

Media Release

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HSBC Advance Home Ownership Plan, When Possessing Dream Homes Gets Easier

*** Home ownership is a major aspiration among the upper middle class, followed by the desire to start own business and prepare the child education expenses ***

Although home ownership is the most prominent aspiration among the upper middle class or the emerging affluent in Indonesia (9 of 10), there are still many who say they have yet to start a well financial planning because of various needs to meet.¹ Having many needs to be fulfilled and insufficient knowledge about financial planning, often cause the emerging affluent segment (178%) – the fastest growing population in the period of 2012 to 2018² – to fail or delay their effort to meet the more important need, such as home ownership which usually marks the financially established people.

For most people in this segment who still have other needs to be met, allocating 20% down payment for home purchase may sound like a burden. However, delaying home purchase means they will see home prices increasingly unaffordable due to the annual price hike. The average rise in house prices is 10% to 20% per year, which often outpaces earnings increase³.

"As many as 9 out of 10 people want to make their lives better and more established. However, 44 percent of respondents also say that unstable financial condition often hampers them to prioritize needs⁴, such as allocating funds to meet the primary needs, saving, or simply for personal pleasure," said **Vira Widiyadari**, **Head of Customer Value Management at HSBC Indonesia**.

"Understanding the challenges faced by the emerging affluents, which will reach about 13.2 million of the total population in Indonesia,² HSBC introduces a solution which is part of the **#MenujuMapan** campaign, which follows up the **#StartSekarang** movement. Through this programme, HSBC invites people to adopt a culture of discipline in saving money as well as building the capacity to make financial decisions based on top priorities," said **Vira Widiyadari**.

HSBC is seeking to help emerging affluents realize their top-priority aspirations, including the desire to own a home through the HSBC Advance Home Ownership Plan solution that offers numerous added value and conveniences.

¹ HSBC survey to respondents in Jakarta (60%) and Surabaya (40%) aged 22- 49 years old with income range of Rp.10million to Rp.30 juta

² *Overview of the ASEAN Opportunity 2014, McKinsey & Company*

³ APERSI data

⁴ HSBC Study *Power of Protection 2016*

This information is issued by

The Hongkong and Shanghai Banking Corporation

The HSBC Advance Home Ownership Plan helps customers to immediately start preparations to have a house. With a monthly savings starting from Rp3.5 million for two years, customers will be able to collect down payment for a house and also get a home loan facility of up to 100 times the value of the monthly savings. Customers will also receive a variety of benefits that fit their lifestyle and the road to a more settled life will become increasingly easy and fun. The various other benefits are:

- *Home Renovation Loan* of up to Rp250 million
- HSBC Visa Platinum credit card with free annual fee for life and attractive offers at more than 1.500 merchants
- *Free movie tickets* per month with debit cards⁵
- Financial planning consultation with expert team for discount prices
- *Voucher* of up to Rp 2.1 million

Realize Your Entrepreneurship Aspirations and Ensure Child Education through HSBC Advance

In addition to home ownership programme, other prominent aspirations of the emerging affluents are to start own business or being self-employed (75%), as well as to provide the best education for children (60%). In its response, HSBC Advance also offers a solution called HSBC Advance Business Start Up Plan that helps customers build a business and HSBC Advance Children Education Plan that helps customers prepare children's education fund. It is similar to HSBC Advance Home Ownership Plan in which customers can save from Rp.3.5 million per month for 2 years.

Through the HSBC Advance Business Start Up Plan solution, customers get a Jump Start Loan of up to Rp 250 million, as well as ready-made additional funding up to 90% of deposits. Through the HSBC Advance Children Education Plan solution, in addition to getting support for an optimal growing of education funding, customers also get education loan of up to Rp 250 million.

HSBC designs the solutions based on surveys that have been conducted on the needs and preferences of emerging-affluent customers to enable them to save money every month (92%).¹ It shows that they need a partner to provide support in the form of financial solutions and guidance to keep them disciplined in saving money every month based on their expectations. Through HSBC Advance Home Ownership Plan, Children Education Plan and Business Start Up Plan, HSBC wants to re-affirm its commitment to become the best partner in helping customers become financially established.

For more information about the latest programs offered by HSBC, please visit the nearest HSBC branches, HSBC booth at Central Park Jakarta LG and LG Ciputra World Surabaya, or visit www.hsbc.co.id/menuju_mapan.

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About HSBC in Indonesia

HSBC has been operating in Indonesia since 1884 and currently serves customers through 38 branches in six major cities in Indonesia. With the support of more than 3,000 employees, HSBC Indonesia has grown into a leading international bank in Indonesia that offers services like Commercial Banking and Global Banking for Corporate and Institutional clients, Global Markets for the management of Treasury and Capital Markets and Retail Banking and Wealth Management

⁵ Syarat dan ketentuan berlaku

