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HSBC PREMIER LAUNCHES WEALTH CENTRE-BASED EDUCATION CONSULTANCY, EDUCATION LOAN OFFER AND SUMMER SCHOOL FOR AFFLUENT CUSTOMERS

HSBC Survey: Six out of 10 Parents Say Five Years' Savings Needed to Cover Children's Overseas Education Estimated at HKD2.65M

A HSBC survey finds that it takes at least five years on average for parents to save enough for their children's overseas education, which is estimated to cost HKD2.65 million on average. To help parents who are planning to send their children to study abroad, HSBC Premier will introduce an industry-first dedicated education consulting service at two Wealth Centres, alongside a new education loan offer, as well as other support programmes and activities.

HSBC recently conducted an online survey with around 400 affluent parents in Hong Kong with children studying / planning to study abroad, to better understand their preferences and planning when it comes to sending their children to study overseas.

According to the survey, 30 per cent of the parents plan to send their children attending secondary four to six class abroad, while 32 per cent will complete their secondary school before progressing to an overseas university. Around one-third expect their children studying for a postgraduate degree, taking the estimated total expenses to HKD3.3 million on average.

Brian Hui, Head of Customer Proposition and Marketing, Wealth and Personal Banking, Hong Kong, HSBC, said, "We are excited to launch a comprehensive, journey-mapping solution that meets the education planning and financial needs of our affluent customers as well as those of their children. More Hong Kong students are studying abroad sooner. HSBC's education consulting service goes beyond mainstay wealth management and insurance solutions. We pay extra attention to education advisory, preparation, learning and experience-based activities. Our goal is to ensure families are well-equipped for this important decision and chapter of their children's lives with HSBC Premier along their side during the planning stage."

Most parents (58 per cent) expect to spend HKD1-3 million in total or an average of HKD2.65 million on their children's overseas education. Six out of 10 parents say it will take them at least five years on average to save enough for their plan. However, most parents (52 per cent) only begin to plan financially one to four years before their children study overseas.

Respondents on average set aside 21.7 per cent of their household income for education; two-thirds agree to invest more and reduce non-essential expenses. Still, 60 per cent find it challenging to meet their financial obligation. Three in 10 will consider selling assets or resort to personal asset refinancing.

To provide extra flexibility and liquidity for customers, HSBC is making a new international educational loan offer to eligible customers¹, at Annualised Percentage Rate (APR) as low as 2.25%² and up to HKD10,600³ cash rebate, doubling the rewards of general personal instalment loans offer. Customers can borrow up to HKD3 million⁴ with a flexible repayment period of up to 60 months.

Meanwhile, three quarters of respondents believed that they could have done better or started planning earlier for the education journey. To better serve its customers, consulting service provided by an education partner⁵ of the Bank is now available at HSBC Wealth Centre at K11 Atelier and Hysan Place.

This year, the HSBC Summer School will roll out a range of enrichment activities in arts, sports and international education, offering courses with both local and overseas learning experience to eligible HSBC Premier customers. Other preferential offers include:

- up to 8 per cent year-round air-ticket discount from British Airways for flight origin from Hong Kong to London and an onward destination to the UK / Europe
- up to 13 per cent discount for TOEFL Primary and Junior tests, and complimentary TOEFL iBT practice online package to students through partnership with ETS

HSBC will be co-hosting the “HSBC Premier Give Me Five: International Education Seminar”, international education symposium on Saturday 3 June 2023, a rerun will be available on @HSBC_HK YouTube channel from 8 June 2023.

For more about HSBC’s international education support, visit <https://www.hsbc.com.hk/premier/global-banking/>

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Note to editors:

About the survey

The research was conducted online from 18 to 26 April 2023, 386 parents aged 24-64 and have liquid assets or HKD1 million or above with children aged 6-22 and have studied/ planning to study abroad participated in the study.

1. The offer of this promotion is exclusive for HSBC Premier or Jade customers who have joined HSBC International Education Community. Terms and conditions apply.
2. Only applicable to customers who have successfully applied for and drawn down the loan during the Promotional Period from 8 June 2023 to 5 July 2023, both dates inclusive with an approved loan amount of HKD1,500,000 or above. Based on a monthly flat rate of 0.10%, the Annualized Percentage Rate (APR) is 2.25% over a repayment period of 12 months. The APR is calculated using method specified in relevant guidelines issued by The Hong Kong Association of Banks, and is rounded up or down to the nearest two decimal places. An APR is a reference rate, which includes all applicable interest rates, fees and charges of the product, expressed as an annualised rate.
3. Only applicable to customers who have successfully applied for and drawn down the loan during the Promotional Period, for which comprises the total sum of HKD10,000 cash rebate under the Successful Application Offer and HKD600 cash rebate under the Document Submission Offer.
 - a. Successful Application Offer: Only applicable to Loan applications submitted and approved during the Promotional Period for an approved Loan amount of HKD1,500,000 or above with a repayment period of 60 months.
 - b. Document Submission Offer: Only applicable to customers who successfully submit supporting document(s) required by the Bank for the loan application during the Promotional Period with an approved loan amount of HKD100,000 or above. The Document Submission Offer is not applicable to loan applications on which the Bank does not require submission of any supporting document.
4. The final approved loan amount is subject to change in accordance with the circumstances of individual cases and the Bank's final decision.
5. The education consultation service is provided by: Academic Asia UK Limited, Britannia Study Link (Asia) Limited and Crimson Education. Terms and conditions apply.

To borrow or not to borrow? Borrow only if you can repay!

Terms and conditions apply.

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