

HSBC Expat

Expatriate Explorer Survey 2011



Survey Report

HSBC 

Expat Explorer Survey

Commissioned by HSBC Expat, Expat Explorer is the world's largest global survey of expats. Now in its fourth year, the survey continues to provide valuable insights into expat life around the globe and how the experience of living and working abroad differs from country to country and continent to continent.

This year we spoke to 3,385 expats around the world about every aspect of living life abroad, including questions relating to their finances, the impact of economic, political and social factors and even how recent natural disasters have affected their experience of living life as an expat.

The 2011 Expat Explorer survey is even bigger and better than last year, with 31 countries now included in the Expat Explorer league tables.

New additions for this year include:

- | | | |
|----------|----------|-----------|
| ● Egypt | ● Italy | ● Vietnam |
| ● Brazil | ● Turkey | ● Japan |



Contents

Expat Economics	3	Raising Children Abroad	21
• Expats unaffected by global economic conditions	5	• China is the most cost effective place to raise children	23
• Expats in Eurozone remain resilient whilst those in Middle East head home	6	• Money doesn't equal happiness for the expat community	24
• Expat wealth continues to look East	7	• France tops 2011 Raising Children Abroad league table	26
• UK expats benefit from a stronger economy than much of Europe	8	• UK struggles to keep up with other expat destinations	27
• Natural disasters shape expat economic outlook in Japan and New Zealand	9	• Australia the number one expat location for children's health and wellbeing	28
• Expats have higher earnings but more complicated finances	10	• High flying expats more likely to opt for international schooling	29
• BRIC and Middle East expats most confident about economy	11		
• Low cost of living leads to a luxurious lifestyle for expats in developing countries	12	Methodology	
		• About Expat Explorer	30
Expat Experience	13	• About Expat Economics	31
• Social media increasingly important for expats	15	• About Expat Experience	32
• Expat Experience top spots hold the key for expat lifers	17	• About Raising Children Abroad	33
• Quality of life, good weather and a low cost of living key to expat retiree happiness	18		
• Canada and Thailand provide a happy medium between work/life balance and income	19	Country Reports	34
• Singapore the ideal expat location for quality of life and career progression	20	Further Information	58

Expat Economics



Expat Economics focuses on how the economic situation differs for expats from country to country. The report draws upon research which represents the views of expats surveyed in over 100 countries. Detailed country rankings are published for all countries where more than 30 expats completed the survey. In total, there are 31 countries featured in the league tables for this year's survey.

Expat Economics looks at a range of factors including expat earning levels, spending, saving and investing patterns and the impact of the current global financial climate to paint an informed picture of expats' economic situation around the world.

A league table ranking the countries in terms of key economic elements, income, disposable income and luxuries shows how countries compare to one another.

Expat Economics League Table

Countries	Overall		Wealth Hotspot		Income		Disposable income		Luxuries	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Saudi Arabia	0.57	1	0.60	1	0.39	8	0.80	1	0.51	8
Egypt	0.54	2	0.58	2	0.58	1	0.58	4	0.47	13
Singapore	0.49	3	0.51	4	0.50	2	0.51	6	0.47	13
Russia	0.48	4	0.56	3	0.48	4	0.63	2	0.34	31
Switzerland	0.48	5	0.49	5	0.50	2	0.47	9	0.46	16
Qatar	0.46	6	0.45	6	0.28	14	0.62	3	0.49	12
Mexico	0.45	7	0.39	9	0.37	9	0.40	13	0.57	2
Hong Kong	0.44	8	0.45	6	0.44	6	0.46	11	0.42	22
United Arab Emirates	0.44	9	0.38	11	0.29	13	0.47	9	0.55	5
Thailand	0.43	10	0.37	13	0.22	21	0.51	6	0.56	3
Bahrain	0.43	10	0.39	9	0.25	16	0.52	5	0.52	7
Japan	0.42	12	0.42	8	0.46	5	0.38	14	0.42	22
Brazil	0.41	13	0.37	13	0.41	7	0.32	18	0.51	8
United States	0.39	14	0.33	16	0.32	10	0.33	17	0.51	8
India	0.39	15	0.37	12	0.32	10	0.42	12	0.42	22
Vietnam	0.39	15	0.37	13	0.23	19	0.50	8	0.43	21
Malaysia	0.38	17	0.31	18	0.24	18	0.37	16	0.53	6
Philippines	0.38	18	0.29	19	0.28	14	0.29	19	0.56	3
China	0.33	19	0.32	17	0.25	16	0.38	14	0.36	28
South Africa	0.33	19	0.19	24	0.15	25	0.22	23	0.62	1
Australia	0.30	21	0.22	21	0.20	22	0.24	20	0.45	18
Belgium	0.30	21	0.22	22	0.19	23	0.24	20	0.46	16
United Kingdom	0.29	23	0.26	20	0.32	10	0.19	24	0.35	29
Turkey	0.29	23	0.21	23	0.23	19	0.18	25	0.45	18
Canada	0.28	25	0.18	25	0.12	28	0.24	20	0.47	13
Spain	0.25	26	0.12	28	0.13	27	0.10	29	0.51	8
Germany	0.24	27	0.16	26	0.16	24	0.16	26	0.41	27
France	0.21	28	0.11	29	0.14	26	0.07	30	0.42	22
Netherlands	0.20	29	0.12	27	0.10	29	0.14	27	0.35	29
New Zealand	0.19	30	0.07	30	0.03	31	0.11	28	0.44	20
Italy	0.19	31	0.07	30	0.10	29	0.04	31	0.42	22

Expat Economic Findings

Expats unaffected by global economic conditions

The world's economic landscape has fundamentally changed since 2010. Widespread unrest across much of the Middle East has meant that many of the world's rapidly expanding frontier markets have witnessed a slowdown coupled with the Eurozone debt crisis and a fragile US recovery.

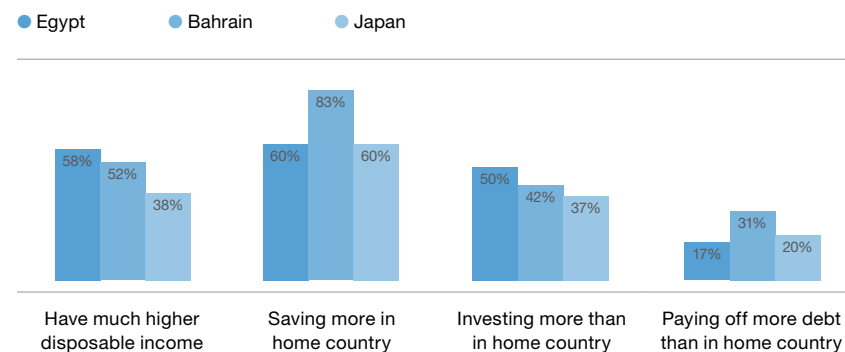
Given this, it's not surprising that this year's Expat Economics report reveals 67% of expats worldwide believe the economic situation in their country has either stayed the same (37%) or deteriorated (30%) over the past year. While this figure appears to paint a rather negative picture of expat economic outlook, this sentiment is actually more positive than last year – In 2010 almost half of expats surveyed believed that the economy in their current country had deteriorated.

Expats remain relatively robust to the wider turmoil with only 14% of expats who believe the economic situation in their country has deteriorated actively looking to return home, and 63% intending to stay in their current location.

Despite some countries experiencing significant economic deterioration, their position on the Expat Economics league table has not been affected. Expats are seemingly downturn defiant with their finances remaining comparatively unaffected by the wider economic turmoil within their country of residence. Supporting this assumption is the fact that expat finances remain strong even in countries which have seen significant deterioration such as Egypt (97% of expats believe the economy has deteriorated since 2010 versus average of 30%), Bahrain (92%) and Japan (80%).

That expats are downturn defiant explains why a number of markets in which expats report the weakest economic outlook are still in the top half of the Expat Economic league table. For example 77% of expats living in Egypt believe that the economy is weak yet the country still ranks 2nd in the overall Expat Economics league table. This trend is mirrored in Bahrain and Japan where 40% of expats believe the economy is weak and yet the countries rank 10th and 12th respectively in the overall Expat Economics league table.

This is further supported when the closer financial rewards of being an expat in markets which have seen deterioration are examined. For example, 52% of expats in Bahrain have much higher disposable incomes than they did in their home country, as well as 58% of expats in Egypt and 38% of expats in Japan, compared with the average of 35%. Furthermore, 60% of expats in Egypt are saving more, 50% are investing more and 17% are paying off more debt. This trend is similar to that in Bahrain (83%, 42% and 31% respectively) and Japan (60%, 37% and 20% respectively).



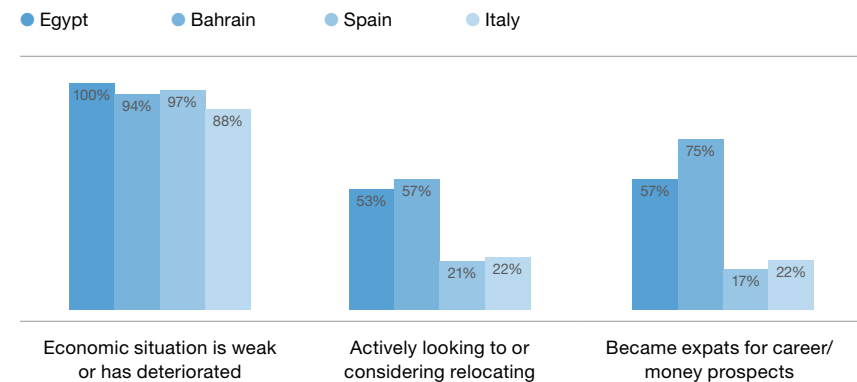
Expatriate Economic Findings

Expats in the Eurozone remain resilient in the face of economic deterioration, while those in the Middle East head home

Expats in the majority of countries affected by the unrest in the Middle East or the Eurozone crisis unsurprisingly report seeing deterioration in the political, social and economic climate of the country they live in. Despite this, there is a divide between those who wish to relocate and those who want to stay in their country of residence.

Expats in Egypt (100%), Spain (97%), Bahrain (94%) and Italy (88%) all say that the economic situation is weak or has deteriorated. However of those who say this, those in Bahrain and Egypt are much more likely to be actively looking to or considering relocating (57% and 53% respectively). In contrast, expats in the Eurozone are less likely to be actively looking to or considering relocation (Italy 22% and Spain 21%) despite economic turmoil. This divide is seemingly underpinned by expats' original motivations for moving. Those based in Bahrain and Egypt are more likely to have become expats for career/money prospects (75% and 57% respectively) compared to those in Italy and Spain (22% and 17% respectively).

In addition, despite more than half of expats in Bahrain and Egypt looking to relocate back home, the two countries find themselves in the top half of the Expat Economics league table ranked 10th and 2nd respectively. This suggests that despite expats in many cases being downturn defiant, the financial advantages of living and working in the region are mitigated by the ongoing social and political unrest.

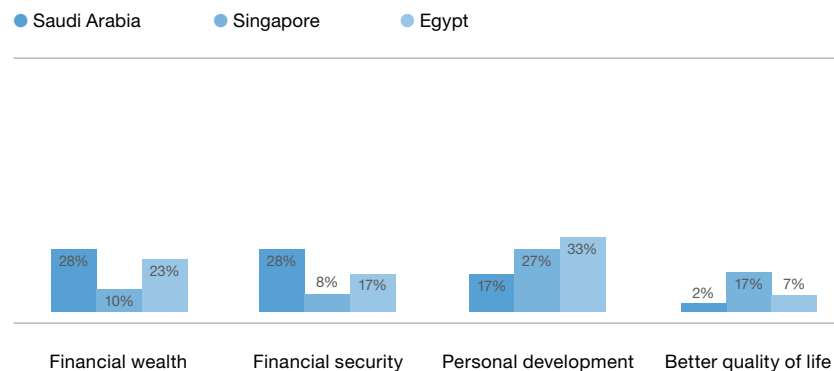


Expatriate Economic Findings

Expatriate wealth continues to look East

Top of the Expatriate Economics league table this year are Saudi Arabia, Singapore and Egypt. Expatriates in these countries work predominantly in the banking or financial sector (36%, 35% and 33%) and cited career prospects as one of the key drivers for their relocation (85%, 62%, 57%).

When asked about the top benefit of being an expatriate, financial wealth and financial security (28% for both) were rated highest by those in Saudi Arabia, while expatriates in Singapore felt that personal development and a better quality of life (27%, 17%) were more important than the financial aspects of their move. This trend is mirrored in Egypt with expatriates most likely to cite personal development as their top benefit of relocation (33%) with financial wealth second (23%) and financial security a close third (17%).



Expatriates' perception of the economy in their country of residence varies across the top three countries in the Expatriate Economics league table. 68% of expatriates in Saudi Arabia believe their economy to be very strong and nearly half believe that it will continue to improve over the coming year (49%). Only 6% of expatriates here think the economy is weak or has deteriorated, and within this group only 33% are considering relocating. The story is similar in Singapore where 68% of expatriates believe that their economy is strong and 64% feel that it has improved in the past year. Again only 6% of expatriates believe the economy is weak or has deteriorated and within this only 29% are actively looking to relocate.

Conversely, three quarters of expatriates in Egypt feel that their economy is weak (77%) and 47% feel it will continue to deteriorate in the coming year. This perception has had an impact on expatriates' desire to remain in the Egypt: while only 20% of those who think the economy is weak or has deteriorated state that they are actively looking to relocate, a further 33% are considering moving.

Expatriate Economic Findings

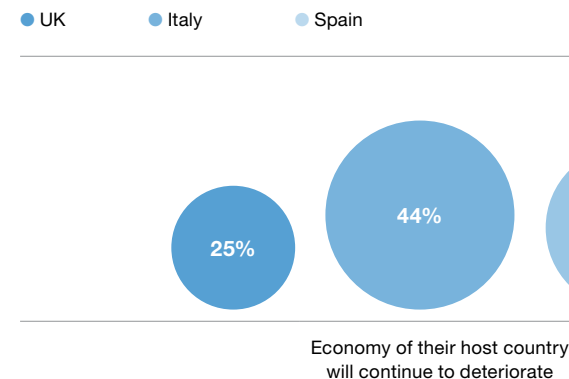
UK expats benefit from a stronger economy than many European destinations, yet increased numbers are looking to return home

Although the UK is in the bottom half of the Expat Economics league table (23rd), it performs well in comparison to almost all other European countries, only ranking behind Switzerland (5th) and Belgium (21st).

Despite this strong performance among its European counterparts, only 39% of expats in the UK believe the economy to be strong and nearly half (49%) feel it has deteriorated since the beginning of 2010. However, despite the UK's poor economic performance over the last 12 months, over half (53%) of those who think the economy is weak or has deteriorated said that they intend to stay in the country, with only 16% admitting that they are actively looking to return home. This figure has, however, increased from 11% in 2010.

Just 7% of expats in the UK say financial wealth is the main benefit of relocating. For them, career and money prospects remain the principle motivation to move, with 73% stating that this was their top reason for becoming an expat.

19% of expats in the UK feel they have much more disposable income now than they did in their home country but the extent of this is limited by a higher cost of living. 49% of UK expats admit to spending much more on accommodation than in their home country with food and drink also costly in the UK: 66% of expats there say they pay more since relocating. Public transport is also expensive with 81% spending more on getting around than in their home country.



With the Eurozone debt crisis in the background, the UK comes out strongly against other European destinations. Expats in Italy and Spain are more likely to believe that the state of their economies will continue to deteriorate over the coming year (Italy 44% and Spain 38%) compared to just 25% of those in the UK.

Of all the Eurozone countries, expats in Germany are most optimistic about their economic outlook. German expats are confident the economy will improve (48%) and only a very small number (3%) believe the situation will deteriorate. This optimism is mirrored by the fact that even amongst those who think the economy is weak or has deteriorated 67% intend to stay.

Expatriate Economic Findings

Natural disasters shape expat economic outlook in Japan and New Zealand

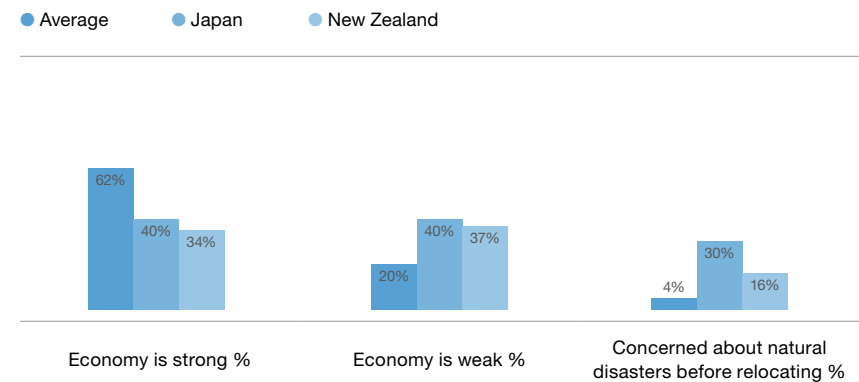
The 2010 earthquake in Christchurch, New Zealand, and the 2011 tsunami in Japan have had a marked effect on the economic outlook for expats based in these countries.

A high proportion of expats living in Japan and New Zealand say the economy in their country of residence has deteriorated since the beginning of 2010 (80% and 45% respectively). The only countries likely to have experienced a similar or higher deterioration in the economy were the UK and those affected by the unrest in the Middle East or the Eurozone crisis.

Expatriate views on the strength of the economy in these destinations have also been affected quite severely compared to expats in other countries. In Japan only 40% of expats view the economy as strong and in New Zealand this figure is only 34% – compared to 62% of expats in general. Similarly, expats in these destinations were also more likely to report a weak economy (40% Japan and 37% in New Zealand) than expats in general (20%).

Unsurprisingly, the countries where expats are most concerned about natural disasters before relocating are Japan and New Zealand (30% and 16% respectively), compared to only 4% of all expats surveyed. Although Japan had by far the highest percentage of expats worried about natural disasters, expats in Mexico (16%), Turkey (12%) and China (10%) also shared these concerns.

Regardless of natural disasters and a weakened economy, expats living in Japan and New Zealand remain resilient with just 4% and 9% of those who think the economy is weak or has deteriorated actively looking to relocate either to another expat posting or back to their home country.



Expatriate Economic Findings

Expats benefit from higher earnings but have more complicated finances

(71%) report increased earnings since moving abroad. This trend is particularly evident in the Middle East, with Saudi Arabia (8th), Qatar (14th) and Bahrain (16th) ranking highly in the Expat Explorer Income league table.

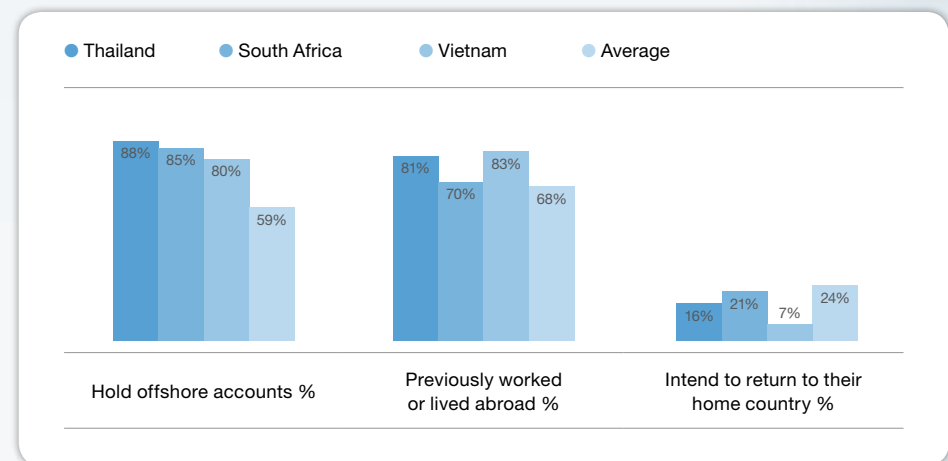
Although expats benefit from higher earning potential and income, moving abroad also leads to more complicated finances with 71% of expats saying their finances have become more complex since relocating.

The complexity seems an inevitable consequence of being an expat: most of those who say their finances have become more complex attribute this to moving money between countries (73%), finances being in different currencies (70%) and managing finances in both home and host countries (68%). Just over half (54%) blame their financial frustration on having a more complicated tax situation than before relocating.

The highest ranking countries for financial complexity are the USA (82%), Germany (82%), Switzerland (81%), India (81%) and Brazil (81%).

Yet with the exception of Brazil, expats in these countries are among the least likely to hold an offshore bank account – including India (53%), Switzerland (51%) and the USA (51%) compared to 59% of expats overall. These expats report that they don't see offshore banking as relevant to their circumstances or are unaware of the benefits.

In contrast, expats in Thailand (88%) South Africa (85%) and Vietnam (80%) are most likely to hold offshore accounts. Expats in these countries are much more likely to have previously worked or lived abroad (Thailand 81%, South Africa 70% and Vietnam 83%) than average (68%) and are less likely to say they intend to return to their home country (16%, 21% and 7%) than expats on average (24%): this may explain why they feel an offshore account is more relevant for them.



Expatriate Economic Findings

Expats in BRICs and the Middle East remain most confident about the economy

Expats in the BRIC economies (Brazil, Russia, India and China) have a positive outlook and expect their countries' economies to improve over the coming year.

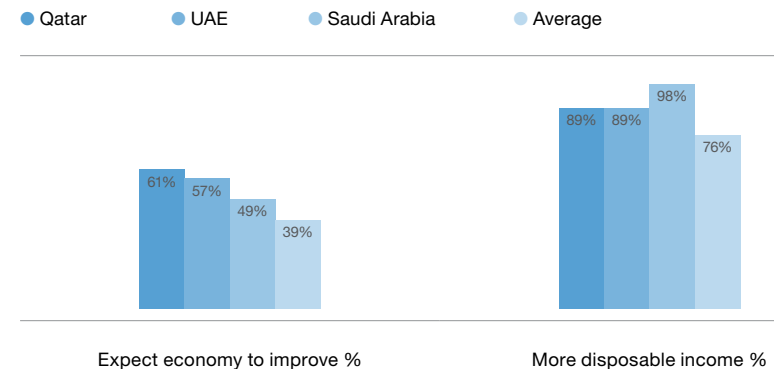
Of all the BRIC economies, expats in China are by far the most optimistic about their country's economic future – 95% of them agree that their economy is strong. In comparison, expats in Russia have the most conservative outlook of all the BRIC nations, with only 57% optimistic about the strength of the economy compared to a global average of 62%. 79% of expats in India believe that the economy is strong and 57% say it has improved since last year.

As a result of this less optimistic outlook, 40% of expats in Russia who believe the economy is weak or has deteriorated are monitoring their expenditure much more and 30% have reported an increase in the price of everyday items – a stark change from last year where Russia came top of the Expat Economics league table (slipping to 4th this year).

As well as a strong economic outlook, expats in BRIC countries are likely to report increased income since relocating. 94% of expats in Russia report a higher income since relocating – much higher than the average (71%) – as well as 73% of those in India.

Expats in the Middle East are also positive about the future of their economy, with expats in Qatar (61%), UAE (57%) and Saudi Arabia (49%) more likely to expect their economy to improve than average (39%). These expats are also more likely to report higher disposable income, especially in Qatar (89%), UAE (89%) and Saudi Arabia (98%) compared to an average of 76%.

Possibly due to recent political unrest, expats in Bahrain and Egypt hold a rather pessimistic outlook on the future of their economy. Many expats in these regions expect their economy to deteriorate (37% and 47% respectively compared to 17% on average) even though expats here are more likely to have increased their disposable income since relocating – Bahrain 94% and Egypt 95% v 76% average.



Expatriate Economic Findings

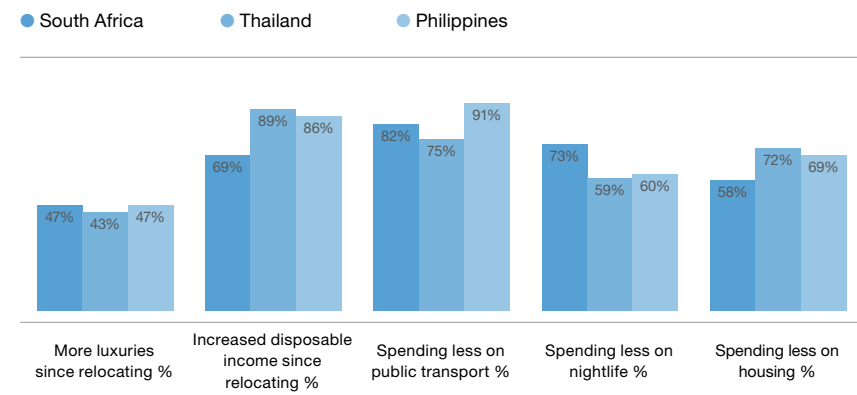
A lower cost of living can lead to a luxurious lifestyle for expats in developing countries

Expats in developing countries such as South Africa, Thailand and the Philippines are much more likely to have more luxuries since relocating from their home country (47%, 43% and 47% respectively v 32% average) and as a result are ranked highly on the Expat Economics Luxury league table: South Africa 1st, Thailand and Philippines joint 3rd.

The main luxuries that expats in these countries benefit from compared to their home country are: domestic staff, swimming pools, owning their property or owning more than one property; although expats in these countries are less likely to go on more luxurious holidays (37%, 45% and 53% respectively) compared to expats overall (50%).

These destinations typically score quite low on the Expat Economics Income league table (Philippines 14th, Thailand 21st and South Africa 25th) but are likely to report increased disposable income since relocating (Philippines 86%, Thailand 89% and South Africa 69%). As a result, while expats in these destinations benefit from a more luxurious lifestyle, this is predominantly due to increased affordability, as opposed to increased income.

Lower spending on essentials like accommodation, public transport, food and childcare can account for the extra level of disposable income. Most expats in South Africa, Thailand and the Philippines reported that they spend less on public transport (82% of expats in South Africa, 75% of expats in Thailand, 91% of expats in the Philippines), nightlife (73%, 59% and 60% respectively) and housing (58%, 72% and 69% respectively).



Expatriate Experience



About Expatriate Experience

Expatriate Experience looks at expat's quality of life since relocating, looking at those factors directly affecting an expat's lifestyle in their country of residence. The report also explores emerging trends on expat relocation, how expats keep in touch with friends and family and their plans for retirement.

The Expatriate Experience league table is determined by 29 sub-criteria, including the increase or decrease in quality of a number of day-to-day essentials including accommodation, food, social life, ease of organising finances, ease of finding accommodation, and the ability to make friends. These sub-criteria are grouped into 3 main factors: Setting up, Integrating and Quality of life. The sub-criteria are equally weighted to arrive at a score for each factor.

Scores from each factor are then weighted to arrive at an Overall Expatriate Experience Score and Overall Rank. The weighting applied is as follows: Setting up – 16.7%, Integration – 16.7% and Quality of life – 66.7%

Expatriate Experience League Table

Countries	Overall Experience		Overall Setting up		Overall Integration		Overall Quality of Life	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank
Thailand	0.62	1	0.65	4	0.71	12	0.58	1
Canada	0.61	2	0.62	7	0.74	8	0.58	2
South Africa	0.59	3	0.67	3	0.72	11	0.54	5
Malaysia	0.58	4	0.59	10	0.68	16	0.55	4
Philippines	0.58	5	0.58	12	0.68	17	0.56	3
Australia	0.57	6	0.68	2	0.75	5	0.49	10
Spain	0.56	7	0.59	11	0.82	1	0.49	9
New Zealand	0.56	8	0.72	1	0.66	21	0.49	8
Belgium	0.54	9	0.53	20	0.67	19	0.51	6
United States	0.54	10	0.60	9	0.73	9	0.47	16
Singapore	0.53	11	0.62	6	0.63	25	0.49	11
Germany	0.53	12	0.47	27	0.69	14	0.51	7
Japan	0.53	13	0.50	24	0.73	10	0.49	13
Switzerland	0.53	14	0.55	16	0.67	20	0.49	12
Hong Kong	0.52	15	0.63	5	0.62	26	0.47	15
France	0.52	16	0.56	15	0.78	4	0.45	19
Italy	0.51	17	0.53	21	0.79	2	0.43	23
Mexico	0.51	18	0.51	23	0.75	6	0.45	18
Vietnam	0.51	19	0.57	14	0.68	15	0.45	19
Turkey	0.50	20	0.50	24	0.78	3	0.43	22
Bahrain	0.50	21	0.60	8	0.59	28	0.45	17
United Arab Emirates	0.50	22	0.51	22	0.54	30	0.49	14
Brazil	0.49	23	0.53	17	0.75	6	0.41	26
Netherlands	0.47	24	0.45	29	0.61	27	0.44	21
Egypt	0.47	25	0.53	18	0.67	18	0.40	28
Saudi Arabia	0.46	26	0.57	13	0.52	31	0.42	24
China	0.46	27	0.47	28	0.65	22	0.41	27
Qatar	0.46	28	0.53	18	0.55	29	0.41	25
United Kingdom	0.44	29	0.50	26	0.71	13	0.36	31
Russia	0.43	30	0.44	30	0.65	23	0.37	29
India	0.43	31	0.42	31	0.65	24	0.37	30

Expats Experience Findings

Expats lead the way with social media

Embarking on the expat journey can often mean leaving much-loved friends and family behind, especially for expats who have been on more than one posting. Despite often being thousands of miles apart, technological advances mean that keeping in touch is easier than ever with a wide range of channels available from the traditional letter to more modern media such as Skype and Facebook.

The results of this year's Expat Experience report show that while email remains the most popular method of communication, with 52% of expats using it to stay in touch with friends and family twice a week or more, social media is ever more popular. For example, 39% of expats use Facebook more than twice a week to stay in touch and 36% are using video calling services such as Skype. These channels are more popular than traditional methods such as landline (14% using more than twice a week) or mobile phone (16% using more than twice a week), perhaps because new technologies are cheaper to use.

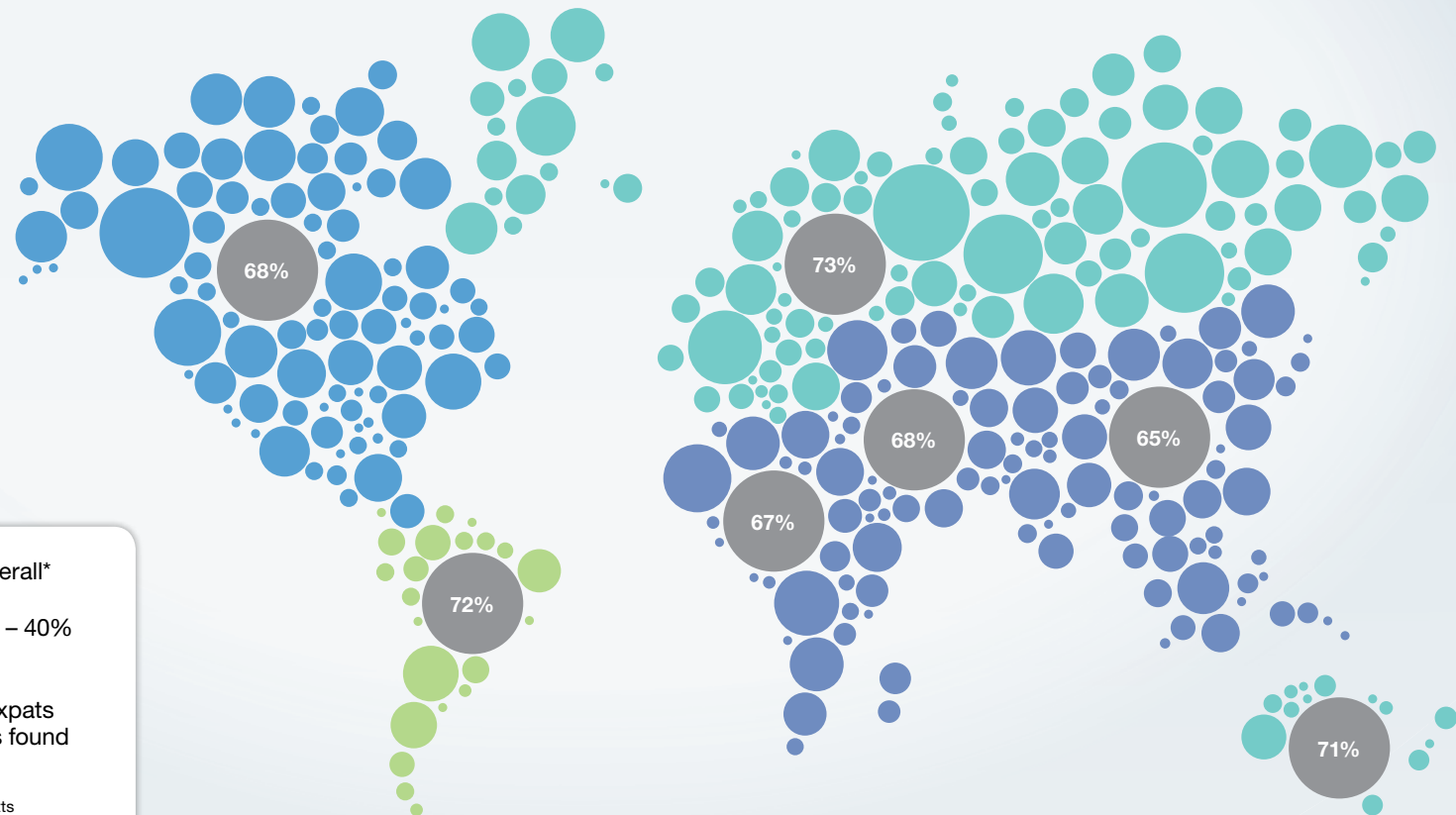
This trend is robust across the world with social media popular with expats across the globe. The most popular channel is Facebook, which is used by two-thirds overall (69%) and by just over half (52%) once a week or more. LinkedIn is also popular with 40% of expats using it. Twitter and MySpace are less widely used (14% and 2% respectively).

Expats earning higher incomes are less likely to use social media to get in touch with friends and family on a regular basis, preferring instead to call or text. Half of expats earning less than \$60k use Facebook at least twice a week to contact friends or family, while only one quarter (28%) of those earning over \$250k do the same.

Facebook penetration among expats is fairly consistent in all regions, even in regions where Facebook has a low volume of users, suggesting that expats continue to use channels they are familiar with from their home country. For example, Facebook penetration in Asia and Africa is 4% and 3% respectively, yet among expats in these regions this increases to 65% and 67%.

Expatriate Experience Findings

A comparison of global expat Facebook usage and regional Facebook penetration



*Source: Internet World Statistics, Q2 2011, Miniwatts Marketing Group <http://www.internetworldstats.com/facebook.htm>

Expatriate Experience Findings

Expatriate Experience top spots hold the key for Expatriate lifers

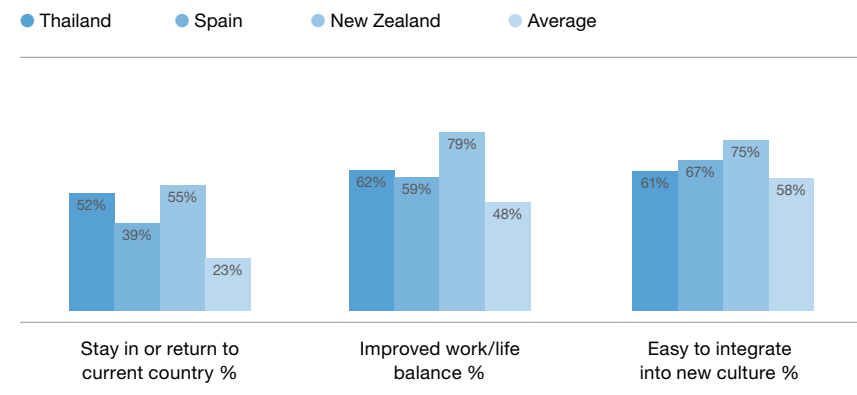
The 2011 Expatriate Experience results show that while most expats do not live in one country for lengthy periods of time, a good quality of life inevitably is crucial in inciting expats to stay in the country for longer.

While the average expat has spent five years living in their host country, quality of life seems to impact the length of time expats spend in their new home.

Expats in countries which rank highly on the Expatriate Experience league table are more likely to have lived there for 10 years or more, and are more likely to say they will remain in that country or will return after subsequent postings.

For example, expats in Thailand (1st on Expatriate Experience league table), Spain (7th) and New Zealand (8th) are much more likely to say they will either stay in or return to their current country (52%, 39% and 55% respectively) than expats overall (23%).

Similarly, work/life balance seems to play an important role here and expats in these countries have a much better than average (48%) work/life balance – with Thailand (62%), Spain (59%) and New Zealand (79%) all scoring highly on this aspect of expat life. Expats in Thailand, Spain and New Zealand are also more likely to say it was easy to fit into the new culture (61%, 67% and 75% respectively) than expats on average (58%).

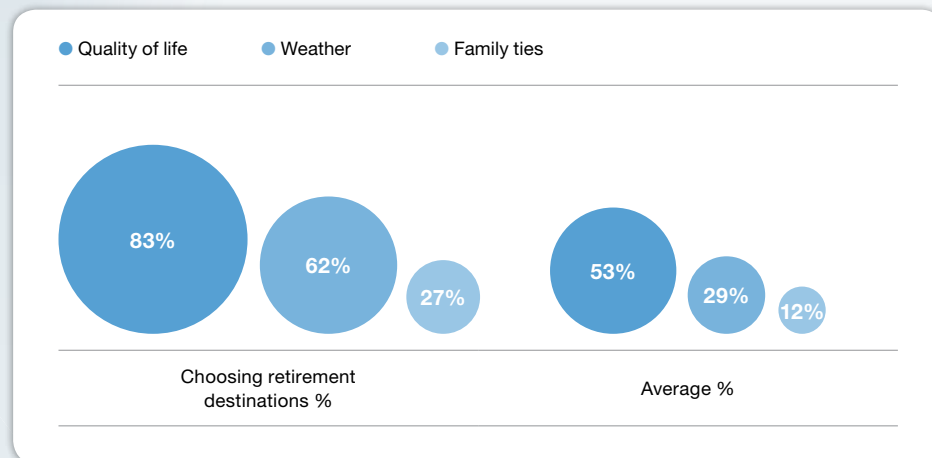


In contrast, Middle Eastern countries such as Saudi Arabia, Bahrain and Qatar typically score quite low on the Expatriate Experience league table (ranking 26th, 21st and 28th respectively). Expats based in these countries are much less likely to have lived in the country for more than ten years, and are unlikely to settle there permanently (4%, 2% and 5%).

Expat Experience Findings

The key to Expat retiree happiness is a good quality of life, good weather and a low cost of living

When choosing retirement destinations, considerations such as quality of life (83%), the weather (62%) and family ties (27%) are much more important to expats than average (53%, 29% and 12% respectively).



Nearly half (47%) of expats aged over 55 are planning to retire in the country that they currently live in and only one fifth (19%) plan to return to their home country.

Given the importance of lifestyle that has been highlighted, it is unsurprising that countries scoring highly on the Expat Experience league table like Thailand (1st), France (16th) and Spain (7th) are most commonly rated by expats living there as the ideal place for retirement (Thailand 82%, France 78%, Spain 62%).

Countries rated highly as expat retirement destinations also score above average (58%) in terms of the ease of integrating into the local community (Thailand 61%, France 67%, Spain 67%,), suggesting that feeling comfortable in the local community and establishing a local support network has an impact on expats' quality of life when choosing a suitable retirement destination.

Interestingly, high earners (earning over \$200k) are more likely to retire to their home country than those expats on lower salaries (31% v 17%), suggesting that, for them, being an expat is a temporary choice linked to earning money and career progression, 68% of higher earners became an expat for this reason, compared to just 55% overall.

Expatriate Experience Findings

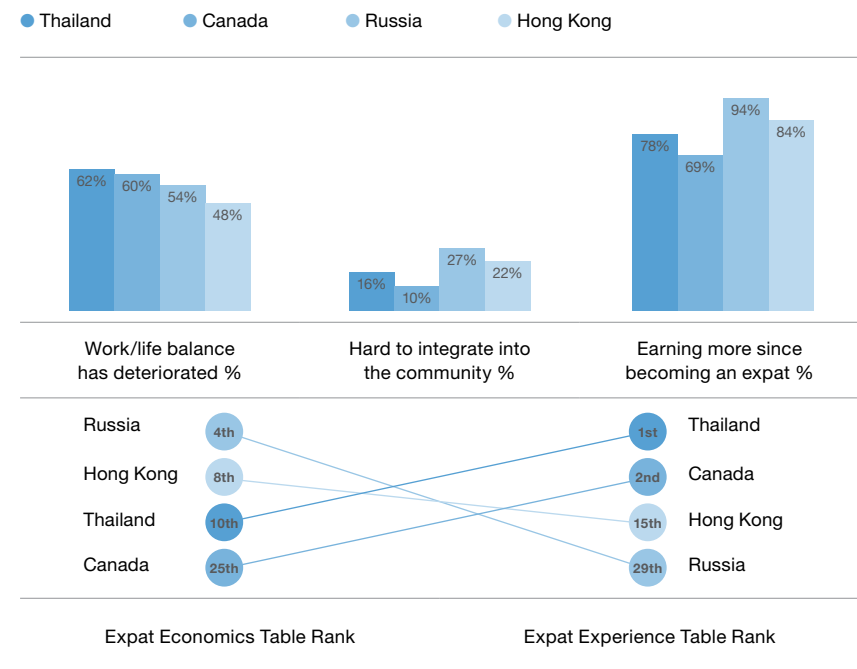
Canada and Thailand provide a happy medium between work/life balance, increased income and local integration

Expats in countries that are more likely than average (30%) to say that their work/life balance has deteriorated since relocating such as Russia (54%) and Hong Kong (48%) score highly on the Expat Economics Income league table, (Russia 4th, Hong Kong 6th), but perform less well on the Expat Experience Quality of Life league table (Russia, 29th, Hong Kong 15th).

A poor work/life balance may also impact other areas of expats' lives such as, making it harder to integrate into the local community. In Hong Kong 22% of expats found it hard to integrate into the community, as did 27% in Russia, compared to just 19% of all expats surveyed.

Expats are divided on whether their work/life balance is better since relocating. Overall, just under half (48%) agree that their work/life balance has improved and just under a third (30%) say it hasn't. Additionally, perceptions on work/life balance vary depending on expats' income: expats earning over \$200 are less likely (39%) to say that this aspect of their life has improved than those earning \$200k or less (45%).

Expats in countries such as New Zealand (79%), Canada (60%) and Thailand (62%) were much more likely to say their work life balance has improved since relocating. Expats in these countries are more likely to report it being easy to integrate into the local community (New Zealand 75%, Canada 73% and Thailand 61%) than expats overall (58%). Similarly, expats in these countries (New Zealand 42%, Canada 27% and Thailand 21%) were also more likely than the global average (16%) to report a better quality of life compared to their home country.



Even though expats in these countries earn less than expats on average, many of them still said they were earning more since becoming an expat. For example 69% of expats in Canada and 78% in Thailand report an increase in salary since relocating compared to a global average of 71%, suggesting that these countries offer a happy medium between an increase in income and a better work/life balance for expats.

Expat Experience Findings

Singapore is the ideal expat location for both quality of life and career progression

When expats were asked what their ideal expat destination would be, the most popular answers were Australia (10%), the USA (10%) and Singapore (9%), followed by Hong Kong (7%), Canada (7%), and the UK (5%).

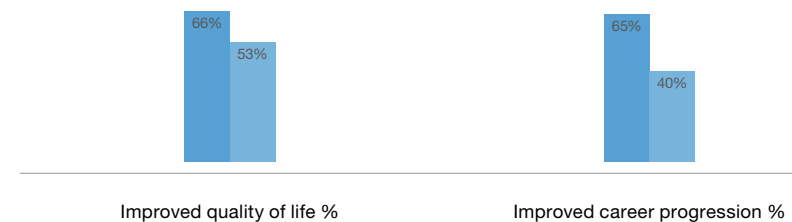
Expats' reasons for selecting these countries tend to fall into two categories; Canada, Australia and Singapore are rated highly in terms of Expat Experience (2nd, 6th, 11th) and consequently are likely to be chosen for a better quality of life (70%, 71%, 66%).

Broadening life experiences was the main reason that expats currently living in these countries chose to become an expat (Canada 61%, Australia 57% and Singapore 64%) but interestingly these destinations also score highly under the work environment category with 68% of expats in Canada and 59% of expats in Australia saying that their working conditions had improved since relocating. Expats in Canada and Australia also more likely than average (48%) to say that since relocating their work/life balance had improved (Canada 60%, Australia 55%).

These destinations are more likely to encourage long term expat settlement with 45% of working expats in Canada and 39% in Australia stating that they are planning to remain in their current country for the foreseeable future, or return in future, compared to the global average of 23%.

On the other hand, expats who think Hong Kong, the UK and the USA, are the ideal expat destinations are more likely to choose these destinations because of career and money

● Singapore ● Average



prospects (73%, 55% and 54% respectively) than average (40%). It seems that these expats are driven primarily by higher salaries, as all three countries rated highly in the Expat Economics Income league table (6th, 10th and 10th).

Significantly it's these countries where the majority of expats currently living there said that they would consider another posting (Hong Kong 50%, UK 47% and USA 41%), suggesting that they are ideal for a short period of time in order to help expats develop professionally.

While most countries fall into one of these two categories, expats who think Singapore is the ideal expat destination are likely to choose it both because of a better quality of life (66%) and career prospects (65%). Singapore, it seems, can give expats the best of both worlds.

Raising Children Abroad



Raising Children Abroad looks at the perceptions of expat parents on various aspects such as: the cost of raising children, the quality of education and childcare services, changes in children's diet and activities after relocating and the ease with which children are able to integrate into new cultures.

The Raising Children Abroad league table ranks countries in terms of three main factors, deemed important for expat parents:

- Childcare
- Health and Wellbeing
- Integration of children

All countries with a sample size of at least 30 expats with children living in the country of residence are included in the league table.

In 2011 these countries are France, Netherlands, Australia, Hong Kong, China, Singapore, the United Arab Emirates, Mexico, the United States and the United Kingdom.

Raising Children Abroad Findings

Countries	Overall		Overall Childcare		Overall Health and wellbeing		Overall Integration	
	Score	Rank	Score	Rank	Score	Rank	Score	Rank
France	0.52	1	0.49	1	0.41	2	0.66	1
Netherlands	0.49	2	0.42	4	0.39	3	0.66	2
Australia	0.48	3	0.39	6	0.45	1	0.61	4
Hong Kong	0.47	4	0.45	2	0.36	5	0.58	6
China	0.46	5	0.39	7	0.36	6	0.62	3
Singapore	0.43	6	0.44	3	0.30	8	0.56	8
United Arab Emirates	0.43	7	0.40	5	0.30	9	0.60	5
Mexico	0.41	8	0.32	8	0.35	7	0.55	9
United States	0.41	9	0.26	9	0.37	4	0.58	6
United Kingdom	0.33	10	0.22	10	0.26	10	0.52	10

Raising Children Abroad Findings

China is the most cost effective place to raise children

For expat parents, ensuring their child has good quality childcare and education is understandably important. It also has huge financial implications: the average annual cost of childcare for expats is \$7,500 and \$11,500 for education.

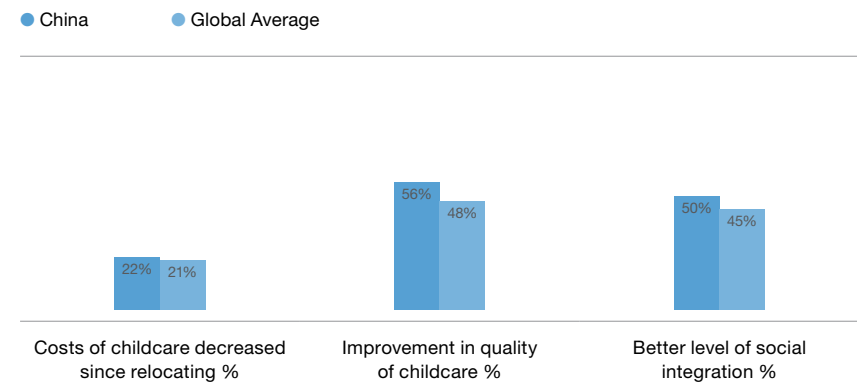
Despite this investment, it seems that the quality of childcare and education varies quite significantly across the world with countries such as Hong Kong and Singapore leading the way. Expats in these countries are much more likely to say the quality of childcare is better than in their home country (65% and 50% respectively) than expats overall (48%), and the same is true for standard of education (64% and 64% respectively v 53% average). But this improvement comes at a price, expats in these countries are also more likely to say the overall cost of raising children has increased (82% and 84% respectively) since relocating compared to expats generally (65%).

In terms of childcare specifically, those living in the UK (10th) are not as fortunate, with expats spending on average \$12,790 a year per child making the UK the most expensive place in the league table. Expats here are also much more likely to have seen the cost of raising children increase (85%) than average (65%) and also more likely to report a decline in the quality of childcare (32% compared to 16% on average).

The UK ranks poorly (23rd) on the 2011 Expat Economics league table suggesting that for expats here, finding suitable childcare while having less disposable income (24th on the disposable income league table) represents a real issue.

In contrast, China seems to be the most cost-effective place for childcare. Expats here are more likely (22%) to have seen the cost of raising children decrease, and at the same time are more likely to have seen an improvement in the quality of childcare (56% compared to 48% on average). As well as seeing an increase in the quality of childcare, without the inflated costs, expats living in China (50%) are more likely to think their children benefit from a better level of social integration than average (45%) which may point to an all-round positive environment for expat children in China.

The lower cost of raising children in China may play a role in the country's strong performance in the Expat Economics league table where expats have more disposable income (14th) than countries with higher costs for raising children such as the USA (17th) and the UK (24th).



Raising Children Abroad Findings

Money doesn't equal happiness for the global expat community

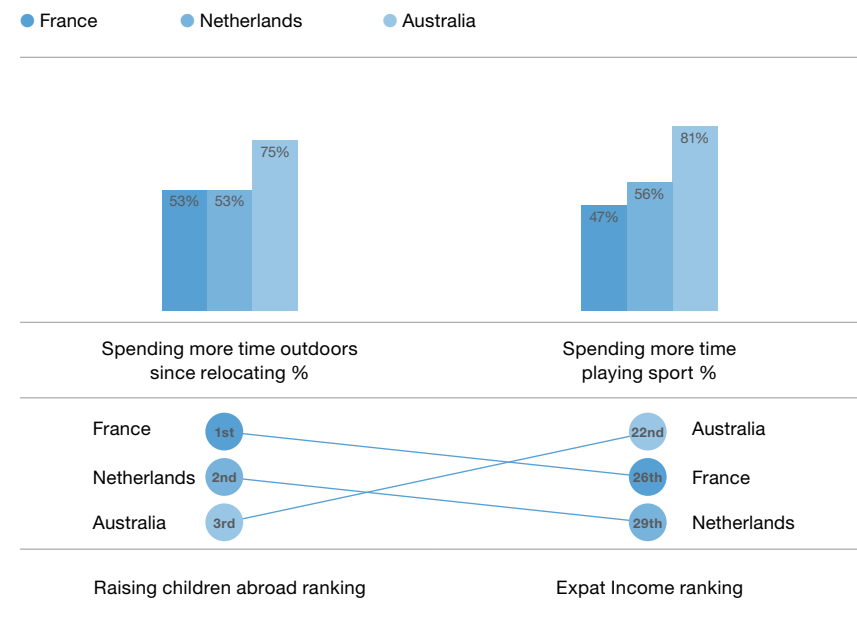
Countries which provide expats with the greatest benefits in terms of salary and economic rewards don't always provide the best quality of life for children and families.

Those countries that provide the greatest benefits in terms of overall wealth, disposable income and luxuries are often those in which it is hardest for families to bed down and integrate, and in which childcare and general standards of health and well-being are perceived to be poorer.

The top countries in the 2011 Raising Children Abroad report were France (1st), the Netherlands (2nd) and Australia (3rd). These countries may find themselves towards the bottom of the rankings in the Expat Economics Income league table in terms of the economic benefits of relocation (ranking 26th, 29th and 22nd respectively), but they provide the best environment for raising children abroad.

Children in these countries appear to lead a much healthier lifestyle: spending more time outdoors (France 53%, Netherlands 53%, and Australia 75%) and more time playing sport (France 47%, Australia 81%, and Netherlands 56%) than average (47% and 46% respectively).

In contrast to this, countries which rank low on the Raising Children Abroad league table such as the UK (10th out of 10 countries), USA (9th out of 10 countries) and Mexico (8th out of 10 countries) tend to rank more highly in terms of income (ranking joint 10th and 9th respectively out of 31 countries).



In these countries however, the safety of children seems to be a major concern and expats here are more likely than average (16%) to suggest that child safety has deteriorated since relocating (UK 28%, USA 25%, and Mexico 75%). Expats in Mexico and the USA are also more likely to feel that the standard of education has deteriorated since moving (USA 27%, Mexico 33%) than those living elsewhere (20%).

Raising Children Abroad Findings

It seems that when selecting an expat destination, parents often choose between locations which offer high salaries, and those which offer a good environment for children. The decision often depends on parental motivators: those who choose the UK, the USA and Mexico are more likely to be driven to become expats by career/money prospects (73%, 58% and 62% respectively) than those who choose France, the Netherlands and Australia (26%, 38% and 40% respectively), who may prioritise other factors.

Some locations may offer the best of both worlds with Hong Kong and Singapore performing strongly in terms of their income rankings (6th and 2nd respectively); while still ranking mid-table in terms of raising children abroad (4th and 6th respectively). Children here receive high quality childcare, have moderately healthy lifestyles, and seem to find it relatively easy to integrate.



Raising Children Abroad Findings

France tops the 2011 Raising Children Abroad league table

France tops the 2011 Raising Children Abroad league table, ranking 1st for childcare and integration and 2nd for health and wellbeing.

The country comes highly recommended by expat parents, providing a location in which children can easily integrate and experience a healthier lifestyle while offering more cost effective education and childcare solutions.

Expat parents in France are more likely to say their children are not missing friends and family at home (58%) compared to the global average (35%), perhaps due to children here being more likely to keep in touch with those back home (58% v average of 53%). These results suggest that expat children in France are less likely to experience homesickness as a result of relocating.

Parents in France are also much more likely to say that the social integration of their children had either improved or stayed the same (89%) compared to a global average of (78%) with only Australia (93%) scoring higher.

The findings of Raising Children Abroad also suggest that expat parents living in France are more likely (27%) than average (17%) to agree that they were able to spend much more time with their children in comparison to their home country. 53% also agreed that their children spent more time outdoors, 47% that their children spent more time playing sports and, 62% that they felt their children were safer since relocating

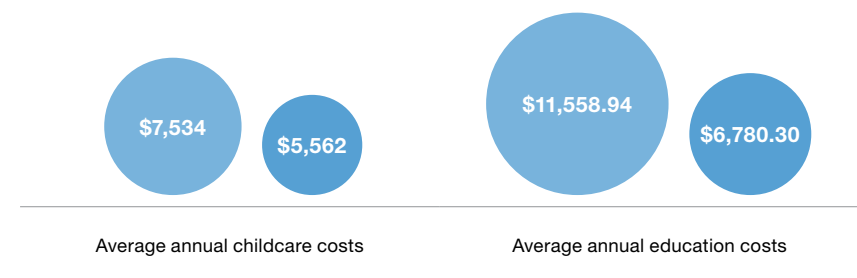
Another reason why France performed so well this year could be down to its favourable rankings in terms of the cost of childcare and education. 44% of expats reported that the

overall cost of raising children was cheaper in France than in their home country compared to just 21% overall.

Even though France ranks 5th in terms of quality of childcare, it has the lowest average annual childcare costs – with expat parents here spending just \$5,562 each year on childcare for their children, compared to a global average of \$7,534.

Furthermore, while half of expats in France report a higher quality of education than in their home country, expat parents here generally spend considerably less on this aspect of raising children. Expenditure on education in France has an average annual cost of \$6,780.30 compared to a global average of \$11,558.94.

● France ● Average



Raising Children Abroad Findings

UK struggles to keep up with other expat destinations

The UK finds itself bottom on the 2011 Raising Children Abroad league table, ranking much lower than European counterparts France (1st) and the Netherlands (2nd).

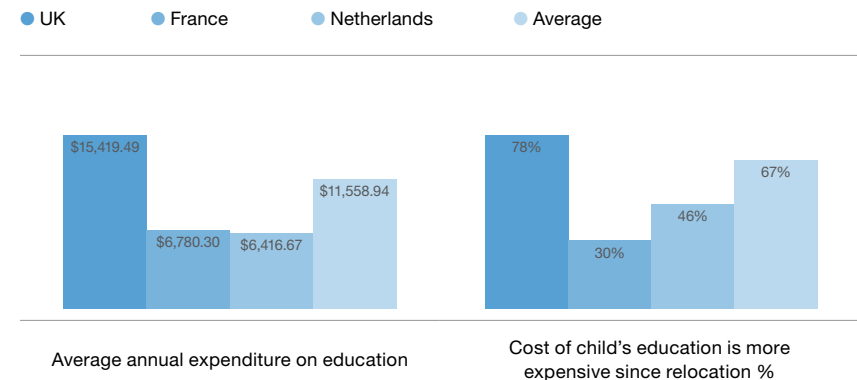
One of the key drivers behind this poor performance is the cost of raising children in the UK, with the average expat parent spending \$12,790 a year on childcare per child putting it top for cost in this category. More so, 89% of expat parents rated this as more expensive than in their home country compared to the global average of just 54%.

Education seems to be another area where UK expats' pockets are hit particularly hard, with an average annual expenditure on education of \$15,419.49 per child compared to a global figure of \$11,558.94 – and more than double that of France (\$6,780.30) and the Netherlands (\$6,416.67). 78% of expats in the UK believe the cost of their child's education is more expensive since relocation compared to just 30% in France, 46% in the Netherlands and a global average of 67%.

The UK also fares poorly in terms of the lifestyle children experience after relocating; 31% of expats here, for example, say their children are spending less time playing sports, compared to a global average of 22%. This trend is also seen in the number of children spending less time outdoors (UK 38% v average 32%) and spending less time with their parents (UK 22% v average 14%).

Perhaps as a result, 27% of expat parents believe the social integration of their children has deteriorated since relocating compared to an average of 22%.

In contrast to this, in France where 53% of expats think that since relocating their children spend more time outside and 47% more time playing sports, parents are much less likely to suggest that their child's social integration has deteriorated since moving.



Raising Children Abroad Findings

Australia is the number one expat location for children's health and wellbeing

While France is at the top of the 2011 Raising Children Abroad league table, Australia is ranked the number one destination for expat children in terms of their health and wellbeing, taking over the top spot from Spain.

Expats here state that their children are spending much more time outdoors since relocating, with 75% reporting this to be true compared to just 53% in France and 47% overall.

Children in Australia are also much more active than elsewhere, with 81% of expats suggesting that their children were playing more sports since moving to Australia than in their home country. These figures are again much higher than both France (47%) and the overall global average (46%).

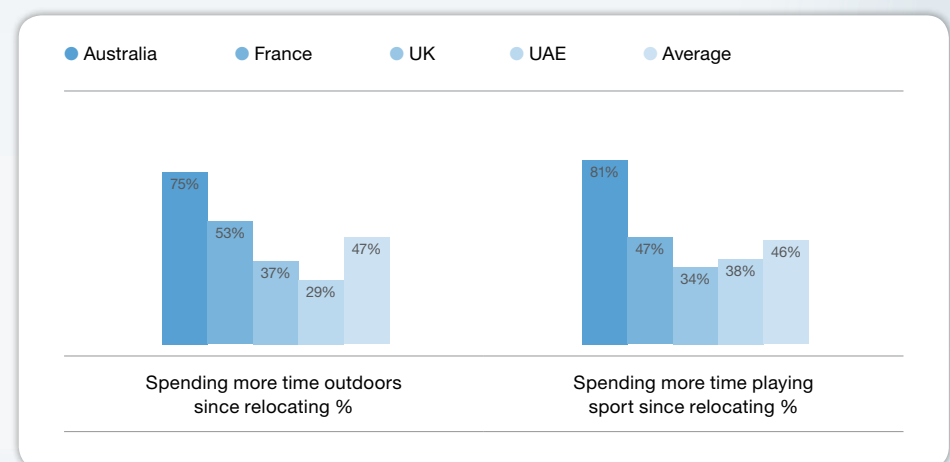
Countries which are ranked near the bottom of the overall Raising Children Abroad league table such as the UAE (7th) and the UK (10th) don't perform as well when it comes to health and wellbeing. Here children are less likely to be spending more time outside (29% and 37% respectively) and playing more sport (38% and 34% respectively).

In contrast, children in the UAE and UK are more likely to be spending more time playing video games (both 48%) and watching TV (49% and 37% respectively) than average (37% and 29%). Just 16% of expat parents in Australia and 19% of expat parents in France think that their children watch more TV since relocating.

Despite its high ranking on health and wellbeing, expats in Australia are the least likely to suggest their children have a global outlook, with only 63% agreeing with this in

comparison to 81% overall. Expats in the USA were the most likely to agree with this statement (94%).

Despite being near the bottom of the overall Raising Children Abroad league table (9th), the USA actually scores quite highly in terms of health and wellbeing (4th). In addition, 87% of expats in the USA suggest their children have adapted well since relocating compared to a global average of 82%. As a result it's not surprising that 89% of expats in the USA believe their children are enjoying life in their new country.



Raising Children Abroad Findings

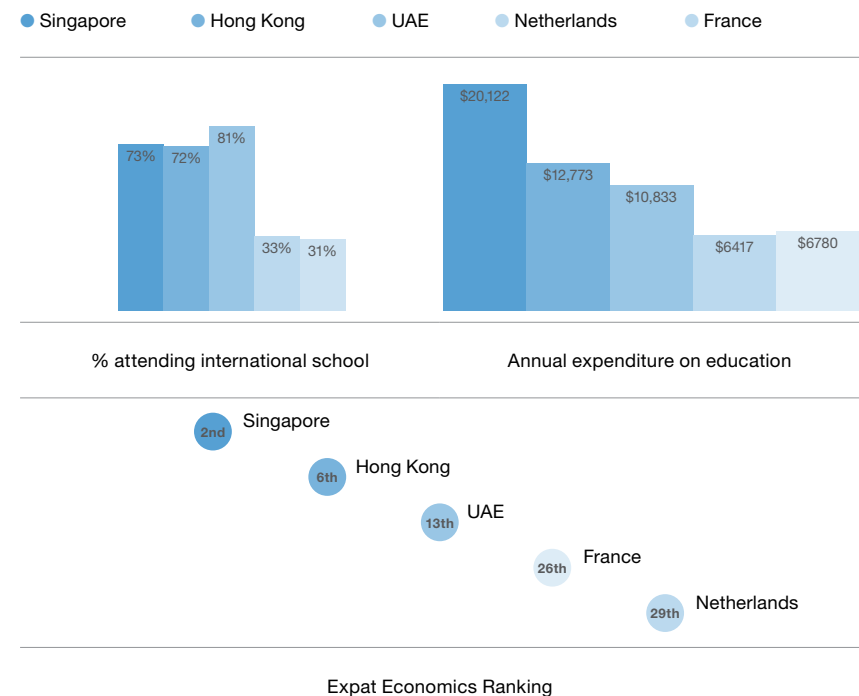
High flying expats more likely to opt for international schooling

Expats' salaries seem to be a big deciding factor in the type of schools their children attend, with expats in countries ranking higher in the Expat Economics league table for income such as Singapore (2nd), Hong Kong (6th) and the UAE (13th) more likely to send their children to an international school (73%, 72% and 81% respectively v 50% average) and pay more for their children's education (average of \$20,122, \$12,773 and \$10,833 respectively).

These figures are much higher than those for countries who rank lower in the Expat Economics income league table such as France (26th, 31%) and the Netherlands (29th, 33%). These countries are much more likely to send their children to local schools (58% and 51% respectively) and consequently on average pay less for their education (\$6,780 and \$6,417).

Despite this, expats in countries with typically higher levels of international school attendance (Singapore 49%, Hong Kong 48%, UAE 45%) are no more likely to say their child's social integration has improved since relocating than those with typically lower education costs and greater local school attendance (France 41%, Netherlands 46%).

Expats in these countries are also less likely to say their children are adapting well to life in their new home (Singapore 74%, Hong Kong 78%, UAE 79%) than those in countries with typically lower education costs and greater local school attendance (France 90%, Netherlands 86%).



Methodology



About Expat Explorer

The Expat Explorer survey, now in its fourth year, is the largest global survey of expats. Commissioned by HSBC Expat and conducted by third party research company GfK, 3,385 expats were questioned through an online survey.

The survey ran from 11th May to the 12th July 2011, with expats from over 100 countries worldwide taking part.

Individuals from four continents described the opportunities and challenges they experience living away from home. The survey provides an insight into how expat life differs from country to country, continent to continent and from an expat's country of origin.

Please note the sampling technique used for the 2011 survey does not claim to give a fully representative sample of expatriates. In addition, it differs substantially from the sampling technique used in previous years. Therefore, comparisons of results year-on-year are not statistically valid and have been made for illustrative purposes only.

A sample size of 30 or more respondents from each country was required for inclusion in the league tables, to be considered robust and indicative of the views and trends of the specific population. The league tables are based on a series of interrelated factors (rather than a single factor or question) to ensure a fair assessment of how individual countries rate across the full criteria. The responses of those who responded "not applicable" or "refuse to say" have been excluded. Each criterion is equally weighted to arrive at a score. The overall ranking is based on the average score for a country across the criteria.

Methodology

About Expat Economics

The Expat Economics league table ranks countries in terms of three main economic factors: Income, Disposable Income and a measure of Luxury. All countries with a sample size of 30 and above are included in the economic league table. Scores from each factor are equally weighted to arrive at an overall Expat Economics score and overall rank.

Individual country rankings for the constituent elements (Income/Disposable Income/Luxuries) are also available. Scores for Income and Disposable Income are averaged to produce a Wealth Accumulation Hotspot score and rank for each country. Income score is derived from proportion of expats surveyed in each country who earn at least \$200k per annum. Disposable Income score is derived from proportion of expats surveyed in each country who have a disposable income of \$3000+ per month compared to their country of origin.

Luxury score is derived from ascertaining the proportion of respondents who have agreed with a number of following statements:

- Live in a nicer/bigger property
- Have domestic helper/staff (e.g. cleaner/nanny)
- Own more than one property
- Own nicer and more cars
- Own a boat/yacht
- Go on more luxurious holidays
- Better healthcare
- Own a swimming pool

Respondents answered income-related questions in one of ten currencies that they use most often. For ease of analysis and comparison, all foreign currencies were converted into US dollars. Currency conversions were calculated based on conversion rates available as of 22nd April 2011.

Methodology

About Expat Experience

Expat Experience league table has been compiled using a comprehensive set of sub-criteria (29 in total) to reveal which locations expats voted as the places with the best life experience. One of the major criteria was quality of life, for which expats rated accommodation, food/diet, entertainment, healthcare, work life balance, social life, commute to work and opportunities for sports and travel. In addition, they also rated the relative ease in which they were able to do the following in their new country of residence:

- Organise schools for their children
- Set up finances; healthcare; utilities
- Find accommodation
- Learn the local language
- Adapt to local food; weather; work culture
- Make friends
- Travel around locally
- Adjust to the new culture/lifestyle (in general)

Lastly, they were asked how well they integrate into local society. This was judged on whether they agreed with the following for their new country of residence:

- I enjoy having local food rather than having food from my home country all the time
- I am happy to experience local culture
- I try to learn/use the local language
- It is easy for me to make local friends
- I am integrating well in the local community
- I feel welcome at work
- I like shopping for local produce in the local shops/markets

Scores from each factor were then weighted to arrive at an overall Expat Experience score and overall rank. The weighting applied is as follows: Setting up – 16.7%, Integration – 16.7% and Quality of life – 66.7%

Methodology

About Raising Children Abroad

The Raising Children Abroad league table ranks countries in terms of three main factors deemed important for expat parents. All countries with a sample size of at least 30 expats with children living in the country of residence are included in the league table. The three factors are:

- Childcare
- Health and Wellbeing
- Integration of children

To arrive at the Childcare score, relevant results (see below) are weighted. The responses of “not applicable” or “refuse to say” have been excluded:

- Safety of your children - weighting factor = 20%
- Standard of education available to your children - weighting factor = 20%
- Quality of childcare - weighting factor = 20%
- Overall cost of raising children - weighting factor = 40%

To arrive at the Raising Children Abroad Health and Wellbeing score, scores from a number of statements are averaged. These are:

- Spending time outdoors
- Spending time with you

- Playing sports
- Playing video games
- Watching TV
- My children are eating less junk food now

In order to arrive at Raising Children Abroad Integration score, scores from a number of statements at question are averaged. These are:

- My children have settled in quicker than I have
- My children are enjoying their lives here
- My children are learning new language(s)
- My children are missing home and their friends
- Social integration of your children

Scores from each factor are weighted to arrive at an overall Raising Children Abroad score and overall rank. The weighting applied is as follows: Childcare – 33.3%, Health & Wellbeing – 33.3% and Integration – 33.3%. The criteria to generate the offspring league table in 2011 have been revised from last year to incorporate amendments made to the questionnaire.

Country Reports



HONG KONG

- Expat Economics Ranking: 8th out of 31
- Expat Experience Ranking: 15th out of 31
- Raising Children Abroad Ranking: 4th out of 10

Sample size: 181

Country of origin: 55% UK, 8% Australia, 7% USA

Occupation: 68% Banking, 4% Media, New Media, Creative

Age: 25 – 34 = 25%, 35 – 44 = 40%, 45 – 54 = 21%

Gender: 73% Male, 27% Female

“Don't be afraid to try as much local food as possible and don't limit yourself to living just in the areas typical for expats.”

Expat in Hong Kong



Country Reports



HONG KONG *(continued)*

Expats in Hong Kong relocate in search of a good salary and career prospects, but work/life balance suffers as a result

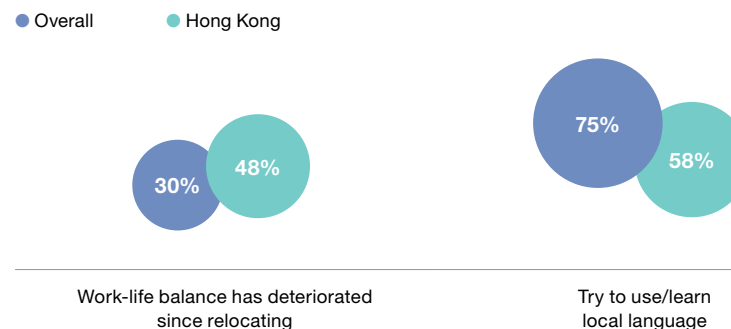
For expats who are motivated by having good career and financial prospects, Hong Kong is an ideal destination. The majority of expats in Hong Kong (70%) became expats for better career prospects and the reward is a typically higher salary with 44% of expats here earning over \$200k compared to just 28% of expats overall. As a result Hong Kong is ranked 6th on the Expat Economics Income league table.

However, higher salaries come at a price; 48% of expats in Hong Kong report their work/life balance has deteriorated since relocating compared to 30% globally. This also seems to affect family life with 24% of expats stating their children spend less time with them since moving, substantially higher than average (14%).

Expats in Hong Kong fare less well for disposable income (ranking 11th in the Expat Economics Disposable Income league table) and luxuries (ranking 22nd in the Expat Economics Luxuries league table), potentially due to a higher cost of living. Expats here are

more likely to see increased accommodation costs (67% v 50% average) and also face the 4th highest education costs of the countries in the Raising Children Abroad league table.

Hong Kong scores well for ease of setting up in the new destination (5th) and in particular for organising finances (2nd) and healthcare (2nd). However, the country does score poorly for overall integration (26th) with expats here much less likely to learn or use the local language (58% v 75% average), and more likely to find learning the language difficult (79% v 60% average). Despite this, over half (54%) say they are integrating well with the community. However this tends to be with other expats as three quarters (75%) say they spend more time with fellow expats than local friends.



Country Reports



NETHERLANDS

- Expat Economics Ranking: 29th out of 31
- Expat Experience Ranking: 24th out of 31
- Raising Children Abroad Ranking: 2nd out of 10

Sample size:	212
Country of origin:	30% USA, 26% UK, 5% France
Occupation:	12% IT, 11% Media, 10% Not in Employment, Homemaker
Age:	25 – 34 = 29%, 35 – 44 = 28%, 45 – 54 = 24%
Gender:	42% Male, 58% Female

“Invest energy in learning the local language fast.”

Expat in the Netherlands



Country Reports



NETHERLANDS *(continued)*

Expats children in the Netherlands find it easy to settle in, however adults have a harder time integrating to their new community

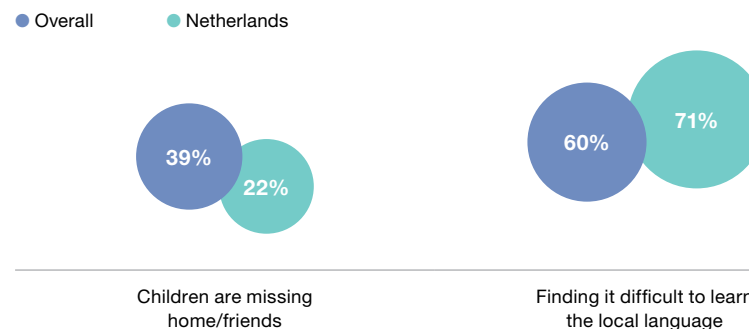
Expats in the Netherlands are much more likely to have relocated to be with their partner or spouse (43% compared to 18% average) and less likely to have become expats to progress their career (38% compared to 55% average).

As a result it is unsurprising that expats in the Netherlands do not appear to be motivated by money or material goods either. Expats in the Netherlands are unlikely to earn high salaries (only 31% of expats in the Netherlands earn over \$100k per year, compared to 58% of expats overall), have high disposable incomes (56% of expats in the Netherlands have more disposable income now than in their previous country, compared to 76% overall) or access to luxuries (21% of expats in the Netherlands have more luxuries now, compared to 32% overall).

The key concern for expats moving to the Netherlands is the language barrier (56% compared to 27% average) which is unsurprising given that 71% find learning the local language difficult compared to a global average of 60%. Perhaps as a result, expats in the

Netherlands found it difficult both to set up in their new country (29th) and integrate (27th). These factors may contribute to the Netherlands ranking in the bottom half of the Expat Experience league table (24th out of 31).

In contrast to their parents, children in the Netherlands find it easy to integrate, and are less likely to be missing home than average (22% compared to 39% average). Expat children here also tend to have healthier lifestyles and are likely to spend more time outdoors (53% compared to 47% average) and playing more sports (56% compared to 46% average) since relocating. These results show that the Netherlands is a great place for children to have a happy, healthy childhood, and as a result proves to be a popular destination for expat families.



Country Reports



SINGAPORE

- Expat Economics Ranking: 3rd out of 31
- Expat Experience Ranking: 11th out of 31
- Raising Children Abroad Ranking: 6th out of 10

Sample size: 120

Country of origin: 45% UK, 11% Australia, 9% India

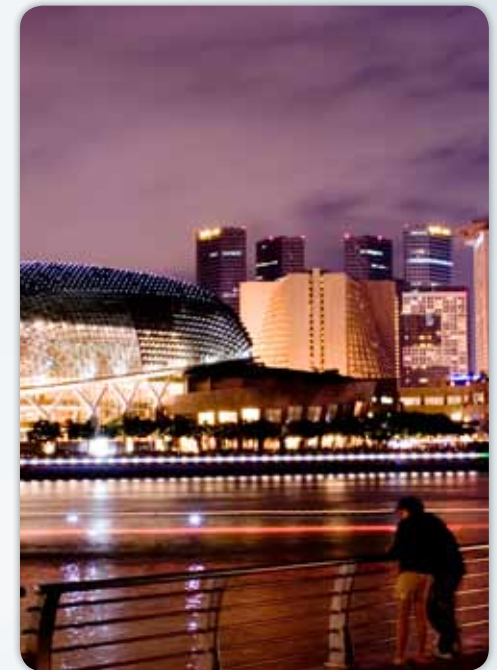
Occupation: 35% Banking, 12% Marketing, 8% Construction, Manufacturing, Utilities

Age: 25 – 34 = 23%, 35 – 44 = 33%, 45 – 54 = 29%

Gender: 72% Male, 28% Female

“Research the cost of living. Singapore is an amazing place to live and the quality of life on offer is very high.”

Expat in Singapore



Country Reports



SINGAPORE *(continued)*

Expats in Singapore enjoy an increased salary, but suffer from a high cost of living

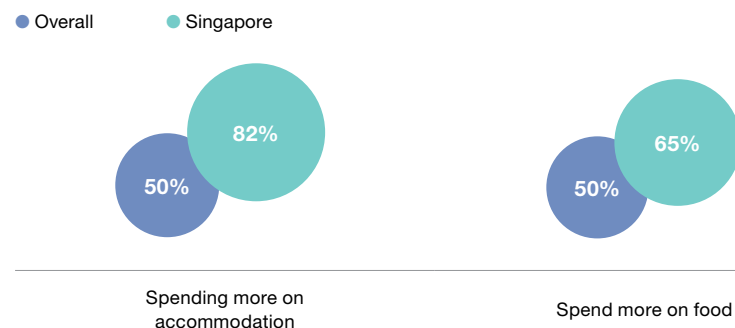
Singapore is an ideal destination for expats relocating for money prospects as half of those surveyed earn over \$200k, placing Singapore 2nd in the Expat Economics Income league table. Expats here also benefit from low taxation with over three quarters of expats (84%) spending less on this since relocating.

As a result it's unsurprising that expats in Singapore are among the most likely to have increased their disposable income – 51% of expats here said they have much more disposable income since relocating, compared to just 35% of expats overall.

Interestingly, it seems that expats in Singapore need to have larger incomes to maintain their standard of living, due to the higher cost of living they are experiencing since relocating. Expats in Singapore are more likely to spend an increased amount on day-to-day living such as accommodation (82% compared to 50% average) and food (65% compared to 50% average).

Raising children in Singapore is also expensive. Of the countries in the Raising Children Abroad league table, Singapore expats have the highest average costs for children's education (\$20,122.09 compared to a global average of \$11,558.94); however, they are also the most satisfied with the standard of education available (ranked 1st).

One aspect where expats in Singapore fare less well is in overall integration (25th out of 31). Expats here are less likely to learn the local language (53% compared to 75% average) and more likely to spend time with other expats rather than local friends (69% compared to 62% average). They are also more likely to send their children to international schools (73% compared to 50% average).



Country Reports



AUSTRALIA

- | | |
|------------------------------------|----------------|
| ● Expat Economics Ranking: | 21st out of 31 |
| ● Expat Experience Ranking: | 6th out of 31 |
| ● Raising Children Abroad Ranking: | 3rd out of 10 |

Sample size: 134

Country of origin: 60% UK, 4% USA, 4% Canada

Occupation: 22% Banking, 10% Retired, 9% Architecture, 8% IT

Age: 25 – 34 = 28%, 35 – 44 = 31%, 44 – 54 = 13%

Gender: 64% Male, 36% Female

“Moving abroad is a fantastic opportunity, enjoy it. Get to know locals and local sights etc. And don’t just stick with the expat community.”

Expat in Australia



Country Reports



AUSTRALIA (*continued*)

Expats in Australia find it easy to integrate into the community but social life and healthcare remain key concerns

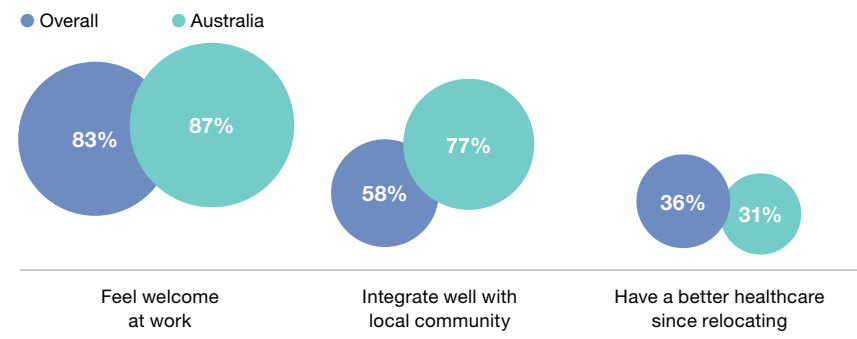
Australia continues to be rated highly by expats in terms of the lifestyle they have experienced since relocating, ranking 6th on the overall Expat Experience league table. Expats here find it particularly easy to settle into the Australian way of life, integrating into the local community easily (77% v average 58%) and report feeling welcome at work (87% v average 83%).

In terms of quality of life, Australia fares less well, ranking 10th in the Expat Experience Quality of Life league table. Although expats here are likely to be more active in sports (6th) and have a better working environment (5th), they are less likely to have better healthcare (31% v 36% average) or a more active social life (32% v 34% average) since relocating.

While planning their relocation, expats moving to Australia are more likely to worry about re-establishing a social life (49% v 39% average) and missing friends and family (40% v 31% average), no doubt due to the distance many have moved from their home country – 60% of expats in Australia are from the UK. Despite this, expats here are less likely to contact friends or family weekly, by Skype (50% v 60% average), email (67% v 75% average) or landline (20% v 31% average).

Even though Australia has a below average ranking on the Expat Economics league table (21st); nearly all expats (95%) regard their economy as strong. Of those who think it is weak, or that it has deteriorated, the majority (76%) have noticed an increase in the price of everyday items, and half are likely to be monitoring their spending more closely.

Australia ranked 3rd in the Raising Children Abroad league table and is the top destination in terms of children's health and wellbeing. This can be attributed to the healthier lifestyle these children lead, for example, 75% of expats think their children spend more time outside and 81% feel their offspring are playing more sports since moving. This combined with only 16% of expats thinking their children spend more time watching TV, shows that Australia provides one of the best environments for raising children overseas.



Country Reports



CHINA

- Expat Economics Ranking: 19th out of 31
- Expat Experience Ranking: 27th out of 31
- Raising Children Abroad Ranking: 5th out of 10

Sample size: 110

Country of origin: 34% UK, 15% USA, 12% HK

Occupation: 25% Banking, 11% Construction, 9% Education

Age: 25 – 35 = 26%, 35 – 44 = 28%, 45 – 54 = 27%

Gender: 71% Male, 29% Female

“ Make the effort to see as much of the country as possible and experience local culture.”

Expat in China



Country Reports



CHINA (continued)

Language barriers make integrating in China difficult

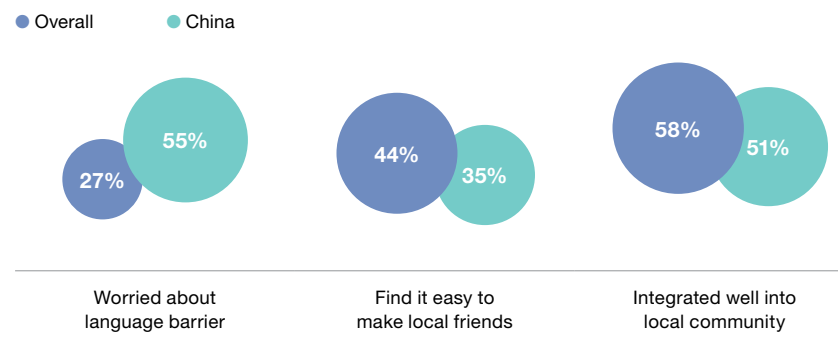
Before moving to China, expats are likely to be more worried about the language barrier (55%) than expats on average (27%), and unsurprisingly find learning the language difficult (75% v 60% average). Problems with language are likely to be a key factor in the country's low integration score (22nd) as expats here are less likely to make local friends easily (35% v 44% average), or to integrate with the local community (51% v 58% average).

Expats in China have a positive outlook on the economy with 95% reporting this to be strong, and many expats believing China's economy will improve over the next year. Despite this, China has a lower than average score on the Expat Economics league table (19th) and expats here are less likely to earn over \$200k (25% v 28% average). This is surprising, as the majority became expats for career or money prospects (62%).

China is the most cost effective place to raise children, scoring 5th on the Raising Children Abroad league table. Of the ten countries in the Raising Children Abroad league table, China has the second lowest childcare costs, but the second most expensive education costs, probably due to the high proportion of expat children attending international schools

(71%). As a result expats here typically spend an average of around \$6,500 a year on childcare and \$18,400 on education. Expats in China are slightly more likely (22% v 21% average) to have seen a reduction in the cost of raising children, and at the same time are more likely to have seen an improvement in the quality of childcare (56% v 48% average). Expat parents in China are also more likely to say their children's social integration has improved (50% v 45% average) since relocating.

The lower cost of raising children in China may play a role in the country's strong performance on financial indicators, giving expats there much more disposable income (38%) than average (35%).



Country Reports



FRANCE

- Expat Economics Ranking: 28th out of 31
- Expat Experience Ranking: 16th out of 31
- Raising Children Abroad Ranking: 1st out of 10

Sample size: 156

Country of origin: 55% UK, 20% US, 5% Canada

Occupation: 26% Retired, 18% Banking, 6% Education

Age: 35 – 44 = 28%, 45 – 54 = 11%, 55 – 64 = 28%,
65 and over – 19%

Gender: 49% Male, 51% Female

“Learn the language
as soon as possible
and try to use it
whenever you can.”

Expat in France



Country Reports



FRANCE *(continued)*

France tops the table for raising children abroad

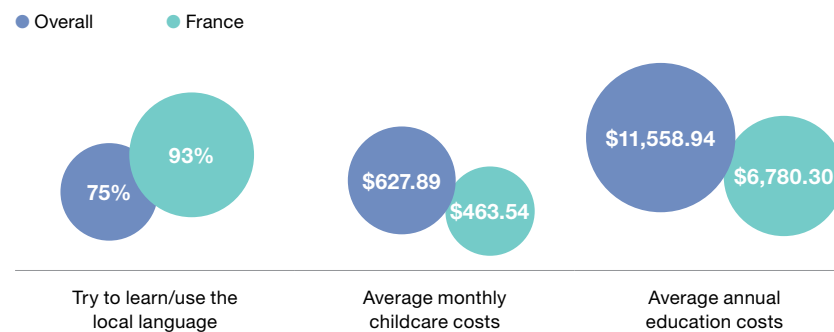
France tops the Raising Children Abroad league table, making it a great place to bring up children, ranking 1st for childcare and integration and 2nd for health and wellbeing. Expats in France are the most likely to say the cost of raising children has decreased (44% v 21% average) since relocating however, they are no more likely to see an improvement in quality of education or childcare than average. France also has very low average monthly childcare costs, with expat parents spending just \$463.54 per month, compared to a global average of \$627.89. These low costs are also seen in expenditure on education where the average annual fee is \$6,780.30 compared to a global average of \$11,558.94.

Expat parents in France are more likely to report that their children are not missing friends and family (58%) than average (35%), perhaps because children here are more likely to keep in touch with those back home (58% v 53% average). These results suggest that expat children are less likely to experience homesickness as a result of relocating.

Children have a healthier lifestyle in France, with 53% spending more times outdoors, and 47% spending more time playing sports, which is above the global average of 47% and

46% respectively. Parents in France also report that the social integration of their children has either improved or stayed the same (89%) compared to the average (78%). 27% of expats also said that they strongly agreed that they were able to spend much more time with their children in comparison with their home country and 62% said that they felt their children were safer since relocating.

France has a mid-table ranking for Overall Expat Experience (16th), but excels in Integration (4th). Although expats in France are more likely to be worried about the language barrier (44% v 27% average), the vast majority try to use or learn the local language (93%). Expats in France are also likely to enjoy the local food (71%), local shopping (86%) and feel welcome at work (89%).



Country Reports



UNITED KINGDOM

- Expat Economics Ranking: 23rd out of 31
- Expat Experience Ranking: 29th out of 31
- Raising Children Abroad Ranking: 10th out of 10

Sample size: 276

Country of origin: 19% US, 13% Australia, 10% France

Occupation: 47% Banking, 12% Marketing, 9% Media

Age: 25 – 34 = 42%, 35 – 44 = 37%, 45 – 54 = 12%

Gender: 57% Male, 43% Female

“Be prepared for the harsh weather but otherwise a good place to settle and broaden your career prospects.”

Expat in the UK



Country Reports



UNITED KINGDOM *(continued)*

UK expats are motivated by career development but a recent decrease in opportunities has led many expats to consider relocation

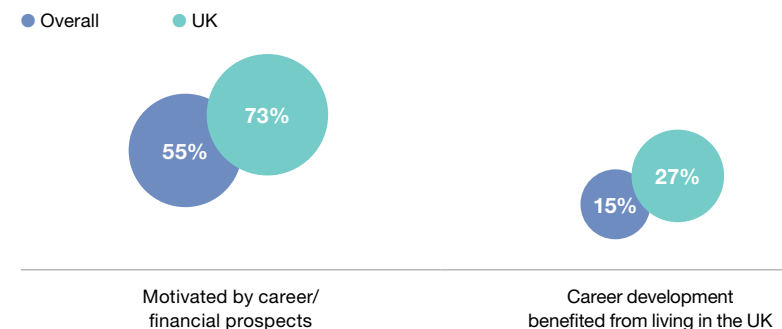
The UK fares well in terms of income with expats here more likely to earn higher salaries (10th out of 31 in the Expat Economics table) than in many other countries. Despite this, expats in the UK are unlikely to have much higher disposable incomes (19% v 35% average) which is likely to result from expats in the UK being forced to spend more on tax (46% v 27% average), and on living expenses such as accommodation (73% v 50% average) and food (66% v 50% average).

Expats in the UK are more likely to be motivated by career and money prospects (73% v 55% average), and to say their career development has benefited from living in the UK (27% v 15% average). However, the recession has had an impact on career opportunities for expats in the UK with 40% of expats who believe the economic situation is weak or has deteriorated also experiencing reduced career opportunities.

Even though only 39% of UK based expats believe the economy to be strong, this is well above the ratings for many other EU countries. Despite this, economic uncertainty remains a concern for UK expats with almost one third (31%) considering a move for this reason.

Expats moving to the UK are more likely to be worried about the standard of living (35% v 19% average), and this seems to be justified, as the UK ranks last for Quality of Life (31st). Expats in the UK find integration easier (13th out of 31 in the Expat Experience Integration league table) and are more likely to use the local language (92% v 75% average).

A high cost of living appears to be the reason the UK has come last in terms of Raising Children Abroad. The vast majority of UK-based expats (85%) have seen the cost of raising children increase since relocating. However, expats here are amongst the most likely to say the standard of education has improved (3rd).



Country Reports



UNITED ARAB EMIRATES

● Expat Economics Ranking: 9th out of 31

● Expat Experience Ranking: 22nd out of 31

● Raising Children Abroad Ranking: 7th out of 10

Sample size: 294

Country of origin: 40% UK, 18% India, 5% Australia

Occupation: 43% Banking, 11% Construction, 6% Marketing

Age: 25 – 34 = 28%, 35 – 44 = 36%, 45 – 54 = 21%

Gender: 67% Male, 33% Female

“Keep an open mind and take time to understand and appreciate the local culture.”

Expat in the UAE



Country Reports



UNITED ARAB EMIRATES *(continued)*

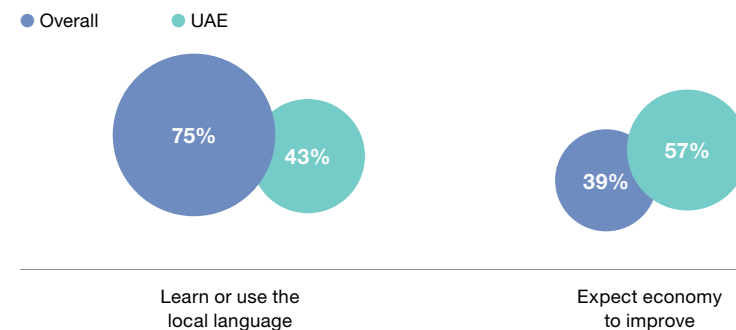
Expats in the UAE enjoy life's luxuries

The UAE continues to be a good location for those who enjoy the finer things in life with expats here much more likely to have access to luxuries than average (43% v 32% average). This could be a result of the country's rating in the Expat Economics Income league table (13th) with expats here being among the highest earners (with 29% earning over \$200k).

Expats in the UAE are typically likely to relocate for improved career prospects (70% v 55% average). One of the key drivers of this seems to be the positive outlook many have on the economy with 57% expecting this to improve over the next 12 months, considerably higher than the global average of 39%

Expats in the UAE continue to find integration a struggle. They are the least likely to find it easy to make local friends (31st out of 31 in the Expat Experience league table) or learn/use the local language (43% compared to 75% average).

Interestingly children seem to find integration easier than their parents with the majority of expat's reporting that their children have settled in faster than they have (59%) and that their children are enjoying their life overseas (81%). Children also benefit from better education and childcare with the UAE ranked 3rd for both.



Country Reports



UNITED STATES OF AMERICA

- Expat Economics Ranking: 14th out of 31
- Expat Experience Ranking: 10th out of 31
- Raising Children Abroad Ranking: 9th out of 10

Sample size: 187

Country of origin: 52% UK, 5% Canada, 5% Denmark

Occupation: 36% Banking, 12% Marketing, 9% IT

Age: 25 – 34 = 28%, 35 – 44 = 36%, 45 – 54 = 19%

Gender: 62% Male, 38% Female

“The USA has the most amazing places of natural beauty – make time to see them!”

Expat in the United States



Country Reports



UNITED STATES OF AMERICA *(continued)*

The USA pays high salaries, but raising children is a key concern for expats

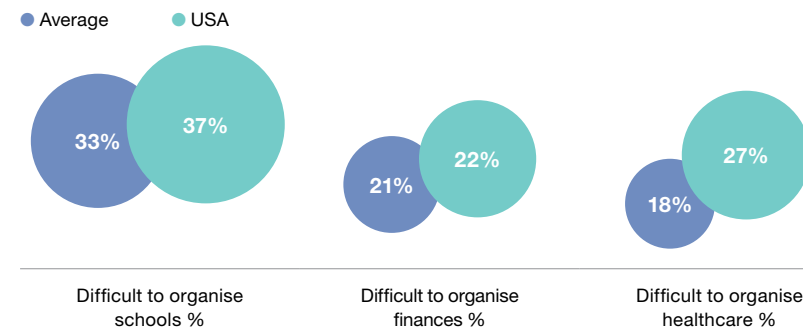
The USA is a popular location for expats looking for increased income from their expat posting. 32% of expats here earn over \$200k (Scoring 10th in the Expat Economics Income league table) and perhaps as a result spend more on luxuries items. USA-based expats are more likely to have better cars since relocating (64% v 51% average) and are also more likely to have higher quality accommodation (53% v 34% average).

Expats in the USA are split about the country's economic outlook with 42% thinking this will improve and 40% thinking this will stay the same.

The USA comes 9th out of 10 countries in the Raising Children Abroad League table and those moving to the USA are more likely to worry about raising children abroad (29% v 19% average). Children here are likely to spend more time outdoors and playing sports, but are also likely to eat more junk food. Parents are also less likely to say their child's safety

(35% v 63% average), education (45% v 53% average) or childcare (33% v 48% average) has improved.

The relocation process is also more likely to concern expats moving to the USA (37% v 28% average). This concern seems unwarranted as the USA rates highly for ease of setting up (9th), probably because nearly two thirds (64%) of expats here speak English as their native language. Aspects that expats find less easy to organise are schools (37% found this difficult compared to 33% average), finances (22% found this difficult compared to 21% average), and healthcare (27% found this difficult compared to 18% average).



Country Reports



SPAIN

● Expat Economics Ranking:	26th out of 31
● Expat Experience Ranking:	7th out of 31
● Raising Children Abroad Ranking:	N/A

Sample size:	102
Country of origin:	69% UK, 11% US, 4% France, 3% Netherlands
Occupation:	35% Retired, 9% Education, 6% Construction, Manufacturing, Utilities
Age:	35 – 44 = 23%, 45 – 54 = 16%, 55 – 64 = 24%, 65 + = 25%
Gender:	57% Male, 43% Female

“The most important thing is to learn the language. There are many places to see here, so just come and enjoy your stay and travel around.”

Expat in Spain



Country Reports



SPAIN (*continued*)

The Eurozone crisis has led to an economic deterioration in Spain; however a high quality of life means expats are staying put

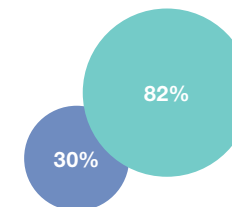
Spain retains its crown as an expat retirement hotspot, with one third (35%) of expats living here retired. Many move here specifically to retire (24%), but two in five (42%) move because they are tired of the situation in their home country. Expats here are more likely to say they benefit from a better quality of life (24% v 16% average) and better weather (22% v 4% average).

Spain fares poorly in terms of income, but does better in terms of luxuries (Scoring 8th in the Expat Economics Luxury league table), such as swimming pools (50% of expats in Spain are more likely to have a swimming pool since relocating compared to 19% average). This may be due to a lower cost of living: expats here are more likely to spend less on accommodation (52% v 36% average) and food (52% v 27% average) than in their home countries.

Spain appears to have been hit hard by the Eurozone crisis with 82% of expats in Spain saying the economy has deteriorated since 2010 compared to 30% globally. As a result, the majority (55%) are monitoring their expenditure more closely. Despite this financial downturn, the majority (76%) are not considering relocating, probably due to the large number of retirees living there.

Spain scores well on the Expat Experience league table (7th), and particularly excels in Integration (1st). Expats here are likely to enjoy the local culture (2nd), make local friends (2nd) and learn/use the local language (2nd). Those working are also more likely to say their working environment (57% v 48% average) and work/life balance (59% v 48% average) have improved since relocating.

● Overall ● Spain



Economy has
deteriorated

Country Reports



EGYPT

- Expat Economics Ranking: 2nd out of 31
- Expat Experience Ranking: 25th out of 31
- Raising Children Abroad Ranking: N/A

Sample size: 30

Country of origin: 53% UK, 10% Australia, 7% Canada

Occupation: 33% Banking, 13% Construction, 10% Education

Age: 35 – 44 = 20%, 45 – 54 = 27%, 55 – 64 = 23%

Gender: 67% Male, 33% Female

“Consider the political situation carefully and make sure your company has suitable global mobility support.”

Expat in Egypt



Country Reports



EGYPT *(continued)*

Expats in Egypt earn high salaries, but the political instability is having an impact

Despite recent political turmoil, Egypt scores highly in the Expat Economics league table ranking 2nd out of the 31 countries included in this year's report.

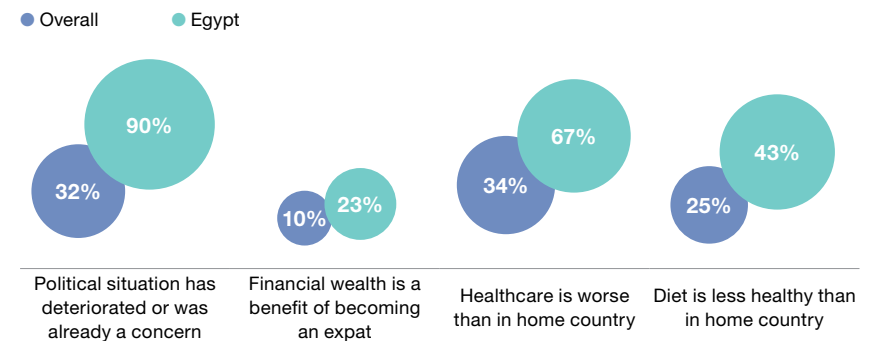
This could be because expats living in Egypt report higher salaries (81% v 71% average) and seem to have a higher disposable income (95% v 76% average) since relocating. They are also able to save much more (60%) which could be why Expats living here appear to be more financially motivated: 23% cite financial wealth and 17% financial security as the top benefit of relocating to Egypt.

Personal development is the most important factor underpinning expats' motivations for living in Egypt with 33% stating this as the top benefit of moving to the country.

The political turmoil which has led to a change of government in Egypt has had an impact on how expats feel about living in Egypt. Some 90% of expats report either a deterioration of the political situation or suggest the situation was already a concern. This unrest has affected expats' decision to stay in Egypt, with 63% of those who have noticed deterioration actively planning (26%) or considering relocation (37%).

Although Egypt scores well in the Expat Economics league table, it performs poorly in terms of Expat Experience, coming 28th out of 31 in the Quality of Life league table. Two-thirds (67%) believe the healthcare quality in Egypt is worse than in their home country, while 43% have a less healthy diet since relocating. These factors could explain why many expats tend to stay in Egypt for a short time only: the majority have lived in Egypt for two years or less (60% v 38% average).

While high earning potential has previously attracted expats to Egypt, the high percentage now considering leaving the country reveals the extent of the recent political turmoil on expats.



Country Reports



BAHRAIN

● Expat Economics Ranking:	10th out of 31
● Expat Experience Ranking:	21st out of 31
● Raising Children Abroad Ranking:	N/A

Sample size:	52
Country of origin:	48% UK, 10% India, 8% Australia
Occupation:	21% Banking, 21% Construction, 10% Education
Age:	25 – 34 = 25%, 35 – 44 = 29%, 45 – 54 = 27%
Gender:	62% Male, 38% Female

“Read as much as you can about your new country, look around you once there and be respectful. Enjoy, it’s a great life!”

Expat in Bahrain



Country Reports



BAHRAIN *(continued)*

Expats in Bahrain are motivated by career prospects but political and economic deterioration has seen reduced career opportunities

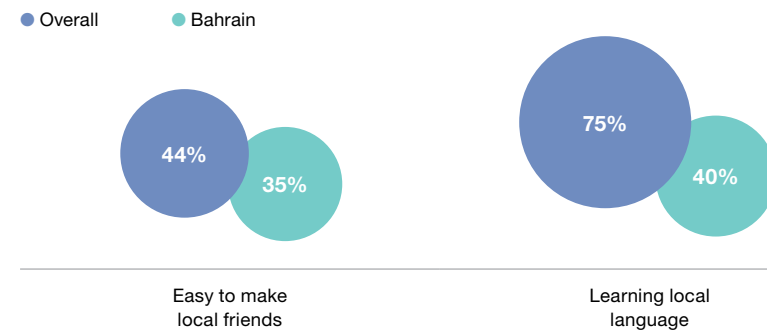
The political turmoil across the Middle East has affected expats in Bahrain with nearly all those based here reporting deterioration in the political situation, or stating that this was already a concern (94%).

This unrest has also affected the economic situation. The vast majority of expats (92%) agree this has weakened since the start of 2010. Career prospects have also suffered and 45% of those who believe the economy has deteriorated also report seeing reduced career opportunities in the last year.

This situation is likely to be particularly worrying for Bahrain-based expats, the majority of which are more career-oriented: 75% cite career or money prospects as a motivation for moving abroad compared to 55% of expats overall. Perhaps as a result, of those who think the economy has deteriorated, or was weak already, 57% are actively planning or considering relocating.

Despite the recent unrest, expats in Bahrain continue to enjoy strong economic benefits with the country ranking 10th out of 31 in the Expat Economics league table but less well in the Expat Experience league table (21 out of 31).

Expats in Bahrain find it relatively easy to set up in their new country (8th out of 31 in the Setting up league table) but find it harder to integrate (28th out of 31 in the Integration league table). They are less likely to say it is easy to make local friends (35% v 44% average), and are less likely to learn the local language (40% v 75% average). However, integrating may be less important for Bahrain-based expats as only 2% intend to stay in the country for a long time, or return in the future. Given the current political and economic situation, it may be that expats here stay for an even shorter period than originally anticipated.



Further Information

Contact:

Katy Ringsdore

PR Manager

HSBC Expat

Phone: +1534 606865

Email: katy.ringsdore@hsbc.com

Rebecca Eighteen/Linzi Goldthorpe

Press officers

Hill & Knowlton

Phone: +44 (0)20 7413 3492/3065

Email: Rebecca.eighteen@hillandknowlton.com / Linzi.Goldthorpe@hillandknowlton.com

Get involved

Web: www.expat.hsbc.com

Blog: www.expatexplorer.blogspot.com

Twitter: www.twitter.com/expatexplorer