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Moscow Is No Longer One of World's Most Expensive Cities

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A view of Moscow

Moscow plummeted out of the world's top 10 most expensive cities to live in as a result of the ruble's drastic depreciation during the last year, according to the latest international ranking released Wednesday.

The city fell from ninth place last year to 50th this year in the annual cost of living survey by U.S. consultancy company Mercer. St. Petersburg dropped 117 places to 152 in the ranking, "as a result of Russia's ruble losing significant value against the U.S. dollar, lower oil prices, and a lack of confidence in the currency following Western sanctions over the crisis in Ukraine," Mercer said in a press release.

The ruble lost almost 50 percent of its value against the U.S. dollar last year amid a slump in the price of oil, Russia's most valuable export commodity, and economic sanctions imposed by Western countries.

"Currency movements will always play a really big part in the rankings but the impact this

year has been particularly acute," the Financial Times newspaper cited Kate Fitzpatrick, a consultant at Mercer, as saying.

Tokyo, which had frequently led the rankings during the past 20 years, also left the top 10, sliding to the 11th spot from seventh last year, which Mercer attributed to the yen's weakness against the U.S. dollar.

The ranking is compiled by looking at various factors such as the cost of everyday goods and services and the cost of renting accommodations of an international standard, using New York as the base city against which others are compared.

The most expensive city this year for a second year running was the Angolan capital Luanda, followed by Hong Kong and Zurich.

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