

News Release

07 July 2015

SINGAPOREANS MISSING OUT ON ACHIEVING BUCKET LIST IN RETIREMENT

****81% of Singaporean retirees forgo at least one of their retirement aspirations****

****59% of retirees still provide financial support to family and friends****

****Only 18% of pre-retirees have received an inheritance****

Singaporean retirees are not achieving retirement goals due to their ongoing and pro-longed financial support of family, according to HSBC's Future of Retirement report. The report also finds that the phenomenon of 'giving while living' is affecting retirees' inheritance plans.

HSBC's Future of Retirement is a global research study that looks into the retirement trends and views of more than 16,000 people in 15 countries. The findings for Singapore are based on a survey conducted on August and September 2014 of 1,000 people of working age (25 and over) and in retirement.

HSBC Future of Retirement finds 81% of Singaporean retirees (versus 73% global average) are being forced to let go of one or more of their retirement goals due to budget constraints in retirement - a potential consequence of prolonged financial support of family, particularly children.

The report reveals 59% of retired Singaporeans are providing ongoing financial support to dependants and a quarter of these retirees regularly give to grown-up children (25%) and grandchildren (5%).

Matthew Colebrook, Head of Retail Banking and Wealth Management, HSBC Singapore said: "Singaporean retirees are failing to achieve their retirement aspirations due to financial commitments that have continued into retirement."

"Singaporeans' strong family ties are playing a role in the rise of the 'living inheritance' phenomenon where parents are supporting children into adulthood. This adds another dimension to the already complex financial pressures faced by Singapore retirees," Mr Colebrook added.

Respondents to the survey highlighted an array of unachieved aspirations with 21% saying they were unable to take frequent holidays and 16% saying they were unable to buy an expensive item.

Inheritance plans falling away due to 'giving while living'

HSBC Future of Retirement also reveals that the impact of 'giving while living' is creating a chasm between Singaporeans' desire to leave an inheritance and their ability to do so.

The report shows 66% of pre-retirees (versus 74% global average) intend to leave an inheritance to their children; however, only 18% of pre-retirees have received an inheritance which is significantly lower than the global (32%) and regional (30%) average.

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Colebrook concluded: "There is a widening gap in the inheritance that Singaporeans want to leave and what they actually will. This demonstrates that while 'giving while living' is on the rise, the provision of traditional inheritance may be declining."

"However, Singaporeans shouldn't have to choose between living their life and also providing for their loved ones. At HSBC, we provide customers with tools and insights to help them identify gaps between their long term financial capabilities and aspirations. We believe that through careful planning, Singaporeans' passions and aspirations need not retire when they do."

HSBC's research identified actions that may help retirement savers plan a better financial future

1. Be realistic about your retirement aspirations
2. Review your long-term working plans
3. Consider your own and your family's long-term financial needs, and make sure to include them in your plan
4. Have a clear and realistic retirement plan and seek professional financial advice if you need help

Join HSBC on the retirement conversation by visiting www.hsbc.com.sg/passions-never-retire

- ENDS / MORE -

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Notes to editors

1. All references to retirees refer to people who are semi or fully retired.
2. The survey was conducted online by Ipsos MORI in August and September 2014.

The HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from over 6,100 offices in 73 countries and territories in Asia, Europe, North and Latin America, and the Middle East and North Africa. With assets of US\$2,670bn at 31 March 2015, HSBC is one of the world's largest banking and financial services organisations.

- ENDS / ALL -

Singapore's 'living inheritance'

The Future of Retirement *Choices for later life*

The responses of working age people and retirees in Singapore, taken from a global survey of 16,000 people in 15 countries and territories

Two thirds of working age people expect to leave an inheritance to their children

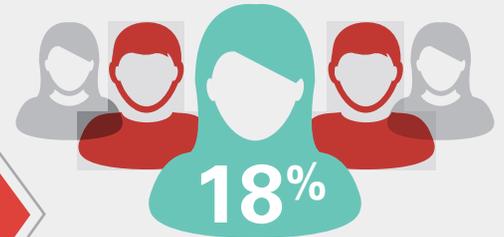


SINGAPORE



GLOBAL AVERAGE

...but **less than one in five** have ever received one

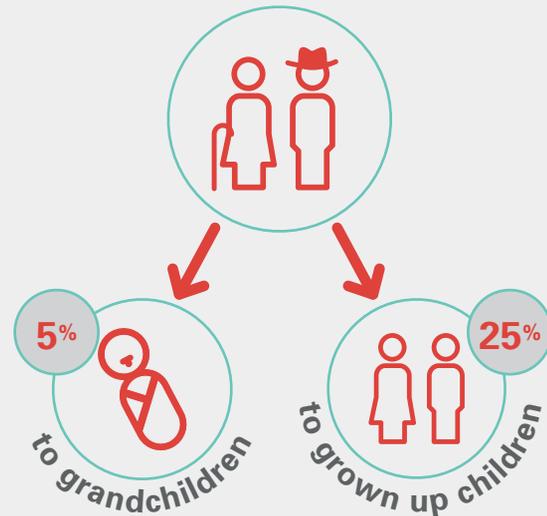


Yet, many retirees are **concerned** about their ability to support family and friends



While a similar number are worried about being reliant on them

Instead, almost **three in five** retirees are providing financial support...



Still, this living inheritance is impacting on retirement dreams.



of retirees have been unable to achieve at least one of their hopes and dreams since retiring



GLOBAL AVERAGE