



## **NEWS RELEASE**

# **9 in 10 Indonesians are not yet ready to be *Crazy Rich Retiree***

***HSBC newest Survey Future of Retirement which was responded by 1000 Indonesians shows the minimal readiness for retirement within the productive age group***

- The research shows about 68% out of total respondents hopes for a peaceful and comfortable retirement.
- Although they are currently working and have monthly income, 9 out of 10 worry about covering various costs that may appear in the future.
- Only 305 of the total respondents have actively saved their income for retirement plans.

**Jakarta, February 12, 2019** – A Survey from HSBC titled *Future of Retirement, Bridging the Gap* has shown that 68% of the respondents that wished a comfortable retirement age, while only 30% has been actively investing for their retirement period. This gap has given the respondents the feeling of anxiousness and worry about their financial independence in retirement age – about 83% of them worry about the increase in healthcare bills, and 77% are anxious that they spend their retirement funds.

“Retirement age is when a person ideally enjoying the “resting period” with the family after years of making a living. Yet, this must have been planned befittingly as early as possible. The irony is that the consciousness about this matter usually get acknowledged when we are nearing the retirement age,” said Steven Suryana, Head of Wealth Management of PT. Bank HSBC Indonesia.

In Indonesia, the retirement period has been closely associated with a time when we are playing and help-raising our grandchildren. The problem is, the survey has shown that about 2/3 of respondents in productive-working age have stated that they will most likely still working after reaching retirement age albeit in another form such as starting a business (54%), while another stated that they chose to utilize their savings to cover daily expenses (29%), return to job-hunting (25%), and also built rent-houses or leasing their property (19%).

“One other thing that has been very worrying is more than ¾ respondents in their productive age wished their children to provide for them in retirement age, and only 1/3 of the respondents from retirement age received any financial help from their children.” Steven continues.

Meanwhile there are other sources of funds that is being hoped to also provides for retirement such as pension from the past employer, or savings that keeps on decreasing as the age increases.

Steven also explained the importance for us to visualize the future of our retirement. By owning a clear picture of our retirement, with the right financial partner the preparation for retirement could be managed effectively with various instruments which will be tailored according to each risk-profile.

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“The awareness on the realistic needs in the retirement age is a good start of the important conversation in planning the retirement. For sure, the more prepared we are, the more we could achieve the dream to be *crazy rich retiree* in Indonesia.” Steven ended.

*Future of Retirement* is a study that has been enacted by HSBC Global to 17.405 different people in 16 countries. In Indonesia, this survey has been responded by 1.050 respondents that comprised of both productive and retired citizens.

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