

## Singapore

Singapore's local currency (LCY) bond market expanded 3.9% quarter-on-quarter (q-o-q) and 11.6% year-on-year in the fourth quarter (Q4) of 2020, reaching SGD502.9 billion (USD380.4 billion) at the end of December. LCY government bonds outstanding jumped to SGD329.5 billion on a 5.3% q-o-q increase as Singapore Government Securities bills and bonds, and Monetary Authority of Singapore bills rose during the review period. LCY corporate bonds outstanding amounted to SGD173.4 billion at the end of December on growth of 1.3% q-o-q.

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

|                     | Outstanding Amount (billion) |     |         |     |         |     | Growth Rate (%) |        |         |       |
|---------------------|------------------------------|-----|---------|-----|---------|-----|-----------------|--------|---------|-------|
|                     | Q4 2019                      |     | Q3 2020 |     | Q4 2020 |     | Q4 2019         |        | Q4 2020 |       |
|                     | SGD                          | USD | SGD     | USD | SGD     | USD | q-o-q           | y-o-y  | q-o-q   | y-o-y |
| Total               | 451                          | 335 | 484     | 355 | 503     | 380 | 2.6             | 13.1   | 3.9     | 11.6  |
| Government          | 286                          | 212 | 313     | 229 | 330     | 249 | 3.1             | 16.9   | 5.3     | 15.3  |
| SGS Bills and Bonds | 183                          | 136 | 191     | 140 | 196     | 148 | 12.4            | 46.3   | 2.6     | 7.4   |
| MAS Bills           | 103                          | 77  | 122     | 89  | 133     | 101 | (10.0)          | (13.8) | 9.4     | 29.3  |
| Corporate           | 165                          | 123 | 171     | 125 | 173     | 131 | 1.7             | 7.1    | 1.3     | 5.1   |

(-) = 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.

Total LCY bond issuance jumped 6.7% q-o-q in Q4 2020 to SGD216.6 billion as issuances of government bonds increased 7.2% q-o-q to SGD212.1 billion. This was slightly offset by LCY corporate bond issuances falling to SGD4.5 billion, a decline of 12.0% q-o-q. Singapore Airlines and the Housing & Development Board had the largest issuances during the review period.

Table 2: Notable Local Currency Corporate Bond Issuances in the Fourth Quarter of 2020

| Corporate Issuers                            | Coupon Rate (%) | Issued Amount (SGD million) |
|--|-----------------|-----------------------------|
| Singapore Airlines                           |                 |                             |
| 5-year bond                                  | 1.63            | 850.0                       |
| 10-year bond                                 | 3.50            | 500.0                       |
| Housing & Development Board                  |                 |                             |
| 15-year bond                                 | 1.30            | 600.0                       |
| CapitaLand Mall Trust                        |                 |                             |
| 12-year bond                                 | 2.15            | 250.0                       |
| Suntec Real Estate Investment Trust          |                 |                             |
| Perpetual                                    | 3.80            | 200.0                       |
| Starhill Global Real Estate Investment Trust |                 |                             |
| Perpetual                                    | 3.85            | 100.0                       |
| Heeton Holdings                              |                 |                             |
| 3-year bond                                  | 6.80            | 70.3                        |

SGD = Singapore dollar.

Source: Bloomberg LP.

The outstanding LCY corporate bonds of the top 30 issuers amounted to SGD88.4 billion at the end of December 2020, or 51.0% of the total LCY corporate bond market. The government's Housing & Development Board continued to top all issuers in 2020, which also led to the real estate sector topping all other sectors at the end of Q4 2020.

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           | 25.4                    | 19.2                    | Yes         | No             | Real Estate      |
| 2.  | Land Transport Authority              | 9.5                     | 7.1                     | Yes         | No             | Transportation   |
| 3.  | Singapore Airlines                    | 8.7                     | 6.6                     | Yes         | Yes            | Transportation   |
| 4.  | Frasers Property                      | 4.0                     | 3.0                     | No          | Yes            | Real Estate      |
| 5.  | United Overseas Bank                  | 3.3                     | 2.5                     | No          | Yes            | Banking          |
| 6.  | CapitaLand Treasury                   | 3.1                     | 2.3                     | No          | No             | Finance          |
| 7.  | Mapletree Treasury Services           | 2.9                     | 2.2                     | No          | No             | Finance          |
| 8.  | Temasek Financial                     | 2.6                     | 2.0                     | Yes         | No             | Finance          |
| 9.  | DBS Group Holdings                    | 2.5                     | 1.9                     | No          | Yes            | Banking          |
| 10.   | Keppel Corporation                    | 2.2                     | 1.6                     | No          | Yes            | Diversified      |
| 11.   | Sembcorp Financial Services           | 2.1                     | 1.6                     | No          | No             | Engineering      |
| 12.   | City Developments Limited             | 1.9                     | 1.4                     | No          | Yes            | Real Estate      |
| 13.   | Oversea-Chinese Banking Corporation   | 1.7                     | 1.3                     | No          | Yes            | Banking          |
| 14.   | Ascendas Real Estate Investment Trust | 1.6                     | 1.2                     | No          | Yes            | Finance          |
| 15.   | CapitaLand Mall Trust                 | 1.5                     | 1.2                     | No          | No             | Finance          |
| 16.   | NTUC Income                           | 1.4                     | 1.1                     | No          | No             | Finance          |
| 17.   | Shangri-La Hotel                      | 1.4                     | 1.0                     | No          | Yes            | Real Estate      |
| 18.   | Olam International                    | 1.3                     | 1.0                     | No          | Yes            | Consumer Goods   |
| 19.   | GuocoLand Limited IHT                 | 1.2                     | 0.9                     | No          | No             | Real Estate      |
| 20.   | CapitaLand                            | 1.2                     | 0.9                     | Yes         | Yes            | Real Estate      |
| 21.   | Singapore Technologies Telemidia      | 1.2                     | 0.9                     | Yes         | No             | Utilities        |
| 22.   | Suntec Real Estate Investment Trust   | 1.0                     | 0.8                     | No          | Yes            | Real Estate      |
| 23.   | Public Utilities Board                | 1.0                     | 0.8                     | Yes         | No             | Utilities        |
| 24.   | Singapore Press Holdings              | 1.0                     | 0.7                     | No          | Yes            | Communications   |
| 25.   | Hyflux                                | 0.9                     | 0.7                     | No          | Yes            | Utilities        |
| 26.   | Mapletree Commercial Trust            | 0.9                     | 0.7                     | No          | Yes            | Real Estate      |
| 27.   | DBS Bank                              | 0.8                     | 0.6                     | No          | Yes            | Banking          |
| 28.   | Sembcorp Industries                   | 0.8                     | 0.6                     | No          | Yes            | Shipbuilding     |
| 29.   | Wing Tai Holdings                     | 0.8                     | 0.6                     | No          | Yes            | Real Estate      |
| 30.   | CapitaLand Commercial Trust           | 0.7                     | 0.5                     | No          | No             | Real Estate      |
| <b>Total Top 30 LCY Corporate Issuers</b>       |                                       | <b>88.4</b>             | <b>66.8</b>             |             |                |                  |
| <b>Total LCY Corporate Bonds</b>                |                                       | <b>173.4</b>            | <b>131.2</b>            |             |                |                  |
| <b>Top 30 as % of Total LCY Corporate Bonds</b> |                                       | <b>51.0%</b>            | <b>51.0%</b>            |             |                |                  |

LCY = local currency, SGD = Singapore dollar, USD = United States dollar.

Notes:

1. Data as of 31 December 2020.

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.