



News Release

4 December 2023

SGX Group readies to list active ETFs

Singapore Exchange (SGX Group) is taking a step forward in developing the ETF market in Singapore by preparing for the listing of actively managed Exchange Traded Funds (ETFs).

Serene Cai, Head of Securities Trading, SGX Group, said, “The launch of new listing requirements for active ETFs is a strategic move to stay at the forefront of market trends and respond to the evolving needs of investors. SGX Group aims to provide a platform that not only encourages innovation in the asset management space but also empowers investors with more options. This new development will contribute to the vibrancy of our marketplace and reinforce SGX Group’s position as a hub for innovation and investor support in the global financial landscape.”

Singapore Exchange Regulation (SGX RegCo) has also released a Practice Note (found [here](#)) on the listing requirements for active ETFs today. The measures address transparency for investors, with requirements for fund managers to publish indicative net asset value throughout the trading day, disclose net asset value daily and publish fund performance and portfolio holdings on a monthly basis.

An actively managed ETF is constructed based on the manager’s investment expertise, rather than tracking an underlying index. Active ETFs therefore present opportunities for investors to capitalise on potential market inefficiencies, adapt to changing economic environments and potentially generate alpha.

As of June 2023, active ETF listings recorded an aggregate fund size of US\$659 billion globally, and the number of global active ETF listings has increased fivefold to over 1900 since December 2017¹. Assets under management (AUM) of active ETFs in Asia Pacific have also recorded a 5-year annualised growth of 27%, riding on the rapid growth of ETF adoption in this region.

ETF investing in Singapore has been keenly adopted in recent years with AUM doubling since the end of 2019 to over S\$10 billion to date². The number of direct retail investors has also doubled over this period while AUM managed by robo advisors tripled to approximately S\$1 billion.

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¹ Source: Bloomberg

² Between December 2019 and October 2023 (Source: SGX)

About Singapore Exchange (SGX Group)

SGX Group seeks to serve as the world's most trusted and efficient international marketplace, operating equity, fixed income, currency and commodity markets to the highest regulatory standards. As one ecosystem with global relevance and influence, we offer multiple growth avenues to our stakeholders through listing, trading, clearing, settlement, depository, data and index services. We are committed to lead on climate action by developing a world-class transition financing and trading hub through SGX FIRST (Future in Reshaping Sustainability Together), our multi-asset sustainability platform. Headquartered in AAA-rated Singapore, we are globally recognised for our risk-management and clearing capabilities. Find out more at www.sgx.com.

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