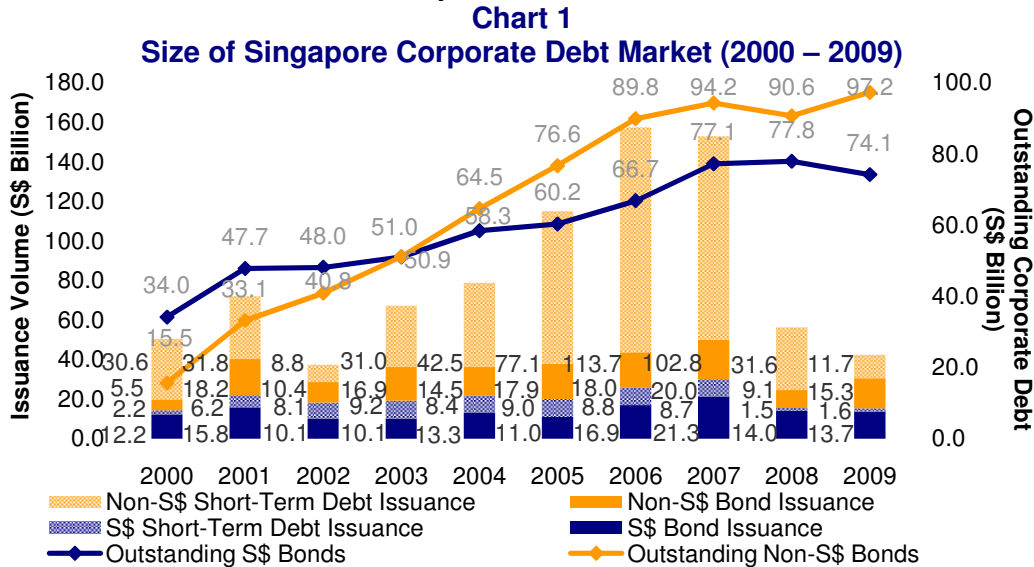


THE SINGAPORE CORPORATE DEBT MARKET REVIEW 2009

OVERVIEW

1. The outstanding volume of corporate debt increased year-on-year by 2% to S\$171 billion as at end of 2009, despite the market turmoil in the past two years (see Chart 1). Singapore dollar (SGD) and non-SGD bond issuances stood at S\$14 billion and S\$15 billion respectively, with non-SGD bond issuances up by 68% from S\$9 billion in 2008. Total short term debt issuances, with tenor of less than 1-year, declined from S\$33 billion in 2008 to S\$13 billion last year.



MATURITY PROFILE

2. 62% of SGD debt issued continue to be in maturities of 1- to 5-year, as shown in Chart 2. For both SGD and non-SGD, debt issuances picked up for tenors of 6- to 10-year over 2008. The fall in commercial paper issuances contributed to the drop in short term non-SGD debt of less than 1 year maturity (see Chart 3). Non-SGD long term bonds, of more than 10-year maturity, accounted for 13% of total non-SGD debt issuances.

Chart 2
Maturity Profile of SGD Debt Issued

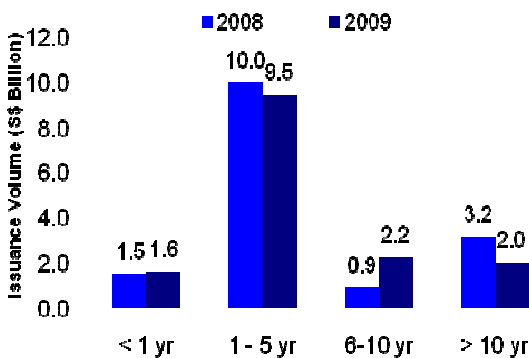
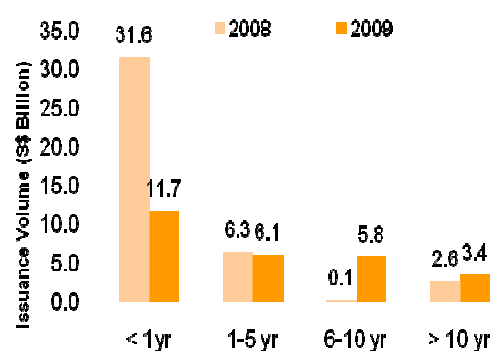


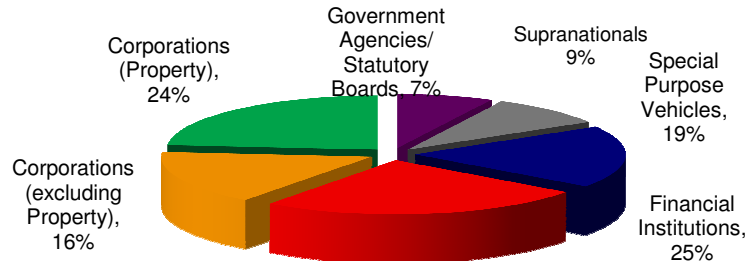
Chart 3
Maturity Profile of Non-SGD Debt Issued



INCREASE IN SGD DEBT BY SUPRANATIONALS

3. In 2009, MAS enhanced the Standing Facility to accept AAA-rated SGD debt securities issued by sovereigns, supranationals and sovereign-backed corporates as collateral in the Standing Facility and to permit banks to treat these securities as regulatory liquid assets with the same haircut as Singapore Government Securities (SGS). Last year, debt issuances by supranationals reached S\$1.4 billion, or 9% of SGD debt issuances (see Chart 4). Foreign entities accounted for 26% of SGD debt issuances. European issuers continue to be the main issuers, taking up 46% of SGD debt issuance by foreign issuers; followed by Asian issuers with 40%, and Africa and America with 8% and 6% respectively. Some of these issuers include the African Development Bank, Hong Kong Mortgage Corporation Limited, IDB Trust Services Limited, International Bank for Reconstruction and Development, Kreditanstalt für Wiederaufbau (“KfW”), and The Export-Import Bank of Korea.

**Chart 4
SGD Denominated Debt Issuer Profile (Based on Issuance)**

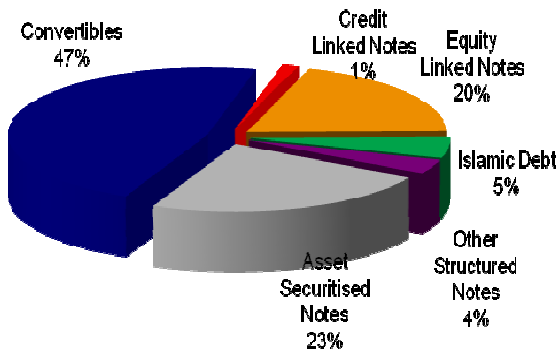


STRUCTURED DEBT ISSUANCES

4. The proportion of SGD structured debt fell from 41% in 2008 to 31% in 2009. Asset securitised notes denominated in SGD increased from S\$94 million in 2008 to S\$1.1 billion last year, accounting for 23% of SGD structured debt as shown in Chart 5. For non-SGD, structured debt made up 35% of issuances, compared to 13% in 2008. Non-SGD convertible bonds increased by fivefold to S\$2.5 billion in 2009, making up 26% of non SGD structured debt (see Chart 6).

5. Last year, Islamic debt recorded S\$1.2 billion of issuances in Singapore, contributing to 5% and 10% of SGD and non-SGD structured debt respectively.

**Chart 5
Profile of SGD Structured Debt Issued**



**Chart 6
Profile of Non-SGD Structured Debt Issued**

