What investments are available in Singapore?

A beginner's guide to choosing what fits your goals

Different products have different features, risks and uses

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Common investment products at a glance

No single product suits everyone

Bonds

- A loan to a government or company; in return, you earn interest (called coupon)
- Risk depends on the issuer
- Good for capital preservation

SSBs

- Backed by the Singapore Government
- Interest rate steps up the longer you hold
- Redeem any time without penalty

Unit trusts/funds

- Money pooled from many investors for investing according to a stated objective
- Diversified exposure; fees apply

REITs

- Funds holding income-generating properties
- Can provide regular income distributions
- More liquid than buying property directly

Shares

- A small ownership stake in a company
- Returns may come from dividends
- Returns may also come from price gains

ETFs

- Funds traded on an exchange
- Often used for low-cost diversification
- Some ETFs can be more complex

Understand risks & features first

Some products are more complex and need extra checks

Specified Investment Products (SIPs)

- May involve derivatives, leverage, or complex structures
- Can be harder to evaluate
- Extra checks help investors understand them

Different SIPs may require different assessments

CAR – Customer Account Review



- For exchange-listed SIPs
- Needed before opening an SIP trading account
- Example: some ETFs

CKA – Customer Knowledge Assessment



- For unlisted SIPs
- Required before your broker can proceed with investments
- Example: certain structured products

Watch out for

- Assuming same product type means same risk
- Buying through unregulated channels
- Investing because something seems popular
- Investing because someone recommended it

Same category, different risk

Singapore Government bond **VS** High-yield bond from a struggling company

Never invest in a product you do not fully understand

Where investments are bought and sold



Primary market

- New investments sold for the first time
- Examples: Initial Price Offerings (IPOs) and government bond tenders



Secondary market

- Investors buy and sell issued investments during fixed hours
- Singapore Exchange (SGX) lists shares, ETFs and REITs



OTC market

- Traded directly between two parties
- Not traded through an exchange
- Uses computer and phone networks

Choose what fits your goals

Before investing, ask:

- What are the risks?
- What is the most I could lose?
- Does this fit my goals?

Next steps

1. **List your goals**
   Examples: HDB downpayment or retirement
2. **Match goals to products**
   Consider circumstances, risk appetite and potential returns
3. **Build your portfolio**
   Review whether it is sufficiently diversified
4. **Seek advice if required**
   Use licensed financial advisors where needed
5. **Learn more before buying complex products**
   Do not invest until you understand the product's features, risks, fees and possible losses

Invest only in products that suit you

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