

ASIA PACIFIC
PRECIOUS METALS
CONFERENCE

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Asean Economic Community



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Asean Economic Community (AEC)

- 7th largest economy in the world
- Population: 625.5 million
- Asean Free Trade Area
- Infrastructure development
- Major production and distribution hub
- Wealth accumulation

Asean Economic Community Data

2015 *2014	Population (million)	GDP Growth	GDP/P	CPI	Export (US\$ billion)	Import (US\$ billion)	F. Reserves (US\$ billion)
Singapore	5.5	2%	\$53,004	-0.6%	377	295	240
Thailand	67	0.90%	\$5,445	1.9%	225	200	157
Indonesia	255	4.80%	\$3,379	3.4%	150	143	106
Malaysia	31	5%	\$10,222	2.1%	200	176	95
Philippines	101	5.80%	\$2,877	1.5%	58.6	67	81
Vietnam	92	6.70%	\$2,036	0.6%	162	166	34
Myanmar*	51.4	8.50%	\$1,228	5.9%	11	16	5
Lao PDR*	6.9	7.50%	\$1,739	1.3%	17	9	1
Cambodia*	15.3	7.10%	\$1,096	3.9%	11	14	6
Brunei*	0.4	17.10%	\$41,411	-0.2%	-8	-6	4

Source: FocusEconomics

Asean Gold Supply and Demand

SUPPLY (tonnes)	2010	2011	2012	2013	2014	2015	2016
Mine Production	194	164	143	152	153	175	174
Recycling	128	134	114	94	88	69	159
Total Supply	322	297	257	245	241	245	333
DEMAND (tonnes)							
Net Physical Investment	195	263	232	305	204	166	150
Jewellery Fabrication	138	128	120	153	149	145	134
Industrial	10	10	10	11	13	10	10
Total Demand	343	402	361	469	366	320	295
Market Balance	-21	-105	-104	-224	-125	-76	38
Nominal Gold Price (US\$/oz, PM fix)	1225	1572	1669	1411	1266	1160	1251

Source: Metals Focus

New Demand and Participants

- Shari'ah Standard on Gold
- India-Asean free trade agreement (FTA)
- Uncertainty of key reserve currencies
- Weak Asian currencies
- New generation of gold investors
- Sovereign wealth funds and pension funds
- Regional HQ function in Singapore to cover Asean

Asean Currency Table

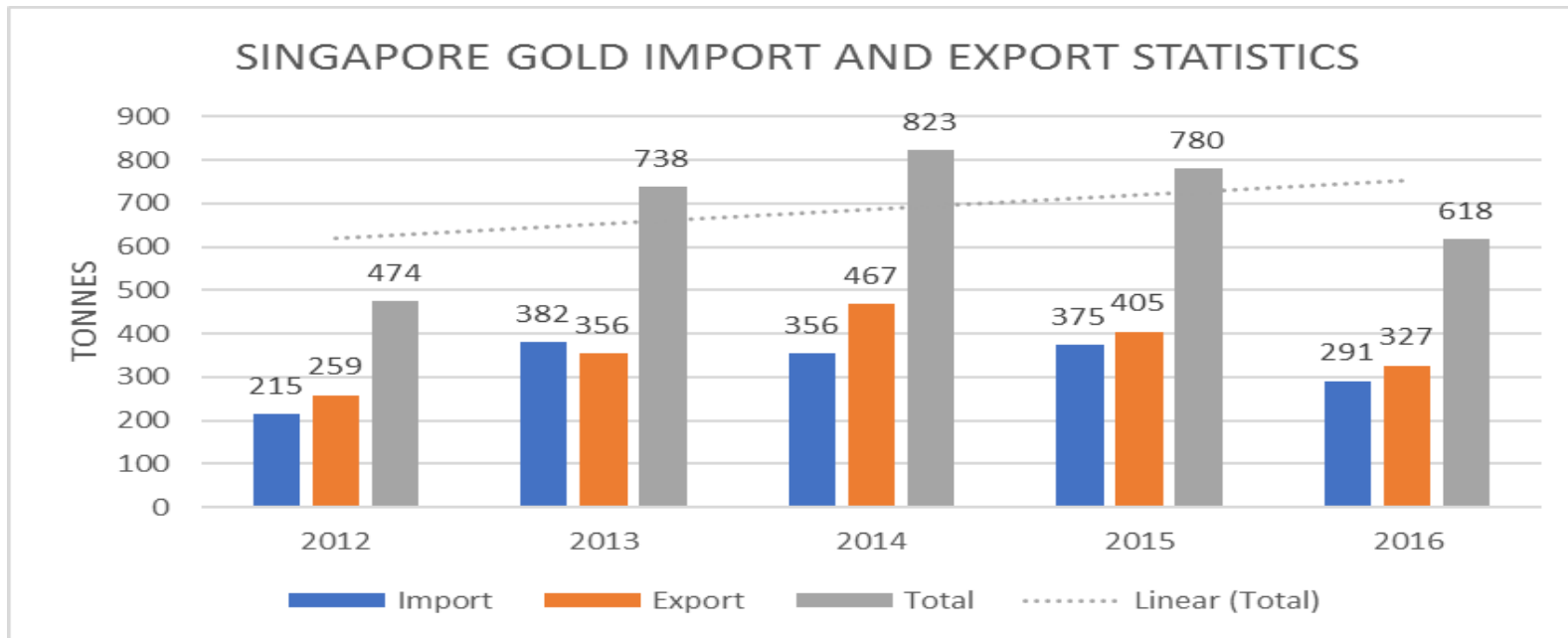
	2012	2013	2014	2015	2016	2012 vs 2016
Myanmar	856.97	986.24	1032.7	1310	1357	-58%
Malaysia	3.0585	3.2755	3.4965	4.2925	4.4862	-47%
Indonesia	9638	12170	12385	13778	13473	-40%
Philippines	41.04	44.39	44.71	47.17	49.73	-21%
Brunei	1.2216	1.262	1.3246	1.4179	1.4481	-19%
Singapore	1.2218	1.263	1.3255	1.4185	1.4468	-18%
Thailand	30.59	32.865	32.904	36.083	35.799	-17%
Vietnam	20840	21095	21388	22485	22761	-9%
Laotian Kip	7986	8021	8099	8148	8184	-2%
Cambodia	3995	3995	4073	4049	4069	-2%

Source: Bloomberg

Asean SWF and Pension Fund

Institution	Asset Size (billion)	Country	Type
Government of Singapore Investment Corporation	303*	Singapore	SWF
Central Provident Fund	213	Singapore	Public Pension
Temasek Holdings	171	Singapore	SWF
KWSP EPF (Employee Provident Fund)	160	Malaysia	Public Pension
Permodalan Nasional Berhad (PNB)	60	Malaysia	Government Agency
Brunei Investment Agency	40	Brnei	SWF
Khazanah Nasional	39	Malaysia	SWF
Pension Trust Fund (KWAP)	28	Malaysia	Public Pension
Social Security Office	25	Thailand	Public Pension
Government Pension Fund	17	Thailand	Public Pension
BPJS Ketenagakerjaan (JAMSOSTEK)	15	Indonesia	Public Pension(P)
PT Taspen (for civil servants)	12	Indonesia	Public Pension(CS)
Tabun Haji	10	Malaysia	Government Agency
PT Asabri (for the security and armed forces)	2	Indonesia	Public Pension(SAF)
Total	1094		

Non-Monetary Gold



HS CODE FOR NON-MONETARY GOLD

HS 71081300 NON-MONETARY GOLD IN SEMI-MANUFACTURED FORMS

HS 71081200 NON-MONETARY GOLD IN OTHER UNWROUGHT FORMS

Source: IE Singapore

- Increasing wealth and disposable income
- Gold is rooted in the life and culture of people
- Shari'ah Standard
- New generation of gold investors
- Diversification of asset class for SWF and PF
- Singapore as the precious metals trading hub