

Singapore has felt the effects of slower world trade growth, but its strong domestic fundamentals will boost M&A and IPO activity in 2018 and 2019 as world trade strengthens. Given Singapore's position as a key financial center in Asia Pacific, cross-border IPOs will account for 60% of its total IPO activity in 2018 and 2019.

M&A AND IPO TRANSACTIONS							
	2014	2015	2016	2017f	2018f	2019f	2020f
<b>TOTAL M&amp;A TRANSACTIONS (US\$B)</b>	<b>25.2</b>	<b>19.5</b>	<b>18.3</b>	<b>18.6</b>	<b>22.7</b>	<b>26.5</b>	<b>19.2</b>
% of Global M&A transactions	1.0	0.6	0.6	0.7	0.8	1.0	0.8
Domestic (US\$B)	15.9	9.3	10.3	10.3	13.6	16.0	11.6
Cross-border, inbound (US\$B)	9.3	10.1	8.0	8.3	9.1	10.5	7.7
<b>TOTAL VOLUME OF M&amp;A TRANSACTIONS (Number of deals)</b>	<b>307</b>	<b>288</b>	<b>248</b>	<b>295</b>	<b>312</b>	<b>339</b>	<b>237</b>
Domestic (Number of deals)	162	139	122	167	173	185	121
Cross-border, inbound (Number of deals)	145	149	126	128	139	154	116
<b>TOTAL IPO TRANSACTIONS (US\$M)</b>	<b>2,752.9</b>	<b>450.2</b>	<b>2,294.4</b>	<b>3,049.1</b>	<b>5,203.0</b>	<b>6,398.0</b>	<b>3,760.9</b>
% Global IPO transactions	1.0	0.2	1.7	1.8	1.9	2.3	2.0
Domestic (US\$M)	2,117.6	403.0	1,195.1	968.2	1,998.5	2,585.4	1,478.8
Cross-border (US\$M)	635.3	47.2	1,099.3	2,080.9	3,204.5	3,812.6	2,282.1

FORECAST FOR THE ECONOMY							
	2014	2015	2016	2017f	2018f	2019f	2020f
<b>MACROECONOMIC DRIVERS</b>							
Real GDP growth (% yoy)	3.3	2.0	1.4	1.9	3.3	3.1	2.9
CPI (% yoy)	1.0	-0.5	-0.5	1.0	2.3	2.1	1.8
Merchandise trade (% of GDP)	260	229	215	217	216	218	222
<b>FINANCIAL DRIVERS</b>							
10-year government bond yield (%)	2.4	2.4	2.0	2.4	2.6	2.9	3.3
Equity prices (LCU, end of year % change)	6.2	-14.3	1.3	6.0	6.5	5.0	-11.1
Stock market capitalization (US\$B)	753	640	645	664	725	785	714

### KEY DRIVER SUMMARY (AVERAGE 2015-2020)

	Singapore	Global
<b>GDP growth</b> (% annual)	<b>2.5</b>	<b>2.6</b>
<b>Stock market capitalization</b> (% of GDP)	<b>219</b>	<b>98</b>
<b>Money supply</b> (% of GDP)	<b>135</b>	<b>124</b>
<b>Trade</b> (% of GDP)	<b>218</b>	<b>42</b>
<b>Ease of doing business</b> (World Bank)	<b>88</b>	<b>62</b>
<b>Legal structure</b> (Fraser Institute)	<b>8.3</b>	<b>6.4</b>
<b>Freedom to trade</b> (Fraser Institute)	<b>8.8</b>	<b>7.3</b>

### TRANSACTION ATTRACTIVENESS INDICATOR\*



\*The Transaction Attractiveness Indicator is an overall score calculated using a weighted average of the 10 factors included in the chart above. The score reflects the attractiveness of a country's current environment for M&A and IPO activity on a scale from 0 to 10. It's based on past transactional activity in that country and data on key economic, financial and regulatory factors that drive M&A and IPO activity. Because many of these factors change slowly over time, a country's current score is a strong indicator of whether it will have the right features to attract transactional activity in the future.