

14 November, 2016

## THE AGE OF UNCERTAINTY

*New report highlights uncertainty about the future for people around the world.*

HSBC's latest report in The Power of Protection series, *Life changers*, finds that many people see the future as increasingly uncertain for themselves and their families, are under greater financial pressure and are having to take more risks with their finances.

Over 12,000 people were surveyed in 12 countries and territories<sup>1</sup>, asking them to compare their lives to those of the previous generation and the next generation.

The report finds that, compared with their parents' generation, respondents think they:

	% Agree	% Disagree
Face a more uncertain future	48	33
Are under more financial pressure	49	33
Have to take more financial risks	51	28
Are better off financially	46	34
Have a better quality of life	43	38
Have more choices in life	60	27
Have a more fulfilling life	42	35

Asked to predict what life will be like in the future, respondents believe that the next generation will:

	% Agree	% Disagree
Face a more uncertain future	56	28
Be under more financial pressure	58	24
Have to take more financial risks	54	26
Be better off financially	39	38
Have a better quality of life	46	32
Have more choices in life	56	29
Have a more fulfilling life	47	29

Armenia is not immune to the global macro-trends and the uncertainty for future. The weak global and regional conditions, Brexit and US elections along with the continuing difficult external conditions of Armenia (closed borders and sanctioned sectors in Russia) contribute to the feeling of uncertainty that people have in this part of the world. Nevertheless, Armenia recorded a 3% economic growth in 2015, with the economic activity index totalling 1.6 % in the third quarter of 2016.

### **Paul Edgar, Chief Executive Officer HSBC Bank Armenia cjsc, comments:**

“Scientific and technological changes are improving our quality of life, but they are also contributing to an ageing population and the feeling that employment and social provisions globally are less secure than ever. In Armenia unemployment rate has been at an average 17% during the last four years, and social provisions from the Government also remained

<sup>1</sup> Argentina, China, France, Hong Kong, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States.

relatively stable, however it's better if people think ahead about their financial needs at every stage of life. While it is impossible to anticipate all the events that will change your life – be it a personal, social or economic, having a plan in place will help you be more confident of protecting what you already have.

Overall, we feel better off than the generation that went before and that we have greater choice and opportunities for fulfilment in our lives. But we also feel less stable and less secure, and see these trends continuing for the next generation.

This increasing uncertainty highlights the importance of planning ahead to help us achieve our ambitions at every stage of life.”

HSBC's report identifies four practical steps which may help people to better prepare for the future:

### **1. Plan for the events that will change your life**

As your life changes, so will your financial needs. Make sure you have a financial plan and review it regularly to help you achieve your ambitions at every stage of life.

### **2. Allow for the unpredictable**

Protect your future plans from being pushed off course by unexpected events. Plan for the financial impact of personal or work-related life events and consider the income you would need to cope should they happen.

### **3. Have a balanced strategy**

Protection should be part of a comprehensive financial plan to achieve your ambitions in life. Ensure your plan includes an allocation for protection as well as for spending, saving and financing, and seek professional advice if you need help.

### **4. Plan with the next generation in mind**

Consider how your financial plan can help to secure your children's future. Share the benefit of your experience and encourage them to plan ahead.

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#### **Notes to editors:**

The Power of Protection is an independent consumer research study into global protection needs and trends, commissioned by HSBC. This report, *Life changers*, is the second report and represents the views of 12,398 people in 12 countries and territories (Argentina, China, France, Hong Kong, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom, United States). The findings are based on a nationally representative survey of people aged 25 and over in each country or territory. The research was conducted by TNS in October and November 2015, online in 11 countries and by face-to-face interviews in the UAE.

HSBC Holdings plc, the parent company of the HSBC Group, is headquartered in London. The Group serves customers worldwide from around 4,400 offices in 71 countries and territories in Europe, Asia, North and Latin America, and the Middle East and North Africa. With assets of US\$2,608bn at 30 June 2016, HSBC is one of the world's largest banking and financial services organisations.

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**HSBC in Armenia**

HSBC Bank Armenia cjsc was established as a closed joint stock company under the name Midland Armenia Bank J.S.C. in 1996 and was renamed HSBC Bank Armenia cjsc in 1999. The bank is a joint venture between the HSBC Group, which has 70 per cent ownership, and members of overseas Armenian businesses with 30 per cent ownership. HSBC Armenia serves around 33,000 customers through nine offices located in Yerevan and around 400 employees. The bank has assets of AMD246 billion as of 30 September 2016 and is one of the leading banks in the foreign exchange market in Armenia.

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