury	1.2	0.9	No	No	Finance
20.	Shangri-La Hotel	1.1	0.8	No	Yes	Real Estate
21.	Mapletree Commercial Trust	1.1	0.8	No	Yes	Real Estate
22.	Suntec REIT	0.9	0.7	No	Yes	Real Estate
23.	Hyflux	0.9	0.7	No	Yes	Utilities
24.	Ascendas	0.9	0.7	No	Yes	Finance
25.	Olam International	0.8	0.6	No	Yes	Consumer Goods
26.	SMRT Capital	0.8	0.6	No	No	Transportation
27.	DBS Bank	0.8	0.6	No	Yes	Banking
28.	Sembcorp Industries	0.8	0.6	No	Yes	Shipbuilding
29.	Singapore Technologies Telemedia	0.8	0.6	Yes	No	Utilities
30.	National University of Singapore	0.8	0.6	No	No	Education
Total Top 30 LCY Corporate Issuers		82.7	61.5			
Total LCY Corporate Bonds		171.4	127.3			
Top 30 as % of Total LCY Corporate Bonds		48.3%	48.3%			

LCY = local currency, MTN = medium term note, REIT = Real Estate Investment Trust, SGD = Singapore dollar, USD = United States dollar.

Notes:

1. Data as of 31 December 2019.

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 LP data.