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News Release

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Global survey: When it comes to saving for retirement, Canadians feel they weathered global economic downturn better than any other nation

*** Full HSBC Future of Retirement report and infographics at www.hsbc.com/retirement ***

Today HSBC released its latest global survey report, *The Future of Retirement: A balancing act*, capturing the retirement views of 16,000 people – including 1,000 Canadians -- from 15 countries and territories worldwide. According to report findings, the long-term impact of the global economic downturn will be felt by millions of retirees around the world for decades to come.

That is, unless you're Canadian. In fact, only 18% of Canadians surveyed feel the economic downturn impacted their ability to save for retirement -- the lowest of all markets surveyed, and well below the global average of 26%.

But is the maple syrup bottle half full, or half empty?

Although the research suggests that Canadians weathered the economic downturn relatively well, it also shows that on average, Canadians feel somewhat *less* prepared for the realities of retirement than their international peers. In fact, four in 10 Canadians are *not* confident in their ability to maintain a comfortable retirement – somewhat above the global average of 35%.

Betty Miao, Executive Vice President and Head of Retail Banking and Wealth Management, HSBC Bank Canada said: "The global research suggests that Canadians may not be feeling the tailwinds of the economic downturn on their retirement savings simply because the chill of too much debt and a high cost of living is taking precedence.

"Despite signs that the global economy picked up in 2014, only 24% of Canadians surveyed have been able to save more for retirement this past year than in the previous year – well below the global average of 40%."

In fact, the majority of Canadians surveyed (52%) say that paying off their mortgage or other debts is stopping them from adequately preparing for retirement, and 33% of Canadian respondents say they are less able to save money today than they were just one year ago -- compared to a global average of 27%.

Canadians are also bucking global trends when it comes to building retirement income in addition to government and private pension plans. Of the Canadians surveyed, 39% plan to fund their retirement in-part through investment properties -- well below the global average of 65%. And whereas retirees in Asia are the most likely to help fund their retirement in less traditional ways – for example, 73% of Malaysians surveyed already own or plan to own jewellery, diamonds or gold, and classic cars are most likely to help fund retirements in Indonesia (35%) and India (28%) – Canadians are some of the least likely to opt for such luxury items.

More…

2/ **Global survey: When it comes to saving for retirement, Canadians feel they weathered global economic downturn better than any other nation**

Practical steps towards a better retirement

Below are some key insights and practical actions drawn from the research findings, aimed at helping Canadians plan a better financial future.

1) **Start saving early.** Retirement can seem a long way off when you are young, however two in five (40%) retirees say that starting to save earlier would have improved their standard of living in retirement. *It is crucial to start making retirement plans as early as you can.*
2) **Know how much you need… really.** The great news is that we are living longer, with Canadians enjoying 24 years of retirement on average. Unfortunately, they are only able to maintain their desired lifestyle for 10 years, meaning there is a 14 year gap in which they are expecting to live on less money than they would like. *Start thinking about the kind of lifestyle you want over the full course of retirement, and how much you will need to fund it.*
3) **Refill the pot.** If you're like one of the fifth (18%) of Canadians surveyed who said that the global economic downturn had a direct and significant impact on their ability to save for retirement, *2015 is a good year to maximize your Registered Retirement Savings Plan (RRSP) and Tax Free Savings Account (TFSA) contributions.*
4) **Expect the unexpected.** Almost one in five (19%) working age respondents say that illness or an accident has prevented them or their spouse from working and this significantly affected their ability to continue to save for retirement. *No one can see into the future, but do consider what could happen and how this will impact your financial planning.*

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Notes to Editors:

1. Infographic available, highlighting key findings of HSBC's The Future of Retirement *A balancing act*
2. 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 global report, *A balancing act,* is the tenth in the series and represents the views of more than 16,000 people (1,000 in Canada) in 15 countries and territories worldwide (Australia, Brazil, Canada, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, Turkey, United Arab Emirates, United Kingdom, United States). The findings are based on an online poll conducted by Ipsos MORI in August and September 2014. The margin of error on a sample of 1,000 respondents is +/- 3.1% around the sample estimate. Since The Future of Retirement programme began in 2005, more than 141,000 people worldwide have been surveyed. For more information about The Future of Retirement, and to view all previous global and country reports, visit www.hsbc.com/retirement.
3. HSBC Bank Canada, a subsidiary of HSBC Holdings plc, is the leading international bank in Canada. The HSBC Group serves customers worldwide from over 6,200 offices in 74 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US$2,729bn at 30 September 2014, HSBC is one of the world's largest banking and financial services organizations.