

Components of Overseas Investment

Total investment abroad made by Singapore's corporate sector grew from \$669.0 billion as at end 2008 to \$736.5 billion as at end 2009.

There are three components of Singapore's investment abroad - direct investment, portfolio investment and other foreign assets. Direct investment contributed 48.8 per cent or \$359.3 billion to total investment abroad. About 28.3 per cent and 22.9 per cent of total overseas investment were attributed to portfolio investment and other foreign assets respectively.

Table 1: Main Types of Investment Abroad
(Stock as at Year-End)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Total Investment Abroad	669.0	736.5	10.1
Direct Investment	317.4	359.3	13.2
Portfolio investment	173.7	208.3	19.9
Other Foreign Assets	177.9	168.9	-5.1

Direct Investment

Singapore's stock of direct investment abroad expanded 13.2 per cent to \$359.3 billion as at end 2009.

The bulk of direct investment was in the form of direct equity investment (83.6 per cent), with net lending to overseas affiliates constituting the remaining 16.4 per cent of direct investment.

Table 2: Direct Investment Abroad
(Stock as at Year-end)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Total	317.4	359.3	13.2
Direct Equity Investment	259.6	300.5	15.7
Net Lending to Affiliates	57.7	58.9	2.0

Portfolio Investment

Total stock of portfolio investment rose from \$173.7 billion as at end 2008 to \$208.3 billion as at end 2009. About 65.7 per cent of portfolio investment were quoted and unquoted shares while the remaining 34.3 per cent were in the form of debt securities.

Table 3: Portfolio Investment Abroad
(Stock as at Year-End)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Total	173.7	208.3	19.9
Quoted and Unquoted Shares	111.9	136.8	22.2
Debt Securities	61.7	71.5	15.9

Other Foreign Assets

Investment in other foreign assets amounted to \$168.9 billion as at end 2009, compared to \$177.9 billion a year earlier. Other foreign assets comprise mainly money deposits held abroad (44.0 per cent) and loans granted to non-affiliates (41.0 per cent).

Table 4: Other Foreign Assets Abroad
(Stock as at Year-End)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Total	177.9	168.9	-5.1
Money Deposits Held Abroad	84.7	74.3	-12.2
Properties and Other Fixed Assets Held Abroad	4.9	6.4	29.2
Loans Granted to Non-Affiliates	71.6	69.3	-3.3
Others	16.7	18.9	13.3

Distribution of Direct Investment

Activity Abroad

Singapore's overseas direct investment were concentrated in financial & insurance services (including investment holding) (49.5 per cent or \$177.9 billion) and manufacturing (23.4 per cent or \$84.1 billion) sectors. Real estate activities (5.6 per cent), wholesale & retail trade (5.5 per cent), and information & communications (4.7 per cent) were other sectors of interest to Singapore investors.

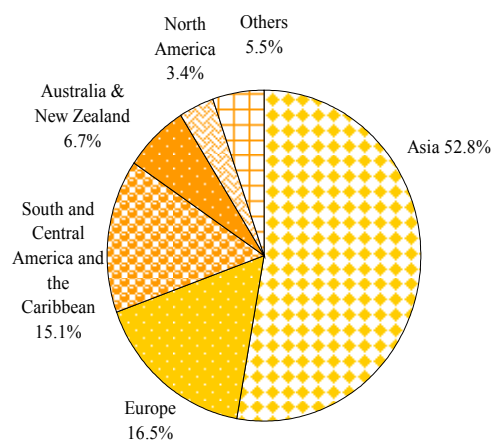
Table 5: Distribution of Direct Investment Abroad by Activity Abroad
(Stock as at Year-end)

	2008 (\$ bil)	2009 (\$ bil)	Share in 2009 (%)
Total	317.4	359.3	100.0
Financial & Insurance Services	156.2	177.9	49.5
Manufacturing	77.2	84.1	23.4
Real Estate Activities	17.4	20.2	5.6
Wholesale & Retail Trade	17.4	19.6	5.5
Information & Communications	14.7	17.0	4.7
Transport & Storage	11.0	9.6	2.7

Geographical Distribution

Asia remained the top destination for Singapore's direct investment abroad as at end 2009, attracting 52.8 per cent (or \$189.8 billion) of total direct investment abroad. Europe (16.5 per cent) and South and Central America and the Caribbean (15.1 per cent) were also popular with Singapore investors.

Chart 1: Direct Investment Abroad by Region



Asia

Singapore's stock of direct investment in Asia rose 9.7 per cent to reach \$189.8 billion as at end 2009. China (\$58.1 billion), Malaysia (\$28.7 billion) and Indonesia (\$26.3 billion) were major Asian hosts to Singapore investors. There were also significant direct investment from Singapore in Hong Kong (\$21.5 billion) and Thailand (\$19.5 billion).

Table 6: Major Destinations of Singapore's Investment in Asia
(Stock as at Year-End)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Asia	173.3	189.8	9.6
China	53.9	58.1	7.8
Malaysia	25.0	28.7	14.6
Indonesia	22.4	26.3	17.5
Hong Kong	20.1	21.5	7.4
Thailand	19.2	19.5	1.2
India	6.7	8.7	29.6

Singapore's direct investment in China grew from \$53.9 billion as at end 2008 to \$58.1 billion as at end 2009. About 55.6 per cent of our investment in China were in manufacturing sector, while about 18.4 per cent were in real estate sector.

Singapore investors in Malaysia were predominantly attracted to financial services (54.5 per cent) and manufacturing (30.1 per cent) sectors.

Manufacturing (37.3 per cent) and financial services (20.9 per cent) sectors accounted for the bulk of Singapore's direct investment in Indonesia.

Europe

Singapore's stock of direct investment in Europe stood at \$59.2 billion as at end 2009, compared to \$45.5 billion recorded a year earlier.

United Kingdom (\$41.9 billion), Switzerland (\$4.8 billion) and Netherlands (\$4.6 billion) attracted the

bulk of Singapore's investment in Europe. Our direct investment in United Kingdom were predominantly in financial services sector.

Table 7: Major Destinations of Singapore's Investment in Europe
(Stock as at Year-End)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Europe	45.5	59.2	30.1
United Kingdom	28.2	41.9	48.4
Switzerland	4.8	4.8	0.6
Netherlands	4.3	4.6	7.0

Other regions

Australia hosted \$23.0 billion of Singapore's direct investment as at end 2009, compared to \$18.1 billion a year earlier. Singapore's investment in Australia were primarily in financial services (\$11.5 billion) and information & communications (\$5.7 billion) sectors. Our direct investment in United States amounted to \$12.0 billion as at end 2009. Manufacturing (\$6.8 billion) and financial services (\$3.0 billion) sectors in United States were popular with Singapore direct investors.

Table 8: Other Major Destinations of Singapore's Investment
(Stock as at Year-end)

	2008 (\$ bil)	2009 (\$ bil)	Change (%)
Australia	18.1	23.0	27.1
United States	11.7	12.0	2.5