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## **HSBC FINFIT STUDY UNDERLINES THE NEED TO MANAGE SAVINGS FOR GREATER FINANCIAL FITNESS OF HONG KONG BANKING POPULATION**

- \* HSBC FitFit Index at 67 out of 100 for Hong Kong
- \* Average saving stands at HKD7,400 per month or 29 per cent of income
- \* 55 per cent of respondents expressed money worries amid Covid-19

The Hong Kong banking population is generally disciplined at saving for the future, but may be missing opportunities to maximise return by using structured, informed and long-term management of the wealth they have accumulated, according to the latest HSBC FinFit Study, which seeks to assess local financial fitness and provide references for HSBC in its upcoming financial education initiatives.

Hongkongers save an average of HKD7,400 per month, or 29 per cent of their income, and around 60 per cent of respondents have built enough of a safety net to cover six months of basic living expenses. However, less than half use investment products to grow wealth. One-third lack confidence in choosing the right investment products.

HSBC FinFit Index (FinFit Index), which measured the financial fitness of Hong Kong people based on four aspects including financial habits, financial knowledge, financial planning and financial security & safety, stood at 67 out of 100. Only 29 per cent of respondents are “very fit” with a score of 80 or above, but on the bright side, only 20 per cent are “unfit” with a score below 50. The survey’s measures of financial fitness correlate closely with the satisfaction of living quality, happiness and retirement confidence.

**Greg Hingston, Regional Head of Wealth and Personal Banking, Asia-Pacific, and Head of Wealth and Personal Banking, Hong Kong, HSBC,** said: “Financial fitness is a vital aspect of broader personal wellbeing, and as a leading bank and wealth manager in Hong Kong, HSBC is committed to helping people in Hong Kong lead a better life financially. The FinFit Study shows that most people are responsible and far-sighted when it comes to planning for their future, but it also shows that they could make their savings work harder for them as part of their behavioural change for better financial planning.”

Unravelling the survey findings, Hong Kong’s banking population is generally good at making ends meet despite average monthly basic expenses of HKD13,900 or 53 per cent of their monthly income. With Hong Kong’s economy reeling from Covid-19, unsurprisingly, 55 per cent of respondents said they had experienced money worries in the past 6 months, citing a

number of key concerns, such as unexpected expenses, and income reduction.

In line with expectations, respondents with a higher FinFit Index score tend to be more knowledgeable about financial products, do more research before any wealth commitment, and deploy more methods to educate their children about financial management. Interestingly, however, moderately fit respondents seemed to be most stressed about their personal situation, expressing the highest number of financial concerns.

**Sami Abouzahr, Head of Customer Wealth, Wealth and Personal Banking, Hong Kong, HSBC**, said: “Our FinFit Index has identified areas of improvement in wealth planning for Hong Kong people, who are generally disciplined savers. By sharpening their financial product knowledge, Hongkongers can better invest their money as part of a balanced financial plan that can help them achieve their long term ambitions and protect them against economic uncertainty or unexpected shocks in their lives and careers.”

According to respondents, there are 8 ways to improve financial fitness and wellbeing: 1) Establish a regular saving routine; 2) Keep enough cash to cover six months of basic living expenses; 3) Create passive income to improve your sense of financial security; 4) Understand and deploy investment products to build your wealth; 5) Review your financial plans, rebalance your portfolios and seek professional advice regularly; 6) Prepare and monitor your retirement plans; 7) Set a budget for spending; 8) Consider selective use of financing solutions as part of your investing strategy.

**Brian Hui, Head of Customer Propositions and Marketing, Wealth and Personal Banking, Hong Kong, HSBC**, said: “When constructing the FinFit Index, HSBC is the first bank in Hong Kong to adopt an algorithmic approach by combining external survey responses with internal customer data to understand the financial behaviours of the local banking population. We plan to refresh the survey regularly to capture changes arising from the fast changing macro environment. It will be a timely indicator to understand the latest financial fitness of people in Hong Kong.”

Conducted in March 2020 to measure the financial fitness of Hong Kong banking population, the survey covered a sample of 1,511 respondents aged between 18 – 64 years which is representative of the population of Hong Kong in terms of age and gender based on census data. With a vast customer base, HSBC is well placed to champion financial education in Hong Kong by rolling out a variety of knowledge building campaigns and initiatives.

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**Note to editors:**

**Photo Caption**



HSBC FinFit Index, which measured the financial fitness of Hong Kong people, stood at 67 out of 100. Greg Hingston, Regional Head of Wealth and Personal Banking, Asia-Pacific, and Head of Wealth and Personal Banking, Hong Kong, HSBC (centre); Sami Abouzahr, Head of Customer Wealth, Wealth and Personal Banking, Hong Kong, HSBC (right); and Brian

Hui, Head of Customer Propositions and Marketing, Wealth and Personal Banking, Hong Kong, HSBC (left) announced the findings of the first FinFit Index.

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