

**Guest of Honour Address by Mr Ted Tan,  
Deputy CEO, Enterprise Singapore,  
At the 2<sup>nd</sup> Asia Pacific Precious Metals Conference,  
Parkroyal on Beach Road, Monday, 4<sup>th</sup> June 2018, 0905 hrs**

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Mr Martin Huxley, Chairman, Singapore Bullion Market Association,

Dr Paul Fisher, Chairman, London Bullion Market Association,

Distinguished guests,

Ladies and gentlemen,

### **Introduction**

1. A very good morning. It is my pleasure to join you at this 2<sup>nd</sup> Asia-Pacific Precious Metals Conference, organised by the Singapore Bullion Market Association (SBMA) and supported by Enterprise Singapore. Also a very warm welcome to all who have travelled from overseas to be with us this morning.
  
2. Last year's inaugural conference was attended by 330 delegates from 23 countries. This year, I am told that attendance has grown to over 350 attendees from over 29 countries, including first time attendees from Belgium, Germany, Italy, Philippines, South Africa, South Korea and Switzerland.
  
3. I also understand that beyond the main conference, there are several side events organised by industry players such as INTL FC Stone and Australia's ABC Bullion. This is a strong indication that Singapore has become a vibrant precious metals marketplace for global participants.

## **The Development of Singapore's Precious Metals Hub**

4. Global gold demand continues to shift to the East<sup>1</sup>. China and India remain the largest markets for gold consumption, with a combined global market share exceeding 50%. Strategically located between mineral rich countries and major demand centres, Singapore is well-positioned to facilitate such international trade flows.
5. We are home to a strong network of international, regional and local precious metals players. The diversity continues to grow, and we welcomed new players to our shores such as LH Precious Metals Investments from Cambodia and Metal Market Asia from Poland. The ecosystem of supporting services such as the LBMA<sup>2</sup> certified refinery, secured logistics, banking and insurance sectors also continues to deepen in Singapore.
6. The figures also bear testament to our growth as a precious metals hub, in particular, since the lifting of the Goods and Services Tax on investment-grade precious metals in 2012. According to SBMA's survey, the volume of gold traded out of Singapore has grown at a 5-year compound annual growth rate of 40%, reaching over 1,700 tonnes in 2016. Total traded volume of precious metals scrap has grown even faster, at a compound annual growth rate of 124%, reaching 520 tonnes in 2016. These are encouraging developments.

## **Formation of Enterprise Singapore and Our Value Proposition**

7. On 2<sup>nd</sup> April 2018, International Enterprise Singapore and SPRING Singapore officially came together to form Enterprise Singapore. Enterprise Singapore will continue to

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<sup>1</sup> Source: World Gold Council

<sup>2</sup> London Bullion Market Association

champion the development of Singapore into Asia's precious metals hub. There are many traits that a hub must possess. Today I will touch on just three vital ones.

8. First is our deep financial liquidity within a highly efficient banking system. According to the Monetary Authority of Singapore, over 200 banks have a presence in Singapore and a growing number have chosen to base their operational headquarters here. In addition we are the third largest foreign exchange centre globally and the largest in Asia Pacific<sup>3</sup>. Singapore is also recognized as a top wealth management hub, with assets under management having grown to US\$2.7 trillion in 2016.
9. The second important trait is an efficient and trusted legal system. Counterparties that specify Singapore mediation and arbitration in their contracts are assured of fair treatment and expediency in resolving disputes. The Singapore International Arbitration Centre is ranked as the most preferred arbitral institution in Asia, and third out of the top five in the World<sup>4</sup>.
10. Thirdly, Singapore provides a conducive environment that embraces and supports innovation. According to Forbes magazine last year, Singapore was the top choice for startups, beating even San Francisco's Silicon Valley in the rankings. I am also heartened to see technology being adopted to bring convenience and accessibility to trading in the precious metals sector. One example is our home grown bullion dealer, Gold Silver Central. Their platform "GSC Live!" allows users to trade physical precious metals at any time via mobile or desktop, with narrow spreads, and in small quantities.
11. Other Singapore based startups such as Digix, Copernicus Gold and PureGold are also attempting to digitize gold using blockchain technology. These startups recognize the

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<sup>3</sup> Source: Monetary Authority of Singapore

<sup>4</sup> Source: Singapore International Arbitration Centre

benefits of storing the physical gold that underpins their platforms in Singapore, as well as our deep talent pool and venture capital available.

12. I encourage you to do the same and consider growing your businesses from Singapore - take advantage of our connectivity, collaborate with our local enterprises and tap on our ample talent pool.

## **Conclusion**

13. In closing, I would like to congratulate SBMA, and in particular Chairman Martin Huxley and CEO Albert Cheng, on putting together what I am certain will be a successful 2<sup>nd</sup> Asia Pacific Precious Metals conference.
14. I am confident that all of us will learn invaluable insights from our panelists and industry experts, and establish many business connections during the networking sessions. I wish you all a productive conference and a wonderful day ahead. Thank you.