THE Singapore Management University (SMU) has said it does not need to access the capital market for fund raising for current projects, but may consider it in the future.

The university's response came a day after Nanyang Technological University said it plans to raise around $800 million next year through a variety of instruments that could include corporate bonds and term loans.

Early this month the National University of Singapore separately announced a $1 billion medium-term note programme to fund new facilities and services.

SMU said in a statement: “Currently, under this policy, the financing required for the remaining development projects for SMU is relatively small. We are able to raise this through bilateral loans with banks at competitive financing costs, so there is no need to access the capital market.”

However, for future projects that require substantial financing and are “worthwhile accessing the capital markets, we will certainly consider that as a source of financing,” it added.

Local universities are looking to raise funds as they prepare for next year's transition from governmental statutory boards to quasi-governmental agencies with greater operational and financial autonomy. SMU already enjoys a relatively autonomous status.

— DOW JONES