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The Year of the Monkey is off to a swinging start as Singaporeans are set to spend more this Lunar New Year

Overall festive budget increases by 20 per cent despite cautious economic outlook

Singapore, 25 January 2016 – The Lunar New Year may be a few weeks away but the festivities are already in full swing. The annual United Overseas Bank’s (UOB) Lunar New Year Survey¹ takes the pulse of this year’s celebrations.

Bigger budgets as families branch out to celebrate

Overall, Singapore consumers intend to spend an average of S\$2,805 each to usher in the Year of the Monkey, 20 per cent more than last year’s budget of S\$2,345. The increase can be attributed to more respondents planning to travel, with nearly two in five of respondents (39 per cent) planning to go away during the festive period as compared with 32 per cent last year.

Travel includes visiting friends and relatives overseas, an overseas holiday or a staycation. Among those planning an overseas holiday or a staycation, three in five said it was to spend time with their families.

No monkey business

Despite the higher overall budget, respondents remain cautious about 2016’s economic outlook. Forty-four per cent of the survey respondents said they thought Singapore’s economic situation would stay the same as 2015, while 36 per cent said they expected it to decline. One in five respondents said that they thought the economy would get better this year.

UOB economist Mr Francis Tan said, “Although overall spending has increased, partly due to real median monthly income having risen in 2015², it appears Singaporeans are cautious about what the playful Year of the Monkey may hold. Nevertheless, family is priority when it comes to giving red packets and even those travelling overseas for a holiday plan to do so with family time in mind.”

¹ The UOB survey, conducted by Ipsos, interviewed 503 people in Singapore aged between 25 and 55 on the behaviours and attitudes for the 2016 Lunar New Year. The survey was conducted in December 2015.

² Singapore Workforce 2015, Ministry of Manpower, <http://www.mom.gov.sg/newsroom/press-releases/2015/1130-singapore-workforce-2015>

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This year, parents and parents-in-law can look forward to fuller red packets. On average, Singaporeans will give each parent S\$389, nearly double that of 2015's average of S\$209. Parents-in-law will each receive an average of S\$232 this year, 33 per cent more than what they received last year (S\$174).

Similar to last year, there continues to be a focus on being prudent in 2016. Among those receiving red packets, nearly three out of four respondents said they would save the money while 15 per cent would invest it and 11 per cent would use it to pay off debt. Almost 95 per cent of respondents receiving red packets for their children said they will put the money into a savings account (86 per cent in 2015).

Bearers of wealth and luck

When it comes to selecting red packets, more than half the respondents expressed a preference for eye-catching and innovative designs. Silk weaving (41 per cent), Zodiac Animal of the Year (39 per cent) and calligraphy (37 per cent) emerged as the top three traditional Chinese art forms respondents most wanted to see featured on red packets.

In response to the survey feedback, UOB has drawn on the heritage of Chinese paper folding and the Year of the Monkey for its 2016 red packet design. As monkeys are often associated with wealth and luck in the Chinese zodiac, the UOB red packet design features paper-folded silhouettes of eight auspicious monkeys 'dancing' in a playful and energetic manner. Available in four colours, the fuchsia and rose gold keep the design modern while the red and gold cater to traditional tastes.

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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, Western 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, Thailand and the Philippines, 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

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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 tenth consecutive year in 2014. 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.

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