

26 February 2024

Two-thirds of GBA Residents To Start or Boost Investments via Enhanced Wealth Management Connect, HSBC Survey Finds

** Enhanced our Infrastructure and Increased Product Offerings to Over 400 **

** 100+ Mutual Funds Targeting Asian or Global Markets to Help Southbound Investors Seizing International Opportunities **

The latest enhancement to the Cross-boundary Wealth Management Connect Pilot Scheme (WMC or the Scheme) in the Guangdong-Hong Kong-Macau Greater Bay Area (GBA) is expected to increase the attractiveness of this cross-boundary wealth management initiative, according to a HSBC's survey.

To gauge the interest and preferences of GBA residents regarding cross-boundary investment through the enhanced Scheme, HSBC conducted an online survey of over 2,000 residents in the 11 cities in the GBA from January to February 2024.

The survey reveals that approximately two-thirds of respondents indicated that the latest enhancements to the WMC – including a relaxed entry threshold, extended investment options and expanded individual investment quota – are the drivers for them to start investing via the Scheme or boost their existing investments.

With the enhancements taking effect on 26 February 2024, HSBC has upgraded its system and offerings to help investors seizing the opportunities:

- All existing and new WMC customers can invest up to RMB3 million through the Scheme; an increase of RMB1 million previously;
- HSBC and its mainland partner bank increase the choices of wealth management products to more than 400, including over 100 mutual funds investing in Asia or global markets, helping Southbound investors to achieve portfolio diversification and internationalisation;
- HSBC Hong Kong expands its dedicated team of financial advisors using Wealth Portfolio Intelligence Service, a portfolio analytic tool only available to Premier Elite and Premier customers, to provide advisory service to Southbound investors to help them better understand the risks and opportunities hence optimise their portfolios.

Daniel Chan, Head of the Greater Bay Area, HSBC, said: “The latest enhancement to the WMC has further increased the attractiveness of the Scheme, fueling investments and promoting even deeper integration of the financial sector in the GBA. In addition to opening the door to greater market opportunities, investment channels and diversified investments, survey

respondents have emphasised that wealth planning and advisory services are key factors for their increased participation in the Scheme. At HSBC, we have enriched our product offering, expanded our team of financial advisors, and introduced a professional digital wealth management platform to provide advisory service for investors.”

Key Survey Findings

- With the individual investment quota now increased to a maximum of RMB3 million from RMB1 million, the survey reveals that 24 per cent of current investors or those interested in WMC intend to invest RMB1 million or above via the Scheme in the next 12 months.
- On average, respondents tend to allocate about RMB710,000 to the Scheme, expecting 7.7 per cent annual return from their investments.
- Energy, technology, natural resources, biotechnology and finance rank among the most preferred sectors for investment.
- 81 per cent of Southbound respondents expressed a need for cross-border investment advisory assistance from a bank’s financial advisors.

HSBC is the leading international wealth bank in the region, and one of the first banks to participate in the Scheme. The Bank currently has 60 HSBC Wealth Management Connect Centres in the region, supported by a dedicated team of financial advisors to help customers to navigate their cross-boundary wealth management journey.

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Note to editors:

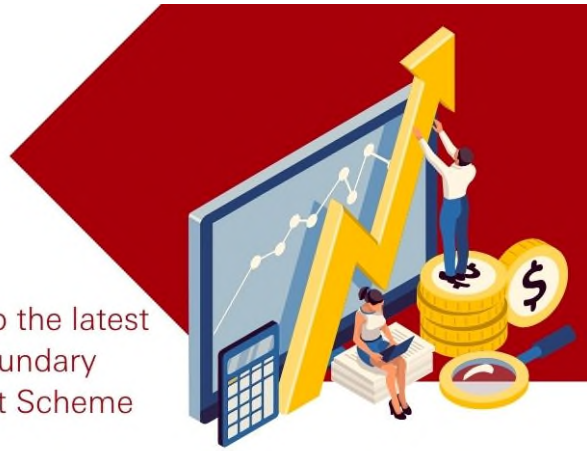
About the survey

HSBC conducted an online survey of over 2,000 residents aged 18-64 in the 11 cities in the GBA (including Guangzhou, Shenzhen, Hong Kong, Macau, Zhuhai, Foshan, Huizhou, Dongguan, Zhongshan, Jiangmen and Zhaoqing) from January to February 2024, aims to study their appetite and preferences in cross-boundary Wealth Management Connect. As the enhanced Scheme has lowered the entry barrier for Southbound individuals, the survey has covered a group of mainland respondents with less than RMB1 million liquid asset but with annual income higher than RMB400,000, in addition to those with over RMB1 million liquid assets. The survey assesses their investment appetite, preferred type of asset class, geographical exposure, sector and how they select their preferred financial institution.



HSBC Survey

GBA residents are attracted to the latest enhancement in the Cross-boundary Wealth Management Connect Scheme



Around **2/3** of the respondents indicated that the latest enhancements to the WMC are the drivers to start investing via the Scheme or boost their existing investments



24% of respondents of current investors or those interested to invest in WMC intend to invest RMB1m+ via the Scheme in the next 12 months



On average, respondents tend to allocate about RMB710k to WMC, expecting **7.7%** annual return



81% of Southbound respondents expressed a need for cross-border investment advisory assistance from a bank

Most preferred sectors for investment



Energy



Technology



Natural resources



Biotech



Finance

To gauge the interest and preferences of GBA residents regarding cross-boundary investment through the enhanced Scheme, HSBC conducted an online survey of 2,000+ residents in the 11 cities in the GBA from Jan to Feb 24.

The Hongkong and Shanghai Banking Corporation Limited

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