

The Standard Chartered

Wealth Expectancy Report 2019



The Standard Chartered Wealth Expectancy Report 2019 reveals the wealth expectancy of individuals in 10 markets across Asia, Africa and the Middle East: China, Hong Kong, India, Kenya, Malaysia, Pakistan, Singapore, South Korea, Taiwan and the UAE. In each market, we focus on three groups: the emerging affluent, the affluent and high net worth individuals (HNWIs). We call these groups the wealth creators.



Key terms

[Noun] Wealth expectancy:

The total wealth an individual can expect to attain at their *peak wealth*, an individual's highest point of affluence, assumed to be at age 60.

[Noun] Consumable wealth expectancy:

Total *wealth expectancy* adjusted to account for an individual's need for a home, assuming that 80 per cent of the value of their main residential property is not consumable and therefore 20 per cent of this value is available for equity release.

[Noun] Monthly consumable wealth expectancy:

Total *consumable wealth expectancy* including pension pots accumulated under statutory defined-contribution pension schemes where applicable, converted into a monthly figure, based on life expectancy at age 60.

[Noun] Wealth aspiration:

The wealth an individual aspires to attain in order to be able to live comfortably in retirement.

[Noun] Wealth expectancy gap:

The difference between an individual's *wealth expectancy* and their *wealth aspiration*.

Who are the wealth creators?

Note: see detailed Methodology for precise wealth creator band definitions (p.33).

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Emerging affluent

A growing group of individuals with enough money to spend, save and invest.

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Affluent

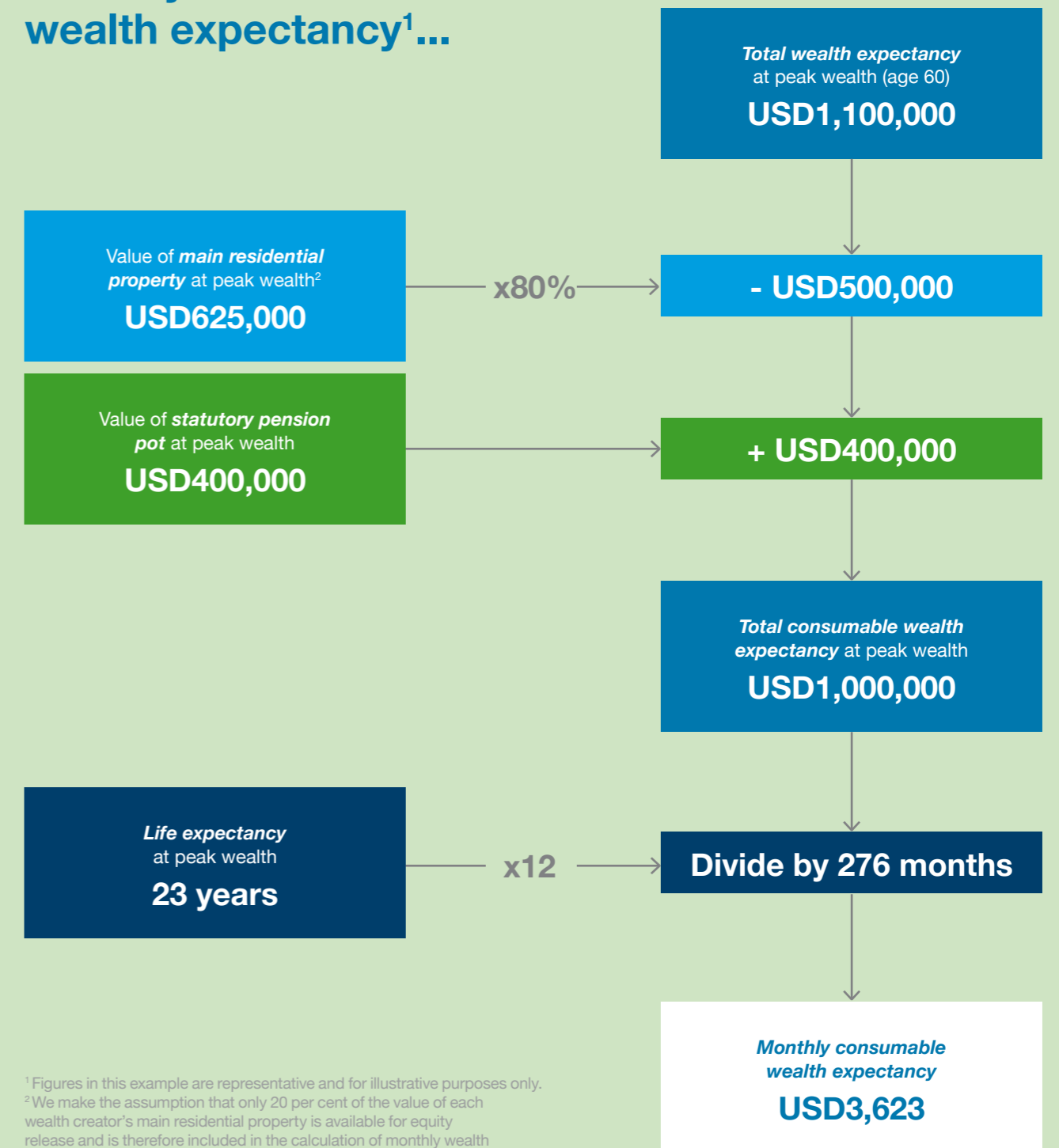
Individuals who earn significantly above the average in their market, with up to USD1 million in assets under management.

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High Net Worth Individuals (HNWIs)

Wealthy individuals with USD1 million or more in assets under management.

How to get from wealth expectancy to monthly consumable wealth expectancy¹...



¹ Figures in this example are representative and for illustrative purposes only.

² We make the assumption that only 20 per cent of the value of each wealth creator's main residential property is available for equity release and is therefore included in the calculation of monthly wealth expectancy, as individuals will require a home. As a result, 80 per cent of the value is deducted from total wealth expectancy.

Brief methodology

The Standard Chartered Wealth Expectancy Report 2019 combines opinion research and economic modelling to assess the wealth expectancy of three wealth creator groups in 10 markets across Asia, Africa and the Middle East: China, Hong Kong, India, Kenya, Malaysia, Pakistan, Singapore, South Korea, Taiwan and the UAE.

The three wealth creator groups in the study are the emerging affluent, the affluent and high net worth individuals (HNWIs). The emerging affluent and the affluent groups are defined according to market-specific income bands, while the HNWIs are those with assets under management exceeding USD1 million (irrespective of income). Collectively, we refer to these three groups as wealth creators.

We interviewed 1,000 wealth creators in each of the 10 markets in our study and used the financial information they provided to calculate their wealth expectancy. Wealth expectancy is calculated by taking the total net wealth at age 60, including financial assets and property assets, less any liabilities such as mortgages and child-raising expenses. Total wealth expectancy does not include any available state pension or other benefit provisions.

We are then able to reveal the wealth expectancy gap: the difference between an individual's wealth expectancy and the amount they believe they need to live comfortably in retirement (their wealth aspiration). In order to calculate this gap, we convert total wealth expectancy into monthly consumable wealth expectancy to enable direct comparison with monthly wealth aspiration. We make the assumption that only 20 per cent of the value of each wealth creator's main residential property is available for equity release and therefore included in the calculation of monthly wealth expectancy, as individuals will require a home. Where applicable, we add the value of pensions accumulated under statutory defined-contribution pension schemes. This total consumable wealth expectancy is divided by the number of months from age 60 to average life expectancy, to arrive at monthly consumable wealth expectancy.

Note: see Methodology for further details (p.33).

Report scope

The Standard Chartered Wealth Expectancy Report 2019 provides indicative figures for the 10 markets in the study. The accuracy of wealth expectancy rates is limited to our sample and to the accuracy of the information that was provided by participants in our opinion research. As the incomes of the three wealth creator groups are specific to each economy, outputs cannot be meaningfully compared between markets. None of the content in this report should be construed as financial advice.

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Foreword

Sustained economic growth in markets across Asia, Africa and the Middle East has driven increased prosperity for large and growing populations.

A new generation has emerged on a path to accumulating levels of personal wealth rarely achieved before. And with these great gains in wealth have come even larger gains in aspiration.

We call this new affluent group the *wealth creators*, and we believe their success is an important component of growth and prosperity in the markets they call home. Many are business owners, job creators and investors, who provide goods and services and pay taxes for the benefit of all.

As the cost of living continues to rise, will these wealth creators be able to reach their aspirations? Will they maintain the financial security they need to keep fuelling wider dynamism and growth?

56%

of wealth creators are set to fall short of their wealth aspirations by half or more.



WEALTH EXPECTANCY

Wealth expectancy: a new measure of prosperity

Wealth expectancy, our new measure of prosperity, shows how far the wealth creators' savings and investments will take them. Unlike traditional measures of prosperity, such as GDP and life expectancy, this new indicator shines a light on an individual's *peak wealth* (their highest point of affluence) assumed to be at aged 60.

Using a combination of opinion research and economic modelling, our study reveals the total US dollar value that individual wealth creators can expect to have accumulated at the wealthiest point in their lives in 10 of the world's most dynamic economies.

The wealth expectancy gap

By comparing wealth expectancy (how much wealth people are on track to generate) with *wealth aspiration* (how much wealth they would like to have), our study reveals a significant wealth expectancy gap in these economies. The results should sound a warning for wealth creators. Of all the wealth creators in our study, nearly six out of 10 (56 per cent) are set to fall short of their aspirations by half or more.

The path to achieving wealth aspirations

The drivers of wealth expectancy are complex and impacted by the wider economic performance of each market, including factors such as GDP growth and what is likely to be sustained low levels of interest rates. But while these macroeconomic trends play their part, the role proactive wealth management plays in growing wealth expectancy and closing the gap is critical.

Besides providing insights into the financial hopes, dreams and possible futures for wealth creators in these dynamic markets, we hope that this study will also help to put them firmly on the path to future prosperity.



Ben Hung
CEO,
Retail Banking
and Wealth
Management

Executive summary

The Standard Chartered Wealth Expectancy Report 2019 examines the saving behaviours and aspirations of 10,000 wealth creators across Asia, Africa and the Middle East, to compare their aspirations for retirement with the wealth they can expect to accumulate by the time they are 60. Our research reveals a significant wealth expectancy gap in all 10 markets we studied, with wealth aspiration far outstripping current wealth expectancy.

Our study reveals that a higher income is no guarantee of a smaller wealth expectancy gap with those who will be nearer to their wealth aspiration having similar incomes to those who will be further away. However, it is what they do with it that counts. In our view, the extent to which wealth creators spend, save and invest their income is what is bringing them closer to achieving their wealth aspiration.

Greater China and North Asia

In China, where the wealth expectancy gap is at its smallest, four in 10 wealth creators (44 per cent) are on track to meet, or come close to, their wealth aspiration. While this is partly driven by a relatively high level of statutory pensions, China's wealth creators also put 48 per cent of their monthly income into savings³ – the highest of any market in our study. Hong Kong has a high wealth expectancy in absolute terms, but aspirations outstrip this, meaning few wealth creators are set to achieve their goals. Saving for retirement is a top financial goal in South Korea and Taiwan, but factors including the high cost of living and lower rates of saving and investment mean that wealth creators are a long way off their target.

South and South East Asia

Attitudes and priorities vary significantly in this region. Indian wealth creators are future-focused and use digital financial products to boost their financial security. Pakistan's wealth creators are more successful than most at closing the wealth expectancy gap, while also being the most likely to prioritise helping their community and family as a way of achieving a good quality of life. Malaysian wealth creators' wealth expectancy gap is one of the lowest in our study, boosted by a high level of statutory pensions, but their limited use of professional wealth management advice may be hampering efforts to reduce the gap further. The same is true in Singapore, but only for the emerging affluent, who stand out from more affluent wealth creators in the market by being more eager to close their wealth expectancy gap, but less likely to use wealth management products such as investments.

Africa and the Middle East

The UAE has one of the lowest wealth expectancy gaps in the study, driven by high statutory pensions. The UAE's wealth creators show a tendency to focus financial decisions on the here-and-now, though they value financial security more than any other financial goal. In Kenya, wealth creators are more driven to start or fund a new business and have a larger wealth expectancy gap than our study average with low statutory pensions providing little additional income at peak wealth.

Closing the gap

Our report suggests that, unless they begin to save and invest more of their income today, many wealth creators risk not being able to fund the retirement they are aiming for. However, it is also clear that wealth creators have the power to change this: by increasing the amount they save each month and by obtaining advice on how to build a personalised wealth management strategy, they could begin to close their wealth expectancy gap.

³ Monthly contribution to savings and investments as a percentage of gross income.

Overview

Wealth expectancy: a new measure of prosperity

Wealth expectancy shines a light on an individual's peak wealth – their highest point of affluence – assumed to be at age 60. As an average, across all 10 markets, the wealth expectancy of the three wealth creator groups is

USD1,088,000

but although this sounds like a significant sum, it is a long way from the lifestyle that wealth creators are aspiring to in retirement.

When comparing the wealth creator groups, the affluent have nearly double the wealth expectancy of the emerging affluent, while HNWIs can expect to have nearly five times as much wealth as the emerging affluent at their peak wealth.

WEALTH EXPECTANCY

Average
USD1,088,000

Emerging Affluent
USD420,000

Affluent
USD821,000

HNWI
USD2,022,000

This graph shows the median wealth expectancy for each wealth creator group across the 10 markets studied, and the average of the three groups combined.

The wealth expectancy gap

All three wealth creator groups have a wealth aspiration that is far higher than their wealth expectancy – revealing a significant wealth expectancy gap. While the monthly figure they aspire to live on in retirement is relatively similar to their current monthly income, when converted into monthly consumable wealth, their wealth expectancy is insufficient to meet aspirations.

Most wealth creators will be disappointed by the value they are set to accumulate at their peak wealth, with nearly six out of 10 individuals (56 per cent) at least 50 per cent away from being able to achieve their wealth aspiration by living off the personal assets they have accumulated as well as monthly statutory pension payments, where applicable.

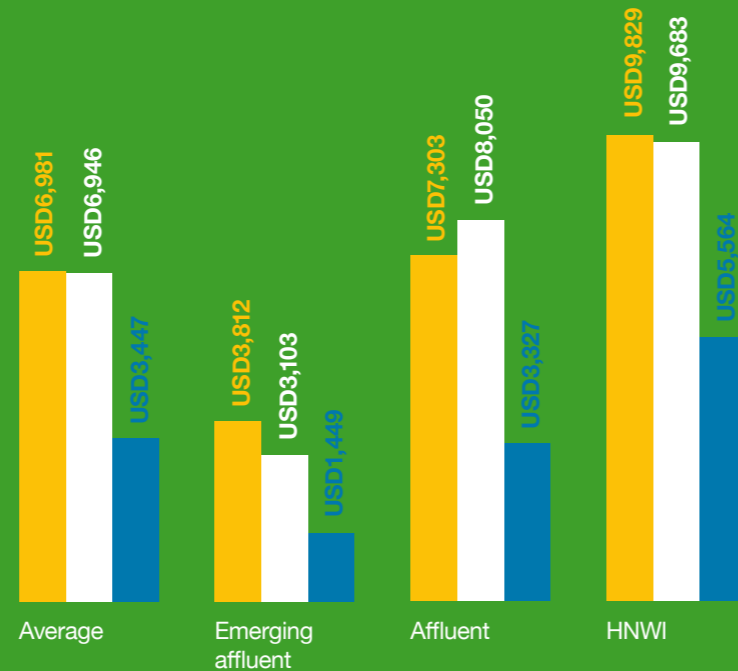
The problem is most widespread among the emerging affluent: 62 per cent of wealth creators in this group will be at least 50 per cent away from their aspiration. This compares to 53 per cent of the affluent and just 46 per cent of HNWIs.

The wealth expectancy gap is much larger in some markets than others. China and Malaysia have the smallest gaps, with around two-thirds of wealth creators (70 per cent and 64 per cent respectively) set to achieve more than half of their wealth aspiration. Wealth creators in South Korea and Taiwan have the furthest to go to close their wealth expectancy gap, with only 20 per cent of South Koreans and 25 per cent of Taiwanese achieving more than half of their aspiration.

The wealth expectancy gap (monthly)

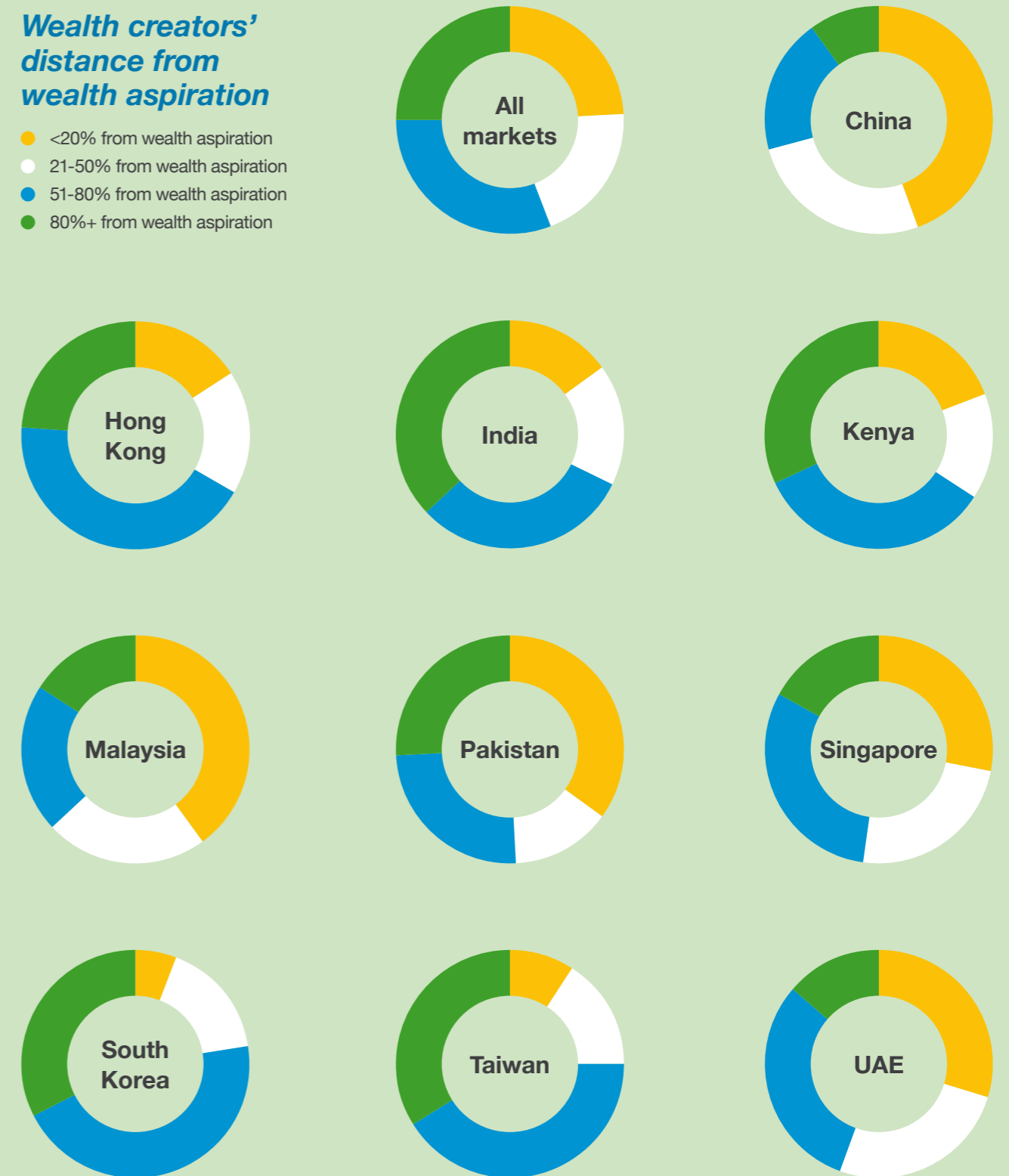
- Wealth aspiration
- Current income
- Monthly consumable wealth expectancy

This graph shows the median wealth aspiration, current income and monthly consumable wealth expectancy for each wealth creator group across the 10 markets studied, and the average of the three groups combined.



Wealth creators' distance from wealth aspiration

- <20% from wealth aspiration
- 21-50% from wealth aspiration
- 51-80% from wealth aspiration
- 80%+ from wealth aspiration

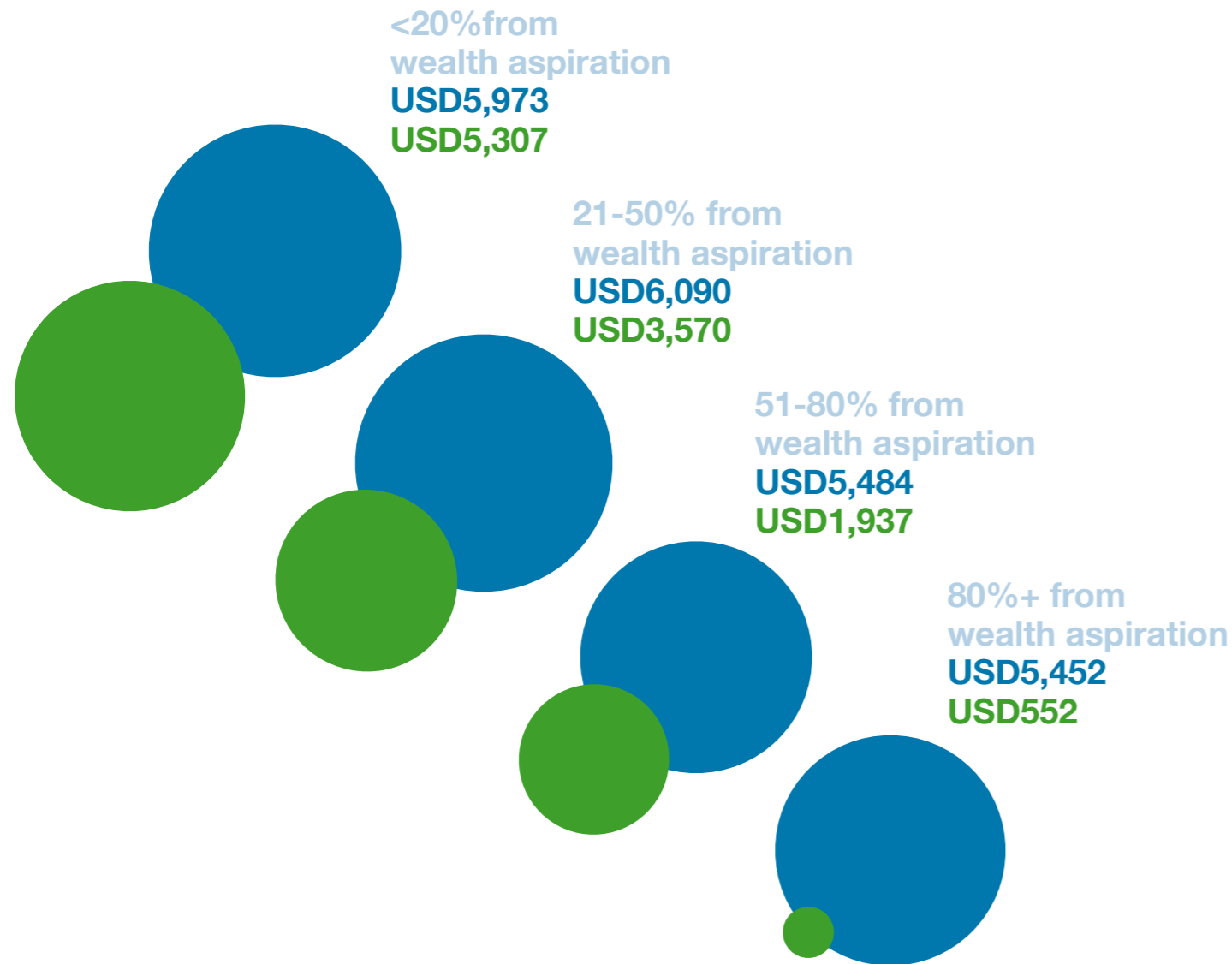


Wealth creators' median monthly consumable wealth expectancy compared to median monthly income grouped by wealth expectancy gap

- Current income
- Monthly consumable wealth expectancy

High earnings are no guarantee of a smaller wealth expectancy gap...

For wealth creators, closing the wealth expectancy gap is not just about earning more money. People with similar incomes are at varying distances from achieving their wealth aspiration.

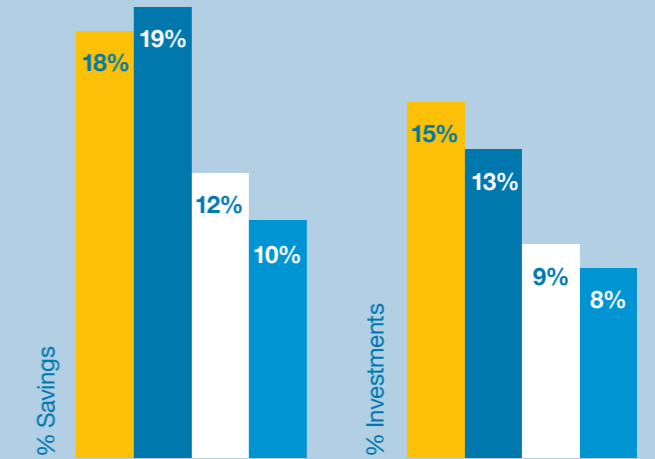


...it's what you do with them that counts – investing for your future is key

In fact, it is how wealth creators spend, save and invest their earnings that will bring them closer to achieving their wealth aspiration. Those who will be within 50 per cent of their wealth aspiration focus on allocating more of their income to savings and investments, suggesting that they are on track towards closing their wealth expectancy gap through well-developed wealth management strategies.

- <20% from wealth aspiration
- 21-50% from wealth aspiration
- 51-80% from wealth aspiration
- 80%+ from wealth aspiration

Percentage of current monthly income allocated to savings and investment products grouped by size of wealth expectancy gap



“

Identifying as high net worth or affluent now is not an indicator of being able to achieve your wealth aspiration in future. With 56 per cent of savers in our study looking set to be disappointed with their financial situation when it comes to retirement, the time to take action is now. Financial institutions have an important role to play, starting with an understanding of their clients' needs, so that they can educate and empower them to manage their wealth in line with their aspirations.”

Fernando Morillo, Global Head, Retail Products and Segments



Whilst a more methodical financial planning approach, with clearly defined goals, could help close the gap between wealth aspiration and reality, we also need to recognise the underlying differences in saving and spending behaviours between these 10 markets. As a bank, we must use these insights to offer relevant solutions and guidance for individuals to take meaningful steps towards meeting their aspirations.”

**Didier von Daeniken, Global Head,
Private Banking and Wealth Management**

The digital difference

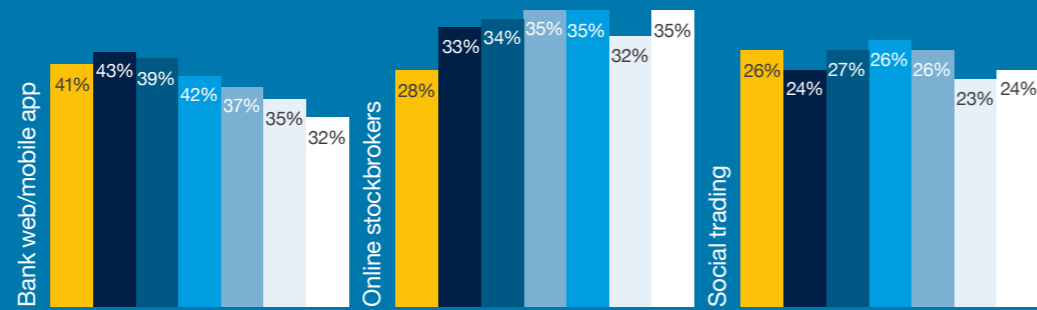
Digital financial products are transforming the financial industry, making wealth management tools available to more people. Many wealth creators are already embracing the power of digital to close their wealth expectancy gap. Two in five (40 per cent) use their bank’s website or mobile app while online investment portfolio apps, online only banks and online stockbrokers are each used by one third (33 per cent) to help them meet their financial goals.

Wealth creators across all age groups are seizing the digital opportunity. For example, older age groups are almost as likely as younger groups to use social trading to achieve their financial goals (see graph below). Digital could be the key to empowering individuals of all ages to take control of their investments. 61 per cent of wealth creators believe being able to manage their investment products online has given them the confidence to invest in products that they would not have considered previously.

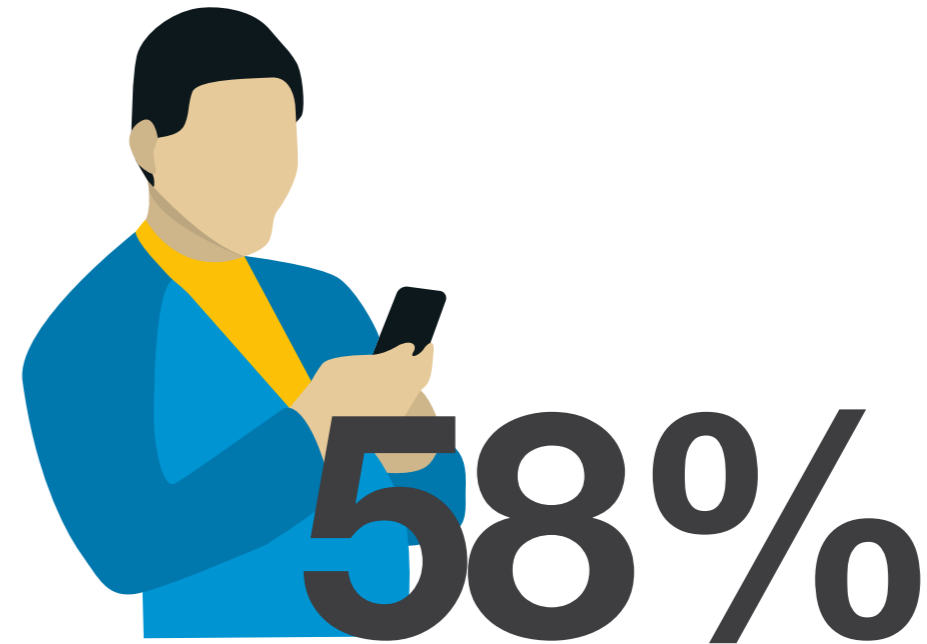
Digital wealth management is multi-generational

Age groups:

- 25-29
- 30-34
- 35-39
- 40-44
- 45-49
- 50-55
- 56-60



WEALTH EXPECTANCY



58%
of wealth creators say managing their money digitally has helped them achieve a better quality of life.

Can you bridge your wealth gap?

By Steve Brice,
Chief Investment Strategist for
Standard Chartered Private Bank

Research shows most retirees fall short of their income and wealth goals. The 'wealth expectancy gap' arises in part from our failure to assiduously plan for our financial future. It is clear that the sooner we start saving (and investing), the faster we will reach our aspirations.

Let's take the example of an 18-year old who enters the workforce and starts saving USD2,000 a year for the next seven years till she is 25 and puts the savings in global equities (that have historically compounded at a rate of 10 per cent a year). Just by saving USD14,000 in the first seven years of her working life, she is set to become a dollar millionaire by 66.

By comparison, somebody who starts later at say age 26 will need to save USD2,000 every year from the age of 26 to 66, or more than USD80,000 over 40 years, in order to become a dollar millionaire by 66, assuming the same compound rate.

Make your money work harder

Most people use savings accounts to grow their wealth, which is understandable given the security they offer. However, the 'real' returns on these savings after inflation can often be disappointing compared to investments.

When making investments, it is critical to diversify across several different products to preserve capital and protect against risks.

Insurance solutions, such as annuities and endowments are a popular way to preserve and grow wealth. These products, which are typically long-term in nature, offer defined returns after a certain date. But there is a trade-off between certainty and flexibility – you can't access them easily in times of emergencies.

Diversified investment portfolios boost returns

To achieve a balance between certainty and flexibility, an allocation to a diversified basket consisting of stocks, bonds and precious metals is the way to go. These assets are more interchangeable than the usual insurance products and you can use them to fund expenses that arise over the course of life, such as children's education, weddings and health emergencies. For those who can, diversifying investments internationally helps spread the sources of risk.

Research carried out over multiple market cycles shows diversified investment baskets are key to boosting overall returns. Historically, stocks have delivered higher returns than bonds. So, for example, an investment basket split equally between stocks and bonds (or savings accounts) would provide a higher return over an extended period than money parked exclusively in a savings account.

Usually when deciding the split between stocks and bonds, it works to put a larger share of your capital in stocks during the early part of your working life, when you can take relatively higher risks. As you get closer to retirement, the need for wealth preservation becomes increasingly important, so you invert the ratio in favour of bonds. Of course, you also need to consider the stage of the market and business cycle we are in and the current bond yields on offer, in order to fine-tune the ideal allocation.

In conclusion, securing your financial future starts with a well-thought-out plan, mapped to your life goals. The next important step is to save and invest early. Finally, by diversifying your wealth across various investment solutions, you have the potential to generate better risk-adjusted returns, putting you on the path to a worry-free retirement.

Market profiles

The global overview provides a useful window on the fortunes of wealth creators around the world, but this is only part of the picture. There are notable differences between the dynamic markets that feature in this report. The wealth expectancy gap is nearly three times larger in some markets than others, driven by varying saving and investment habits and attitudes to digital banking, as well as variances in GDP growth, interest rates and pensions where applicable.

China

Making money work hard

The average wealth expectancy of China's wealth creators is

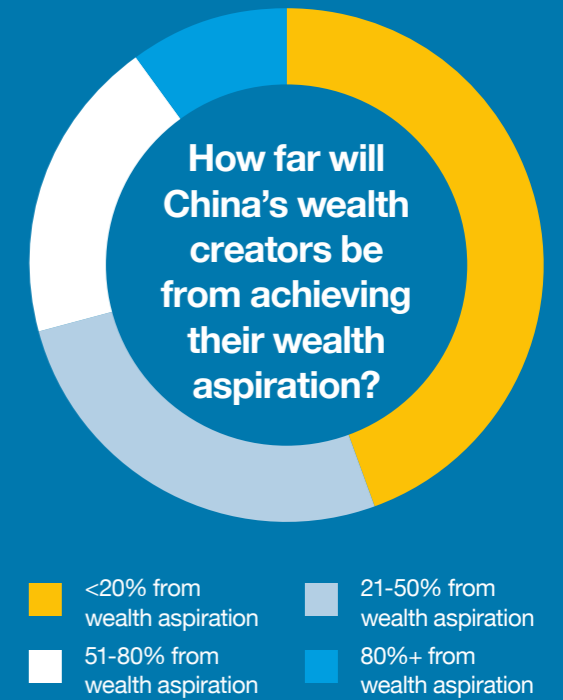
USD2,172,000

(USD595,000 for the emerging affluent, USD998,000 for the affluent and USD4,922,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 22 years for China's wealth creators.*
But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

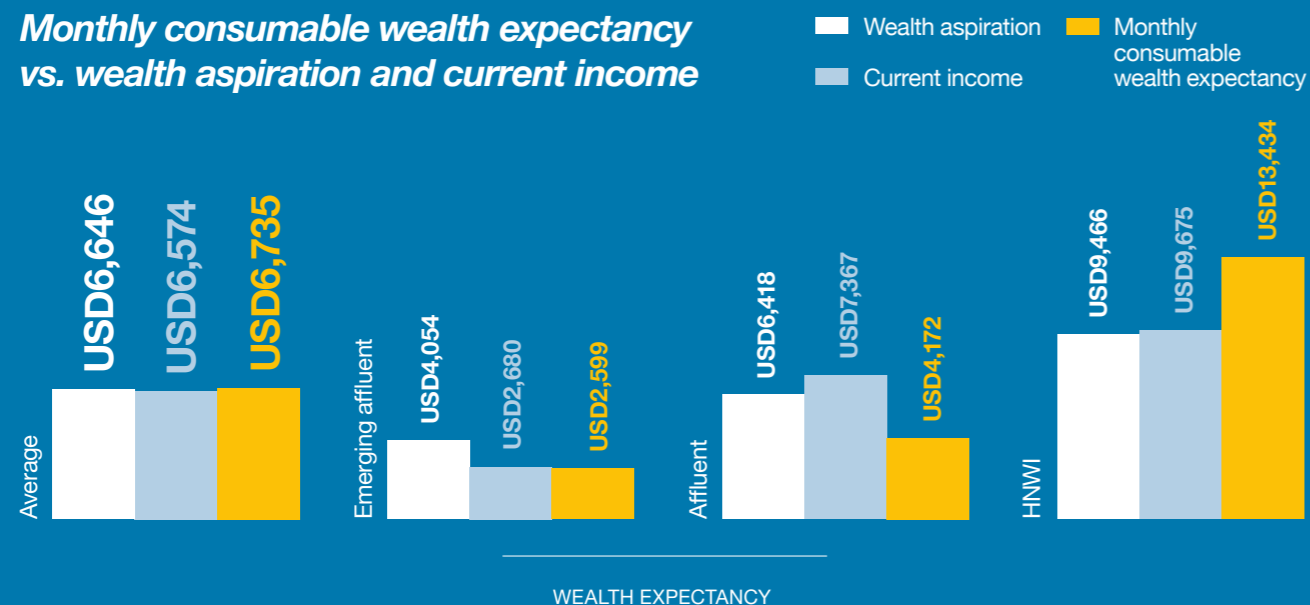
Emerging affluent: 14 years
Affluent: 15 years
HNWI: 36 years

*See Methodology on page 33

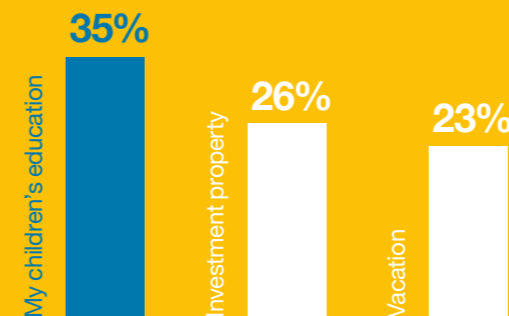


This will give them USD6,735 per month during retirement – in line with their current income.

Monthly consumable wealth expectancy vs. wealth aspiration and current income

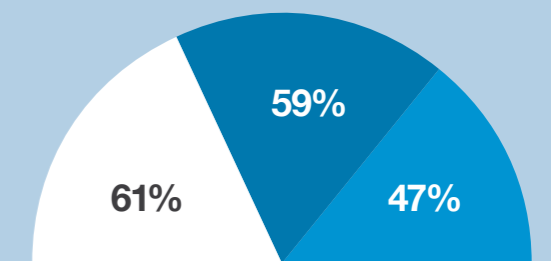


What are China's wealth creators' top financial goals? Funding their children's education, investing in property and going on vacation are the most common aims.



The financial products China's wealth creators favour to achieve their goals combine simple savings products with longer-term, lower risk investments.

Savings account
Time/fixed deposits
Fixed income investments



China's large and growing economy has provided excellent opportunities for its wealth creators to boost their wealth, contributing to the smallest wealth expectancy gap in our study. Seven in 10 of all Chinese wealth creators (70 per cent) will be within 50 per cent of their wealth aspiration, while only one in 10 (10 per cent) will be more than 80 per cent away from their aspirations.

Investing for success

Chinese wealth creators are closer to achieving their aspirations than those in other markets because of the proportion of their earnings saved. Our study found that an average of 48 per cent of gross earnings is put into savings and investments each month in China, which is more than in any other market in our study. Chinese wealth creators are using more sophisticated financial products, such as fixed-income investments, to achieve their aspirations, making their money work harder for them. They also have a positive attitude towards investment products, with nearly four out of five wealth creators (78 per cent) using this type of product to reach their goals.

While most other markets focus on simpler products that may give lower returns, wealth creators in China are unique in listing fixed-income investments as one of their top three ways to achieve financial goals. Digital tools have also helped wealth creators in China be smarter with their money, with nearly seven in 10 (69 per cent) believing that managing their finances digitally has helped them to achieve a better quality of life. High trust in digital platforms may have helped increase access to investment in China, with 73 per cent of wealth creators saying they trust digital wealth management platforms and are confident using them to make investment decisions on their own.

Property = prosperity

Owning a home could be a crucial way for Chinese wealth creators to close their wealth expectancy gap. Though currently falling, rates of home ownership are still very high in China,⁴ and wealth creators believe that owning real estate is important: buying investment property is a top financial goal, second only to funding children's education.

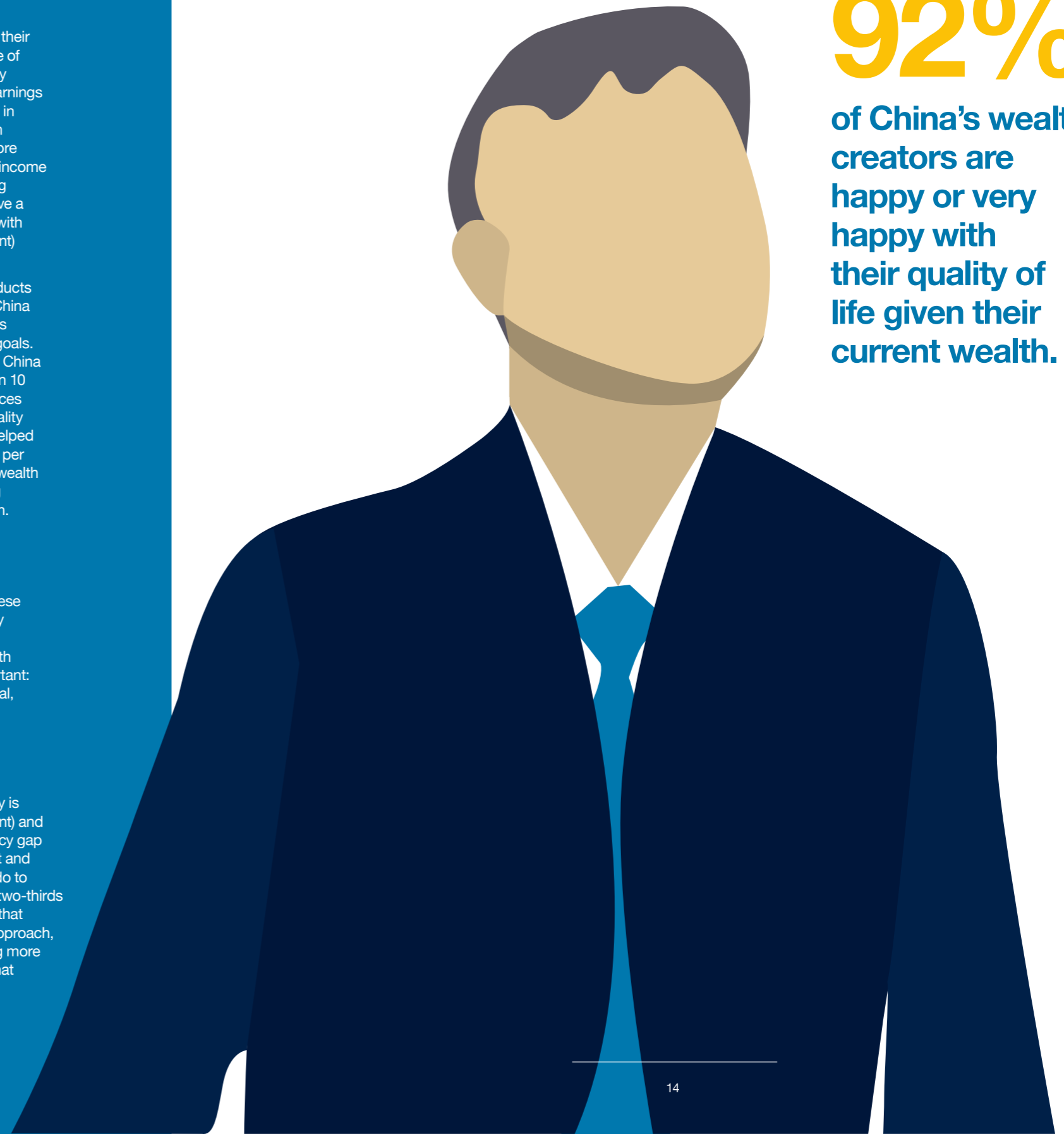
The source of happiness

China's wealth creators believe financial security is essential to happiness and wellbeing (63 per cent) and are working hard to close their wealth expectancy gap through investment, digital money management and buying property. But there is still more work to do to achieve their wealth aspiration, and with nearly two-thirds (61 per cent) of wealth creators acknowledging that they could improve their wealth management approach, many wealth creators could benefit from putting more money into the kind of higher-return products that are already helping them increase their wealth.

⁴View article, China Morning Post, 21 August 2019.

92%

of China's wealth creators are happy or very happy with their quality of life given their current wealth.



Hong Kong

Investment for betterment

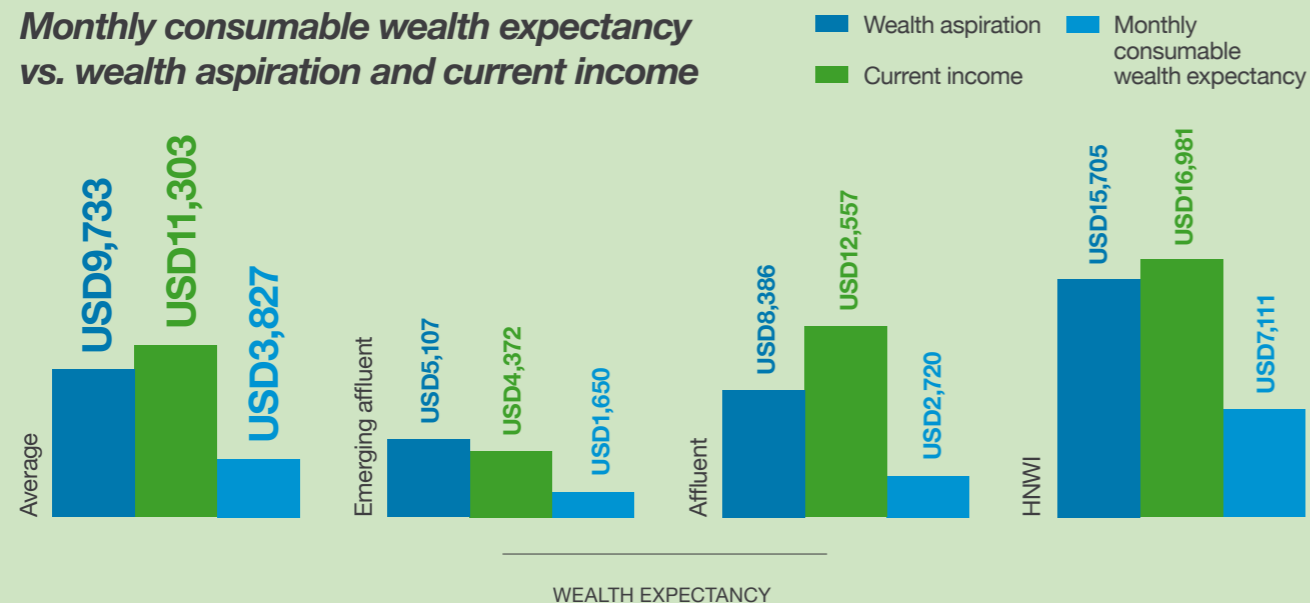
The average wealth expectancy of Hong Kong's wealth creators is

USD2,497,000

(USD770,000 for the emerging affluent, USD1,274,000 for the affluent and USD5,447,000 for HNWI).

This will give them USD3,827 per month during retirement – much less than their wealth aspiration or current income.

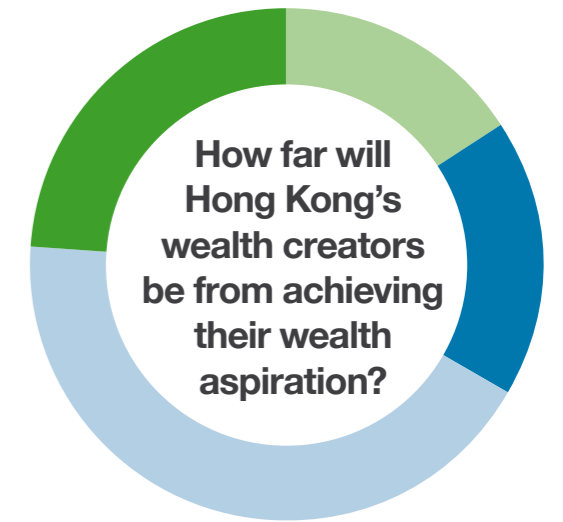
Monthly consumable wealth expectancy vs. wealth aspiration and current income



Average life expectancy at peak wealth (age 60) is 30 years for Hong Kong's wealth creators.* But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

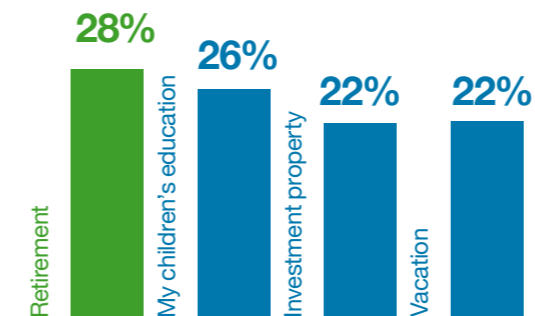
Emerging affluent: 10 years
Affluent: 10 years
HNWI: 15 years

*See Methodology on page 33



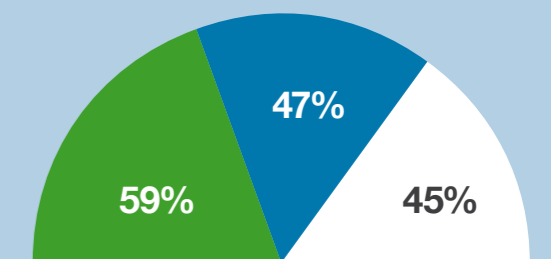
- <20% from wealth aspiration
- 21-50% from wealth aspiration
- 51-80% from wealth aspiration
- 80%+ from wealth aspiration

What are Hong Kong's wealth creators' top financial goals? Saving for their retirement, funding their children's education, investing in property and going on vacation are the most common aims.



The financial products Hong Kong's wealth creators favour to achieve their goals combine simple savings products with investment in stocks and shares.

Savings account
 Stocks/equities
 Time/fixed deposits



Open markets, a highly skilled workforce and high-tech infrastructure have long made Hong Kong attractive for global investors. It is one of the most prosperous markets in the world, which is reflected in its high wealth expectancy.

However, wealth creators in Hong Kong also have great wealth aspirations, which, coupled with limited use of sophisticated investment products, means there is a considerable wealth gap in this market. Just 31 per cent will achieve more than half of their aspirations. However, three in 10 (28 per cent) will be more than 80 per cent away from achieving their wealth aspiration at peak wealth.

Hongkongers, especially the emerging affluent (69 per cent), place a strong emphasis on traditional savings accounts, but are also inclined to seek higher returns from other sources. 47 per cent of Hong Kong's wealth creators (including 54 per cent of emerging affluent) use equity investment in their financial strategy.

Investment for betterment

A quarter of Hong Kong's emerging affluent wealth creators believe that investment is the best strategy for increasing their wealth in order to enhance their quality of life, rising to 28 per cent in the affluent group, which is the most positive attitude to investment seen in our study. Hong Kong's wealth creators are also the least likely to believe that hard work and more salaried income is the best financial strategy, with this view held by just 13 per cent, the lowest number in our study.

Despite the positive attitude to investment in Hong Kong, a relatively high proportion of wealth creators in Hong Kong feel they have insufficient funds to justify an investment portfolio.



A quarter of Hong Kong's emerging affluent wealth creators believe that investment is the best strategy for increasing their wealth in order to enhance their quality of life, rising to 28 per cent in the affluent group, which is the most positive attitude to investment seen in our study.

India

Future-focused finance

The average wealth expectancy of India's wealth creators is

USD518,000

(USD195,000 for the emerging affluent, USD374,000 for the affluent and USD986,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 23 years for India's wealth creators.*

But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent: 6 years

Affluent: 9 years

HNWI: 5 years

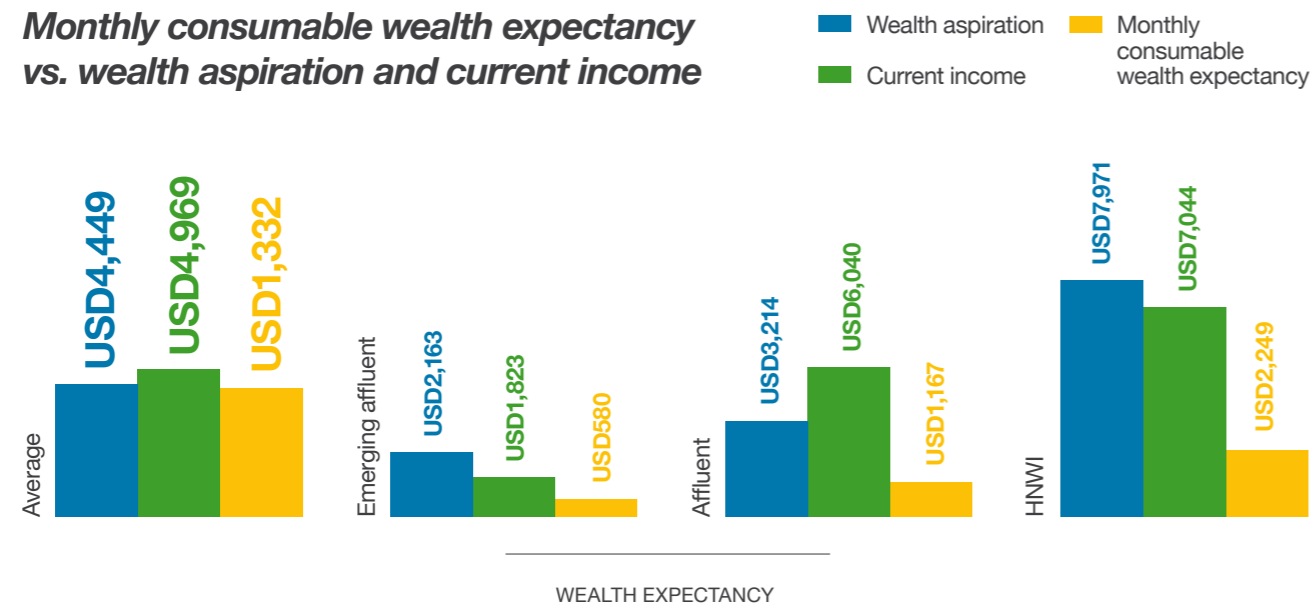
*See Methodology on page 33



<20% from wealth aspiration
21-50% from wealth aspiration
51-80% from wealth aspiration
80%+ from wealth aspiration

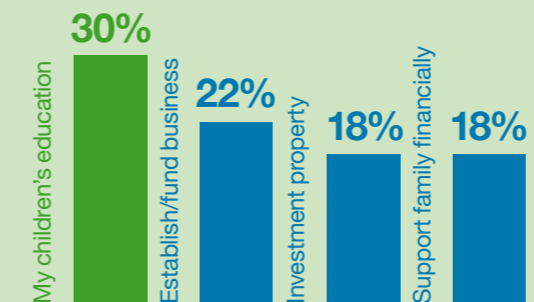
This will give them USD1,332 per month during retirement – much less than their wealth aspiration or current average income.

Monthly consumable wealth expectancy vs. wealth aspiration and current income



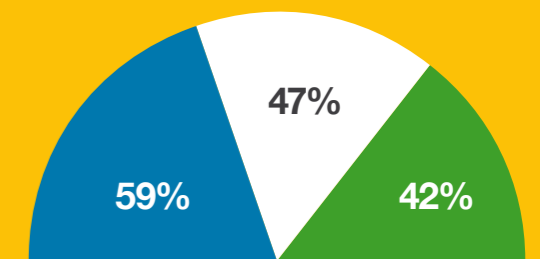
What are India's wealth creators' top financial goals?

Funding their children's education, establishing or funding their own business, investing in property and supporting parents or relatives are the most common aims.



The financial products India's wealth creators favour to achieve their goals comprise simple savings products, investment products and property investment.

Savings account
Mutual trusts/unit trusts
Property investment



India remains one of the most buoyant economies in the world, with a growing class of wealthy citizens to match. Yet Indian wealth creators have a relatively small wealth expectancy, including a low level of statutory pensions, resulting in a large wealth expectancy gap: only 32 per cent will achieve more than half of their aspirations, and 68 per cent will be less than halfway there.

Future-focused finance

Indian wealth creators plan ahead: three in five (60 per cent) have a financial strategy that includes investment products. Despite this, half (49 per cent) of India's wealth creators still feel very far away from their top financial goal.

77 per cent of Indian wealth creators believe money is essential to happiness, more than in any other market in our study. In fact, wealth is considered so important that many Indian wealth creators are anxious about their financial future: 64 per cent of the affluent group say they worry so much about money that it affects their health, and 62 per cent of the emerging affluent feel so overwhelmed by financial planning they fail to put a plan in place at all. The emerging affluent are also the least likely group in India to seek professional investment advice.

Indian wealth creators are also concerned about how the next generation will manage and preserve the wealth they pass on. 62 per cent of wealth creators are worried about this, despite 80 per cent having comprehensive wealth transfer strategies in place.

62%

of Indian wealth creators are worried about how the next generation will manage and preserve the wealth they pass on, despite 80 per cent having comprehensive wealth transfer strategies in place.

Knowledge is power

There is a strong appetite among Indian wealth creators to learn more from reputable sources and experts. Nearly three-quarters (73 per cent) of the emerging affluent would be open to using a range of investment products if they had a better level of financial knowledge. A greater emphasis on financial education could be crucial to helping India's wealth creators feel more secure in their financial planning and close their wealth expectancy gap.



Digital India

India's status as a technology leader is reflected in the approaches of its wealth creators, who are particularly digitally savvy and more positive about digital banking than any other market in our study. Nearly four in five of India's emerging affluent (78 per cent) and affluent (79 per cent) feel more in control of their finances by managing their money digitally, and 81 per cent of both groups believe this has also helped them achieve a better quality of life. In addition, 32 per cent of the emerging affluent and 27 per cent of the affluent cite price comparison websites as a top source of financial advice.



Kenya

Kenya-preneurs

The average wealth expectancy of Kenya's wealth creators is

USD636,000

(USD453,000 for the emerging affluent, USD684,000 for the affluent and USD772,000 for HNWI).

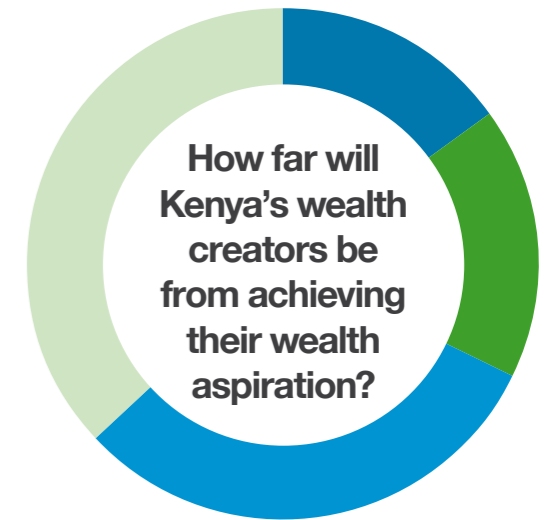
Average life expectancy at peak wealth (age 60) is 20 years for Kenya's wealth creators.* But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent: 6 years

Affluent: 8 years

HNWI: 5 years

*See Methodology on page 33

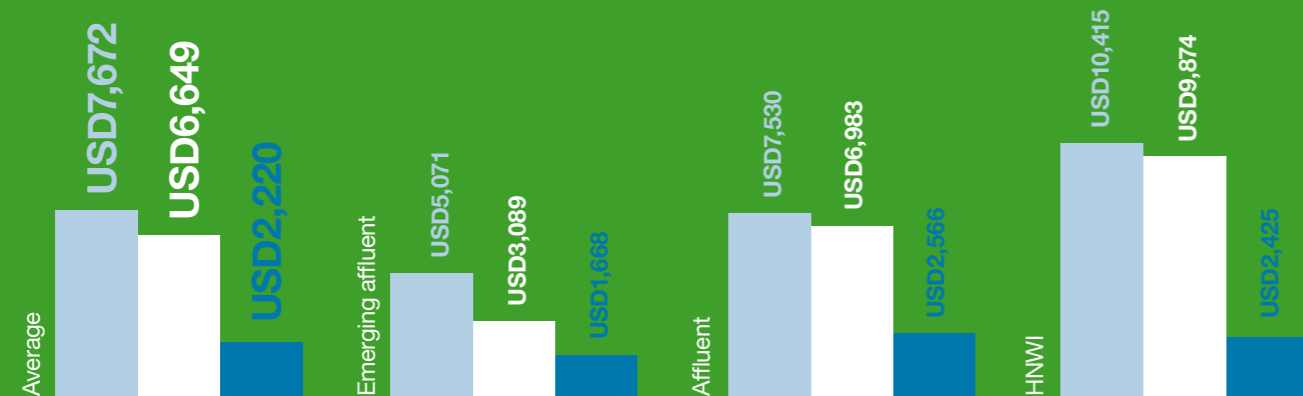


■ <20% from wealth aspiration
■ 21-50% from wealth aspiration
■ 51-80% from wealth aspiration
■ 80%+ from wealth aspiration

This will give them USD2,220 per month during retirement – much less than wealth creators' current income, and less still than their wealth aspiration.

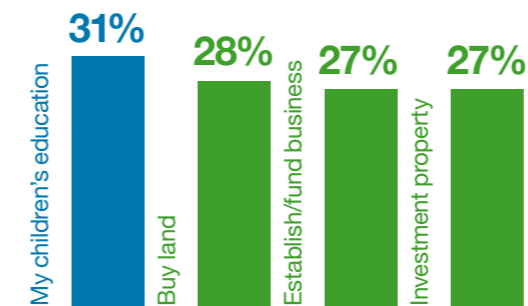
Monthly consumable wealth expectancy vs. wealth aspiration and current income

■ Wealth aspiration
■ Monthly consumable wealth expectancy
■ Current income



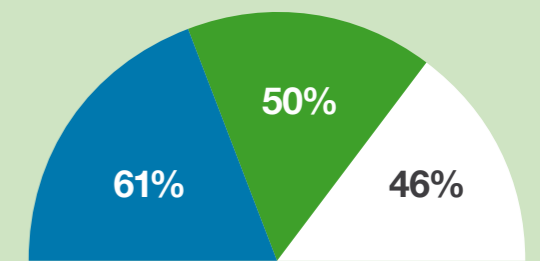
WEALTH EXPECTANCY

What are Kenya's wealth creators' top financial goals? Funding their children's education, buying land, establishing or funding their own business and investing in property are the most common aims.

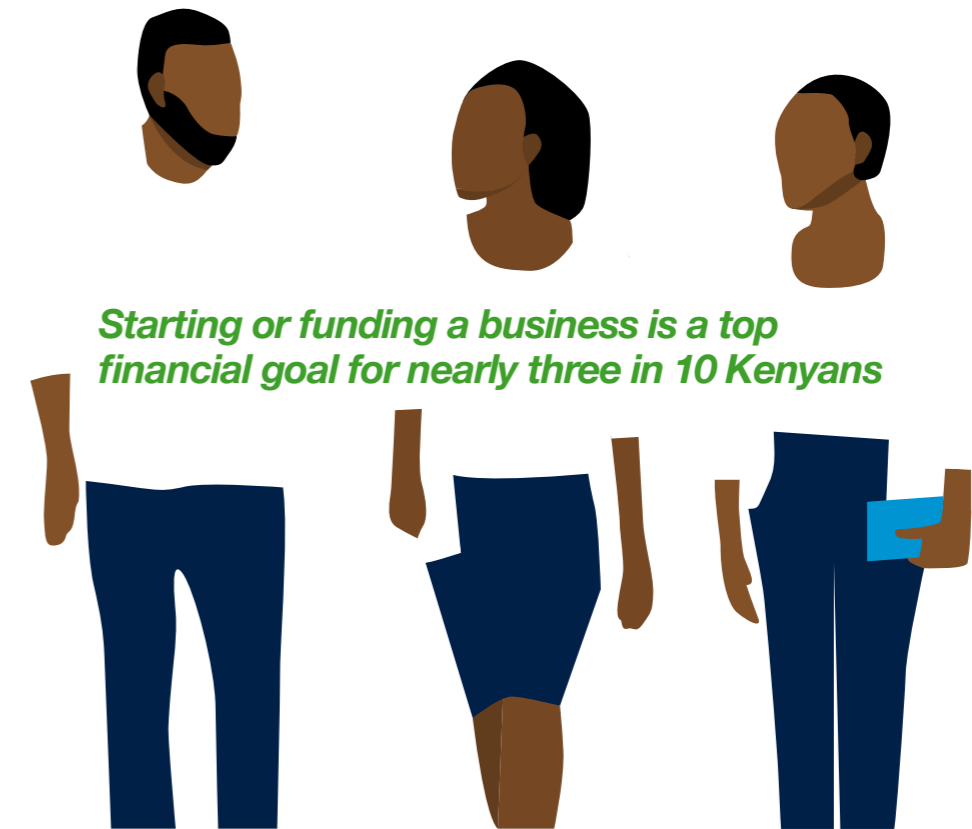


The financial products Kenya's wealth creators favour to achieve their goals combine simple savings products with property investment.

■ Savings account
■ Property investment
■ Time/fixed deposits



Boosted by public sector reform and private investment, Kenya is one of Africa's faster-growing economies. Across all income groups, wealth creators are ambitious, business-orientated and comfortable with risk, and they have high levels of wealth aspiration.



But many will fall short of their ideals: 66 per cent of Kenya's wealth creators will achieve less than half of their wealth aspiration, compared with 56 per cent for all markets in our study. Kenya's wealth creators could benefit from considering their financial habits and ensuring they seek high-quality financial advice to help them achieve the lifestyle they are aiming for.

Investment gap

Kenyans' strong desire to invest, along with their high tolerance for risk, are positive indicators for prosperity. But investment appetite is not everything. Nearly six out of 10 (58 per cent) Kenyans say they want to invest more but they lack access to financial advice.

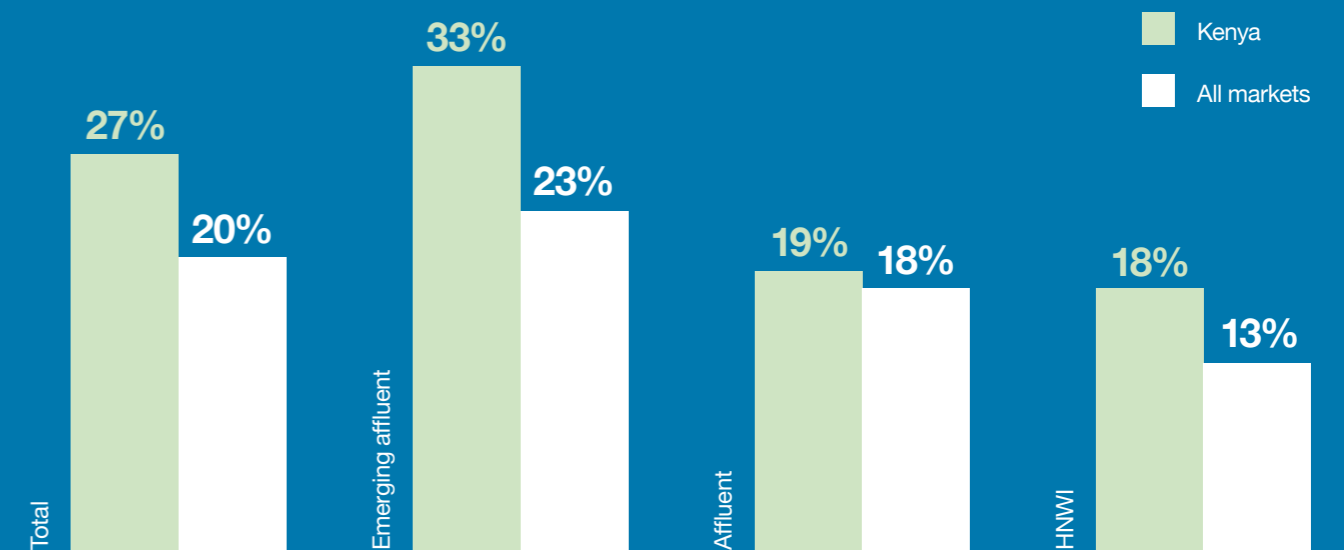
Almost a third of Kenya's wealth creators (32 per cent) will be more than 80 per cent away from their aspirations. Stronger financial advice and education, including digital tools, might help more of Kenya's ambitious individuals convert their positive investment attitude into positive action.

Kenya-preneurs

Kenyan wealth creators are more driven to start or fund a business than individuals in any other market in this study, with more than a quarter (27 per cent) stating that this is one of their top three financial goals.

Our study shows entrepreneurship is led by Kenya's emerging affluent rather than their wealthier counterparts, with a third (33 per cent) considering business a top priority.

This thriving culture of entrepreneurship may be boosting Kenyans' prosperity levels, but many wealth creators still need to make changes to their financial habits to achieve their personal wealth goals.



Malaysia

A family affair

The average wealth expectancy of Malaysia's wealth creators is

USD1,035,000

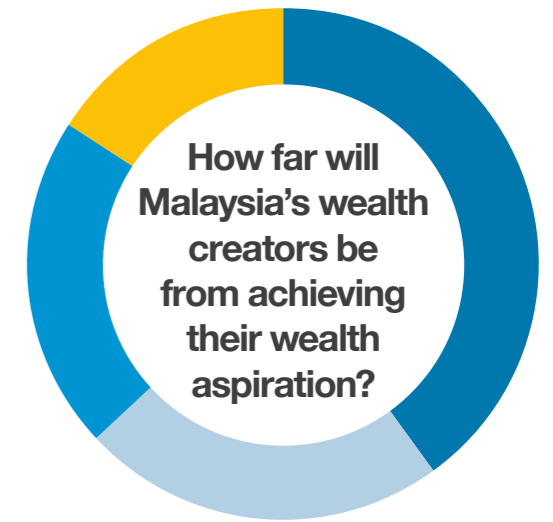
(USD331,000 for the emerging affluent, USD435,000 for the affluent and USD2,337,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 23 years for Malaysia's wealth creators.*

But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent: 15 years
Affluent: 18 years
HNWI: 25 years

*See Methodology on page 33

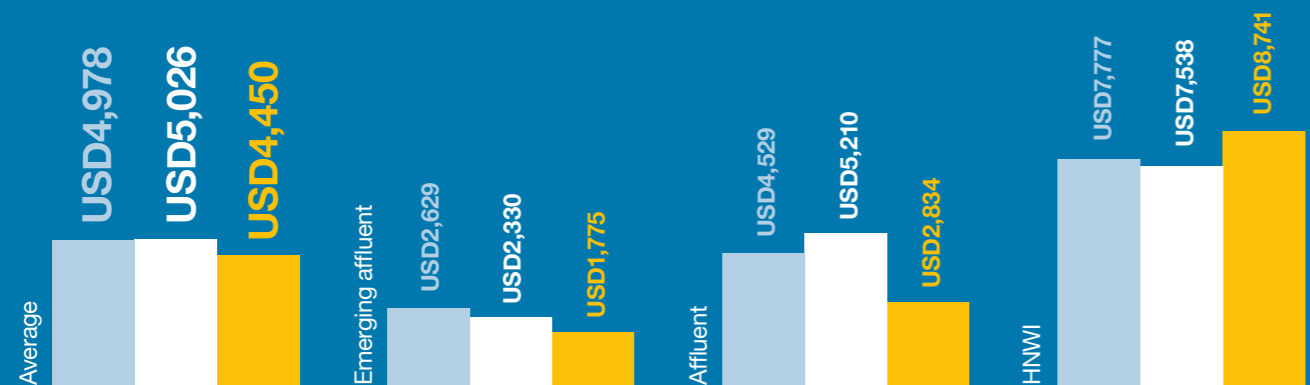


<20% from wealth aspiration
21-50% from wealth aspiration
51-80% from wealth aspiration
80%+ from wealth aspiration

This will give them USD4,450 per month during retirement – slightly less than their current income and their wealth aspiration.

Monthly consumable wealth expectancy vs. wealth aspiration and current income

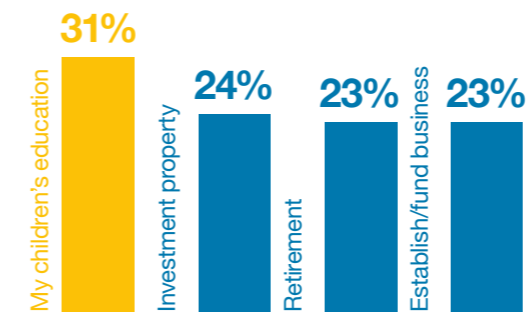
■ Wealth aspiration ■ Monthly consumable wealth expectancy
 ■ Current income



WEALTH EXPECTANCY

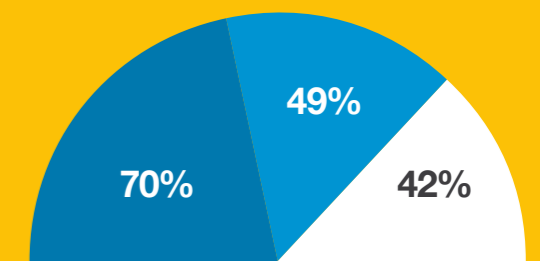
What are Malaysia's wealth creators' top financial goals?

Funding their children's education, investing in property, saving for retirement and establishing or funding their own business are the most common aims.



The financial products Malaysia's wealth creators favour to achieve their goals combine simple savings products with property investment.

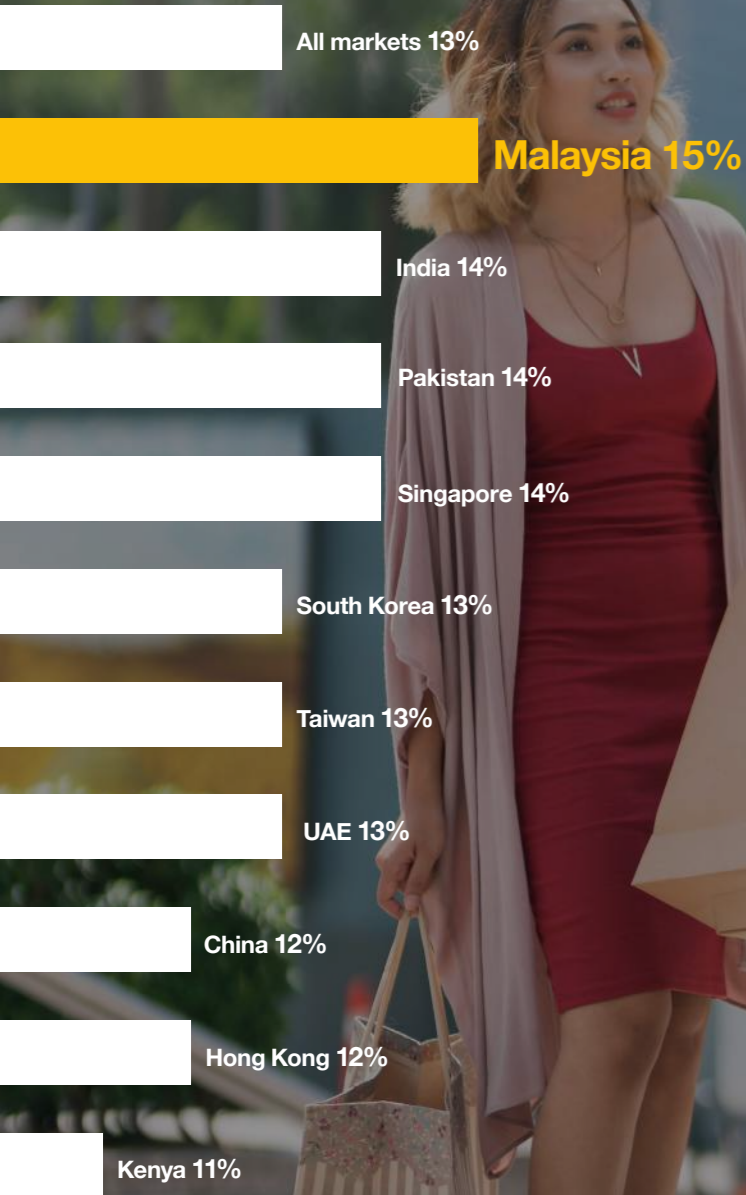
Savings account
Property investment
Time/fixed deposits



21

Malaysian wealth creators are more likely than those in any other market to believe that spending time with friends and family is the most important factor for a good quality of life.

Wealth in Malaysia: A family affair



Supported by open trade policies and well-developed manufacturing and services sectors, Malaysia is one of the richest large economies in Southeast Asia. As an already wealthy upper middle-income market, Malaysia is expected to transition to a high-income economy by 2024,⁵ and the Government's recent Shared Prosperity Vision sees all Malaysians enjoying prosperity fairly and equitably by 2030.⁶

Malaysia's wealth expectancy gap is one of the smallest across the 10 markets we studied: 64 per cent will achieve more than half of their wealth aspiration.

Wealth creators in Malaysia tend to make most of their wealth management decisions on their own, making only limited use of professional advisors. Seven in 10 use a simple savings account, half an investment property (49 per cent) and 42 per cent a fixed-term deposit scheme. For the 36 per cent of Malaysian wealth creators who are more than 50 per cent from their wealth aspiration, developing a wealth management strategy may help them go further in reaching their financial goals.

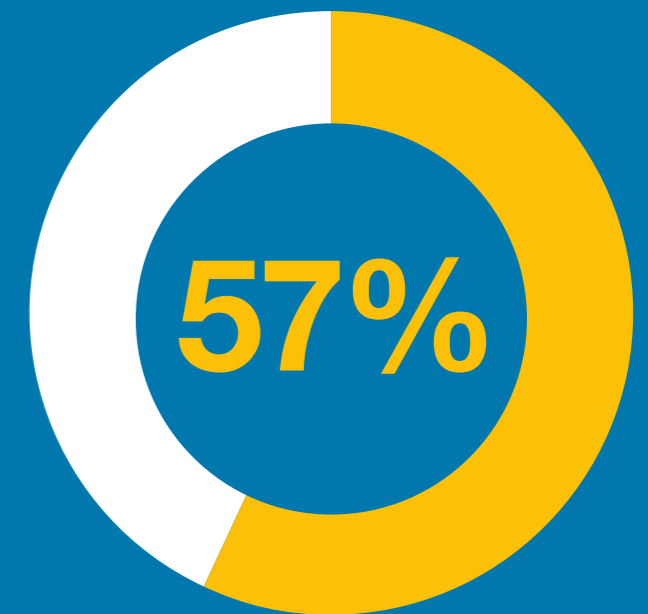
⁵View The World Bank In Malaysia Overview

⁶View Mahathir Launches Shared Prosperity Vision 2030 Article

Like the majority of wealth creators in this study, the highest financial priority for Malaysians is their children's education – with nearly a third (31 per cent) placing education in their top three financial goals. Similarly, around nine in 10 of the emerging affluent (89 per cent) and affluent (87 per cent) in Malaysia say transferring wealth to the next generation is a top priority.

Despite this, Malaysians are worried about how the next generation will manage the wealth they pass down.

More than half (57 per cent) of Malaysia's emerging affluent are concerned their children will not know how to manage the wealth they inherit.



Pakistan

Family, friends and finance

The average wealth expectancy of Pakistan's wealth creators is

USD428,000

(USD331,000 for the emerging affluent, USD496,000 for the affluent and USD458,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 22 years for Pakistan's wealth creators.*

But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent: 13 years

Affluent: 11 years

HNWI: 5 years

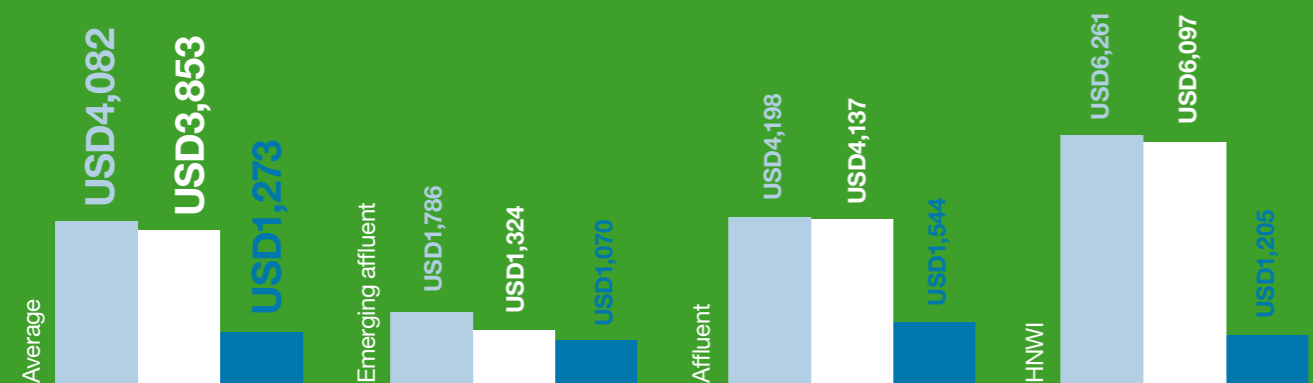
*See Methodology on page 33



This will give them USD1,273 per month during retirement – much less than wealth creators' current income, and less still than their wealth aspiration.

Monthly consumable wealth expectancy vs. wealth aspiration and current income

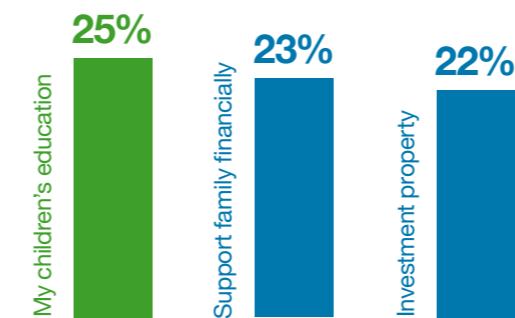
■ Wealth aspiration ■ Current income ■ Monthly consumable wealth expectancy



WEALTH EXPECTANCY

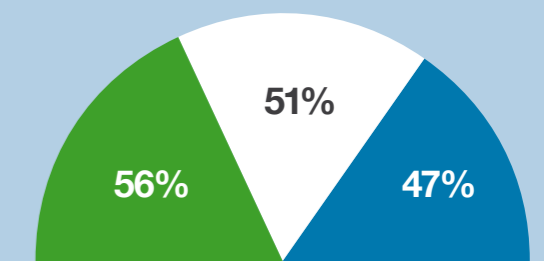
What are Pakistan's wealth creators' top financial goals?

Funding their children's education, supporting their parents or relatives financially and investing in property are the most common aims.



The financial products Pakistan's wealth creators favour to achieve their goals combine simple savings products with buying property.

Savings account
Property investment
Time/fixed deposits



While Pakistan's economy continues to grow, and its capital markets expand, the financial preferences of its wealth creators remain firmly rooted in tradition and tangible physical assets. Even with their relatively low wealth expectancy, the wealth expectancy gap of Pakistanis is smaller than the average in the study: around a third (35 per cent) will be within 20 per cent of their wealth aspiration target and a relatively low proportion (26 per cent) will fall short of their aspirations by more than 80 per cent.

Family, friends and finance

Pakistan's wealth creators come top for placing focus on family, friends and the local community in their financial planning. They are the least likely to prioritise their retirement as a goal, with their children's education singled out for considerable focus. Over a third (36 per cent) of wealth creators consider providing for their children's future essential for their own personal happiness.

Around two-fifths (39 per cent) of Pakistan's wealth creators also consider spending time with friends and family to be essential to a good quality of life, and nearly a third (31 per cent) value giving back to their local community through charitable donations and volunteering.

Bricks and mortar over zeros and ones

More than half (51 per cent) of Pakistan's wealth creators consider property one of the best ways to invest their money, while less than a third (31 per cent) invest in stocks and shares. Pakistan's wealth creators also have a strong focus on their main financial provider for digital innovation and tools. Wealth creators are more likely than any other market in the study to use their bank's online offering more than other financial or savings apps (61 per cent).

51% Choose property

31% Choose stocks and shares



31%

of Pakistan's wealth creators believe giving back to the local community is essential for a good quality of life.

Singapore

Two sides of a coin

The average wealth expectancy of Singapore's wealth creators is

USD2,406,000

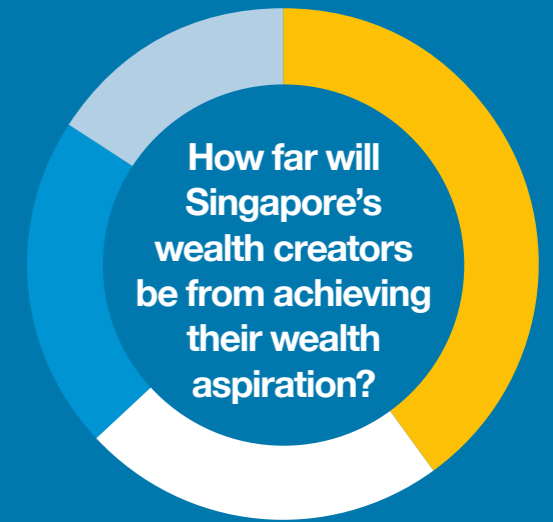
(USD622,000 for the emerging affluent, USD1,932,000 for the affluent and USD4,664,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 31 years for Singapore's wealth creators.*

But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent: 19 years
Affluent: 16 years
HNWI: 19 years

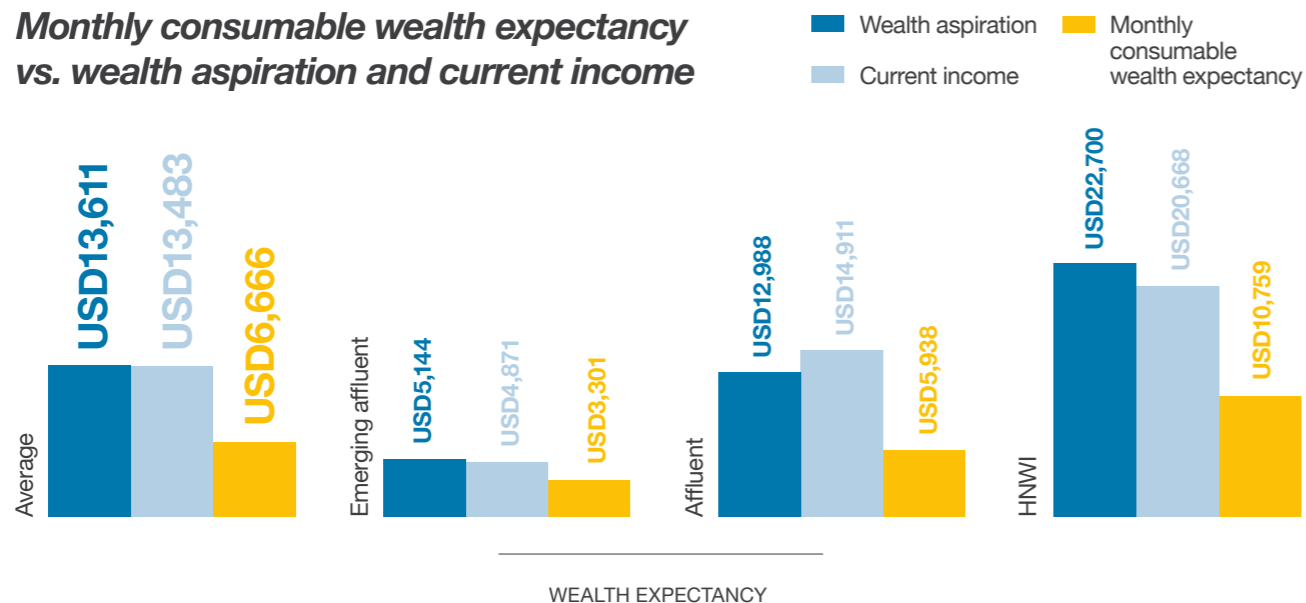
*See Methodology on page 33



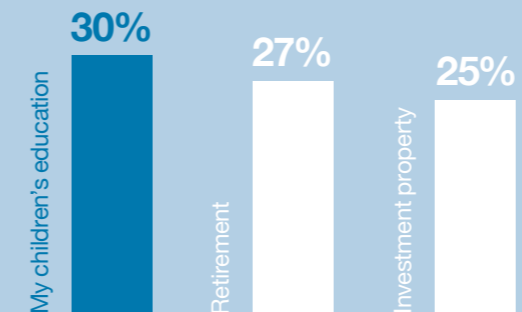
- <20% from wealth aspiration
- 21-50% from wealth aspiration
- 51-80% from wealth aspiration
- 80%+ from wealth aspiration

This will give them USD6,666 per month during retirement – much less than their current income and their wealth aspiration.

Monthly consumable wealth expectancy vs. wealth aspiration and current income

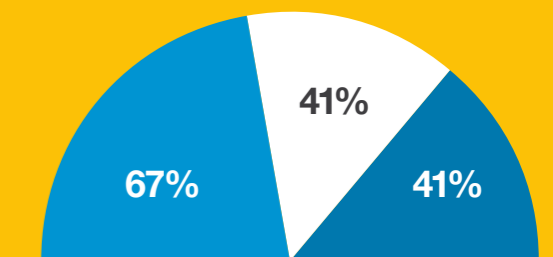


What are Singapore's wealth creators' top financial goals? Funding their children's education, saving for retirement and investing in property are the most common aims.



The financial products Singapore's wealth creators favour to achieve their goals combine simple savings products with property investment.

Savings account
 Property investment
 Time/fixed deposits



Singapore's decades of rapid growth have fuelled widespread affluence, increased the number of highly paid jobs and laid the foundations for wealth creators to build a comfortable life. The benefits are visible in Singapore's wealth expectancy gap – half of wealth creators (52 per cent) will achieve more than half of their aspirations, placing the city state above our study's average of 44 per cent.

Two sides of a coin

In Singapore, the emerging affluent are diverging from their more affluent peers. Saving for retirement is a top financial goal for two-fifths of the emerging affluent (42 per cent): more than any wealth creator group in any other market, and around double Singapore's affluent (23 per cent) and HNWIs (21 per cent).

While emerging affluent individuals focus on simple savings products, Singapore's affluent and HNWIs are also open to more advanced investment products, such as equities and real estate investment trusts, which may be helping them grow their wealth faster.

Singapore's emerging affluent are the second most likely wealth creator group in our 10 markets to focus on savings accounts (73 per cent), and the least likely to use real estate investment trusts (23 per cent).

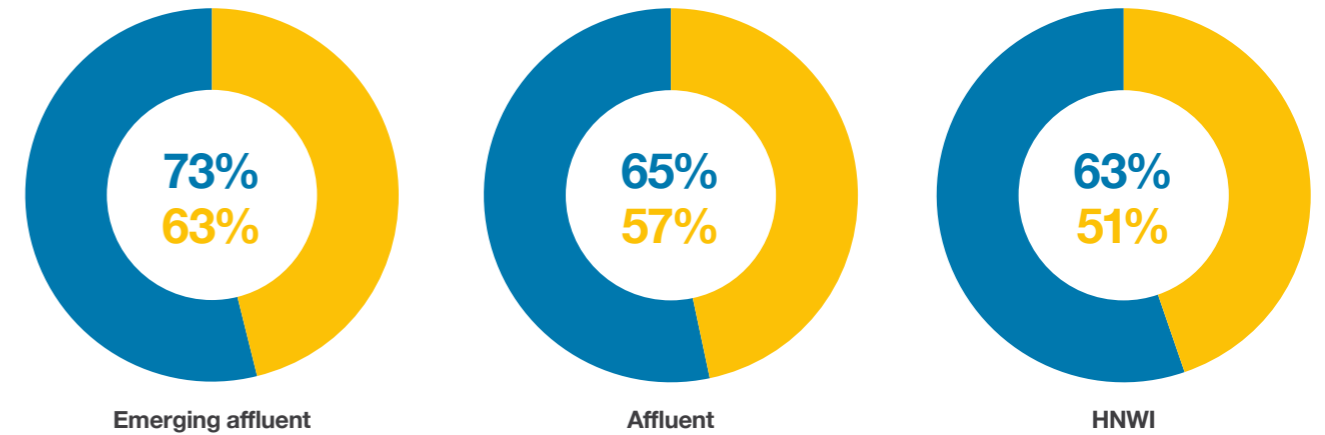
They also tend to be using fewer digital wealth management tools than Singapore's affluent and HNWIs: just 24 per cent of the emerging affluent use online investment portfolios and tools such as robo-advisors, fewer than any other market. Far more of Singapore's affluent (40 per cent) and HNWIs (38 per cent) are benefiting from managing their wealth this way, and they appear to be reaping greater rewards. What is more, nearly three-quarters (71 per cent) of the affluent say managing their money digitally has helped them to feel more in control of their finances.

The top three financial tools used by Singapore's wealth creators are savings accounts, property investment and fixed deposit accounts. With savings accounts proving especially popular for growing wealth, more advice on how to diversify their wealth management strategy could be crucial to helping more Singaporean wealth creators achieve their aspirations.

Singapore vs. all markets

Wealth creators who favour using savings accounts as one of their top three wealth management instruments

● Singapore ● All markets



Legacy planning

Singaporean wealth creators are anxious about transferring their wealth to their children. Although 63 per cent of the wealth creators in our study do have a wealth transfer strategy in place, nearly half (47 per cent) also don't feel sure of the best approach to take when it comes to transferring wealth to the next generation. More support might help alleviate this stress, with the majority of wealth creators (55 per cent) wanting their bank to do more to help them.



47%

don't feel sure of the best approach to take when it comes to transferring wealth to the next generation.

South Korea

Treading with caution

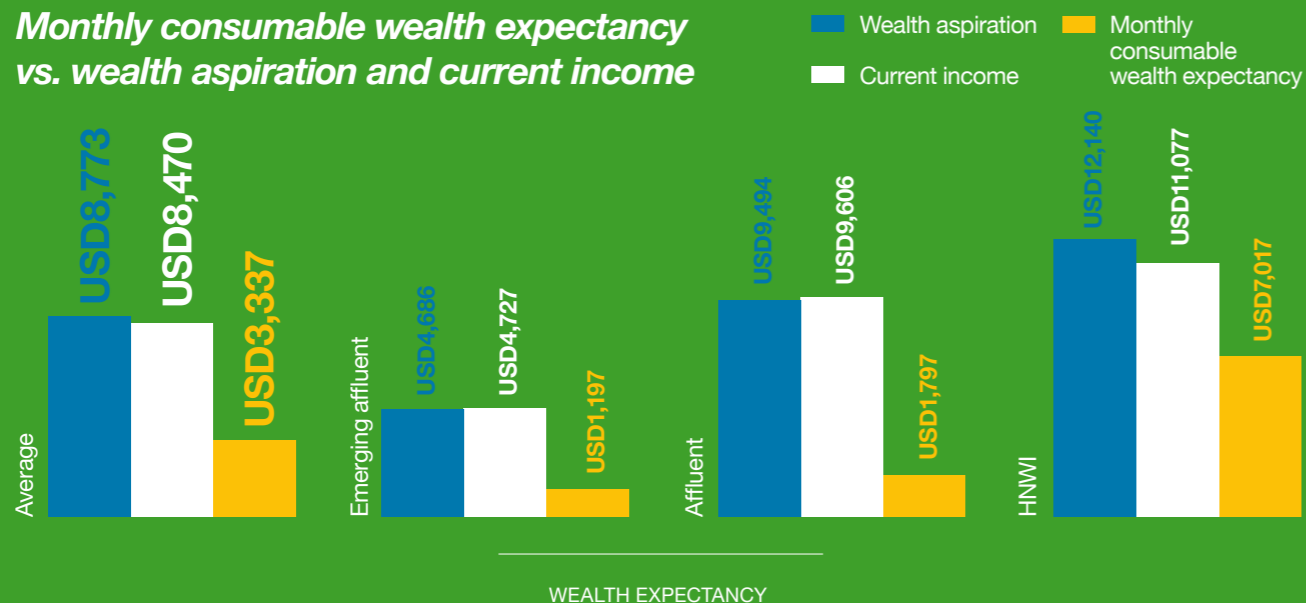
The average wealth expectancy of South Korea's wealth creators is

USD1,403,000

(USD404,000 for the emerging affluent, USD819,000 for the affluent and USD2,986,000 for HNWI).

This will give them USD3,337 per month during retirement – much less than their current income, and less still than their wealth aspiration.

Monthly consumable wealth expectancy vs. wealth aspiration and current income



Average life expectancy at peak wealth (age 60) is 29 years for South Korea's wealth creators.* But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

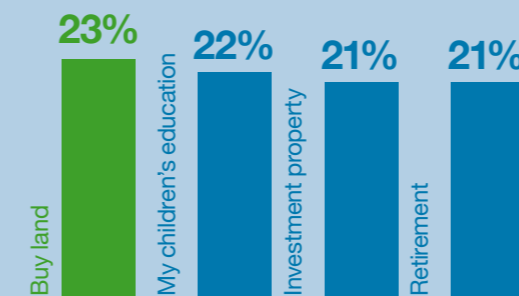
Emerging affluent: 7 years
Affluent: 9 years
HNWI: 16 years

*See Methodology on page 33



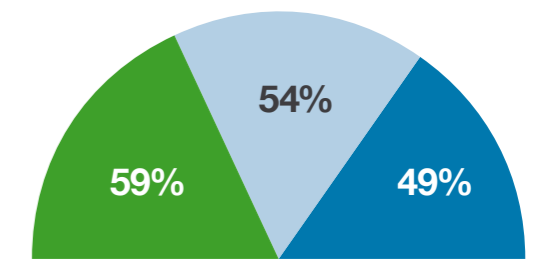
<20% from wealth aspiration: 21-50% from wealth aspiration
51-80% from wealth aspiration: 80%+ from wealth aspiration


What are South Korea's wealth creators' top financial goals? Funding their children's education, investing in land and property and saving for retirement are the most common aims.



The financial products South Korea's wealth creators favour to achieve their goals combine simple savings products with property investment.

Time/fixed deposits
Savings account
Property investment





Wealth of happiness
South Korean wealth creators
are happy with their current
levels of wealth, with

84%

saying they are happy or
very happy with the quality
of life their wealth provides.

WEALTH EXPECTANCY

South Korea is one of the most advanced and tech-friendly economies in the world. Backed by decades of sustained growth, South Korea's wealth creators enjoy a higher wealth expectancy in absolute terms than their peers in many other markets in our study. However, in common with many developed economies, South Korea's growth has slowed in recent years. Its economy has struggled with overcapacity and it now has one of the world's oldest populations, with an average age of nearly 42 years.⁷

Combined with South Korea's high cost of living and demand for luxury goods,⁸ this may explain why its Wealth Expectancy gap is the largest in the study.

Just five per cent of South Korean wealth creators will be within 20 per cent of achieving their wealth aspiration with four out of five (80 per cent) missing their target by more than half. Without adjustments to their current wealth management approach, the vast majority of wealth creators are therefore likely to be far or very far from reaching their wealth aspiration when they reach peak wealth.

For those looking to meet their wealth aspiration, fresh investment in financial products may offer a welcome boost. By purchasing high-value financial products and diversifying their asset choices, South Korean wealth creators could grow their portfolios and raise their prospects for the long term.

⁷ View the World Population Review

⁸ View the McKinsey Asia Consumer and Shopper Insights Report

Treading with caution

South Korean wealth creators have a cautious approach to financial products and are reticent to put wealth management plans in place. On average, they are also among the least likely to seek professional advice or embrace digital tools to manage their finances.

Three in five South Korean wealth creators believe that investment products are too risky (60 per cent), and too complex (56 per cent), more than in any other market. Despite this, nearly half (49 per cent) do still use investment products as part of their financial strategy for generating better returns, but without an overall strategy in place to achieve their financial goals.

This cautious approach to engaging with financial products extends to wealth planning too: only a third (36 per cent) of South Korean wealth creators have a comprehensive wealth transfer process in place, a lower proportion than any other market in our study. More support with financial planning and strategy could help South Korean wealth creators to ensure they are making their money work as hard as possible, without having to take on more risk than they are comfortable with.

Taiwan

Ready, steady, invest

The average wealth expectancy of Taiwan's wealth creators is

USD877,000

(USD403,000 for the emerging affluent, USD696,000 for the affluent and USD1,532,000 for HNWI).

Average life expectancy at peak wealth (age 60) is 30 years for Taiwan's wealth creators.*

But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

Emerging affluent:

9 years

Affluent:

8 years

HNWI:

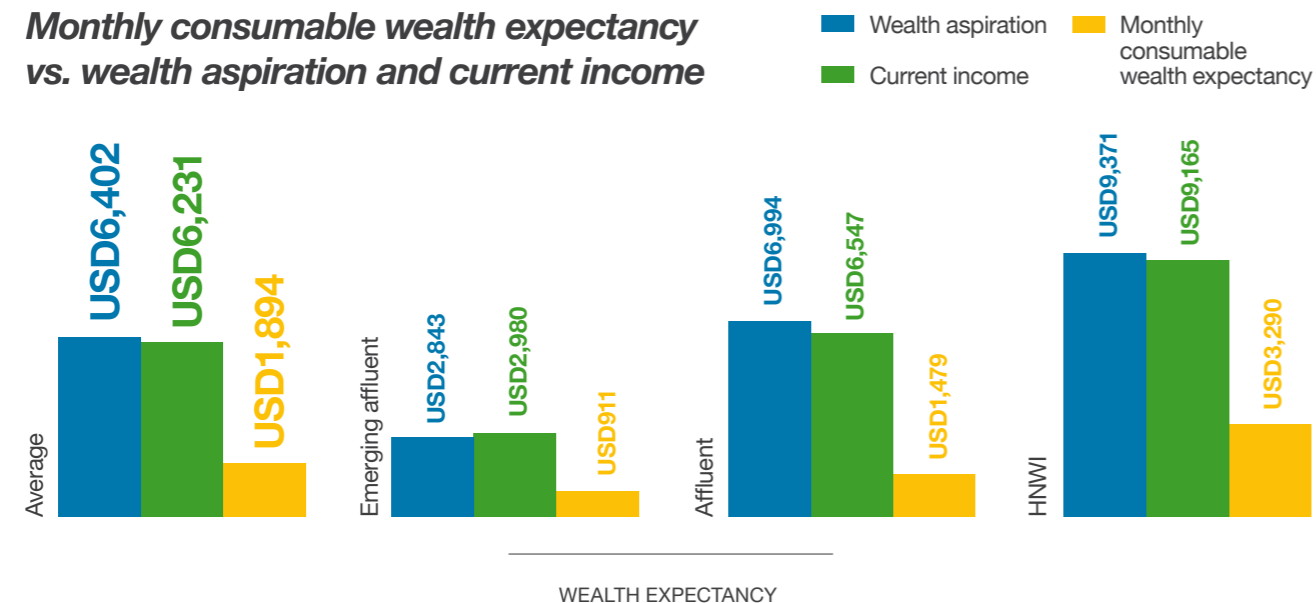
11 years

*See Methodology on page 33

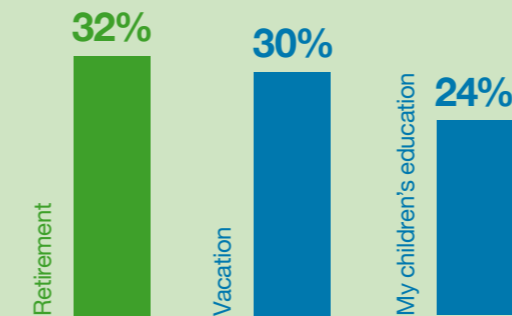


This will give them USD1,894 per month during retirement – much less than their wealth aspiration or current income.

Monthly consumable wealth expectancy vs. wealth aspiration and current income

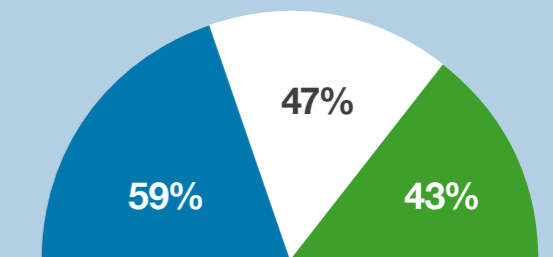


What are Taiwan's wealth creators' top financial goals? Saving for retirement, going on vacation and funding their children's education are the most common aims.



The financial products Taiwan's wealth creators favour to achieve their goals combine simple savings products with stocks and shares.

Time/fixed deposits
Stocks/equities
Savings account



As one of the most advanced markets in Asia, Taiwan has experienced a high level of economic growth driven by its hi-tech manufacturing base and highly developed services sector. Women in particular are reaping the rewards, with female wealth creators more likely than their male counterparts to be more than 50 per cent of the way to their wealth aspiration.

The wealth expectancy gap for wealth creators in Taiwan is larger than in most other markets in this study: only a quarter (25 per cent) of wealth creators will be within 50 per cent of hitting their wealth aspiration at peak wealth.

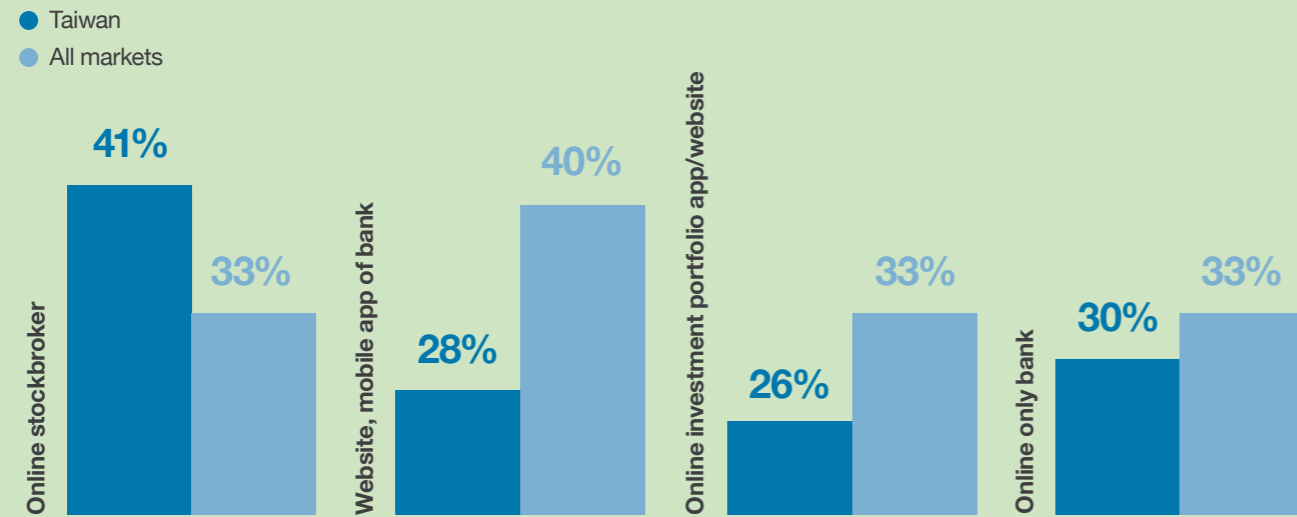
Ready, steady, invest

While Taiwan has a sophisticated capital market and strong investor protection, the use of investment products among its wealth creators is not especially widespread. Among those with a financial plan in place, just 53 per cent make use of investment products.

When they do invest, Taiwanese wealth creators are less keen on traditional investments such as property or savings deposits, and favour stocks and shares. Half of Taiwan's emerging affluent, and 46 per cent of the affluent group, see equity as a priority element in their portfolios.

Just over two-fifths (41 per cent) of Taiwan's wealth creators make investments through online stockbrokers, higher than the global average (33 per cent). However, at less than a third, Taiwan's wealth creators are among the least likely of any market to use websites (28 per cent), online-only banks (30 per cent) or wealth management apps (26 per cent) in their financial planning.

Taiwan's wealth creators' use of digital financial products vs. all markets



Unlike most other markets in this study, Taiwan's wealth creators consider vacations a top financial priority.

Three in 10 prioritise holidays, more than in any other market.

The Taiwanese dream: Sun, sea and wellbeing in retirement
 More than most other markets, Taiwan ranks retirement as a top priority in financial planning. Even more than funding their children's education and financing other family members, Taiwanese wealth creators are focusing their energy on wellbeing when they reach retirement.

The UAE

Right here, right now

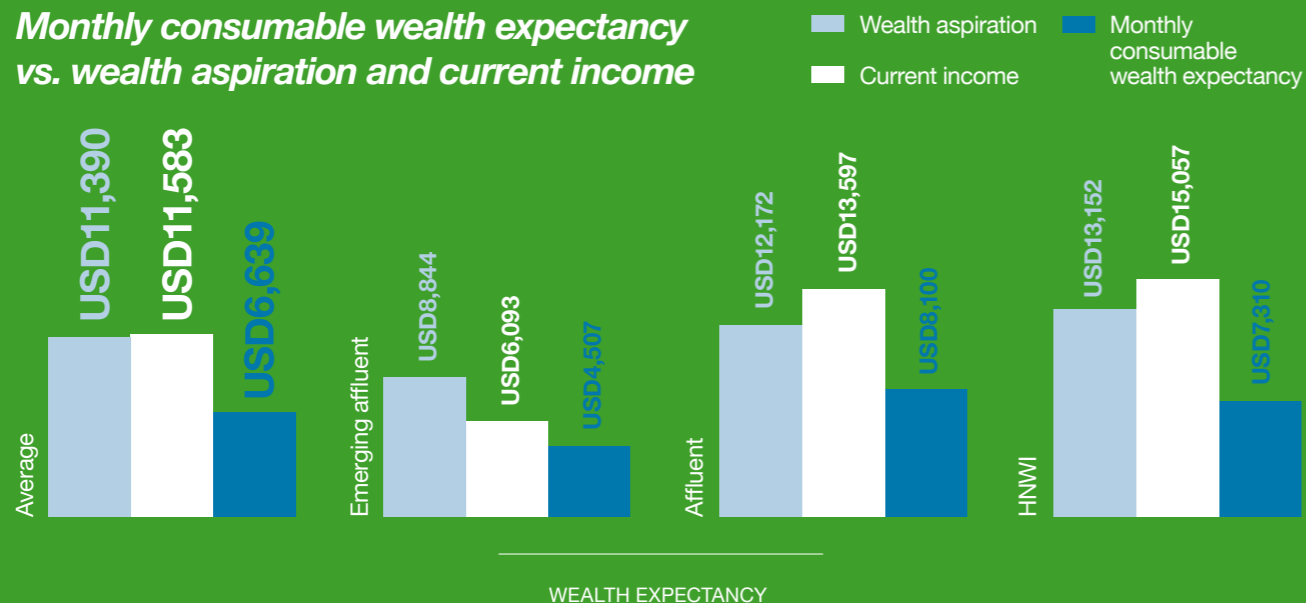
The average wealth expectancy of the UAE's wealth creators is

USD864,000

(USD391,000 for the emerging affluent, USD922,000 for the affluent and USD1,278,000 for HNWI).

This will give them USD6,639 per month during retirement – less than their wealth aspiration or current average income.

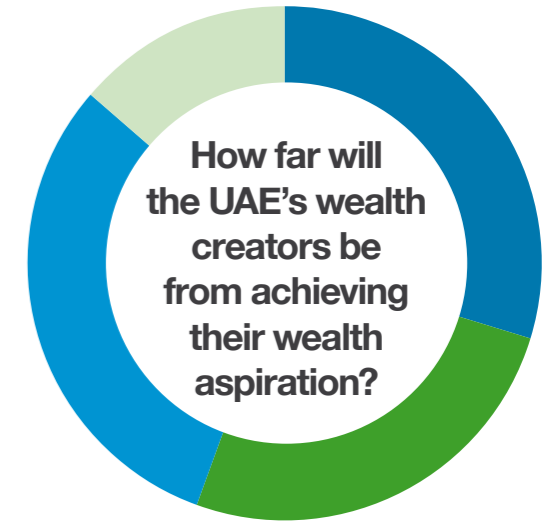
Monthly consumable wealth expectancy vs. wealth aspiration and current income



Average life expectancy at peak wealth (age 60) is 23 years for the UAE's wealth creators.* But how long will their current wealth expectancy fund the retirement lifestyle they aspire to?

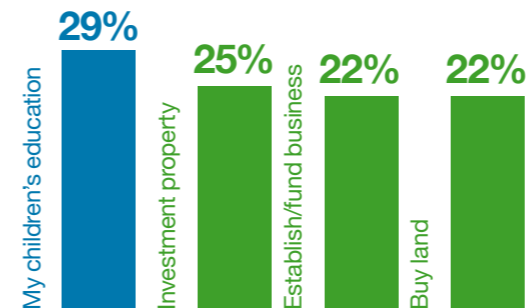
Emerging affluent: 11 years
Affluent: 13 years
HNWI: 13 years

*See Methodology on page 33



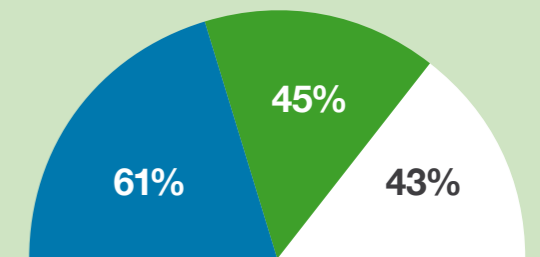
- <20% from wealth aspiration
- 21-50% from wealth aspiration
- 51-80% from wealth aspiration
- 80%+ from wealth aspiration

What are the UAE's wealth creators' top financial goals? Funding their children's education, investing in land and property and establishing or funding their own business are the most common aims.

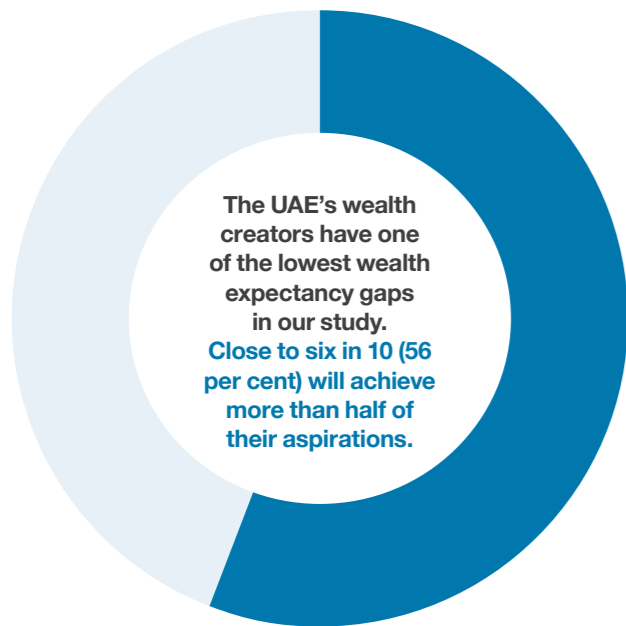


The financial products the UAE's wealth creators favour to achieve their goals combine simple savings products with property investment.

Savings account
Property investment
 Time/fixed deposits



The UAE is one of the world's richest markets per capita, benefitting from a wealth of natural resources and its status as the Middle East's financial hub. The UAE's wealth creators have one of the lowest wealth expectancy gaps in our study: close to six in 10 (56 per cent) will achieve more than half of their aspirations. The UAE's wealth creators regard financial security as critical to quality of life and happiness, but also tend to focus on living in the here and now. Individuals in the affluent group, in particular, prefer to live in the moment (51 per cent) rather than worry about their financial future. And within the emerging affluent group, those who don't use any investment products say they prefer to focus on short-term goals rather than having money tied up in investments (53 per cent).

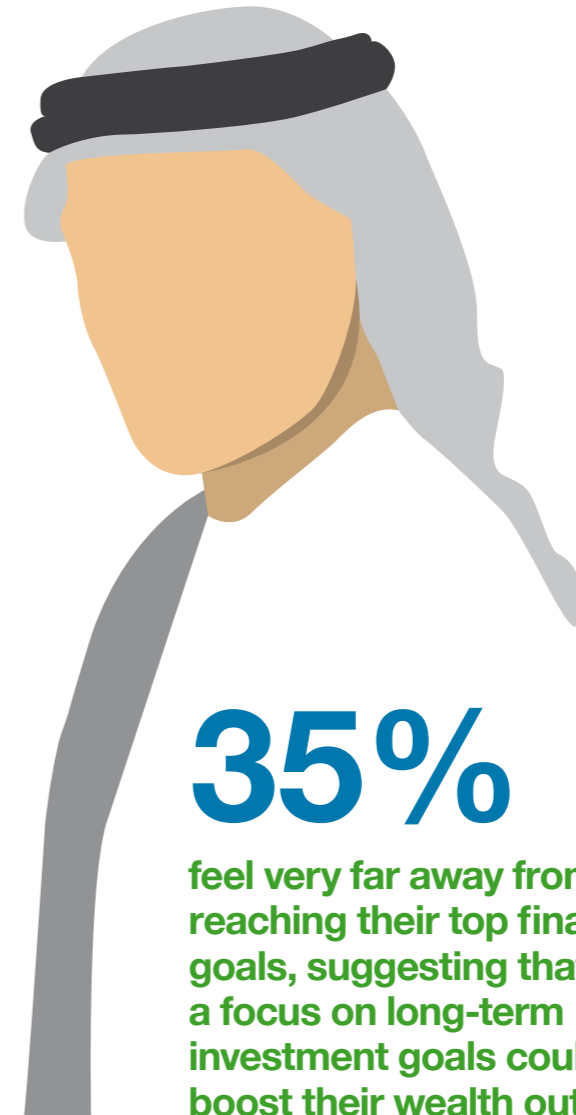


Right here, right now

The immediacy of the UAE's wealth creators' outlook translates to their investment preferences too. More than half (56 per cent) of the UAE's emerging affluent group would be willing to take on more risk to secure higher returns by investing in additional products. Despite this apparent leaning towards higher-returning, but riskier, investments, the top financial goals of the emerging affluent include buying their first home and establishing or funding their own business, both of which require a level of long-term consideration and financial planning. In the UAE, financial security is regarded as critical to quality of life and happiness, with this being one of the most important factors for 62 per cent of the emerging affluent.

Winning in the long term

Focusing on the here-and-now could mean that long-term financial security is out of reach for some of the UAE's wealth creators.



Methodology

The Standard Chartered Wealth Expectancy Report 2019 combines opinion research and economic modelling to assess the wealth expectancy of three wealth creator groups in 10 markets across Asia, Africa and the Middle East: China, Hong Kong, India, Kenya, Malaysia, Pakistan, Singapore, South Korea, Taiwan and the UAE.

The three wealth creator groups in the study are the emerging affluent, the affluent and high net worth individuals (HNWIs), as defined below. Collectively, we refer to these three groups as the 'wealth creators'.

Opinion research

We conducted independent opinion research amongst 1,000 wealth creators in each of the 10 markets in our study. One section of the survey provided data for our economic model, covering personal and financial information including age, income, number of children, home ownership, current saving behaviour, existing savings, investments and pensions (including employer contributions to a company pension scheme). A further section provided additional insights on attitudes to wealth, financial goals and financial habits, including spending, saving and investment. We also asked wealth creators to share their wealth aspiration: the wealth that individuals feel they need in order to live comfortably in retirement (expressed as monthly income).

Economic modelling

Our proprietary economic model combines the data from this opinion research with macroeconomic data to calculate wealth expectancy and the wealth expectancy gap. For the purpose of this study, we define wealth expectancy as the total net wealth an individual wealth creator can expect to attain at their peak wealth, their highest point of affluence, expressed in 2019 prices. This includes the value of financial assets and property assets, less any liabilities such as mortgages and child-raising expenses (including university costs).

As 60 is the most common retirement age in the 10 markets in our report, we have assumed this to be peak wealth for the wealth creators in our study. We assume that 10 per cent of all savings accumulated to age 60 have been spent, to account for life shocks and other contingencies. We have used local market interest rates, GDP and house price inflation data to forecast how the economic value of the assets might grow.

We are then able to reveal the wealth expectancy gap: the difference between the amount wealth expectancy will provide to live on throughout retirement, and what wealth creators say they need to live comfortably, or their wealth aspiration.

In order to calculate this gap we convert total wealth expectancy into monthly 'consumable' wealth expectancy to enable direct comparison with monthly wealth aspiration. We make the assumption that only 20 per cent of the value of each wealth creator's main residential property is available for equity release and therefore included in the calculation of consumable wealth expectancy, as individuals will require a home.

We also calculate the value of any applicable statutory pension. We take the level of mandatory contributions from employers, employees, the self-employed and the state and use local market interest rates and inflation data to forecast how the economic value of the pension pot might grow. If wealth creators have not indicated that they are already contributing in excess of this amount to their personal pension, we include the total statutory pension in the total consumable wealth expectancy figure.

We divide the consumable wealth expectancy by the number of months from age 60 to average life expectancy by market to arrive at a monthly consumable wealth expectancy figure that can be directly compared to wealth aspiration, revealing the gap between the two. Life expectancy calculations are based on source data from the World Health Organisation, estimated for future years as a function of per-capita income, specific to each market and the year in which each individual in our study reaches age 60.

Monthly consumable wealth expectancy is based exclusively on personal wealth and applicable statutory pension pots, and does not include alternative income streams during retirement, such as support from relatives or other benefit provisions. Statutory pension calculations are based on source information from the International Labour Office (2019), China Labor Watch (2019), Social Security Administration (2019) and the UAE General Pension & Social Security Authority (2019). The wealth expectancy figures we identify in our report give an indication of the financial health of wealth creators and point to the US-dollar wealth that wealth creators are on track to accumulate in the 10 markets in our study. While these market figures can be taken as indicative, the wealth expectancy figures are limited to our sample and to the accuracy of the information that was provided by the opinion research, and of macroeconomic forecasts. Comparison between markets should be avoided due to factors such as the relative cost of living in each market.

Definition of wealth creator groups

The wealth creator groups in the study are the emerging affluent, the affluent, and high net worth individuals (HNWIs). The emerging affluent and affluent groups are defined according to market-specific income bands. These are expressed below in monthly income ranges in market-specific currencies. HNWIs are defined as having assets under management (AUM) of USD1 million or more (irrespective of income).

Use of median and mean averages

The average figures for global and market-specific wealth creator groups are calculated using the median of all respondents in the relevant group, in order to mitigate the influence of outliers. Each market's total average is then calculated using the mean of these three figures. Total wealth expectancy figures are rounded to the nearest thousand.

	Emerging affluent	Affluent	HNWI
China	CNY10,000 to 43,614	CNY43,615 or more	USD1 million or more in AUM
Hong Kong	HKD20,000 to 73,883	HKD73,884 or more	USD1 million or more in AUM
India	INR100,000 to 230,336	INR230,337 or more	USD1 million or more in AUM
Kenya	KES180,000 to 659,193	KES659,194 or more	USD1 million or more in AUM
Malaysia	RM8,000 to 17,817	RM17,818 or more	USD1 million or more in AUM
Pakistan	PKR100,000 to 391,773	PKR391,774 or more	USD1 million or more in AUM
Singapore	SGD5,000 to 10,631	SGD10,632 or more	USD1 million or more in AUM
South Korea	KRW4,000,000 to 10,316,122	KRW10,316,123 or more	USD1 million or more in AUM
Taiwan	TWD60,000 - 174,554	TWD174,555 or more	USD1 million or more in AUM
UAE	AED20,000 to 25,753	AED25,754 or more	USD1 million or more in AUM

Credits

The Standard Chartered Wealth Expectancy Report 2019 is based on in-depth research commissioned by Standard Chartered, designed by Standard Chartered, Man Bites Dog and Oxford Analytica.

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