

We had written an article that was published in The Business Times today, 15th April 2022, applauding the great move done by MAS to revitalize our Capital Markets.

Kudos to MAS!

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LETTER TO THE EDITOR

Good move by MAS to mandate family offices to invest more in Singapore

THE Society of Remisiers (Singapore) applauds the recent move by MAS to mandate qualifying family offices to invest at least 10 per cent of their assets under management (AUM) – or S\$10 million, whichever is lower – in local investments.

It includes equities listed on the Singapore Exchange, qualifying debt securities, funds distributed by Singapore-licensed fund managers and private equity investments in unlisted Singapore incor-

porated companies. It's only fair for qualifying family offices to invest more of their moneys in the Singapore capital markets as they enjoy an attractive preferential tax rate of 10 per cent instead of the normal corporate tax rate of 17 per cent.

The number of family offices in Singapore has grown exponentially to 400 in 2020 compared to 200 in the prior year.

The AUM managed by these

Singapore-based managers is more than S\$4 trillion and a portion of it invested in Singapore would go a long way in establishing a much more vibrant Singapore capital market.

We're hopeful that this good move will boost the liquidity of our capital markets and accord better valuations of companies listed on the Singapore Exchange.

It will also act as a catalyst for more good companies to list on

the Singapore Exchange which will then attract much more investor participation and consequently add depth and breadth to our markets.

We look forward to more of such effective measures by MAS to rebuild the vibrancy of our capital markets.

S Nallakaruppan
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