



For Immediate Release
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Citibank Announces Results of "Hong Kong Affluent Study 2022/2023"

Hong Kong's multimillionaire population in 2023 is estimated at 408,000,
with a median net asset value of HK\$16 million
Early access to bank accounts is conducive to future wealth management for
children of multimillionaires

Hong Kong – Citibank Hong Kong today announced the results of its "Hong Kong Affluent Study 2022/2023". Based on estimates as of June 2023, Hong Kong is home to 408,000 multimillionaires¹ with a net worth of HK\$10 million or above, accounting for approximately 7% of the corresponding population². It means that there is one multimillionaire in 14 of the corresponding population in Hong Kong, with the median wealth estimated at HK\$16 million, based on the total net asset value of multimillionaires calculated as of mid-2023. The scope of the latest study, the 20th edition of Citibank's surveys of the affluent, was extended to cover the next generation of affluent individuals.

The study put the population of multimillionaires in Hong Kong in mid-2023 at a minimum of 408,000, slightly changed from the 410,000 estimated at the end of 2022. The median net worth of the multimillionaires is HK\$16 million, down slightly from HK\$16.5 million in 2022, yet still showing a general upward trend from HK\$15.7 million in 2021 and HK\$15.5 million in 2020. The median liquid assets have declined from HK\$5.5 million last year to HK\$4.5 million. In average, multimillionaire respondents have nearly half of their liquid assets in cash (46%), followed by stocks (30%), funds (19%) and bonds (3%). A look at the investment portfolio of the respondents over the past three months shows a higher penetration rate across all asset types from late 2022 to mid-2023, with more significant increases seen in funds (up 15%) and bonds (up 9%) .

The survey explored the financial relationship between the multimillionaires and their children, while providing a glimpse into the views on money and financial literacy of the younger generation.

The financial relationship between multimillionaires and their next generation

- In terms of financial transparency, the survey reveals that almost 90% of the multimillionaires surveyed are willing to discuss or do not mind discussing their monthly household expenses with their children. However, only around 30% are comfortable with disclosing their personal assets, and just 20% of multimillionaires with liquid assets over HK\$10 million are willing to reveal their asset value to their children.

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 Corresponding population refers to all people aged 21 to 79 in Hong Kong.

- More than 60% of the multimillionaires surveyed show confidence in their children's knowledge of financial management, with nearly 70% of them believing that the money spent on their children can strike a balance between satisfying children's personal wants and meeting their actual needs, compared with almost 80% who believe they have a good idea of their children's day-to-day spending.
- Around 70% of the multimillionaires surveyed have plan for their children's overseas education, estimating a funding requirement of over HK\$2 million for four years of university studies overseas.
- A large percentage of the multimillionaires surveyed stand ready to support their children financially through important stages of life. Almost 70% of the multimillionaires expressed a willingness to help finance their children's home purchases, with an average contribution of HK\$2.4 million. While 40% of the multimillionaires' children surveyed look forward to financial support from their parents for raising their kids, only 30% of the parents surveyed are willing to provide such assistance.
- Regardless of their financial position, the percentage of multimillionaires' children expressing a willingness to financially support their retired parents has exceeded the expectation of the multimillionaires surveyed. Even if in a tight financial situation, 40% of these children are still willing to provide financial aid to their retired parents, in contrast to just 10% of parents who expect to receive such support from their children.

Money views of the next generation of multimillionaires

- Over 60% of multimillionaires' children have their own bank accounts, opening one at an average age of 13.
- Almost 65% of the multimillionaires' children look up to their parents as the primary source of financial knowledge.
- Over 60% believe that their parents have built wealth through hard work and smart spending. Approximately 60% acknowledge their parents' skills in identifying fruitful investment opportunities, and 45% believe their parents actively gather investment or wealth management-related information that can contribute to wealth building.

Financial knowledge of the next generation of multimillionaires

- To gain a more comprehensive understanding of the financial knowledge of the next generation, respondents to this survey were asked to complete a financial literacy test, encompassing topics like knowledge of monthly statements, risks and returns, smart consumption, and financial scams. The test results show a notable difference, with those who own a bank account doing better than those who don't. This suggests that owning a bank account at an early age can have a positive impact on one's financial knowledge and future wealth management skills.

Josephine Lee, Head of Retail Bank at Citibank Hong Kong, said, "As a leader in Hong Kong's wealth management aspect, Citibank not only meets the affluent clients' financial needs at their different life stages through continued service enhancements, but also support and care for their next generation by offering dedicated wealth management solutions. We have conducted the 'Hong Kong Affluent Study' over the past 20 years, through this survey, we have gained deeper insights into the philosophy of wealth building among Hong Kong's affluent individuals. Armed with this knowledge, our wealth management team is well-placed to provide the most appropriate wealth management strategies and investment plans for wealth creation, in light of changing market conditions and clients' financial needs."

Citibank launched the new Citi NextGen Account in the third quarter of this year. It is tailored for the children aged 11 to 17 of Citigold Private Client and Citigold customers, with the aim of encouraging these young individuals to learn about financial management early and helping them get a head-start on independent financial management. These children of Citibank's affluent clients can open an account in their own name and spend with ease both locally and abroad with their own debit card. The account not only assists them in setting savings goals, but also provides them with easy-to-understand wealth management information to improve their knowledge of financial management. Additionally, parents can set a daily limit on debit card purchases or withdrawals, and monitor their children's account status anytime at ease.

The "Hong Kong Affluent Study 2022/2023" was conducted in two periods – October-December 2022 and April-June 2023. During each period, more than 1,700 Hong Kong residents, aged 21 to 79, were interviewed via telephone. The survey aims to understand, among other things, the wealth allocation and lifestyle of the affluent class, in particular multimillionaires, in Hong Kong. The latest study is the 20th edition of Citibank's surveys of the affluent. It also marks the ninth time that the Bank has released a report on multimillionaires.

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