



Monetary Authority of Singapore

The background of the entire page is a photograph of a Singapore skyline. In the foreground, there is a pond filled with green lotus leaves and numerous purple lotus flowers. In the background, several modern skyscrapers of the Singapore financial district are visible under a blue sky with light clouds. The title text is overlaid on the lower half of the image.

SINGAPORE COMPETITIVENESS FACTSHEET 2020

WHY SINGAPORE?

Singapore's international financial centre is strategically positioned to serve the fast-growing Asia Pacific economies and markets. Strong capabilities across wealth and asset management, foreign exchange and derivatives, insurance and risk financing, fixed income, infrastructure finance, as well as FinTech and innovation are underpinned by a pro-business and cost-competitive environment, excellent infrastructure and international connectivity, as well as a highly skilled, cosmopolitan labour force.

OVERALL COMPETITIVENESS

Singapore topped both IMD's World Competitiveness 2020¹ and World Economic Forum (WEF)'s Global Competitiveness² rankings in 2019.

Singapore ranked top three across numerous domains including the quality of its institutions, infrastructure, labour market, openness to trade and financial system (2019 WEF Global Competitiveness rankings).

Singapore ranked 1st in the IMD Smart City Index³ and 2nd globally in digital competitiveness⁴ in 2019.

Singapore's digital friendly environment, high quality infrastructure, and efforts in adopting technologies in an efficient way to improve the quality of life for Singaporeans were key drivers. On innovation performance, Singapore

ranked top in Asia in the Global Innovation Index 2019⁵. Among global economies, Singapore was assessed to be the most innovative in terms of the quality of innovation input, which include business environment, quality of tertiary education, human capital and research, and government efficiency.

Access to high speed connectivity, political stability, and low risk of natural disasters have also made Singapore the 3rd most robust data centre market worldwide, in Cushman & Wakefield's Data Centre Competitiveness Index 2019⁶.



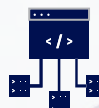
1. Singapore
2. Denmark
3. Switzerland

IMD WORLD
COMPETITIVENESS
YEARBOOK (2020)



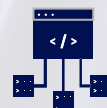
1. Singapore
2. USA
3. Hong Kong

WEF GLOBAL
COMPETITIVENESS
REPORT (2019)



1. USA
2. Singapore
3. Sweden

IMD WORLD DIGITAL
COMPETITIVENESS
RANKING (2019)



1. Singapore
2. Zurich
3. Oslo

IMD SMART CITY
INDEX (2019)

INTERNATIONAL CONNECTIVITY

Singapore is located at the heart of Southeast Asia and provides excellent global connectivity to serve the fast-growing markets of the Asia-Pacific region and beyond.

Singapore has forged an extensive network of over 20 implemented Free Trade Agreements (FTAs) - providing privileged access to the markets of partner countries. In addition, we have signed over 80 Avoidance of Double Taxation Agreements (DTAs). These work to the advantage of any financial institution using Singapore as its regional or global hub. Singapore is also building linkages, including through Bilateral Investment

Treaties and FinTech Cooperation Agreements⁹, with countries further afield including in the Middle East, Africa and South America, given the growing trade and investment interests in emerging economies. Financial institutions here also trade around-the-clock with Asia-Pacific centres, as well as European and American centres, making Singapore a significant hub for 24-hour trading in foreign exchange and securities.



>20 Free Trade Agreements (FTAs)

>80 Double Taxation Agreements (DTAs)

SKILLED WORKFORCE

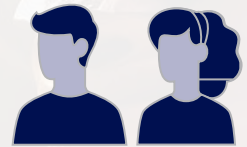
Singapore offers a highly skilled and cosmopolitan labour force.

For the 6th consecutive year, Singapore ranked 1st in Asia-Pacific, and 3rd worldwide in the 2020 INSEAD Global Talent Competitiveness Index¹⁰. Singapore ranked 1st in its ability to enable and attract talent. Workers here also emerged top in global knowledge skills, i.e. in professional, managerial or leadership roles that require creativity and problem solving. MAS works closely with industry partners and the training ecosystem, including universities, to build a sustainable pipeline of professionals

and leaders in the financial sector. In April 2019, MAS and the Institute of Banking and Finance (IBF) released a study¹¹ on the impact of wider integration of data analytics and automation on jobs and skills needs in Singapore's financial sector over the medium term. The study provides a compass for workforce transformation in the financial sector. MAS and IBF are partnering employers and the labour movement to reskill the workforce into new or expanded roles, for the future of work in financial services.

1. Switzerland
2. USA
3. Singapore

INSEAD GLOBAL TALENT COMPETITIVENESS INDEX (2020)



PRO-BUSINESS ENVIRONMENT

Singapore has a pro-business environment, currently ranked 2nd in the World Bank Group's Doing Business 2020 Report¹².



1. New Zealand
2. Singapore
3. Hong Kong

WORLD BANK EASE OF DOING BUSINESS RANKING (2020)

A high "ease of doing business" ranking means the regulatory environment is highly conducive to the set-up and operations of a firm in Singapore, and there is stable and efficient infrastructure to support starting a business, financial intermediation, and enforcement of contracts.

MAS expects the processing of licence applications to take between 6 weeks and 4 months, upon the complete submission of documents* for the conduct of regulated activities in the banking, capital markets, insurance and payments sectors.

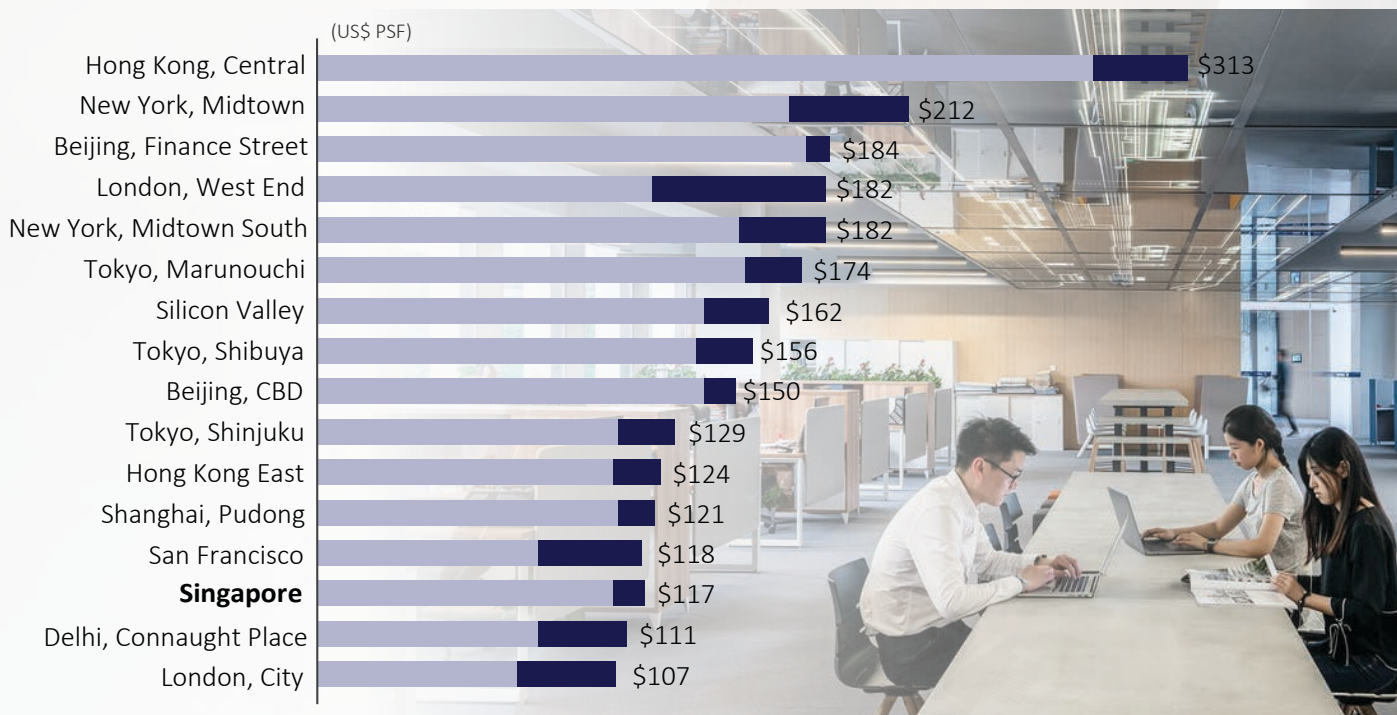
*As each application will be evaluated on a case-by-case basis, processing time depends on the circumstances of each application and the completeness of the information submitted



OFFICE SPACE

Office space in Singapore remains attractive relative to other financial centres.

JONES LANG LASALLE (JLL) GLOBAL PREMIUM OFFICE RENT TRACKER (Q4 2019) In USD PSF



Singapore's office rental cost has remained very competitive compared to other financial centres, like Hong Kong, London and New York. In the most recent JLL Global Premium Office Rent Tracker¹³, Singapore emerged 14th, making it more cost competitive relative to other Asian cities.

Most companies locate their corporate functions in Singapore's central business district (CBD). While Raffles Place and Marina Bay remain the most expensive office areas, there are also affordable lease options in other parts of the CBD.

FINANCIAL CENTRE COMPETITIVENESS

Singapore is the 5th most competitive financial centre in the world, under the Global Financial Centre Index¹⁴ in 2020.

Singapore ranked highly in all five areas of competitiveness: business environment, human capital, infrastructure, financial sector development, and reputational metrics.

In its 2019 Financial Sector Assessment Programme (FSAP) for Singapore, the International Monetary Fund (IMF) reaffirmed Singapore's financial sector oversight to be "among the best globally" and noted that MAS has struck a good balance in fostering financial innovation while strengthening regulatory oversight since its last FSAP review in 2013.¹⁵



GLOBAL FINANCIAL
CENTRE INDEX
(2020)

1. New York
2. London
3. Tokyo
4. Shanghai
5. Singapore



SINGAPORE – A LEADING GLOBAL FINANCIAL CENTRE IN ASIA

Connecting global markets, supporting Asia's development and serving Singapore's economy



INFRASTRUCTURE FINANCE

Singapore is a regional infrastructure financing hub with a strong ecosystem of developers, service providers, multi-lateral development banks, commercial banks and investors. MAS works closely with Enterprise Singapore, Infrastruc-

ture Asia and ecosystem partners to improve the bankability of Asian infrastructure projects, and seeks to enhance private sector participation through innovative market mechanisms and infrastructure investment benchmarks.

US\$800b/year

The estimated infrastructure financing gap Asia faces annually.



SCAN TO READ

US\$210b/year

The estimated amount of infrastructure investment required within ASEAN itself

Meeting Asia's Infrastructure Needs, Asian Development Bank, 2017



INSURANCE & RISK FINANCING

Singapore is the leading reinsurance and specialty insurance centre in Asia.

Singapore aims to be a global capital for Asian risk transfer, offering a wide spectrum of risk financing solutions. With the establishment of the Global-Asia In-

surance Partnership (GAIP), Singapore will bring together public policy makers, insurers and academia to create innovative insurance solutions to address systemic structural protection gaps, as well as new and emerging risks.

S\$236b

Gross Written Premiums (Life)

S\$17.2b

Gross Written Premiums (Non-life)



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GREEN FINANCE

Singapore aims to be a leading centre for Green Finance in Asia and globally. To support this goal, MAS launched our Green Finance action plan in November 2019, detailing concrete steps to build a

financial system resilient to environmental risk, develop green finance solutions and markets, and leverage innovation and technology to drive green outcomes.

US\$3t > S\$9b

Estimated green investment needed in ASEAN till 2030¹⁶

Green and sustainable bond and loans market in Singapore



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> 80%

Of top asset managers in Singapore are signatories to the United Nations Principles for Responsible Investments (UN PRI)



ASSET MANAGEMENT

Singapore is a leading asset management centre, serving as the Global-Asia gateway for asset managers as well as investors to tap regional and global growth opportunities. Singapore is also an attractive location for asset managers to domicile their funds, particularly with the launch of the Variable Capital Companies ("VCC") framework in

January 2020. The VCC is a flexible capital corporate structure for investment funds. It allows Singapore-based managers to take advantage of operational and cost efficiencies from co-locating their fund management and domiciliation activities. It will also provide business opportunities to legal and tax advisors, as well as asset servicing providers.

S\$3.4t

Assets under management

890+

Registered and licensed asset managers



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75% and 85%

AUM sourced and invested outside of Singapore, respectively



WEALTH MANAGEMENT

High net worth individuals choose Singapore as the financial centre to manage their wealth, due to our sound financial regulation, strong rule of law, as well as political and economic stability.

The breadth and depth of institutions here also give them ready access to global and regional financial markets while providing a full suite of wealth management services to meet their every need. Family offices, which are becoming an important part of

the wealth management ecosystem, are also increasingly finding Singapore to be an ideal home. Supportive government policies, abundance of investment opportunities, high quality of banking, legal, accounting and trust professionals, as well as world-class living standards combine holistically to make Singapore the location of choice for asset consolidation and the establishment of family offices to meet cross-generational wealth planning needs.

#2 International Wealth Management Centre

In competitiveness and performance (Deloitte International Wealth Management Centre Rankings 2018)

5x increase from 2017 to 2019

Growth in number of family offices in Singapore



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Most preferred offshore wealth hub

Among industry professionals (Asian Private Banker Survey)



FOREIGN EXCHANGE (FX) & DERIVATIVES

Deep and liquid market for the trading and hedging of G10 and Asian emerging market currencies and derivatives.

Singapore's vision is to become a global price discovery and liquidity hub in the Asian time zone to serve the growing trading and hedging needs in the region. MAS is working with market participants

such as banks and trading platforms to build up Singapore's FX e-trading infrastructure. This will improve price discovery and FX trade execution in the region, and allow market participants to benefit from improved latency, pricing and liquidity.

#1 FX Centre in Asia Pacific

Widest suite of Asian FX futures & options contracts

Traded on Singapore-based exchanges



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US\$640b

Average daily trading volume (BIS Triennial Central Bank Survey of FX and OTC Derivatives Trading, 2019)



FIXED INCOME

Singapore's corporate bond market has grown in depth and breadth over the past decade.

Singapore's corporate bond market is fully accessible to all issuers and investors globally. There are no capital controls, hedging restrictions or

withholding tax on qualifying debt securities.

Deep expertise in the ecosystem of international and regional banks' debt capital markets teams, lawyers, accountants and rating agencies provide essential services to bond issuers.

S\$96b

Total corporate bond issuance in Singapore in 2018

S\$381b

Total outstanding debt in 2018



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ENTERPRISE FINANCING

The enterprise financing ecosystem has grown in depth and breadth, and supports the growing financing needs of Asian start-ups and enterprises.

Singapore is home to a diverse and growing ecosystem of global and regional private equity (PE) and venture capital (VC) managers, angel investors, family offices and institutional investors who have assessed Singapore

as a favourable jurisdiction to locate, conduct business and access regional investment opportunities.

MAS has been working with the industry on initiatives to deepen Singapore's enterprise financing ecosystem, anchor top global and regional PE/VC managers in Singapore, and profile ASEAN PE/VC activity and landscape to international investors.

S\$219b

PE and VC assets under management

280+

Registered and licensed PE and VC managers

24%

5-year PE and VC AUM CAGR



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FINTECH

Singapore has a vibrant FinTech ecosystem with over 1,100 FinTech firms serving consumers, businesses, and financial institutions across the different asset classes.

Global financial institutions have set up innovation labs in Singapore to tap on the

ecosystem here. FinTech investments in Singapore also increased nearly six-fold year-on-year since 2015. These reflect the industry's recognition of the growth potential of Singapore's FinTech landscape.

S\$1b+

Record-high investment in FinTech-related deals in 2019¹⁷

1,000+

FinTech firms in the local ecosystem

40+

Innovation labs



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Setting up in Singapore

USEFUL LINKS

To find out more about how you can set up your business in Singapore, the Singapore Economic Development Board (EDB) has put together a comprehensive guide (right) on how you can get your operations up and running in the shortest time possible. The guide also includes information on how you can meet your needs around hiring, advisory services, and space and utilities, as well as a list of partners offering a range of related services. (<https://www.edb.gov.sg/en/resources/setting-up-in-singapore-guide.html>)



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SCAN TO READ



SCAN TO READ

MAS regulates financial institutions in the banking, capital markets, insurance and payments sectors. If you intend to conduct regulated activities, you may view the regulations and licensing requirements applicable to you here: <https://www.mas.gov.sg/regulation>

MAS also offers funding support to firms and individuals participating in the financial services sector through the Financial Sector Development Fund (FSDF). Depending on your needs, you can tap on the available grants under the FSDF, which can be found here: <https://www.mas.gov.sg/schemes-and-initiatives/Financial-Sector-Development-Fund-FSDF>

CITED REPORTS AND RESOURCES

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- [1] IMD's World Competitiveness Yearbook (2020)
- [2] World Economic Forum (WEF)'s Global Competitiveness Report (2019)
- [3] IMD Smart City Index (2019)
- [4] IMD World Digital Competitiveness Ranking (2019)
- [5] Global Innovation Index (2019)
- [6] Cushman and Wakefield Data Centre Competitiveness Index (2019)

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- [7] All you need to know about Singapore's free trade agreements (MTI FTAs)
- [8] List of Double Taxation Agreements (DTAs)
- [9] MAS FinTech Cooperation Agreements
- [10] INSEAD Global Talent Competitiveness Index (2020)
- [11] IBF-MAS Manpower Study (2019)
- [12] World Bank Ease of Doing Business Ranking (2020)

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- [13] JLL Global Premium Office Rent Tracker (Q4 2019)
- [14] Global Financial Centre Index (2020)
- [15] MAS' Media Release, 16 July 2019, "IMF Reaffirms Singapore's Financial Sector Oversight as 'Among the Best Globally'"

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- [16] Green Finance Opportunities in ASEAN - DBS and United Nations Environment Programme, 2017
- [17] Accenture's Media Release, 20 February 2020, "Fintech fundraising grew strongly in most major markets in 2019"