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The Money Issue

CHIANG MAI

Thailand - think shopping, think beaches, think hot sunny weather, think spicy tom yum goong. It seems everyone is heading to Thailand nowadays, but often to them, Thailand only means Bangkok — which while it's a bustling, vibrant place, isn't the whole story.

What lots of people overlook however, is the underrated gem of Chiang Mai. Northern Thailand's largest city, Chiang Mai (aka "the Rose of the North") feels miles away from the noisy bustle and sticky heat of the south, surrounded by mountains and lush countryside. This makes it much cooler and quieter than the capital, but yet with a large community of expats and a cosmopolitan air, complete with its own cultural charm.



> THE CULTURE

Home to over 300 temples, some of them the most beautiful and revered in the country, Chiang Mai possesses a calm and graceful elegance rich in cultural and historical significance. This includes her arguably most impressive temple - Wat Phra That Doi Suthep. Located on Doi Suthep, you can head over to Doi Suthep National Park as well, which is home to beautiful waterfalls and lush forests inhabited by nearly 300 species of birds and small mammals, like the Assam Macaque that has been listed as Near Threatened by the International Union for Conservation of Nature.



> THE ACTIVITIES

Thrill-seekers, Chiang Mai's also all about adventure. In fact, Chiang Mai is a great place for whitewater rafting at the Mae Taeng River, with endless Class 3-4 rapids (small to medium waves), surrounded by picturesque scenery. There is also Crazy Horse Butte, a famous crog with various rock climbing routes accessible to beginner and seasoned climbers alike.



There's also loads of nearby hiking, like the Doi Inthanon Nature Trail, a 4.5km long hike on the highest mountain of Thailand. Or perhaps you could explore some of the spectacular rock formations - the Chiang Dao Cave is one such jewel, and legend has it that it stretches so long such that it actually connects with several other caves, emerging somewhere in Shan state across the Burmese border.



Further up from the cave, Padung Village is home to the 'Long Neck Karen' ethnic hill-tribe, where local women wear multiple brass rings around their necks, wrists and ankles. It's ideal to explore (with respect, of course) and get a feel of their culture and way of life!

> THE FOOD

A vast array of affordable, mouth-watering delicacies are available in Chiang Mai; check out their street food and the legendary Khao Soi, a local dish that combines flat wheat noodles with deep-fried crispy noodles in a spicy coconut chicken curry broth. Unique to the region, a decent bowl of this goodness would be difficult to find even in Bangkok, making it a must for visitors.



> THE SHOPPING

Just 20 minutes away by tuk-tuk, Bor Sang Village is well-known locally and specialises in the paper umbrella-making craft. Renown for its outstanding handcraft quality as well as signature floral designs, here you'll find plenty of hand-painted umbrellas, tiny cocktail umbrellas, giant parasols for gardens or patios and other handmade products — all made from sa paper (produced from the bark of the mulberry tree) and, a more recent development, cotton.



Chiang Mai is a place that's both relaxing and invigorating. Filled with little quirks at every corner, it's the place to go to when you want to escape from the edginess of the rat race here in Singapore and recharge your batteries.

> GETTING THERE

Book a flight with Tigerair now to Chiang Mai — it's only just 3 hours long, perfect for some quick shut-eye. With 3 flights every week, book early to secure the sweetest deals exclusive for Campus readers @S\$217 all-in return, using the promo code TRCNX20, valid till 30 July 2016.

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The Business of Adult Toys



BY CHAN CHOY YU

TRIPPING IN TAIWAN

TAIWAN ON A BUDGET

SHOP IN TAIPEI

Filled with bargain finds, Wufenpu is the largest wholesale market in Taipei and has up to 1,000 shops selling a huge variety of products, ranging from clothes to bags to skincare. Try to look for off-season clearance racks, where items of relatively good quality can go for as cheap as NT\$50 - 100 (around S\$3). Do avoid heading there on Mondays, which is designated for wholesale shopping, when no shop owner is going to have time to entertain your haggling for just a few 'measly' pieces.

Alternatively, you could head over to the Jade Market in the Da'an District and the Buddhist Handicraft Street on Xiyuan Road near Longshan Temple, where you can find local specialties as souvenirs: jade, Buddhist items and wooden crafts.

When night falls, make your way to the popular Shilin or Raohe Night Market, the latter conveniently located just a stone's throw away from Wufenpu. Albeit much smaller than Shilin, it is equally famous for their pepper meat buns and spicy stinky tofu. At night, markets like these, food is relatively cheap, from as little as NT\$10 (approximately S\$0.50).

If you've been there, done that however, make a trip down to Tonghua Night Market, a short walk from Taipei 101 that exudes a more local feel with less tourists. This is really worth a visit for an authentic night market experience, including feasting on flavourful scallion pancakes, Taiwanese grilled sausages, and many other uniquely-Taiwan chow.

Hostels are a cheaper alternative to hotels. With a bit of research, clean hostels with breakfast and many other amenities can be found, such as Holo Family House, directly opposite Taipei Main Station. Prices can range from NT\$400 - 700 (~ S\$16 - 30).

Use intra-city buses and the subway to get around Taipei, as they are way more affordable than taxis. Here's a bonus: get an EasyCard, the equivalent of our EZ-Link card that can be purchased at all MRT stations and convenience stores. It will give you a 20% discount off cash fares, and all credit stored in the card can be refunded at any MRT station later.

The EasyCard will help you get around Taiwan.



Taiwanese Sausage

Who says travelling requires you to spend a bomb? If your wallet is skinnier than the models strutting down catwalks, Johor (or Pulau Ubin, even) is not the only option for you when you're itching for a quick getaway. Here's Taiwan, along with some sweet budget travel tips for you and your piggy bank:



EATING IN KAOHSIUNG

Kaohsiung is the second largest city and most important port in Taiwan. Most of what you want to see is clustered in a few areas that are within easy walking distance or a short bus ride from a Kaohsiung MRT (KMRT) station. These include the Love River that flows right through town, the Kaohsiung Harbour (Gushan District), the Lotus Pond area (Zuoying District) and the Gushan Ferry Terminal where you can take a 10-minute ferry ride (NT\$15, approximately S\$0.70) to Cijin Island (check out the renowned Seafood Street) from 9am to 2am daily.

With decades of culture and tradition poured into its cuisine, Kaohsiung offers loads of foodie experiences. It is also known for wonderfully fresh seafood dishes, like oyster omelettes. One notable store self-respecting foodies won't miss is Xin Yuan Fa Breakfast Shop located at Gangshan. Around for over 60 years and counting, its renowned papaya milk and green papaya buttered toast (the first of its kind) is an exquisite mix of sweet and savory that you have to try.



Yonghe Steamed Dumplings is another place that is well-loved by locals. Steamed dumplings are freshly made every morning and cooked after each order to ensure that every bite is piping hot and delectable. Located on Yancheng Street for more than 30 years, make sure you head down to sink your teeth (carefully) in that soupy goodness. Prices are around NT\$60 (~ S\$2.50) for 8 - 10 dumplings.

Just like in Taipei, a good hostel has local character and charm that most hotels can never match. Liohue hostel, near Liohue Night Market (another favourite of the locals that you have to check out) is one such place, costing just S\$20 - 30 a night.

EasyCards can also be used at KMRT stations from July 2016 onwards, but alternatively, a day pass can be bought for NT\$130 (~ S\$5.50) with a NT\$30 deposit (~ S\$3). With Kaohsiung being fairly flat, another great way to see the city is by bicycle. Bikes can be rented from the public bike rental stations located all over, usually at KMRT stations. Rental is often free for the first hour, with NT\$20 - 30 every half hour afterwards (S\$0.80 - 1.20).



ADVENTURE IN HUALIEN

Adventure seekers, Hualien is the place for you. A beautiful city by the sea, pristine beaches perfect for swimming and surfing can be found there, like the Cisingtan Beach and the Jici Beach. Alternatively, you can go whale-watching (if you're really lucky, but there usually are dolphins too) with Turumoan, the oldest and most well-known company in Hualien offering such services, for a reasonable NT\$750 (~ S\$31.50).

You can also take a shuttle bus (NT\$250 for a 1-day pass, roughly S\$10.50) to one of the seven wonders of Asia: the Taroko Gorge. Home to the Truku aboriginal tribe, Taroko is made up of marble-walled canyons, rugged wilderness and diverse birdlife, with 14 species of birds unique to Taiwan, like the colourful Mikado Pheasant, and half of all Taiwan's species of mammals found there, including wild boars and macaques. Taroko is a stunning setting for hiking, canyoning (try River King, where they have half-day trips for just NT\$1,200, about S\$50), and basically every single thing you'll never find in Singapore.



For local food, there's Hualien's famous East Gate Night Market, located between Beibin Park and Nanbin Park. For just NT\$30 - 100 (S\$1.30 - 4.20), you can find a variety of fun games, such as shooting darts and marbles, and a mouth-watering array of Instagrammable indigenous cuisine like aboriginal bamboo rice, grilled mochi (not the Japanese kind), and wild vegetables not commonly found even in other parts of Taiwan.

Again, hostels are a great way to penny-pinch. Just an 8-minute walk away from the Hualien train station, Overhead Hostel is one among the many that you can choose from to enjoy a comfortable stay that isn't going to burn a hole in your pocket, with the usual rates of S\$20-30.

If you can speak Chinese, there are a lot of buses around in Hualien. If you can't however, they can get pretty confusing, so another good mode of transport would be yet again, by bicycle. Rent one from the Giant bike shop in front of the train station for as little as NT\$100 (S\$4.20) a day, and cycle along the East Rift Valley or the Hualien City Coastal Bikeway - both hot spots for bike lovers.



The Fortune in Food

by Chan Choy Yu

KING OF SUGAR

Born in 1923 to parents who ran a modest sundry shop, this magnate is currently the richest man in Malaysia. He founded Kuok Brothers Sdn Bhd in 1949, trading agricultural commodities and later specialised in sugar refining. Expanding his business after Malaysia's independence, Kuok soon monopolised 80% of the nation's sugar market. Unlike most of his peers, Kuok was unafraid to work with the rest of the world - he traded with both the West and the Communists during the Cold War. This attitude and business acumen made him a huge success. Today, Kuok's businesses range from sugarcane plantations to hotels. Whether you're eating sugary desserts or staying at a Shangri-La hotel, you've most likely contributed one way or another to his current net worth of an estimated US\$10 billion.



Robert Kuok



RICE CRACKER ROYALTY

Pronounced "Wang Wang", which means prosperity, Want Want is a familiar label - their signature rice crackers and sweetened milk beverages can be found everywhere. Back at a time when most crackers in Taiwan were made from wheat, Tsai used rice, which could be found

easily at a low cost. He travelled to Japan in search of better technology, and in 1983, landed a lucrative deal with a rice cracker manufacturer. Soon Tsai monopolised 95% of the rice cracker market, and in 1992, he expanded into China. Today Want Want is a snack food giant controlling up to 80% of the market in the mainland. Completely transforming his father's small trading business, Tsai is now the richest man in Taiwan with a net worth of US\$5.9 billion, built one rice cracker at a time.



Take a look at your handphone. It must have been pricey, and you probably know that it's bringing big bucks to someone out there, be it the CEO of Apple, Samsung, or Xiaomi. What about spoons of sugar, or that snack you reach out for in the afternoon? I bet you've never stopped to think about the fortune amassed behind your everyday fare. Here are some unassuming foods by fine minds who've managed to make a name for themselves, despite dealing in decidedly less glamorous products, and all without the help of starting off with a silver spoon in their mouth.

SEAWEEED SUPERSTAR

Everyone's familiar with Tao Kae Noi, that ubiquitous fried seaweed snack. Founded by Tob, a young Thai-Chinese, when he was just 19, his success story has been made into the film, The Billionaire. Addicted to online gaming at 16, Tob was already earning US\$12,300 monthly from game tournaments and virtual weapon trading. Disinterested in studying, he dropped out of school at 17, and set up his own chestnut-peddling business in shopping malls, making himself a substantial income. Not long after, his family went bankrupt and new prohibitions on his chestnut business forced it to fold. Unfazed, Tob saw the sales potential in seaweed snacks and the rest is history. Today, Tao Kae Noi is the leading seaweed-snack brand in Thailand with a market share of 70%, making Tob, already one of the richest men in his country, a few baht richer with every packet you buy.



Aitthipat Kulapongvanich (Tob)

So forget the idea that the banking, technological or medical industries are the only roads to riches; it's often the littlest things in life. The next time you add some sugar to your coffee, munch on some seaweed snacks, or bite into that rice cracker, maybe consider the true value of that seemingly trivial item. Just some food for thought.

BY NURFAIZAH FAIZUWAN

THE COSTS OF STUDYING ABROAD

Going to university is a daunting task and a big decision to make. If you're considering whether or not to study abroad, there are even more things to think about. Singapore's university tuition fees and cost of living are constantly on the rise, with tuition fees costing from S\$8,000 to S\$23,000 a year. When coupled with day-to-day expenses that range from \$300 to \$500 a month, it is no wonder many flee overseas to pursue their degrees.

Many study abroad due to the opportunities it brings, such as being able to meet people of different cultures and races. It also

teaches them to be independent and responsible as they are essentially living on their own, handling their finances and other responsibilities. Most people also take this chance of being away from their parents and family, to go on solo trips or short getaways to nearby cities and countries with their friends.

Below is a comparison of the overall cost of a degree in five different study destinations around the world, including tuition fees (annually, for non-lab courses), and some day-to-day living expenses such as housing, transportation, entertainment and travel (monthly).

UNITED STATES

With many big name universities such as the Massachusetts Institute of Technology, Harvard and Yale, it is no surprise why students with outstanding talents and results would want to further their studies abroad and widen their horizons.

TUITION FEES: \$25,000 - \$60,000
HOUSING: \$850
FOOD: \$400
TRANSPORTATION: \$91
ENTERTAINMENT (MOVIE TICKET): \$16
FLIGHT TICKET (AVG): \$1,300

NORWAY

For a unique country to further your studies, Norway does not charge tuition fees for international students. You would only be required to pay the semester fees (\$50-\$100) and buy your own books. However, living expenses in Norway are much higher than other countries.

TUITION FEES: \$0
HOUSING: \$1,650
FOOD: \$775
TRANSPORTATION: \$114
ENTERTAINMENT (MOVIE TICKET): \$20
FLIGHT TICKET (AVG): \$1,100

AUSTRALIA

With its close proximity to Singapore and a number of prestigious universities, many students flock there to pursue a degree. What's more, with the Australian dollar being almost equivalent to our Singapore dollar, it's less costly as well.

TUITION FEES: \$18,000 - \$35,000
HOUSING: \$725
FOOD: \$400
TRANSPORTATION (MONTHLY TRAVEL CARD): \$95
ENTERTAINMENT (MOVIE TICKET): \$19
FLIGHT TICKET (AVG): \$580

UNITED KINGDOM

Another popular study destination for Singaporeans, the UK is home to many renowned universities such as Imperial College and the University of London. However, with the current political situation, who knows how much the British Pound will fluctuate.

TUITION FEES: \$15,000 - \$30,000
HOUSING: \$625
FOOD: \$550
TRANSPORTATION: \$270
ENTERTAINMENT (MOVIE TICKET): \$23
FLIGHT TICKET (AVG): \$970

SOUTH KOREA

Known for K-pop and its rich culture, there are many who are considering Korea as a study destination. Even if you're not well-versed in Korean, several big universities - like Pohang and Yonsei - have courses taught in English.

TUITION FEES: \$5,000 - \$12,500
HOUSING: \$700 (not including its deposit which ranges from \$3,000 - \$5,000)
FOOD: \$250
TRANSPORTATION: \$104
ENTERTAINMENT (MOVIE TICKET): \$14
FLIGHT TICKET (AVG): \$350



Deciding on a country to settle into for 3-4 years may be daunting, but there is just something about starting a new chapter in your life that is exciting, be it miles away or close to home.

Cheat Sheet

By Azlin Mohd Salleh

#42 Economic and Financial Terms

You see and hear them everywhere - in print and on advertisements, so what are some of the key terms that you should know? Here are the technical definitions and everyday examples.

GDP

Short for "Gross Domestic Product", a measure of a nation's economy and everything it produces. It's measured as a combination of **private consumption (C)**, **investment (I)**, **government spending/ public consumption (G)** and **net exports (exports less imports, $X - M$)**:

$$GDP = C + I + G + (X - M)$$



The government uses GDP as an approximate measure of wealth. Increasing GDP means a country is becoming more affluent, much like increasing salaries generally means a family is better off.

INFLATION & DEFLATION

Technically **inflation** is a rise in prices, measured as a percentage increase. With inflation, the purchasing power of your \$1 decreases year by year. Although rising prices seem instinctively bad, most developed economies target an inflation rate of 2-3%. Why? Inflation can be a sign of growth.

First, we have to understand why inflation happens. There are two theories:

- A. It is demand-driven (too much money competing for too few goods). For instance, when you see that limited edition Star Wars light saber on eBay, you'll see how people have to compete for it by offering to pay more than the next person - the value of it goes up. It also happens to housing, cars, etc. - that's inflation.



- B. It is supply-driven due to the increasing cost of production (ie increasing wages or taxes). When companies (suppliers) have to pay higher salaries or taxes, they stand to make less money. To avoid this, they raise their product prices to earn back their money.

The flipside is **deflation** when things get cheaper. As prices fall, companies earn less, and pay smaller salaries. People's fear of losing their jobs means they take fewer loans for large purchases (like houses) and investments. This lowers consumption and GDP.



Faced with deflation, Central Banks would react by cutting interest rates to encourage borrowing, in an attempt to boost spending and increase investment. When deflation persists, however, there is a danger that you could cut rates all the way to zero and still be stuck with sluggish economic activity - like what happened in Japan in the 1990s.

DEBT AND INTEREST RATES

"Debt" is a borrowing arrangement where you contractually agree to pay back a certain sum at a future date, usually with added interest: the interest rate is an annual percentage charge on the amount owed.



A. PRIVATE VS PUBLIC DEBT:

→ **Private debt** is basically money that people like you or I owe to a financial institution, like a bank when we swipe that credit card, or apply for a student loan.

→ **Public (national debt)** is money owed by a government. This can take the form of sovereign debt (debt owed by one government to another),

or government bonds (debt owed by the government to the bondholder). Bonds are like IOUs. They can be issued by corporations and governments alike, for financing (eg. R&D, building new roads, funding education). Anyone can buy the bond and is promised a payment of the original amount when it matures, plus extra, depending on the interest or coupon rate.



B. REAL VS NOMINAL INTEREST RATE:

Nominal interest rates are what you see advertised on bank ads and loan contracts, stating how much interest is paid per year for each dollar borrowed. The **real interest rate** is the nominal rate minus inflation, which means the amount changes as the economy grows.

Imagine that you borrowed a pen from a friend, and he tells you to return him the pen + a glass of water (nominal interest rate) along with it. You prepare the glass of water, but by the time you're ready to return the pen (maybe a few days later), some of the water has already evaporated. Think of the evaporated water as inflation. Therefore, the longer they waited, your friend "earned" less water for having loaned you their pen - the water he gets is essentially the real interest rate.

ECONOMIC POLICY

A stable economy is characterised by low inflation, low unemployment and positive economic growth. When such criteria are not met, a government and its Central Bank use policies to direct the course of the economy to solve these problems.

- **Monetary policy** is conducted by the Central Bank and involves influencing the demand for and supply of money through setting nominal interest rates and/or quantitative easing (introducing new money into the economy).

- **Fiscal policy** is carried out by the government by (a) increasing or decreasing Taxation (which affects the C in GDP) and/or (b) Government expenditure (the G in GDP)

Taxation is a form of income for the government, while expenditure is an outgoing cost. A **budget surplus** refers to an excess of incoming tax versus outgoing government spending. A **budget deficit** is the opposite. A **balanced budget** is where spending is equal to taxation.



Let's say that an economy faces high unemployment. A Central Bank can try to solve this with **monetary policy** by increasing the amount of money in the system. A larger supply of money means that it is 'easier' to borrow some of this money (at lower interest rates), thus incentivising people to borrow and spend more.

The government can also use **fiscal policy** by increasing its spending on goods and services, and lowering taxes, which incentivises citizens and companies to spend on goods and services.



In both policies, it means more spending and demand for goods and services: to produce more goods, more workers must be hired, thus addressing the unemployment issue.

The economy is fueled by money just like a car is fueled by gas. It's a bad idea to keep both the economy and a car stationary for too long, because the problems that arise may be too difficult to solve.

BANKING:

GIVING BANGS FOR YOUR BUCKS

By Azlin Mohd Salleh

Banks are essentially facilitators. Without them, the economy as we know it would cease to exist.

Banks have two primary roles: One is to accept deposits from people or corporations and to safeguard them until it is required back. The second is to lend money. These days, a variety of banks cater to a variety of needs for everyone from consumers to corporations and governments.

DIFFERENT HATS OF THE BANKING INDUSTRY

Defining banking in the modern world is complicated, given the wide range of activities conducted.

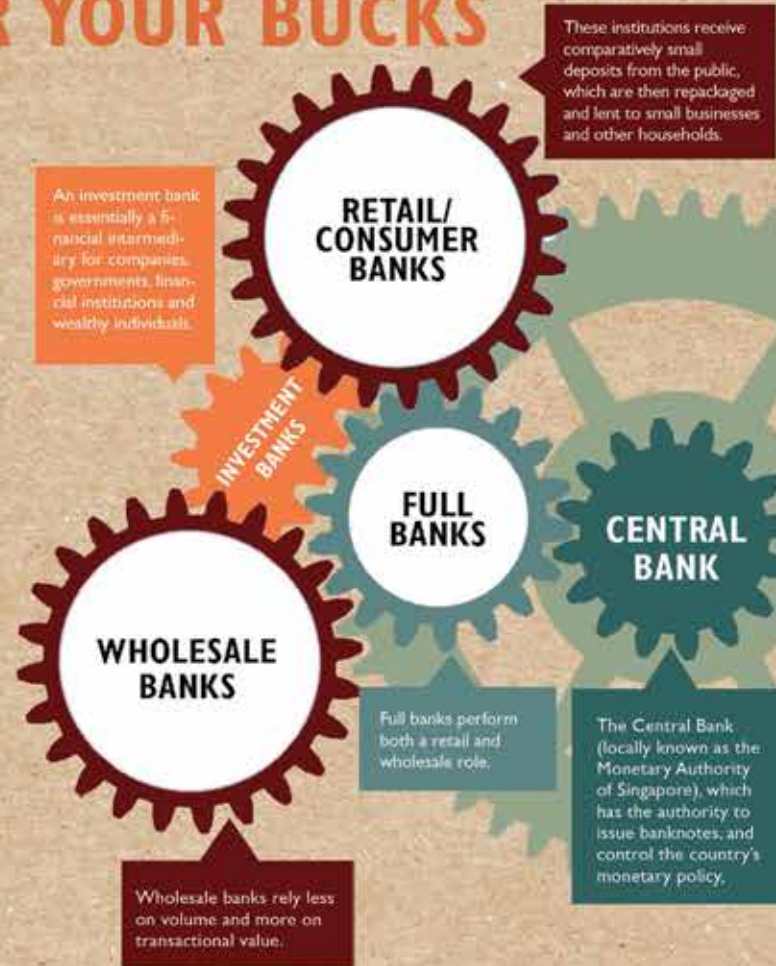
In its simplest form is the **RETAIL BANK**, or consumer bank (like DBS, OCBC and UOB). These institutions receive comparatively small deposits from the public, which are then repackaged and lent to small businesses and other households. Corporate banking, also referred to as business banking, refers to that part of banking that deals with corporate customers.

In contrast to retail banks, **WHOLESALE BANKS** (like ABN Amro, Barclays, Credit Suisse, Deutsche Bank, Macquarie, Morgan Stanley, RBS, Societe Generale and UBS) rely less on volume and more on transactional value. A sub-section under wholesale banking is corporate and investment banks, which might obtain a great deal of their capital from the stock market in values that can run in the multiple billions.

INVESTMENT BANKS operate on a plateau unseen by the public. Vilified in the light of the 2008 sub-prime crisis yet providing services vital to the financial world today, an investment bank is essentially a financial intermediary for companies, governments, financial institutions and wealthy individuals.

Lastly, universal banking (like Bank of America, BNP Paribas, Citibank, HSBC, JPMorgan Chase and Standard Chartered) are banks that perform both a retail and wholesale role. In Singapore, they are known as **FULL BANKS**.

These banks are all regulated by the Central Bank (locally known as the Monetary Authority of Singapore), which has the authority to issue banknotes, and control the country's monetary policy, among other things.



THE REAL WOLVES OF WALL STREET: INVESTMENT BANKS

Investment banks provide specialist help by becoming something like butlers to corporations or government agencies to help them trade, manage and increase their funds in financial markets.

1. MERGER & ACQUISITION (M&A) KNOW-HOW

When a corporation wants to buy another company (acquisition), or merge with them, they would turn to investment bankers to help them navigate the various regulations, raise finance and tell them what tactics to employ.

2. RAISING MONEY FOR INVESTMENT BY ISSUING BONDS (IOUs) OR SELLING SHARES

When a corporation or government agency needs

additional funding, investment bankers help them raise money in primary markets – basically a marketplace that deals with issuing first-time shares or IOUs to potential investors. Much like bargaining for the best price, the aim is to raise millions instead of thousands. Banks can also underwrite the amount by buying unsold shares.

3. MANAGING RISK

A corporation needs to actively manage its risk profile, evaluated by its willingness to take risks, or its exposure to external "threats" like fluctuating interest rates or foreign exchange rates. An investment bank can help mitigate its risk by advising it on its future outlook, and its investment strategies.



GLOBAL FINANCIAL CRISIS

BY AZLIN MOHD SALLEH

The global financial crisis (GFC) of 2007-08 is regarded as the worst financial crisis in modern history. It triggered the collapse of many large institutions, government bailouts, plunging stock markets and prolonged unemployment, leading to the Great Recession of 2008 to 2012. So how did it start?

THE BEGINNING OF THE END

It all began with banks. A bank takes your cash deposit on which you earn interest, and lends it to other people or companies at a higher rate of interest. This represents their profit.

A mortgage is a loan by the bank with your house as collateral. Mortgages are an asset to the bank, as you owe them money (loan repayment + interest). If you default, the bank can sell your house to recoup their cash.

Traditionally, there was a limit to what banks could do with mortgages. Then in the 1970s came 'securitisation' – the conversion of illiquid assets into securities through newfangled financial engineering.

MORTGAGE-BACKED SECURITIES (MBS)

MBS is an example of securitisation where the 5-10 year old security (a form of investment) is backed by a collection of stable, 30-year mortgages. This pool would consist of mortgages with similar risk profiles, split up from the original larger collection in 'tranches' according to risk. These tranches

in turn are graded - AAA (best) to C (imminent default) - by a ratings agency such as Moody's.



BANKS GOT GREEDY...

MBS were flying off the shelf, but the supply of good quality mortgages was drying up. Banks increasingly turned to the subprime stuff, so termed because such mortgages were less than prime, being taken out by borrowers with a high likelihood of default. Generally there's nothing wrong with the subprime mortgages, as long as they were seen to be high risk, high return. The problems started when banks packaged them with better quality mortgages in say a 50:50 ratio, yet still represented that these tranches were 95% AAA rated (yes, they lied).

THE SMOKING GUN...

The housing market was booming, and everyone got approved for mortgage. But what goes up must come down.

In 2006, housing prices fell as interest rates increased. By 2008, the housing value fell below purchase price. With outstanding mortgages outweighing the value of their properties, homeowners defaulted.

Normally losses would be absorbed by lending banks, but these loans were no longer theirs. Sold off to disperse risk, the losses were spread everywhere – no one knew who was liable for what, resulting in uncertainty and PANIC.

THE AFTERMATH

2008 was a bloodbath. The first bank collapse came in January, culminating in Lehman Brothers filing bankruptcy in September. In total, over 400 banks collapsed in the US.

The panic resulted in the erosion of \$10 trillion from global stock value in October alone.

A GLOBAL EPIDEMIC

Once confidence is gone, it isn't easily restored. At the time (2007) banks weren't lending to one another because they feared the other bank's unknown exposure to subprime mortgages; consumers feared losing both their homes and their deposits.

Liquidity (available cash) had decreased, leading to rising borrowing costs, and banks dependent on securitisation ran out of cash.

How do you stop financial Armageddon? Enter the central banks and governments.



STEMMING THE TIDE...

Central banks bailed out the banks, preventing the collapse of the global financial system. As panic spread, they injected more cash into the market to spur spending and investment by buying up bonds and private debt, and issuing new government bonds, thus increasing the supply of money. This is known as quantitative easing (QE).

Central banks saved some ailing banks that they claimed were too big to fail, in so doing moving the debt from private to public hands. Had the panic continued, the global financial system would have imploded, sending us spiraling back into the financial dark ages.

Yet by intervening, controversially, a dangerous precedent has been set: If banks knew they would be bailed out, would it not incentivise them to take on more risk, creating future crises?

DID IT WORK?

QE stemmed the bloodbath in the short run, but its impact is yet to play out. Ten years on, all the risks remain, as debt merely moves up the food chain.

We've not solved the issue – just delayed the inevitable. In the end, the world goes on and trade continues, but something may yet trigger another crisis at any time.



BY CHAN CHOY YU

THE LIST

CURRENCIES OF THE WORLD

LARGEST

500,000 VIETNAMESE DONG (VND)

In 1985, the State Bank of Vietnam introduced notes in denominations of 5 hào to 500 đồng. As inflation became endemic, higher denominations were introduced along the years, from 1,000 đồng to 500,000 đồng notes. Based on the exchange rates today, 500,000 đồng is equivalent to approximately \$318SGD.



100,000 INDONESIAN RUPIAH (IDR)

As of June 2016, the largest banknote of Indonesia is worth approximately \$10SGD. It has, however, been announced by the Central Bank that the rupiah would undergo redenomination by removing three zeros starting 2014, although during this transition period, the old and new currency notes will still remain valid.



20,000 HUNGARIAN FORINT (HUF)

In 1946, 10 and 100 forint notes were introduced by the Hungarian National Bank. 50, 500 and 1,000 forint notes were then added in the subsequent years, before a completely redesigned new series of notes were introduced gradually between 1997 and 2001, which included 20,000 forint notes. As of June 2016, a 20,000 forint note is worth around \$98SGD.



10,000 SINGAPORE DOLLAR (SGD)/ BRUNEI DOLLAR (BND)

The \$10,000 notes of Singapore and Brunei are the world's most valuable banknotes that are officially in circulation. Since 1 October 2014, the production of \$10,000SGD banknotes has stopped to reduce the risk of money laundering and is currently being withdrawn from active circulation. It is, however, still legal tender until all the notes slowly get returned.



Ever had your eyes pop out at the sight of a \$1,000 dollar bill in your hands? Imagine if you had a \$100 trillion dollar bill instead, or a sextillion dollar bill. That is \$1000, 000, 000, 000, 000, 000, 000 - a grand total of 21 zeroes! Found in Zimbabwe and Hungary respectively, these outrageous currencies are no longer in circulation as of date. However, that does not mean that the world is entirely rid of bills that would make you feel like a wealthy tycoon with just a couple of them, along with currencies so small in denomination that would make you question their very existence and necessity.

SMALLEST

1 JAPANESE YEN (JPY)

First minted in 1870, the 1 yen coin is the smallest denomination of the Japanese yen currency. They are sometimes used as weights, since all 1 yen coins weigh just one gram, and if placed carefully on the surface of still water, a 1 yen coin can actually float. It is worth roughly \$0.013SGD.



1 PHILIPPINE PESO (PHP)

Until 1975, 1 peso circulated in the form of banknotes, before being replaced by coins that were of the same size as 1 United Arab Emirates (UAE) dirham coin, and roughly around the same size as an American quarter. In 2010, 1 peso was worth only 0.07 dirham and 0.02 USD, which led to vending machine frauds in the UAE and similar frauds in the U.S.



1 CHINESE FEN (0.01 RMB)

As of 2015, Renminbi coins are available in denominations from as small as 1 fen (0.01RMB) to 1 yuan (1RMB). However, the fen and jiao (0.1RMB) have become increasingly unnecessary as prices have increased, and coins smaller than 1 jiao are used infrequently. With 1RMB worth about \$0.21SGD, 1 fen is almost equivalent to \$0.002SGD.



1 CENT EURO (0.01 EURO)

Since May 2013, the 0.01, 0.02, and 0.05 coins account for approximately 80% of all new coins minted in the eurozone. Due to the cost of producing such low value coins, however, the Commission and some member states have proposed having a common design on both sides of these coins, instead of minting numerous different designs. A 1 cent Euro coin is worth about \$0.029SGD.



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Emerging Industries Special



FROM RUNWAY TO RETAIL:

the popularity of fast fashion

by Zhao Jiayi



**H&M
RAKED IN
\$20.2
BILLION
IN 2014.**

A visit to Orchard will reveal a fascinating sight: haute couture stores like Fendi stand barren and cold, with more salesmen in them than actual customers; meanwhile, the lines outside the changing rooms in H&M seem to be never-ending. These all point to one interesting global phenomenon - fast fashion.

Fast fashion is a term (and business model) coined only this century to describe the swift turnover of garments in stores to target consumers' fast-changing preferences. There is no denying its immense popularity - for instance, H&M raked in \$20.2 billion in 2014; meanwhile, Uniqlo made its founder, Tadashi Yanai, the richest man in Japan in 2015. But what makes fast fashion so successful?

INCISIVE INSIGHT INTO INDUSTRY AND MARKET

Fast fashion brands have grasped one key idea - trends come and go, very rapidly. Unlike haute couture houses such as Chanel and Givenchy which can take months to bring their clothes from the runway and into stores, fast fashion brands are quick to respond to the latest trends by releasing their own catwalk-inspired designs in just a matter of weeks.

Hence by the time those haute couture stores actually start carrying their clothes, the market will be overpopulated with cheap knockoffs manufactured by fast fashion brands, and the trend will be over before it has even begun.

GOOD UNDERSTANDING OF CONSUMERS

Researchers have discovered a neurological reason to explain the popularity of fast fashion. It has been shown that the brain derives hedonistic pleasure in the quest for inexpensive things, and fast fashion caters to this perfectly: the clothing is cheap, and the frequent creation of new styles keeps customers interested and gives them something new to "pursue". It is no wonder then that consumers like fast fashion so much - if science is to be believed, the pursuit of fast fashion is practically in our DNA.

SHORTENED PRODUCTION CYCLE AND INCREASED PRODUCTION

This fashion revolution has created a vicious cycle: while fast fashion was prompted by the capricious nature of fashion and its consumers, it has in turn made trends even more short-lived. Fast fashion brands are extremely clever in this regard - they arrange their clothing collections to be spaced apart at regular but brief intervals throughout the year such that the designs go out of fashion as quickly as they were created.

Moreover, Zara, the pioneer of fast fashion, has gotten the formula for success down to a tee: it slashes its production process from the conventional few months to just a mere couple of weeks; this efficiency results in more and more collections being churned out annually. In the past, there were only two major seasons a year - Spring/Summer and Autumn/Winter, but now, Zara stores receive new shipment of clothes twice a week. Now that it takes only a few days for the shop inventory to change, shoppers know that the cute pair of jeans hanging on the walls might not be there the next time they come, so they are tempted by this "buy now or never" scenario to open their wallets.

LOW PRICING BY KEEPING PRODUCTION COSTS LOW

Speaking of wallets, pricing is another reason why fast fashion brands are so successful. Few would want to shell out hundreds of dollars for an item by Chanel, when they can get a similar, "inspired" piece at Forever 21 for just a fraction of the price.

Brands like Forever 21 are able to practice low pricing due to their low production costs.

“THERE IS NO POINT IN INVESTING IN GOOD WORKMANSHIP OR QUALITY MATERIALS WHEN THE CLOTHES ARE NOT MEANT TO BE IN TREND AND WORN FOR LONG.”

Hence, they are able to save on manufacturing costs, which translate into more attractive prices that help the clothes sell better.

Fast fashion brands operate on a low price/high volume business model: although products are only marked up slightly, low production costs mean they can be mass-produced such that ultimately, the narrow profit margins on the individual clothing items add up to a significant revenue.

FAST FASHION.

Should you?

By Marta Ciaraglia

These days, it is very easy to spot two or three people dressed exactly the same way. This is the effect of fast fashion. Thanks to this phenomenon several brands have made their fortune by producing clothes quickly at very affordable prices.

FAST FASHION WAS BORN IN THE 1980S, created after the launch of the Quick Response Method (a fast production and distribution system developed for the textile industry to survive global competition using low-cost foreign companies). The goal is to create something fast, at a low price and make it disposable.



FAST COMPETITION

One of the giants in the fast fashion world is Zara. The company, founded in 1975 by Amancio Ortega, was the groundbreaker in fast fashion and has perfected timing the release of new collections. Ortega is now one of the richest men in the world with his retail holdings valued at US\$73.2 billion. The importance of Zara in fast fashion history is that it launched a new kind of economy and pioneered many of the new trends in the fashion world.

Zara's designers continuously track customer preferences before placing orders with various suppliers. About 11,000 distinct items are produced during a given year—with several hundred thousand pieces of stock in various colours, fabrics, and sizes—compared with 2,000-4,000 items for its key competitors.

Today, other fast fashion brands like H&M, Mango, Forever21, Uniqlo, and TopShop also follow the fast fashion philosophy: all these companies are able to launch new collections almost every two weeks. This means that every two weeks there are

**ZARA
PRODUCES
11,000
DISTINCT
ITEMS DURING
A GIVEN YEAR**



entirely new fashion lines in the stores of each brand, with prices that are always affordable. For the brands, this means tight margins and intense competition.

FAST FASHION MARKETING

There are several marketing strategies that can be applied to the world of fast fashion, but what really counts is the amount of capital invested in advertising. Many brands use celebrities. For example, H&M collaborated with Gisele Bündchen and Iggy Pop, while Mango intensified its digital campaign by using famous models such as Cara Delevingne and Kendall Jenner.

Even though the prices are low, these brands inspire glamour and a certain lifestyle. For consumers, everything seems to be wonderful, until you view it from other perspectives, such as climate change and workers' rights.

IMPACT BEHIND-THE-SCENES

Starting with unethical working conditions, H&M was accused of underpaying its Cambodian garment workers. The company was included along with Walmart and Gap in a report by the Asia Floor Wage Alliance, which interviewed these companies' employees and described the terrible working conditions in countries such as India, Bangladesh and Cambodia.

In 2013, Zara was named in a report stating that in one of its factories in Argentina, people worked from 7 am until 11 pm with no breaks. Moreover, some of the workers were underaged, or poor Bolivian immigrants. Two years prior, Zara paid a €1.4 million fine in Brazil due to the company's treatment of its employees. And in 2012, it was included in a blacklist created by the Centre For Research On Multinational Corporations for the conditions of its factories in India.

When it comes to climate, fast fashion also wins a prize - as the second dirtiest industry in the world, beaten only by the oil industry. The fashion industry is the biggest consumer of pesticides, as the material most often used for the clothes is cotton.

“MOREOVER, THE PRODUCTION OF JUST A SINGLE T-SHIRT OR PAIR OF JEANS USES MORE THAN 5,000 GALLONS OF WATER.”

Also, these clothes have to travel from Asia to Europe or the U.S. to reach the stores and be sold. This means that a big amount of fossil fuel is also wasted for transport.

So, do you really need another \$5.99 T-shirt now?

EDUCATION THAT WORKS

They say, money makes the world go round. Whether or not you agree, you can't deny that where there's big money, there's a need to understand it, regulate it, and most importantly, manage it. And that's where accounting and finance come into the picture.

Every day, more than US\$1,000,000,000,000 (that's one TRILLION dollars for you non-numbers people) changes hands in the global economy. That's pretty staggering, so frankly it's no surprise that some of today's fastest growing careers are in areas like accounting, auditing, compliance, finance, risk management and taxation.

Anyone can make money. The real trick is understanding it. And that's where an accounting and finance degree sets you apart. Like in the case of Lai Ke Xin. Originally from Taiping, Perak, Ke Xin studied in Singapore for a University of London Bachelor's degree in Accounting and Finance, graduating with First Class Honours in 2014. She now works at Crowe Horwath LLP, Singapore, which specialises in auditing taxation, advisory and risk management.



"As a fresh graduate, I am an audit associate, working with many clients in multiple industries. The nature of auditing means we need both strong knowledge-based and analytical skills, as my work regularly ranges from research to control testing, client interaction and actual fieldwork. In order to be effective, I need to understand the nature of our clients' businesses – and this is where my international degree gives me a distinct advantage.

My BSc in Accounting & Finance from the University of London International Programmes equipped me both with technical know-how in accounting, finance, problem-solving and reporting, as well as teaching me to work independently, to find my own answers or resources – which is a key to succeeding in a fast-paced career.

Plus being from a prestigious international programme, it has given me an edge, especially in the accounting and finance industries, where talent comes from all over the world. And it's this global reach I've gained from UoL that really adds value to my future endeavours."

LONG-TERM ROI

Accounting and finance is constantly evolving. Beyond simply acquiring the knowledge and confidence to gain your foothold in the industry, your degree's real return-on-investment grows greater over time, as you progress in your career. A prestigious degree in accounting – combined with the on-the-job opportunities it sets you up for early on in your career – positions you perfectly for an eventual senior management role, involving strategic decision-making based on your broad knowledge and experience, and the analytical insights those give you.

GETTING A UOL DEGREE

University of London degrees are designed in one of the world's major financial capitals – London – and provide an unparalleled setting for the prominence of global business studies. They also have the added benefit of being close to home. Courses are available right here in Singapore, with the support of local teaching centres. Created by the world-renowned London School of Economics and Political Science, UoL's Accountancy and Finance degrees arm you with the tools to tackle the world economy. Find out more at londoninternational.com/LSE.



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BORED AT WORK? JOIN A CO-WORKING SPACE.

Basically, we share all our life with other people through social media. From lunch to dinner, everybody knows what we are doing or eating. So, why not share even our work space with others?

This is where co-working spaces come in. These are open plan offices where everybody can work, from a freelancer to an entire startup. The aim is to create a space where designers, engineers and entrepreneurs can share ideas and help each other.

While each co-working space has its own design and strategy, most of them have some permanent characteristics such as free coffee, free wifi, a relaxing area and moreover, it's a safe bet you'll find a ping-pong table in a majority of them.



THE EVOLUTION OF WORKSPACE

These co-working spaces are a sort of an evolution of serviced offices and business centres which, despite being well-equipped, had tiny spaces to work in. Co-working spaces have solved this problem by providing open areas in which to work.

Collab spaces are a fast-growing trend. In 2014, nearly 300,000 people worked in 6,000 co-work spaces worldwide. In 2012, Singapore was inserted in the list of top ten countries with the most spaces per capita. Their main philosophy states that working for yourself does not mean working by yourself. Also, by sharing a space, startups pay way less, and a lower price is always tempting.

If you want to join a co-working space the process is very simple; you can rent it for days, weeks or months as you prefer. Some places work on membership fees. Also, you can choose the amount of space needed; it can be one desk or 30 desks. Usually, the average price to rent a desk in Singapore is around \$35 per day.



BY
MARTA
CIARAGLIA

CO-WORKING SPACES IN SINGAPORE

Today, the city is full of collab spaces, with different styles and characteristics so that everyone can easily find one that fits better with their needs.

If you or your startups are looking for something with a very sophisticated design, check out the Workhouse. Located in Little India, it was created especially with startups and small businesses in mind. For a vibrant environment, try The Working Capitol on Keong Saik Road. In addition to playing ping pong (yes, there is a table), you can hang out at its cafe and several fancy restaurants/bars nearby.

There are also co-working spaces based on the type of entrepreneur: if you're a woman and prefer working in an all-female environment, there's Woolf Works. If you need access to wood and metalwork equipment, Mettle Work offers artists and craftsmen the proper office and storage space. If you have kids, Trehaus offers working spaces complete with childcare facilities. If you're into IT and tech, Silicon Straits (located in Singapore's Silicon Valley - aka Blk 71) has even got an in-house 3D printer.

Maybe your necessity is a space where all your ideas can find a precise order. In this case, there's BASH - Building Amazing Startups Here. The space is split into several areas defined by a specific role; ideas can be developed in the Brewery section and then take shape in the Factory. Of course, there is the Chill area where you can rest and share a drink with your colleagues.

Last but not least, there is also a free co-working space: the Technopreneur Circle, which looks like a big conference room. Located on the fifth floor of Raffles City Tower, they often organise events such as casual talks or networking sessions. It is very easy to find the inspiration without spending money; to join, simply register online and get an answer within three days.

To date, Singapore offers more than 20 co-working spaces and all of them are different. Whether you are a freelance worker or an entrepreneur, you can easily find a place that fits your needs for a fraction of the cost of a traditional office.

BY CHANCHOI YU

THE CHOP SHOP:

Dissecting the Cutting (of cost)

You might be familiar with a quote from Benjamin Franklin that "A penny saved is a penny earned." Similarly, companies around the world try to cut as much cost as possible, especially when triggered by an economic downturn, a shift in the market, or when under pressure by shareholders and investors to deliver an increase in profit margin. Interestingly, more companies are turning to business professionals that specialise in cost-cutting to help them scrutinise the best possible ways to trim expenditure and maximise savings.

How and where to cut cost?

When we manage our own finances, we split our income into categories - savings, bills, loans, everyday expenses, and perhaps, guilty pleasures. With a large company, however, bookkeeping is not as straight-forward. For example, we've all heard about Malaysia Airlines wasting a lot of money unnecessarily (it had an astonishing 20,000 supplier companies, instead of the normal range of 2,500), and had an inefficient organisational system with redundant departments that had overlapping functions.

For 10% cuts, companies like JPMorgan Chase took on incremental ideas - consolidated activities across departments, terminated underperformers, and reduced miscellaneous spendings. For 20% cuts, The Guardian redesigned ideas - eliminated coordinators, reduced excessive service levels and business requirements, and changed administrative processes. For cuts of over 30%, Tesco implemented cross-departmental ideas - coordinated parallel activities, eliminated duplicate analysis, outsourced, and restructured.

The good and bad of cost cutting

Savings of 20 - 35% in general administrative and logistical costs are possible if companies select the right approach to support their cost-cutting initiatives. It might even improve the quality of products and services, which is good for both the company and consumers - just like when General Electric Co. restructured

and used complex software codes to efficiently run its jet engines, power turbines and medical equipment.

On the flip side, across-the-board manpower cuts may achieve critical results quickly, but it comes at a heavy price. People are rendered unemployed, and the opportunities that crises present to improve and further refine business practices and organisational systems are missed out on. A potential opportunity to cut costs and leap ahead of the competition is turned into a setback. Hence, this is where cost-cutting experts come in.

Why can't companies cut cost themselves?

Just like how you've spent a bit too much on that pair of shoes, employees too often claim a bigger budget for their department for 'justified' reasons, without knowledge and concern about how it will affect other departments and the company's bottom line.

Unable to see the complete picture of how cost-cutting will impact both employees and customers, the objectivity of an impartial third party (like your mom or a professional cost analyst) would therefore be needed to accurately allocate funds and cut spending.

Time management is another crucial factor, and so hired analysts, with the time and motivation to look for the best way to cut costs, are like the hired guns to do that one job. Just look at Malaysia Airlines finally hiring German specialist consultant Airpas to help with the restructuring.

So who are cost-cutters, and why are they in demand?

Cost analysts are usually provided by specialist companies, like PricewaterhouseCoopers (PwC). Individuals are typically required to hold a Bachelor's degree in accounting, business administration, economics, finance, management or statistics. A master's degree would be best, but not a must for entry level analysts, and knowledge of HR practices would be a bonus.

With the global economy recovering at such a sluggish rate, companies are prompted to hire forward-thinking analysts to help streamline processes and get rid of unnecessary 'baggage'. However, even without slow economic growth, the business of cost-cutting looks unlikely to go out of demand.



BY FABIAN LOO MIN XUAN

DINNER AT YOUR DOORSTEP

THE RISE OF FOOD DELIVERY SERVICES

With the influx of food delivery companies sprouting out in Singapore, eating out just got a whole lot easier. Boasting dishes from a range of dining establishments - from swanky restaurants to heartland hawkers - one can essentially have their favourite dish delivered straight to their doorstep with just a click of the mouse, without having to queue for it. But how does this benefit all parties involved?

MEALS ON WHEELS

The entrance of UberEATS into the food scene hints at the profitability of the food delivery market, and marks new competition for existing food delivery services. Some of these include fast-food chains that deliver, as well as foodpanda, introduced back in 2012, and London-based Deliveroo which began operation one year ago.

Just last year, Deliveroo was valued at \$600 million while Berlin-based foodpanda has been aggressively acquiring smaller competitors, like homegrown Food Runner, to be a major player in Asia. These 2 big names have invested big bucks in both software and operation logistics, making it hard for newcomers with less investment to enter the market.

But that doesn't mean there aren't any - homegrown platforms like FeastBump and hawker.today (yes, they deliver local fare from hawker centres) are also capitalising on the growing market. Because there is always room for food in a country that's obsessed with eating.



THE PRICE OF 'DINING-IN'

All the delivery service menus have prices similar to what you would expect if you were dining in at the restaurant. Deliveroo encourages their partner restaurants to "always use the same pricing for delivery as they do for their in-house menu". For a delivery fee from \$3-\$15, you can enjoy the same food that people have to queue up for.

And this is how delivery companies make revenue - by capitalising on this convenience.

THE HUNGRY ECOSYSTEM

Consumers are not the only obvious winners emerging from this new food delivery trend. Food operators enjoy an increased scope of audience through a bolstered online presence, and maximised operations during lull periods. Not marking up the price of their online menu might mean a smaller profit margin, but the ability to cast a wider net could spell more business, both online and offline. Restaurant owners can arbitrarily serve more customers without having to physically expand their store space. Many restaurants noted a rise of 5-10% in revenue since signing up with a food delivery, and for some, up to 30% of their business is online now.

Delivery companies on the other hand, take a cut of the sales each time they match hungry patrons with these restaurants. Their revenue is made by charging restaurants a commission of up to 30%, and with over 720 and 420 restaurant partners each for foodpanda and Deliveroo respectively, it's easy to see the money. Some smaller companies charge a flat fee for any order.

With the proliferation of smartphones in Singapore, it's now possible for anyone to become a courier (another group benefitting from this business model). For the delivery companies, it allows them to build a delivery fleet - to the order of 600 riders - for cheap. Foodpanda is even trialling a delivery fleet consisting of drones in a bid to reduce transport time.

NOT SO EASY PEASY

As with everything good, there's always the bad. In addition to maintaining food quality, added considerations for restaurants include extra operational procedures for online orders, the handling of both online and offline patrons during peak periods, and providing takeaway packaging. The latter leads to an environmental issue of packaging wastage, most of which is simply discarded in landfills.

As the roster of restaurants grows with each delivery company, it fuels the food economy by capitalising (and banking) on our laziness. In addition, the convenience itself may spell bad news for the environment due to its wastage, and negatively affect retail spaces that need more footfall.

Debt

DOWN THE RABBIT HOLE

DEBT IS MORE NORMAL THAN YOU THINK

The concept of debt dates back to Sumeria over 5,000 years ago:

- 1 A borrower asks a lender for money
- 2 The lender creates a contract where the borrower agrees to repay the amount over X time with X% interest
- 3 If the borrower fails to repay the loan, they default - which brings various consequences

"GOOD" AND "BAD DEBT"

Debt isn't all bad. Even governments like the US (US\$19.3 trillion) and UK (£1.56 trillion) have been functioning in debt for centuries. Why? They make repayments on time, enabling a continuous cycle borrowing and paying - which from a macro level, can help the economy.

Governments can have debt problems too (think Greece). A major reason why they, or you could default is too much "bad debt".

Good debts contribute to your net worth, appreciate in value, and help you generate income. Like you buying a house, or the government investing in education.

Bad debts depreciate in value and don't generate additional income. Like an upgraded handphone, or large pay rises for public employees.



GOOD DEBT

- Education loans after graduation
- Business/Property loans
- Investments

BAD DEBT

- Education loans for uncompleted programs
- Car/Personal loans
- Credit card debt

Getting that first credit card is a financial rite of passage for young adults.

However, the moment it's swiped - for a \$2.00 Coke or a \$2,000 Gucci bag - another milestone is reached: your first debt to a financial institution (or second if you have student loans).

We probably all know that debt is bad for GOOD reasons. But is debt really bad? That depends - on understanding of how debt works, what is good/bad debt, and its impact on your credit score.

BUILDING YOUR CREDIT SCORE

Banks want you to have manageable debt and repay it, as they make money through the interest charged. The longer you demonstrate you can pay off debts, the higher your credit score; a credit score is an aggregate of all your credit-related history, ranging from 1,000-2,000.

The Credit Bureau Singapore (CBS) aggregates your credit-related activities with different financial institutions - from how much debt you're utilising, to any late repayments. The higher your score, the lower risk you are to lend to.

Here's three rules to build credit:

- 1 A debt utilisation ratio (total debt balance / total available credit) between 25% and 30%
- 2 Always make repayments on time
- 3 Keep your first credit card accounts (the longer the history, the better)

Among other things, a good credit score influences how much lenders will lend you and at what interest rate - especially on home loans.

CREDIT CARD DEBT

A good rule for credit cards is: never carry a balance of over 30% of your card limit. It's a sweet spot for maintaining your credit score, regarded as just enough manageable debt.

Credit card debt is the worst kind of debt, as the interest rates are the highest a financial institution can charge - around 24%, meaning it takes 6.5 years to settle a \$2,000 debt if paying the \$50/month minimum.

Maybe the best analogy for debt is like Alice in Wonderland: the longer you stay in the hole of debt, the harder it is to (want to) get out of it.



The Changing Outlook of Designer Brands

by Desiree Ng



Times have changed since the days when all clothes were made by hand; today, with the burgeoning fast-fashion industry, designer brands are becoming increasingly distant. The idea of value has shifted. If today you had \$100 and could choose between buying five t-shirts or one designer t-shirt, most would choose the former. In a world of fast fashion, affordability begins to top the rack. Why have one piece when you can have a variety?

As designer brands are finding stiff competition from the fast-fashion market, some luxury fashion houses are diverting from their traditional marketing practices to appeal to a wider audience.

fashion as a business

It is easy to forget that fashion houses are businesses, and need to profit to survive. With an increasingly competitive industry, these brands have to find ways to increase their sales, without losing their position as luxury brands.

Some brands opt for a downward stretch to reach out to their customers. For example, Giorgio Armani is a luxury brand that is normally inaccessible to younger customers due to its price point. With the launch of the Emporio Armani and A/X Armani Exchange lines, these customers can afford to buy from the brand to have a taste of it, and eventually move up to purchasing from the main line. It is a delicate balance between diluting the brand name and giving the right customers the brand experience.

In view of this, some designers are working with fast-fashion brands, most famously H&M which has many collaborations with high-end brands like Karl Lagerfeld, Alexander Wang and Balmain.

keeping up with the customers

Other designers enhance their brand by keeping up with the times. Dolce & Gabbana has taken to catering for a new market by designing a hijab collection for Muslim women.

It was also recently announced that Gucci was going to combine the men and women's shows, beginning with the Fall 2017 collection. Apart from being a smart, practical business move, it brings in the great appeal of androgyny, which is a trend that has been on the rise. This is not the first time for Alessandro Michele, Gucci's creative director, for he has cast male models in women's shows before – but the announcement is exciting nonetheless, and defines the currency of a brand with a rich heritage.

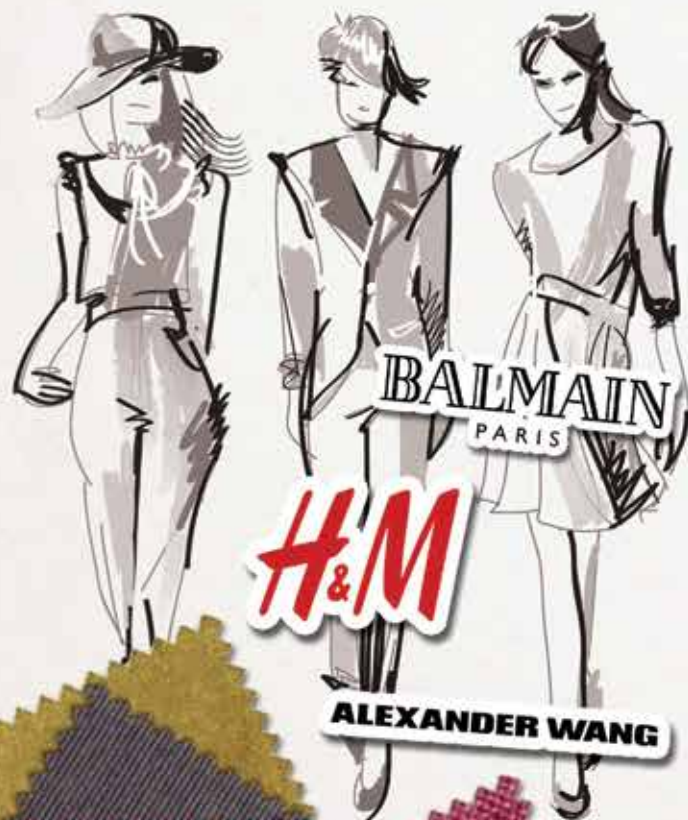
smartphones and smarter marketing

It is hard for us to ignore the influence of the digital age. There was a point of time when only fashion buyers took up the front rows at fashion shows; clearly it is different today, with street-style stars and famous celebrities taking up the seats. Therefore, new business models, like 'buy now, wear now', are being introduced.

Also, when actual face-to-face marketing fails, the brands bring themselves to what people are looking at already – their phones. Like many brands, Louis Vuitton offers an intimate behind-the-scenes look at an LV atelier through Snapchat, while Diane von Furstenberg recreated the showcase of her collection to be an interactive and a particularly Instagram-able one, rather than a traditional runway show.

adapting to the times

The fashion industry is definitely an exciting one to watch, as it changes ever so rapidly. The fascinating part is seeing how companies continually innovate in their marketing and brand strategies. When they're able to wrap their brands around the world of constant change, that's when the heritage of these luxury brands endure.



THE COST OF LOCAL EDUCATIONAL INSTITUTES

BY GOH SHENG EN DARRYL

Singapore's education system is rated one of the best in the world, due to ground-breaking and ambitious educational policies. For example, the "Teach Less, Learn More" policy was famously implemented in 2006, where students were expected to develop

critical thinking skills through experiential learning. And in recent years, the Singapore Government has been spending more money on education, but are students getting the value of the investment in terms of quality?



Singapore's Education Budget

The Ministry of Education (MOE) will be receiving \$12.8b this year under Budget 2016, a 5.8% increase from 2015's budget for education. To put this big sum of money into context, only the Ministry of Defence and Ministry of National Development are given more money under the budget. This shows how importantly our government values education.



from the Ministry of Education to build a state-of-the-art information and communications technology (ICT)-enabled library, learning studios, and art gallery.

North Vista Primary School even used ICT for physical education (PE) classes – their students use heart rate monitors and learn health and fitness through video games! In fact, they "play" sports like tennis and bowling on Nintendo Wii consoles.

While many support the idea of children embracing the future of technology, some were hesitant. As Australian schools are also adopting new technology, the move has been widely criticised by teachers as being "distracting" to classroom conversation, because teaching is a fundamentally social activity.

Upgraded Learning Hubs

As Singapore positions itself as a regional hub for tertiary education, there is a constant need to ensure that school facilities are top notch.

The National University of Singapore is ranked the top university in Asia boasting state-of-the-art research labs while Nanyang Technological University houses a futuristic looking learning hub complete with cutting-edge studio spaces. That's right, students learn in studios now – no longer are we using the word 'classroom' to describe our learning spaces.

It's not just tertiary education that's getting upgrades – it starts from primary school. For instance, Seng Kang Primary just added a performing arts studio, an indoor sports hall, and a butterfly garden to the tune of millions of dollars.



Singapore Versus the World

Our education system has produced many graduates who excel in examinations, often doing much better than our peers abroad. Just early this year, we saw our best performance yet for students in the International Baccalaureate diploma programme – our average score was 38.5 compared to the global average score of 30.98.

A 2015 OECD study of 15-year olds found that our students performed best in terms of Math and Science globally. It isn't clear whether the performance is due to high-tech infrastructure, better quality teaching, or simply additional tuition classes.

Is it Worth it?

With encouraging results on standardised global tests, the hope is that the huge spending in these new 'experiential' spaces will yield similar results in non-cognitive fields like the arts.

We all know Singapore's only resource is manpower; without a smart workforce, the country would not have progressed at such a fast pace within a short period of time. Hence, it is understandable why there is such emphasis on innovating to make learning more effective for students.



Tech in Teaching

Schools in Singapore have constantly been trying to leverage on technological advances to enhance their students' learning experiences.

In 2012, River Valley High School raised eyebrows when it implemented a school-wide programme where students were required to use iPads for lessons. The school wanted to push the boundaries of utilising technology for teaching and learning. Unfortunately, the iPad scheme was scrapped this year, with the school stating that using laptops was more effective. This was a case of going back to square one.

However, the usage of laptops was already a norm in junior colleges and most high schools. Back in 2009, Maris Stella High School teachers taught multi-touch interactive lessons using Nintendo Wii Remotes and Samsung flat screen TVs in a bid to jump onto the "1:1 Learning Programme". Ngee Ann Secondary School was next, using the \$28 million PRIME Project budget

BY KIRSTIN SOW

FOOD MONOPOLIES: BATTLE AT THE TOP

We often take for granted how easy it is to obtain food products from supermarkets and rarely question what goes on behind the scenes with food brands. The truth is, while there is a plethora of food and beverages available in the market, they are mostly controlled by a handful of giant F&B corporations.

Some of the world's largest food conglomerates include Nestlé and PepsiCo, both behemoths based on their sales revenue alone. But besides producing products we consume daily, the economic cost of food monopoly can have a negative impact for consumers and farmers.

DEVELOPMENT OF HUGE CORPORATIONS

As key players in the F&B industry, Nestlé and PepsiCo monopolise the production of food commodities and hold the greatest combined market share of various grocery items – they do so through acquisition and purchasing of competitor brands.

NESTLÉ

What started out as a small Swiss family milk company in 1866 has expanded to the Nestlé we know today: the largest F&B corporation globally with the highest revenue of anyone in the industry. Following numerous mergers and acquisitions of other smaller competitors, Nestlé's product offerings now include breakfast cereals, bottled water, snacks, coffee and tea, dairy products, frozen food and pet food.



PEPSICO

What started as the Pepsi-Cola company in 1902 soon developed into the PepsiCo that's now a multinational food, beverage and snack corporation based in New York. With several large scale acquisitions of diverse F&B products, the company currently manufactures a variety of soft drinks, bottled water, tea, juices, breakfast cereals and snacks.



EFFECT ON CONSUMERS

Larger corporations benefit from greater economies of scale through higher efficiency in goods production, and this is passed onto consumers in terms of lower prices, and quality-controlled goods. On the flip side, due to high barriers of entry in the food and beverage industry, there are fewer competing companies, meaning consumers have less choices in the supermarket. These manufacturers heavily market highly processed food laden with sugar and salt, simply because they are bigger money makers.



Furthermore, consumers are led to believe that they are choosing between competitors when in reality many of these products, despite their different brand names, are actually made by the same firm. For instance, PepsiCo produces Lays, Doritos, Cheetos, Ruffles, Tostitos, Fritos and Walkers chips and other brands of crisps. This simply shows how tough it can be for consumers to find a product of a given type that is not owned by one of the big conglomerates.

The other issue is while prices seem cheap, the 'market price' is set by the monopoly. When farming or manufacturing costs increase, consumers are also more likely to experience price hikes. But it doesn't mean that prices aren't set arbitrarily; Nestlé – whose CEO famously stated that water shouldn't be a basic human right – has been draining water sources around the globe and marking up the cost of their bottled waters by an astonishing 5,000 times in supermarkets.



ECONOMY OF MONOPOLY

It's not just the consumers who lose out with these monopolies – the chain affects everybody from farm to fork. Rural communities and farmers often bear the brunt of agribusiness consolidation because there are no other buyers or any room to negotiate better prices.

These monopolies rake in huge profits, which technically allows them to invest in the research and development of new (improved) products. These may include products with more flavours, or healthier variations that cater to a growing health-conscious consumer market. However, a profitable monopoly may have little incentive for improvement as long as there are consumers still buying.

Left unregulated, monopolies can adversely affect not just businesses and consumers, but also the entire economy. Food is a necessity – so imagine a private company controlling all the food sources by setting any price they like to both producers and consumers. In essence, they act like a government, only they're not elected.

If it sounds scary, then you should be thinking about what you buy next from your supermarket.



Wealth and Parenting:

The Buffett Way

By Vincent Tan

Imagine being the child of someone insanely rich. What would you do? We're not talking about J. K. Rowling (US\$1 billion), Oprah Winfrey (US\$3.2 billion), or even Steven Spielberg (US\$3.6 billion), but Warren Buffett, a billionaire with a ludicrous US\$63.3 billion (S\$85.62 billion) to his name.

It's enough to buy 1,600 bungalows at Sentosa Cove, or 300,000 Lamborghinis, or pay off the national debt of Kazakhstan with money to spare. Simply put, it's being able to give your heir a fuss-free ride for life.

MEET THE BUFFETTS

The investment guru himself lives in the comparatively modest home he bought for US\$31,000 in 1958. He dines on burgers and steak at local restaurants, and drinks Coca-Cola.

Just as he impacted the financial world, his children are also impacting the world, but in a different way.

The youngest, Peter Buffett, together with his wife are heads of the NoVo Foundation which seeks to end violence and exploitation of girls and women.

The eldest, Susan Alice Buffett's charity promotes public education and fights to reduce poverty.

And Howard, the middle child, wants to end world hunger. With his feet on the ground 200 days a year in places like sub-Saharan Africa (places where no NGO goes to due to its conflict zones), he's working on ways to feed the 800 million people worldwide who do not have enough food, using soil-strengthening agriculture and 18,500 acres of research farms.

None of them are going at it without Warren senior's help, though, each child's charity received company shares worth US\$1 billion from their father.

RAISING THE BUFFETTS

How did Warren Buffett manage to raise children with such strong principles, while many rich children, in China for example, are infamous for frivolously burning money, and wreaking wealth-driven havoc?

One reason is that Warren simply did not pass down his vast fortune to his children. For him, 'inherited wealth is an abomination.' Instead, he will gradually give most of it to the Bill and Melinda Gates Foundation (he donated US\$2.13 billion just last year).

While the Buffett children did receive the perks peculiar to a rich family – several million dollars over the years – they inherited almost nothing, considering their family's vast fortune. The Buffetts have achieved the otherwise impossible: namely, how do you teach children of the world's third wealthiest man the value of money?

For one, he still lectures his kids if he sees them leaving a light on in an empty room.

When Howard wanted to buy a farm, he bought one for him, but charged him market-rate rent. When Susan asked for a renovation loan, he said: "Go to the bank and do it like everyone else."

It's not that he did not love them; all three children acknowledge that their upbringing shaped them.

For one, he encouraged them to pursue their passions. All three kids dropped out of university. Susan worked on issues of public education and poverty, and Howard went on to develop his farming passion in Nebraska and around the world. Peter became an Emmy-award-winning musician; instead of fancy art or fast cars, his indulgence is a recording studio where he composes music for his philanthropic message.

What would you do if you were a billionaire's child? End injustice? Eliminate poverty? Or will wealth suck you into a cycle of selfish indulgence? The parent might be all that stands between young minds and that. As Peter Buffett said,

"I watched someone who transferred values to me, and not wealth."

In the end, it was good for the kids, and for the world.



Art, money and society.

THE RELATION BETWEEN THESE THREE VARIABLES.

Art and money have always been related; none of the most famous painters have ever worked only for the glory. Even back in ancient Greece, painters and sculptors worked only on commission. Michelangelo earned the equivalent of \$10 million in today's money with all his works. In 1928, Marcel Duchamp even described art as "Wall Street action", while Andy Warhol used to say that "making money is the best art." Picasso suffered from peniaphobia, the fear of becoming poor. Currently, the richest contemporary artist is Damien Hirst who earned around \$388,000,000 to date.

Despite the age-old connection between art and money, something has changed over time. In the past, a work of art's worth was related to its artistic and intellectual value. A painting or a sculpture had to respect the classical standards of beauty, and the social standing of the patron.



Societal Impact

Today, it is the market itself that decides immediately the importance (and value) of an artwork. What makes a painting good or famous is the amount of attention it attracts as soon as it is produced. The artist is free to produce anything he or she wants, but to make serious money, their work needs to have a strong impact on the society.

The current boom in Chinese art is the best example to explain this relation between the market, society and contemporary artists. Ai Weiwei is a Chinese artist and activist. One of his most important works is the 15 million handmade ceramic sunflower seeds that he created to commemorate the victims of famine under Mao Zedong's regime in China. While Ai Weiwei went to jail because of his protest, the value of his works jumped from an average of \$15,000 to \$1,500,000.

Yue Minjun is another Chinese contemporary artist whose recognisable trademark is the laughing face that appears in each of his works. It alludes to the image of the Laughing Buddha and is a nod to the heroic proletarians of communist-era Maoist propaganda. Today, the price of Yue Minjun's works can go from \$100,000 to \$4,000,000.



Other Factors

Apart from the impact on society, in order to have 'market value', a work of art needs to respect some specific criteria. A singular art object is often seen in the context of a larger art movement or artistic genre and culture. It can also be seen as an item within an artist's "body of work."

The style is fundamental to establishing whether the work of art follows a certain artistic genre or not. For instance, when a Monet painting needs to be valued, what is carefully analysed is how much the painter respected the Impressionistic canons. The historical period of the work of art can also influence its value. Not every century is the same; some artistic periods such as Impressionism, Cubism and Surrealism have made a bigger impact on the contemporary public's view.

Also, the size of the work of art may be an influence. For example, an untitled canvas by Jackson Pollock of 21.9 x 21.6cm was just sold for \$37,500 while the painting "Number 12" which is 78.7 x 58.2cm was sold for \$11,655,500.

Sometimes, a great artist is not really valued by the market (at least while they're alive), while many contemporary art pieces which lack that special something can be extremely expensive purely because they follow financial speculation or media awareness.



Dead or alive?

Many of the greatest artists were not appreciated as much in life, as they are now in death. For instance, while Vincent Van Gogh sold only one of his paintings when he was alive, today his works are regarded as some of the most expensive in history. Similarly, Picasso became more famous after his death.

There are good reasons for the importance that these artists earn after their death. Firstly, if a painter dies he won't be creating any more works, in his own original style, so what was created becomes unique, irreproducible and rare. Some of the greatest artists even created and influenced the following generations, so artists such as Manet, Monet or Picasso increased their popularity not immediately after the release of their best work, but decades later.



Art Through Our Eyes



The National Gallery recently announced a first-ever

collaboration with 5 award-winning ASEAN film directors. Titled *Art Through Our Eyes*, the directors will create dramatised interpretations inspired by selected masterpieces from the Gallery's Southeast Asian collection, showcased together later this year.



Director: Apichatpong Weerasethakul, Thailand (Winner of 2010 Cannes Film Festival Palme d'Or prize)

1

Merapi, Eruption by Day (1865) and Merapi, Eruption by Night (1865)
Raden Saleh

Indonesians historically share a symbolic relationship with their land. The tangible beauty and raw, intangible power of nature is often depicted in Indonesian landscape art. Mt. Merapi, Indonesia's most active volcano, had been erupting for centuries when Saleh painted his famous day and night scenes. Some people interpret the paintings as a suggestion of the intensity of Indonesian pride and nationalism, rather than just a depiction of Mt. Merapi - a forewarning that the people would someday 'erupt' and reclaim Indonesia from the Dutch colonial rulers.



Director: Joko Anwar, Indonesia (Director of *Forbidden Door*, a psychological thriller screened at multiple film festivals)

2

Wounded Lion (1839)
Raden Saleh

One of three known paintings of a lion's head by Saleh, it's modelled after a lion he saw in The Hague. The wounded lion and its pained expression is typical of Romantic paintings, which often feature animals representing the uncontrollable power of nature as a reaction to the scientific thinking in the 18th century. The lion, which appears on the Coat of Arms of the Netherlands, the colonial power at the time, is pierced by possibly a keris, suggesting Javanese courage and chivalry.



Director: Eric Khoo, Singapore (Director of *Mee Pok Man* and 12 Storeys, both screened at over 60 film festivals)

3

Portable Cinema (1977)
Chua Mia Tee

Chua Mia Tee was a big fan of portable cinemas that were common in Singapore from the 1950s to 70s, and when he was approached by Times Publishers to paint scenes of vanishing trades in Singapore, it came to him naturally. The portable cinema depicted here functions like multiplex cinemas of today, with multiple peepholes through which the viewer can see moving images of popular characters like Superman and Tarzan.



Director: Ho Yuhang, Malaysia (Winner of the Network for the Promotion of Asian Cinema (NETPAC) award at the Locarno International Film Festival)

4

Aku (1958)
Latiff Mohidin

Named after Indonesian poet Chairil Anwar's work 'Aku', Mohidin's portrait used bold lines and harsh tones to illustrate Anwar's individualistic nature, and to convey his need for personal control. This reflects Mohidin's own nationalistic feelings that were sparked by the Japanese Occupation of Malaya, and the need to take charge of one's environment during the chaos of the Malayan Emergency and impending independence from the British.



Director: Brillante Mendoza, Philippines (Voted Best Director for *Kinatay* at the 62nd Cannes Film Festival)

5

Marketplace During the Occupation (1942)
Fernando Cueto Amorsolo

At first, Amorsolo's work seems to portray a sense of peace - people look seemingly happy, with Japanese soldiers and flags present. Look closer, and you'll see a female vendor with her legs splayed apart, showing viewers her exposed thighs. While it is unknown why Amorsolo painted this unconventional depiction, it could be his response to the Japanese Occupation of the Philippines at the time, when many women were forced into sexual slavery. This may also portray the power dynamic between the Philippines and her new colonial ruler.

Find your own inspiration from the artworks at the National Gallery. The films will be unveiled later this year.

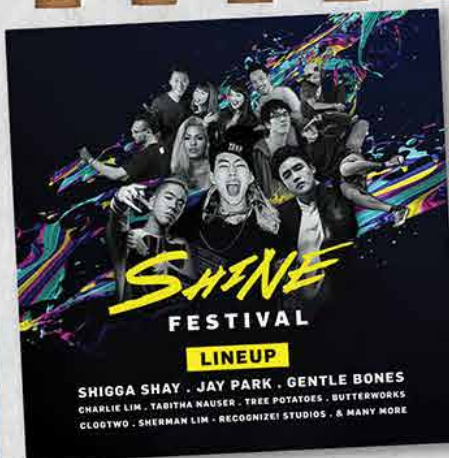
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CAMPUS.SINGAPORE

SPECIAL EVENTS



SHINE Festival

When: 1 - 3 July
Location: Orchard Road (from *SCAPE to ION Orchard)

Themed "Your Next Stage", youth-centric experiential zones with exclusive discounts and activities will line the streets from *SCAPE to ION Orchard with more than 60 pop-up

stalls like the Art Market by The Local People, fringe activities like fashion silk-screening, and extensive food trucks on-site. Highlights of the festival include a collaboration between international singer/rapper Jay Park and local rapper/songwriter Shigga Shay.

The Glasgow School of Art Singapore Degree Show

When: 9 - 15 July | 12pm - 7pm
Location: DECK, 120A Prinsep Street
Tickets: FREE

Hosting its third degree show at DECK, an independent arts space, expect a diverse range of creative works from prints, films, installations, interior design to writings by the graduating students of the institution's Communication Design and Interior Design programmes.



Ghostbusters (July 14)

Cast: Kristen Wiig, Melissa McCarthy, Kate McKinnon, Leslie Jones, Chris Hemsworth

Slightly different from the original Ghostbusters that we're used to, Erin Gilbert (Wiig) and Abby Yates (McCarthy) are two authors of a book that proposed the existence of ghosts. Years later, when Erin is a respectable lecturer at Columbia University, her book resurfaces and she becomes the laughing stock of the university. Ghosts soon invade Manhattan, however, and reuniting with Abby, a team is formed with nuclear engineer Jillian Holtzmann (McKinnon) and subway worker Patty Tolan (Jones) to save the world from an evil and powerful demon named Rowan.

MOVIES



Cold War 2 (July 8)

Cast: Chow Yun Fat, Aaron Kwok, Tony Leung, Eddie Peng

Picking up after the successful rescue operation of 5 police officers in the first movie, Sean Lau (Kwok) is now promoted to Chief Police Commissioner. But it came at the cost of the career of Deputy Police Commissioner Waise Lee (Leung), with his son, Joe Lee (Peng), being the sole suspect of the conspiracy. Things take a bad turn when Sean's wife is kidnapped in exchange for Joe, and he has to seek help from Waise. Impeached for abusing his power, Sean's fate now lies in the hands of jury member Oswald Kan (Chow). Meanwhile, a powerful mysterious figure appears to be helping Joe from behind.



PRODUCTIONS

30 Jun - 24 Jul
LASALLE College of the Arts
Tickets: \$35 - \$100

Singapore Theatre Festival 2016

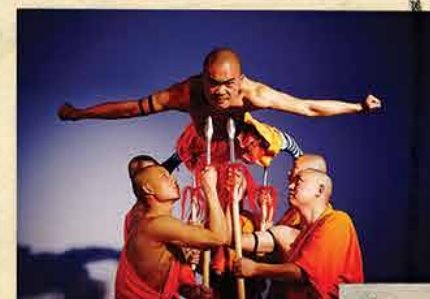
Brought back for a fifth year by WILD RICE, the work of 9 playwrights, 8 directors and 4 companies will be featured - telling stories of contemporary Singapore and giving voices to people from all walks of life, via written and devised works as well as verbatim theatre. The cornerstone of the festival would be HOTEL, an "instant classic" by WILD RICE, and Rodney Olivero's Geylang.



13 - 24 Jul | 1pm, 2.30pm, 6pm, 7.30pm
MasterCard Theatres, Marina Bay Sands
Tickets: \$45 - \$135

SHAOLIN

Following their critically-acclaimed 'Wheel of Life' and 'Kung Fu Masters' tours, the 20-strong cast of SHAOLIN, hailing from the fabled Shaolin Temple in China's Henan province, will perform amazing "super-human" feats, combining traditional Shaolin Kung Fu and meticulous choreography, with dramatic lighting and sound for a breathtaking performance.



19 & 20 Aug | 8pm
Esplanade Theatre
Tickets: \$30, \$50, \$70

Masterpiece in Motion

The Singapore Dance Theatre will be presenting a new company premiere, Symphony in Three Movements by Nils Christie from Masterpiece in Motion, its international repertory season. The event will feature a triple-bill with three ballets of world-class standards, showcasing finest examples of choreography with talented dancers, and a repertoire of classical and neoclassical ballets.



1 - 3 Jul & 8 - 10 Jul | 7.30pm
Fort Canning Green
Tickets: \$30

Ballet Under the Stars

2 PAIRS TIX

Back for its 21st edition, the opening weekend of Singapore's most loved and well-known outdoor dance event presents the world premier of Incomparable Beauty by the resident choreographer of Tulsa Ballet, Ma Cong, and a fusion of classical and contemporary works such as Bournonville Divertissements by Danish choreographer August Bournonville, the following weekend.



15 - 17 Jul | 3.30pm & 7.30pm
KC Arts Centre - Home of the SRT
Tickets: \$25

Every Singaporean Daughter

A contemporary play by UNSAID, a student-led and socially-minded arts collective, the play transforms stories crowd-sourced from women of all walks of life in Singapore into a powerful performance art. Aiming to give an honest theatrical presentation of the current situation faced by women, the intention is to bring light to the unseen issues challenging Singaporean women today.

GIGS

27 July | 7pm
Millian Singapore, Sentosa Gateway
Tickets: \$68 - \$168

MAN WITH A MISSION Asia Tour 2016 in Singapore

Japanese band MAN WITH A MISSION released their latest album "The World's on Fire" in February, and will embark on an Asia tour with Singapore as their first stop. With hits like "Seven Deadly Sins" and "Emotions" (from the Hental Kamen soundtrack), the wolves are set to rock our sunny shores for the first time this July.



29 July | 7.30pm
Esplanade Concert Hall
Tickets: \$28 - \$88

SSO Pops Concert: A Night on Broadway

With a songlist of some of the greatest Broadway hits, together with singer Rani Singam and conductor Joshua Tan, sit back and enjoy nostalgic songs from best-selling musicals My Fair Lady, West Side Story, The Sound of Music and many more.



50 Shades of Money

By Nina Gan

The Business of Adult Toys

Mention sex toys and blushes ensue. For many, it's taboo. Go figure - the only image most people associate with the industry is that of tacky rubber models in the shape of you-know-what.

But there's been a renaissance recently: first, the business of adult toys now comes under the banner of 'sexual health', so it shouldn't be confused with porn or the sex industry; secondly, it's an industry that's bucking opinions and economic trends.

THE RISE AND RISE

Let's not beat around the bush; the global adult toy industry is worth over **US\$15 billion** - the same as the global recorded music industry, which to put into context, is something that everyone at every age listens to.

What's more, unlike many other industries, profits of these companies seem to rise even during an economic downturn, as online retailers Lovehoney, PriveCo, and many others prove. Last year, Lovehoney reported an **80% rise** in profits in the UK despite the sluggish economy; Michigan-based PriveCo's profits spiked just as the city of Detroit filed bankruptcy. In New Zealand, adult store sales increased by 50% amidst a piddly 0.2% growth in retail spending.

This uptrend can be justified by the internet, and recently, by the release of **50 Shades of Grey**, which triggered a revolution even in Singapore. According to The New Paper, local adult store owners reported that sales of products like Ben Wa balls (used in the movie) increased by 4-5 times.

THE ONLINE PHENOMENA

Gone are the days when people had to sneak into sex toy shops and ogle confusedly at a mountain of dildos. But even then, revenue from these stores was around **US\$610 million**.

The internet provided anonymity for purchasing embarrassing products, and became a platform for users to share reviews. This form of free marketing is good for SEO, and translates into revenue: Lovehoney turned over **£43.4 million** last year (or four products sold every minute).

There's also revenue from bloggers who turn hobbies into careers by, yes, reviewing adult goods.

CHANGING TRENDS

Contrary to popular belief, it's not a male-dominated industry. At least not when it comes to newer entrants. The gender divide is pretty equal for both entrepreneurs and customers of the industry.

Even the lingerie market is breaking gender barriers. Male lingerie - yes, we mean lacy teddies and fishnet stockings for men - is penetrating the market; according to a survey, **over 90%** of these customers are in heterosexual relationships.

THE DESIGN REVOLUTION

These days, you have more options than the usual "12-Inch Fist of Adonis" - thanks to design innovations from Ivy League-educated product engineers and Silicon Valley.

New technology means a mind-boggling range of toys that include **Wifi remote-controlled devices** and **Bluetooth-activated vibrators**. A recent trend is customisation via 3D printing. It's not just the tech that's innovative, the designs are too, whether they're made for men, women, or both.

Gone are the days when vibrators were unsexy medical devices for women diagnosed with "hysteria". JimmyJane's Little Gold looks like a gold cigar case, and Crave's Duet is a discreet USB storage device. Tenga's Egg for men looks just like... an egg. The ads for all of these look just as slick; some of these products have also won prestigious design awards including the Good Design Award (JimmyJane's Hello Touch & Form), Red Dot Award (Lelo's Tiani, Tenga's iroha) and Cannes Lion Festival (Lelo's Ora) - beating out competition from the likes of smartphones and other products.

Not only do the products look like something from Apple, they're also discreet. So discreet that even mainstream stores retail them - Watsons has vibrators from Smile Makers, confusing some customers. As one auntie put it, "Is it perfume?"

Adult toys don't often come cheap, and with designer looks, the sky's the limit - Lelo's golden Inez costs **US\$15,000**, and the elegant Velv'Or JCobra ring is a whopping **€60,000**. When even celebrities own them - Kate Moss has a JimmyJane, Beyoncé's is allegedly gold-plated - you know it'll be trending.

CAN'T KEEP THE FEEL-GOOD DOWN

A research by online retailer Adam & Eve found that **94% of customers** feel that adult products improve communication and lead to a healthy relationship. They're the type of customer who would spend money on quality products - ones who'd queue for the latest iPhone models - but for some reason feel silenced by society's 'shame tax' on sexuality.

However, sexual health is a booming industry, and one that's set to grow to **US\$52 billion by 2020** - that's a number you can take to the bank.

MILLENNIALS AND THEIR VIEWS ON MONEY

VISA SURVEYED 18-28 YEAR OLDS FIVE YEARS AGO, AND REVEALED THAT CONTRARY TO COMMON STEREOTYPES, YOUNG PEOPLE ARE MONEY SMART AND SAVVY SAVERS.

Visa commissioned a study of more than 5,500 respondents (male and female) aged 18-28 from China, Hong Kong, India, Indonesia, Korea, Philippines, Russia, Singapore, South Africa, Taiwan, and the United Arab Emirates. A total of 500 interviews were conducted in each market between June - July 2011 with representation quotas of gender and age. 50% of the respondents from each country belong to higher income groups, with the exception of UAE, South Africa, Indonesia and the Philippines, where it was slightly higher.

MILLENNIALS ARE SMART MONEY MANAGERS



THE MILLENNIAL LOVE AFFAIR WITH DEBIT



HAVE AT LEAST **ONE DEBIT CARD** WITH CONVENIENCE OFFERED AT THEIR FINGERTIPS

CASH	DEBIT
<p>ONLY 17% THINK CASH WILL NEVER GO OUT OF FASHION</p>	<p>68% BELIEVE IN A CASHLESS FUTURE</p>
<p>30% DON'T MIND THE BOTHER OF KEEPING CASH AND COINS HANDY</p>	<p>70% DON'T WANT THE HASSLE OF CARRYING CASH AROUND</p>
<p>CONSTANT ANXIETY NOT HAVING ENOUGH CASH FOR UNEXPECTED NEEDS. Cash is mostly used for payments up to \$5.</p>	<p>43% SAY IT'S THE PERFECT BACK-UP FOR UNPLANNED PURCHASES</p>
<p>LARGE PURCHASES REQUIRE A BULKY WALLET FULL OF NOTES. LESS THAN 20% USE CASH FOR PURCHASES OVER \$80</p>	<p>45% USE DEBIT BECAUSE IT'S FASTER THAN PULLING OUT BILLS</p>
<p> ATMs CAN BE TROUBLESOME TO FIND</p>	<p>57% FIND DEBIT CARDS CONVENIENT FOR EVERYDAY PURCHASES AND GETTING ACCESS TO MONEY ISN'T A SCAVENGER HUNT</p>
<p>CASH IS A PAIN TO USE ONLINE</p>	<p>39% KEEP DEBIT CARDS ON HAND FOR ONLINE PURCHASES</p>
<p>?? ?? THERE IS NO RECORD OF TRANSACTIONS TO HELP KEEP TRACK OF FINANCES</p>	<p>38% CHOOSE DEBIT BECAUSE EACH TRANSACTION IS TRACKED ON THEIR BANK STATEMENTS AND IT'S EASIER THAN GOING THROUGH A STACK OF RECEIPTS</p>

STRESS RELIEF

Feeling stressed about planning your finances? Let us help take the guesswork out of it. Save your money? Waste your money? This makes personal finance easy (or painful) depending on what you spin. So go on! Give it a whirl!

WHAT YOU'LL
NEED TO PLAY:

1 X PENCIL

1 X PAIR OF SCISSORS

SOME MONEY

STEP 1: Cut out the wheel and poke a hole in the centre with a pencil.

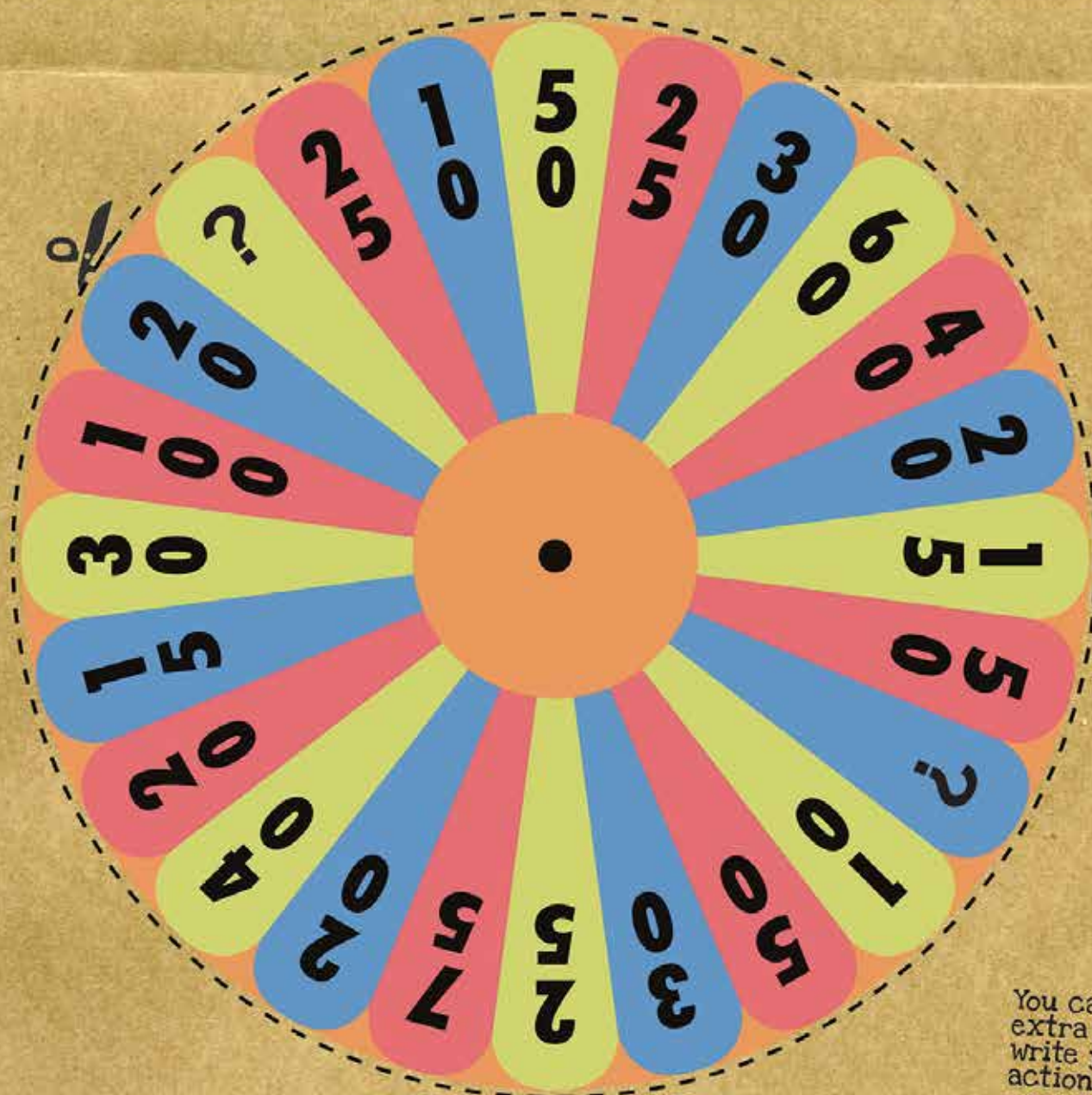
STEP 2: Cut out all the cards and stack them face-down.

STEP 3: Hold the pencil upright in the centre of the wheel and spin it.

STEP 4: The wheel will land on a number. Try not to get excited, yet.

STEP 5: Draw the top card.

STEP 6: Spend that amount of money (see Step 4) on whatever the card says, because the card is in charge now. Repeat.



Spin the wheel and read the number that stops here

You can cut out extra cards and write your own actions too.

Give to your mom

Hide in piggy bank

Treat your friends