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EXPAT LIFE BOOSTS FINANCIAL WELLBEING

HSBC's Expat Explorer survey finds that expats around the world benefit from a 25% uplift in income which helps them progress towards achieving their financial goals.

- Expats earn on average USD99,903 with expats in Switzerland earning USD193,006, nearly double the global average
- 72% of expats in Vietnam are saving more and 67% have more disposable income than they did in home country.
- Despite staying competitive in terms of economics, less favourable feedback on Experience and Family life leads Vietnam down to 30th position on the overall league table of 46 countries

Now in its tenth year, the latest HSBC Expat Explorer survey, the world's largest and longest running study of expat life, reveals that expats benefit from a 25% increase in income as a result of the move, earning on average USD99,903. More than one in ten (14%) have seen their income at least doubled.



The research shows that a move to the Gulf States or Switzerland can lead to a significant boost in income. Expats in Saudi Arabia, Switzerland, UAE, Qatar and Kuwait report an increase of 58%, 54%, 50%, 48% and 46% respectively. With an average income of USD193,006, almost twice the global average, Switzerland-based expats earn the most.

Thanks to their move abroad, 57% of expats have more disposable income than they did before and 52% can save more. Expats are saving and investing primarily towards long-term financial goals including funding their retirement (45%), buying their first or next property (34%) and protecting themselves and their family, property and possessions (27%).

More than three-fifths of expats (62%) own property, with 37% owning in their host country, 32% in their home country and 9% in both countries, often exceeding their

national counterparts - while the national home ownership ratio is 63.5%¹ in the UK, 61.6%² in Japan, 51.9%¹ in Germany and 51%³ in Hong Kong, the survey finds that the property ownership ratio is 75%, 67%, 53% and 63% respectively for expats from these countries

Meanwhile, expats in Vietnam reveal that they earn on average USD88,096 with 36% of them seeing an income rise of 25%. Nearly three quarters (72%) say moving to Vietnam helps them save more and just over two thirds (67%) agree that they have more disposable income than they did in home country. Both proportions are higher than the aforementioned global average. The most popular purpose of their saving or investment still belongs to retirement (37%), followed by buying the first/next property (29%). Nevertheless, when it comes to property ownership, under one-fifth (18%) of expats own property in Vietnam, which is half of the global average. Forty-two percent of expats don't own any property either in their home country or host country.

Expats experience other material benefits by moving abroad. Nearly half (48%) of expats in Vietnam say they take more holidays, besides enjoying more domestic help/staff such as cleaner and nanny (46%) and living in a better property (45%).

Expats move to Vietnam due to various reasons with the top three reasons including finding a new challenge (46%), improving their quality of life (28%) and being sent by an employer (23%). With these aspirations in mind, almost half (47%) agree that Vietnam is a good place for expats who want to progress their career, lower than the global average (54%). Expats in the USA and China are most likely to agree, with 73% and 70% respectively saying they are good places to progress their careers.

Expat employment also comes with its perks. A vast majority (79%) of expats in Vietnam receive benefits as part of their employment contract with 49% receiving health and medical allowances, 42% accommodation allowance and 42% an annual trip home or airfare allowance, compared to the global average 44%, 20% and 19% in order.

However, there may be clouds in the expat sky. Globally, although 53% feel confident about the local economy, almost a third are concerned that global economic uncertainty (31%) and political uncertainty (29%) may affect their financial well-being. The picture, meanwhile, is slightly different in Vietnam. Two-thirds (67%) of expats say they feel confident about the Vietnamese economy but the issues that concern them about their financial wellbeing the most are more restrictions on moving their money across countries (43%), less favourable exchange rate and economic uncertainty globally (both 34%).

¹ [Data Explorer - Distribution of population by tenure status, type of household and income group](#). Eurostat. 12 March 2015.

² Statistics Bureau of Japan. Retrieved 14 April 2015.

³ [Table 005: Statistics on Domestic Households](#). Census and Statistics Department (Hong Kong). Retrieved 14 April 2015.

Expat Explorer league table

The Expat Explorer overall league table ranks each country or territory using a score that summarises expats' views on economics, experience and family life aspects in their host country.

Overall best country for expats	Rank 2017 vs 2016
1. Singapore	=
2. Norway	+4
3. New Zealand	-1
4. Germany	+6
5. Netherlands	+10
6. Canada	-3
7. Australia	+4
8. Sweden	=
9. Austria	-2
10. United Arab Emirates	+2

Singapore, balancing all aspects of expat life

Confidence in the political stability (83%) and local economy (73%), a great quality of life (64% say it is better than at home) and a positive experience for families are among the reasons why Singapore has topped the Expat Explorer league table again.

In relation to the sub league tables, European countries head this year's Economics, with Switzerland coming top for the third year in a row. Germany performs well for career development, with 62% of expats in the country saying it is a good place to progress their career, compared with 54% globally. New Zealand

comes top in the Experience league table, followed by Spain (2nd) and Portugal (3rd). The Netherlands has overtaken Sweden as the best place to raise a family.

Vietnam stays relatively competitive in the eyes of expats in terms of economic elements. The country ranks 16th in the Economics sub league table, the second high after Singapore (4th) among the six ASEAN countries (Indonesia, Malaysia, Philippines, Singapore, Thailand, and Vietnam).

The country, however, receives less favourable feedback when it comes to Experience and Family. Only 28% of expats in Vietnam agree that they enjoy the better overall quality of life including everything from health to culture compared to more than half (52%) of expats across the world saying so about their host country. Thinking about their early experience of life as an expat in Vietnam, only a quarter of expats enjoy the ease of organising finances (e.g. bank account, insurance, paying taxes) and under one third (30%) experience healthcare issues such as local doctor and insurance without difficulty (global average 43% and 47% respectively). Besides that, just over a quarter (27%) of expat parents agree that the quality of child care in Vietnam is better than that in their home country, compared to global average 43%. These reviews collectively lead Vietnam to the 30th position in the overall league, a drop of 11 places from last year rank.

Sabbir Ahmed, Head of Retail Banking and Wealth Management, HSBC Vietnam, said:

“Vietnam remains a fascinating economy where expats around the world continue to enter to challenge themselves and boost their career. However, a satisfactory expat life is associated with how they experience the social and cultural aspects in a host country and how it offers the convenience and quality of life to expats and their families.

The survey suggests several areas for improvement to make Vietnam more attractive to expats. It is clear that expats expect the better early experience in organising their finances and healthcare, as well as the advantageous environment to bring up their children. This poses challenges to the capacity of the financial, medical and educational institutions, also opportunities for them to grow business from better serving this segment.”

Dean Blackburn, Head of HSBC Expat, comments:

“This year, findings from Expat Explorer survey show that expat life can have a positive impact on career progression and financial well-being. With an increase in income and more disposable income on average, life abroad can help expats make faster progress towards achieving their financial goals, from home ownership to a comfortable retirement.

“However, an international life also comes with challenges. Expats, who are more likely to be moving money abroad, need to know how the international economic and political context may affect their financial wellbeing. Exchange rate fluctuations, legal and regulatory changes, and local market conditions can all affect their finances. Expats need to plan ahead carefully to avoid the pitfalls and make the most of managing their wealth across countries.”

Expat Explorer online:

Report and country comparisons: <https://expatexplorer.hsbc.com/survey/>

Tweet @: www.twitter.com/expatexplorer

Facebook: www.facebook.com/hsbcexpat

Expat experiences blog: www.expatexplorer.blogspot.com/

Expats’ ratings of 46 host countries are available to explore online through the [Expat Explorer interactive tool](#).

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Notes to editors:

About the Expat Explorer survey and country league table

The Expat Explorer survey was open to all adults over 18 years old currently living away from their country of origin/home country.

The survey was completed by 27,587 expats from 159 countries and territories through an online questionnaire in March and April 2017, conducted by YouGov and commissioned by HSBC Expat. A minimum sample of 100 expat respondents and at least 30 expat parents is required for a country to be included in the league tables, with 46 countries qualifying in 2017.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,492bn at 30 June 2017, HSBC is one of the world's largest banking and financial services organisations.

HSBC Bank (Vietnam) Ltd.

HSBC has been in Vietnam for more than 140 years – the bank first opened an office in Saigon (now Ho Chi Minh City) in 1870. HSBC was the first foreign bank to launch its locally incorporated entity on 1 January 2009 as HSBC Bank (Vietnam) Ltd. The bank's current network includes two branches and five transaction offices in Ho Chi Minh City, one branch and four transaction offices in Hanoi, and three full-service branches in Binh Duong, Can Tho, and Da Nang. HSBC is one of the largest foreign banks in the country in terms of investment capital, network, product range, staff and customer base.

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