

How they compare

	Private equity buyout funds*	Wholesale bonds	Retail bonds	Singapore Savings Bonds	Astrea IV Class A-1 private equity bonds
Availability to retail investors	No	No	Yes	Yes	Yes
Minimum investment amount	From US\$1 million	\$250,000	\$2,000	\$500	\$2,000
Typical holding period	10-12 years	10 years or less	1-7 years	10 years but can redeem any time	Mandatory call in 2023, maturity in 2028
Returns per annum (pa)	Median returns of 14%	Usually fixed coupon payment	1% - 5.3% (since 2010)	1% - 3% depending on tenure	4.35%**
Diversification	Typically invested in 10 or more firms	Credit risk of a single firm	Credit risk of a single firm	Credit risk of Singapore Government	Exposure to 596 firms across multiple sectors
Liquidity	Usually illiquid	Typically traded over the counter	Tradeable on SGX	Can redeem any time; not tradeable	Tradeable on SGX

Note: *Private equity funds that buy controlling stakes in firms that they invest in.
 **One-time step up of 1% pa if bonds are not redeemed in five years.

