

Jim Rogers sees S'pore as commodity hub

By **SARA LIM**

RENOWNED commodities investor Jim Rogers reckons Singapore is poised to become a world or regional centre for commodities trading.

Speaking at the listing ceremony of exchange-traded certificates linked to the Rogers International Commodity Enhanced Index (RICI Enhanced) and its Agricultural sub-index on the Singapore Exchange (SGX), Mr Rogers identified Singapore as a financial centre with "great potential" to become a trading hub for commodities.

"There is no commodities centre in Asia, but Asia is the main producer and consumer of commodities in the world," he said. "It is absurd to have

to go to Chicago to buy rice, or go to London to buy tin." Mr Rogers hopes the listing of Asia's first certificates in commodities futures on SGX could be the start of "something big" for Singapore.

"Singapore has a sound currency, it's an independent country, it has an independent regulatory board like the SGX, it's friendly towards international investors and the commodities trade," he said. He also pointed out that it will be unlikely for other Asian locations, such as Hong Kong, Japan, India or China, to emerge as commodities hubs.

"Hong Kong's currency is suspect, it may disappear. It is tied to the US dollar. And you never know what the

government is going to do. China will do what's good for China, not Hong Kong," he said. "Singapore has it all – if only they have the will. I hope the SGX and the Monetary Authority of Singapore will be able to pull it off."

Jointly developed by Mr Rogers and ABN Amro, the RICI Enhanced Index tracks 37 listed commodities in the energy, agriculture, industrial metals and precious metals sectors. The Agricultural sub-index tracks the performance of the farm segment.

Retail investors can buy into the RICI Enhanced indices via SGX-listed certificates. Trading for the RICI Enhanced Index opened at \$1.01 a share for a lot of 1,000 shares, while the Agricultural sub-index opened at the initial price of \$1.