

Mixed bag of results for S'pore in cost study

Several goods pricey but others cheap, survey finds

By MOK FEI FEI

SINGAPORE is one of the priciest places to buy a set of wheels, get a gym workout or have a beer but it also has some of the world's cheapest products and services around, according a study compiled by Deutsche Bank.

A new Volkswagen Golf costs US\$126,499 (S\$158,000) in Singapore, far more than the US\$55,516 it would set you back in Kuala Lumpur and more than five times the US\$23,113 price tag in New York.

There is no point in drowning your sorrows over the high cost, either, with a pint of beer costing a sizeable US\$7.94 in Singapore, the second most expensive pint behind Paris at US\$8.11.

Working out at the gym will also burn a hole in your pocket, with a month's membership in the business district hitting US\$131.79, trailing only Moscow, where the fees stand at US\$142.49.

But consumers can find relief when it comes to buying other goods and services.

Sending a bouquet of roses to your loved one's doorstep will cost US\$73.99, the same price as Brazil and the second cheapest in the world. Only France, Germany and South Africa offer the service at a cheaper rate - US\$67.14.

Deutsche Bank collated the data from prices posted on the Internet and from secondary sources. Comparisons were made either at the national or city level, depending on the type of item scrutinised or the figures available.



CHEAP

FLOWERS: Singapore is the second cheapest place to have a bouquet of roses delivered to one's door step - US\$73.99. Only France, Germany and South Africa offer the service at a cheaper rate of US\$67.14. ST FILE PHOTO

Public transport and health insurance costs in Singapore are also among the lowest in the world.

The minimum fare for a single ride on a Singapore bus or train is 61 US cents, with only China, Malaysia, Mexico and India offering cheaper fares.

Public transport fares in India were the cheapest, with a single ride in New Delhi only eight US cents and 10 US cents in Mumbai.

The most basic health insurance annual premium for a Singaporean aged 25 to 35 is US\$90.50, more expensive than Mexico (US\$49.88), Indonesia (US\$75.41), India (US\$79.60) and the Philippines (US\$85.17).

Singapore ranks in the middle of the pack among its peers in the developed economies for items like a pair of Levi's jeans, an iPhone and office rental space.



COSTLY

CARS: Singapore is the most expensive place in the world to buy a car, according to the survey by Deutsche Bank. A Volkswagen Golf here costs US\$126,499, compared with US\$55,516 in Kuala Lumpur and US\$23,113 in New York.

BEER: A pint of beer here costs US\$7.94 - the second most expensive city to enjoy your drink, after Paris.

PHOTOS: ST FILE, SEAH KWANG PENG

Deutsche Bank global strategist Sanjeev Sanyal at a briefing yesterday said that Singapore has become a more expensive place to live in because of recent lofty levels of inflation and a strong currency.

The higher exchange rate against the greenback means the value of goods and services goes up when converted to the US dollar, the benchmark currency used in the survey.

He added that Singapore's cost of living calculation varies greatly because of government intervention. Subsidies are given for activities deemed beneficial and sin taxes imposed for those deemed detrimental.

"If you're living in an HDB housing estate, sending your kids to a local school and using the MRT, life may not look horrendously expensive," Mr Sanyal said. "It's not cheap... but it's not completely out-of-whack expensive."

Overall, he noted that Australia is the most expensive major economy while the United States is generally the cheapest developed country.

Singapore lies in the middle but Mr Sanyal declined to rank the country, saying that much depends on the basket of goods chosen for comparison.

On a lighter note, he also created a "cheap date index" that found it was most economical for suitors in Mumbai to bring a date out for a meal to McDonald's and a movie with a couple of beers thrown in.

"But if you take the date out to McDonald's, it's very likely you won't get a date afterwards," Mr Sanyal quipped.

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