

News Release

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USA the top choice for university abroad for Indian parents: HSBC

- *The USA is the top choice for Indian parents who would consider university abroad for their child*
- *However the USA is also the most expensive destination: USD33,215 is the average annual tuition fee for international students*

HSBC's *The Value of Education Foundations for the future* report reveals that the USA is the destination parents are the most likely to consider for their child's international university education. Of the parents surveyed, 58% rated the USA as one of their top three destinations from a list of 50 countries. However, the USA is also the most expensive destination, with the average annual tuition fees for international university students there being as high as USD 33,215 per year.

For parents in India, the top three countries where they are most likely to send their child to university to are the USA, Australia and the UK. When parents were quizzed for the top three reasons to best explain why they would chose an international university education, more than half (57%) said it was for the international work experience, 57% said that it would increase confidence while 53% said it for was for the exposure to new experiences, ideas and cultures.

The proportion of parents who would consider university abroad for their child is relatively high, where almost half of those surveyed (47%) said that they would want to send their children to university abroad. The top three barriers however for sending the child to university abroad are higher costs to the parents (43%), higher costs for the child (29%) and because the child could get homesick (28%).

Commenting on these findings, **S. Ramakrishnan, Head of Retail Banking and Wealth Management, HSBC India** said: "An international university education for their child is a highly desirable ambition for many parents. However, it comes at higher costs, with living expenses and air fares on top of tuition fees. Early planning and regular saving can help parents overcome these financial barriers and unlock the extra opportunities they wish for their child."

Practical steps for planning for an international university education

Here are some important insights and practical actions drawn from the research findings, for parents to consider when planning for their child's university education abroad.

1. Research the options

Consider all international options by reviewing university rankings and understanding which countries can offer the best balance between quality of education, cost of tuition and living, and job prospects.

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2. Consider all the costs

A university education abroad usually costs more than at home. As well as higher tuition fees, there are living expenses and international travel costs to plan for.

3. Start planning and saving early

By starting to plan and save early, and seeking professional advice when necessary, parents should be better placed to support the high ambitions they have for their children's education.

4. Explore the financing options

The cost of tuition and living as a student abroad can be high. There are a range of financing options available to parents to help them fund the education bill.

5. Look into buying property abroad

Buying a property in the country where your child studies can be a good investment. There are financing options available to help achieve this ambition, including international mortgages.

6. Understand how to manage finances abroad

Seek professional advice if you need help to understand how you can exchange, accumulate and transfer foreign currencies. Consider opening an international bank account to help you manage your child's finances abroad.

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About The Value of Education research

The Value of Education is an independent consumer research study into global education trends, commissioned by HSBC. *Foundations for the future*, the third report in the series, was published in June 2016 and represents the views of 6,241 parents in 15 countries and territories around the world: Australia, Canada, China, Egypt, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom and United States. The findings are based on a survey of parents from a nationally representative sample in each country who have at least one child aged 23 or younger currently (or soon to be) in education. Over 350 parents (including 150 with a child at university or college) were surveyed in all countries. The research was conducted online by Ipsos MORI in February and March 2016, with interviews in Egypt conducted face-to-face.

About HSBC India

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

HSBC is one of India's leading financial services groups, with over 32,000 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.

About HSBC Group

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,400 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,608bn at 30 June 2016, HSBC is one of the world's largest banking and financial services organisations.

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