

**HSBC Bank International  
Expatriate Explorer Survey 2009**

Report one: Expatriate Economics



# HSBC Bank International Expat Explorer Survey 2009

## Report one: Expat Economics

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## HSBC Bank International Expat Explorer Survey 2009

### Report one: Expat Economics

#### The Expat Explorer survey

Commissioned by HSBC Bank International, Expat Explorer is the largest ever global survey of expats. Now in its second year, the survey has questioned more than 3,100 expats who described the opportunities and challenges they face living away from home. The survey provides an insight into how expat life differs from country to country, continent to continent.

2009 - Bigger and better than 2008:

- ▶ Nearly 1000 more expats shared their experiences
- ▶ 29 industries represented
- ▶ 12 new countries featured

#### Expat Economics

Expat Economics is the first of three reports to be produced from the Expat Explorer research. It examines the financial circumstances of expats and compares the experiences of people living in different countries. The report reveals how expat life has been affected by the global economic downturn and the change in people's spending and saving habits. It found that the downturn has meant that some people are even considering giving up their expat status and returning to their country of origin.

Quality of life in the Expat Economic report is determined by four factors:

- ▶ Annual income
- ▶ Disposable income
- ▶ Ability to save
- ▶ Possession of luxury items

#### Overall League table

	Overall	Increased Savings	Luxuries	Income	Disposable income
Russia Federation	NEW for '09 1	2	15	2	2
Qatar	NEW for '09 2	3	7	18	1
Saudi Arabia	NEW for '09 3	1	3	13	5
Hong Kong	4	6	4	3	6
United Arab Emirates	5	5	8	5	4
Singapore	6	11	5	4	7
Japan	NEW for '09 7	23	12	1	3
Bahrain	NEW for '09 8	7	1	14	9
India	9	4	23	9	10
Malaysia	NEW for '09 10	15	6	8	8
China	11	8	21	11	13
Switzerland	NEW for '09 12	13	9	7	15
South Africa	NEW for '09 13	10	2	15	16
Vietnam	NEW for '09 14	9	10	17	14
Thailand	NEW for '09 15	14	11	16	12
Mexico	NEW for '09 16	11	26	12	10
United States	17	22	20	6	18
Brazil	NEW for '09 18	16	24	21	17
United Kingdom	19	24	16	10	19
Netherlands	20	17	13	23	20
Canada	21	20	22	22	23
Belgium	22	19	18	20	26
Germany	23	21	17	24	24
Australia	24	18	14	26	25
Spain	25	25	19	19	21
France	26	26	25	25	22

## Expat Findings

### Wealth is moving East

Asia is home to among the highest paid expats in the world; while their poorer counterparts can be found in Australia and Western Europe.

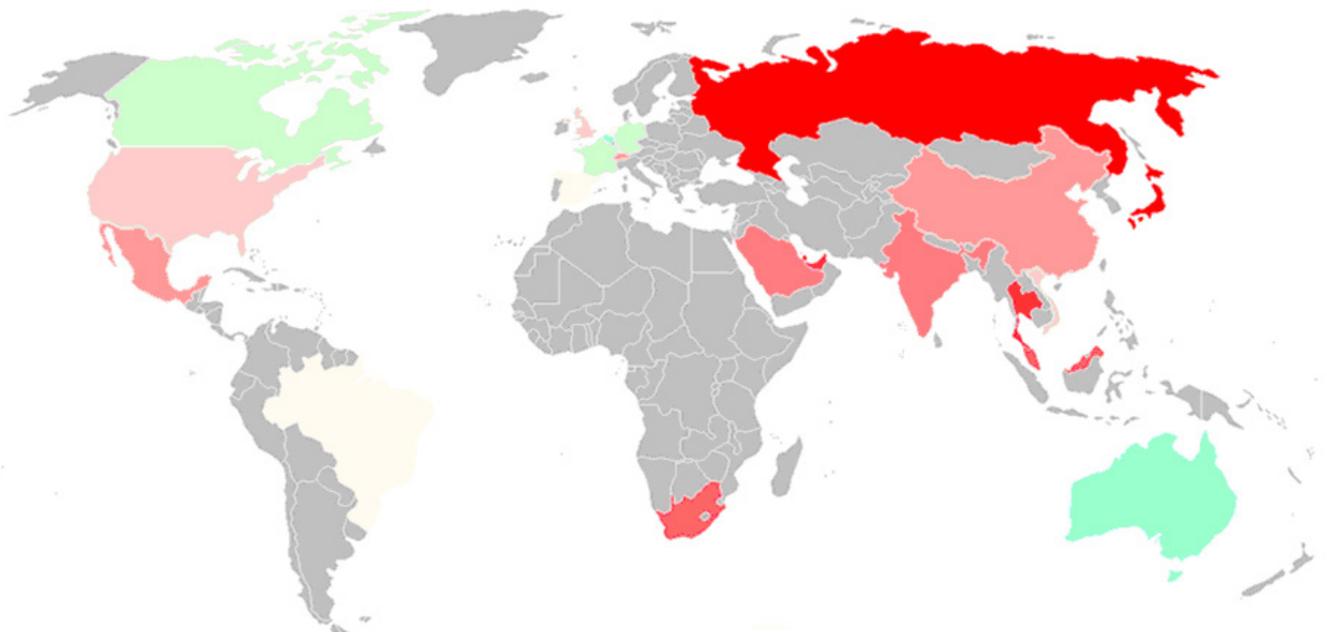
The highest proportion of expats earning more than US\$250,000 are in Russia (30%), followed by Hong Kong (27%), Japan (26%), Switzerland (25%) and India (25%) compared with a global average of 16%. The lowest-paid expats live in Australia and Belgium, with the majority (63% and 61% versus 35% overall) of expats earning under US\$100,000.

**“Japan, Russia, Qatar and Hong Kong are home to some of the wealthiest expats in the world”**

As well as commanding high salaries, expats in Asia further recession-proof themselves by scaling back on the luxuries. Expats in Japan (ranking first, 54%), Thailand (second, 51%) and Hong Kong (third, 49%) scale down their spending on luxury items, such as holidays and leisure activities.

Asian countries are among the cheapest for accommodation, with expats in Malaysia, China and India finding accommodation much cheaper than they did living in their countries of origin (50%, 49% and 43% respectively allocating much less of their income towards accommodation, compared with 26% among expats globally).

### Expat Wealth Heat Map



**Key:**

Most to least wealthiest expat countries

- |   |  |   |
|---|--|---|
| <span style="color: red;">■</span> Russian Federation, Japan, Qatar         | <span style="color: lightcoral;">■</span> Saudi Arabia, India, Bahrain | <span style="color: yellow;">■</span> Brazil, Spain, Netherlands  |
| <span style="color: darkred;">■</span> Hong Kong, UAE, Thailand             | <span style="color: pink;">■</span> Mexico, China, Switzerland         | <span style="color: lightgreen;">■</span> Canada, France, Germany |
| <span style="color: lightcoral;">■</span> South Africa, Singapore, Malaysia | <span style="color: lightpink;">■</span> United States, Vietnam, UK    | <span style="color: cyan;">■</span> Belgium, Australia            |

## HSBC Bank International Expat Explorer Survey 2009

### People save more when they become expats

Many expats are able to take advantage of their move to another country in order to increase the amount of money they save. Over two-thirds (68%) of expats reported that they are saving and investing more since they moved away from their home country – this figure rises to 80% when looking at the highest-paid expats. Only 14% of expats said that they are saving less than when they were resident in their countries of origin.

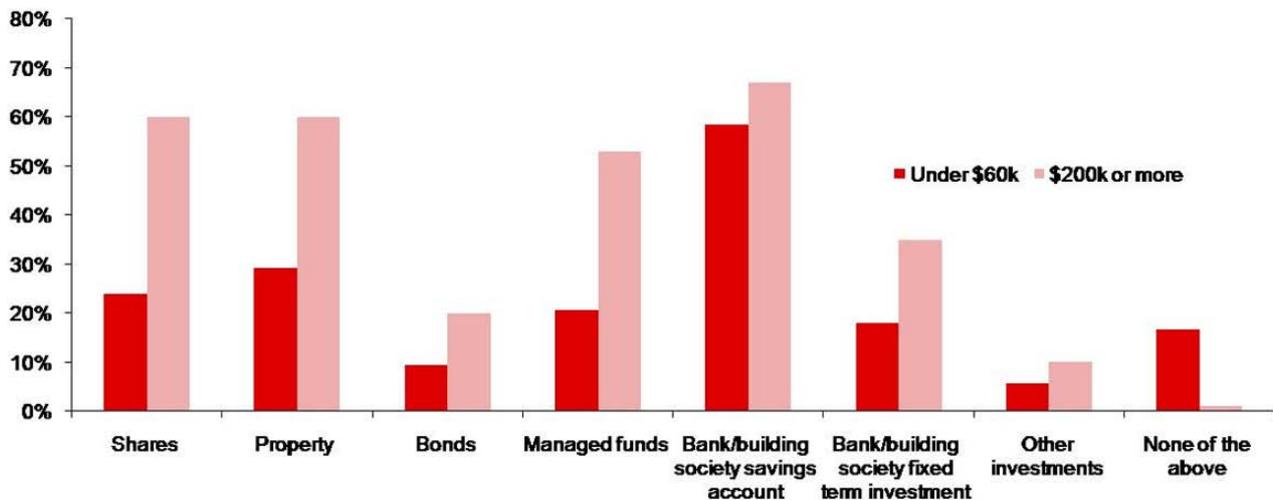
**“Expats in the Middle East are strong savers compared with those in more developed markets”**

Expats in Saudi Arabia, Russia and Qatar manage to save more now since moving away from their country of origin than expats in any other country (90%, 97% and 98% respectively).

Aside from the usual bank accounts, popular methods for saving and investing money among expats include, shares, property and managed funds. Property was a popular option in Bahrain and South Africa (68 % and 73% of expats in these countries chose to put their money in bricks and mortar), while 68% of expats in Japan chose managed funds. The collapse of global markets has left investors in Asia undeterred, however, with shares still proving popular for expats in Hong Kong, Japan and Malaysia.

Expats originating from Germany and Brazil are the most reluctant to invest in property, just 21% and 22% put their money here, compared with 46% global average.

### How do expats invest their money?



### The credit crunch has changed expat life

When asked if the credit crunch had changed their attitude to spending, 63% of expats worldwide said yes. The most affected expats are based in Russia, US and Japan (73%, 74% and 76% of expats from these countries respectively said the credit crunch has changed their attitudes to spending and saving). Surprisingly, almost three-quarters (72%) of expats based in Thailand also reported that global recession has had an impact on what they spend despite reporting that Thailand is one of the cheapest places to live compared with other locations around the world.

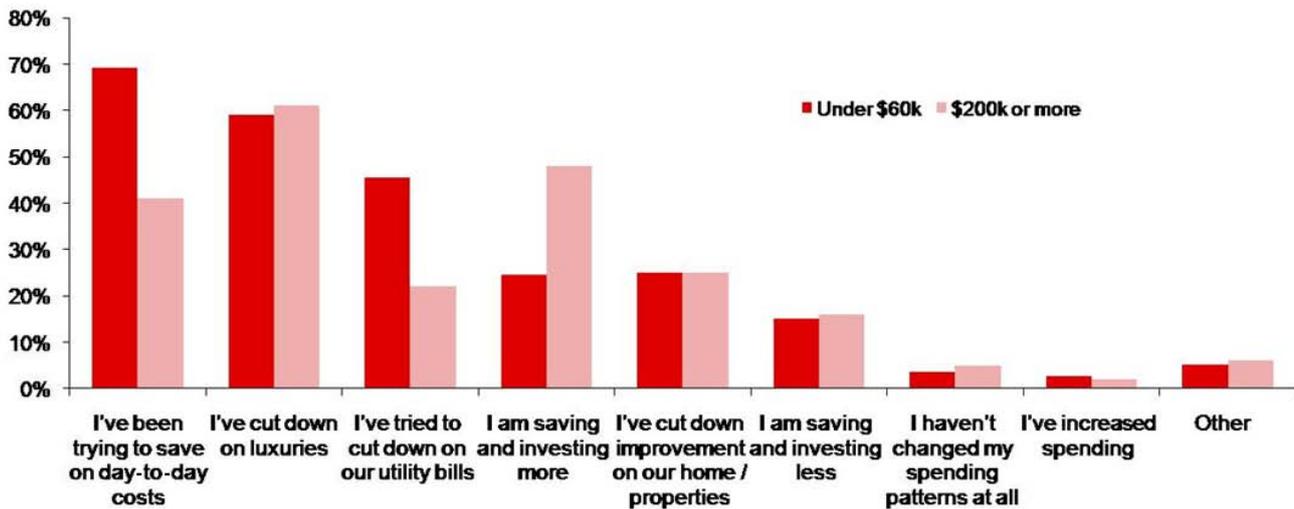
**“Feeling the pinch, 44% of expats in the UK and 23% of expats in the US are considering returning home, compared with only 15% if expats overall”**

Conversely, two-thirds (63%) of expats living in Qatar said the credit crunch would not change their attitudes at all. Expats living in Bahrain were also unwilling to let the latest economic doom and gloom affect their lives (55% said that their attitude to spending would not change) – indicating that, according to this research, the Middle East has not been hit as hard by the credit crunch as other regions. When asked

## HSBC Bank International Expat Explorer Survey 2009

how they have changed their lifestyles, over half (60%) of expats worldwide said they have cut down on luxuries, 54% on day-to-day expenses and 36% stated they were saving more (for a rainy day). Only 2% of expats stated they planned to spend more this year than previously. Interestingly, it was the expats living in Canada and Saudi Arabia that were most inclined to spend rather than save – almost one in 10 (8%) reported this behaviour.

### Attitudes to spending in response to economic crisis



Those least likely to cut down on luxuries were the expats living in Qatar (44%), Saudi Arabia (44%), Brazil (45%) and surprisingly, Russia (45%) - where cost of living was reported to be high. Those least likely to cut down on luxuries were the expats in the US and the UK, but this group also ranked highly for expats considering returning home due to the global economic crisis.

The main reasons for choosing to return home included:

- ▶ Limited career prospects (28%)
- ▶ Reduced value for money (19%)
- ▶ Cannot afford as good a lifestyle (16%)
- ▶ Reduced length of contract (15%)

However, despite the credit crunch, a resounding 85% of expats said they would not return to their native countries.

### The UK remains one of the most expensive places for expats to live – and the recession has taken its toll

The UK emerged as an expensive destination in many categories. Compared with life in their home country, high proportions of expats in the UK claim they now spend more on their accommodation (79%), transport (68%), holidays (62%), utilities (61%) and entertainment (58%). In fact, expats in the UK spend more of their income on accommodation than expats living anywhere else in the world (85% of UK-based expats rank their home as their greatest expenditure). The second and third related items that they spend their cash on was found to be food and entertainment.

**“Expats living in the UK struggle to save due to the high cost of living – more than a quarter report having to reduce their savings and investments”**

Worldwide, 74% of respondents claim to have increased disposable income since becoming expats, yet this figure falls to just 47% of expats living in the UK. In comparison, 72% of expats in the USA say they have more disposable income than before, 87% in the UAE, 76% in Switzerland (which is also perceived

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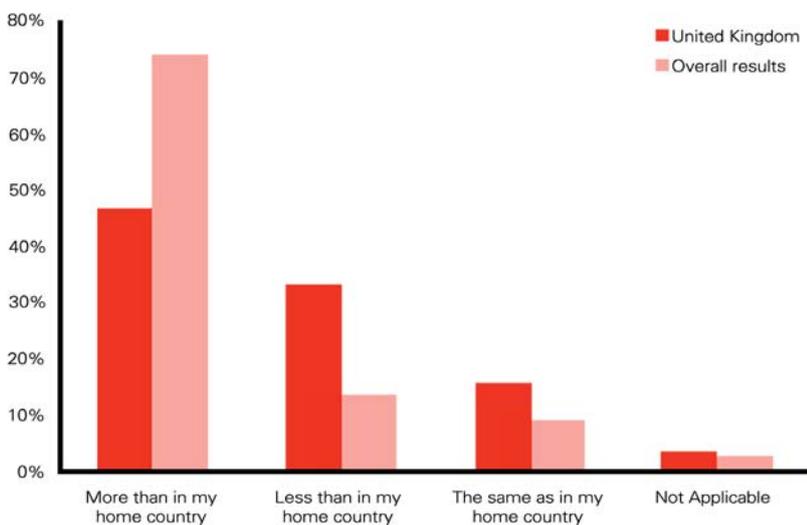
to be the most expensive country to be an expat), and a staggering 98% in Saudi Arabia. Of those expats in the UK who report that their disposable income is reduced, 81% earn up to US\$3000 a month less, with 15% earning between US\$3500 and US\$4000 less.

Food is officially one of the greatest costs to expats in the UK, with 68% of expats claiming they are spending more since moving to Britain. The only country to have higher food costs is Switzerland. In contrast, 62% of USA's expats spend less on food than they did in their native countries. In terms of entertainment costs, more than half (58%) spend more in the UK than back home.

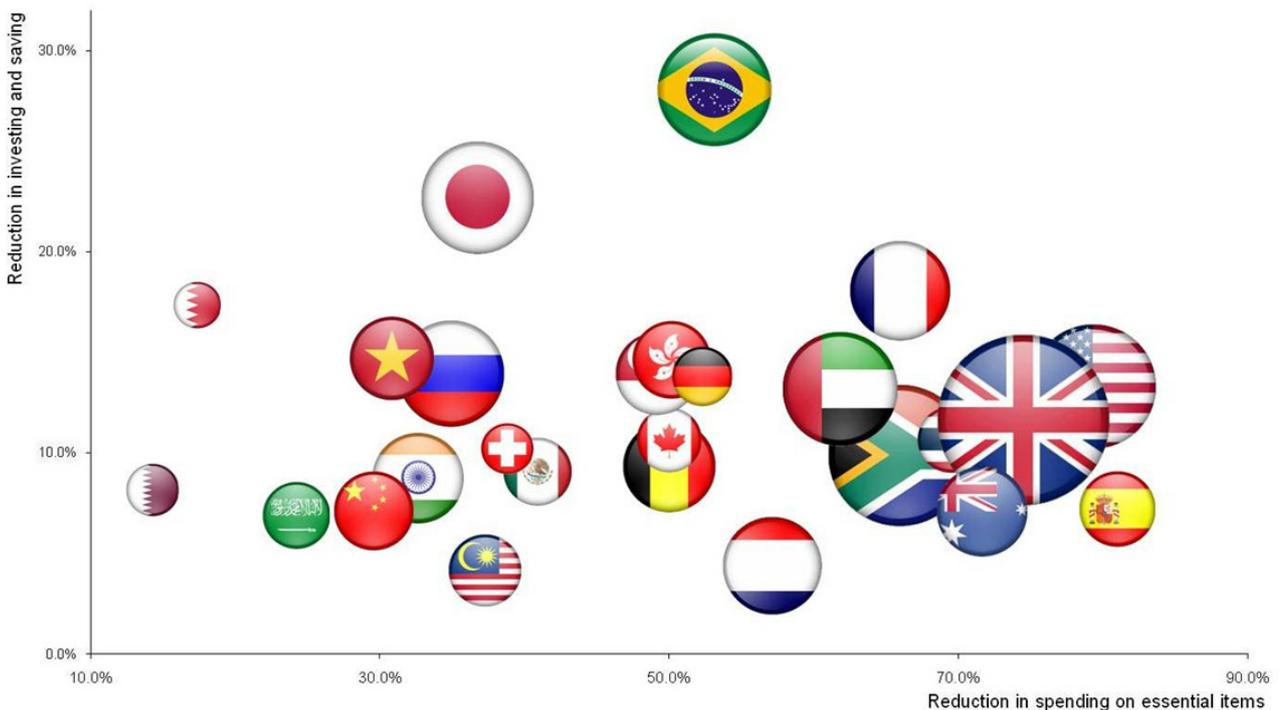
A staggering 78% of expats agree that they pay more for transport in the UK than anywhere else. On average only 30% worldwide think they spend more travelling than back home.

When it comes to savings and investments, 8% of expats worldwide, compared to a quarter (27%) of expats living in the UK, admitted that they save less than they did before they moved.

### Saving habits in country of residence



### Crunch indicator



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### Regional League Tables

A regional outlook of quality of life across the continents - Europe, Middle East and Africa, Asia Pacific and the Americas.

#### Europe

	Regional Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Switzerland	<b>NEW</b> 1	12	13	9	7	15
United Kingdom	2	19	24	16	10	19
Netherlands	3	20	17	13	23	20
Belgium	4	22	19	18	20	26
Germany	5	23	21	17	24	24
Spain	6	25	25	19	19	21
France	7	26	26	25	25	22

#### Middle East and Africa

	Regional Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Qatar	<b>NEW</b> 1	2	3	7	18	1
Saudi Arabia	<b>NEW</b> 2	3	1	3	13	5
United Arab Emirates	3	5	5	8	5	4
Bahrain	<b>NEW</b> 4	8	7	1	14	9
South Africa	<b>NEW</b> 5	13	10	2	15	16

#### Asia Pacific

	Regional Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Russia Federation	<b>NEW</b> 1	1	2	15	2	2
Hong Kong	2	4	6	4	3	6
Singapore	3	6	11	5	4	7
Japan	<b>NEW</b> 4	7	23	12	1	3
India	5	9	4	23	9	10
Malaysia	<b>NEW</b> 6	10	15	6	8	8
China	7	11	8	21	11	13
Vietnam	<b>NEW</b> 8	14	9	10	17	14
Thailand	<b>NEW</b> 9	15	14	11	16	12
Australia	10	24	18	14	26	25

#### The Americas

	Regional Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Mexico	<b>NEW</b> 1	16	11	26	12	10
United States	2	17	22	20	6	18
Brazil	<b>NEW</b> 3	18	16	24	21	17
Canada	4	21	20	22	22	23

## HSBC Bank International Expat Explorer Survey 2009

### Emerging Markets / BRIC

These markets are developing economies, that are experiencing fast growth. BRIC (Brazil, Russia, India and China) make up a large portion of these markets.

	Group Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Russia Federation	<b>NEW</b> 1	1	2	15	2	2
Qatar	<b>NEW</b> 2	2	3	7	18	1
Saudi Arabia	<b>NEW</b> 3	3	1	3	13	5
United Arab Emirates	4	5	5	8	5	4
Bahrain	<b>NEW</b> 5	8	7	1	14	9
India	6	9	4	23	9	10
Malaysia	<b>NEW</b> 7	10	15	6	8	8
China	8	11	8	21	11	13
South Africa	<b>NEW</b> 9	13	10	2	15	16
Vietnam	<b>NEW</b> 10	14	9	10	17	14
Thailand	<b>NEW</b> 11	15	14	11	16	12
Mexico	<b>NEW</b> 12	16	11	26	12	10
Brazil	<b>NEW</b> 13	18	16	24	21	17

### Established Markets

These markets are developed economies, with varying levels of growth.

	Group Ranking	Overall Ranking	Increased Savings	Luxuries	Income	Disposable Income
Hong Kong	1	4	6	4	3	6
Singapore	2	6	11	5	4	7
Japan	<b>NEW</b> 3	7	23	12	1	3
Switzerland	4	12	13	9	7	15
United States	5	17	22	20	6	18
United Kingdom	6	19	24	16	10	19
Netherlands	7	20	17	13	23	20
Canada	8	21	20	22	22	23
Belgium	9	22	19	18	20	26
Germany	10	23	21	17	24	24
Australia	11	24	18	14	26	25
Spain	12	25	25	19	19	21
France	13	26	26	25	25	22

# HSBC Bank International Expat Explorer Survey 2009

## Methodology

### About Expat Explorer

The Expat Explorer survey, now in its second year, is the largest global survey of expats. Commissioned by HSBC Bank International and conducted by third party research company FreshMinds, more than 3,100 expats were questioned between February and April 2009. 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 expats' country of origin.

A sample size of 30 or more respondents from each country was required for inclusion in the league tables, in order to be considered robust and indicative of the views and trends of the specific population it relates to. 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" 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.

### About Expat Economics

Expat Economics is the first report to be produced from the Expat Explorer research. It explores the financial implications of life as an expat, examining individual financial circumstances and comparing the experiences of people living in different countries. The report also explores how expat life has been affected by the global economic downturn and how spending and saving habits have changed as a result of the economic crisis.

The ranking table is determined by four main economic factors: annual income in excess of US\$200,000, a monthly disposable income in excess of US\$3,000, an increase in saving while living/working abroad (in their current country of residence) and having at least two luxury items in the country they live in. 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.

Wealth is defined as an annual income in excess of US\$200,000 and a monthly disposable income in excess of US\$3,000. The overall wealth level of each country is determined by taking an average of the income and the disposable income scores outlined in the economics league table.

Respondents answered income-related questions in one of five currencies that they use most often: Australian dollars, Euro, British pound, Japanese Yen or US dollars. However, for ease of analysis and comparison, all foreign currencies were converted into US dollars. As per the following table, currency conversions were calculated based on conversion rates available on 1 April 2009. These conversion rates were then rounded to one decimal place to provide more rounded income brackets.

Currency	Conversion rate as of 01 April 2009
USD	1 USD = 1.00 USD
AUD	1 USD = 1.45 AUD
EUR	1 USD = 0.75 EUR
GBP	1 USD = 0.69 GBP
JPY	1 USD = 98.63 JPY

## Country Report: United Kingdom



Overall ranking: 19th out of 26  
Increased savings: 24th out of 26  
Luxuries: 16th out of 26  
Income: 10th out of 26  
Disposable Income: 19th out of 26

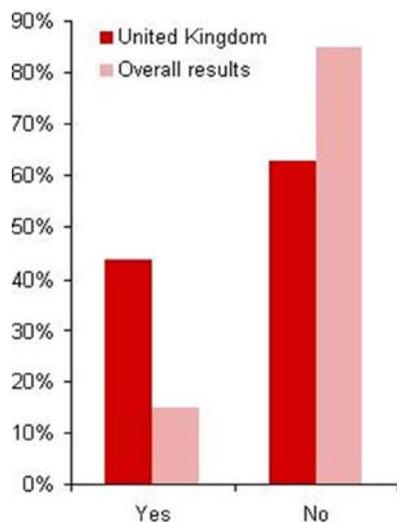
### Hit hard by the crunch, many are heading home

Expats in the UK generally have lower incomes, with 20% of expats in the UK earning \$60,000 or less. Expats in the UK also have less disposable income than their counterparts elsewhere, experiencing a much higher increase in the cost of accommodation than expats moving to other regions (79% compared with 48%). In fact 86% rank this as their greatest expenditure. In response to the economic crisis, three quarters of expats in the UK (75%) have scaled down their spending on essential day-to-day items. Almost half (44% - the highest recorded figure in the survey) of expats in the UK are considering returning home in light of the current financial crisis. This provides a stark contrast when compared with the average of only 15% of expats overall who are considering the same move.

Expats in the UK were the worst savers/investors globally, with more than a quarter (27% - the highest recorded in the survey) saying that they had reduced their savings and investments when compared with life in their home country.

**“Tax and transportation are costing me most living in the UK. The depreciation of Sterling effectively means I have had a 30% pay cut.”  
- Expat in the UK**

### Thinking of moving home?



Country Report: United States



Overall ranking: 17th out of 26  
 Increased savings: 22nd out of 26  
 Luxuries: 20th out of 26  
 Income: 6th out of 26  
 Disposable Income: 18th out of 26

Higher living costs

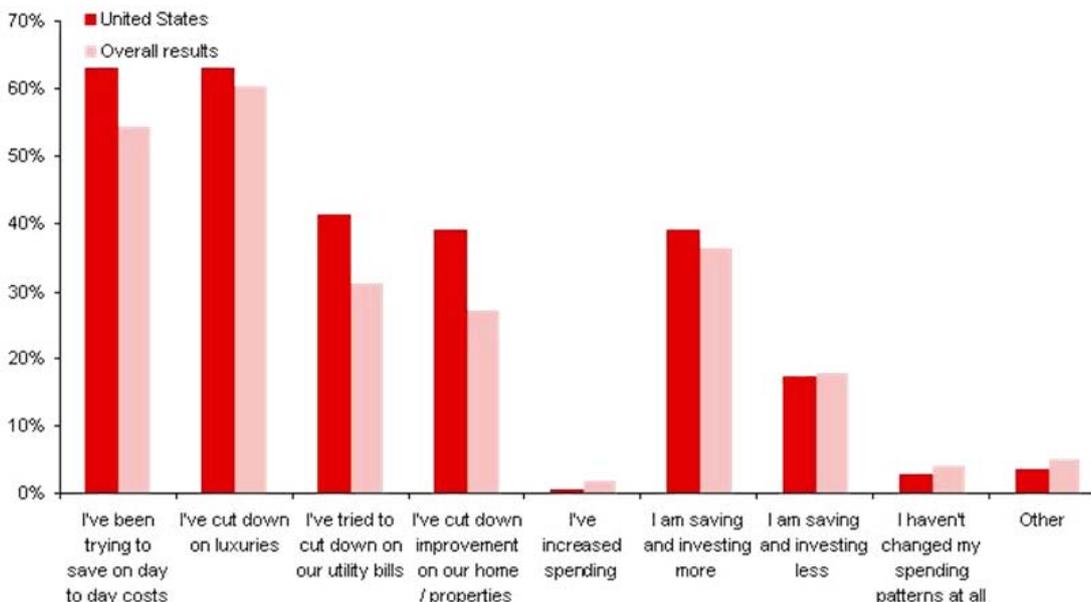
Respondents living in the US experienced an increase in the cost of their healthcare provision, perhaps due to the way in which its healthcare system is funded, with 35% spending more money than before moving to the country.

The economic crisis has resulted in expats in the US reporting some degree of belt-tightening. They claim to have cut back on day-to-day expenses more than the average expat (63% in the US vs. 54% on average) and utility bills (41% vs. 31%). Yet, due to other expenses, expats in the US are not managing to save more than the global average during the crisis. Just 39%, compared with a global figure of 36%, report being able to save more money since becoming an expat in the US.

Just over half, 58% of expats living in the US say that they are able to invest or save more now than they did before moving away from their home country. However, 68% of expats overall are saving more money since moving away from home. Slightly more US-based expats are considering returning home than the global average (22% compared with 15%) and the most frequently cited reason is increasingly limited career prospects.

**“Up until the recent “downturn” in the global economic situation my money went further here in the US.”**  
 - Expat in the US

How have expats in the US responded to the economic crisis?



Country Report: Australia



Overall ranking: 24th out of 26  
 Increased savings: 18th out of 26  
 Luxuries: 14th out of 26  
 Income: 26th out of 26  
 Disposable Income: 25th out of 26

**Higher costs, lower salaries but still saving more**

Australia ranked low in the survey, with expats Down Under earning less than many other countries. Over half (63%) of respondents reported earnings under \$100,000. Despite this lower salary, close to three-quarters of expats (70%) said that they had more disposable income than their home country.

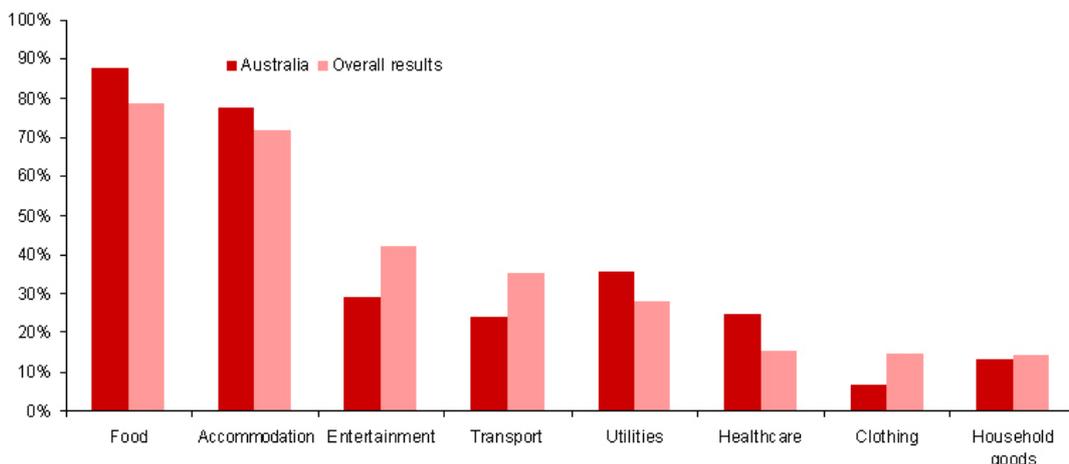
Expats in Australia reported that they experienced an increase in costs over a number of different expenditures, including food, accommodation, utilities and healthcare, all greater than the global average. Healthcare was identified as a particularly high cost for expats in Australia when compared with their home country (61% vs. 41% overall).

Expats in Australia make their money go further, with over half of those surveyed (56%) stating that they own a property (compared with 31% overall) and more than two-thirds (68% compared with 54% overall) saying that they have tried to save on day-to-day costs as a result of the global financial crisis. Close to two-thirds (60%) of expats in Australia have managed to increase their savings and investments compared with their home country, with savings accounts the most popular way to save (72%), followed by property (42%) and shares (40%).

Despite over half (63%) of expats saying that they have changed their attitude to spending as a result of the crisis, a huge number of expats in Australia are happy to stay put (88%).

**“Price of food, electricals, and telecommunications is too high.”  
 - Expat in Australia**

**How expats in Australia allocate their money**



Country Report: Singapore



Overall ranking: 6th out of 26  
 Increased savings: 11th out of 26  
 Luxuries: 5th out of 26  
 Income: 4th out of 26  
 Disposable Income: 7th out of 26

Living the high life

Expats in Singapore live the high life – they are the 7th ranked country for available disposable income, with more than three-quarters (76%) stating that they have more spending money when compared to their home country. Almost half (47%) of expats living in Singapore report having more than \$4,000 in disposable income, a proportion exceeded only by Japan, Qatar, Saudi Arabia, Hong Kong and Russia.

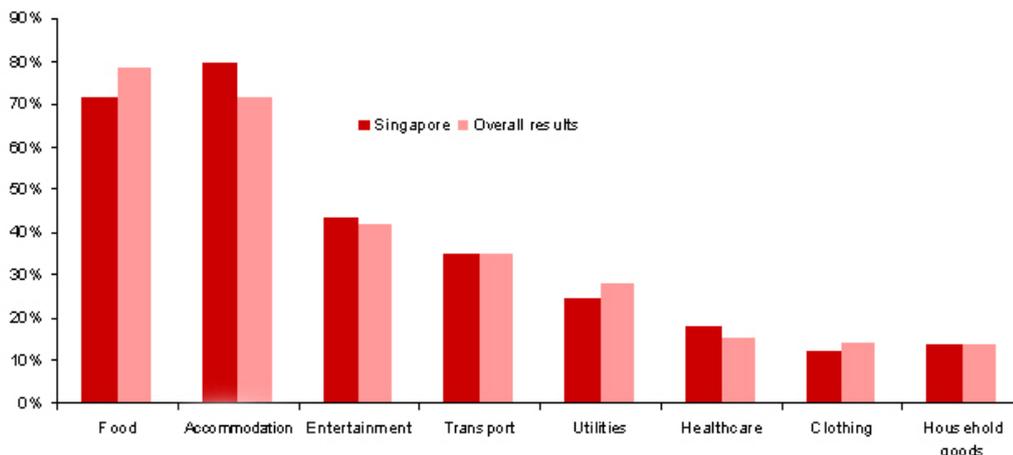
Large proportions (44%) of expats in Singapore spend more on their accommodation than their counterparts in other countries. Entertainment and healthcare also came out as higher costs for expats in Singapore when compared with the global average. In line with a theme seen throughout Asia, two-thirds of expats in Singapore (64%) identified that they had reduced spending on luxuries in response to the current climate.

Three-quarters of expats in Singapore report saving more than they did in their home country. Savings accounts were the most popular saving/investment mechanism (59%), followed closely by managed funds (51%) and shares (51%).

Almost all expats in Singapore (91%) say that they have not considered returning home due to the economic downturn (compared to 85% globally). Of those expats answering that they were thinking of moving home as a result of the credit crunch, reduced contract length was the key factor highlighted and was higher than the global average (28% vs. 15%).

**“Better salary, better lifestyle.”  
 - Expat in Singapore**

What costs the most for expats in Singapore?



Country Report: United Arab Emirates



Overall ranking: 5th out of 26  
 Increased savings: 5th out of 26  
 Luxuries: 8th out of 26  
 Income: 5th out of 26  
 Disposable Income: 4th out of 26

**More disposable income and greater luxury**

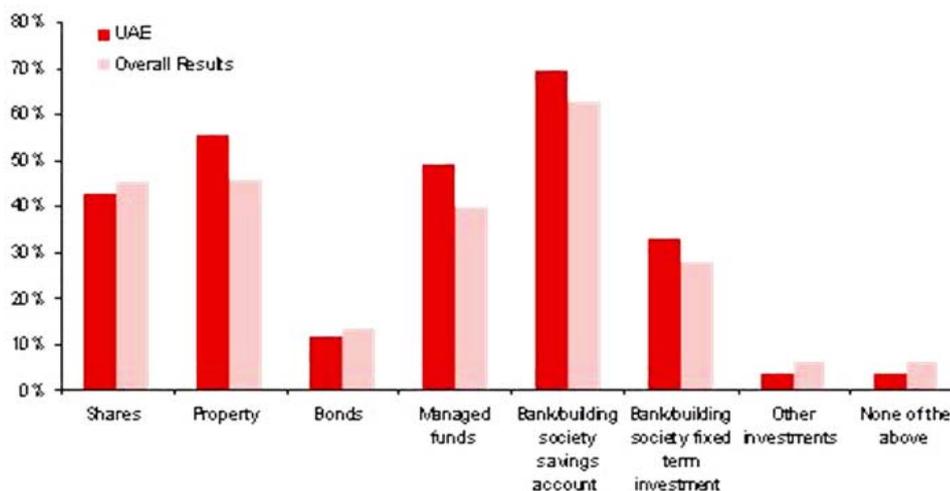
The UAE comes out as an ideal financial location for expats, with more respondents reporting an increase in their monthly disposable income after moving to the UAE than those moving to other countries (87% vs. 74% overall) and more than half (56%) of those reporting a disposable income of over US\$3,000 per month.

More than two-thirds (67%) of expats spend more on accommodation than they did before moving to the UAE. More money is allocated to holidays by expats in the UAE (66%), with transport standing out as an expenditure that has decreased – over half of expats in the UAE (51%) stated that they now spend less money on transport than in their home country.

Expats in the UAE claim to have a marked improvement in possessing “luxury items” – 62% of respondents said that they employed at least one member of staff and 55% own more than one car. They also save more now than prior to their move (82% vs. 68% overall) with 49% of expats having invested in managed funds. Savings accounts were the most popular choice for expats in the UAE, with over two-thirds (69%) stating that they chose to allocate their money in this way. Over two-thirds of expats in the UAE stated that their attitudes to spending had changed as a result of the economic crisis, however over three-quarters of expats (82%) living in the UAE also said that they had not considered a move home.

**“Life in Dubai is great and I would not consider going back to the UK until the financial crisis is over.”  
 - Expat in the UAE**

**Preferred saving vehicles for expats in the UAE**



Country Report: Hong Kong



Overall ranking: 4th out of 26  
 Increased savings: 6th out of 26  
 Luxuries: 4th out of 26  
 Income: 3rd out of 26  
 Disposable Income: 6th out of 26

Home to some of the wealthiest expats in the world

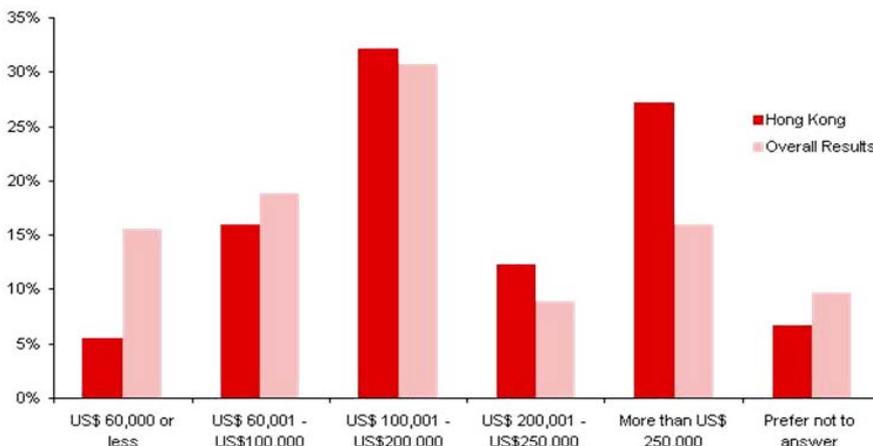
Hong Kong has the highest proportion of expats earning over USD\$250,000 (27%) compared with other countries, with over a third of expats (39%) reporting an income of over \$200,000. A huge proportion of expats living in Hong Kong (89%) also reported having more disposable income than they did in their home country with almost half (48%) reporting over \$4000 in monthly disposable income.

However, expats in this region do at the same time report needing to spend more on accommodation, food and entertainment. Two-thirds of the expats in Hong Kong (67%) said that they spend more on accommodation, with almost half (46%) of respondents specifically identifying that they now spent much more. 62% of expats said that they spent more on food, while over half (53%) said that they allocated more money to entertainment. Expats in Hong Kong tend to allocate more money to investments and savings than their counterparts (81% vs. 68% overall) and show a higher preference for investing in shares than the global average (62% vs 45% overall). Savings accounts are another popular choice (62%) followed by managed funds (48%) and property (45%).

Luxuries were again a key expenditure that had been reduced in response to the current climate, and almost all expats in Hong Kong (92%) said that they had not considered returning home as a result of the economic crisis.

**“On secondment we have had all our living expenses met Therefore, we have been able to save a lot of money and enjoy the extra disposable income.”**  
 - Expat in Hong Kong

Salary brackets – expats in Hong Kong



## Country Report: France



Overall ranking: 26th out of 26  
Increased savings: 26th out of 26  
Luxuries: 25th out of 26  
Income: 25th out of 26  
Disposable Income: 22nd out of 26

### Poor financial location and home to more retirees

According to the survey, France was the worst-rated location for an expats' finances. Over half of the respondents in France revealed that their income was less than US\$100,000. One-third of respondents (31%) also revealed that they had less disposable income when compared with their home country, with over three-quarters (77%) answering that they had less than US\$2,000 disposable income per month.

France was also revealed to have fewer expats saving, with only just over a third (39%) saying that they invested more than their country of origin, the lowest recorded figure in the survey.

France remains a popular retirement destination; more than a quarter (28%) of expats in France are retirees, compared with the global average of 7%. Over 55s make up 42% of the expats in this country.

The economic crisis has resulted in over half (55%) of expats in France cutting back on day-to-day costs, in addition to luxuries. Over three-quarters of expats based in France (86%), however, said that they had not considered returning home as a result of the economic crisis.

"These days I'm looking into going back to France where I could restart a new life with a job paid in Euros or I could keep working freelance for my UK clients paid in pounds."

**"There are no jobs here if you work on a freelance basis. The exchange rate fall between Sterling and the Euro has been catastrophic for us, reducing an already modest income to an unacceptable level."  
- Expat in France**

## Country Report: Russia



Overall ranking: 1st out of 26  
Increased savings: 2nd out of 26  
Luxuries: 15th out of 26  
Income: 2nd out of 26  
Disposable Income: 2nd out of 26

### Top financial location and home to the wealthiest expats

Almost all (97%) expats in Russia have more disposable income since their move there from their home country. 59% of expats in Russia say that they have more than \$4,000 in disposable income, which is the second highest proportion, exceeded only by, Qatar. Almost half of the expats in Russia (43%) also said that they earn in excess of \$200,000 per year.

Nearly three-quarters (70%) of expats in Russia admit to having enough money to employ staff since moving there, compared with the global average of 48%. The same amount claim to spend much more on food than previously, although two thirds of expats in Russia say their utility bills have fallen. A high number of Russian expats (97%) say that they are saving and investing more money when compared with their home country and over two-thirds (68%) have increased their savings as a direct result of the global financial crisis. Savings accounts are once again the most popular choice (70%) followed by property (60%) and shares (57%).

While three-quarters of expats in Russia (73%) have changed their spending habits as a result of the economic crisis, 83% answered that they are staying put and not considering a move home.

**“Being an expat in Russia means less income tax, a higher net salary, more disposable income, higher standard of living and a less intrusive government.”  
- Expat in Russia**

## Country Report: Thailand

Overall ranking: 15th out of 26  
Increased savings: 14th out of 26  
Luxuries: 11th out of 26  
Income: 16th out of 26  
Disposable Income: 12th out of 26



### Hit hard by the crunch

Thailand has been one of the locations most affected by the credit crunch, with almost three-quarters (72%) of expats living in the country saying that their attitude to spending had changed as a result of the economic crisis. Reduction in spending has been seen on essential and luxury items and general household maintenance.

Almost three-quarters of expats in Thailand (70%) have reduced their spending on essential items. Over half of expats (51%) have also cut down on their spending on luxury items, such as holidays and leisure activities, in response to the current economic climate. This is a trend seen throughout much of the Asian region.

The majority of expats in Thailand find they spend less of their money on clothes than they did when living in their home country (76% allocating less or much less of their income towards clothing, compared with 37% among expats globally). Over a quarter of expats in Thailand (26%) also stated that they are now allocating more money to savings and investments.

Despite this obvious effect of the credit crunch, however, Thailand is home to some of the wealthiest expats, with over half of respondents in Thailand (55%) earning over \$100,000 per year. A third of expats (32%) also have more than \$3,500 per month in disposable income when compared with their home country. Expats in Thailand also lack the desire to return home as a result of the crisis, with an overwhelming 94% advising that they hadn't considered such a move.

**“The benefits of being an expat in Thailand are a higher standard of living, plus a higher disposable income.”**

**- Expat in Thailand**

## HSBC Bank International Expat Explorer Survey 2009

### Report one: Expat Economics

#### Further information

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