

10 September 2018

## **Half of women around the world fear they won't be able to afford food in retirement**

- *51 per cent of working-age women worry they won't be able to afford basic necessities in retirement*
- *46 per cent don't know how much they are saving for later life or haven't started saving*
- *Grocery shopping is still the only household finance women control*

Half of working-age women across the world (51 per cent) fear they will not be able to afford basics such as food and heating during their retirement, a new global report from HSBC reveals.

The study, *The Future of Retirement: Bridging the Gap*, finds that although women tend to live longer than men, they are far less well-prepared financially for their later years.

Six in 10 working-age women (60 per cent) are worried about being unable to pay for their own care or medical bills in retirement, compared to 55 per cent of working-age men and nearly half (47 per cent) believe they will struggle to cope financially if their partner dies, compared to two fifths of men (41 per cent).

At the root of these concerns is that women are less likely to be saving for their future, the HSBC study finds. Nearly half of working-age women (46 per cent) either don't know how much they are putting aside for retirement or have not started making any contributions at all. This is in stark contrast to men, of whom just 37 per cent are in the same position.

Even those women who are saving are likely to be putting aside less than their male counterparts. Under a third (29 per cent) of women globally believe they are saving more than their partner, compared to 53 per cent of men.

Donna Cotter, HSBC Head of Strategic Partnerships, Group Insurance, says: "With women living longer but saving less than men, the retirement gap is a serious issue that needs urgent attention. We are encouraging women around the world to make a promise to themselves that they will save for a good retirement. The best way to do this is to seek professional financial advice, find out all the options open to them, plan how much they think they will need in retirement and start saving accordingly."

The HSBC report also finds that women around the world are still underrepresented in financial planning in the home, with men making most household money decisions.

Amongst men and women in couples, grocery shopping is the only part of household budgets where women have greater responsibility than men, with 58 per cent managing the weekly shop as opposed to 32 per cent of men. Men, in contrast, are more likely to take control of a couple's savings (51 per cent versus 42 per cent of women), investments (50 per cent and 34 per cent, respectively), bills (53 per cent and 43 per cent) and major purchases (47 per cent and 27 per cent).

This, in turn, may be undermining women's confidence in their own financial knowledge. Just 42 per cent of women feel well-informed about financial matters, compared to 54 per cent of men. And only one in four (27 per cent) think they have a higher level of financial knowledge than their partner – in contrast to one in two men (49 per cent).

Yet despite this, women are more positive than men about retirement. Nearly eight in 10 working-age women (78 per cent) are looking forward to taking up new hobbies in retirement, compared to 73 per cent of men, while two thirds see it as an opportunity to rediscover themselves (65 per cent).

Working-age women are also better prepared for the possibility of living alone, with over half (53 per cent) saying life would not be worth living without their partner – a view held by a far greater 62 per cent of men.

Ms Cotter adds: "There are two pieces of good news. The first is that many women see retirement as the golden period it should be. And the second is that, in this case, knowledge really is power. There are some easy things every woman can do today to get better informed, take greater control and make a positive, concrete step towards a more worry-free retirement. So make a promise to yourself today to plan for your older years."

### **Top tips for a better retirement:**

#### **Reframe how you think about retirement:**

It's easy to put off planning your retirement so reframing how you view it is important. Think of it as a chance to pursue your passions and have new adventures. Make sure you make the most of it by planning ahead.

#### **Visualise the retirement you want:**

Think about the kind of retirement you want. Do you want to go travelling, move home, take up a new hobby or even start a new business? Having a broad idea of how you'd like your life in retirement to look, will allow you to plan for it more effectively.

#### **Ask the experts:**

Nobody expects you to be an expert in saving and investments so use free online advice or seek professional financial advice to help you plan and cost out your retirement plans. This will help you decide on the right approach. Don't be afraid to ask questions – get clarity before making decisions.

#### **From managing to planning:**

Managing your finances is not enough – you need to plan where you can save money and how much. Use the online tools such as savings calculators and budgeting apps to help to identify the changes you can make today that will cut costs and then direct the savings to your future.

#### **Don't be afraid to go it alone:**

Women already in retirement are more likely than men to rely on their spouse's income or pension. Get financial independence by starting a separate savings pot or opening investments of your own.

*ends*

### **Media enquiries to:**

For further information and to request a factsheet of key findings from the report, Future of Retirement: Bridging the Gap please contact:

Dana Gloger  
Global Senior Media Relations and Campaign Manager, RBWM, HSBC  
[Dana.gloger@hsbc.com](mailto:Dana.gloger@hsbc.com)

Michael Sheen  
Client Director, Ogilvy  
[Michael.sheen@ogilvy.com](mailto:Michael.sheen@ogilvy.com)

**Note to editors:**

Research carried out online by Ipsos on behalf of HSBC among 16,000 adults in 16 markets: Australia, Argentina, Canada, China, Malaysia, Mexico, Singapore, Taiwan, France, Hong Kong, India, Indonesia, Turkey, UAE, UK and USA.

Global figures are the average of all countries and territories surveyed unless stated otherwise. All figures are global unless stated otherwise.

**Definitions**

Retirees are people who are semi or fully retired. Working age people are those who have yet to fully or semi-retire.

According to WHO, global life expectancy at birth in 2016 74.2 years for females and 69.8 years for males, ranging from 61.2 years in the WHO African Region to 77.5 years in the WHO European Region. Women live longer than men all around the world.  
[http://www.who.int/gho/mortality\\_burden\\_disease/life\\_tables/situation\\_trends\\_text/en/](http://www.who.int/gho/mortality_burden_disease/life_tables/situation_trends_text/en/)

**HSBC Holdings plc**

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 3,800 offices in 66 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,607bn at 30 June 2018, HSBC is one of the world's largest banking and financial services organisations.