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Executive Summary

The Investor and Financial Education Council (IFEC) has been conducting the *Financial Literacy Monitor* to keep track of the financial literacy level of the people in Hong Kong. The research study adopts the “financial literacy and financial inclusion measurement toolkit” developed by the OECD International Network on Financial Education (OECD/INFE) which incorporated a core questionnaire and methodological guidance. It is designed to collect comparable information on the knowledge, attitude and behaviour of the adult population that can be used to establish scores to indicate their level of financial literacy. The OECD/INFE also introduced a new “digital financial literacy score” in 2022 which is defined as “a combination of knowledge, attitude, and behaviour necessary for individuals to be aware of and safely use digital financial services and digital technologies with a view to contributing to their financial well-being”.

IFEC undertook another wave of the survey in 2024 and repeated the key measures on financial literacy level and digital financial literacy level for an updated picture. Survey methodology and fieldwork execution were kept consistent with previous rounds where 1,052 face-to-face interviews were conducted with adults aged 18-79 via street-intercepts across 18 districts in Hong Kong from May to June 2024.

This report summarises the survey’s findings, and where appropriate, comparison against past studies is provided to show the trends.

Key research findings

Overall financial literacy level further climbed up, driven by a rise in the behaviour score

- The financial literacy level in Hong Kong, evaluated through a combination of scores in knowledge, attitude and behaviour, has been on a rising trend since 2019. The overall score for 2024 stands at 71.1 out of 100 (compared with 70.1 in 2022).
- There is a significant increment in the behaviour score, which increases to 28.6 (out of 45). It is the driving force behind the enhanced overall financial literacy level in 2024. Financial knowledge level – reflecting understanding of basic financial concepts – remains high, scoring 31.8 (out of 35). Meanwhile, the attitude score which measures the single aspect of long-term planning mindset, stays the same as two years ago and remains relatively low (10.7 out of 20 in 2024).

	2019	2022	2024
<i>Financial knowledge score (0-35)</i>	30.8	31.9	31.8
<i>Financial attitude score (0-20)</i>	11.1	10.7	10.7
<i>Financial behaviour score (0-45)</i>	27.3	27.5	28.6↑
Overall financial literacy score (0-100)	69.1	70.1	71.1

Base: all respondents (2019: n=1,002, 2022: n=1,056, 2024: n=1,052)

↑/↓ denotes significantly higher/ lower total value in 2024 vs 2022 at 95% confidence interval

- Younger segments (students and young working adults aged below 30), while adept in grasping basic financial concepts, often fail to prioritize long-term planning in favour of instant gratification. More of them are increasingly facing challenges with disciplined credit card usage.
- Mature working adults (aged 30 to 49) and pre-retirees (aged 50 or more) demonstrate improved financial behaviour and are the driving force of the significantly increased financial behaviour score (Mature working adults: 31.8 vs. 30.3 in 2022, Pre-retirees: 30.5 vs. 28.8 in 2022). For mature working adults, major areas of improvement include actively keeping track of money, keeping watch of financial affairs and long-term financial goal-setting; while pre-retirees see strengthened considered purchase and long-term financial goal-setting.
- Retirees have improved their financial knowledge compared to two years ago (Retirees: 30.6 out of 35 vs 29.3 in 2022) and slightly narrowed the knowledge gap with other segments; in particular, their comprehension on 'compound interest' is enhanced (Retirees: 70% vs 49% in 2022). However, they still struggle with certain money management practices that could put them at risk of negative financial consequences.

Overall digital financial literacy score, which the OECD/INFE first introduced in 2022, drops by 1.8 to 65.5 (out of 100) mainly due to inadequate understanding of the characteristics of cryptocurrencies.

- The decrease is primarily driven by a drop in the knowledge score, from 22.4 to 21.1 (out of 30) while the Attitude and Behavior scores remain relatively stable, scoring 18.8 (out of 30) and 25.6 (out of 40) respectively.
- In terms of digital financial knowledge, more individuals mistakenly considered cryptocurrencies to have the same legal tender status as traditional fiat currencies (32% vs 20% in 2022). The confusion is particularly pronounced among young working adults (38%). Additionally, a slight decrease in awareness of how their shared personal data is used for targeted advertising has been observed.
- Digital financial attitude score also sees a slight drop from 2022, though this change is not statistically significant. Fewer recognize the importance of reading the terms and conditions when making online purchases. The younger segments appear to be less cautious than before and tend to overlook website and public Wi-Fi security prior to conducting online transactions.
- Digital financial behaviour score remains stable. However, certain essential practices still require more educational efforts to enhance adoption, such as changing their online passwords regularly (merely 20% did so) and checking whether digital financial service providers are regulated before purchasing financial products online (incidence around 53%).
- Across the demographic segments, retirees scored the lowest (50.9 vs Total 65.5). But then their usage of digital financial services is also low at just 28%.

	<u>2022</u>	<u>2024</u>
Digital financial knowledge score	22.4	21.1↓
Digital financial attitude score	19.4	18.8
Digital financial behaviour score	25.5	25.6
Overall digital financial literacy Score	67.3	65.5↓

Base: all respondents (2022: n=1,056, 2024: n=1,052)

↑/↓ denotes significantly higher/ lower total value in 2024 vs 2022 at 95% confidence interval

Implications for financial education

It is encouraging to see financial literacy level further improve in Hong Kong, although there are still various aspects that need to be strengthened such as long-term financial planning among the younger generations. Further, the survey reveals concerns about people's digital financial literacy amidst rising adoption of digital financial products and services. These results make clear the importance of on-going investor and financial education efforts and in this vein, four areas are particularly important from a strategic point of view:

- Knowledge matters and raising financial knowledge level of the general public remains a key priority. Although the study shows a good grasp of some basic financial concepts among the general public, there are constantly new developments in the financial services sector and new financial products being launched which call for the ability of financial consumers to understand product features and assess suitability for oneself. In fact, as reflected in the decreased digital financial knowledge score, the public can get confused about new developments such as virtual assets amidst the products' growing popularity.
- Fostering a long-term financial planning mindset across different segments is of paramount importance. In particular, it is essential to educate the youth that contrary to common misconceptions, financial planning is not only for retirement or for the rich, but is a life-long project for everyone to achieve their life goals. Also of significance is pointing out a clear path to implementation by stressing the value of adopting an informed and disciplined approach to saving and investing. Likewise, workplace education programmes targeting mature adults/pre-retirees would also contribute to a generation of more financially literate retirees.
- Digital financial literacy should continue to sit high on the agenda of financial educators as equipping the public with the knowledge and skills to safely conduct financial transactions on digital platforms is key to combat the rising numbers of online scams and digital fraud such as phishing, hacking attacks and unauthorized use of personal data.

With these learnings, the IFEC will continue to work closely with stakeholders from different sectors to equip the public with the knowledge, attitude, and skills necessary for making informed investment and financial decisions and managing money wisely.

Research Design

Background

This study adopts the “financial literacy and financial inclusion measurement toolkit” developed by the OECD International Network on Financial Education (OECD/INFE), with adaptations to answer options considering local context as well as new questions customised for the Hong Kong market. Survey methodology and fieldwork execution are kept consistent with previous rounds where over a thousand of face-to-face interviews are conducted with adults across 18 districts in Hong Kong, with key demographics following the latest population census to ensure the sample is representative of the Hong Kong adult population. A research consultancy was appointed to conduct the research.

Research Objectives

- To monitor changes of the financial literacy and digital financial literacy levels of the people in Hong Kong over time
- To understand the attitude and behaviour of the people in Hong Kong on long-term investing and financial planning

Target Respondents

- Hong Kong residents aged 18 to 79
- Both Chinese and non-Chinese residents were included to collect a representative sample of the total population of Hong Kong

Sample Size

- In total 1,052 interviews were completed, including:
 - 1,002 main samples
 - 43 booster samples of tertiary students
 - 7 booster samples of young working adults aged 18-29
(Weighting was applied to all samples to adjust the final proportion of Students and Young working adults with reference to Student Enrolment Statistics 22/23 and General Household Survey respectively)
- Quotas were implemented on multiple aspects to assimilate the population with reference to the latest statistics on population distribution as of 2023 published by the Census and Statistics Department of HKSAR Government:
 - Age and gender (interlocked)
 - Ethnicity (Chinese vs. non-Chinese)
 - Working status (working vs. non-working)
 - Living district (3 key districts in Hong Kong)
 - Monthly household income

Methodology

- **Face-to-face interviews** via street intercept at high traffic locations across different districts of Hong Kong and timeslots
- All interviews were conducted in either Cantonese or English.

Fieldwork Period

- Fieldwork was executed from 24th May 2024 to 13th June 2024.

Key Segments for Analysis

Five key segments are defined based on respondents' age and lifestyle in subgroup analysis; while two additional segments of investors and non-investors are included where appropriate:

<u>Subgroup</u>	<u>Definition</u>
Students	Individuals aged 18 to 79 and claimed they are students
Young working adults	Individuals aged 18 to 29 and are currently working (employed) or looking for work (unemployed)
Mature working adults	Individuals aged 30 to 49 and are currently working (employed) or looking for work (unemployed)
Pre-retirees	Individuals aged 50 or above and are currently working (employed) or looking for work (unemployed)
Retirees	Individuals aged 18 to 79 and claimed they are retired

Detailed Findings

Financial Literacy Score

The OECD/INFE developed a financial literacy score to indicate the financial literacy level of a population under study. Composed of three components, individuals could score up to 35 points in *financial knowledge*, 20 points in *financial attitude*, and 45 points in *financial behaviour*, with which an individual could obtain a maximum of 100 points in total.

Financial literacy score

The overall financial literacy levels in Hong Kong have continued to advance over the years. Hong Kong residents have demonstrated strong financial knowledge, scoring 31.8 out of 35 points in this area. Financial attitude score remains at 10.7 points (out of a total of 20), the same as two years ago. Financial behaviour score sees a significant increment compared to 2022, rising from 27.5 points to 28.6 points (out of a total of 45). These findings show Hong Kong's financial literacy levels have reached a new high, with an overall score of 71.1 out of 100 - a 1-point improvement from the previous round of monitoring.

Looking at the five key demographic segments, all record increases in their overall financial literacy scores, except students who demonstrated weaker financial attitude and behaviour compared to more mature adults.

Mature working adults and pre-retirees demonstrate improved financial behaviour compared to last time. Additionally, mature working adults exhibit a healthier financial attitude overall. Retirees, on the other hand, have shown improvements in their financial knowledge.

Figure 1.1 – Average financial literacy score by key segment

	<u>Total</u>			<u>Students</u>	<u>Young working adults</u>	<u>Mature working adults</u>	<u>Pre-retirees</u>	<u>Retirees</u>
	'19	'22	'24	'24	'24	'24	'24	'24
Financial Literacy Score	69.1	70.1	71.1	61.8 (64.0)	68.3 (67.7)	75.3↑ (73.4)	74.3 (73.4)	63.7 (62.2)
Financial Knowledge Score	30.8	31.9	31.8	33.3 (33.1)	31.6 (32.5)	31.9 (32.3)	32.8 (32.8)	30.6↑ (29.3)
Financial Attitude Score	11.1	10.7	10.7	6.9 (7.9)	9.1 (9.2)	11.6↑ (10.8)	11.0↓ (11.9)	9.5 (9.8)
Financial Behaviour Score	27.3	27.5	28.6↑	21.6 (23.0)	27.5 (26.0)	31.8↑ (30.3)	30.5↑ (28.8)	23.6 (23.1)

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

() denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Financial knowledge score (total of 35 points)

Seven knowledge check questions were asked to test individuals' understanding of basic financial concepts. One point is rewarded for every correct answer (0-7); total score was rescaled to 0-35.

Financial knowledge score ranges from 0-7 and rescaled to 0-35	
Inflation – Concept	<p>Imagine that five brothers are given a gift of \$1,000 in total, but they have to wait for one year to get this \$1,000 and inflation stays at 3.3 percent. In one year's time will they be able to buy:</p> <ul style="list-style-type: none"> - More with the money than they could today - The same amount - Less than they could buy today <p><i>* Score 1 point if answer "Less than they could buy today"</i></p>
Inflation – Impact	<p>High inflation means that the cost of living is increasing rapidly, True or false?</p> <p><i>* Score 1 point if answer "True"</i></p>
Interest on loan	<p>You lend \$25 to a friend one evening and he gives you \$25 back the next day. How much interest has he paid on this loan?</p> <p><i>* Score 1 point if answer "0"</i></p>
Simple interest	<p>Suppose you put \$100 into a <no fee, tax free> savings account with a guaranteed interest rate of 2% per year. You don't make any further payments into this account and you don't withdraw any money. How much would be in the account at the end of the first year, once the interest payment is made?</p> <p><i>* Score 1 point if answer "\$102"</i></p>
Compound interest	<p>And how much would be in the account at the end of five years? Would it be:</p> <ul style="list-style-type: none"> - More than \$110 - Exactly \$110 - Less than \$110 <p><i>* Score 1 point if answer "More than \$110"</i></p>
Risk and return	<p>An investment with a high return is likely to be high risk, True or false?</p> <p><i>* Score 1 point if answer "True"</i></p>
Risk diversification	<p>It is usually possible to reduce the risk of investing in the stock market by buying a wide range of stocks and shares, True or false?</p> <p><i>* Score 1 point if answer "True"</i></p>

The answer option "Don't know" is included in all questions

Hong Kong's overall financial knowledge level continues to strengthen over time. Notably, the knowledge gaps between demographic segments have narrowed. In 2024, retirees demonstrate a stronger comprehension of basic financial concepts, with 70% correctly answering the question on compound interest - a significant improvement from the 49% who did so in 2022.

Financial concepts like inflation, simple interest and risk return are generally well-understood by the public. However, 'risk diversification' remains relatively lesser-known – especially among retirees.

Figure 1.2 – Summary of Financial Knowledge Score

	Total			Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'19	'22	'24	'24	'24	'24	'24	'24
Average number of correct answers (out of 35)	30.8	31.9	31.8	33.3 (33.1)	31.6 (32.5)	31.9 (32.3)	32.8 (32.8)	30.6↑ (29.3)
With correct answer on:	%	%	%	%	%	%	%	%
Inflation – Concept	84	92	91	98	88	89	95	90
Inflation – Impact	94	98	96↓	95	95	95	98	97
Interest on loan	99	100	99	100	100	98	100	100
Simple interest	96	94	96	99	94	93	98	96
Compound interest	71	78	81	91	79	84	88	70↑ (49%)
Risk and return	93	92	95↑	99	97	96	96	92
Risk diversification	79	83	78↓	83	79	81	81	67

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;

student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

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Financial attitude score (total of 20 points)

Two attitude statements are used to gauge people's attitude towards longer-term planning. Individuals reported their agreement with the statements on a 5-point scale and the overall score is obtained by averaging an individual's score of the two statements and rescaling to a total score of 20.

Financial attitude score ranges from 0-4 and rescaled to 0-20

Average ratings of the 2 attitude statements

Disagreement to the negative statements indicates ideal attitude and is scored higher

- *I find it more satisfying to spend money than to save it for the long term*¹
- *I tend to live for today and let tomorrow take care of itself*²

¹ rating scale used for the statement is "0-Completely agree, 4-Not at all"

² rating scale used for the statement is "0-Completely, 4-Not at all"

The financial attitude score in 2024 is 10.7 points out of a total of 20. While the score has remained relatively consistent in recent years, it underscores the need for improvement in this area. Many people still struggle to resist the urge to spend rather than save, though they are increasingly more future-oriented (i.e., fewer agree with the statement 'tend to live for today and let tomorrow take care of itself').

Mature working adults have demonstrated more discipline and a future-looking mindset when it comes to money management, resulting in an increased attitude score. While the attitude score among pre-retirees has dropped, they still maintain a healthy financial mindset on par with the mature working adults. In contrast, the younger segments struggle with financial planning and saving, particularly for students.

Figure 1.3 – Agreement scores with statements on spending attitude (ranges from 0-4)

	<u>Total</u>			<u>Students</u>	<u>Young working adults</u>	<u>Mature working adults</u>	<u>Pre-retirees</u>	<u>Retirees</u>
	'19	'22	'24	'24	'24	'24	'24	'24
	%	%	%	%	%	%	%	%
Financial Attitude Score (out of 20)	11.1	10.7	10.7	6.9 (7.9)	9.1 (9.2)	11.6 ↑ (10.8)	11.0 ↓ (11.9)	9.5 (9.8)
<i>I find it more satisfying to spend money than to save it for the long term*</i>	2.2	2.1	2.0	1.3 ↓ (1.6)	1.6	2.1	2.1 ↓ (2.3)	1.9
<i>I tend to live for today and let tomorrow take care of itself^</i>	2.3	2.2	2.3	1.5 (1.6)	2.0	2.5 ↑ (2.3)	2.3	1.9

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022

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Financial behaviour score (total of 45 points)

Measured on nine statement and further rescaled to a maximum total of 45 points, where individuals were given points if they report ideal behaviour over different areas of day-to-day money management and financial planning, such as active saving, consider personal affordability before purchase, setting long-term financial goals, shopping around, etc.

Financial behaviour score ranges from 0-9 and rescaled to 0-45	
Responsible and actively keeps track of money	1 point if personally or jointly responsible for money management AND actively keeping track of money
Actively saving	1 point for any type of active saving^ and relevant options added at the national level
Considered purchase	1 point for respondents who always/ often “Before I buy something I carefully consider whether I can afford it”
Timely bill payment	1 point for respondents who always/ often “I pay my bills on time”
Keeping watch of financial affairs	1 point for respondents who completely agree/ agree with the statement “I keep a close personal watch on my financial affairs”
Long term financial goal setting	1 point for respondents who completely agree/ agree with the statement “I set long term financial goals and strive to achieve them”
Not borrowing to make ends meet	1 point for respondents who are making ends meet (if any) without borrowing
Choosing products	2 points for respondents who use independent info while choosing the financial products 1 point for respondents who EITHER try to compare products across providers OR show some attempt to make informed decision

The overall financial behaviour score has shown significant improvement compared to 2022. The enhanced score (28.6 out of 45) is bolstered by the overall advancements in setting long-term financial goals, making considered purchases and keeping watch of personal financial affairs.

All key demographic segments demonstrate enhanced financial behaviour, except for students. Students, however, display less vigilance and discipline in their financial management compared to other segments, such as making considered purchases, paying bill on time, and monitoring own financial affairs. In contrast, the mature segments have become more adept at setting long-term financial goals.

However, it is worth noting that more retirees encounter difficulty paying their bills on time and had to resort to borrowing money just to make ends meet. This indicates there are still areas of concerns, even as overall financial behaviours improve across Hong Kong; there are still vulnerable groups that require more targeted financial education and social support.

Figure 1.4 – Proportion of scored points for financial behaviour by key segments

Financial Behaviour Score (score out of 45)	Total			Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'19	'22	'24	'24	'24	'24	'24	'24
	27.3	27.5	28.6↑	21.6 (23.0)	27.5 (26.0)	31.8↑ (30.3)	30.5↑ (28.8)	23.6 (23.1)
Points gained in:	%	%	%	%	%	%	%	%
Responsible and actively keeps track of money (1 pt.)	64	73	76	34	70↑(56%)	88↑	86	48
Actively saving (1 pt.)	84	92	93	82	97	99	98	85
Considered purchase (1 pt.)	63	60	68↑	53 (58%)	58 (47%)	69	68↑	70
Timely bill payment* (1 pt.)	84	86	84	59 (70%)	70	90	88	80↓(89%)
Keeping watch of financial affairs (1 pt.)	75	71	77↑	50 (63%)	68	88↑	82	62
Long term financial goal setting (1 pt.)	54	50	62↑	41	59	81↑	72↑	35↑
Borrowing to make ends meet (1 pt.)	94	93	89↓	73 (78%)	84	92	96	88↓(98%)
Choosing products (1 pt.)	16	7	9	20	19 (11%)	10	9	3
Choosing products (2 pt.)	6	8	7	10	14	10	5	1

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022
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Digital Financial Literacy

The OECD/INFE defines digital financial literacy as “a combination of knowledge, skills, attitude and behaviour necessary for individuals to be aware of and safely use digital financial services and digital technologies with a view to contributing to their financial well-being.”

In view of the growing importance of digital financial literacy amidst the accelerated digital transformation of financial services, the OECD/INFE added questions to measure digital financial literacy in the updated 2022 survey toolkit. The digital financial literacy score composes of three components - individuals could score up to 30 points in *digital financial knowledge*, 30 points in *digital financial attitude*, and 40 points in *digital financial behaviour* with which an individual could obtain a maximum of 100 points in total.

Digital financial literacy score (total of 100 points)

Overall digital financial literacy score is 65.5 (out of 100), a drop from 2022's score of 67.3, primarily driven by a decline in digital financial knowledge. Notably, the decline in digital financial literacy is seen consistently across all key demographic segments. This is particularly pronounced among young working adults, whose overall score sharply decreased from 70.9 in 2022 to 63.5 in 2024, along with its knowledge and attitude scores. Students also see a significant drop in the behaviour score.

Figure 2.1 – Average digital financial literacy score by key segment

	<u>Total</u>		<i>Students</i>	<i>Young working adults</i>	<i>Mature working adults</i>	<i>Pre-retirees</i>	<i>Retirees</i>
	'22	'24	'24	'24	'24	'24	'24
Digital Financial Literacy Score	67.3	65.5↓	66.1 (69.0)	63.5↓ (70.9)	72.1 (73.8)	70.2 (70.1)	50.9 (54.3)
Digital Financial Knowledge Score	22.4	21.1↓	23.8 (23.7)	21.2↓ (23.9)	22.5 (23.6)	22.4 (23.2)	17.6 (19.0)
Digital Financial Attitude Score	19.4	18.8	19.0 (19.5)	17.3↓ (20.3)	20.7 (21.1)	20.7 (20.6)	13.8 (16.0)
Digital Financial Behaviour Score	25.5	25.6	23.4↓ (25.8)	25.0 (26.7)	28.9 (29.2)	27.1 (26.3)	19.6 (19.3)

Base: 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

() denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Digital financial knowledge score (total of 30 points)

Three knowledge check questions were asked to test individuals' understanding of day-to-day digital finance/ footprint. One point is rewarded for every correct answer.

Digital Financial Knowledge Score ranges from 0-3 and rescaled to 0-30	
Personal online data	"The personal data that I share publicly online may be used to target me with personalised commercial or financial offers." <i>* Score 1 point if answer "True"</i>
Crypto-currencies as legal tender	"Crypto-currencies have the same legal tender as banknotes and coins." <i>* Score 1 point if answer "True"</i>
Digital financial contract	"A digital financial contract requires signature of a paper contract to be considered valid." <i>* Score 1 point if answer "True"</i>

The answer option "Don't know" is included in all questions

This year more individuals across different age brackets fail to recognize that cryptocurrencies do not have the same legal tender status as bank notes.

In addition, a slight slip in understanding that the personal data they share online can be used for targeted advertising is observed. These knowledge gaps and oversights have resulted in a lower digital financial knowledge score.

Figure 2.2 – Summary of Digital Financial Knowledge Score

	<u>Total</u>		<i>Students</i>	<i>Young working adults</i>	<i>Mature working adults</i>	<i>Pre-retirees</i>	<i>Retirees</i>
	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
Digital Financial Knowledge Score (out of 30)	22.4	21.1↓	23.8 (23.7)	21.2↓ (23.9)	22.5 (23.6)	22.4 (23.2)	17.6 (19.0)
<i>Personal data shared publicly online may be used for personalised targeting</i>	94	90↓	96	96	92↓ (97%)	92 (94%)	85 (89%)
<i>Crypto-currencies does not have the same legal tender as banknotes and coins</i>	80	68↓	83 (89%)	62↓ (83%)	72 (78%)	73↓ (84%)	58↓ (78%)
<i>Digital financial contracts do not require signed paper contract to be considered valid</i>	50	52	59	53	62	58	32

Base: 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

() denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Close to one-third (31%) of the young working adults and one-fifth (21%) of the mature working adults mistakenly consider cryptocurrencies as legal tender, despite their higher incidence of holding cryptocurrencies (17% and 11% respectively compared with 5% among all surveyed respondents, see figure 6.3.1). The confusion might stem from the changing legal status and regulations of cryptocurrencies in different countries/economies – today in many jurisdictions the usage of cryptocurrencies is permitted, but cryptocurrencies are not officially accepted as legal tender¹. This presents an opportunity for financial regulators and educators to provide more timely updates to the public, particularly retail investors, on the latest developments in cryptocurrencies and related investment products.

There is a decline in the proportion of people aware of the legality of digital contracts compared to two years ago, dropping from 42% to 36%.

Figure 2.3– Detailed answers of the three Digital Financial Knowledge statements

	Total		Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
Target ad							
The personal data that I share publicly online may be used to target me with personalised commercial or financial offers							
True (correct)	94	90↓	96	96	92↓	92	85
False	4	5	1↓	1	5	6	5
Don't know	2	4↑	3	3	3↑	2	9
Crypto-currencies							
Crypto-currencies have the same legal tender as banknotes and coins							
True	13	19↑	11	31↑	21	16	13
False (correct)	80	68↓	83	62↓	72	73↓	58↓
Don't know	7	13↑	6	7	7	11	29↑
Digital contract							
A digital financial contract requires signature of a paper contract to be considered valid							
True	42	36↓	28	38	35	32	39↓
False (correct)	50	52	59	53	62	58	32
Don't know	8	12↑	12	8	4	10	29

Base: 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

¹ An exception is El Salvador, where Bitcoin was made legal tender in the country and took effect on 7 September 2021.

Digital financial attitude score (total of 30 points)

Three attitude statements are used to gauge people's attitude towards cyber security. Individuals reported their agreement with statements on a scale of 1-5, with 1 denoting strongly agree and 5 strongly disagree. The overall score is obtained by averaging an individual's score of the three statements using the specified measurements and further rescaled to a maximum total of 30 points.

Digital financial attitude score ranges from 0-3 and rescaled to 0-30	
Importance of reading terms & conditions online	<p>"I think it is not important to read the terms and conditions when buying something online."</p> <p><i>* Score 1 point if answer Top-2-box scores on a 5-point scale, from 1 – 'Completely agree' to 5 – 'Completely disagree'.</i></p>
Importance of verifying website security before making a transaction	<p>"It is important to pay attention to the security of a website before making a transaction online (e.g., https sites, safety logo or certificate)."</p> <p><i>* Score 1 point if answer Bottom-2-box scores on a 5-point scale, from 1 – 'Completely agree' to 5 – 'Completely disagree'.</i></p>
Security of public Wi-Fi networks	<p>"I think that it is safe to shop online using public Wi-Fi networks (e.g., in cafes, airports, shopping malls)."</p> <p><i>* Score 1 point if answer Top-2-box scores on a 5-point scale, from 1 – 'Completely agree' to 5 – 'Completely disagree'.</i></p>

Digital financial attitude score slipped from 19.4 to 18.8 as more people dismiss the importance of reading the T&C before making any online purchases, potentially exposing themselves to unseen risks and liabilities. Alarmingly, students and young working adults have become significantly less vigilant about website and public Wi-Fi security prior to online transactions.

Figure 2.4 – Agreement with statements on cyber security

	Total		Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
Digital financial attitude score (out of 30)	19.4	18.8	19.0 (19.5)	17.3↓ (20.3)	20.7 (21.1)	20.7 (20.6)	13.8 (16.0)
<i>Important to read the terms and conditions when buying something online</i>	76	71↓	69	62	76 (79%)	77 (82%)	57↓ (70%)
<i>Unsafe to shop online using public Wi-Fi networks</i>	58	59	72 (61%)	54 (67%)	60	68	47
<i>Important to pay attention to the security of a website before making a transaction online</i>	60	58	49↓ (66%)	57 (62%)	71	63	34

Base: 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

() denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Digital financial behaviour score (total of 40 points)

Measured on a scale of 0-40, where those with internet access were given points if they reported the listed savvy digital behaviours.

Digital Financial Behaviour Score ranges from 0-4 and rescaled to 0-40	
Not sharing passwords/ PINs of bank account to other people	"I share the passwords and PINs of my bank account with my close friends"" <i>* Score 1 point if answer "Never" or "Rarely".</i>
Not sharing personal finances info publicly online	"I share information about my personal finances publicly online (e.g., on social media)." <i>* Score 1 point if answer "Never" or "Rarely".</i>
Check whether online financial product provider is regulated or not	"Before buying a financial product online I check if the provider is regulated in my country." <i>* Score 1 point if answer "Always" or "Often".</i>
Change password of websites used for shopping/ personal finances regularly	"I regularly change the password on websites that I use for online shopping and personal finances." <i>* Score 1 point if answer "Completely" or "Very well" in how well the statement describes respondent's situation.</i>

A vast majority, 93% of people, refrain from disclosing their sensitive financial information, such as banking passwords, personal finance details, to others. However, it remains uncommon for them (20%) to regularly change their online passwords.

Around half would check whether a financial service/ product provider is regulated before placing an order. While this is a decent proportion, there is still significant room for improvement in exercising due diligence when engaging with financial providers online.

Retirees may have limited experience in online shopping, consequently a low awareness level of the good practices to shop safely online.

Figure 2.5 – Proportion of scored points for savvy digital financial behaviours by key segments

	Total		Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
Digital financial behaviour score (out of 40)	25.5	25.6	23.4↓ (25.8)	25.0 (26.7)	28.9 (29.2)	27.1 (26.3)	19.6 (19.3)
<i>Do not share the passwords and PINs of my bank account with my close friends</i>	93	93	96↓ (100%)	95	97	96	78
<i>Do not share information about my personal finances publicly online (e.g., on social media)</i>	92	90	88	89	95	95	77↓ (87%)
<i>Check if provider is regulated in my country before buying a financial product online</i>	48	53↑	33	51	67	58	34↑ (21%)
<i>Regularly change password on websites used for online shopping/ personal finances</i>	22	20	17 (20%)	15↓ (29%)	31	22	6↑ (1%)

Base: 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

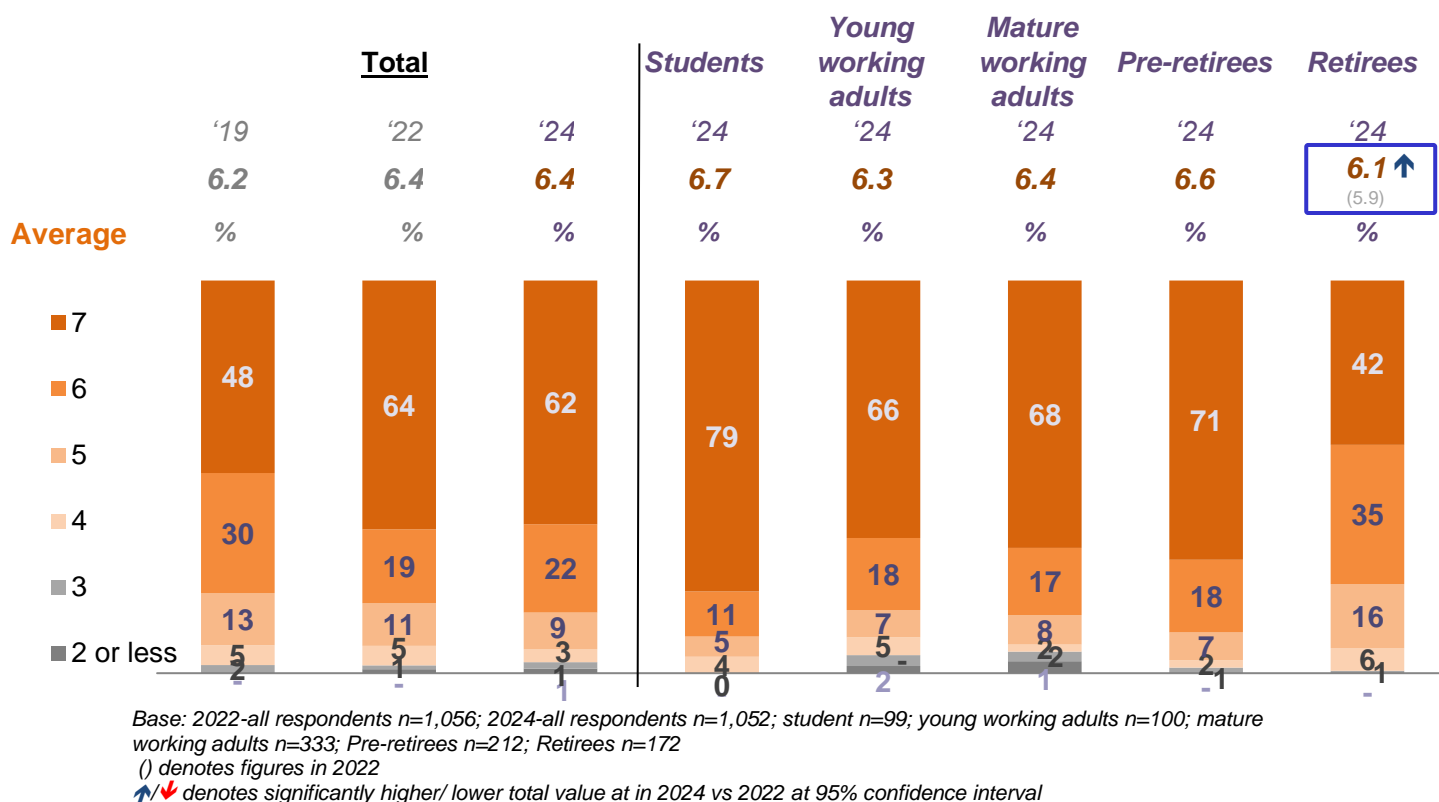
() denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Financial Knowledge

On average, respondents get 6.4 out of the seven financial knowledge questions correct, the same level as two years ago. Encouragingly, retirees have made notable progress, increasing their average correct responses from 5.9 to 6.1, narrowing the gap with other key segments.

Figure 4.1 – Financial knowledge scores by key segments

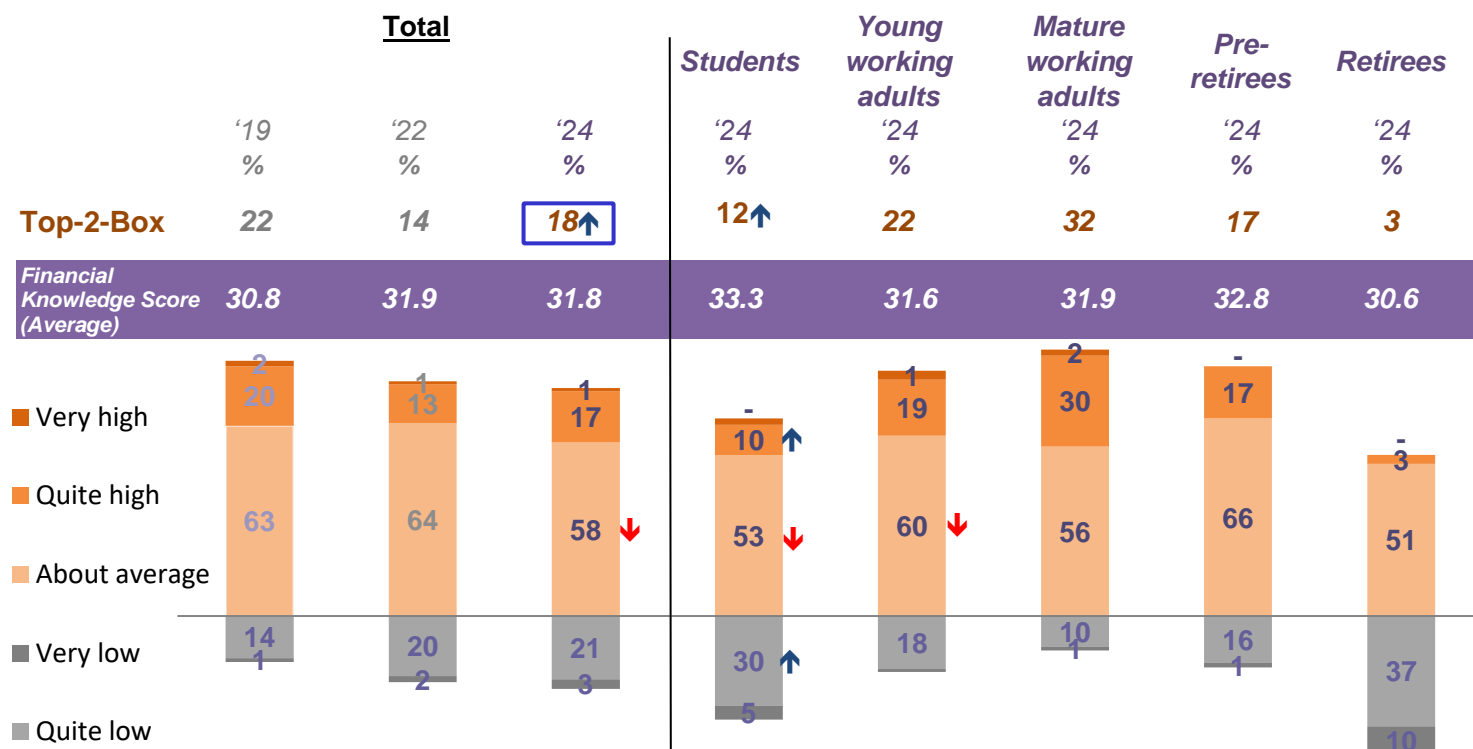


Self-rated financial knowledge

When asked to self-assess their financial knowledge, respondents tend to be less confident, despite demonstrating a rather solid understanding of fundamental financial principles. 18% rate their knowledge level to be high; the proportion is higher than the 14% in 2022. Mature working adults are the most confident, with close to one-third rating themselves the top two boxes on a 5-point scale. (Figure 4.2)

Interestingly, those who perceive their financial knowledge to be either high or about average have similar knowledge scores. However, those who rate their knowledge level as low show the biggest gap in understanding compound interest, only 63% give the correct answer. (Figure 4.3)

Figure 4.2 – Individual's self-rating on their overall knowledge about financial matters



Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022
 ↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Figure 4.3 – Financial scores by self-rated knowledge level

	Total			Self-rated knowledge		
	'19	'22	'24	High	Above average	Low
Average number of correct answers (out of 35)	30.8	31.9	31.8	32.5 (33.3)	32.3 (32.7)	30.1↑ (28.6)
With correct answer on:	%	%	%	%	%	%
Inflation – Concept	84	92	91	94	94	83
Inflation – Impact	94	98	96↓	98	96↓	97
Interest on loan	99	100	99	97	100	100
Simple interest	96	94	96	94	97	93↑
Compound interest	71	78	81	93	85	63↑
Risk and return	93	92	95↑	97	96	92↑
Risk diversification	79	83	78↓	76↓	79↓	76

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; High n=189; above average n=602; low n=260 () denotes figures in 2022
 ↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Financial Knowledge Check Questions

While over 90% answer correctly on the two inflation questions, some still show confusion regarding the impact of inflation on the purchasing power of money and the rising cost of living. The concepts of loan interest and simple interest are well understood across the board but not compound interest. Just 72% of the retirees know the right answer to the compound interest questions despite improving from 51% in 2022.

While the majority (95%) agree that investments with high returns are likely to be high-risk, the idea of reducing investment risk in stock markets by diversifying into a range of stocks and shares (78%) is not as widely understood or embraced.

Figure 4.3 – Financial knowledge questions by key segments

	Total			Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'19 %	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
<u>Inflation – Concept</u>								
Imagine that five brothers are given a gift of \$1,000 in total, but they have to wait for one year to get this \$1,000 and inflation stays at 3.3 percent. In one year's time will they be able to buy...								
- Less than they could buy today (correct)	84	92	91	98	88	89	95	90
- Any incorrect answers	15	6	8	2	11	10	5	9
- The same amount	14	5	7↑	2	9↑	8↑	5	9
- More with the money than they could today	1	1	1	-	2	2	-	1
- Don't know	*	1	1	-	1	1	-	1
<u>Inflation – Impact</u>								
High inflation means that the cost of living is increasing rapidly.								
- True (correct)	94	98	96↓	95	95	95	98	97
- False	5	1	2	1	3	2	*	1
- Don't know	1	*	2↑	4↑	2	3↑	1	2
<u>Interest on loan</u>								
You lend \$25 to a friend one evening and he gives you \$25 back the next day. How much interest has he paid on this loan?								
- \$0 (correct)	99	100	99	100	100	98	100	100
- Any incorrect answers	*	*	*	-	-	1	-	-
- Don't know	*	*	*	-	-	1	-	-
<u>Simple interest</u>								
Suppose you put \$100 into a no fee, tax free savings account with a guaranteed interest rate of 2% per year. You don't make any further payments into this account, and you don't withdraw any money. How much would be in the account at the end of the first year, once the interest payment is made?								
- \$102 (correct)	96	94	96	99	94	93	98	96
- Any incorrect answers	2	2	3	*	6	4	1	2
- Don't know	2	3	2↓	1	1	3↓	-	2
<u>Compound interest</u>								
Suppose you put \$100 into a no fee, tax free savings account with a guaranteed interest rate of 2% per year. You don't make any further payments into this account and you don't withdraw any money. How much would be in the account at the end of five years? Would it be...								
- More than \$110 (correct)	71	79	84↑	91	82	89	89	72↑ (51%)
- Any incorrect answers	26	18	15↓	8	18	10	11	27↓
- Exactly \$110	24	17	15	8	17	9	11	27↓
- Less than \$110	2	1	*↓	-	1	1	*	-
- Impossible to tell from information given	*	*	*↓	-	-	-	-	-
- Don't know	3	2	1↓	1	-	2	-	1

	Total			Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'19 %	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
<u>Risk and return</u>								
<i>An investment with a high return is likely to be high risk</i>								
-True (correct)	93	92	95↑	99	97	96	96	92
- False	5	6	3↓	-	-↓	3	3	3↓
- Don't know	2	2	2	1	3	1	1	4
<u>Risk diversification</u>								
<i>It is usually possible to reduce the risk of investing in the stock market by buying a wide range of stocks and shares</i>								
-True (correct)	79	83	78↓	83	79	81	81	67
- False	16	15	16	11	17	14	16	22
- Don't know	4	2	6↑	5	4	5	3	11↑

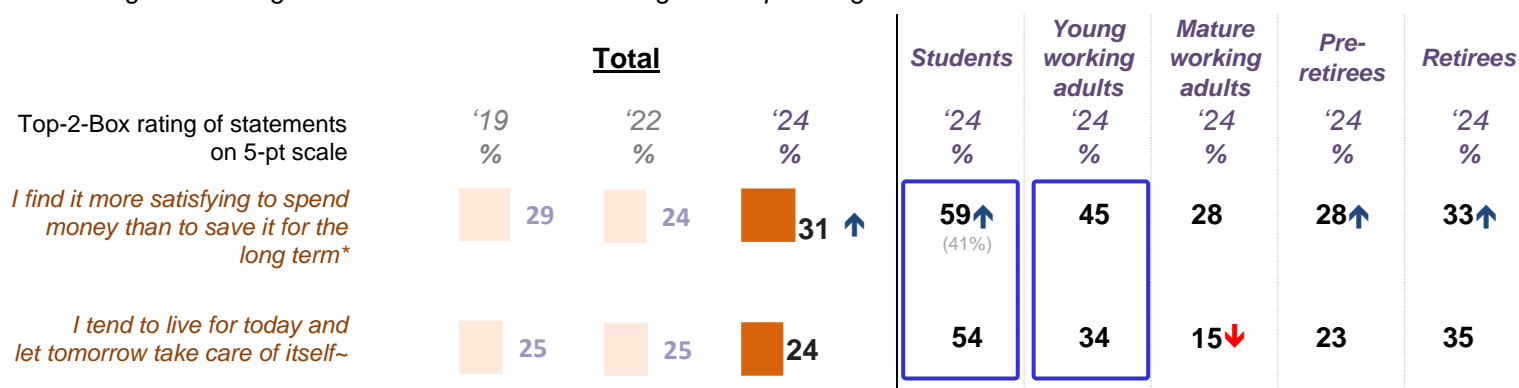
Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 ↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Financial Attitude

Attitude towards longer-term financial planning

Over half (59%) of the surveyed students prioritize instant gratification over disciplined money saving. Similarly, 45% of young working adults give in to their impulsive spending urges to spend, rather than exercising financial restraint for the future. The mature segments display a more future-oriented attitude towards financial planning – a stronger inclination to delay immediate satisfaction in favor of building long-term financial security.

Figure 5.1 – Agreement with statements on longer-term planning



Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 ↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval
 * rating scale labeled as "1-Completely agree, 5-Completely disagree"
 ~ rating scale labeled as "1-Completely, 5-Not at all"

Financial Behaviour

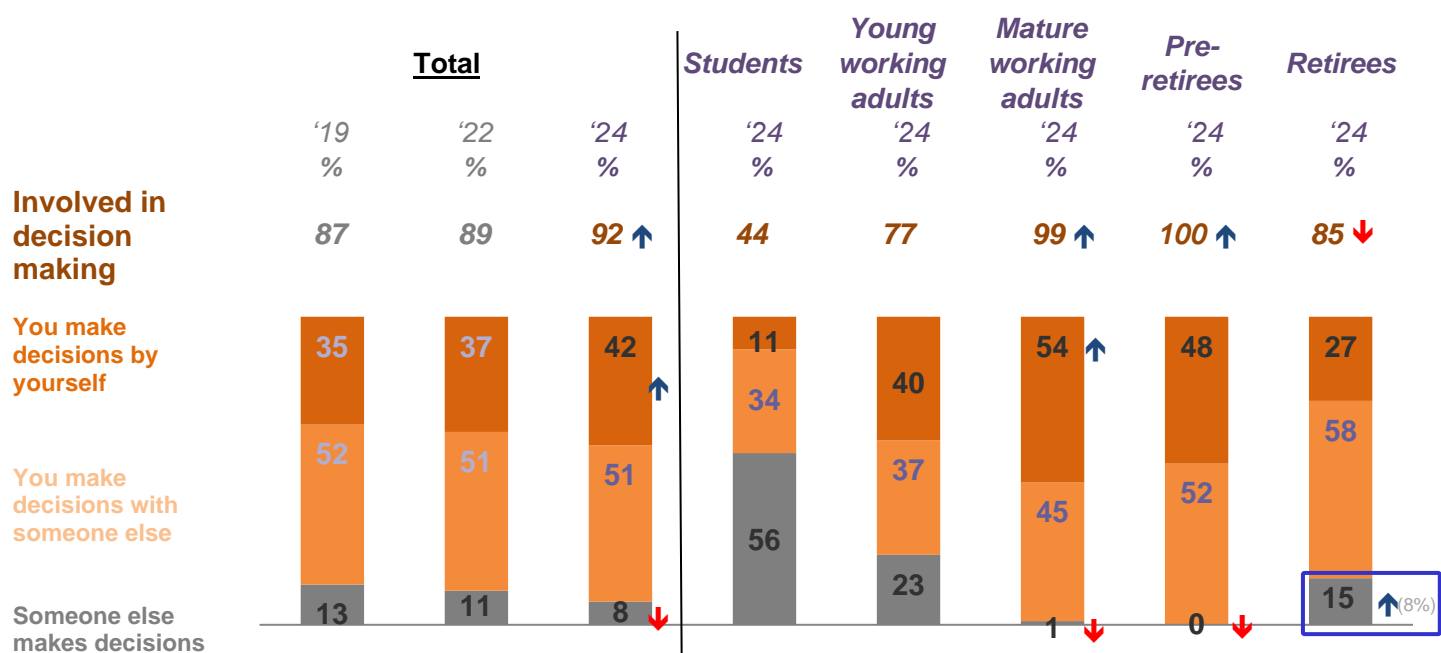
Financial behaviour is the third component of the financial literacy score which covers different aspects, from basic day-to-day money management to retirement planning. In this section, research findings will be further divided into respective areas.

Day-to-day Money Management

Household finances

A vast majority of the surveyed respondents make their own personal financial decisions, but fewer are involved in making household-level financial decision-making. The mature working segments, with typically 92% involved in making financial decisions in their families. More retirees (15% vs 8% in 2022) entrust their financial decisions to others.

Figure 6.1.1 – Involvement in household's financial decision making



Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022










↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Managing expenses

On managing personal finances, it is found that students are less attentive to their personal financial affairs, spending habits and bill payments. On the other hand, young working adults improve in monitoring their finances and exercising greater restraint in their purchases. This shift towards more prudent spending habits among young working adults is a positive development and deserves reinforcement to help build strong financial habits for this group.

In contrast, retirees continue to struggle with timely bill payments. The incidence of retirees settling their bills on time has dropped from 89% two years ago to 80% in 2024.

Figure 6.1.2 – Agreement with statements on day-to-day management

	<u>Total</u>			<i>Students</i>	<i>Young working adults</i>	<i>Mature working adults</i>	<i>Pre-retirees</i>	<i>Retirees</i>
Top-2-Box rating of statements on 5-pt scale	'19 %	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
<i>I pay my bills on time[^]</i>	 84	 86	 84	59 (70%)	70 (71%)	90	88	80↓ (89%)
<i>I keep a close personal watch on my financial affairs[*]</i>	 75	 71	 77↑	50 (63%)	68 (66%)	88↑	82	62 (59%)
<i>Before I buy something, I carefully consider whether I can afford it[^]</i>	 63	 60	 68↑	53 (58%)	58 (47%)	69	68↑	70 (63%)

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

^{*} rating scale labeled as "1-Completely agree, 5-Completely disagree"

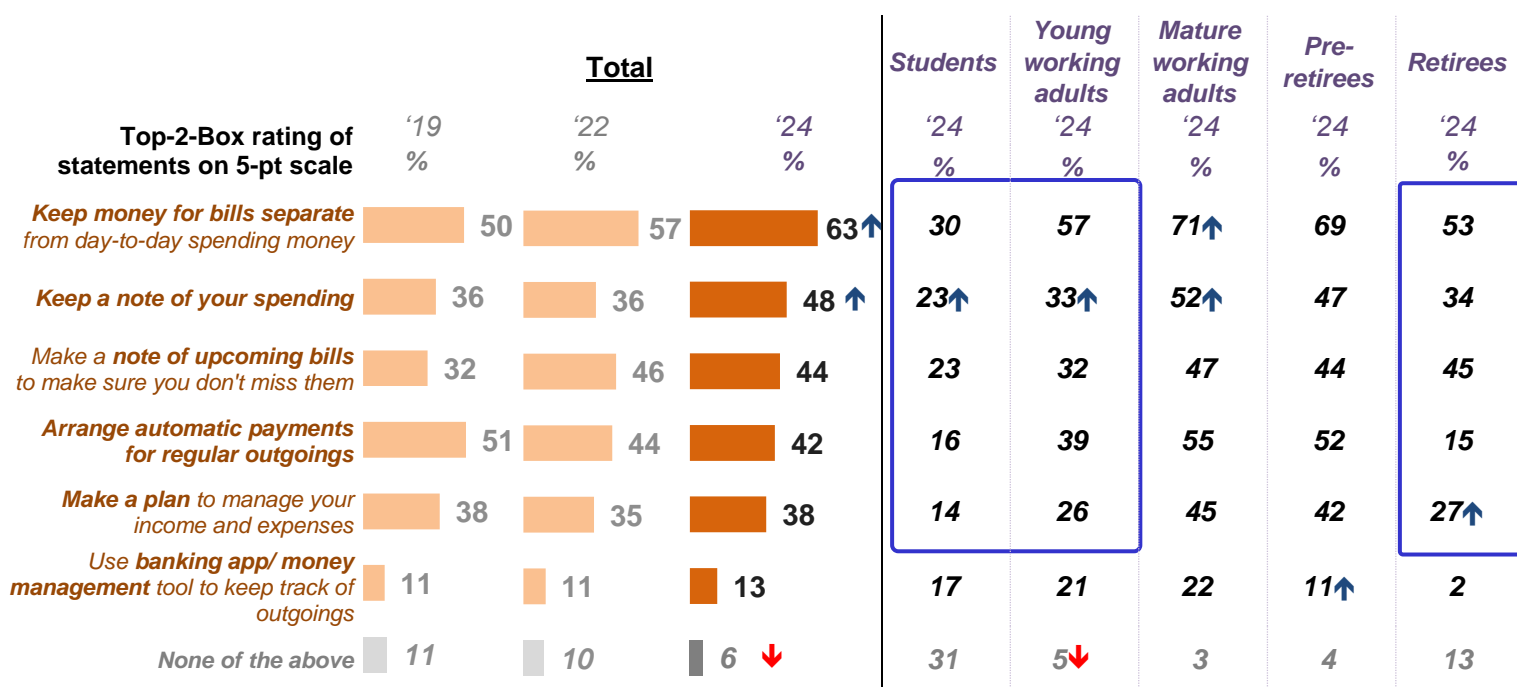
[~] rating scale labeled as "1-Completely, 5-Not at all"

Budgeting for household/ personal expenses

A gap in budgeting and financial monitoring practices remains between the young & retirees and the mature working segments. Young people & retirees tend to be less inclined to set aside money, use reminders for bill payments, or track their income & expenses. This lack of proactive financial management could potentially harm their financial health.

Usage of banking app or money management tools remains relatively low among all segments; but more pre-retirees are turning to these financial tools to better track their outgoings. While technological solutions are available, adoption remains somewhat limited across the board underscoring the need for educational efforts to help the public recognize the value of these digital technologies in managing one's financial affairs.

Figure 6.1.3 – Incidence of budgeting for personal/ household



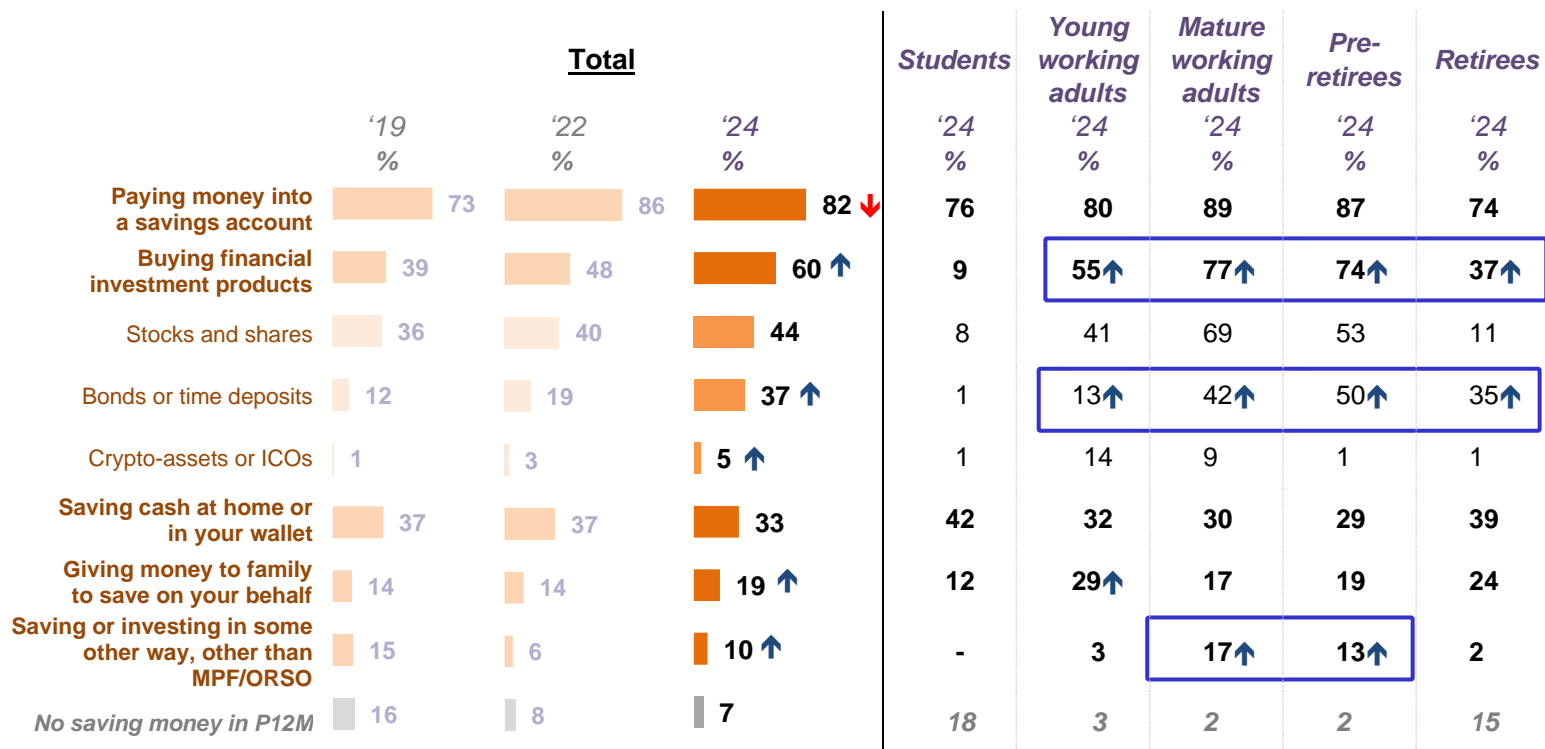
Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Means of saving money

Except for students, more people are buying investment products as a means to manage their wealth (rising from 48% in 2022 to 60% this year). In addition to stocks, more have invested in bonds and time deposits. Mature working individuals are leading the way in diversifying their investment portfolios, recognizing the importance of not putting all their eggs in one basket. This group is adopting a broader approach to investing, including a variety of products beyond MPF/ORSO.

Figure 6.1.5 – Means of Saving Money in the past 12 months



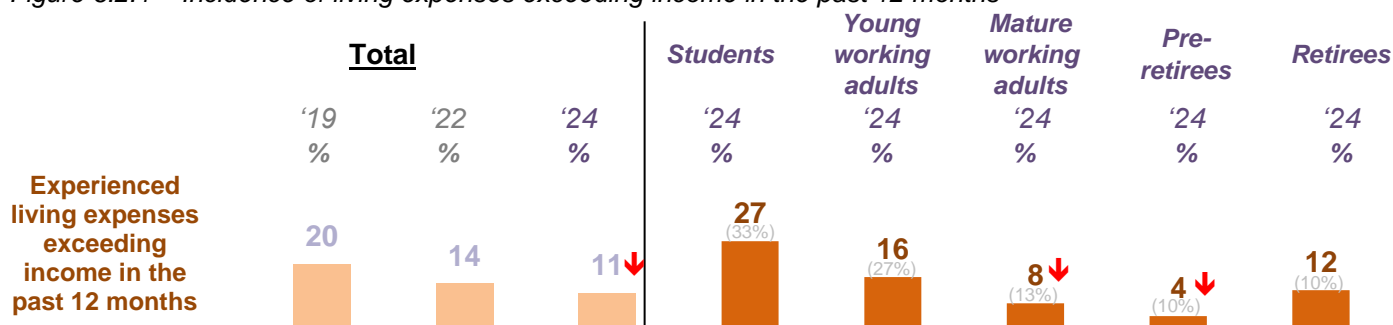
Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;
 student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022
 ↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Making Ends Meet

Difficulty in covering living expenses

The proportion of people who had trouble covering living expenses in the past 12 months has dropped from 14% to 11%, an improvement observed across all key segments except for retirees. The incidence is kept around 12% for retirees where targeted support and solutions will be crucial to address the unique challenges faced by the elderly.

Figure 6.2.1 – Incidence of living expenses exceeding income in the past 12 months



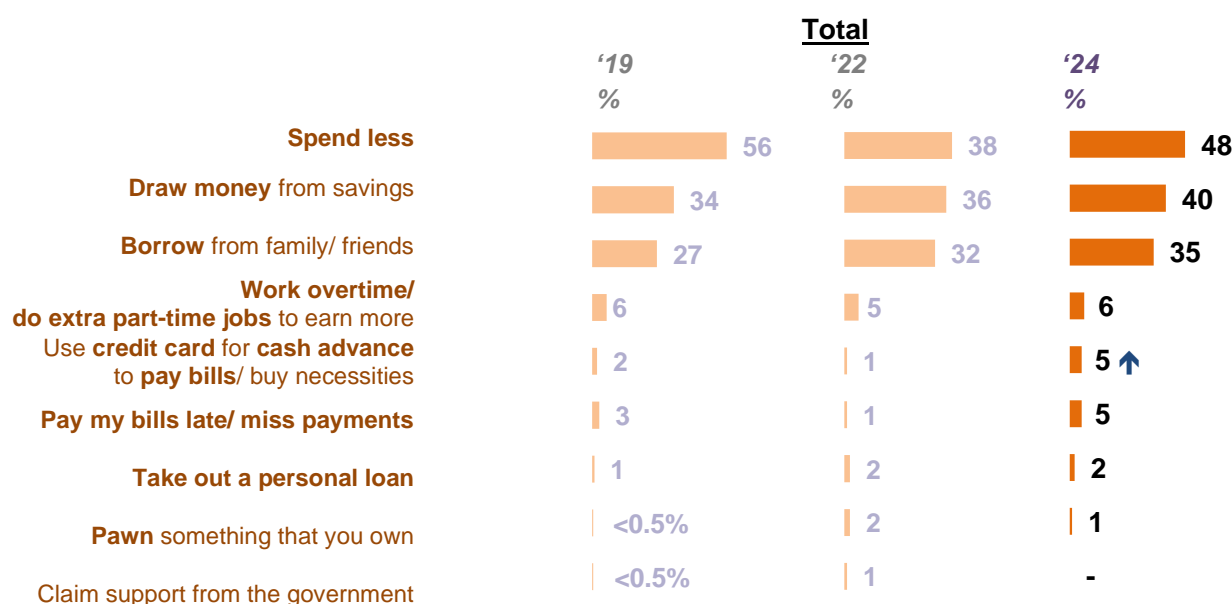
Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Methods used to make ends meet

To make ends meet, people tend to cut back on spending (48%), draw money from savings (40%), or borrow from friends (35%). Increasingly, more people are turning to credit card cash advances to cover their expenses, though the proportion remains in the single digits (5%).

Figure 6.2.2 – Methods used to make ends meet (unaided)



Base: Those who have found income not able to cover their living costs in past 12 months, 2019 n=204, 2022 n=157, 2024 n=120

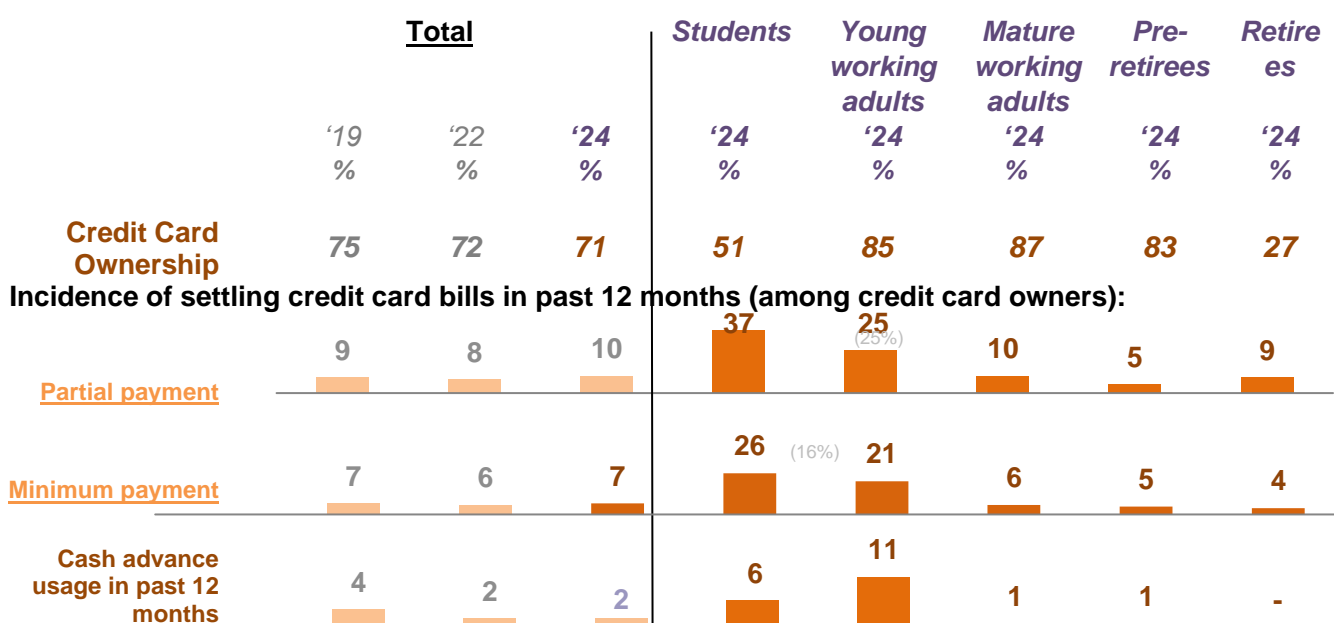
↑/↓ denotes significantly higher/ lower total value in 2024 vs 2022 at 95% confidence interval

Debit balance & Cash advance

Around 7 in 10 people in Hong Kong own a credit card. Credit card penetration is higher among the young working adults (85%), mature working adults (87%) and pre-retirees (83%). While around half of the students are credit card owners, they exhibit the greatest tendency to not settle credit card bills in full – 26% of them reported having paid only the minimal payment on their cards at least once in the P12M and over one-third of them did not pay off their full balance.

Young working adults also display higher propensities to carry balances from one statement to the next and they have the highest incidence of using cash advance (11%) in the past 12 months.

Figure 6.2.3 – Credit card ownership and settlement of credit card bills & Usage of cash advance



Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052;

student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

Base: 2019- credit card owners n=769; 2022- credit card owners n=752; 2024- credit card owners n=734; student n=52; young working adults n=84; mature working adults n=289; Pre-retirees n=176; Retirees n=46#

small base (n<50)

() denotes figures in 2022

↗↘ denotes significantly higher/ lower total value in 2024 vs 2022 at 95% confidence interval

Being in debt

While the overall proportion of students in debt remains similar to the previous period, the composition of that debt has evolved. There has been a decrease in loans from others (dropping from 22% to 15%), but an increase in credit card debts (rising from 12% to 19%) among this demographic.

An increase in the incidences of loans and credit card debt among retirees is observed.

Figure 6.2.4 – Incidence of being in debt

	<u>Total</u>			<u>Students</u>	<u>Young working adults</u>	<u>Mature working adults</u>	<u>Pre-retirees</u>	<u>Retirees</u>
	'19 %	'22 %	'24 %	'24 %	'24 %	'24 %	'24 %	'24 %
Currently in debt[^]	12	10	11	29	26	11	5	6 (2%)
Partial credit card bill payment/ advanced cash	8	6	7	19 (12%)	23	9	4	2 (-)
Borrowing from others/ applied for loans/ used OD lines	6	5	4	15 (22%)	8	4	<0.5%	4 (2%)
Currently holding personal loans	1	<0.5%	1	-	1	1	2	-

[^] Being in debt includes (1) not fully settled credit card bills or advanced cash from credit card in past 12 months, OR (2) those who have borrowed from family/ friends/ employers or applied for loans or used OD lines/ credit card to make ends meet in past 12 months, OR (3) currently holding personal loans.

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172

(-) denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

Choosing Financial Products

Incidence of holding financial products

The awareness of different financial products is gauged in the survey, and it is found that awareness level of crypto-assets (75%) and ESG products (39%) and unsecured loan (91%) is on the rise.

While the overall holding of financial products remains largely consistent, one key trend emerges – there has been an increased penetration of investment products across the board, implying more individuals are actively investing in a bid to grow their wealth. Furthermore, a growing proportion of young and mature working adults are now including crypto assets as part of their investment portfolios.

Figure 6.3.1 – Incidence of holding financial products (currently)

	<u>Total</u>			Students	Young working adults	Mature working adults	Pre-retirees	Retirees
	'19	'22	'24	'24	'24	'24	'24	'24
	%	%	%	%	%	%	%	%
*Savings account	100	100	100	100	100	100	100	100
Credit card	75	72	71	51	85	87	83	27
Insurance products	67	64	67	18	66	82	78	45
Life insurance	60	54	50	5	39	65	61	34
Private medical insurance	47	45	49	13	44	64	61	20
Critical illness insurance	32	36	35	8	28	51	45	10
Annuities	3	3	3	-	-	- ↓	6	5
ILAS	N/A	N/A	6	2	2	10	10	1
^MPF/ORSO	N/A	N/A	67	1	79	84	87	22
Investment products	48	47	50	9 (6%)	51 (41%)	73 (69%)	60 (61%)	19 (15%)
Stocks and shares	45	46	46	8	41	69	57	17
Funds (excluding MPF/ORSO)	12	13	14	2	9	22	19	5
**Crypto assets	*	4	5	2	17 (8%)	11 (9%)	-	-
^^Sustainable/ "ESG"/ "green" financial product	N/A	1	2 ↑	-	-	4 ↑	2	1
Mortgage/ loan on property	11	14	16	1	4	36	14	-
Unsecured personal loan	N/A	*	1	-	1	1	2	-

Base: 2019-all respondents n=1,002; 2022-all respondents n=1,056; 2024-all respondents n=1,052; student n=99; young working adults n=100; mature working adults n=333; Pre-retirees n=212; Retirees n=172
 () denotes figures in 2022

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

^ refers to new items covered in 2022; ^^ refers to new items covered in 2024

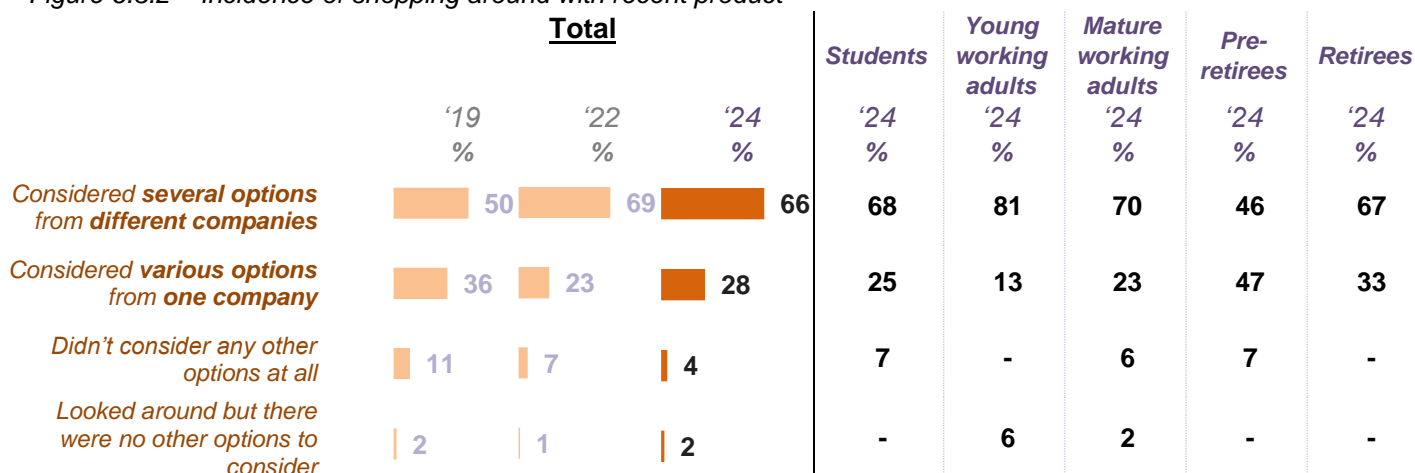
* Answer option changed from 'Hong Kong dollars saving account' to 'Saving account' in 2022

** Answer option changed from 'Cryptocurrencies' to 'Crypto assets (i.e. including cryptocurrencies, NFT, etc)' in 2022

Shopping around of financial products

Among those who chose new financial products in the past two years, close to two-thirds (66%) reported having researched and compared options from multiple providers before deciding which financial products to purchase.

Figure 6.3.2 – Incidence of shopping around with recent product

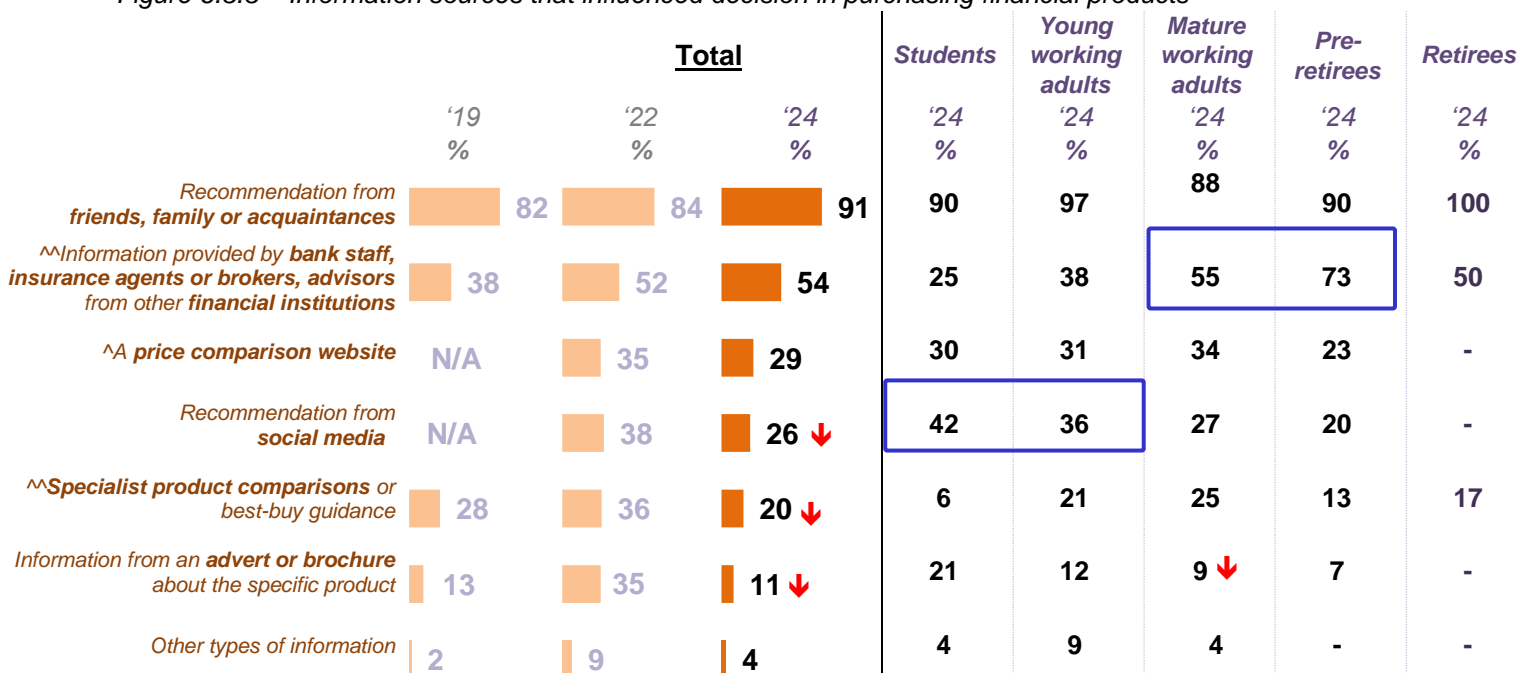


Base: Those who have chosen products in P2Y excluding those answered 'not applicable', 2019 n=235; 2022 n=162; 2024 n=173; student n=29##; young working adults n=32#; mature working adults n=67; Pre-retirees n=30##; Retirees n=6##

Information sources influencing decision

Consumers across age groups heavily rely on recommendations from friends & family when choosing financial products or services. A greater proportion of mature individuals also consult financial professionals for advice. In contrast, the younger demographic tends to turn to social media for recommendations.

Figure 6.3.3 – Information sources that influenced decision in purchasing financial products



Base: Those who have chosen products in past two years, 2019 n=230; 2022 n=162; 2024 n=173; student n=29##; young working adults n=32#; mature working adults n=67; Pre-retirees n=30##; Retirees n=6## (# small base; ## very small base)

↑/↓ denotes significantly higher/ lower total value at in 2024 vs 2022 at 95% confidence interval

^ New standalone option for price comparison websites in 2022; ^^ Label was updated to exclude price comparison websites in 2022



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