

# Rise of the Super Wealth Hub Series



**Singapore  
Edition**

An APAC-Middle East Research Initiative Uncovering the  
Transformation of Super-Wealth Hubs in Shaping Global Wealth  
Landscape

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# Singapore - Asia's Capital Nerve Centre

Singapore emerged from the COVID-19 pandemic with its safe-haven status enhanced, attracting private wealth from the region and around the globe. Known for its stability even amid global uncertainty, Singapore is unique in its offerings as a global wealth management and financial hub anchored in political stability, low corruption rates and transparent public institutions. The country's pro-business government also makes it a favoured base for businesses and investors seeking to capture the huge growth potential in Asia.

With concerted planning and the development of modern infrastructure, the government has conceived the cosmopolitan city-state as an attractive, vibrant and distinctive place to live, work and play.

## WORK

Being geographically small with no natural resources, Singapore does not have the advantage of scale and hinterland that other gateway cities worldwide enjoy, and hence, the total GDP as a city often cannot compare with others. However, even at 733.2 sq km in size with a total population of 5.6 million, the small island nation had the world's second-highest Gross Domestic Product (GDP) per capita by country in 2022.

With a highly educated English-based workforce, Singapore attracts high-value-added technology companies and manufacturers, international finance institutions, and

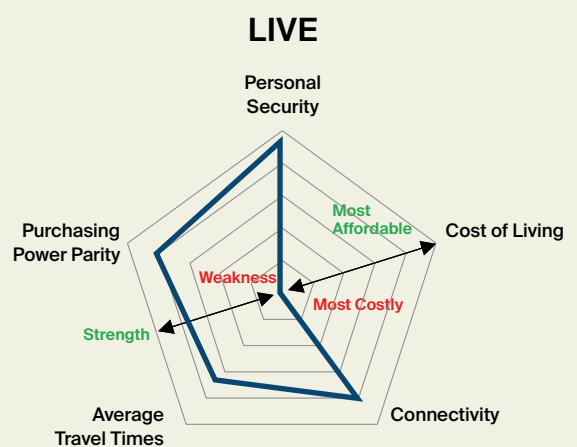
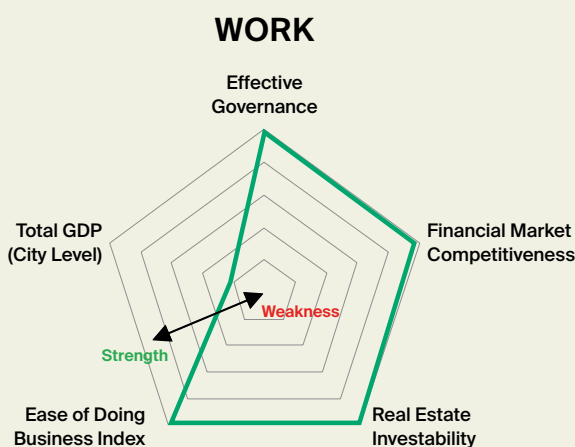
multinational companies looking to expand and tap into the growing middle-class populations of emerging economies in Southeast Asia. As such, the country ranks high in innovation, governance, competitiveness, and ease of doing business. With limited land resources, local and foreign demand firmly supports real estate values as affluence steadily increases.

## LIVE

With the affluence brought about by industrialisation and maturity into a commercial hub, the strength of the Singapore currency, the development of public infrastructure and social mobility contributed to a stable and consistently increasing standard of living with a high level of public safety. However, the pace of progress has also driven up costs, and Singapore ranks as one of the most expensive cities in the world.

With the development of mass transit lines along population and employment centres, the number of hours spent driving in rush hour converts to shorter commuting times.

Being strategically located along the world's major trade, shipping and aviation routes at the Southern tip of the Malaysian peninsula, Singapore is one of the world's most connected countries. It is within a six-hour flight radius of any Southeast Asian country and a seven-hour flight radius to major gateway cities in Asia.



\*The various elements are based on global ranking sources. The closer to the circumference of the radial chart represents a higher rank while a position nearer the centre denotes a weaker one. See appendix 1 and 2 for more details.

## PLAY

However, in the play segment, Singapore's small size limits the development of land-extensive recreational facilities such as golf courses, theme parks and sprawling national parks. The importance of shipping and port facilities has also limited the number and length of beaches for recreational use on the island. The need to maximise land use has led to the shops being housed in shopping malls instead of high-street shopping.

Nevertheless, Singapore is not short on luxury accommodation with an estimated 46 5-star hotels in a small country, 51 Michelin-star restaurants and a proliferation of more than 200 shopping malls island-wide. Together, these draw in tourist arrivals that hit a record high of 19.1 million in 2019, before the pandemic. In the eight months of 2023 to date, the 9.0 million international arrivals recorded have exceeded the full total of 6.3 million in 2022, when border controls were first relaxed after the imposition of pandemic restrictions.

## GREEN

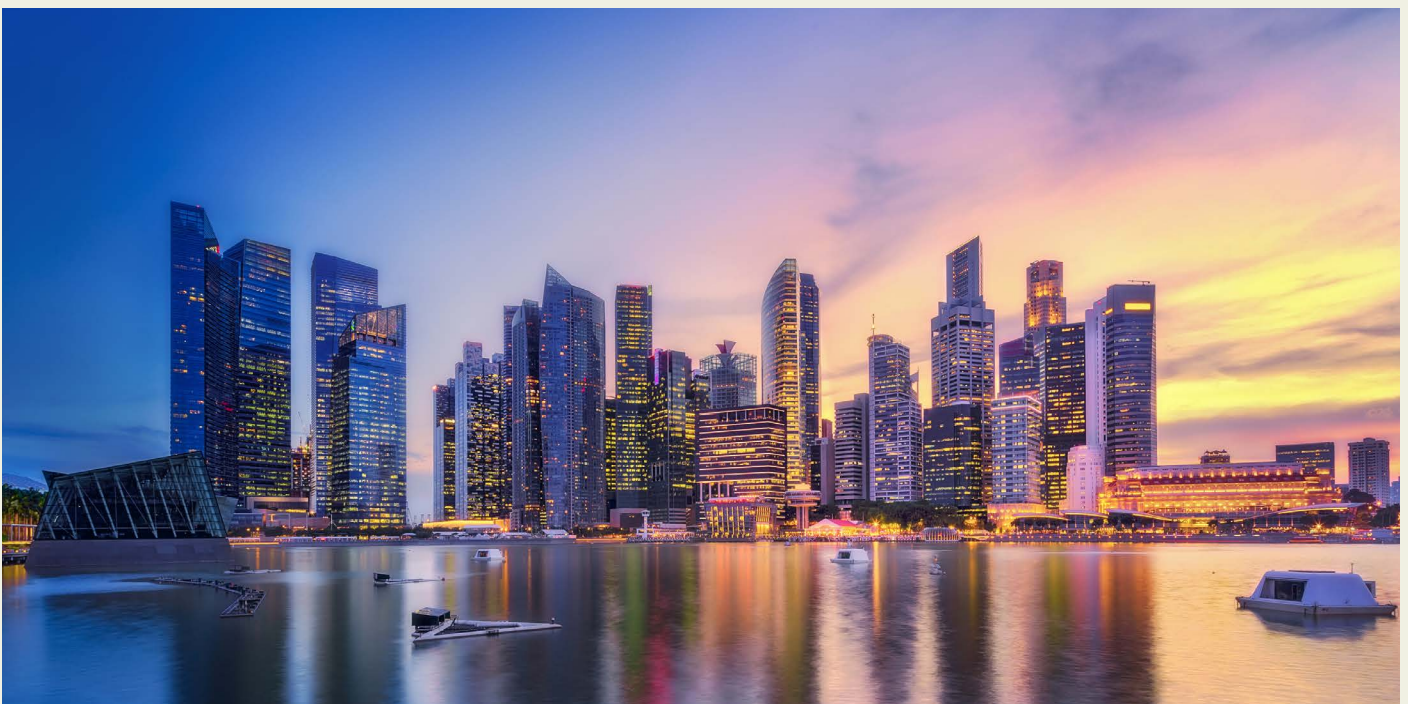
Being a responsible global citizen, the Singapore Green Plan 2030 has concrete targets to advance Singapore's national agenda on sustainable development, even though Singapore contributes only

0.1% of global emissions. These include developing over 130 ha of new parks to augment the 170 ha of existing parks by 2026 and to reduce the amount of waste to landfill per capita per day by 20%. By 2030, 80% of Singapore's buildings by gross floor area (GFA) are targeted to be green, with 80% of new buildings (by GFA) to be Super Low Energy buildings. Being an island nation, Singapore would have to adapt and protect its coastlines from rising sea levels and bolster flood resistance. Among the multiple 2030 targets, the formulation of coastal protection plans for the City-East Coast, North-West Coast (Lim Chu Kang and Sungei Kadut) and Jurong Island must be completed.

## RESIDENTIAL MARKET PERFORMANCE

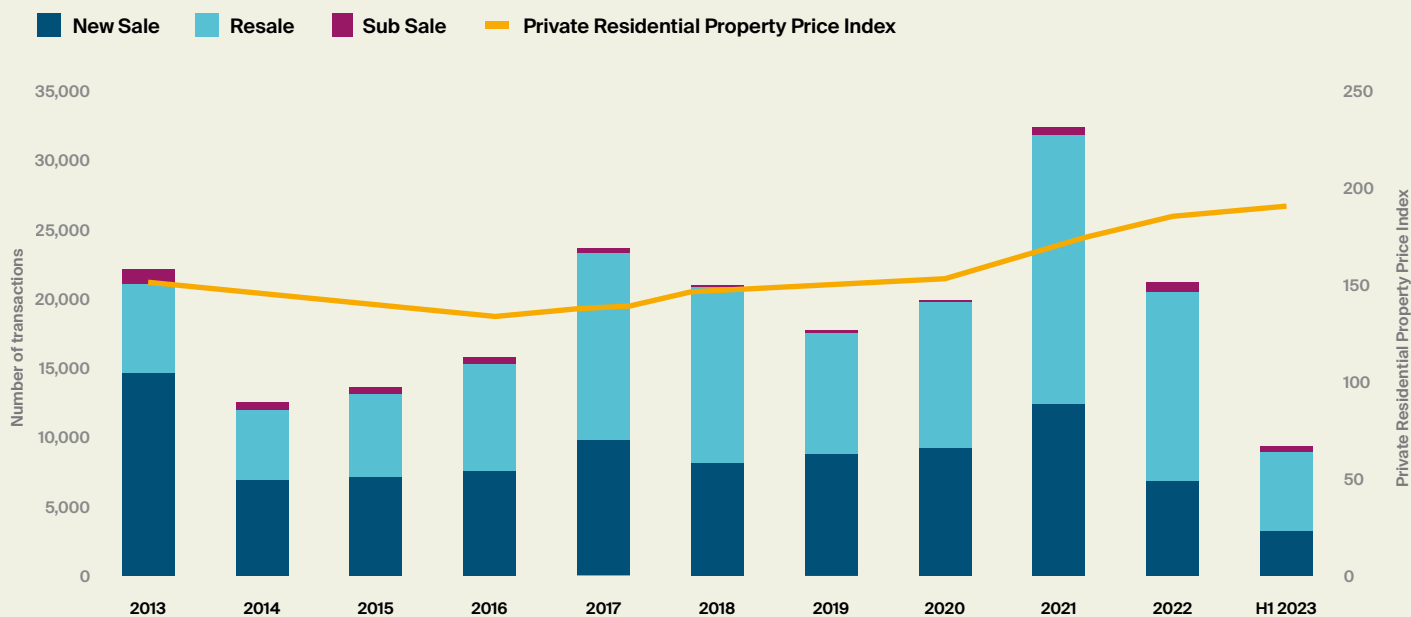
Singapore has a model public housing programme that is often the envy of other cities, housing more than 70% of the population. With the private residential market comprising slightly under 30% of all housing inventory, these have been underpinned by domestic demand in the fringe and suburban areas in the recent three years since the pandemic. Nevertheless, Singapore's reputation as a safe haven in a contemporary cosmopolitan urban setting also attracted many HNWIs and families who have historically been active in the luxury home market in the

prime areas. However, in April 2023, the government announced an increase in Additional Buyer's Stamp Duty (ABSD) rates for foreigners that doubled from 30% to 60%, the effect of which will shift some foreign buyer interest to the side-lines until a time when there is more clarity in the interest rate environment and the global economy. Prices in the private home market in Singapore increased 26.6% in the three-and-a-half years from 2020 to June 2023, despite the pandemic. Demand from local homebuyers continues to remain. With the prevailing economic uncertainty in 2023 looming in the minds of homebuyers, private home prices are expected to stabilise, with further increases being more subdued. Due to increased ABSD rates, potential investors and foreign buyers might adopt a wait-and-see attitude. New residential units will likely be more sought after than resale units, selling at prices reflecting the land costs committed 12-18 months ago and heightened construction costs. With overall private residential prices increasing about 3.1% in the first half of 2023, this is on track to fall within Knight Frank's projection of a muted 3% to 5% increase for the whole of the year.



## Residential Market Performance

Singapore Private Residential Transactions and Price Index



Source: URA, Knight Frank Research

## APPENDICES

### Appendix 1: 'Work' elements and scores

ORIGINAL INDEX	CHANDLER GOOD GOVERNMENT INDEX	GLOBAL FINANCIAL CENTRE INDEX	SCHRODERS GLOBAL CITIES INDEX	WORLD BANK	VISUAL CAPITALIST
CATEGORY	EFFECTIVE GOVERNANCE	FINANCIAL MARKET COMPETITIVENESS	REAL ESTATE INVESTABILITY	EASE OF DOING BUSINESS	TOTAL GDP (CITY LEVEL)
SCORE	0.99	0.98	0.99	0.99	0.22

### Appendix 2: 'Live' elements and scores

ORIGINAL INDEX	EIU SAFE CITIES INDEX (SCI)	EIU WORLDWIDE COST OF LIVING	OAG MEGA HUBS INTERNATIONAL INDEX	TOMTOM TRAFFIC INDEX	KNIGHT FRANK WEALTH REPORT 2023: NUMBER OF SQM US\$1M BUYS
CATEGORY	PERSONAL SECURITY	COST OF LIVING	CONNECTIVITY	AVERAGE TRAVEL TIMES	SPACE METRIC
SCORE	0.95	0.00	0.82	0.67	0.80

## METHODOLOGY

The assessment process involves the utilisation of six comprehensive blended indicators, each meticulously designed to capture key dimensions of urban excellence. These indicators encompass Urban Prosperity, Governance and Talent, Legal Framework, Enterprise Excellence, Lifestyle, and Opulence. Our methodology is anchored in a proprietary model that harmoniously amalgamates these indicators, facilitating a comprehensive evaluation of cities based on the work, live, and play paradigm.

The bedrock of our analysis is a compendium of globally recognised city rankings meticulously curated to

encompass a spectrum of categories. These rankings include eminent indices such as the EIU Safe Cities Index, Mercer Cost of Living City Ranking (2023), Chandler Good Government Index, Schrodgers Global Cities Index, and Forbes Travel Guide's 2023 Star Awards. Our model establishes a robust foundation for evaluating cities' performance across multifaceted criteria by sourcing data from these authoritative sources.

A meticulous procedure of normalisation is employed to enable a holistic and nuanced comparison across cities. This critical step involves rebasing raw indicator data to a standard unit,

facilitating aggregation. All indicators within our model are calibrated on a scale of 0 to 1, where a score of 1 signifies the highest attainment of the given indicator, while a score of 0 denotes the lowest.

The resultant indices derived from this process are not standalone; they interweave seamlessly to unveil a comprehensive portrait of urban prowess. The combination of these indices, each highlighting a unique aspect of city excellence, results in a complete evaluation that goes beyond individual factors.

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The Wealth Report: Outlook 2023



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We like questions, if you've got one about our research, or would like some property advice, we would love to hear from you.



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