



For Immediate Release
Citigroup Inc. (NYSE symbol: C)
September 23, 2020

Citibank Announces Results of “Hong Kong Affluent Study 2019/2020”

Hong Kong has 504,000 multimillionaires, nearly 40% of whom are couples with dependent children
Median of net assets worth HK\$17 million
Wealth building geared towards balanced allocation of diversified assets

Hong Kong – Citibank today announces the results of its “Hong Kong Affluent Study 2019/2020” (a.k.a Multimillionaire Survey). As of May 2020, there are nearly 504,000 multimillionaires¹ in Hong Kong with net assets of HK\$10 million or above, accounting for 8.4% of the corresponding population. Among these multimillionaires, 106,000 have HK\$10 million or more in liquid assets. The median of net assets of multimillionaires in 2019/2020 is estimated at HK\$17 million, up from HK\$16.3 million in 2018.

At the investment portfolio level, the survey reveals that most multimillionaires hold stocks and foreign currencies (including RMB), followed by funds, bonds, precious metals, options and futures, etc. Of these asset classes, stocks, foreign currencies and RMB are three investment instruments with the highest penetration rates. It is believed that most multimillionaires have adopted an investment strategy geared towards risk management and balanced allocation of diversified assets with a view to building a solid investment portfolio.

The total net assets of the multimillionaires are distributed mainly across properties (78%), cash and deposits (10%), stocks (6%), funds and bonds (4%), and other investment products (2%). Nearly 80% of the multimillionaires surveyed are bearish on the property market over the next 12 months, showing dim views among the affluent class as compared with 72% in 2018. Regarding the interest in and timing for purchasing properties, their views have remained unchanged regarding movement in property prices. However, an increasing number of multimillionaires are showing interest and consider this period to be a “good time to buy”.

The survey results also show:

- There are more male multimillionaires than females, with 56% versus 44%; the average age of male multimillionaires is 58, compared with 57 for their female counterparts.
- In terms of family status, most multimillionaires are couples with dependent children, representing 38% of the total, followed by 30% for couples with independent children. Single multimillionaires account for 21%, and multimillionaires who are couples without children, which is the smallest group, for 12%.
- 54% of multimillionaires are in the non-workforce group, of whom 85% are retirees and the remaining 15% are housewives. Workforce group accounts for 46% of the total, most of whom are managers / executives (25%); professionals (23%); business owners / self-employed (22%); and associate professionals² (10%).

¹ In this survey, multimillionaires are defined as those with total net assets of HK\$10 million or more and liquid assets of at least HK\$1 million.

² Associate professionals accords to the definition adopted by the Census and Statistics Department. It covers nurses, teachers, supervisors, insurance agents, etc.



- As a measure of the current level of satisfaction with life, multimillionaires with a total net assets of more than HK\$10 million have a significantly higher happiness index. Based on a scale of 0 to 10³, the average score is 6.8. This is presumably due in part to a more optimistic attitude towards their future lifestyle and prospects.
- Female multimillionaires have a slightly higher happiness index – 7.0 versus 6.5 for their male counterparts.

This year's survey was also conducted with a view to understanding the attitude of multimillionaires towards striking an important balance between family and other values, by looking at work, time, personal development, social interaction, money and living environment. The results show that multimillionaires with dependent children would prefer to spend money not on themselves, but on providing the education, quality of life and experiences that their children need. Giving them the best education is undoubtedly their first priority, and they will also be strict with their children and teach them the importance of prudent wealth management.

Josephine Lee, Head of Retail Banking at Citibank Hong Kong, said, "The majority of Hong Kong multimillionaires are those couples with dependent children. They have a median net assets of HK\$17 million, up from 2018. This is probably due to the positive impact of rising property prices, a strategy of balanced allocation of diversified assets that is conducive to seizing investment opportunities brought about by global market volatility, and the convenience and efficiency of diversified investments made possible by the flexibility of digital wealth management." She added, "The new generation is brimming with new ideas and there are more diverse career paths out there for them than ever before. Parents are willing to do everything possible to prepare their children for the future, helping them to explore their potential and unleash their strengths, while instilling in them the correct values to meet future challenges. For these reasons, parents need to plan ahead and make sure that the education and the related support will be in place for their children."

The "Hong Kong Affluent Study 2019/2020" was conducted in two phases, one from November to December 2019 and the other from March to May 2020⁴. In total, more than 3,500 Hong Kong residents aged 21-79 were interviewed via telephone at random. The survey conducted by Citibank aims to understand, among other things, the wealth allocation, views on property market and lives of the affluent class, in particular multimillionaires, in Hong Kong. The latest exercise is the 17th edition of Citibank's survey of the affluent, and 2020 marks the sixth year that the Bank has released a report on multimillionaires.

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³ The happiness index is based on a scale of 0 to 10, with "0" being extremely unhappy, and "10" being extremely happy.

⁴ The Hong Kong Affluent Study 2019/2020 was conducted in two phases due to the impact of COVID-19 on the fieldwork.