



## Financial Literacy Monitor

August 2018

A research report commissioned by the Investor Education Centre  
and conducted by NuanceTree Limited



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## Executive Summary

The Investor Education Centre (IEC) is committed to continually monitor the financial literacy levels of the Hong Kong population. The 2018 Financial Literacy Monitor is the second wave of the same survey conducted in 2015 by adopting the survey tool developed by the OECD International Network on Financial Education<sup>1</sup>. As in 2015, a thousand face-to-face interviews were conducted with adults aged 18-79 via street-intercepts across 18 districts in Hong Kong, with quota on key demographics following the 2016 population census to ensure the sample is representative of the Hong Kong adult population.

This report provides highlights of the survey's findings focusing on relevant aspects of financial knowledge, attitudes and behaviour. And where possible, comparison against the 2015 findings at the total level is provided to indicate any significant shift.

The key research findings are outlined below:

- The **overall level of financial literacy**, indicated by combining scores on knowledge, attitudes and behaviour, stands at 14.3 out of a possible 21 (a combination of a maximum of 7 for knowledge, 9 for behaviour and 5 for attitudes), which is statistically at the same level as in 2015.

	<u>2015</u>	<u>2018</u>
<b>Total score</b>	<b>14.4</b>	<b>14.3</b>
<b>Mean behaviour score</b>	<b>6.0</b>	<b>5.6</b>
<b>Mean attitude score</b>	<b>2.7</b>	<b>2.7</b>
<b>Mean knowledge score</b>	<b>5.8</b>	<b>5.9</b>

- Scoring on **financial knowledge** is stable and there is improved understanding of the concept of compound interest which scored the lowest in 2015. Meanwhile, there is a decline in the grasp of the risk concept in investing.
- **The score on attitudes towards long-term planning** remained low.
- **The financial behaviour score** registers a mild slip compared to 2015, which is largely driven by less active saving behaviour, less watchful monitoring of personal finance, and fewer individuals that set long-term goals and strived to achieve them.

<sup>1</sup> OECD/INFE International Survey of Adult Financial Literacy Competencies  
<http://www.oecd.org/finance/oecd-infe-survey-adult-financial-literacy-competencies.htm>



- Across the different age brackets, **young adults aged 18-29** recorded the lowest overall financial literacy score (13.5) as well as scores on financial attitudes and behaviour.
  - With only one third of them saving on a regular basis, the young adults are the least able to handle an expenditure shock (equivalent to one month's personal income) and more have reported having difficulties making ends meet in the previous year.
  - They are also the least satisfied with their personal financial status, with as high as 71% feeling their finance limits what they can do with their life.
  - More alarmingly, almost one third (30%) of young adults interviewed said they tend to worry about covering their living expenses and 10% felt they had too much debt.
- The **mature adults (aged 30-49)** reported the strongest scores across knowledge, attitudes and behaviour.
  - They appear to be the most competent segment in managing their finances with 92% reporting active saving.
  - They also hold more types of financial products and see a higher incidence in investing.
  - Nevertheless, only 39% of them are confident in getting financially prepared for retirement.
- The **pre-retirees/retirees (aged 50-79)** are just slightly better than the young adults in terms of overall financial literacy level.
  - With some approaching retirement, and some already in retirement, their goal setting and saving behaviour is mediocre. They are also less watchful with their spending compared to 2015.
  - Among those already retired, only 35% are confident that they are financially well-prepared for retirement.
  - There is also a mild drop in understanding of risk diversification in investment among the retirees.
- **Males scored slightly higher than females** in financial literacy level, which mainly comes from more males settling long-term goals and taking part in the family's financial decisions. Furthermore, males reported much higher levels of confidence in both retirement and self-ratings of financial knowledge. They also hold more financial products compared to females, especially in the area of investment.

These key findings highlights the gaps in financial literacy to be filled as well as the demographic segments calling for more financial education efforts. Some **high-level conclusions** can be drawn:

- Despite the good level of understanding of basic financial concepts, **financial knowledge of the general public can be further improved**. One third of the Hong Kong population still failed to grasp the concept of compound interest and there is decreased understanding of risk diversification (especially among retirees).



It follows that raising financial knowledge remains a key priority, especially in the face of new developments in the financial services sector such as cryptocurrencies and other new financial products/services.

- Hongkongers continue to lack long-term planning attitudes – close to half do not have long-term goals and one third said they tend to live for today.

It is essential to **provide people with stronger motivations to plan for their future** and in this regard it may be worthwhile to explore a more integrative approach with other areas of public education to harness more “teachable moments”.

- There is a slack of disciplines comparing the behaviour reported in 2018 vs 2015 and more people are seemingly giving way to a spend-over-save mentality, which could be partly inflated by the booming economy prior to the survey period.

But despite improved preparedness for emergencies, still about a quarter of households do not have emergency funds that can last for three months or more in the event of losing their main source of income. **More financial education efforts are called for to upkeep the basic financial disciplines.**

- Across different segments, **the youth and the elderly remain more vulnerable in terms of financial literacy level.** In particular, the survey highlights some discontent and alarming signs among young adults which are prone to fall into a vicious cycle of financial insecurity and imprudent mentality, exacerbated by the aggressive advertising promoting “borrow to enjoy life now” attitudes.

The young and old may need increased priority in financial education efforts and segment-specific tactics may be warranted.

- Although there is only little gender difference in financial literacy level, males do have significantly higher participation in the financial markets in terms of product holding. **Financial education may serve to stimulate females’ interest in financial matters and encourage females to engage further in investment pursuits.**



# Research Design

## Background

The OECD/INFE developed a “financial literacy and financial inclusion measurement toolkit” in 2009, which incorporated a core questionnaire and methodology guide. It was designed to collect comparable information on the knowledge, attitudes and behaviour of the adult population that could be used to create scores indicating their levels of financial literacy. The toolkit was first used in an international pilot study in 2010 across 14 countries.

In 2015, the OECD/INFE coordinated an international comparison exercise using the same toolkit. A total of 30 economies participated in the exercise including Hong Kong (with the survey managed by the IEC).

In 2018, IEC repeated this survey using the same questionnaire to track the changes of financial literacy level in the Hong Kong population.

## Research Objectives

- To obtain an update of Hong Kong people's financial literacy level
- To track the shift across financial knowledge, attitudes and behaviour among Hong Kong people versus the previous cohort in 2015

## Target Respondents

- Individuals aged 18 to 79
- Both Chinese and non-Chinese residents were included to collect a representative sample of the total population of Hong Kong

## Methodology

- **Face-to-face interviews** via street intercepts were adopted. Interviewers were deployed at high traffic locations to intercept potential respondents.
- Tertiary Planning Unit (TPU) was the primary sampling unit being drawn from the sampling frame of all 289 TPUs in Hong Kong (excluding outlying islands).
- Only those who lived in the corresponding TPUs were invited for interviews.
- To ensure a representative sample from the total population of Hong Kong, quotas were set on the following aspects, prior to fieldwork execution, with reference to the latest statistics on population distribution from the Census and Statistics Department of HKSAR Government:
  - Age and gender (interlocked)
  - Ethnicity (Chinese vs. non-Chinese)



- Working status (working vs. non-working)
- Living district (3 key districts in Hong Kong)
- Monthly household income
- All interviews were conducted in Cantonese or English.

### Sample Size

- In total 1,002 interviews were completed.
- Weighting of gender and age (interlocked) was applied on individual level of the data.
- Weighting factors were calculated based on the latest statistics on “*Population by Sex, Age, Year and District Council District*” from **2016 Population By-census**, Census and Statistics Department of HKSAR Government.

Source: <https://www.by-census2016.gov.hk/tc/bc-mt.html>

### Fieldwork Period

- Fieldwork was executed from 11<sup>th</sup> to 29<sup>th</sup> January, 2018.

### Weighted Sample Profile

The key demographic profile of the weighted sample is shown below:

Gender & Age	Male	Female
	%	%
Aged 18-19	3	2
Aged 20-29	16	16
Aged 30-39	17	21
Aged 40-49	17	20
Aged 50-59	22	20
Aged 60-69	16	14
Aged 70-79	8	7
Working Status	Total	
	%	
Working	60	
Non-working	40	

Living District	Total
	%
Hong Kong Island	17
Kowloon	30
The New Territories	52
Monthly Household Income	Total
	%
Below HK\$15,000	28
HK\$15,000-29,999	27
HK\$30,000 or above	46



# Detailed Findings

## Financial Literacy Score

The OECD/INFE developed a financial literacy score to indicate the financial literacy level of a population under study. Individuals could score up to seven points in financial knowledge, five points in financial attitudes, and nine points in financial behaviour. The Financial Literacy Score was composed of the sum of the three scores, with which an individual could obtain a maximum of 21 points in total.

### Overall Financial Literacy Score

Hong Kong people’s financial literacy level remained stable compared to three years ago, averaging a score of 14.3 in 2018 (compared to 14.4 in 2015).

Mature adults aged 30-49 saw the highest average Financial Literacy Score of 15.1, which was attributable to their high scoring in financial knowledge and behaviour. In contrast, younger generations, aged 18-29, had a significantly lower score. They recorded lower scores in both financial behaviour and attitudes.

Figure 1.1 – Average Financial Literacy Scores

	Total		Gender		Age		
	2015	2018	Male	Female	18-29	30-49	50-79
Financial Literacy Score	14.4	14.3	14.5	14.1	13.5(L)	15.1(H)	13.8(L)
Financial Knowledge Score	5.8	5.9	6.0	5.9	5.8	6.1(H)	5.8
Financial Behaviour Score	6.0	5.6↓	5.8	5.5	5.2(L)	6.2(H)	5.3(L)
Financial Attitudes Score	2.7	2.7	2.7	2.7	2.5(L)	2.8	2.7

Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

(H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval

Sub-group findings were from 2018 survey



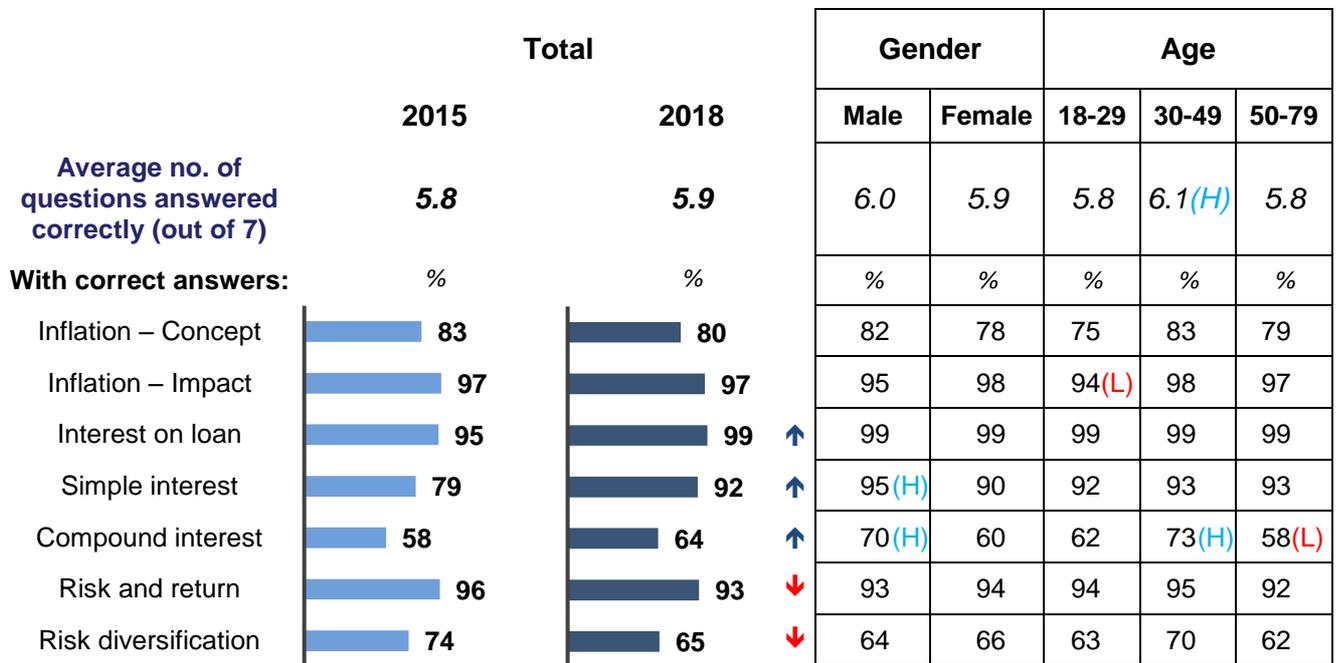
## Financial Knowledge Score

The OECD/INFE devised seven knowledge check questions to test individuals' understanding of basic financial concepts covering inflation, simple interest, compound interest, risk and return and risk diversification.

In 2018, an average of 5.9 questions were answered correctly, more or less the same as in 2015. Those aged 30-49 scored higher than other segments, achieving an average score of 6.1.

This year, the concept of interest rates was more clearly understood. Males were more sophisticated in this regard. On the other hand, comprehension of the risk concept declined compared to three years ago.

Figure 1.2 – Summary of Financial Knowledge Score



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

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Sub-group findings were from 2018 survey



## Financial Attitude Score

The financial attitude score uses three attitude statements to gauge people's attitudes towards long-term planning. Individuals reported their agreement with the three attitude statements on a scale of 1-5, with 1 denoting strongly agree and 5 strongly disagree. Higher scores indicate stronger disagreement with these short-term views and thus a more long-term planning mindset. The overall score is obtained by averaging an individual's score of the three statements.

In 2015, Hong Kong's financial attitude score ranked the 29<sup>th</sup> among the 30 economies that participated in the international comparison. This year the overall attitude score remained at the same level as in 2015, indicating that most Hong Kong people still lack a long-term planning mindset.

Of all the age brackets, the youngest generation appeared to be the least keen in planning for their future.

Figure 1.3 – Summary of Financial Attitude Score

	Total		Gender		Age		
	2015	2018	Male	Female	18-29	30-49	50-79
<b>Financial Attitude Score</b>	2.7	2.7	2.7	2.7	2.5(L)	2.8	2.7
I find it more satisfying to spend money than to save it for the long term	3.1	2.9↓	2.9	3.0	2.7(L)	3.0(H)	3.0
Money is there to be spent	2.1	2.4↑	2.4	2.4	2.3	2.5(H)	2.3
I tend to live for today and let tomorrow take care of itself	2.9	2.8	2.8	2.8	2.7	3.0(H)	2.8

Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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## Financial Behaviour Score

The Financial Behaviour Score was measured on a scale of 0-9, where individuals were given points if they reported ideal behaviour over different areas of day-to-day money management and financial planning, such as active saving, consider personal affordability before purchase, setting long-term financial goals, shopping around, etc.

The average Financial Behaviour Score for Hong Kong people dropped from 6.0 in 2015 to 5.6 in 2018, mainly due to declines in saving disciplines, considered purchase, keeping track of financial affairs, long-term goal-setting and use of independent financial advice.

Young adults again saw the lowest score across the three age brackets, mainly attributable to lower participation in household financial decisions, less timely bill payment and higher incidence of resorting to borrowing when their income did not quite cover their living expenses. Meanwhile, they were more likely than their older peers to consult independent sources of information when choosing financial products.

Figure 1.4 – Average Scores towards Financial Attitude Statements

	Total		Gender		Age		
	2015	2018	Male	Female	18-29	30-49	50-79
<b>Financial Behaviour Score</b>	<b>6.0</b>	<b>5.6</b> ↓	5.8	5.5	5.2 (L)	6.2 (H)	5.3 (L)
<b>Proportion of scored points</b>	%	%	%	%	%	%	%
Responsible for household financial decisions and has a household budget (1 point)	55	59	63	55	32(L)	74(H)	57
Active saving (1 point)	73	67↓	66	67	62	77(H)	59(L)
Considered purchase (1 point)	90	83↓	82	85	83	81	86
Timely bill payment (1 point)	89	87	85	88	76(L)	89	90
Keeping watch of financial affairs (1 point)	82	78↓	80	77	69(L)	84(H)	76
Long-term financial goal setting (1 point)	58	52↓	57	48	47	66(H)	41(L)
Making ends meet without borrowing (1 point)	91	93	92	93	81(L)	94	97(H)
Choosing financial products – consult independent info/advice (1 point)	21	16↓	15	16	29(H)	18	9(L)
Choosing financial products – shop around (2 point)	17	15	18	12	20	20(H)	9(L)

Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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## Financial Knowledge

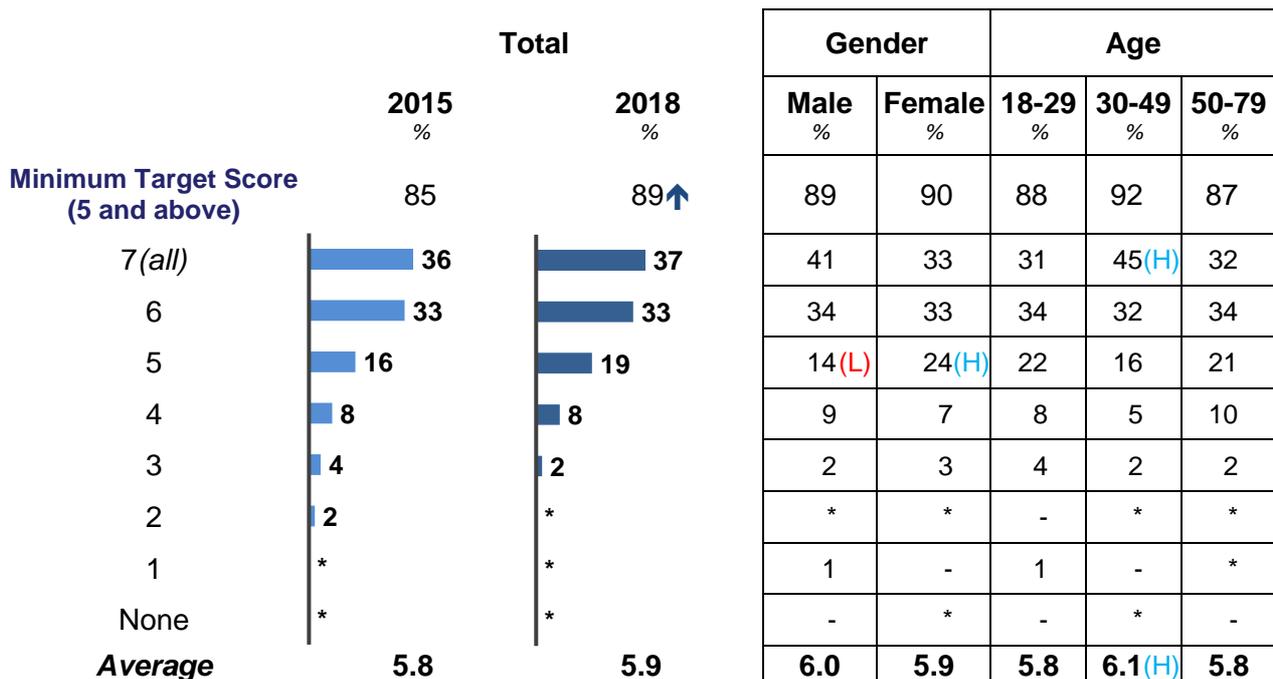
Financial knowledge was one of the three core components of financial literacy. A good level of financial knowledge was crucial for individuals to make well-informed financial decisions.

### Number of Questions Answered Correctly

The OECD International Network on Financial Education devised seven questions to test individuals' knowledge of basic financial concepts. The number of individuals who achieved the minimum target score of at least five questions correct (as reported in the 2015 OECD/INFE report) had slightly improved.

Perhaps not surprisingly, mature adults aged 30-49 demonstrated stronger financial knowledge than other segments. They had the highest number of correct responses on average, and 45% of them even answered all questions correctly.

Figure 2.1 – Number of Questions Answered Correctly



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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Sub-group findings were from 2018 survey

\* less than 0.5%

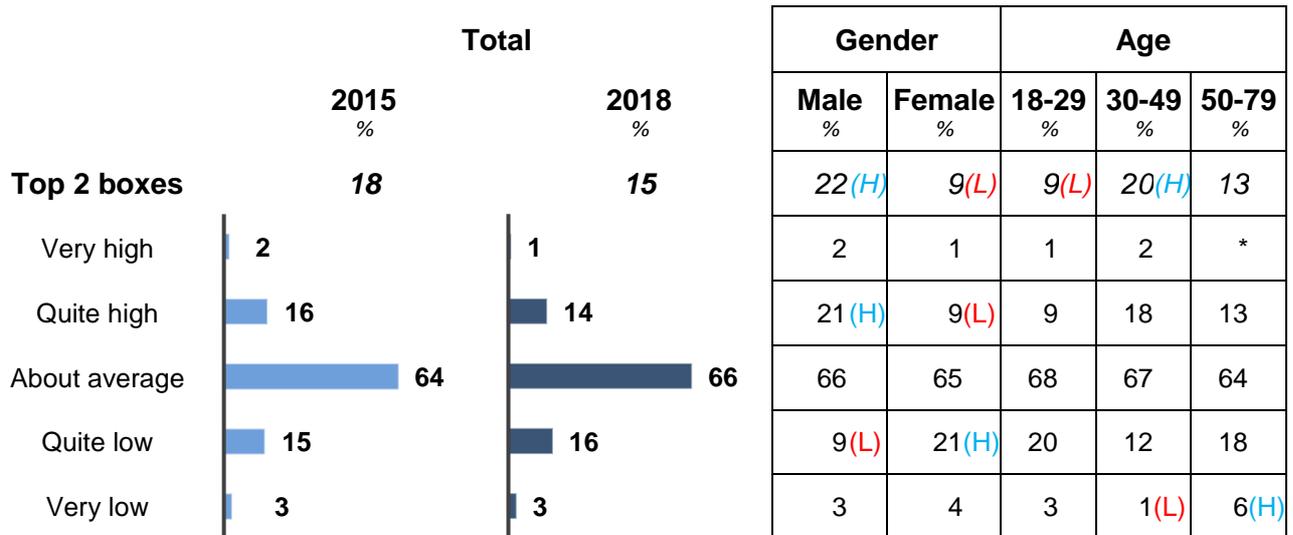


## Self-rated Financial Knowledge

The self-ratings of Hong Kong people remained fairly steady between 2015 and 2018.

Males reported a higher self-rated knowledge level, as did mature adults aged 30-49. When looking at the actual financial knowledge scores achieved, those who rated themselves very high/quite high did have higher score (6.3) compared to those who rated themselves average (6.0) and quite low/very low (5.4).

Figure 2.2 – Individual's Self-rating on their Overall Knowledge about Financial Matters



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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Sub-group findings were from 2018 survey

\*: Less than 0.5



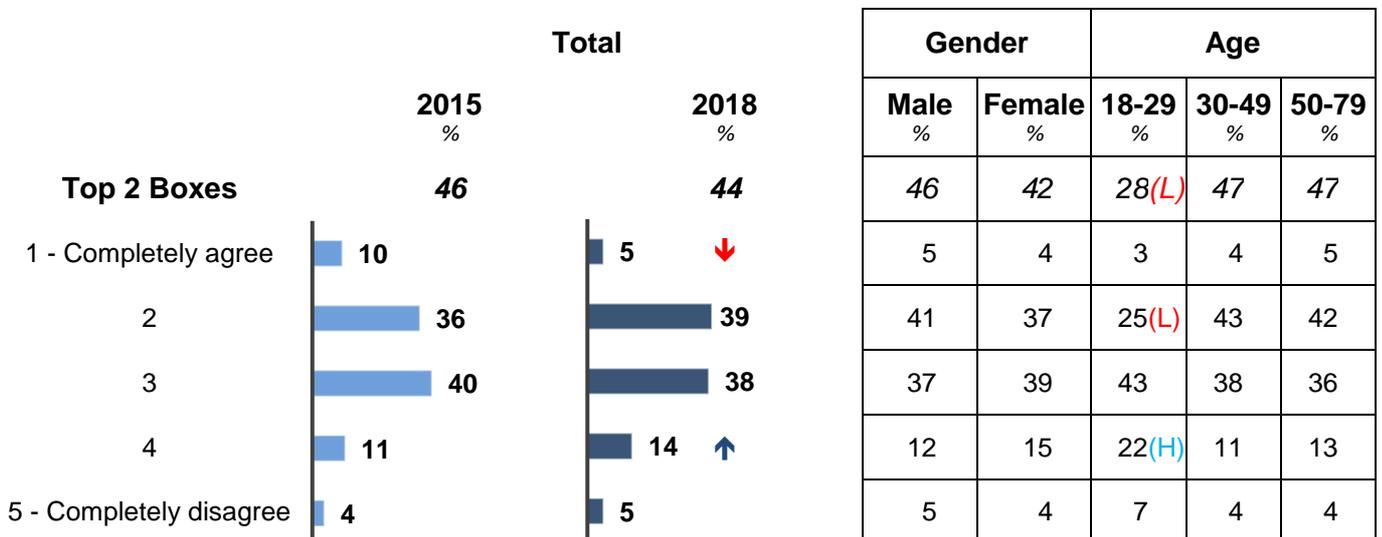
## Financial Attitudes

Financial attitudes was another core component of financial literacy. The OECD/INFE toolkit tested attitudes through examining one’s agreement to relevant statements on a five-point rating scale, where “1” represents completely agree and “5” represents completely disagree.

### Satisfaction Level with Financial Status

As with 2015, less than half of Hong Kong people were satisfied with their personal financial status. Fewer people selected the top box of being very satisfied while more indicated dissatisfaction. Satisfaction level was significantly lower among young adults aged 18-29.

Figure 3.1 – Level of Agreement with “I am satisfied with my present financial situation”



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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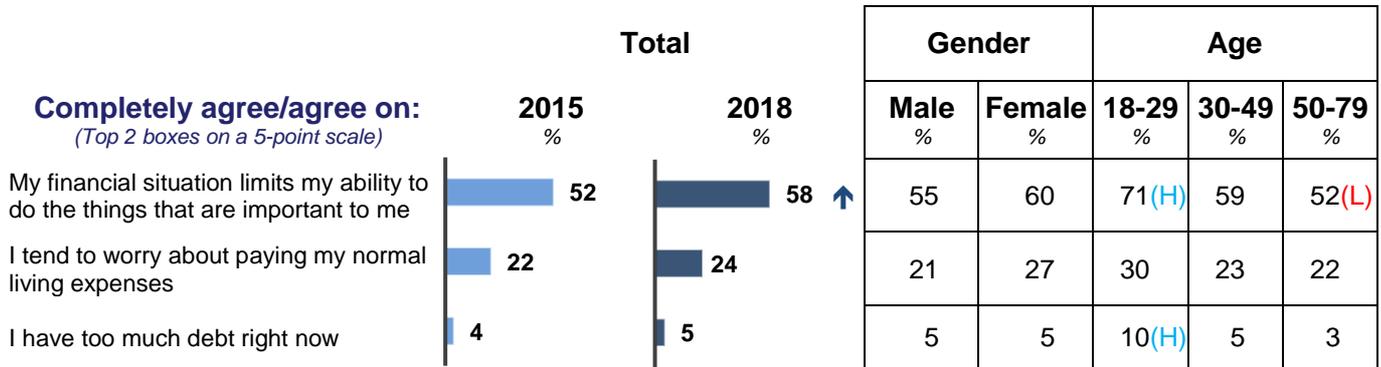
### Financial Stress

Echoing the so-so satisfaction with financial status, more people felt their financial situation limits their ability to do the things that are important to them compared to 2015. This feeling of limitation was especially pronounced among the young adults with as high as 71% experiencing the negative emotion.

Further, about a quarter of Hong Kong people claimed they tend to worry about paying their normal living expenses. Young adults again saw higher incidence of reporting financial stress, with 30% having worries about making ends meet and 10% stressed with debt.



Figure 3.2 – Level of Agreement with Statements on Financial Stress

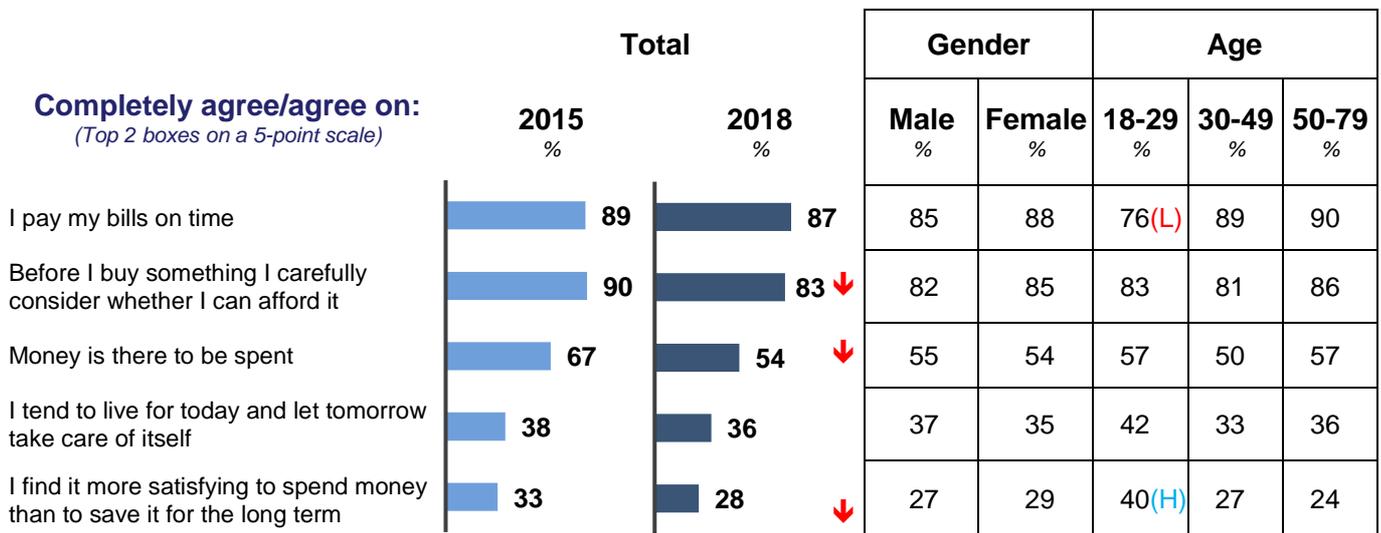


### Attitudes towards Money Management

On the plus side, majority continued to pay their bills on time and considered their affordability before purchase. Also, it appeared that more people realized the merits of saving, as reflected by fewer people agreeing with the statements “money is there to be spent” and “I find it more satisfying to spend money than save it for the long term”.

Meanwhile, slightly over one third still tend to adopt a “live for today” philosophy. Again, young adults expressed higher satisfaction in spending which might partly explain the generation’s higher financial stress and heavier debt burden.

Figure 3.3 – Level of Agreement with Statements on Spending Attitudes



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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## Financial Behaviour

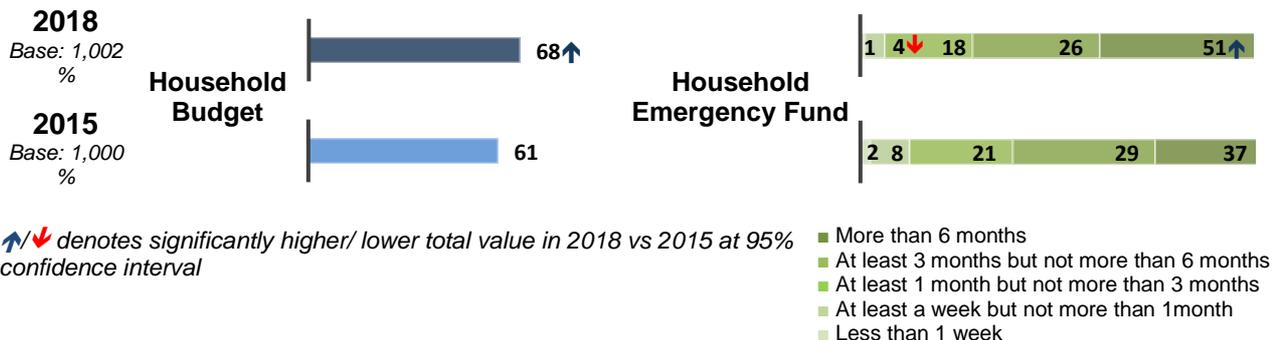
Financial behaviour was the third component of financial literacy score, which carries the heaviest weight accounting for nine points out of 21. It covers basic day-to-day money management such as saving habits and budgeting, as well as long-term financial goal setting and use of financial products.

### Household Budget & Emergency Fund

The data suggested that Hong Kong households' financial reserve improved in 2018. More households showed evidence of having a budget, and more had prepared an emergency fund that could cover their living expenses for more than six months in the event of losing the household's main income source.

Nevertheless, there is still room for improvement as about a quarter (23%) of households had less than three months' reserve for the rainy days.

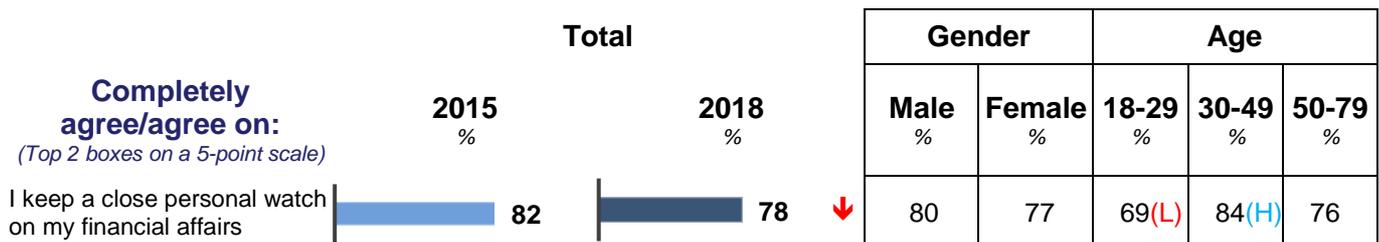
Figure 4.1 – Incidence of Having a Household Budget & Duration Household was Able to Cover Expenses in an Emergency



### Monitoring Personal Financial Matters

Compared to 2015, there was a mild drop in individuals keeping a close watch over their personal finance, with about a quarter not monitoring as closely. Young adults are again less watchful compared to the other segments.

Figure 4.2 – Level of Agreement with “I keep a close personal watch on my financial affairs”





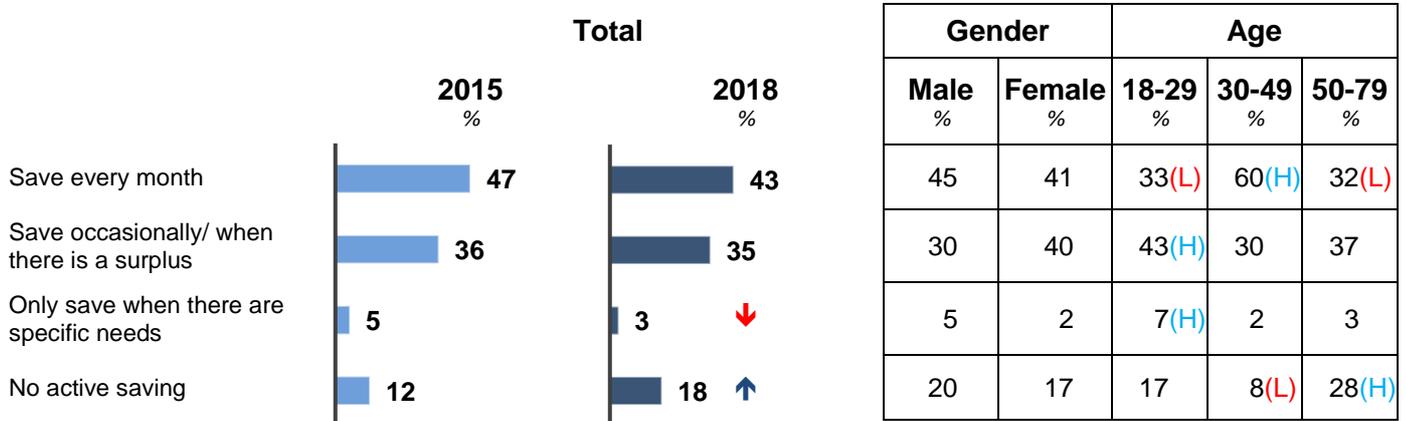
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 Sub-group findings were from 2018 survey

## Saving Habits

Overall, saving habits of Hong Kong people worsened compared to 2015 with close to one fifth of individuals not actively saving up. Only 43% saved on a monthly basis with another 35% reported occasional saving or whenever there was a surplus.

Figure 4.3 – Summary of Hong Kong People’s Saving Habits



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

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 Sub-group findings were from 2018 survey

## Means of Saving Money

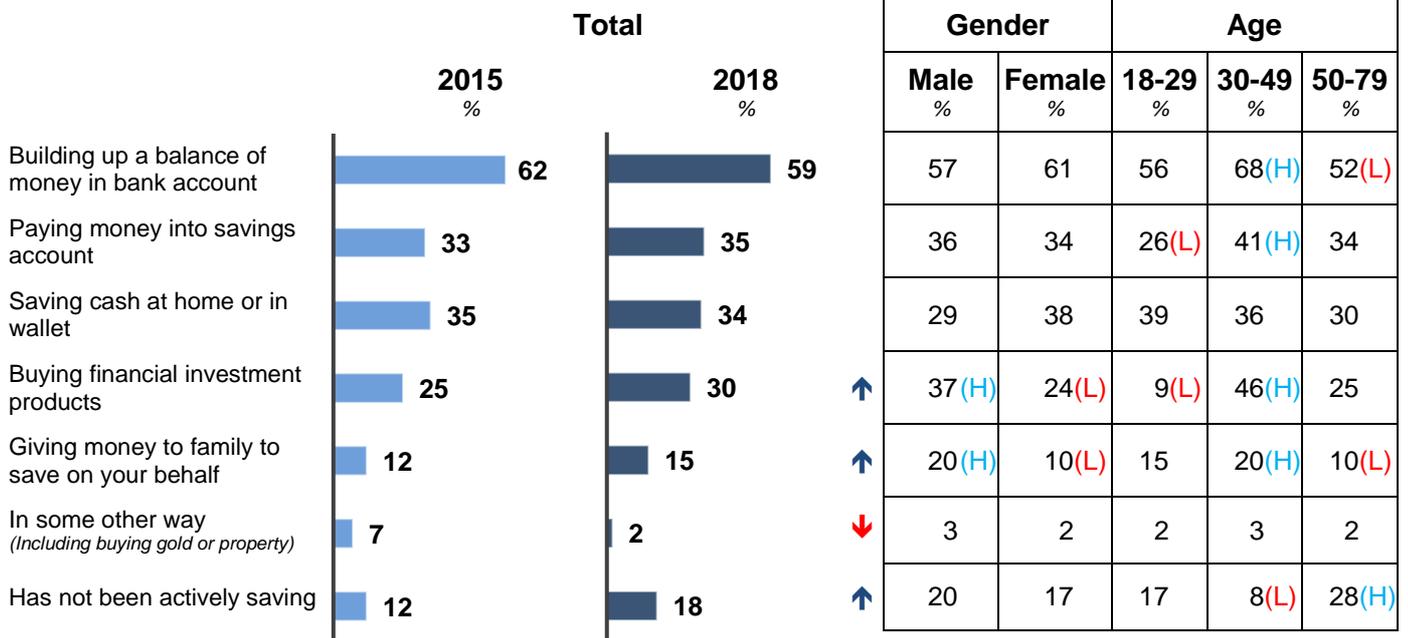
While building up savings in bank accounts was the preferred means of saving, about one third also saved in cash. And with bullish stock market in 2017, more people invested in the financial markets as a form of saving.

Interestingly, 15% of Hong Kong people reported giving money to family members to save on their behalf, which was more popular among males and mature adults aged 30-49.

Females saw a much lower incidence of investing in financial products compared to males and they were more likely to keep cash.



Figure 4.4 – Hong Kong People’s Means of Saving Money in the Past 12 Months



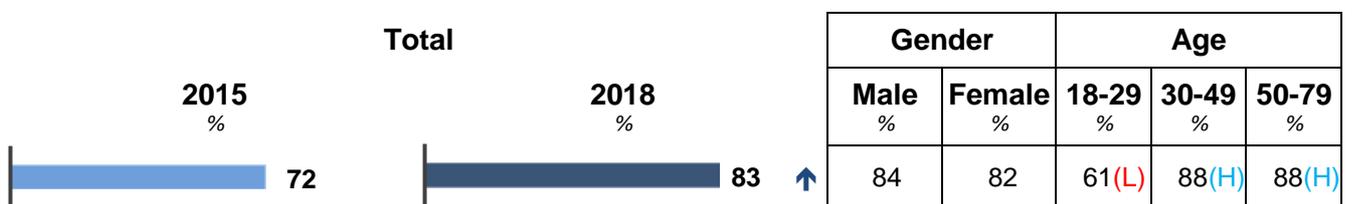
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### Expenditure Shock

In line with better preparedness for financial setback on a household level, significantly more people claimed that they could cover a major personal expense (equivalent to one month’s income) in 2018. However, almost 40% of young adults indicated they were unable to handle a minor expenditure shock without borrowing.

Figure 4.5 – Ability to Pay for Major Personal Expense without Borrowing



Base: 2015-all respondents n=951; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

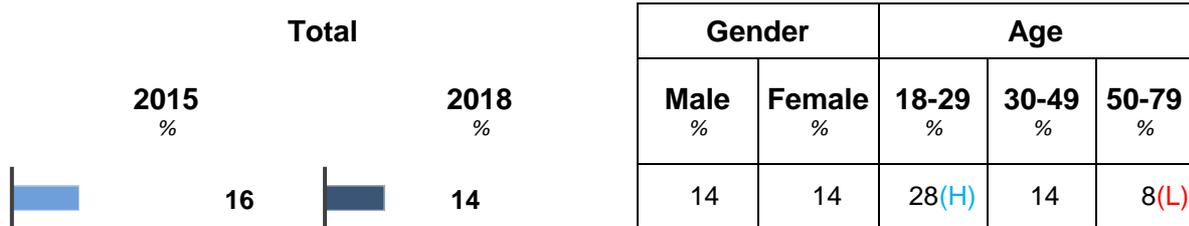
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 Sub-group findings were from 2018 survey



## Difficulty in Covering Living Expenses

While majority of Hong Kong people reported better financial reserves, similar to the 2015 survey findings, some 14% admitted they experienced overspending in the previous year. Echoing their lower saving rate, young adults aged below 30 again saw a higher incidence of financial difficulties which went as high as 28%.

Figure 4.6 – Incidence of Living Expenses Exceeding Income in Past 12 Months

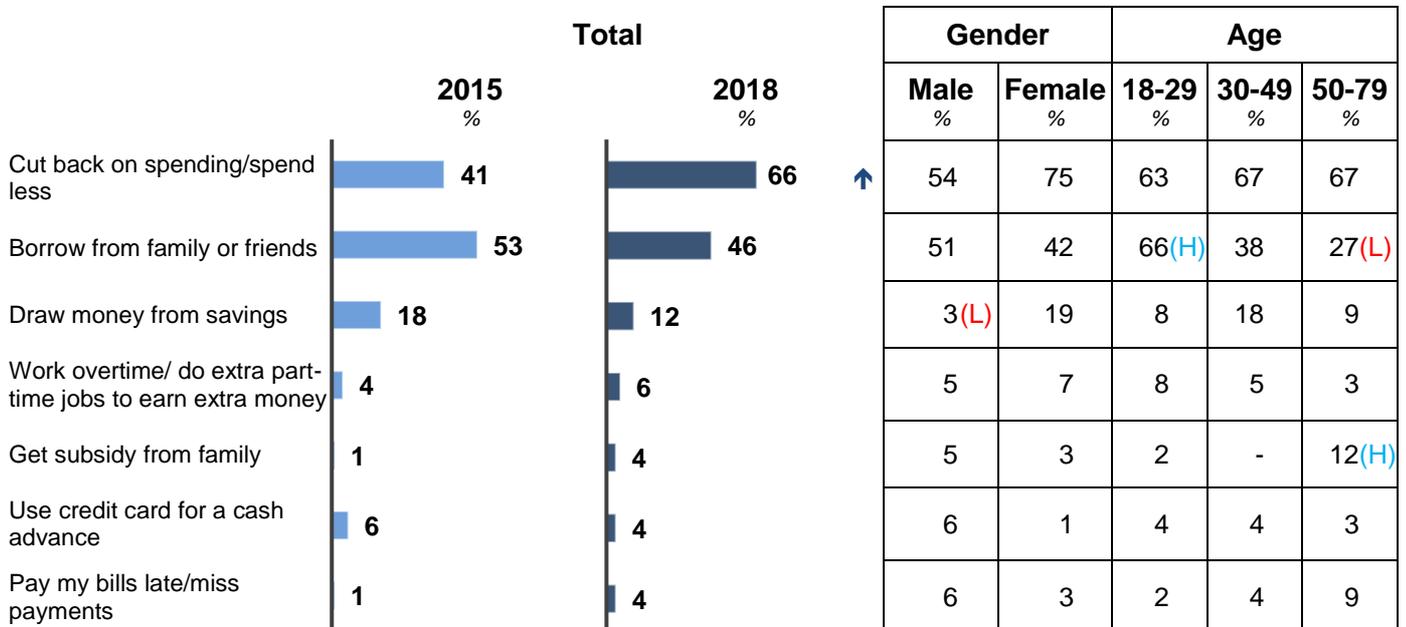


Base: 2015-all respondents n=951; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

## Making Ends Meet

Among those who reported difficulties making ends meet, they mostly cut back on spending to make ends meet. But close to half had to borrow money from family or friends, and young adults were more inclined towards borrowing.

Figure 4.7 – Methods Used to Make Ends Meet



Base: 2015-all respondents n=158; 2018-all respondents n=139; male n=63; female n=76; P18-29 n=51; P30-49 n=55; P50-79 n=33

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

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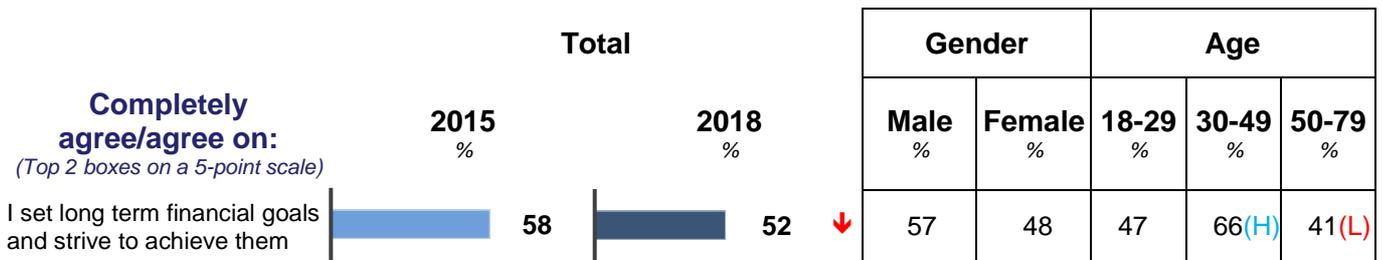
Sub-group findings were from 2018 survey



## Setting Long-term Financial Goals

Just over half of Hong Kong people reported saving long-term financial goals and striving to achieve them in 2018, which represented a mild drop from 2015. Young adults aged below 30 were significantly less likely to set goals than their older peers of mature adults aged 30-49.

Figure 4.8 – Level of Agreement with “I set long term financial goals and strive to achieve them”



Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

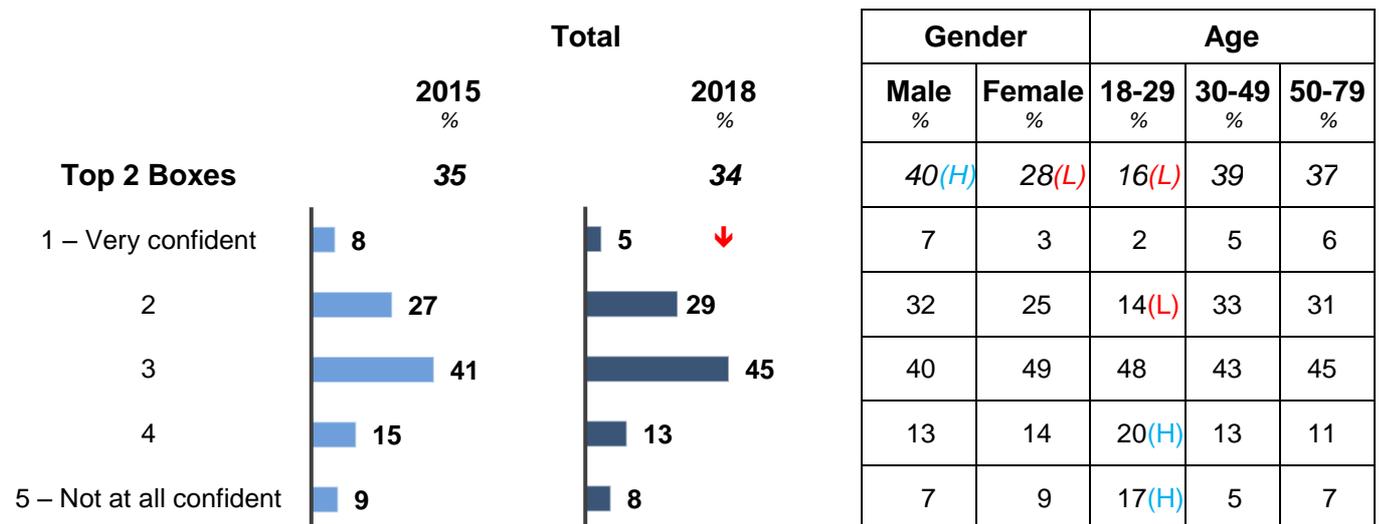
(H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval

Sub-group findings were from 2018 survey

## Retirement Confidence

Overall confidence level towards retirement remained low with only about one third expressing confidence. Among those already retired, only 25% felt they had financially prepared well. And females tend to feel much more insecure compared to males.

Figure 4.9 – Level of Confidence in being Financially Prepared for Retirement



Base: 2015-all respondents n=991; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

(H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval

Sub-group findings were from 2018 survey



## Ownership of Financial Products

In 2018, Hong Kong people held 3.9 financial products on average, which represented a mild increase compared to 2015. Males had significantly more financial product holding than females, particularly for insurance and investment products. Young adults aged below 30 saw the lowest penetration of financial products across different categories.

Penetration of credit cards rose to 76% and remained high across all segments. And 14% were repaying mortgage loan.

Both life and critical illness insurance grew in popularity, and 4% of the pre-retirees/retirees reported owning annuities.

On the investment front, stocks remained the most popular at 39% penetration. Incidence of holding foreign exchange (including RMB) dropped significantly while more people invested in mutual funds.

Figure 4.10 – Ownership of Financial Products

	Total		Gender		Age		
	2015 %	2018 %	Male %	Female %	18-29 %	30-49 %	50-79 %
<b>A credit card</b>	65	76↑	82(H)	72	73	86(H)	69(L)
<b>A mortgage</b>	12	14	18(H)	10(L)	1(L)	22(H)	12
<b>Savings account</b>	99	100↑	100	100	100	100	100
<b>Insurance products</b>	53	54	61(H)	49	34(L)	71(H)	49
Life insurance	37	50↑	57(H)	44(L)	31(L)	67(H)	43(L)
Private medical insurance	30	34	40(H)	28(L)	16(L)	46(H)	30
Critical illness insurance	20	31↑	36	26(L)	17(L)	42(H)	27
^ Annuity	N/A	2	3	1	-	1	4(H)
<b>Investment products</b>	40	46↑	54(H)	40(L)	15(L)	58(H)	49
Stocks	38	39	48(H)	31(L)	11(L)	52(H)	39
Foreign exchange, including RMB	32	22↓	24	20	5(L)	27(H)	25
Unit trust/mutual fund (excluding MPF/ ORSO)	5	12↑	17(H)	8(L)	2(L)	19(H)	11
Bonds	4	4	7(H)	1(L)	1(L)	5	4
Options/ futures/ warrants/ CBBC	2	2	3	*(L)	1	3	1
<b>Average no. of Products Owned</b>	<b>3.5</b>	<b>3.9↑</b>	<b>4.4(H)</b>	<b>3.4(L)</b>	<b>2.6(L)</b>	<b>4.8(H)</b>	<b>3.7</b>

\* less than 0.5%

^ new item covered in 2018 survey

Products with less than 2% mentions are not shown (including Personal Loan, virtual currencies, REITs, ETFs)

Base: 2015-all respondents n=1,000; 2018-all respondents n=1,002; male n=457; female n=545; P18-29 n=183; P30-49 n=388; P50-79 n=431



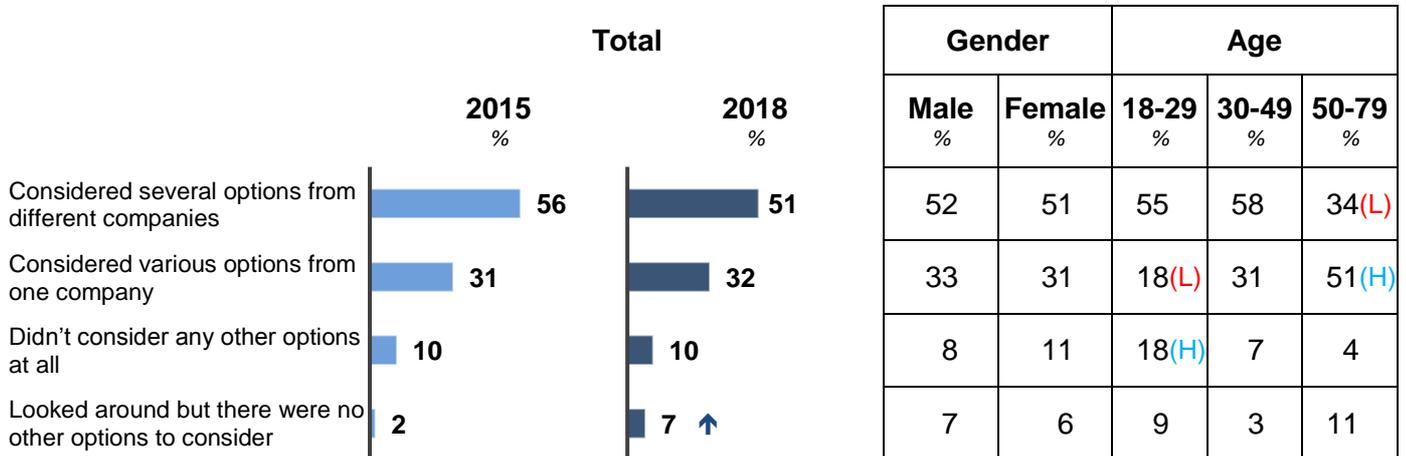
↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval  
 (H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval  
 Sub-group findings were from 2018 survey

### Consideration of Financial Products

Among those who had purchased new products or switched service providers in the previous two years, just about half of them managed to shop around and consider various options from different financial institutions before making a purchase. One third only considered options from the same company while 17% just decided on the one option offered to them.

The older generation aged 50-79 were the least likely to compare products and services from different companies, about one fifth of young adults tend not to consider any other options at all.

Figure 4.11 – Considerations Taken When Shopping for Financial Products in the Past Two Years



Base: 2015-all respondents n=397; 2018-all respondents n=308; male n=153; female n=155; P18-29 n=88; P30-49 n=144; P50-79 n=76

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval  
 (H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval  
 Sub-group findings were from 2018 survey

### Information Sources Influencing Decision

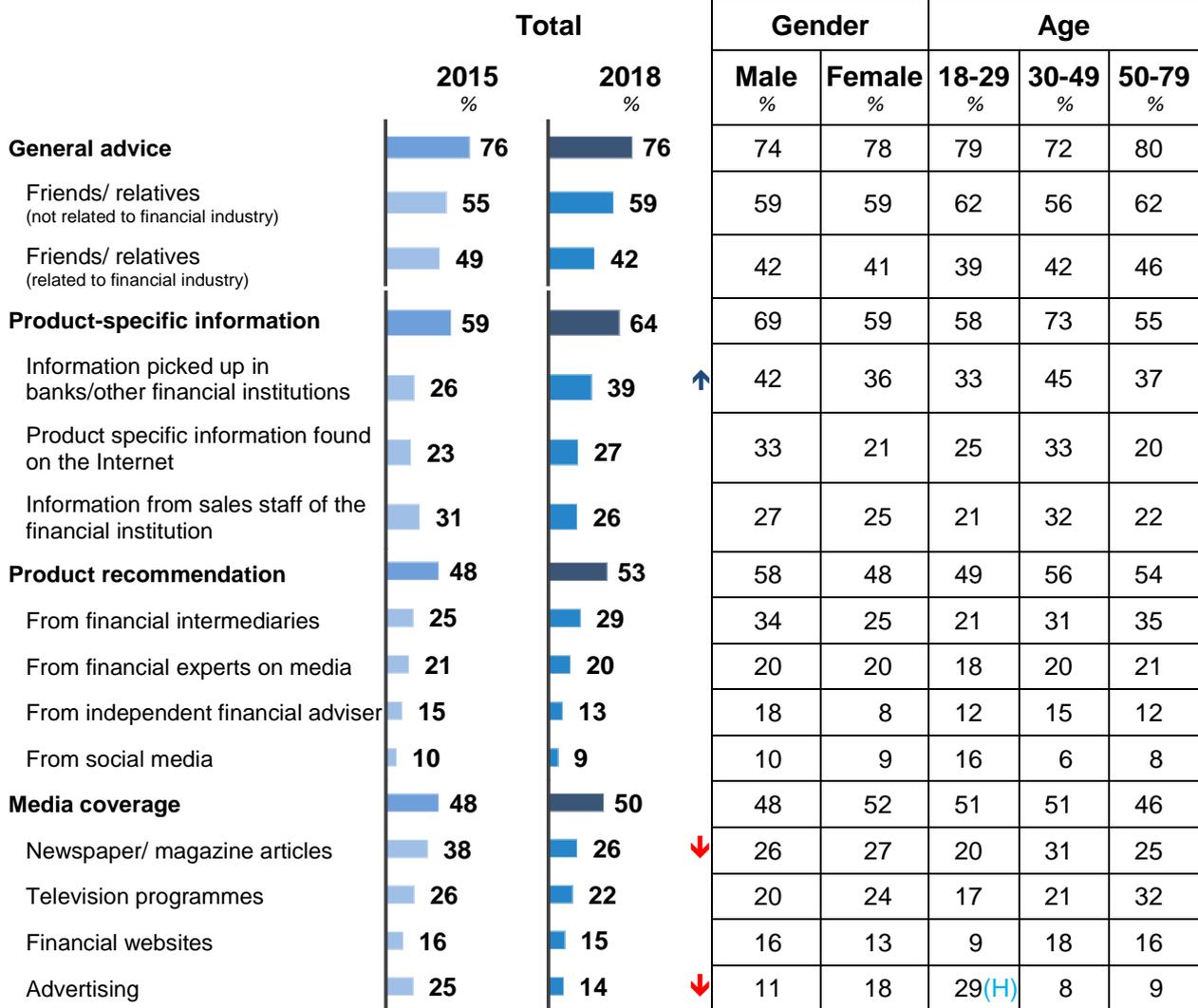
Across different segments, financial consumers still tend to rely on advice from their friends and family when choosing financial products.

Product information picked up at banks or financial institutions grew in importance while there was a decline in the influence of print media and advertising.

Just short of one third (29%) appreciated recommendation from bank staff/financial intermediaries while one fifth felt opinion expressed by financial experts appearing on mass media was also of good reference value.



Figure 4.12 – Information Sources that Influenced an Individual’s Decision in Purchasing Financial Products



Remark: Mentions less than 9% in 2018 are not shown

Base: 2015-all respondents who have chosen products in P2Y n=397; 2018-all respondents who have chosen products in P2Y n=308; male n=153; female n=155; P18-29 n=88; P30-49 n=144; P50-79 n=76

↑/↓ denotes significantly higher/ lower total value in 2018 vs 2015 at 95% confidence interval

(H/L) denotes significantly higher/ lower subgroup value vs total value in 2018 at 95% confidence interval

Sub-group findings were from 2018 survey

