The agency house as intermediary

Dr Alexander Ressos, TEP
Attorney-at-Law (Switzerland and Germany),
Solicitor (England & Wales and Hong Kong)
Of Counsel, KGP Legal LLC
alexander.ressos@kgplegal.com.sg
www.ressos.com.sg

The functions of an agency house

The agency house was the central institution of the European commercial community. Its name described its function: it acted as agent for principals elsewhere. A manufacturer in Manchester who wanted to sell cotton goods in the archipelago consigned them to an agency house in Singapore, which sold them on commission and remitted the proceeds. A merchant in Calcutta who wanted to buy tin or pepper instructed a Singapore house to purchase it and ship it. A shipowner in London appointed a house to handle the loading, repair and provisioning of his vessels in the port.[1]

Over time the houses added functions that belonged to banking and insurance. They discounted bills of exchange drawn on London or Calcutta and bought and sold foreign currency. They extended credit to their Asian customers and accepted funds on current account from merchants and officials. Several acted as agents for insurance companies in London and Calcutta and arranged marine insurance for cargoes passing through Singapore. Before the first banks arrived in the 1840s, the agency houses performed most of the financial services that the port required.

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

The houses varied greatly in size and reliability. The largest were established firms with partners in London and correspondents throughout Asia. Many others were small partnerships with limited capital, founded by young men who hoped to make a fortune within a few years and return home. Failures were frequent, especially in times of commercial crisis, when the collapse of a single house could damage many of its customers and creditors.

The Chamber of Commerce of 1837

The merchants of Singapore organised themselves collectively in 1837, when they founded the Singapore Chamber of Commerce.[2] The Chamber gave the merchants a voice in their dealings with the government in Calcutta and London and a forum for settling common questions of commercial practice. Although European merchants dominated it, it included Asian members from its early years, as the appointment of a member of the Aljunied family shows. The Chamber campaigned for the interests of the port, including the preservation of the free port against proposals to impose duties. Later it took a leading part in the campaign to transfer the Straits Settlements from the Indian government to the Colonial Office.

The Chamber of Commerce is the ancestor of the business associations that have played an important role in Singapore's economic governance. Its successor, the Singapore International Chamber of Commerce, still exists. After the Chinese, Indian and Malay communities had formed chambers of their own, cooperation between government and business associations became a feature of the Singapore model.

Notes

1. On the functions of the agency houses in Singapore and their evolution from commission agents to trading and managing firms, see Turnbull, *A History of Modern Singapore 1819–2005*, chapters 1–2, and Stephanie Jones, *Two Centuries of Overseas Trading: The Origins and Growth of the Inchcape Group*, London, Macmillan, 1986. ↩

© 2026 Dr Alexander Ressos. General information only, not legal, tax or investment advice. No client relationship is created. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. More information at SingaporeIQ.com and ressos.com.sg.

2. The Singapore Chamber of Commerce was founded in February 1837; see National Library Board Singapore, HistorySG, "Singapore Chamber of Commerce is formed". ↩

Disclaimer

This article is provided for general information only. It is based on publicly available sources as at its date of publication. These sources have not been independently verified against licences, regulatory registers or the records of the entities concerned. It is not legal, tax, financial or investment advice. Nor is it a recommendation to invest in, transact with or use the services of any entity mentioned. Law and regulation change frequently, so the content may be incomplete or outdated. To the fullest extent permitted by law, Dr Alexander Ressos and the publisher of SingaporeIQ exclude all liability for loss or damage arising from the use of or reliance on this article. Readers should obtain advice on their specific circumstances before acting or refraining from action.

Names and trademarks of the entities discussed belong to their owners and are used for identification only. Their mention implies no endorsement, affiliation or allegation of wrongdoing. All Singapore law advice is provided by a duly licensed and regulated firm of Singapore advocates and solicitors only on the basis of an express written letter of engagement. Corrections and updates: contact@ressos.com.

© 2026 Dr Alexander Ressos. This article may be quoted with attribution to SingaporeIQ (SingaporeIQ.com). Reproduction in full and any commercial use require prior written consent. The Legal Terms at https://singaporeiq.com/legal-terms apply.

Author contact: Dr Alexander Ressos, TEP · contact@ressos.com