

Lim Hng Kiang: Trade links and business opportunities for Singapore

Congratulatory remarks by Mr Lim Hng Kiang, Deputy Chairman of the Monetary Authority of Singapore and Minister for Trade and Industry, at the Daiwa Securities Group 35th Anniversary, Singapore, 25 June 2007.

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Your Excellency Mr Takaaki Kojima, Ambassador of Japan to Singapore,
Mr. Shigehara Suzuki, President & CEO Daiwa Securities Group Inc.,
Mr. Shin Yoshidome, President Daiwa Securities SMBC,
Distinguished Guests,
Ladies and Gentlemen.

Good Evening,

I am delighted to be here this evening for the joyous occasion of Daiwa Securities Group's 35th anniversary in Singapore. This marks yet another important milestone for Daiwa, and your continued commitment to Singapore.

Daiwa's growth story in Singapore

Set up in 1972, Daiwa has grown from strength to strength over the years. From the early collaboration in 1971 with Development Bank of Singapore to issue the first Asian Dollar Bond, Daiwa has over the years expanded to provide a full spectrum of financial services. Today, all of Daiwa's major business units are represented in Singapore, covering securities brokerage, investment banking, asset management and more recently, wealth management as well.

Singapore has also grown to become a key node in Daiwa's overseas network, managing your business operations in South Asia & Oceania.

I am encouraged to hear that on the occasion of Daiwa's 35th anniversary celebrations, you have also announced plans to boost activities in Singapore and the region. I understand these new activities include M&A and private equity investments. These are all very positive developments and you will be joining a vibrant community of financial institutions here in Singapore.

Japan and the region's recovery and growth

Daiwa's increased focus in South Asia attests to the dynamism of the region. Not only has the region shown resilience, it is now powering ahead. Led by ASEAN economies such as Vietnam, which is surging ahead strongly, India, Pakistan and the Middle East too are beckoning out to investors with their growth prospects.

Trade and investments within the Asian region, and between Asia and the Middle East continues to grow. Notably, Japanese foreign direct investments into ASEAN has been increasing steadily again since 2003. In fact, it has reached more than US\$6.4 billion¹ which even outpaced that into China in 2006.

The Japanese economy too, continues to impress. Economic conditions in Japan have improved remarkably and the data released suggests a continued and sustained growth. Japanese corporates are raking in record profits and capital investments too are surging ahead. They have once again begun to spread their wings overseas. Supporting these corporates, financial institutions like Daiwa too have benefited from this increased business activities.

¹ Sources: Prepared by JETRO from Ministry of Finance Balance of Payments Statistics and Bank of Japan foreign exchange rates.

Partner to growth

Where does Singapore fit into this climate of abundant growth opportunities? Located right at the confluence of trade links and business opportunities, Singapore has become a valuable partner to corporates and financial institutions like Daiwa. With more than 2,500 Indian companies, 2,300 Chinese companies, and 2,000 Australian and New Zealand companies in Singapore, corporates have made Singapore their location of choice to tap into this growth.

However, Singapore's value transcends our physical proximity to the fastest growing regions of the world. Indeed, Daiwa's extensive commitments and new activities in Singapore is the best testament of our successful efforts to create the best possible business environment. It highlights recognition of our stable and trusted environment, supported by reliable infrastructure, highly educated workforce and consistent and transparent government policies.

To further enlarge the market, Singapore has forged important linkages to the rest of the world. We have built up a network of Free Trade Agreements with many of our key trading partners such as Japan, the US, India and Korea. Discussions are ongoing with the Gulf region and China for greater market access for Singapore-based entities. A Connectivity Agreement between Singapore and Vietnam will amongst others, deepen collaboration in financial services, and promises greater opportunities for businesses from both countries.

Conclusion

On this note, I would like to convey my heartiest congratulations to Daiwa Securities Group on your 35th anniversary in Singapore. The future of the region continues to shine bright and I encourage all to leverage on Singapore to tap into the region's growth.

I wish everyone a wonderful evening ahead. Thank you.