

News Release

Tighter budgets this Lunar New Year see priority given to spending on family and food: UOB Survey

Singapore, 12 January 2017 – The annual United Overseas Bank (UOB) Lunar New Year Survey¹ has revealed that while budgets may be lower this year Singaporeans will focus their spend on family and food.

Of their average Lunar New Year budget of \$2,503, the respondents said that \$521 will be spent on food - an increase of seven per cent over last year. This is despite the higher cost of food this year. Almost half of the budget reserved for food will go towards celebrating a reunion dinner with loved ones.

UOB economist Mr Francis Tan said the desire for the respondents to treat their families as they did last year does not appear to have been hampered by higher food prices. The increase in cost is largely due to a combination of factors such as poor weather conditions which have affected food supply. The weakening Singapore dollar has also made it more costly to import food. Nevertheless, Singaporeans are not tightening their belts for food this Lunar New Year.

“Food plays an important part in the way Singaporean families bond with one another and festive dining would definitely be higher in the pecking order during Lunar New Year celebrations. It is not surprising to see that people are continuing to focus on food during the festive period.”

The tradition of giving red packets continues to be a significant part of Lunar New Year festivities, making up almost a quarter of the total budget (24 per cent).

Parents and parents-in-laws will receive the highest amounts in their red packets this year, at \$358 and \$264 respectively.

Similar to last year, more than three out of four respondents indicated that they will save the money they receive in their red packets (76 per cent), while 16 per cent will invest it. Almost 90 per cent of respondents receiving red packets on behalf of their children will deposit the money into their child's savings account.

¹ The UOB survey, conducted by Ipsos, interviewed 501 people in Singapore aged between 18 and 55 on the behaviours and attitudes for the 2017 Lunar New Year. The survey was conducted from November to December 2016.

News Release

Overall, respondents indicated that they intend to spend an average of \$2,503 each, a drop of close to 11 per cent as compared with last year's budget of \$2,805.

The lower overall budget may be a reflection of consumer sentiment. Four in five respondents indicated that they expected the economic situation in 2017 to be the same as or worse than 2016.

Mr Tan also said that given lower wage growth last year and the expectation of slower economic growth this year, tighter budgets for the festive period are not unexpected.

“Although Singaporeans are planning to spend less this Lunar New Year, it is heartening to see that the majority want to uphold traditions such as reunion dinners and the giving of red packets.”

Roosters rule the roost in red packet designs

For the second consecutive year, red packet designs featuring the zodiac animal of the year and silk weaving continue to be the most preferred red packet design options among respondents (38 per cent each).

Respondents also indicated a preference for red packets made with recycled paper (27 per cent), up five per cent from last year.

To welcome the Year of the Rooster, UOB has drawn on the boldness of the rooster for its 2017 red packet designs. UOB has developed three different designs for the year for the Bank's different customer segments. UOB also composed special New Year greetings for each design.

- For personal banking customers, the red packet features six roosters in geometric shapes to delight the young and young at heart and an auspicious greeting “鸿运吉祥” to wish recipients good fortune.
- For corporate and affluent customers, the red packet features a rooster welcoming the sunrise, signifying the dawn of new opportunities in the year to come. The auspicious greeting “鸿福满堂” sends wishes of joy and abundance.
- For Private Banking customers, the colourful trail of rooster feathers is used to signify the scaling of new heights, coupled with an auspicious greeting “鸿图大展” to wish recipients great success.

News Release

The auspicious colours of red, plum and gold were selected and each packet features a brush stroke to signify “a stroke of good luck”.

For the third year, UOB has also used paper certified by the Forest Stewardship Council for its red packets. This is the highest standard of responsible forestry management and is one of the ways UOB supports the sustainable use of natural resources.

-ends-

About United Overseas Bank

United Overseas Bank Limited (UOB) is a leading bank in Asia with a global network of more than 500 offices in 19 countries and territories in Asia Pacific, Europe and North America. Since its incorporation in 1935, UOB has grown organically and through a series of strategic acquisitions. UOB is rated among the world’s top banks: Aa1 by Moody’s and AA- by Standard & Poor’s and Fitch Ratings respectively.

In Asia, UOB operates through its head office in Singapore and banking subsidiaries in China, Indonesia, Malaysia and Thailand, as well as branches and representative offices.

UOB plays an active role in the community, focusing on art, children and education. It has, over more than three decades, held the longest-running art competition in Singapore, the UOB Painting of the Year, which has since been extended across Southeast Asia. In recognition of its contributions to the arts, UOB was conferred the Singapore National Arts Council’s Distinguished Patron of the Arts Award for the 12th consecutive year in 2016. UOB also encourages its employees across the region to be involved in its regular volunteer activities. This includes the annual UOB Heartbeat Run which is held in China, Indonesia, Malaysia, Singapore and Thailand.

For media queries, please contact:

Eunice Seow
Group Strategic Communications and Customer Advocacy
Email: Eunice.SeowHW@UOBGroup.com
Tel: 6539 3986

Maybelline Tan
Group Strategic Communications and Customer Advocacy
Email: Maybelline.TanWL@UOBGroup.com
Tel: 6539 4062