



For Immediate Release
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Citibank Announces Results of “Hong Kong Affluent Study 2020”

*Hong Kong Sees a Record High Number of 515,000 multimillionaires
Median of net assets worth HK\$15.5 million*

Hong Kong – Citibank today announces the results of its “Hong Kong Affluent Study 2020” (a.k.a. Multimillionaire Survey). Based on data collected from November 2020 to January 2021, there are 515,000 multimillionaires¹ in Hong Kong with net assets of HK\$10 million or more, accounting for 8.7% of the corresponding population² in Hong Kong. This means that there is one multimillionaire in 12 of the corresponding population in Hong Kong, setting a record high. Calculating the net asset value of multimillionaires in 2020, the median is HK\$15.5 million, which is slightly lower than the HK\$17 million stated in the “2019/2020 Report”³.

Amid the pandemic, the population of multimillionaires in Hong Kong continues to grow unabated in the fourth quarter of 2020, with the number reaching at least 515,000. This is an increase of more than 2% from the 504,000 stated in the “2019/2020 Report”. The figure has also hit a record high within the context of these studies. Under the pandemic, 25% of multimillionaires said their liquid assets have increased from the end of 2019, with a median increase of HK\$1 million. Among them, more than half (65%) stated that the main source of increase in their liquid assets was investment returns: of which stocks were the investment tool with the highest penetration rate, with 95%; followed by funds (30%); foreign currency (14%); bonds (12%); and gold (5%).

At the investment portfolio level, the survey reveals that most multimillionaires hold stocks and foreign currencies (including RMB), followed by funds, bonds, precious metals, options, futures, etc. Of these asset classes, stocks, foreign currencies and RMB continue to be the three investment instruments with the highest penetration rates. The total net assets of the multimillionaires are distributed mainly across properties (71%), cash and deposits (15%), stocks (7%), funds and bonds (5%), and other investment products (3%). Multimillionaires are generally positive about the economic outlook and deployment in 2021. Apart from properties, their investment portfolios include cash deposits (54%), stocks (27%), funds (11%), bonds (5%) and other investment products (3%).

For property, the number of multimillionaires who are optimistic about property market prospects over the next 12 months increased significantly from 7% to 15%. 8% of the respondents expressed interest in buying properties in Hong Kong, while 14% and 27% of the respondents expressed interest in buying properties in the Mainland or overseas respectively. At the time they were surveyed, 10% of the multimillionaires said that it was a good time to buy a property; nearly 40% thought it was not a good time to buy a property; and more than 50% were prone to sit on the fence over the property market. In addition, the number of multimillionaires who expressed interest in selling existing properties has risen slightly from the first half of 2020, but they would be more assertive in considering the selling price.

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.

³ The Hong Kong Affluent Study 2019/2020 was released in September 2020. Due to the impact of COVID-19 on the fieldwork, the survey was conducted in two phases, one from November to December 2019 and the other from March to May 2020.



Other key results from the survey are:

- There are more male multimillionaires than female, with 54% versus 46%; the average age of male multimillionaires is 60, compared with 61 for their female counterparts.
- Nearly 60% of multimillionaires are in the non-workforce group; the workforce group accounts for about 35%, of whom 12% are managers / executives, 12% are for professionals / associate professionals⁴, and 11% are self-employed.
- Male multimillionaires are mainly self-employed, accounting for 34%; female multimillionaires are mainly professionals, accounting for 36%.
- Among the 18 districts, the population density of multimillionaires in the Eastern District is the highest.
- The age at which the children of multimillionaires study abroad is generally 16 years old, and the most popular places to study abroad are Canada, Australia and the UK.

In addition, Citibank announced, in 2020, its new five-year “2025 Sustainable Progress Strategy” to help accelerate the transition to a low-carbon economy. This new strategy includes a US\$250 billion Environmental Finance Goal to finance and facilitate climate solutions globally. In order to understand the affluent group of Hong Kong on the Environment, Social and Governance (ESG), the survey also interviewed people who have liquid assets of HK\$1 million regarding their awareness on ESG, the importance of ESG to the sustainable development of enterprises, and whether they will take ESG standards into consideration when making investments. The survey results show that respondents⁵ aged 40 or below have a better understanding of ESG than those over 40. The two age groups as a whole believe that ESG is very important for the sustainable development of enterprises. When considering investing, the younger group pay more attention to ESG standards and particularly corporate governance culture.

Josephine Lee, Head of Retail Bank at Citibank Hong Kong, said, “The latest *Hong Kong Affluent Study* released today shows that the population of Hong Kong multimillionaires continues to grow unabated during the pandemic, and even set a record high. From the last affluent study report, it shows the trend with increasing number of multimillionaires. Through the survey, we have a detailed grasp of the Hong Kong affluent’s diversified and globalized wealth management goals and investment strategies, so that our wealth management consultants can respond in a more timely way to market conditions when addressing clients’ personal financial needs, and provide the most suitable wealth management strategies and investment solutions to help them accumulate their wealth. This is how client-obsessed Citibank is, bringing clients with wealth management with *Deeper Understanding, Wider Choice, Higher Status*, and exploring possibilities of wealth for clients. ” Given investors’ increasing tendency to include ESG as investment considerations, she continued, “In the future, we will also actively consider providing investment products that include corporate responsibility and green finance standards to promote Green and Sustainable Banking.”

The “Hong Kong Affluent Study 2020” was conducted during November 2020 and January 2021. In total, more than 4,000 Hong Kong residents aged 21-79 were interviewed via telephone at random. The survey conducted by Citibank aims to understand, among other things, wealth allocation, views on property market and lives of the affluent class, in particular multimillionaires, in Hong Kong. The “Hong Kong Affluent Study 2020” is the 18th edition of Citibank’s surveys of the affluent, and this marks the seventh time that the Bank has released a report on multimillionaires.

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⁴ Associate professionals accords to the definition adopted by the Census and Statistics Department. It covers nurses, teachers, supervisors, insurance agents, etc.

⁵ Respondents are millionaires who have liquid assets of at least HK\$1 million.

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