



A good vacation need not be costly. What are some money saving tips that don't involve a lot of inconvenience?

An overseas vacation can be notoriously difficult to budget for. More often than not, the cost for that seemingly affordable quick weekend getaway can rapidly balloon, but not if you know where the leakages can come from. (Note: These tips are for travellers based in Singapore)

### 01 Money Changers

Currency spreads at airport money changers are typically 5% or more, while a competitive money changer in downtown Singapore can offer spreads as low as 2%. Certain currencies (such as the Indonesia Rupiah) can sometimes even be bought with little or no commission spread for the buyer. This may occur for instance when money changers are only too glad to get Rupiah off their hands, due to the large number of Indonesian tourists who bring their home currency for exchange to Singapore dollars. The three best places in Singapore to obtain foreign currency? Change Alley (Raffles Place), Lucky Plaza and Mustafa (Little India).

### 02 Overseas ATM Withdrawals

{loadposition advert1}Cash withdrawals at ATM (local or overseas) using credit cards attract hefty cash advance fees (typically 5%, plus another 1.5% in administrative charges). You should thus keep a Singapore-issued ATM card handy when overseas. Generally, there is a S\$5 charge per withdrawal and the exchange rate will be similar to those imposed on credit cards. If you are travelling to Malaysia or Thailand, you can avoid withdrawal fees if you are using Maybank or UOB's ATM cards issued in Singapore at the respective banks' ATMs, which can be found easily. DBS's ATM card is very useful in Hong Kong and Taiwan, where there is again no withdrawal fees on DBS's own sizeable ATM network. In Indonesia, of the local banks, OCBC probably has the best ATM network (under the OCBC NISP banner) and charges a reduced fee of \$2 per withdrawal. G

### 03 Credit Card Fees

Not all credit cards are equal when they are used overseas. Check out [this page](#) on which credit cards to avoid.

### 04 Airfares

They are generally lower the earlier you book your tickets, or whenever there are sales promotions. If you know that your travel date is uncertain and may be postponed, a good strategy is to redeem the flight with frequent flyer miles (such as Singapore Airlines' Krisflyer programme) as there is usually no penalty to postpone travel dates unless the new flight you want to be on is full or nearly full.

### 05 Budget Airlines' "Convenience Fees"

Budget airline "convenience fees". These can account for up to 20% of the ticket price for short-haul flights. Charges vary, but as an example, for a short regional return trip, AirAsia imposes a "convenience fee" of \$14 on payments via credit card and \$4 via direct debit. It is difficult to entirely avoid such fees, but alternative payment methods exist at other budget airlines. TigerAir allows payment at AXS kiosks (which will bring the fee (imposed by AXS) to just \$1 dollar for each transaction) while Jetstar allows payment at Singapore Post's SAM

machines or 7-Eleven outlets.

### 06Hotels

{loadposition advert1} Contrary to the case for air tickets, room rates on hotel booking websites are not cheapest when you book very early. Instead, room rates start high and decrease over time, until about 2 months before check-in date. If you are not fussy about the exact hotel you want to stay at (but are flexible within a short-list of several hotels with similar amenities), hotel rates tend to be cheapest 1 to 2 months before the actual check-in date.

### 07Mobile Communications

There may be times when you really need to be contactable by mobile phone, even while you are on vacation. Pre-paid overseas SIM cards tend to be most cost-effective, but it can be tedious to locate vendors selling these and then activate them. More importantly, you can't inform your friends and family about your pre-paid number until after you have actually purchased the SIM card overseas. A Singapore pre-paid line issued in Singapore, to which to forward calls from your regular Singapore mobile line, is probably a good alternative, as there are typically no activation fees and are based on per-minute usage.

### 08Others

Avoid mini-bars in hotel rooms and restaurants at airports, unless you are willing to pay 3 times (or more) the regular price in the city area. Not to mention that the candy bars and snacks in the hotel room are usually stale.

### Conclusion

Being aware of the small ways that can cause unexpected outflows on a vacation will help you keep within budget

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