

Malaysia's Performance in Worldwide Cost of Living 2014

The
Economist

Intelligence
Unit

Worldwide Cost of Living 2014

Which city is the most expensive to live in?

Which city is the cheapest?

A summary from The Economist Intelligence Unit



1.0 Introduction

1.1 This survey is published twice yearly that compares the prices of over 400 items across 160 products and services. These include food, drink, clothing, household supplies, home rents, recreation, transport, utility bills and private school Fees.

2.0 Highlights of the Report

2.1 Singapore has been named the world’s most expensive city to live in 2014, according to the Economic Intelligence Unit (EIU) Worldwide Cost of Living 2014, which was released yesterday (4th February 2014). The city replaced Tokyo, last year’s winner, which has been pushed out into joint-sixth place. Making up the rest of the top five were Paris, Oslo, Zurich and Sydney in fifth.

2.2 The city-state was 18th most expensive ten years ago and has actually seen the cost of living compared with New York City decline over the last 12 months. However, over the last decade a 40% currency appreciation, coupled with solid price inflation, has consistently pushed Singapore up the ranking.

2.3 The city also has some structurally expensive items that skew the overall cost of living upwards. For example, car costs have very high related certificate of entitlement fees attached to them, which makes Singapore significantly more expensive than any other location when it comes to running a car. As a result, transport costs in Singapore are almost three times higher than in New York.

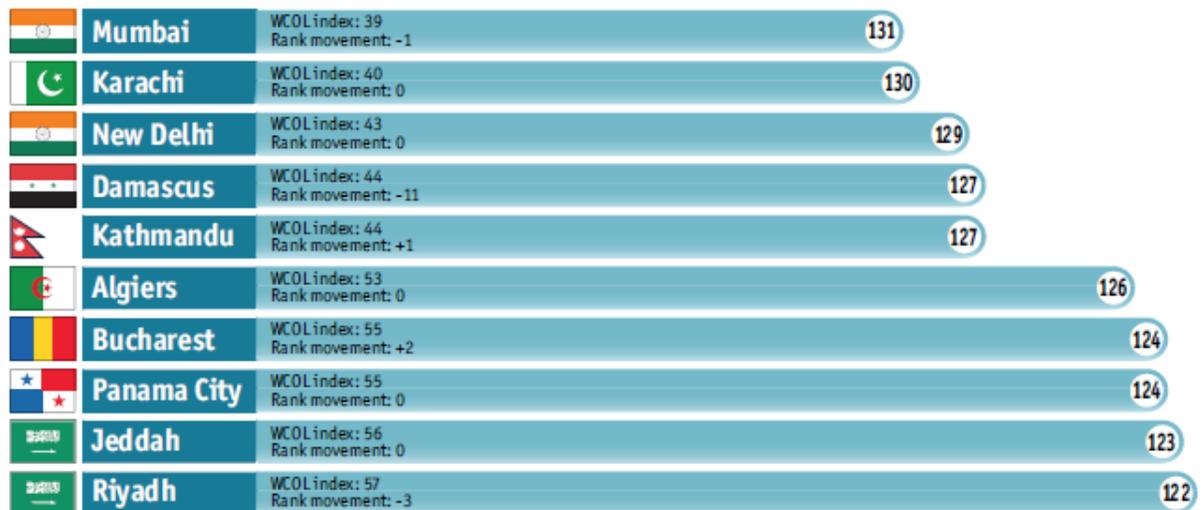
3.0 Key Findings



Prices. Now and then - Top 10 cities

	City	Singapore	Paris	Oslo	Zurich	Sydney	Caracas	Geneva	Melbourne	Tokyo	Copenhagen
Average US\$ price	Current	\$3.36	\$8.44	\$5.91	\$6.19	\$4.65	\$11.02	\$6.38	\$4.43	\$7.12	\$4.82
	Last year	\$3.25	\$8.95	\$6.31	\$6.08	\$5.03	\$9.40	\$5.63	\$4.87	\$9.06	\$4.47
1kg loaf of bread	5 years	\$2.90	\$7.31	\$5.33	\$5.13	\$3.52	\$6.98	\$5.86	\$3.77	\$7.55	\$3.82
	10 years	\$2.97	\$5.27	\$3.10	\$5.24	\$2.40	\$3.07	\$4.67	\$2.19	\$6.15	\$2.74
Average US\$ price	Current	\$25.04	\$11.45	\$17.13	\$15.82	\$22.58	\$22.41	\$8.39	\$22.28	\$12.53	\$13.70
	Last year	\$25.65	\$9.45	\$17.58	\$16.74	\$25.38	\$18.14	\$8.19	\$25.03	\$15.95	\$12.03
1 bottle table wine (750ml)	5 years	\$22.52	\$8.62	\$16.63	\$12.24	\$18.27	\$14.61	\$7.42	\$17.45	\$12.13	\$10.79
	10 years	\$13.25	\$6.34	\$12.50	\$7.83	\$11.58	\$6.04	\$5.91	\$11.11	\$10.49	\$8.66
Average US\$ price 20 branded cigarettes	Current	\$9.55	\$8.95	\$15.44	\$8.83	\$15.75	\$6.36	\$8.72	\$15.50	\$4.45	\$7.35
	Last year	\$9.76	\$8.10	\$15.24	\$8.32	\$15.48	\$7.30	\$8.32	\$15.72	\$5.57	\$7.12
Average US\$ price 1 litre unleaded petrol	5 years	\$8.11	\$7.57	\$12.07	\$6.15	\$7.72	\$3.72	\$6.15	\$7.96	\$2.96	\$6.10
	10 years	\$4.72	\$4.29	\$9.24	\$3.53	\$5.26	\$1.25	\$3.53	\$5.21	\$2.57	\$4.98
Average US\$ price	Current	\$1.73	\$2.50	\$2.41	\$2.06	\$1.35	\$0.02	\$1.96	\$1.35	\$1.73	\$2.18
	Last year	\$1.74	\$2.38	\$2.61	\$2.01	\$1.50	\$0.02	\$2.04	\$1.49	\$1.97	\$2.07
1 litre unleaded petrol	5 years	\$1.36	\$2.44	\$2.05	\$1.69	\$1.28	\$0.05	\$1.69	\$1.28	\$1.69	\$2.05
	10 years	\$0.69	\$1.21	\$1.20	\$1.02	\$0.63	\$0.06	\$1.04	\$0.57	\$0.96	\$1.20

The ten least expensive cities in the world



Note. WCOL index (New York=100).
Source: The Economist Intelligence Unit.

Prices. Now and then - Bottom 10 cities											
	City	Riyadh	Jeddah	Bucharest	Panama						
	City	Algers	Damascus	Kathmandu	New Delhi	Karachi	Mumbai				
Average US\$ price	Current	\$1.78	\$1.61	\$2.07	\$3.53	\$2.44	\$1.88	\$1.26	\$1.05	\$1.59	\$0.91
	Last year	\$1.41	\$1.33	\$1.92	\$3.34	\$1.89	\$3.62	\$1.21	\$1.11	\$1.76	\$0.86
5 years	\$1.57	\$1.18	\$2.77	\$2.72	\$2.92	\$2.03	\$0.96	\$0.84	\$1.78	\$0.93	
1kg loaf of bread	10 years	\$2.67	\$1.38	\$1.14	\$1.95	\$3.05	n/a	n/a	\$0.67	\$1.59	\$0.73
Average US\$ price	Current	n/a	n/a	\$4.12	\$7.05	\$11.40	\$6.47	\$18.98	\$16.33	\$13.73	\$20.59
	Last year	n/a	n/a	\$3.77	\$6.92	\$11.28	\$6.49	\$21.33	\$21.38	\$14.79	\$23.82
1 bottle table wine	5 years	n/a	n/a	\$4.73	\$10.00	\$8.18	\$3.04	\$15.07	\$39.24	\$10.47	\$25.22
(750ml)	10 years	n/a	n/a	\$2.56	\$10.49	\$3.59	\$2.90	n/a	\$37.06	\$10.38	\$26.98
Average US\$	Current	\$2.40	\$2.31	\$4.16	\$4.50	\$4.89	\$1.58	\$1.53	\$2.20	\$1.56	\$1.53
	Last year	\$2.17	\$2.40	\$3.59	\$4.08	\$5.01	\$2.35	\$1.69	\$2.08	\$1.73	\$1.79
price 20 branded	5 years	\$1.47	\$1.60	\$2.53	\$1.80	\$3.98	\$2.35	\$1.26	\$1.88	\$1.35	\$1.87
cigarettes	10 years	\$1.42	\$1.33	\$0.95	\$1.40	\$2.31	\$1.59	n/a	\$1.49	\$1.24	\$1.60
Average US\$ price	Current	\$0.13	\$0.13	\$1.75	\$1.17	\$0.28	\$0.78	\$1.24	\$1.14	\$1.14	\$1.21
	Last year	\$0.13	\$0.13	\$1.71	\$1.15	\$0.28	\$0.90	\$1.41	\$1.24	\$1.23	\$1.38
1 litre unleaded	5 years	\$0.15	\$0.15	\$1.63	\$1.05	\$0.37	\$0.78	\$1.33	\$1.17	\$1.18	\$1.22
petrol	10 years	\$0.24	\$0.24	\$0.84	\$0.45	\$0.29	\$0.52	n/a	\$0.72	\$0.55	\$0.81

4.0 Methodology

- 4.1 The survey itself is a purpose-built internet tool designed to help human resources and finance managers calculate cost-of-living allowances and build compensation packages for expatriates and business travellers. The survey incorporates easy-to-understand comparative cost-of-living indices between cities. The survey allows for city-to-city comparisons, but for the purpose of this report all cities are compared to a base city of New York, which has an index set at 100. The survey has been carried out for more than 30 years.
- 4.2 More than 50,000 individual prices are collected in each survey, conducted each March and September and published in June and December. EIU researchers survey a range of stores: supermarkets, midpriced stores and higher-priced speciality outlets. Prices reflect costs for more than 160 items in each city.
- 4.3 Prices gathered are then converted into a central currency (US dollars) using a prevailing exchange rate and weighted in order to achieve comparative indices. The cost-of-living index uses an identical set of weights that is internationally based and not geared toward the spending pattern of any specific nationality. Items are individually weighted across a range of categories and a comparative index is produced using the relative difference by weighted item.

Note: Kuala Lumpur is not mentioned in the report. The full report need to be subscribed at the amount \$995.