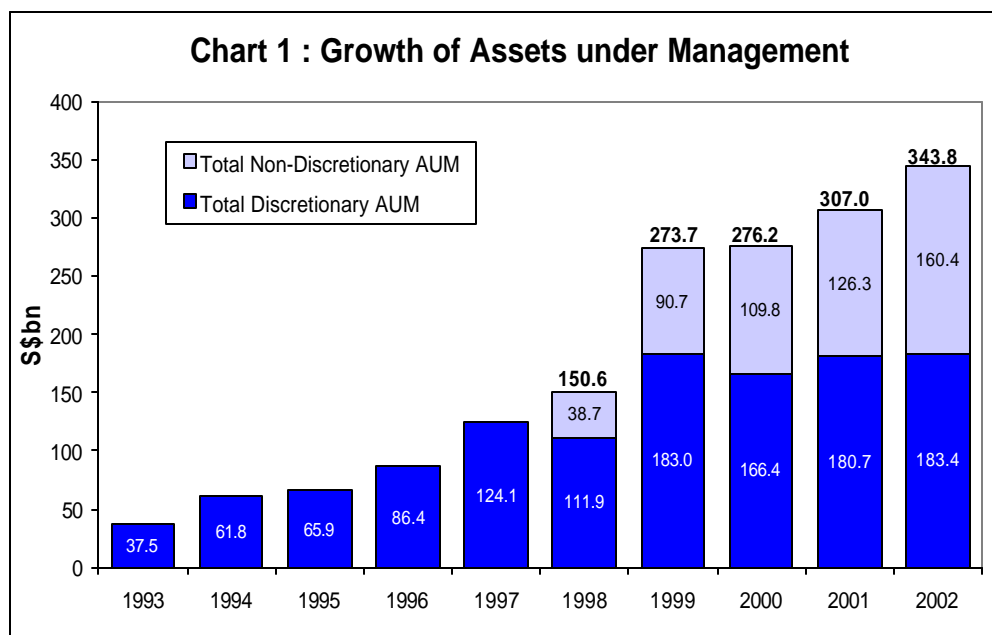


2002 SURVEY OF THE SINGAPORE ASSET MANAGEMENT INDUSTRY

The Monetary Authority of Singapore (MAS) conducted a survey of Singapore's asset management industry as at 31 December 2002. The survey covered financial institutions ("FIs") that were permitted to conduct asset management activities in Singapore¹. The survey covered both discretionary as well as non-discretionary fund management activities.

1. ASSETS UNDER MANAGEMENT

1.1 Total Assets Under Management ("AUM") continued to grow steadily last year. As at end-2002, total reported assets managed by Singapore-based FIs was S\$343.8 billion. This comprised S\$183.4 billion of discretionary assets managed in Singapore, and S\$160.4 billion of non-discretionary assets². This represents an increase of S\$36.8 billion, or 12%, over the S\$307.0 billion total AUM reported at end-2001.



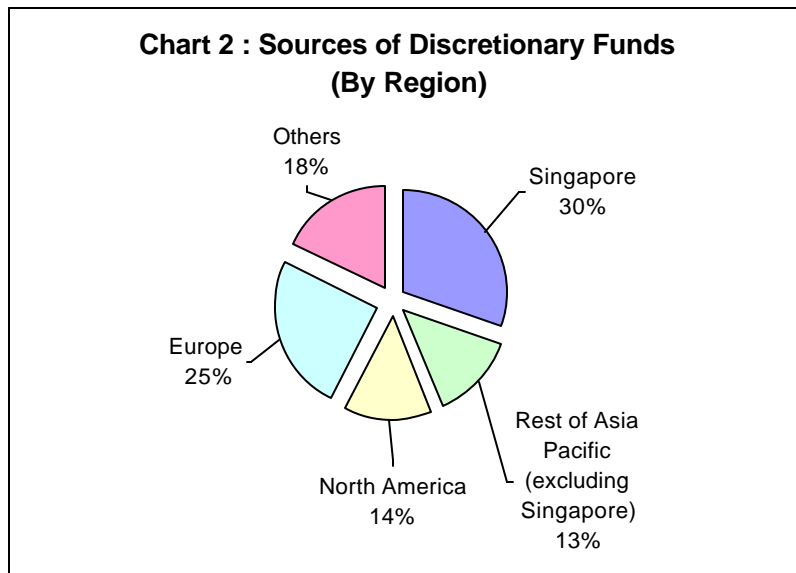
¹ Financial institutions surveyed include Investment Advisers; Exempt Investment Advisers; Approved Fund Managers; Finance & Treasury Centres; Operational Headquarters; and Banks.

² Non-discretionary assets include funds under advisory service and funds contracted by FIs in Singapore.

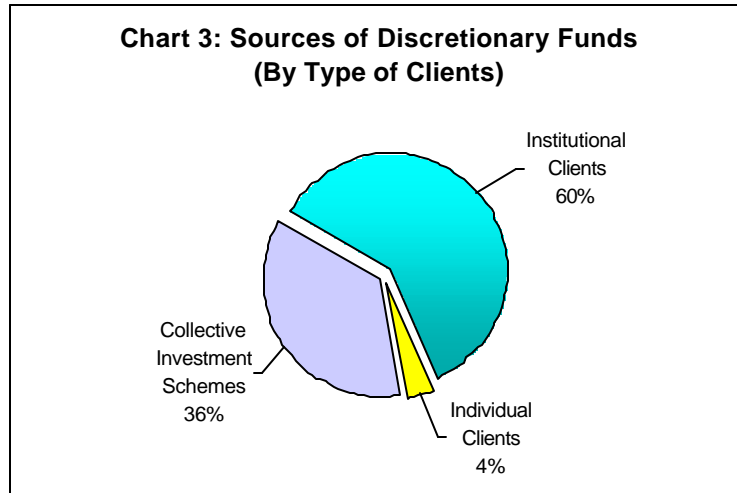
1.2 Discretionary AUM in Singapore grew 2% to S\$183.4 billion. Total non-discretionary AUM increased 27% to S\$160.4 billion. The increase in AUM figures can be attributed to allocations from new global mandates, transfer of portfolios from the region to Singapore for management, continued expansion of management and advisory activities for the pan-Asian portion of global mandates.

2. SOURCES OF FUNDS – DISCRETIONARY AUM

2.1 The survey also revealed that 30% of the S\$183.4 billion of discretionary assets managed in Singapore was sourced domestically. Of the 70% of discretionary assets sourced from outside Singapore, US and European clients were major contributors to discretionary assets managed in Singapore in 2002.



2.2 Chart 3 shows the total discretionary AUM distributed by type of clients. Institutional clients made up the bulk (60%), followed by funds managed on behalf of collective investment schemes (36%) and funds from individuals (4%).



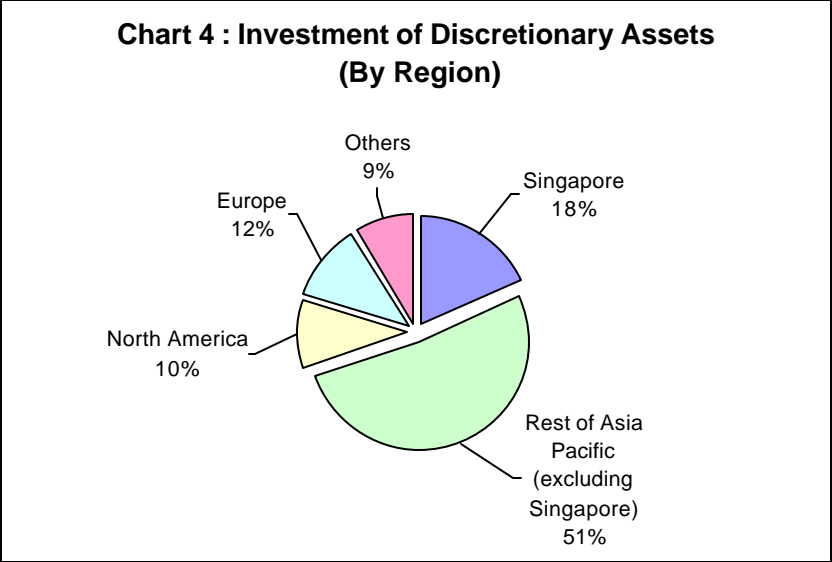
3. INVESTMENT OF FUNDS – DISCRETIONARY AUM

3.1 Discretionary AUM continued to be invested predominantly in equities, accounting for S\$89.8 billion or 49% of total discretionary funds. The proportion of the funds invested in bonds has grown significantly from S\$37.8 billion to S\$55.7 billion or 30% of total discretionary funds as investors sought value preservation in an environment of declining equity markets.

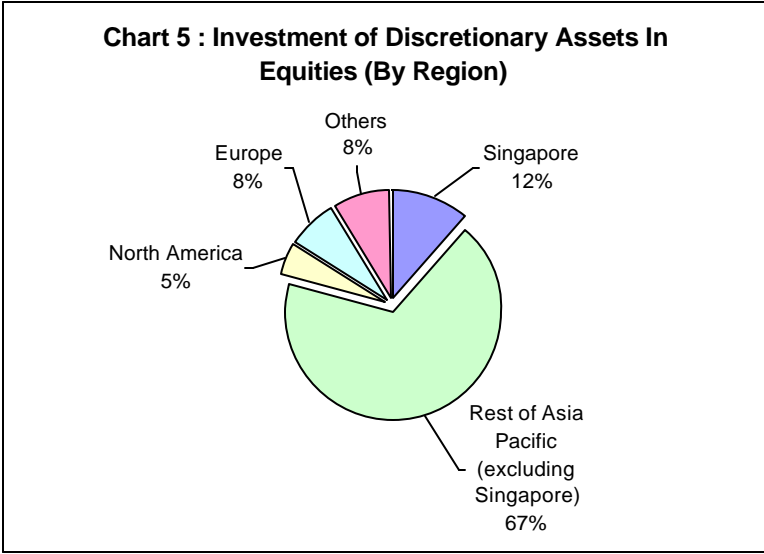
Table 1: Investment of Funds - Discretionary AUM

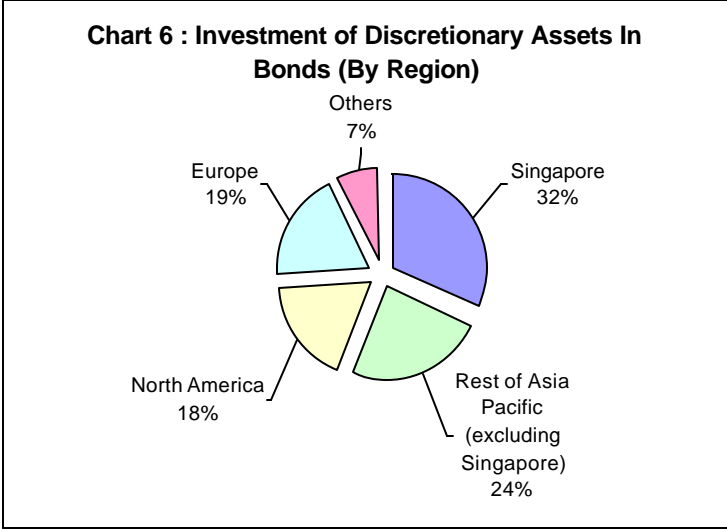
	2001		2002	
	Amt (S\$bn)	% Share	Amt (S\$bn)	% Share
Equities	97.2	54%	89.8	49%
Bonds	37.8	21%	55.7	30%
Collective Investment Schemes	14.9	8%	12.8	7%
Cash, Deposits, Money Market Instruments	27.8	15%	19.4	11%
Other Investments	3	2%	5.7	3%
Total	180.7	100%	183.4	100%

3.2 In terms of geographical allocation of investments, the bulk of the discretionary funds were invested in Asia, with 18% invested in Singapore and 51% in the rest of Asia-Pacific.



3.3 Charts 5 and 6 provide the breakdown of investments by region for investments in equities and bonds, respectively.

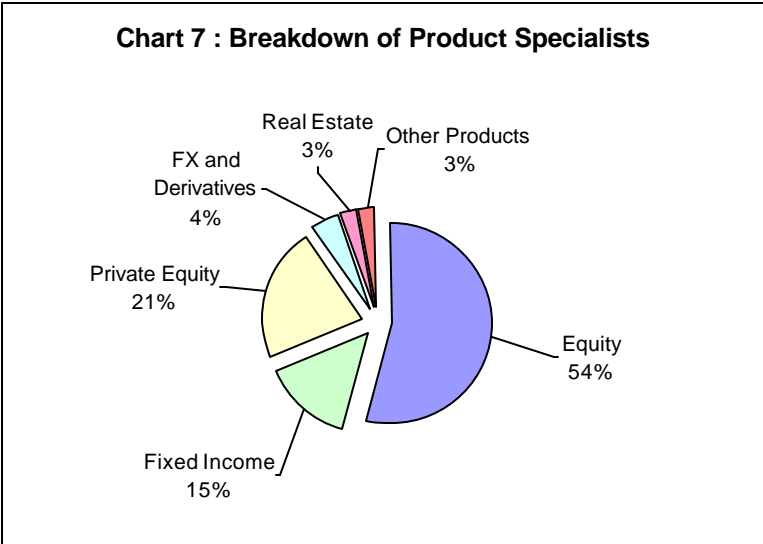




4. PROFILE OF INDUSTRY PLAYERS

4.1 The number of investment professionals in the industry as at end-2002 was 1,012, comprising 695 portfolio managers, 294 investment analysts and 23 asset allocators/economists.

4.2. The majority of investment professionals in Singapore are equity specialists, with the rest of the professionals specialising in private equity / venture capital and fixed income investments.



5. THE COLLECTIVE INVESTMENT SCHEMES (CIS) INDUSTRY

5.1 As at end-2002, there were 32 CPF -Approved CIS managers managing a total of 382 CIS, compared to 319 CIS as end-2001. Total CIS assets increased 34% from S\$10.5 billion at end-2001 to S\$14.1 billion at end-2002. Capital guaranteed / protected funds and balance funds continued to be popular investment choices. Notably, the number of capital guaranteed / protected funds increased significantly from 39 funds to 82 funds, tripling its total AUM to S\$5.4 billion at end-2002.

Table 2: Number & AUM of Collective Investment Schemes

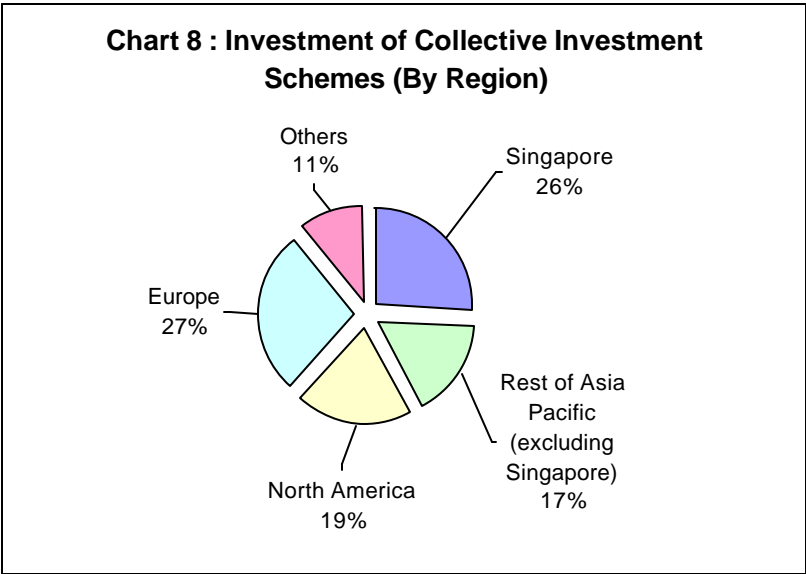
	No. of Collective Investment Schemes				Total AUM (S\$mil)			
	End 2001		End 2002		End 2001		End 2002	
Equity Funds	206	65%	203	53%	6,200	59%	5,642	40%
Fixed Income Funds	32	10%	36	9%	1,133	11%	1,389	10%
Balanced Funds	27	8%	36	9%	986	9%	1,112	8%
Money Market Funds	15	5%	16	4%	423	4%	570	4%
Capital Guaranteed/Protected Funds	39	12%	82	22%	1,782	17%	5,423	38%
Others	-	-	9	3%	-	0%	11	0%
Total	319	100%	382	100%	10,524	100%	14,147	100%

5.2 Of the total 382 collective investment schemes, 210 were included under the CPF Investment Scheme ("CPFIS") compared to 155 out of 319 collective investment schemes at end-2001. The share of total AUM contributed by funds under the CPFIS has increased to 71% from 69% at end-2001.

Table 3 : Types of Collective Investment Schemes

	As at end-2001		As at end-2002	
	No.	AUM (S\$mil)	No.	AUM (S\$mil)
Collective Investment Schemes under CPFIS	155	7,289	210 (+35%)	10,000 (+37%)
Collective Investment Schemes under Non-CPFIS	164	3,235	172 (+5%)	4,147 (+28%)
Total	319	10,524	382 (+20%)	14,147 (+34%)

5.3 In terms of geographical allocation, 43% of total collective investment schemes assets were invested in Asia-Pacific compared to 45% at end-2001.



Prepared By:
Financial Centre Development Department
Monetary Authority of Singapore
June 2003