

News Release

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Nearly half of Australians who want to retire can't, HSBC research

Lack of savings, high debt and financial dependants keep retirement out of reach for many

Australian workers are among the most likely in the world to want to retire early, but are also more likely to find it out of reach, according to HSBC's latest Future of Retirement report.

HSBC's Future of Retirement research surveyed more than 18,000 people in 17 countries worldwide, including 1,000 respondents in Australia, to understand the issues associated with ageing populations and increasing life expectancy globally.

Nearly three quarters (74%) of Australians aged 45 and over dream of retiring in the next five years, but 43% say they will be unable to. 15% are worried they won't be able to afford to retire and will simply need to keep working.

Those who wish to retire in the next five years face a number of financial barriers. 71% have not saved enough money, while 28% have a lot of debt. Over one in five also have dependants who rely on their income.

Graham Heunis, Head of Retail Banking and Wealth Management, HSBC Australia, said:

"Many Australians dream of an early retirement, but the reality is that concerns about money prevent them from achieving their goal."

Over one-third (36%) of working age people fear their financial situation will get worse after retirement and recent stock market turbulence has only increased the pressures they face. The ASX 200 is down 17% over the past year, which is estimated to have knocked around \$A120 billion off the value of Australians' direct share holdings.

"With the vast majority of superannuation funds linked to the stock market, the current volatility only increases the need for sound retirement planning. Even small amounts saved now could make a difference in the future," Heunis said.

The HSBC report identified four practical steps to help people prepare for retirement:

- **Start saving earlier** – You can improve your chance of retiring when you want to by starting to save as early as possible.
- **Plan for a longer retirement** – Ensure you have a financial plan in place to make the most of this new chapter of your life.
- **Aim for a healthy retirement** – Don't wait until you've stopped working to start taking steps to improve your health.
- **Consider how your healthcare needs may change in your retirement** – Make sure your potential healthcare needs are included in your financial planning.

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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, *Healthy new beginnings*, is the twelfth in the series and represents the views of more than 18,000 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 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.

For more information about The Future of Retirement, visit www.hsbc.com

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