News Release

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MILLENNIALS: WAKING UP TO RETIREMENT REALITY
THE INDIA PERSPECTIVE

- *60 is the average age Millennials expect to retire*
- *60% of people believe that Millennials are paying for the economic consequences of previous generations*
- *69% of working age people believe new technology makes saving for retirement easier*
- *74% of working age people believe new technology will help give future retirees a better standard of living*

Economic volatility is pushing the dream of a good retirement out of reach for many people around the world, according to *Shifting sands*, the latest report in HSBC's The Future of Retirement series.

In India, 60 is the average age Millennials expect to retire, 60% of people believe that Millennials are paying for the economic consequences of previous generations, 69% of working age people believe new technology makes saving for retirement easier and 74% of them believe new technology will help give future retirees a better standard of living.

The survey of over 18,000 people in 16 countries finds that only 10% of Millennials expect to continue working after 65 – even as their generation faces unprecedented financial pressures and state retirement ages continue to rise around the world.

A perfect storm

The economic challenges facing the Millennial generation (those born between 1980 and 1997) are starkly reflected in their retirement prospects.

Fifty-two percent of people believe that Millennials have experienced weaker economic growth than previous generations, while **60%** agree that Millennials are paying for the economic consequences of older generations, such as the global financial crisis and rising national debt. Also, **46%** of people believe that employer pension schemes may go bust or be unable to pay out to Millennials.
However, **68%** of people say that Millennials don't know how good they have it, enjoying a better quality of life than any generation before them.

S. Ramakrishnan, Head of Retail Banking & Wealth Management, HSBC India comments:

"While Millennials are broadly aware of the economic and demographic challenges they face, they do not appear to have grasped the full implications for their retirement.

With low interest rates, rising healthcare costs and potentially less state support for retired people in the future, it has never been more important to save for a comfortable retirement.

Starting to save early – and saving enough – can reduce the need to have to continue working in later life."

Retirement prospects

When it comes to retirement, Millennials are seen as less fortunate than previous generations. Only 21% of people think Millennials are in the best position for a comfortable retirement, compared to 34% who think Baby Boomers are. Forty percent of Baby Boomers believe that their own generation is in the best position to retire comfortably.
In terms of life expectancy and retirement planning, 62% of people – and 57% of Millennials themselves – believe the Millennial generation will live much longer and will need to support themselves for longer.

Saving time and money

Technology is changing the way people save for retirement. Over two-thirds (69%) of working age people agree that new technology makes it easier to save for their retirement. People are using new technology in different ways to plan for and manage their retirement.
Additionally, almost three-quarters (74%) of working age people believe that new technology will help give future retirees a better standard of living.

Practical steps

HSBC's research identified four actions that people can take to improve their financial well-being in retirement:

1. Be realistic about your retirement
Make sure you are well prepared for a long and comfortable retirement by starting to save earlier and more. Factor potential healthcare costs into your retirement planning.
2. Consider different sources of funding
Balance your ways of saving and investing for retirement to spread the risk and maximise the returns. Be realistic about your expected returns.
3. Plan for the unexpected
Unexpected events can have a major impact on retirement funding. Include worst case scenarios when planning your retirement and consider putting protection in place to help secure your retirement income.
4. Take advantage of technology
Embrace new technology to make planning for your retirement easier. Online planning tools can help you understand your retirement funding needs and track progress towards your goals. Seek professional financial advice if you need help.

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About HSBC India

The Hongkong and Shanghai Banking Corporation Limited in India offers a full range of banking and financial services through 26 branches across 14 cities.

HSBC is one of India's leading financial services groups, with over 37,000 employees in its banking, investment banking and capital markets, asset management, insurance, software development and global resourcing operations in the country. It is a leading custodian in India. Nearly 6% of India's trade passes through HSBC. The Bank is at the forefront in arranging deals for Indian companies investing overseas and foreign investments into the country.

The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves more than 37 million customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from around 4,000 offices in 70 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US$2,416bn at 31 March 2017, HSBC is one of the world's largest banking and financial services organisations.

Notes to Editors:

Millennials are those born between 1980 and 1997.

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. Since The Future of Retirement programme began in 2005, over 177,000 have been surveyed worldwide.

Shifting sands is the fourteenth report in the series and represents the views of 18,414 people from 16 countries and territories: India, Argentina, Australia, Canada, China, Egypt, France, Hong Kong, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom and the United States of America.
The findings are based on a representative sample of people of working age (21+) and in retirement, in each country or territory. The research was conducted online by Ipsos MORI between November 2016 and January 2017, with additional face-to-face interviews in Egypt and the UAE.

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

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