

SINGAPORE ASSET MANAGEMENT SURVEY 2022

SINGAPORE – A LEADING ASSET MANAGEMENT
CENTRE IN ASIA PACIFIC



Monetary Authority of Singapore



2022 presented a challenging environment for global investors, with global AUM falling by 10%. Against this backdrop, Singapore’s asset management industry also declined by 10% to S\$4.9 trillion (or US\$3.65 trillion¹). The healthy net inflows partially offset the decline in valuation that contributed to the drop in AUM.

Singapore remains a key gateway for global asset managers and investors to tap the region’s growth opportunities, with 76% of AUM sourced from outside Singapore, and 88% of total AUM invested outside the country. Within Asia Pacific, 20% of AUM was invested in Southeast Asia.

S\$4.9 trillion
ASSETS UNDER
MANAGEMENT

- ↓ 10% TOTAL AUM
- ↓ 20% TRADITIONAL
- ↓ 10% ALTERNATIVES

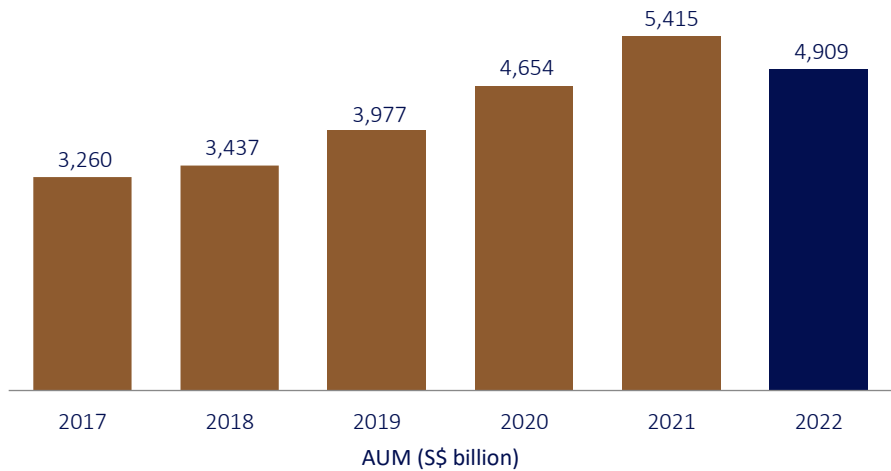
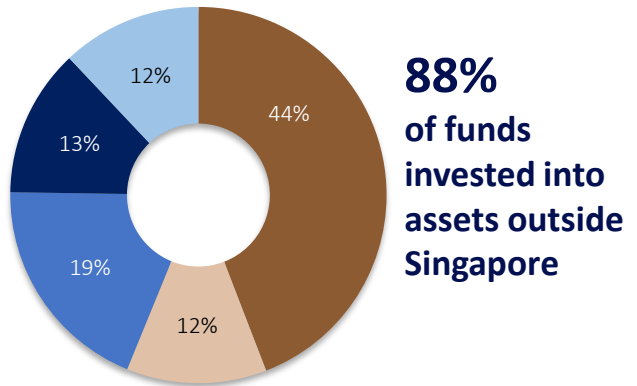
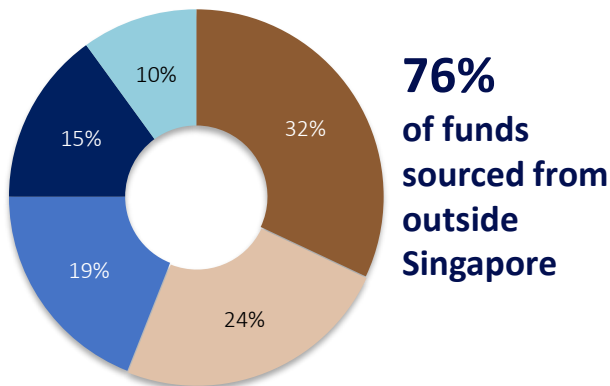


Chart 1: Singapore’s AUM – Sources of Funds

Chart 2: Singapore’s AUM – Investments of Funds



- Asia Pacific ex-Singapore
- Singapore
- North America
- Europe
- Rest of World

- Asia Pacific ex-Singapore
- Singapore
- North America
- Europe
- Rest of World

¹ Exchange rate of USD/SGD 1.3406 on 31 December 2022

Discretionary AUM accounts for more than half of total AUM, at 52% in 2022. This highlights Singapore’s attractiveness as a destination for asset managers to base their key investment professionals and decision makers in the country.

Despite the challenging market environment, Singapore’s net inflow of funds in 2022 held relatively steady, similar to the net inflows in 2021, at S\$435 billion.

Chart 3: Assets under Management

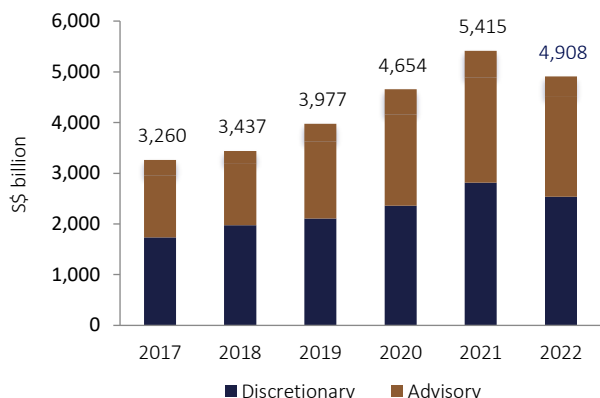
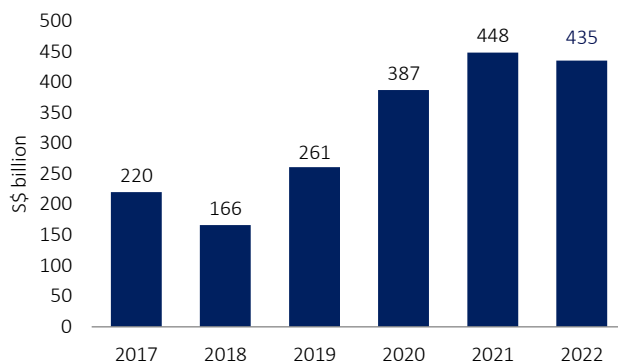


Chart 4: Net AUM Inflows

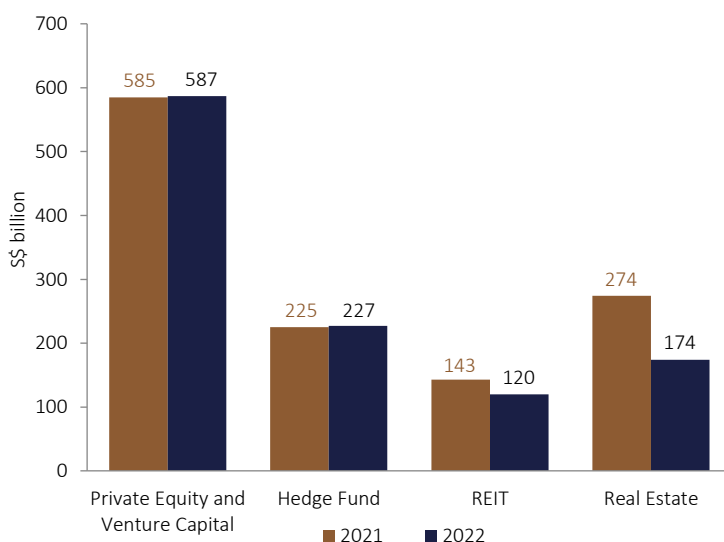


Amidst a market correction in asset values, private equity and venture capital’s growth moderated to 0.3% year-on-year and reported a total combined dry powder of S\$95 billion³. Hedge fund assets also held steady as global hedge fund managers set up presence in Singapore to grow their businesses.

Breakdown of Alternative Assets under Management⁴ (S\$ billion)



Chart 5: Alternative Sectors



² AUM of Private Equity and Venture Capital include only drawn-down capital.

³ Dry powder refers to capital that is contractually committed but undrawn.

⁴ Due to re-classification of business models by certain managers, AUM of Hedge Fund and Private Equity and Venture Capital differ slightly from 2021 report

Singapore saw continued interest from global and regional asset managers seeking to establish offices here to tap regional opportunities. The number of licensed and registered fund management companies in Singapore increased from 1,108 as at December 2021 to 1,194 as at December 2022.

Number of Registered and Licensed Fund Management Companies

1,194  **144 in 2022**
As of Dec 2022



In the traditional retail segment, Authorised Collective Investment Schemes (“CIS”) and Recognised CIS offered in Singapore stood at S\$127 billion in aggregate, largely unchanged from the previous year. Authorised CIS stood at S\$73 billion while Recognised CIS stood at S\$54 billion.

Among asset managers, managed assets with ESG overlay in Singapore constituted 55% of total AUM. 281 asset managers reported that they offer ESG strategies in 2022.

Chart 6: CIS Funds Size

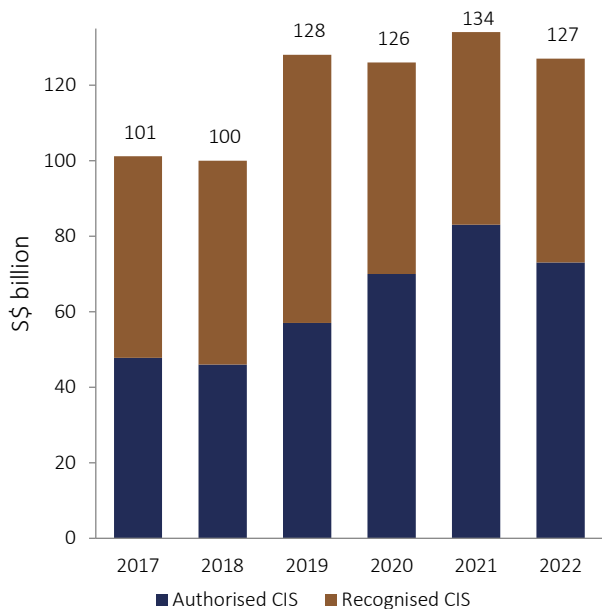
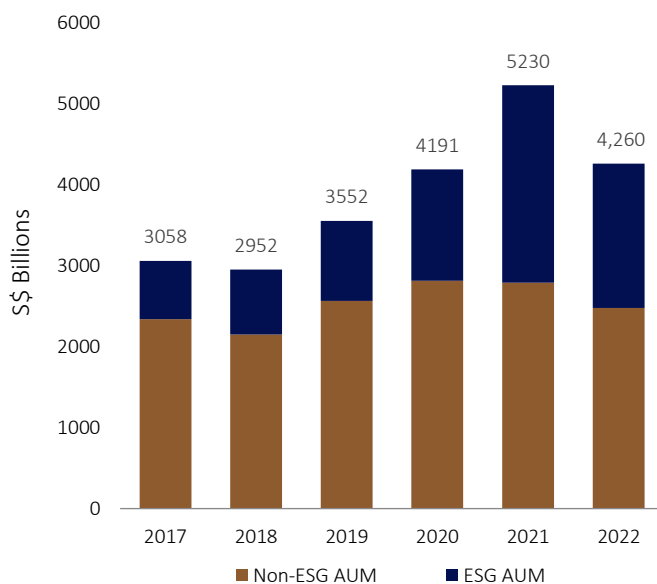


Chart 7: Managed assets with ESG overlay



The Singapore Funds Industry Group⁵ (“SFIG”), co-chaired by MAS and an industry representative, aims to strengthen Singapore’s value proposition as a full-service international asset management and fund domiciliation centre. SFIG brings together stakeholders in the asset management value chain, including fund managers, and service providers such as lawyers, tax advisors, fund administrators and directors.

Develop capabilities in the asset management industry



Enhance governance standards for fund directors



Build capabilities in emerging areas, e.g. ESG

Leverage distributed ledger technology to enhance efficiency



Fundnode

Industry-wide investment funds settlement utility



Project Guardian

Explore native issuance of VCC on digital asset networks

Raise Singapore’s profile as a fund domiciliation hub



Engage global asset managers



Collaborate with Singapore asset management industry

To date, a total of 969 VCCs have been incorporated or re-domiciled in Singapore for various use cases and fund strategies (Chart 8). These umbrella or standalone VCCs, representing 1,995 sub-funds, are managed by 544 regulated fund management companies.

The vibrant Singapore funds ecosystem is now supported or advised by more than 250 fund service providers, such as lawyers, tax advisors, corporate secretaries, fund administrators and fund directors.



969 VCCs (representing 1,995 sub-funds) managed by 544 regulated FMCs

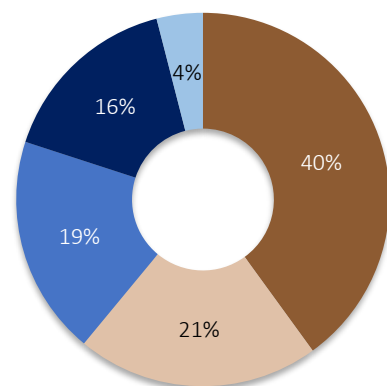


18 Re-domiciled VCCs



Supported by > 250 Fund Service Providers including legal and tax advisors, fund administrators, corporate secretaries

Chart 8: VCC Fund Strategies



■ PE/VC ■ EAM/MFO ■ Hedge Fund
■ Traditional ■ Others

Data as of 02 October 2023

⁵ <https://singaporefunds.sg>

Looking ahead, AUM growth in 2023 is expected to remain cautious as headwinds arising from geopolitical tensions and conflicts, market uncertainties and supply chain disruptions continue to weigh down on valuations and investor sentiments.

Interest from global asset managers and sophisticated asset owners seeking to set up an office in Singapore remains strong, given the asset management eco-system. MAS will continue to intermediate international capital flows to support Asia's growth and net-zero transitional financing needs.



About the Report

The Monetary Authority of Singapore (MAS) releases an annual update of the Singapore asset management industry for the calendar year ending 31 December. Data presented in this report is collected from MAS' annual survey of the asset management industry.

This report provides key data on Singapore's asset management industry for the calendar year ending 31 December 2022, and highlights key areas of development. Financial institutions surveyed include Banks, Finance and Treasury Centres, Capital Markets Services licensees (including REIT managers), Financial Advisers, Insurance Companies, Operational Headquarters and Exempt Entities, but excludes direct investments by government-related entities. 1,314 respondents participated in the survey. The methodology adjusts for double counting among reporting entities that may have reported the same AUM mandates (e.g. a fund of funds manager investing with a Singapore-based asset manager).

