

Making money in SGX - Everything you need to know about SGX

Importance of SGX:

1. **Market Capitalization:** SGX hosts a diverse range of companies from various industries. The total market capitalization of companies listed on SGX is a significant indicator of its economic importance. As of February 2024 Singapore Exchange has a market cap of \$7.62 Billion. This makes Singapore Exchange the world's 1957th most valuable company.
2. **Trading Volume and Liquidity:** The trading volume on SGX, which includes stocks, bonds, derivatives, and other financial instruments, underscores its role in providing liquidity to the market. SGX's derivatives market is particularly notable for its size and diversity, including commodities, currencies, and indices, attracting international traders, currently have 643 companies listed in it.
3. **International Listings:** SGX is known for its international appeal, with numerous foreign companies choosing to list there, such as CapitaLand China Trust (CLCT), Hutchison Port Holdings Trust (HPHT), NIO. This not only brings in capital from abroad but also enhances Singapore's status as a global financial center. The presence of international companies contributes to the cross-border flow of

funds, investment diversification, and economic resilience.

4. **Financial Services Ecosystem:** Beyond its function as a securities exchange, SGX is central to Singapore's broader financial services ecosystem. It supports a wide range of activities, including banking, asset management, and fintech. The financial services sector is a key pillar of Singapore's economy, and SGX plays a critical role in its health and growth.
5. **Innovation and Technological Advancement:** SGX invests in technology and innovation to improve market efficiency and attract listings and investors. Initiatives such as the adoption of blockchain technology for settlement processes and the development of digital asset trading platforms position Singapore at the forefront of financial technology, driving economic growth through innovation.
6. **Regulatory Framework and Corporate Governance:** SGX, in collaboration with the Monetary Authority of Singapore (MAS), upholds high standards of corporate governance and regulatory practices. This not only protects investors but also enhances the market's attractiveness to both local and international companies and investors, contributing to the overall stability and growth of Singapore's economy.

SGX Market Overview

1. By sector classification:

- Agriculture and Fishing
- Mining and Quarrying
- Manufacturing
- Electricity, Gas, Steam and Air-Conditioning Supply
- Water Supply; Sewerage, Waste Management and Remediation Activities
- Construction
- Wholesale and Retail Trade
- Transportation and Storage
- Accommodation and Food Service Activities
- Information and Communications
- Financial and Insurance Activities
- Real Estate Activities
- Professional, Scientific and Technical Activities
- Administrative and Support Service Activities
- Education
- Health and Social Services
- Arts, Entertainment & Recreation
- Other Service Activities

2. Sector Heat map

3. Dividend

4. Liquidity and Volatility

5. Straits Times Index