News Release

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SINGAPOREANS EXPECT TO SAVE LONGER FOR RETIREMENT THAN PREDECESSORS

- *Current Singaporean workers saving for nine years longer than previous generations*
- *23% of working age people yet to start saving*

The years required to save for an adequate retirement are widening for the current generation of workers in Singapore compared to their predecessors, according to an HSBC report. The report also finds a lack of diversity in retirement planning – possibly from low awareness and access to information – which is exacerbating the savings conundrum for many Singaporeans.

The HSBC 'Future of Retirement: Generations and Journeys' report is based on the views of more than 18,000 people in 17 countries, including a total of 1,008 Singaporeans (both working age and retired).

The report shows that Singaporeans today are starting to save earlier yet are retiring later than previous generations in order to fund a comfortable retirement.

According to the report, the average Singaporean starts saving for retirement at 32 and continues for another 29 years. This is nine years more than their predecessors, who saved an average of 20 years, starting later at age 39.

Despite the longer and earlier period of saving, 41% of the current working age Singaporeans wish they had started to save earlier and 38% have stopped saving due to various difficulties.

Matthew Colebrook, Head of Retail Banking and Wealth Management, HSBC Bank (Singapore) said: "The unfortunate causality of a rising cost of living is that people nowadays are having to save further and for longer than their predecessors. Unfortunately in many instances, life events are also getting in the way from setting aside money earlier or in a consistent manner."

Singaporeans relying on cash savings and property downsizing to fund retirement

Singaporeans are pre-dominantly using cash savings, supplemented by day-to-day salary and a property down-size to fund their retirement.

According to the HSBC report, 60% of working age Singaporeans surveyed expect to draw on cash savings to fund their retirement. A further 40% highlighted that they will continue to work, with 12% saying they rely on state pension schemes.

The report also finds that 21% of Singaporeans (compared to the global average of 6%) expect to downsize or sell a property to help them to fund their retirement.

Mr Colebrook continued: "The report reveals a degree of tunnel-vision amongst Singaporeans with cash savings and property being the key investments of choice – often at the exclusion of almost any other asset class."

"But all asset classes' performance will rise and fall as the current softening of the Singapore property market and low deposit rate environment show us. This speaks volumes for why it is important to seek diversification in a savings plan."

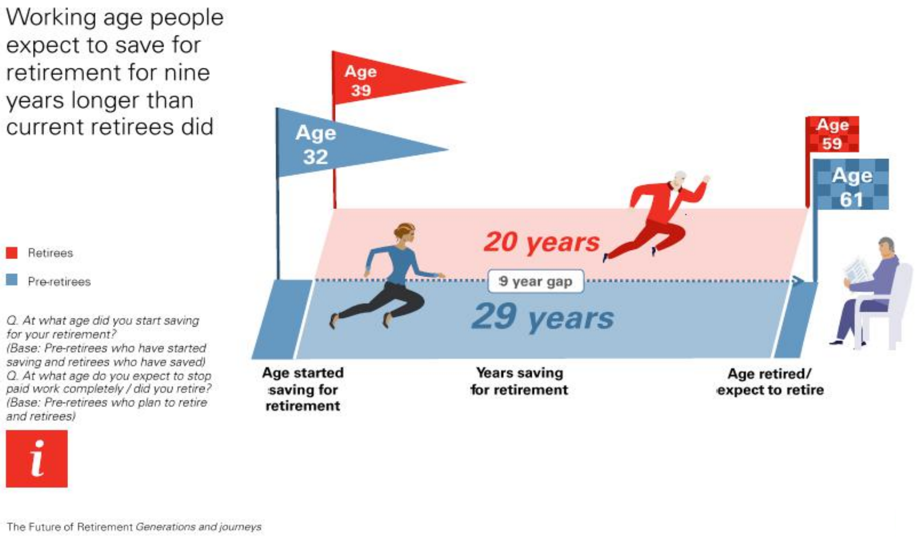
Working Singaporeans lack information and education on retirement

Lack of information on retirement may potentially be one of the reasons why working age Singaporeans have not started planning for their retirement.

According to the HSBC report, 26% of pre-retirees surveyed in Singapore say they have never received advice or information about retirement. Findings also show that 23% of pre-retirees have not started saving (on par with global average of 24%), including 10% who are aged 60 or over.

Mr Colebrook added: "While Singaporeans are savvy savers in general, they may not have the relevant knowledge to help them start saving or consider investment options in order to sustain the lifestyle they had before retirement. Getting professional help in setting a financial plan early will allow you to reap the fruits of your labour and fulfil retirement aspirations without compromising or changing your lifestyle."

Annex



Infographic: Working age Singaporeans expect to save earlier and retire later than their predecessors.

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Years saving for retirement (average)			
	Years current retirees have saved	Years pre-retirees expect to save	Additional years pre-retirees expect to save
Global average	**23**	**30**	**7**
China	9	23	**14**
UAE	13	25	**12**
Australia	26	37	**11**
France	24	35	**11**
Hong Kong	18	28	**10**
Argentina	24	33	**9**
Egypt	18	27	**9**
Singapore	20	29	**9**
Canada	26	34	**8**
Taiwan	16	24	**8**
UK	30	37	**7**
USA	28	35	**7**
India	20	26	**6**
Mexico	28	33	**5**
Malaysia	23	27	**4**
Indonesia	23	23	**0**

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Note to editors:

The Future of Retirement is a world-leading independent research study into global retirement trends, commissioned by HSBC. It provides authoritative insights into the key issues associated with ageing populations and increasing life expectancy around the world.

This report, Generations and journeys, is the 13th in the series and represents the views of 18,207 people in 17 countries and territories worldwide (Argentina, Australia, Brazil, Canada, China, Egypt, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States). The findings are based on a nationally representative survey of people of working age (25+) and in retirement, in each country or territory. The research was conducted online by Ipsos MORI in September and October 2015, with additional face-to-face interviews in Egypt and the UAE.

Since The Future of Retirement programme began in 2005, more than 159,000 people worldwide have been surveyed.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 6,000 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US$2,596bn at 31 March 2016, HSBC is one of the world's largest banking and financial services organisations.

For more information about The Future of Retirement, visit www.hsbc.com

The Retirement Profiler is an online tool for individuals to assess their financial preparedness in order to achieve their goals in retirement. For more information on the Retirement Profiler, visit www.hsbc.com.sg/retirement-profiler

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