



FOR IMMEDIATE RELEASE

***IFPHK Wholeheartedly Supports “World Financial Planning Day”
“Financial Goals and Retirement Planning of Hong Kong-ers” Survey Results:
40% Without Financial Goals 60% Self-Reliant for Retirement***

(Hong Kong – 3 October 2018) To coincide with “World Financial Planning Day”, and with the aim to raise public awareness and knowledge regarding financial planning, the Institute of Financial Planners of Hong Kong (“IFPHK”) has today released the results of the “Financial Goals and Retirement Planning of Hong Kong-ers” Survey.

World Financial Planning Day (“WFPD”) is a global campaign initiated by the Financial Planning Standards Board (“FPSB”) during the International Organization of Securities Commissions’ (“IOSCO”) World Investor Week. As a member of the FPSB and a leading professional organization of the financial planning industry, the IFPHK wholeheartedly supports this meaningful initiative.

The “Financial Goals and Retirement Planning of Hong Kong-ers” Survey is a major highlight of WFPD in Hong Kong. The Survey was conducted online from 6 to 31 August 2018, with the primary objective to depict the public’s attitude on financial goals and retirement planning. The survey’s main research findings are set out as below.

- **40% of all the respondents have no financial goals. In connection with monthly income, 54% of the respondents with relatively low income (HK\$15,000 per month or less) do not possess any financial goals.**
- **The highest priority among Hong Kong-ers is “Housing”. Of the 427 respondents, 129 (27%) put “Housing” as the top financial goal, with retirement planning and medical expenses coming second and third, respectively.**
- **28% of the respondents view “Bank Savings” as the most reliable source of retirement income, followed by stocks/bonds/funds and the Mandatory Provident Fund, respectively. Only 10% of the respondents rely on government pensions and 6% are financially dependent on their children.**

Financial Goals: Be Practical and Seek Professional Advice

The Survey has found that a significant number of respondents, 40%, admitted they have no financial goals. Moreover, there is a large disparity according to income group. The lower income group (monthly income of HK\$15,000 or less) has less of an idea regarding financial goals than the higher income group (monthly income of HK\$65,001 or above), with 46% of the former having financial goals compared to 73% of the latter.

The IFPHK believes there are three reasons that contribute to the lack of financial goals. The first is the absence of sound financial knowledge, the second is inadequate capabilities in financial planning, and the last is the desire to savor life in the present without an eye to the future. To formulate a useful financial plan, one should make assumptions based on real-life scenarios and consult a professional for proper yet measurable goals. In addition, once such goals have been set, they should be constantly reviewed and adjusted as needed to maintain personal expectations.



Strong Sense of Self-Protection

The Survey also finds that regardless of age and income, the majority of the respondents see “Housing” as their top financial goal, followed by retirement planning and medical expenses, respectively. Among the various options to source one’s retirement income, the respondents primarily rely on their bank savings (27%), investments (20%) and MPF savings (16%). Only 10% rely on government pensions and 6% are financially dependent on their children. The Survey reveals that most Hong Kong-ers opt to retire on their own terms instead of relying on government assistance.

Mandatory Provident Fund Remains Prominent for Retirement Income

The MPF remains as a preferred platform of self-financed retirement income for many, despite the radical and controversial views on this retirement pension scheme. The IFPHK believes that this government-mandated fund has helped the public achieve wealth accumulation and paved the way for retirement income. The MPF appears to have gained wider acceptance, and when voluntary contributions become tax deductible, it should become an even more effective tool for accumulating adequate financial provisions for one’s retirement.

“Setting a financial goal is the first and foremost step to achieving a healthy financial well-being,” says Dennis Lau, Chief Executive Officer of the IFPHK. “The next step is to adopt suitable investment tools to be able to meet one’s financial goal successfully. The city has an overwhelming record with regard to investment returns and so is underestimating their long-term risk and suitability. Faced with an ageing population, retirement planning has to be enforced in the city. To cope with the increasing need for financial education, government bodies, corporations and the community should come together to deliver to the public the best practices and the most comprehensive knowledge regarding sound financial planning.”

About “World Financial Planning Day 2018” (“WFPD”)

The IFPHK is the host in Hong Kong of “World Financial Planning Day 2018” (“WFPD”), set on 3 October this year, in full accordance and support of Financial Planning Standards Board (“FPSB”) initiatives during the International Organization of Securities Commissions’ (“IOSCO”) World Investor Week.

On WFPD, the IFPHK and all of the FPSB’s affiliate organizations, representing a global community of over 175,000 CFP^{CM} professionals, will provide programs to promote consumer awareness and understanding of financial planning.

The IOSCO’s World Investor Week is a weeklong global campaign designed to raise the awareness of the importance of investor education and protection, and to highlight the investor education and protection initiatives of securities regulators around the world. As part of its global campaign, the IOSCO has invited securities regulators from six continents, alone or in partnership with local and international nonprofit groups, to provide programs and events to promote the importance and value of investor education and protection.

The IFPHK would like to especially thank the following entities (in alphabetical order) for their support during WFPD: Bank of Communications, LiPACE, The Open University of Hong Kong, School of Business, Hang Seng Management College, and Standard Life (Asia) Limited.

For more information about WFPD, please visit: <http://worldfpday.org/>

For more information about the IFPHK’s events during WFPD, please visit:

<http://www.ifphk.org/wfpd2018/index.html>



About the IFPHK

The IFPHK was established in June 2000 as a non-profit organization for the fast-growing financial services industry. It aims to be recognized in the region as the premier professional body representing financial planners dedicated to upholding the highest professional standards.

The IFPHK is the sole licensing body in Hong Kong authorized by Financial Planning Standards Board Limited to grant the much-coveted and internationally-recognized CFP^{CM} certification and AFPTM certification to qualified financial planning professionals in Hong Kong and Macau.

It represents more than 7,600 financial planning practitioners in Hong Kong from such diverse professional backgrounds as banking, insurance, independent financial advisory, stockbroking, accounting, and legal services.

Currently there are more than 175,000 CFP^{CM} certificants in 26 regions. The majority of these professionals are in the U.S., Canada, China, Australia and Japan, with more than 4,400 CFP^{CM} certificants in Hong Kong.

Media Enquiry:

Ms Agnes Lee

Tel: (852) 2982 7875

Email: agneslee@ifphk.org

Ms Cally Wong

Tel: (852) 2982 7863

Email: callistawong@ifphk.org



WORLD
FINANCIAL
PLANNING
DAY
PROMOTED BY FPSB

Institute of Financial Planners of Hong Kong

“Financial Goals and Retirement Planning of Hong Kong-ers” Survey

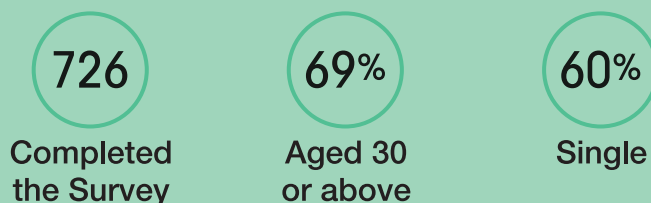


The “Financial Goals and Retirement Planning of Hong Kong-ers” Survey is spearheaded by the Institute of Financial Planners of Hong Kong, with the aim to raise public awareness and knowledge regarding financial planning.

SURVEY HIGHLIGHTS

- Do you have any financial goals?
- What tools would you use to achieve these goals?
- What would be the most reliable source of retirement income?

RESPONDENTS



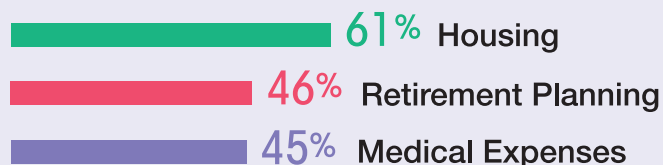
SURVEY RESULTS

Financial Goals



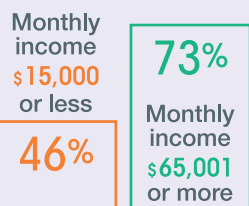
40% of Hong Kong-ers have no financial goals

Top Financial Goals

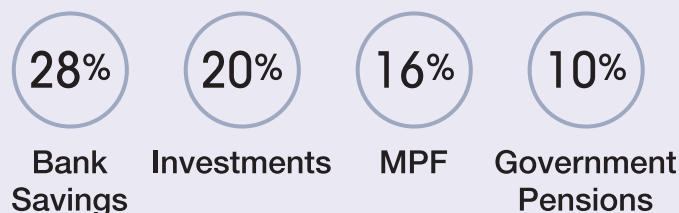


Monthly Income and Financial Goals

The higher income group has more of an idea than the lower group regarding financial goals.



Source of Retirement Income



CFP Professional Advice

Financial Goals



Be Practical



Measurable



Review & Adjust

Institute of Financial Planners of Hong Kong

Tel: 2982 7888

Email: info@ifphk.org



IFPHK 香港財務策劃師學會

