Singapore and Geneva: state capital and private wealth

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The contrast with Switzerland could hardly be sharper. Switzerland has no sovereign wealth fund in the sense of GIC or Temasek. Its retirement savings are held largely in the second pillar of occupational pension schemes, which are managed by a large number of private and public pension funds. In 2024 the 1,292 Swiss pension funds had a combined balance sheet total of CHF 1,220.6 billion and earned a net investment return of CHF 83.7 billion.[1] These funds are among the most important clients of the Geneva and Zurich asset managers.

The Swiss counterpart to Singapore's reserves is the Swiss National Bank, whose foreign currency investments result from its monetary policy. At 30 September 2026 equities made up 28 per cent of those investments, managed passively by replicating broad indices. The National Bank distributes part of its profits to the Confederation and the cantons. For 2025 it reported a profit of CHF 26.1 billion and a distribution of CHF 4 billion. No rule comparable to Singapore's Net Investment Returns framework links Swiss public spending to the long-term returns of a national portfolio.[2]

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The difference in structure produces a difference in the role of the financial centre. In Geneva, private banks and independent managers serve private clients and institutions from abroad and from Switzerland. Their business depends on attracting wealth. In Singapore, a large part of domestic savings is managed by the state, which then uses that capital to attract private managers and to anchor key institutions. Geneva's model is decentralised and private. Singapore's is centralised and public, while remaining open to private competition.

Each model has its strengths. The Swiss system spreads decision-making across many pension funds and boards, which limits concentration risk and political influence. The Singapore system allows long-term investment on a scale and with a horizon that no private investor could match, which has given the state the means to steer the development of its financial centre. Geneva's asset managers, who manage mandates for sovereign funds among others, know Singapore's investors as clients. Singapore's investors, in turn, know Geneva as a place where much of the world's private wealth is managed.

In figures

CPF: operating since 1 July 1955, with 160,000 employees and 12,900 employers registered by September 1955. Peak combined contribution rate: 50 per cent in 1984–1985. CPF members and balances in June 2026: 4.3 million and $689 billion. Temasek's initial portfolio in 1974: S$354 million in 35 companies. Its net portfolio value at 31 March 2026: S$518 billion, with a one-year return of 10.5 per cent and a twenty-year return of 6.8 per cent. Temasek's interest in DBS in February 2026: 28.30 per cent. GIC's twenty-year real return to 31 March 2026: 3.4 per cent a year. Transfer from the Monetary Authority on 7 April 2022: S$75 billion. Official reserve assets in September 2026: US$433.4 billion. Net Investment Returns Contribution for FY2026: $28.48 billion, about a fifth of government spending. Outplacement mandates of 1998: S$25 billion by GIC and S$10 billion by the Monetary Authority. Equity Market Development Programme of 2025: S$5 billion. Swiss pension funds in 2024: 1,292 funds with CHF 1,220.6 billion.

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Notes

1. Swiss Federal Statistical Office, press release "Pension Fund Statistics 2024: Final results and key figures", embargo 21 January 2026: balance sheet total of Switzerland's 1,292 pension funds CHF 1,220.6 billion (2023: CHF 1,129.1 billion); net return on investment CHF 83.7 billion. ↩
2. Swiss National Bank, "Foreign exchange reserves and Swiss franc bond investments" (snb.ch, accessed November 2026): equities 28 per cent of foreign exchange reserves at 30 September 2026; passive management replicating broad market indices. Swiss National Bank, press release "Annual result of the Swiss National Bank for 2025", 2 March 2026: profit of CHF 26.1 billion; distribution of CHF 4 billion, one-third to the Confederation and two-thirds to the cantons. ↩

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