

THE AGE OF UNCERTAINTY

New report highlights uncertainty about the future for people around the world.

HSBC's latest report in The Power of Protection series, *Life changers*, finds that many people see the future as increasingly uncertain for themselves and their families, are under greater financial pressure and are having to take more risks with their finances.

Over 12,000 people were surveyed in 12 countries and territories¹, asking them to compare their lives to those of the previous generation and the next generation.

The report finds that, compared with their parents' generation, respondents think they:

	% Agree	% Disagree
Face a more uncertain future	48	33
Are under more financial pressure	49	33
Have to take more financial risks	51	28
Are better off financially	46	34
Have a better quality of life	43	38
Have more choices in life	60	27
Have a more fulfilling life	42	35

[From Q40]

Asked to predict what life will be like in the future, respondents believe that the next generation will:

	% Agree	% Disagree
Face a more uncertain future	56	28
Be under more financial pressure	58	24
Have to take more financial risks	54	26
Be better off financially	39	38
Have a better quality of life	46	32
Have more choices in life	56	29
Have a more fulfilling life	47	29

[From Q41]

Charlie Nunn, Group Head of Wealth Management, HSBC, comments:

“Scientific and technological changes are improving our quality of life, but they are also contributing to an ageing population and the feeling that employment and social provision like pensions are less secure than ever.

Overall, we feel better off than the generation that went before and that we have greater choice and opportunities for fulfilment in our lives. But we also feel less stable and less secure, and see these trends continuing for the next generation.

¹ Argentina, China, France, Hong Kong, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States.

This increasing uncertainty highlights the importance of planning ahead to help us achieve our ambitions at every stage of life.”

Kris Werner, Head of Retail Banking and Wealth Management, HSBC Philippines, comments:

“The age of uncertainty brings greater financial pressure and anxiety. This does not exempt Filipinos, who are known to give high value for families and in being able to provide a comfortable life to loved ones. Filipino families now have to find other ways to organise their lives, be more flexible and adaptable in order to pursue financial aspirations and ensure sufficient financial provisions,”

“So it is important to have a financial plan in place to help provide for every eventuality in later life. Regular financial reviews remain integral to wealth planning to avoid surprises and ensure the ambitions they have turn into reality.”

The report found notable differences between countries surveyed, with China and France the most polarised between optimism and pessimism:

Current generation (vs parents' generation)	France % Agree	China % Agree
Face a more uncertain future	69	39
Are under more financial pressure	65	38
Have to take more financial risks	56	47
Are better off financially	26	68
Have a better quality of life	33	71
Have more choices in life	45	72
Have a more fulfilling life	33	64

[From Q40]

HSBC’s report identifies four practical steps which may help people to better prepare for the future:

1. Plan for the events that will change your life

As your life changes, so will your financial needs. Make sure you have a financial plan and review it regularly to help you achieve your ambitions at every stage of life.

2. Allow for the unpredictable

Protect your future plans from being pushed off course by unexpected events. Plan for the financial impact of personal or work-related life events and consider the income you would need to cope should they happen.

3. Have a balanced strategy

Protection should be part of a comprehensive financial plan to achieve your ambitions in life. Ensure your plan includes an allocation for protection as well as for spending, saving and financing, and seek professional advice if you need help.

4. Plan with the next generation in mind

Consider how your financial plan can help to secure your children's future. Share the benefit of your experience and encourage them to plan ahead.

Ends/more

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Notes to editors:

The Power of Protection is an independent consumer research study into global protection needs and trends, commissioned by HSBC. This report, *Life changers*, is the second report and represents the views of 12,398 people in 12 countries and territories (Argentina, China, France, Hong Kong, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States). The findings are based on a nationally representative survey of people aged 25 and over in each country or territory. The research was conducted by TNS in October and November 2015, online in 11 countries and by face-to-face interviews in the UAE.

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