

News Release

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AUSTRALIANS WORKING 11 YEARS LONGER AND RELYING ON PROPERTY TO AFFORD RETIREMENT

****Working age Australians expect to save for retirement for 11 years longer than current retirees did****

****Global research shows Australians are most likely to rely on proceeds from property to fund retirement****

****41% of working age Australians have not received any financial advice to prepare for retirement****

Working age Australians need to save for 11 years longer than the current generation of retirees did, according to the latest Future of Retirement report from HSBC, titled *Generations and Journeys*. The report, which compares data from 17 countries around the world, found the average global retirement savings gap was seven years and that Australians had the third highest savings gap behind China and the UAE.

Even though Australians expect to prepare longer for their retirement years, many are still not adequately informed about the real costs of retirement. HSBC's latest research shows that 41% of working age Australians have not received any financial advice or information about preparing for retirement, preferring instead to rely on advice from friends or family (39%). While 75% of working age people have started saving for retirement, 35% of them have stopped or faced difficulties saving at some point.

According to HSBC's research Australians are the most likely, out of the countries surveyed, to rely on income from property to help fund the cost of their retirement (26%). 66% of Australians are planning on downsizing from their current property in the future.

"As we're living longer we have to work for longer to be able to afford the standard costs of retirement. However, saving longer may not be enough to adequately prepare for retirement anymore. Some Australians really understand this and are now planning for alternate sources of income like property to fund their retirement," says Scott Ellis, Head of Wealth, HSBC Australia.

Despite this, income from property, savings and fund portfolios may still not be enough to fund retirement costs for many, with around a third (31%) of working age Australians expecting to continue to working in some capacity in their retirement years, compared to just 10% of current retirees.

"Planning for retirement can appear daunting although not as potentially daunting as a retirement that has not been planned. The best way to alleviate these concerns is to start early, seek professional advice and be prepared for the ups and downs of funding your retirement," says Ellis.

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Notes to editors

About the Future of Retirement

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 13th 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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