



News Release

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SGX reports market statistics for September 2020

- Optimism of improving market conditions spurs capital market fundraising
- Uncertainties ahead of U.S. elections boost risk-management activity across asset classes

Singapore Exchange (SGX) today released its market statistics for September 2020. Optimism of improving market conditions spurred capital market fundraising, while uncertainties ahead of November's U.S. elections boosted portfolio risk-management activity across asset classes.

Total funds raised from equity and bond listings on SGX rose 63% year-on-year (y-o-y) in September to S\$40.8 billion – the highest amount since February. SGX-listed companies continued to tap the equity capital markets with secondary fundraising of S\$2.11 billion, doubling y-o-y. Total secondary fundraising for July to September reached S\$2.72 billion, up 36% from the same quarter last year.

Total securities market turnover value on SGX gained 23% y-o-y in September to S\$24.3 billion. Securities daily average value climbed 18% y-o-y to S\$1.11 billion. Securities average clearing fee for the quarter was 2.74 basis points, an increase from 2.60 basis points a year ago due to a greater spread of participation by different market segments.

The September market turnover value of exchange-traded funds (ETF) on SGX increased 114% y-o-y to S\$325 million. This brought the third-quarter total to S\$1.2 billion, up 110% from the same period last year. In the third quarter of 2020, trading in the SPDR STI ETF and Nikko AM STI ETF, the two STI-tracking ETFs on the exchange, jumped 183% y-o-y to S\$793 million. Over the first nine months of the year, the S\$807 million in combined net creations for the two ETFs was up 359% from full-year 2019.

In September, SGX welcomed the listing of the ICBC CSOP FTSE Chinese Government Bond Index ETF – the [world's largest Chinese pure government bond ETF](#). The institutional-grade fund, with month-end assets under management of US\$727 million, was the third most-actively traded ETF in terms of daily turnover during the month. SGX offers a multi-asset platform that supports the internationalisation of Asia's biggest economy. There were 67 bond listings on SGX during the month, up from 50 a year ago. Of these, 24 listings were China bonds with a total issued amount of S\$13 billion, compared with 10 listings of S\$4.1 billion in the same month in 2019.

Pan-Asia Access for Equity Derivatives

Institutional investors boosted risk-management activity on the back of active economic and political news flow, including the upcoming U.S. elections.

In September, SGX [significantly expanded](#) its pan-Asia shelf of benchmark equity derivatives with the launch of a series of Asia Ex-Japan and Emerging Markets Asia regional and single-country futures.

The seven new contracts are based on Price Return indices calculated by FTSE Russell, adding to the rollout of six Net Total Return derivatives in August.

Total equity index futures traded volume on SGX climbed 9% y-o-y in September to 15.4 million contracts. This included an 18% gain in SGX FTSE China A50 Index Futures to 7.8 million, a 16% increase in SGX Nifty 50 Index Futures to 2.3 million and a 30% surge in SGX MSCI Singapore Index Futures to 1 million. For the third quarter, equity index futures volume rose almost 12% y-o-y to 49.7 million contracts.

The new [SGX FTSE Taiwan Index Futures](#) – just 10 weeks since launch in July – grew exponentially to record a daily trading average of about 32,000 contracts or US\$1.4 billion, with open interest of US\$458 million.

FX futures volume notched strong gains on a month-on-month (m-o-m) basis, reflecting heightened portfolio-hedging activity. Total traded volume rose 26% in September to 2.2 million contracts, the highest in six months. SGX INR/USD Futures traded volume climbed 36% to 1.4 million, while SGX USD/CNH Futures – the world’s most widely traded international RMB futures – increased 10% to 803,494 contracts.

Opportunities in China’s Recovery

Commodity derivatives traded volume on SGX rose 18% y-o-y in September to 2.1 million contracts. SGX’s “virtual steel mill” and freight contracts offer participants proxy exposure to China’s economic recovery from the impact of the pandemic, with infrastructural stimulus a key policy tool for growth in the current climate. SGX’s bellwether iron ore derivatives climbed 18% y-o-y to 1.8 million, while forward freight agreements (FFA) gained 20% y-o-y to 83,402 contracts.

Traded volume in SGX petrochemical derivatives – reflecting a strong recovery in consumption – jumped threefold y-o-y in September to 4,148 contracts. SGX SICOM rubber futures, the global pricing benchmark for natural rubber, increased 3% y-o-y to a five-month high of 136,381 contracts.

Overall, derivatives traded volume on SGX rose 5% y-o-y in September to 20.4 million contracts. For July to September, the 63.9 million total was up 3.3% over the same period in 2019. Average fee per contract for equity, currency and commodity derivatives for the quarter was \$1.22, up from \$1.15 a year ago. This was mainly due to an increase in proportion of volume from better-yielding derivatives products.

The full market statistics report can be found [here](#). The average fees per contract can be found [here](#).

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About Singapore Exchange

Singapore Exchange is Asia’s leading and trusted market infrastructure, operating equity, fixed income and derivatives markets to the highest regulatory standards. As Asia’s most international, multi-asset exchange, SGX provides listing, trading, clearing, settlement, depository and data services, with about 40% of listed companies and over 80% of listed bonds originating outside of Singapore.

SGX is the world’s most liquid international market for the benchmark equity indices of China, India, Japan and ASEAN and offers commodities and currency derivatives products. Headquartered in AAA-

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