

Amova Singapore STI ETF

How Singapore's economy feeds through to its blue-chip index, and where the concentration lies

As Singapore marks National Day, its equity market reflects the country's position as one of Asia's leading financial and business hubs. The Amova Singapore STI ETF seeks to replicate, as closely as possible, before expenses, the performance of the Straits Times Index (STI), and provides diversified exposure to Singapore's largest listed companies.

By Amova Asset Management

August 2026

Singapore's supportive economic and market backdrop

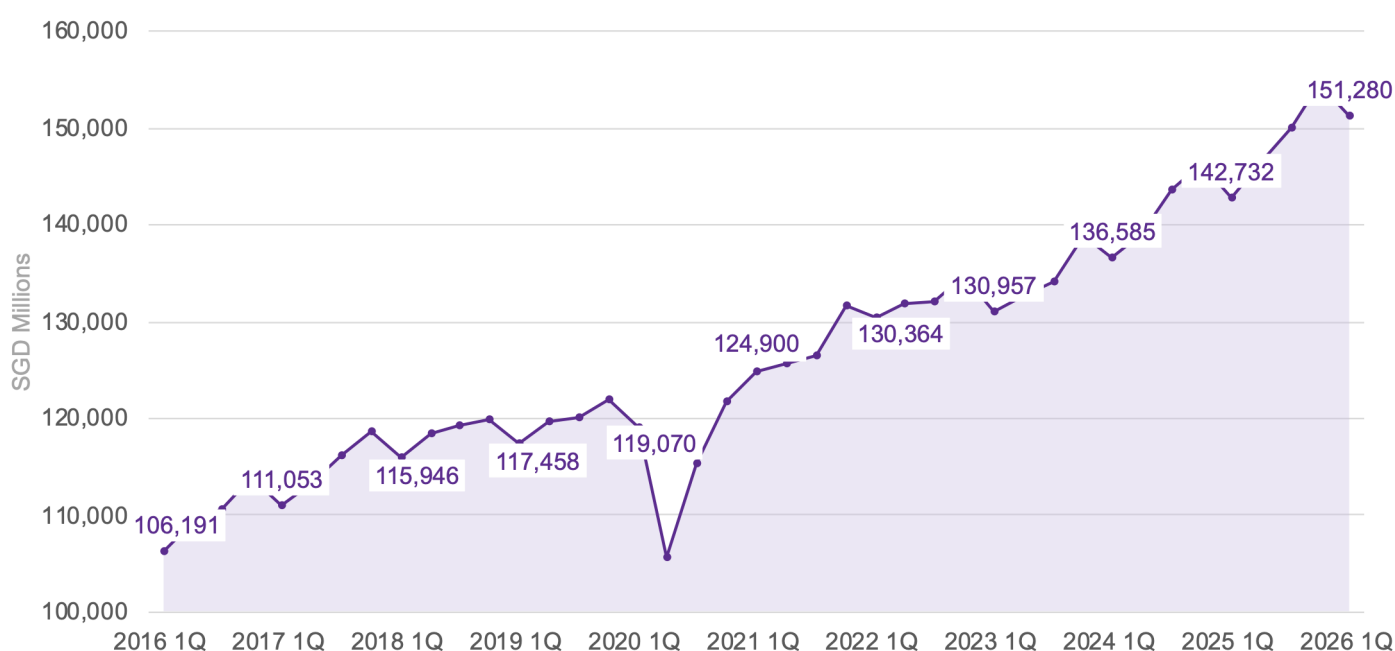
Several structural factors have supported the STI ("the Index") over the past year, including Singapore's resilient economic growth, continued foreign capital inflows, expanding financial services sector and supportive market development initiatives.

Singapore's macroeconomic environment remained buoyant. The economy expanded by 5.0% in 2025, followed by 6.0% year-on-year growth in the first quarter of 2026¹, providing a robust environment for credit demand, corporate activity and consumer spending. A stable macro backdrop sustained business confidence and earnings across many of the sectors represented in the STI.

¹ Department of Statistics Singapore. (n.d.). *National Accounts*. <https://www.singstat.gov.sg/find-data/explore-data-themes/economy-prices/national-accounts/latest-news-data>



Singapore real gross domestic product (GDP) at constant 2015 prices (2016 Q1-2026 Q1)



Source: Department of Statistics Singapore as of 30 June 2026.

Past performance or any forecast is not necessarily indicative of future performance.

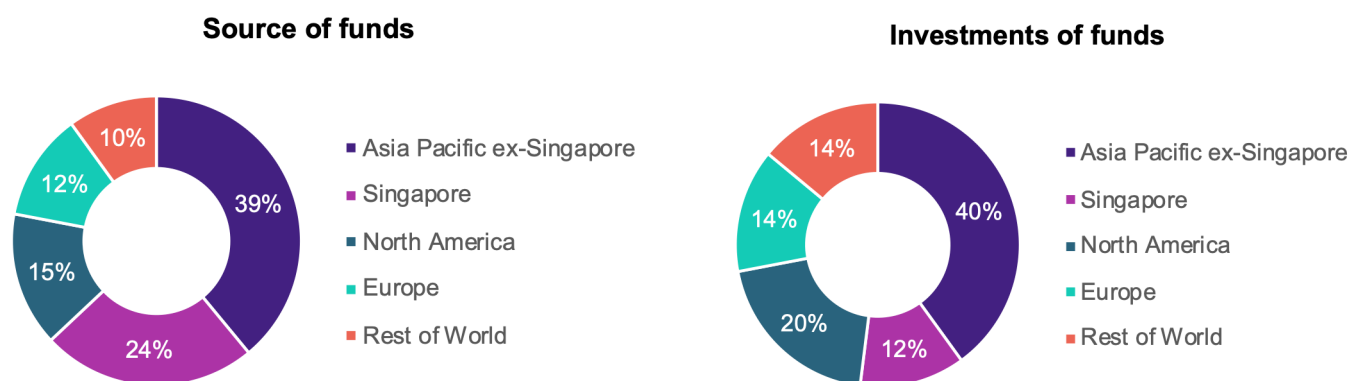
Beyond domestic economic growth, sustained foreign capital inflows further reinforced Singapore's position as a regional financial centre. Foreign direct investment (FDI) inflows rose 8.4% year-on-year to a record Singapore Dollar (SGD) 197 billion in 2025², reflecting continued business expansion in Singapore. Amid heightened geopolitical and trade uncertainties, the Finance & Insurance sector accounted for 63.9% of total FDI inflows in 2025, while the United States, the Netherlands, Ireland, Mainland China and the United Kingdom collectively contributed 46.8% of total inflows². Capital directed towards financial services from a broad base of developed markets reflects institutions' long-term commitment to Singapore.

Singapore's growing wealth and asset management industry provided another structural tailwind for the STI. Singapore's assets under management (AUM) reached SGD 6.7 trillion at the end of 2025, up 10% year-on-year, backed by robust market performance and continued net inflows³. Net inflows in 2025 increased 29% year-on-year to SGD 376 billion, while discretionary mandates accounted for more than half of Singapore's SGD 6.7 trillion AUM³, highlighting Singapore's continued attractiveness as a leading regional wealth and asset management hub. The expansion of wealth management activity is also increasingly reflected in the earnings mix of the STI's three largest bank constituents, where fee-based businesses have become a larger contributor, alongside traditional banking activity.

² Department of Statistics Singapore. (2026, April 28). *Foreign Direct Investment in Singapore (Flows) 2025*.
<https://www.singstat.gov.sg/files/7ade01f6-3c35-498e-a2e4-423ba4c72d0f.pdf>

³ Monetary Authority of Singapore. (2026, July 28). *Singapore Asset Management Survey 2025*.
<https://www.mas.gov.sg/publications/singapore-asset-management-survey>

Singapore's global sources and deployment of funds



Source: Monetary Authority of Singapore as of 2025.

Policy initiatives have further reinforced Singapore's equity market. The Monetary Authority of Singapore (MAS) introduced the Equity Market Development Programme (EQDP) in 2025 and increased its allocation from SGD 5.0 billion to SGD 6.5 billion in February 2026 to strengthen investment demand, research coverage and market liquidity⁴. Although the programme is designed to drive investments into the broader Singapore equity market, it is also expected to create a more accommodating environment for Singapore's large-cap equities.

Benefiting from these developments, the STI, which tracks 30 of Singapore's largest and most liquid listed companies, delivered a one-year return of 36.3% as at 30 June 2026⁵. The Amova Singapore STI ETF ("the Fund") seeks to replicate as closely as possible, before expenses, the performance of the STI, providing investors with an efficient way to gain diversified exposure to Singapore's blue-chip equity market.

Singapore's three banks led the strength

The three major banks collectively represented approximately 54.3% of STI as at 30 June 2026⁵, making them the largest contributors to its performance over the past year. Continued growth in wealth management, resilient fee-based income and expanding regional financial activity have reinforced earnings for the banking sector. As financials remain the Index's largest sector, these earnings and shareholder distributions have flowed directly through to the Index.

Although often grouped together, the three banks have different long-term growth drivers and play distinct roles within the STI. DBS Group Holdings (DBS) provides strongest exposure to Asia's expanding wealth management industry, and Oversea-Chinese Banking Corporation (OCBC) benefits from increasingly diverse earnings mix beyond traditional lending, while United Overseas Bank (UOB) is well positioned to provide the Index with exposure to ASEAN's long-term economic growth through its regional banking franchise. Together, these complementary business models explain the banks' significant contribution to the STI's recent performance, while providing the Index with diversified exposure to different earnings drivers within Singapore's banking sector.

DBS, which accounted for 27.60% of the Index's portfolio as at 30 June 2026, is its largest holding and provides its strongest exposure to Asia's expanding wealth management industry. Wealth management fees of DBS reached SGD 907 million in the

⁴ Monetary Authority of Singapore. (2026, February 12). *MAS Announces Expansion of Equity Market Development Programme*. <https://www.mas.gov.sg/news/media-releases/2026/mas-announces-expansion-of-equity-market-development-programme>

⁵ FTSE Russell. (2026, June 30). *Straits Times Index (STI) Factsheet*. <https://research.ftserussell.com/Analytics/Factsheets/Home/DownloadSingleIssue?issueName=STI&IsManual=false>

first quarter of 2026⁶, while its wealth management AUM stood at SGD 492 billion as at 31 March 2026⁷. With PwC projecting Singapore's AUM to grow by approximately 8% annually through 2030, outpacing the Asia Pacific forecast of 6.8%⁸, DBS is well positioned to benefit from Singapore's expanding role as a regional wealth management hub. This growing fee-based business also buoys profitability, with the bank reporting a return on equity (ROE)⁹ of 17.0% and net profit of SGD 2.93 billion for the first quarter of 2026⁶, and an increase in dividends per share from SGD 2.22 in FY2024 to SGD 3.06 in FY2025¹⁰.

OCBC, representing approximately 16.66% of the Index, provides a more diversified earnings profile. First-quarter 2026 net profit of OCBC increased 5.0% year-on-year, with record non-interest income from wealth management, fees, trading and insurance¹¹. Its diversified revenue mix reduces reliance on traditional lending spreads, making earnings relatively more resilient in a moderating interest-rate environment. With OCBC Global Markets Research and Strategy forecasting three-month Compounded Singapore Overnight Rate Average (SORA) to remain around 1.5% through the second half of 2026, the bank's diversified business model should help it navigate a more stable rate environment while continuing to benefit from structural growth in fee-generating businesses¹².

UOB, with a 9.99% Index weighting, contributes strong exposure to ASEAN's long-term economic growth. Following the acquisition and integration of Citigroup's consumer banking businesses in Malaysia, Thailand, Indonesia and Vietnam, UOB significantly expanded its regional retail franchise, roughly doubling its regional retail customer base to 8.5 million and strengthening its position in cross-border banking¹³. The bank generated an annualised return on average ordinary shareholder's equity of 11.5% in the first quarter of 2026, while continued momentum in wealth and capital market activities supported a 2% quarter-on-quarter increase in net fee income to SGD 637 million and contributed to a 4% quarter-on-quarter rise in total income to SGD 3.4 billion¹⁴.

⁶ DBS Group Holdings. (2026, April 30). *Trading Update for the First Quarter Ended 31 March 2026*. https://www.dbs.com/iwov-resources/images/investors/quarterly-financials/2026/1Q26_trading_update.pdf

⁷ DBS Group Holdings. (n.d.). *DBS targets \$1 trillion in wealth assets by 2030, banks on AI and 600 new hires*. <https://www.straitstimes.com/business/dbs-eyes-1-trillion-in-wealth-assets-by-2030-banks-on-ai-and-hiring-600-more-staff>

⁸ PwC. (2026, June 17). *Singapore strengthens its position as the strategic hub for cross-border wealth, tokenisation and sovereign capital as Asia Pacific AWM heads for US\$34.5 trillion by 2030*. [https://www.mynewsdesk.com/sg/pwc-singapore/pressreleases/singapore-strengthens-its-position-as-the-strategic-hub-for-cross-border-wealth-tokenisation-and-sovereign-capital-as-asia-pacific-awm-heads-for-us\\$34-dot-5-trillion-by-2030-3454616](https://www.mynewsdesk.com/sg/pwc-singapore/pressreleases/singapore-strengthens-its-position-as-the-strategic-hub-for-cross-border-wealth-tokenisation-and-sovereign-capital-as-asia-pacific-awm-heads-for-us$34-dot-5-trillion-by-2030-3454616)

⁹ ROE (Return on Equity) measures a company's profitability relative to shareholders' equity, indicating how efficiently it generates earnings from shareholders' capital.

¹⁰ DBS Group Holdings. (n.d.). *A beacon of stability ANNUAL REPORT 2025*. <https://www.dbs.com/annualreports/2025/i/pdf/dbs-ar-2025.pdf>

¹¹ OCBC Group. (2026, May 8). *OCBC Group First Quarter 2026 Net Profit Up 5% Year-on-Year to S\$1.97 billion*. <https://www.ocbc.com/group/media/release/2026/ocbc-group-first-quarter-2026-net-profit-up-5percent.page>

¹² OCBC Global Markets Research & Strategy. (2025, December 2). *1H 2026 FX and Rates Outlook*. <https://www.ocbc.com/iwov-resources/sg/ocbc/gbc/pdf/fx%20outlook/1h%202026%20fx%20and%20rates%20outlook.pdf>

¹³ UOB Group. (n.d.). *Building the Future of ASEAN UOB Annual Report 2025*. <https://www.uob.com.sg/investor-relations/assets/pdfs/investor/annual/uob-annual-report-2025.pdf>

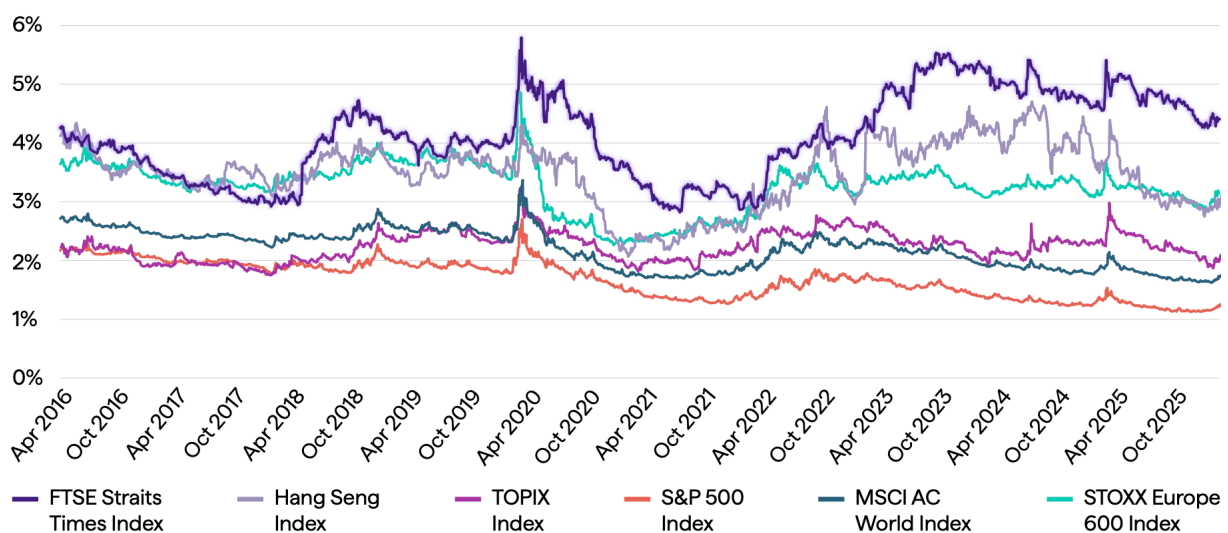
¹⁴ UOB Group. (2026, May 7). *UOB delivers 1Q26 net profit of S\$1.4 billion Supported by resilient franchise amid market volatility*. <https://links.sgx.com/FileOpen/1Q26%20Performance%20Highlights.ashx?App=Announcement&FileID=887866>

Taken together, the three banks represent complementary rather than identical investment exposures. DBS provides leverage to Asia's growing wealth management industry, OCBC offers diversified fee-based earnings, and UOB strengthens the Index's participation in ASEAN's long-term economic growth. While this concentration has been an important contributor to the Index recent performance, it also means the Index remains closely linked to the outlook for Singapore's banking sector and broader regional financial conditions.

STI's consistent dividend yields

Beyond driving Index performance, the STI's sector composition has also contributed to a relatively consistent dividend yield over the past decade, reflecting its concentration in mature, cash-generative sectors. As at 31 March 2026, the Index's net tax dividend yield was 3.96% and has generally remained around 3-5% range over the past 10 years. This stability is underpinned by the Index's composition, with banks operating under established payout policies, real estate investment trusts (REITs) subject to distribution requirements, and regulated telecommunications and utilities companies generating relatively predictable cash flows. In contrast, growth-oriented indices, whose constituents typically retain a larger share of earnings for reinvestment, tend to offer lower dividend yields.

10-Year historical dividend yields (1 April 2016-31 March 2026)



Source: Bloomberg as of 31 March 2026.

This chart is purely for illustrative purposes only and not to be relied upon as financial advice in any way. Dividend yield of the Straits Times Index is not the same as that of the Amova Singapore STI ETF fund. Past dividend yields are not indicative of future dividend yields.

The STI has consistently ranked among the higher-yielding major equity indices. Its 10-year average dividend yield of 4.12% compares favorably with 3.48% for the Hang Seng Index, 3.26% for the STOXX Europe 600 Index, 2.24% for the TOPIX Index, 2.19% for the MSCI AC World Index, and 1.68% for the S&P 500 Index over the same period.

About the Amova Singapore STI ETF

The Amova Singapore STI ETF seeks to replicate as closely as possible, before expenses, the performance of the STI through a full-replication strategy, investing in substantially the same constituents and weightings as the Index, allowing investors to gain exposure that closely reflects the composition of Singapore's benchmark equity Index.

The effectiveness of this approach is reflected in the Fund's tracking error, which measures the variability of the difference between fund and benchmark returns. As at 30 June 2026, the Fund's distribution share class recorded a three-year annualised tracking error of 0.12%, indicating that it has closely followed the performance of the STI over the period. While tracking error is a historical measure and does not guarantee future results, the low level reflects the effectiveness of the Fund's full-replication strategy in closely tracking its benchmark.

Top 10 fund holdings

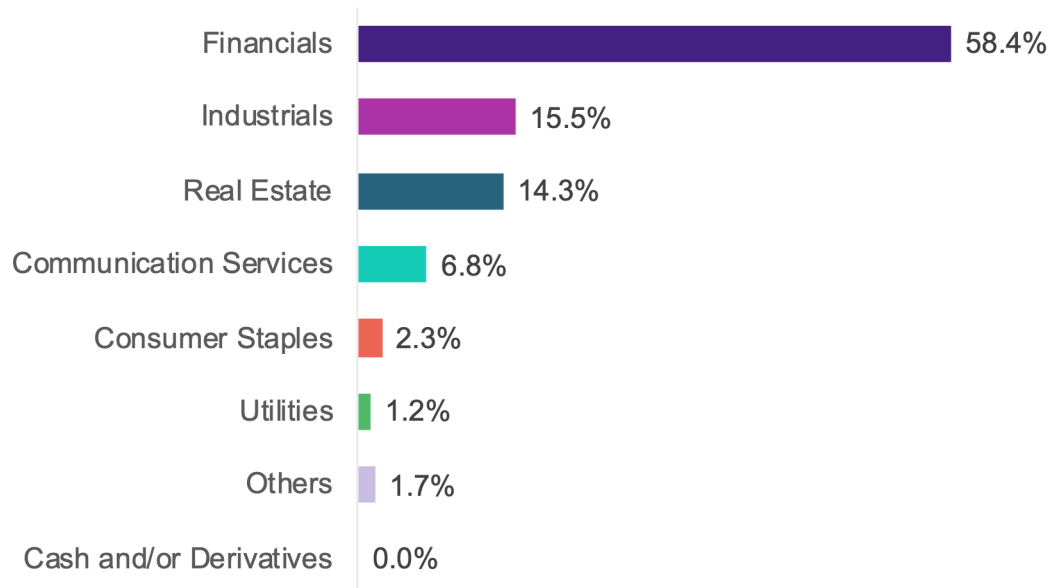
Top 10 holdings	Weight
DBS Group Holdings Ltd	27.6%
Oversea-Chinese Banking Corporation Ltd	16.7%
United Overseas Bank Ltd	10.0%
Singapore Telecommunications Ltd	6.8%
Singapore Exchange Ltd	4.1%
Singapore Technologies Engineering Ltd	3.2%
Keppel Ltd	3.2%
CapitaLand Integrated Commercial Trust	3.1%
Jardine Matheson Holdings Ltd	3.1%
Singapore Airlines Ltd	2.5%

Source: Amova Asset Management Asia Limited as of 30 June 2026.

Reference to any particular securities or sectors is purely for portfolio information as at indicated date only and does not constitute a recommendation to buy, sell or hold any securities or to be relied upon as financial advice in any way.

Mirroring the STI's composition, financials accounted for 58.4% of the portfolio, exceeding the combined 54.3% weighting of DBS, OCBC and UOB because the sector also includes Singapore Exchange. Industrials (15.5%) and real estate (14.3%) form the next largest sector allocations, followed by communication services (6.8%). Together, these sectors provide exposure to a broader range of earnings drivers beyond bank profitability, helping diversify the portfolio while maintaining its focus on Singapore's blue-chip equity market. As at 30 June 2026, the Fund had assets under management of SGD 1,533.87 million across 4,955,000 units outstanding.

Sector allocation



Source: Amova Asset Management Asia Limited as of 30 June 2026.

Cash in allocation charts includes cash equivalents. Percentages of allocation may not add to 100% due to rounding error.

Amova Singapore STI ETF performance

The Fund closely tracked the performance of its benchmark over the past year. On a net asset value (NAV) to NAV basis, the SGD (Dist) Class delivered a 35.81% one-year return as at 30 June 2026¹⁵, compared with 36.29% for the STI benchmark. Over longer periods, the Fund continued to closely mirror the benchmark, generating annualised returns of 22.73% over three years and 15.33% over five years, while delivering a 10.42% annualised return since inception.

Fund performance

Share Class		1M	3M	6M	1Y	3Y	5Y	SI*
SGD (Acc) Class	NAV-NAV	2.63	7.64	13.55	-	-	-	22.26
	Benchmark^	2.64	7.75	13.77	-	-	-	22.57
SGD (Dist) Class	NAV-NAV	2.63	7.64	13.55	35.81	22.73	15.33	10.42
	Benchmark^	2.64	7.75	13.77	36.29	23.22	15.81	11.09

Source: Amova Asset Management Asia Limited as of 30 June 2026.

Returns are calculated on a NAV-NAV basis and assuming all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

* Since Inception (SI) returns are calculated from each share class's respective inception date. The SGD (Acc) Class was launched on 17 September 2025 and its SI return is cumulative (not annualised), while the SGD (Dist) Class was launched on 24 February 2009 and its SI return is annualised.

^Benchmark (Straits Times Index) returns are calculated on a total return basis.

Outlook

By closely replicating the STI, the Fund provides diversified exposure to Singapore's blue-chip companies, with significant exposure to long-term structural themes including Singapore's role as a regional wealth management and financial centre, the continued expansion of ASEAN economies, and initiatives to deepen Singapore's capital markets. The Fund is also included under the Central Provident Fund Investment Scheme (CPFIS) – Ordinary Account, allowing eligible CPF savings to be invested in the Fund, subject to CPF Board rules. The Fund is classified under the CPFIS as a Higher Risk – Narrowly Focused – Country – Singapore investment, reflecting its concentrated exposure to Singapore-listed equities.

While the Fund is diversified across individual securities, financials accounted for 58.4% of the portfolio as at 30 June 2026. Accordingly, developments in Singapore's banking sector, credit conditions and regional economic activity are likely to remain important drivers of the Fund's performance. Additionally, investors whose base currency is not the Singapore dollar remain exposed to exchange-rate movements.

While short-term market performance will continue to be influenced by macroeconomic conditions, Singapore's position as a regional financial and business hub continues to provide a supportive backdrop for its blue-chip equity market over the longer term.

¹⁵ Source: Amova Asset Management Asia Limited as of 30 June 2026. Returns are calculated on a NAV-NAV basis and assuming all dividends and distributions are reinvested, if any. Returns for period in excess of 1 year are annualised. Past performance is not indicative of future performance.

Important information

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