

31st January 2018

‘HITTING THE SWITCH: ALMOST HALF OF HOME OWNERS HAVE CHANGED MORTGAGE PROVIDER’

HSBC releases latest global research findings into home ownership

Home owners around the world are switching mortgage providers in large numbers according to HSBC's new Beyond the Bricks survey, *The value of home*.

The survey of more than 10,000 people in 10 countries finds that almost half (44%) of home owners with a mortgage have ever switched provider, while 61% have investigated getting a better deal by switching their mortgage.

The UK leads the way in mortgage provider switching (53%) while this is least common in Mexico (25%). Affluent home owners (55%) are particularly likely to have switched mortgage providers.

Country	Have ever switched mortgage/home loan provider	Have looked to see if they can get a better deal by switching mortgage/home loan
Average	44%	61%
UK	53%	49%
USA	52%	46%
France	52%	79%
Australia	44%	56%
Singapore	43%	67%
China	40%	69%
Canada	39%	50%
Malaysia	38%	72%
Taiwan	37%	68%
Mexico	25%	51%

The appetite to switch provider is primarily driven by a desire to get a better deal or because of interest rate rises, with 55% of mortgage holders citing this as the reason for their switch. Twenty-four percent switched because their existing mortgage deal expired and 22% because they moved house or bought a new property.

The survey finds most home owners are well-informed about the fundamentals of their mortgage. Eighty percent know how much interest they are paying on their mortgage and 87% know how many years they have left to pay off their mortgage. Mortgage holders in Taiwan (93%) are the most knowledgeable about their mortgage interest payments, compared to 65% in France.

According to Richard Napier, HSBC's Global Head of Mortgages: "It's encouraging to see that most people know how much they are paying for their mortgage and many are shopping around for better deals. However, most customers still wait for a trigger such as moving home or a deal expiring before they reassess their mortgage. Given the potential savings available, people should consider a regular check on what's available in the market that way they can ensure they are making the most of what's available, be that a better rate or cash rebate offers."

Three quarters (75%) of home owners with a mortgage have never experienced an interest rate rise in the lifetime of their mortgage, and 22% say that a 2 percentage point increase in their mortgage/ home loan interest rate would make it difficult or impossible to repay their mortgage.

The value of home is the second survey in the Beyond the Bricks series of global research studies into home ownership from HSBC.

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Note to editors

Beyond the Bricks is an independent consumer research study into global home ownership, commissioned by HSBC. It provides authoritative insights into peoples' attitudes and behaviour towards home buying, renting and funding around the world.

The value of home survey represents the views of 10,005 people in 10 countries: Australia, Canada, China, France, Malaysia, Mexico, Singapore, Taiwan, UK and USA.

The findings are based on a survey of current and prospective home owners aged 21 or older from a nationally representative online sample in each country. The research was conducted by Kantar TNS in September and October 2017.

HSBC Holdings plc

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 3,900 offices in 67 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,526bn at 30 September 2017, HSBC is one of the world's largest banking and financial services organisations.

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