



## **SGX offers trading of Singapore government bonds**

Singapore government bonds (SGS bonds) can be traded on Singapore Exchange (SGX) from 8 July 2011. This initiative is expected to improve price transparency and liquidity in SGS bonds, and provide investors with a safe investment alternative that can give both capital protection and steady returns.

With the new offering by SGX, investors will be able to access SGS bond prices on SGX's website or through their brokers, and trade SGS bonds through their brokers in a manner similar to the way stocks are traded. Currently, investors can only buy and/or sell SGS bonds through dealer banks.

A total of 19 SGS bond issues with maturities of two years or more totalling S\$74 billion will be available for trading, enhancing the suite of fixed income products offered on SGX and providing greater diversity of fixed income products to match investors' risk appetites. SGX's fixed income market currently comprises corporate bonds and preference shares, some of them approved for investment using Central Provident Fund and Supplementary Retirement Scheme pension savings.

Ms Tng Kwee Lian, Head of Fixed Income at SGX said, "Trading of SGS bonds on SGX will make the price discovery process more efficient and transparent, thereby reducing trading cost for investors. Market makers will also be present, increasing liquidity and making it easier for individual investors to buy and/or sell SGS bonds at any time during the trading day."

As with securities traded on SGX, SGS bonds must be held by SGX's Central Depository (CDP) as custodian before they can be traded. With CDP as custodian of an investor's securities and fixed income investments, investors will be able to view all their holdings via a single statement from CDP. For details, please refer to [www.sgx.com/fixedincome/sqs](http://www.sgx.com/fixedincome/sqs).

Media Contacts

**Loh Wei Ling**

Communications

Tel: (65) 6236 8157

Email: [Loh.Weiling@sgx.com](mailto:Loh.Weiling@sgx.com)

Communications

Tel: (65) 6236 8139

Email: [Carolyn.Lim@sgx.com](mailto:Carolyn.Lim@sgx.com)