

Helping Hong Kong people get their finances in shape

HSBC FinFit Study 2020

Understanding financial fitness to encourage better habits

As a key stakeholder in Hong Kong people's heritage, welfare and future, HSBC takes its responsibility of care seriously. Especially when it comes to their financial well-being. This point was recently underlined by the Hong Kong Monetary Authority and the HKSAR government. That's why, **we recently commissioned the FinFit Study, an in-depth survey created to shine a light on Hong Kong banking population's financial fitness** – the first step to helping them towards **better financial well-being through positive financial management behaviour**.

FinFit Study Design & Approach

The quantitative online survey was conducted in March 2020, involving 1,511 Hong Kong residents aged 18 to 64. It tested for **39 financial indicators under four pillars: 1. Financial Habits; 2. Financial Knowledge; 3. Financial Planning; and 4. Financial Security & Safety**. The survey data of selected indicators were moderated with behavioural data of HSBC customers.

Key Findings

67/100* **HSBC FinFit Index:**
Hong Kong banking population's financial fitness is currently at

Of these,

20%
Financially unfit,
scoring below 50

51%
Moderately fit,
scoring 50 to 79

29%
Very fit,
scoring 80 to 100

Top financial concern: Unexpected expenses 57%

Save & Grow: Average monthly saving at 29% of their income; 44% invest to grow wealth

Meeting Ends: Average monthly basic living expenses at 53% of their income

*Source: FinFit Study 2020. June 2020.

Under the four pillars:

72/100 Financial Habits:

64%

have saving habit but only 2/3 of them
save on regular basis every month

61%

hold **6 months' rainy-day cash**

56%

have **passive income**

27%

educate children
about financial management

65/100 Financial Knowledge:

60%

understand local stocks

less than

40%

understand other types of investment products

4%

have used financing solutions for investment in
the past 6 months

60/100 Financial Planning:

64%

review and adjust financial plan annually

42%

seek advice from a professional regularly

59%

have set a budget plan

37%

do not regularly monitor progress of
retirement plans

73%

have planned for retirement in addition
to MPF/ORSO

38%

are confident in retirement preparation

76/100 Financial Security & Safety:


33%

feel they **don't do enough**
to protect their financial security

The majority is vigilant in cyber security,
but only around half changes their online
banking password annually*

* Remarks: For details on Cyber Security findings, please refer to HSBC Cyber Security Index

From findings to actions: 8 ways to improve your financial fitness

- 1** Establish a regular saving routine
 - 2** Keep 6-month rainy-day cash
 - 3** Create passive income to improve your sense of financial security
 - 4** Understand and deploy investment products
 - 5** Review financial plan, rebalance portfolio and seek professional advice regularly
 - 6** Prepare and monitor retirement plan
 - 7** Develop a habit of setting budget for spending
 - 8** Consider selective use of financing solutions as part of your investing strategy
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In general, **Hong Kong population expects banks to play an important role in financial education.**

And, in order to help Hong Kong people thrive together with us, we're proud to be able to help and everyone can be FinFit.