

# News Release

18 July 2016

## **47% Indians have either not started, faced difficulties or stopped saving for their retirement: HSBC survey**

- *44% working Indians who started saving for their retirement have stopped or faced difficulties*
- *21% have not even started saving for retirement*
- *41% wish they had started saving at an earlier age*

HSBC's latest survey from The Future of Retirement series '*Generations & Journeys*', found that a large number (47%) of working age people in India have either not started saving for their retirement or have stopped or faced difficulties while saving for their future. This is higher than the global average (46%), derived from the countries covered by HSBC in the survey.

According to the report, an alarming 44% of working age people in India who had started saving for their retirement have stopped or faced difficulties. Further, the report also found that more than one-fifth (21%) of the working age population surveyed have not even started saving for retirement, while 22% of people aged 60 and over and 14% of people in their 50s have not begun to save for retirement.

The study also found that one in ten (10%) of working age people have never received professional advice or information about retirement. While they may seek advice at a later stage, it could end up being too late.

Interestingly, friends and family were the most common sources of retirement advice or information. While almost 80% of pre-retirees sought advice from friends and family, 82% of retirees have received advice from them. On the flip side, only 40% of pre-retirees and 53% of retirees have received retirement advice and information from professionals (financial advisors, government agencies, insurance brokers, bank advisors, etc).

The people surveyed mentioned that in hindsight, they would have done things differently for their retirement planning. Many retirees wish that they had started saving earlier for retirement. Over two in five (41%) pre-retirees said that they would have started saving at an earlier age, as would 38% of retirees. Looking back, a quarter (25%) of pre-retirees said that they would have obtained professional financial advice, as would 23% retirees.

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**The Hongkong and Shanghai Banking Corporation Limited**



**S. Ramakrishnan, Head of Retail Banking and Wealth Management, HSBC India said:**

“Financial security for ourselves and our families should be a priority through all stages of life. While it is important to start saving early for retirement, it is equally important to ensure continuity when faced with difficulties or challenges in saving. Also, while informal conversations with friends and family can be useful, people should supplement this with professional financial advice. This will ensure that people have a proper understanding of their current and future financial needs to plan effectively for a comfortable retirement in an ever-changing world.”

### **Practical steps**

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

**1. Consider all your retirement expenses**

When planning for retirement, make sure to list all your possible retirement outgoings

**2. Start saving earlier for retirement**

Plan to start saving for retirement earlier, to help build a bigger fund and allow it to grow for longer

**3. Make sure your advice is professional**

Seek information from many sources, but make sure the advice you get is professional

**4. Be prepared for financial ups and downs**

When saving for retirement gets difficult, make sure to review all your finances and seek alternative ways to help you continue towards a comfortable retirement

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### **Notes 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 13<sup>th</sup> 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.

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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](http://www.hsbc.com)

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### **HSBC India**

The Hongkong and Shanghai Banking Corporation Limited in India offers a full range of banking and financial services through its 50 branches and 140 ATMs across 29 cities.

HSBC is one of India's leading financial services groups, with over 33,000 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, and a leading international bank for individuals and companies with global aspirations, facilitating their needs with presence in 71 countries. The Bank is at the forefront in arranging deals for Indian companies investing overseas and foreign investments into the country. With its extensive reach across Asia, the Americas and Europe, HSBC has the capacity to offer complete banking and financial solutions to India's burgeoning economy. It has also formed a joint venture life insurance company with Canara Bank and Oriental Bank of Commerce.

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