



HSBC EXPAT

EXPAT EXPLORER SURVEY 2013

THE EXPAT EXPLORER SURVEY

INTRODUCTION

The Expat Explorer survey, now in its sixth year, is commissioned by HSBC Expat and conducted by independent research company YouGov, who questioned 7,004 expats through an online survey. The survey ran from 29th April to the 11th June 2013, with expats from nearly 100 countries taking part.

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 expat's country of origin.

A sample size of 30 or more respondents from each country was required for inclusion in each league table, to be considered indicative of the views of the country's expat population, with many countries far exceeding the minimum sample size. The league tables are based on a series of sub criteria to ensure a fair assessment of how individual countries rate across a range of factors. Each criterion is weighted to arrive at a score which determines the country ranking.

The full set of sub criteria measured for each of the individual league tables is available on the Expat Explorer Interactive tool: <http://www.expateexplorer.hsbc.com/>.

The report covers four key aspects of expat life:

EXPAT ECONOMICS

Expat Economics looks at a range of factors including expat earning levels, spending, saving and investing patterns, and the impact of the current global financial climate to paint an informed picture of expats' economic situation around the world.

EXPAT EXPERIENCE

Expat Experience looks at expat quality of life including emerging trends on expat relocation, how expats keep in touch with friends and family and their plans for retirement.

RAISING CHILDREN ABROAD

Raising Children Abroad looks at four main factors deemed important for expat parents: childcare, health, education and experience.

EXPAT EXPENSES

The Expat Expenses league table unveils the most cost-effective countries for expats to live based on everyday expenses.

THE EXPAT EXPLORER SURVEY

CONTENTS

EXECUTIVE SUMMARY	04	COUNTRY REPORTS	51
EXPAT ECONOMICS	06	Argentina	52
EXPAT EXPERIENCE	25	Australia	53
RAISING CHILDREN ABROAD	35	Brazil	55
EXPAT EXPENSES	44	Canada	56
		China	58
		France	60
		Hong Kong	62
		India	64
		Indonesia	65
		Malaysia	66
		Mexico	67
		Saudi Arabia	68
		Singapore	69
		Taiwan	71
		Turkey	73
		United Kingdom	75
		United Arab Emirates	77
		USA	78
		Vietnam	80

THE EXPAT EXPLORER SURVEY

EXECUTIVE SUMMARY

DEAN BLACKBURN HEAD OF HSBC EXPAT

The Expat Explorer report, now in its sixth year, continues to provide a wealth of insights into expatriate life. This year, the survey captured the views and opinions of more than 7,000 expats from nearly 100 countries from around the world, making it our largest ever sample. The survey results add up to give a fascinating snapshot of what it is like to be an expat. With more countries than ever before in our league tables, we can, for the first time, take a closer look at how expat life differs between emerging markets and established economies.

This year's results see expats in the BRIC economies (Brazil, Russia, India, and China) – and frontier economies (Vietnam, Indonesia, Turkey and Mexico – termed the VITMs throughout this report) have a confident outlook on the economy and are optimistic about the current state of their local economy. These countries are

attracting young career-minded expats, as well as international companies looking to increase their footprint. The 2013 findings reveal how expats in VITM countries are more than twice as likely to be on international assignments compared with the global average.

Elsewhere in the world, Asia continues to be an attractive location for financial gain and quality of life. Not only is Asia home to the highest paid expats in the world, the region is also maintaining its position as a destination for improved quality of life and emerging as a buzzing social hub for expats. The 2013 report has Thailand, once again, taking top spot in the Expat Experience league table for ease of setting up, integration and a better social life.

Another plus point for expats in Asia is the cost-effectiveness of living in this region as highlighted



in our Expat Expenses league table – a new addition to this year's Expat Explorer survey. Expat Expenses unveils the most cost-effective countries for expats to live, based on spending on everyday essentials. Combined with lower living costs on everyday expenses and higher earning potential, Thailand also ranks first place as the most cost-effective place for

expats, alongside other Southeast Asian countries such as Vietnam and Taiwan.

However, while expats in Southeast Asian countries benefit from lower cost of living, we've seen that those living in European countries spend more on items such as public transport, and are also likely to face higher personal tax rates.

continued...

THE EXPAT EXPLORER SURVEY

EXECUTIVE SUMMARY (Continued)

This perhaps explains why many of the European destinations such as France, UK, Italy and Ireland, appear lower on the league table.

In the UK, Expat Explorer 2013 shows the millennial generation seeking opportunities within technology and finance. The findings reveal the most popular career options for expats are banking and finance, and IT. It appears that London is not only drawing in talent into its thriving financial centre, but also establishing a strong foundation as the digital capital of Europe, perhaps through Tech City or “Silicon Roundabout” as it is more affectionately termed locally, in East London.

For expat parents, Germany emerges as the top destination for bringing up a family abroad. As

well as ranking highly for Expat Economics at 7th place against its European neighbours, Germany’s position in the Raising Children Abroad league tables shows that it is also a favourable place to raise a family. Parents here rate the country for both the cost and quality of education and schooling, bringing up healthy children and improved quality of life since relocation.

With the largest sample to date, the 2013 Expat Explorer survey provides a comprehensive picture of life abroad, the challenges expats encounter and the benefits that make the expat experience unique. I’d like to take the chance to thank all those who participated in the survey this year. I hope you enjoy reading the rest of the report.

EXPAT ECONOMICS

ABOUT EXPAT ECONOMICS

Expat Economics focuses on how the economic situation differs for expats from country to country and from their country of origin. The findings cover all aspects of an expat's financial wellbeing, including economic outlook, personal finances, career progression and earning potential.

EXPAT ECONOMICS LEAGUE TABLE

The Expat Economics league table ranks countries in terms of three main economic factors: household income, disposable income and satisfaction with host (local) economy. A sample size of 30 or more respondents from each country was required to be considered indicative of the views of the country's expat population, with many countries far exceeding the minimum sample size. The league table is based on a series of sub criteria to ensure a fair assessment of how individual countries rate across a range of factors. Each criterion is weighted to arrive at a score which determines the country ranking.

EXPAT ECONOMICS LEAGUE TABLE

	Household Income (More than \$200k)	Disposable Income	Satisfaction with local economy	Overall Expat Economics
	Rank	Rank	Rank	Rank
Switzerland	4	6	4	1
China	3	11	2	2
Qatar	14	3	6	3
Thailand	15	1	12	4
Cayman Islands	2	2	21	5
Indonesia	1	10	18	6
Germany	6	24	3	7
Oman	24	14	1	8
Singapore	17	12	5	9
Turkey	7	21	7	10
Bahrain	19	4	15	11
India	11	17	8	12
Taiwan	34	8	13	13
Malaysia	5	27	11	14
Saudi Arabia	23	16	10	15
United Arab Emirates	20	25	9	16
Australia	8	15	19	17
Canada	21	22	14	18
Hong Kong	12	23	16	19

EXPAT ECONOMICS

LEAGUE TABLE (Continued)

	Household Income (More than \$200k)	Disposable Income	Satisfaction with local economy	Overall Expat Economics
	Rank	Rank	Rank	Rank
Russia	31	5	24	20
Vietnam	18	7	28	21
Mexico	36	18	17	22
USA	13	13	26	23
Japan	10	9	29	24
Belgium	16	20	25	25
Kuwait	37	19	23	26
Brazil	25	31	20	27
Netherlands	26	28	27	28
New Zealand	29	36	22	29
South Africa	28	26	32	30
Argentina	9	32	33	31
United Kingdom	27	33	30	32
France	30	30	31	33
Spain	33	29	35	34
Egypt	22	37	34	35
Ireland	32	35	36	36
Italy	35	34	37	37

EXPATS IN BRICS AND FRONTIER ECONOMIES ARE UPBEAT ABOUT THE ECONOMY AND HAVE GREATER DISPOSABLE INCOME

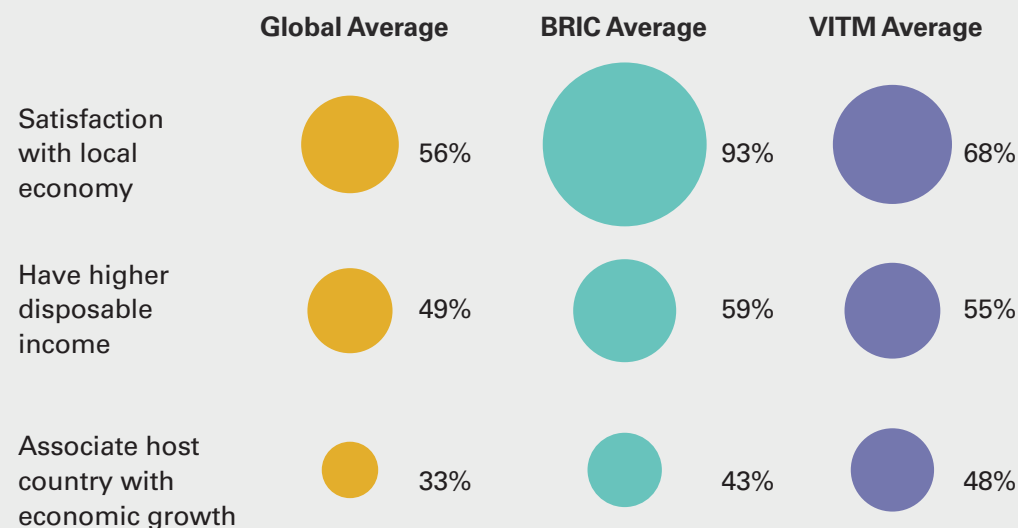
Emerging markets have proven resilient with continually growing economies¹ despite the global economic downturn. In recent years, BRIC nations such as Brazil, Russia, India and China have outperformed those of developed markets, and have been identified by economists at large as fast-growing markets that are driving global economic growth. Alongside the BRICs, comes an emergent group of frontier economies including Vietnam, Indonesia, Turkey and Mexico (grouped under the acronym VITM throughout this report), typified by young populations that are widely viewed as the growth engines² of tomorrow by leading commentators.

The Expat Explorer 2013 report reveals that expats in emerging markets and frontier economies maintain a more positive outlook on the economy and opportunities available to them compared to the global picture of expat attitudes. Nearly twice the number of expats in BRIC countries (93%) report being more satisfied with the state of the local economy than expats across the world (56%). The picture is similar, though less pronounced, when looking at those based in VITM economies (68%). Expats in these markets also tend to associate the countries with higher economic growth and are less concerned about job security compared with the global average (see table).

These markets appear to be appealing to young career-minded expats. In the BRIC countries for example, half (50%) of expats are those of the millennial generation (those aged between

18-34 years old) compared with the global average of 37%, showing that the region is popular with young expats wanting a taste of the excitement and dynamism these countries offer.

Expat attitudes in BRIC and VITM countries



¹ IMF – <http://www.imf.org/external/pubs/ft/weo/2012/02/pdf/c4.pdf>

² Financial Times – <http://www.ft.com/cms/s/0/f717c8e8-21be-11e0-9e3b-00144feab49a.html#axzz2aicUUhXO>

EXPAT ECONOMICS

FINDINGS

When looking at the frontier economies, despite expats in VITM countries reporting lower salaries compared to their country of origin, expats there are generally benefitting from greater disposable incomes due to lower cost of living as highlighted in our new Expat Expenses league table. More than half (55%) of expats in VITM countries reported having more disposable income since relocating compared with an average of 49% across the world. The same is experienced by those in BRIC nations (59%). Expats in BRIC and VITM countries say they are spending less on essentials like accommodation, household goods and utilities among other daily necessities (see table).

Areas where expats are spending less

		Global Average	BRIC Average	VITM Average
Accommodation/Housing		 19%	 31%	 45%
Public Transport		 28%	 39%	 45%
Private Transport		 23%	 25%	 32%
Clothing		 24%	 30%	 37%
Household Goods		 19%	 29%	 37%
Utilities		 20%	 32%	 40%
Going Out		 22%	 28%	 35%
Groceries		 20%	 31%	 42%
Recreational Activities		 20%	 31%	 33%

BUSINESS BOOM AND EXPANSION IN VIETNAM, INDONESIA, TURKEY AND MEXICO WITH EXPATS MORE THAN TWICE AS LIKELY TO BE SENT BY THEIR COMPANIES

The VITMs (Vietnam, Indonesia, Turkey and Mexico) are presenting expats with exciting prospects for career progression and development as businesses spot growth opportunities in these markets. As well as expats in VITM countries being more than twice as likely to be sent there by their companies (19% compared with 7% globally), over half (53%) of expats agree that the countries are improving as a place to live and work compared with worldwide averages (32%), which is perhaps indicative of more attractive relocation packages offered to these employees.

Looking at each of these markets in closer detail, Vietnam is one country that is experiencing a real brain gain – benefitting from

an influx of talented, foreign-born professionals looking for career opportunities. With many Vietnamese companies finding it difficult to find the right talent³ to match growing business needs, one in five (20%) expats relocated to the country in response to recruitment calls for people with their professional skill set – double that of the global picture (10%).

Out of the four VITM countries, expats in Indonesia (31%) are most likely to be on secondment – more than three times the global average of 7%. The rest of the VITM countries also benefit from much higher than average numbers: Turkey (22%), Vietnam (21%) and Mexico (11%). It appears that more senior staff are relocating to oversee the international

operations of their companies with more than a third (35%) of expats in these countries occupying a senior business management position, nearly six times as much as the global average of just 6%.

In Turkey, it seems that the country is fast-establishing itself as a ‘hotspot’ for banking and financial activity. With the insurance sector boasting a growth of 27%⁴ in Q1 2013 alone, it is perhaps no surprise that nearly a quarter (24%) of expats are employed in the banking, insurance and financial services sector, which is more than twice the global average (10%).

While the insurance sector is booming for Turkey, the recent telecoms bill in Mexico⁵, which aimed to make the industry more

open and competitive appears to have attracted the attention of opportunity-seekers in the IT sector. Nearly one in ten (7%) expats in Mexico work in IT-related industries like telecommunications, which is more than double the global average of 3%, while twice the number of expats (12%) work in a sales and customer service function, compared with the worldwide average of 5%.

³ Vietnam Net – <http://english.vietnamnet.vn/en/business/15610/survey-shows-skills-shortages-threatens-business-growth.html>

⁴ Port Turkey – <http://www.portturkey.com/finance/5252-insurance-sector-in-turkey-posts-a-whopping-growth-of-27-in-q1-2013>

⁵ BBC – <http://www.bbc.co.uk/news/world-latin-america-22362326>

FUTURE-PROOFING RETIREMENT SAVINGS

When thinking about retirement income, expats have been sensitive to economic changes over the past 12 months, especially as growth prospects continue to be subdued. Across the globe, one in three (34%) expats are making extra provisions to future proof retirement savings by altering the way they plan for retirement. The most popular methods adopted by expatriates are to put more into savings (36%), work later in life (31%), put more into a pensions plan (23%) and invest more into property (23%).

Looking at regional differences, expats in the Middle East are among those most likely to say that they have made active changes when it comes to planning for the senior years – nearly half (47%) have made changes compared with the global average of only 34%. These same expats are also most likely to hold the majority of their retirement provisions back at home (52%) when compared to expats in Asia (40%) and Europe (24%). This reinforces the findings from last year's Expat Explorer survey that the Middle East tends to draw in greater numbers of short-term career-driven expats, who eventually return home or move on to another expat posting.

How expats are saving for retirement

- 36% are putting more into savings
- 31% plan to work later in life than initially thought
- 23% are saving more into a personal/company pension
- 23% are putting more into property
- 16% are saving more into investment funds

EXPATS LOOK FOR FINANCIAL SECURITY IN ESTABLISHED MARKETS FOR RETIREMENT

Expats tend to prefer the security of stable and established markets for a financially comfortable retirement, according to the findings of this year's survey. This is reflected in the countries where expats prefer to hold their retirement provisions, which are divided between the expats' country of origin and their new expat home. Nearly half (45%) invest the majority of their retirement provisions in the country they live in now, whereas just over one in four (28%) invest the majority in their country of origin.

When looking at popular countries for retirement investment in the host country, Canada (86%), Australia (80%) and the USA (75%) are leading the way, perhaps indicating the intention many expats living in these countries choose to remain there long term. The Expat Explorer report shows how the majority of expats living

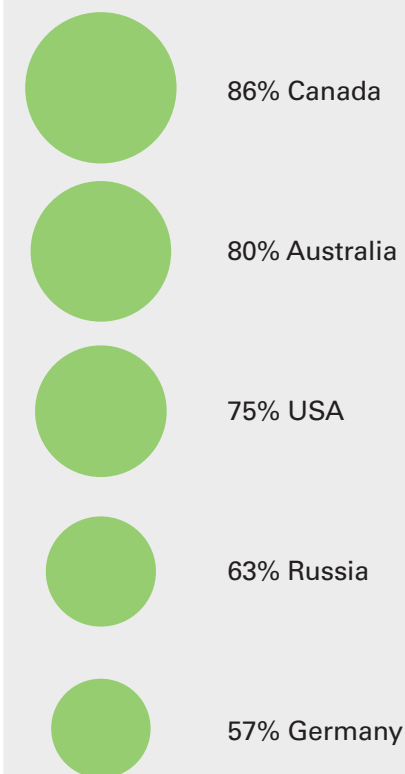
in these countries are 'expat lifers' – those who relocated to those countries more than ten years ago. Nearly eight in ten expats (79%) moved to Canada before the year 2000, and the same is seen in Australia (61%) and the USA (67%), which is twice as many when compared with the global average (39%).

Elsewhere in the world, half or more expats living in countries such as Russia (63%), Germany (57%), Switzerland (55%), New Zealand (53%) and the UK (50%) have made retirement provisions in their host country.

This year's Expat Explorer report also looks at a cohort of wealthy expat earners, those earning more than \$300,000 annually. The results reveal that this group is more likely than any other income group to hold retirement provisions back at

home (44% compared with global the average of 28%). This suggests that wealthy earners are more likely to be on a limited term placement, planning to return home for further work or retirement, or perhaps that these expats hold more diverse investment portfolios.

Top five places where expats hold retirement provisions in host country



WEALTHY EARNERS HUBBED IN EUROPE

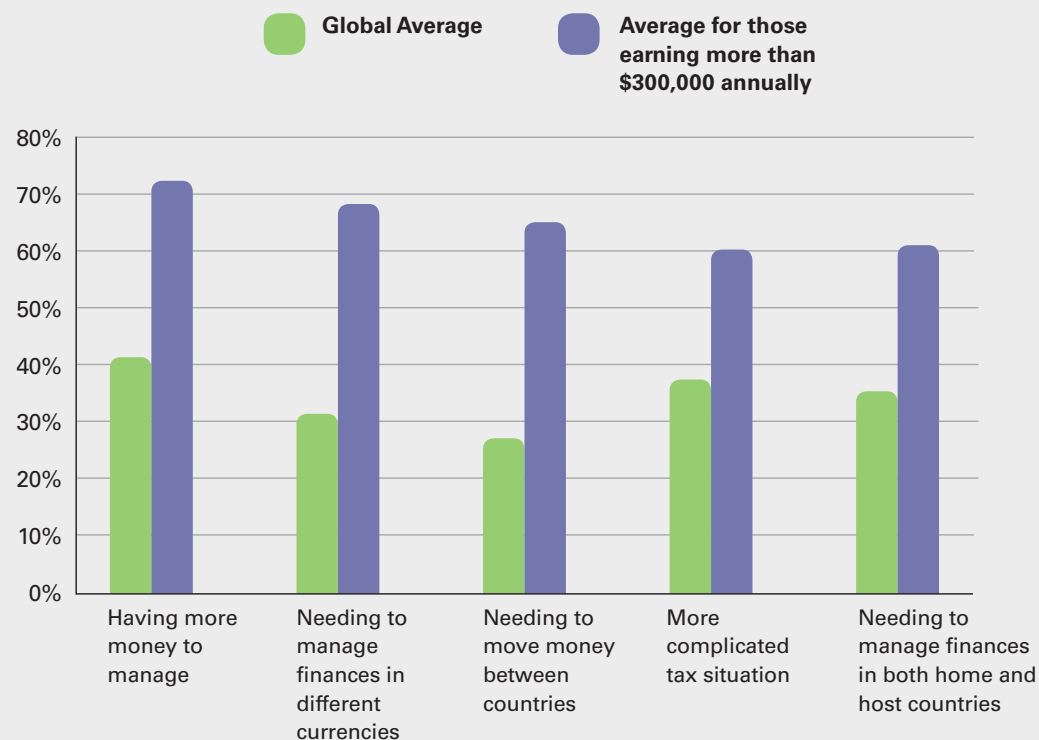
While expats around the world, especially those within the Eurozone, are feeling the uncertainties of the economic climate, one group of expats – the wealthy expat earners (those earning more than \$300,000 annually) are riding the storms and are relatively untouched by global economic woes. This group of expats is more likely to originate from European countries (55%) and choose to move to another European country within the region (23%) when expatriating.

Unlike the rest of Europe, wealthy expat earners are finding new opportunities within the region and appear to be sheltered from

wider European troubles. Nearly seven in ten (68%) wealthy expat earners are seeing an improvement in their financial status compared to the regional average (46%), and 69% have greater disposable income since relocating compared to both European (40%) and global averages (49%).

With improvements in financial statuses, the majority of wealthy expat earners (77%) have more complex finances compared to the global average (60%). They have more money to manage, need to manage finances in different currencies and have to move money between different countries.

Reasons why finances have become more complicated



EXPAT ECONOMICS

FINDINGS

The concerns and confidence levels of these wealthy expats also differ to those of other expats globally as these expats tend to be exposed to wider asset classes and have more sophisticated investment portfolios. This is reflected in the confidence levels for this group of expats who say the state of the global economy (51%), shape of the local economy (35%) and volatility of stock markets (30%) are the top three risks to their financial wellbeing.



GLOBAL ATTITUDES TO RISK

This year, the Expat Explorer survey provides an insight into the biggest risks perceived by expats to their financial wellbeing and confidence. Looking at expat attitudes globally, job security (39%), the condition of the expat's local economy (37%) and shape of the global economy (31%) are cited as the top three risks to confidence levels, with interesting regional differences across Europe, Middle East and Asia.

In Europe, for example, European-based expats are most concerned about job security (42%), the economy of their host country (42%) and the Euro crisis (38%). This concern is most pronounced in Germany, Europe's industrial powerhouse and the world's second largest exporter⁶, where expats are nearly three times

more likely (62%) to be concerned with European troubles compared to the global average (23%).

Across Asia, expats are less concerned about local risks, instead demonstrating greater concerns about global economic issues. More than a third (34%) of Asia-based expats say the state of the global economy is a top concern – the second most cited worry after job security (see table). Fears over inflation also take on heightened importance with 30% of Asia-based expats mentioning this, compared to the global average of 19% – making this the third most mentioned risk within the region.

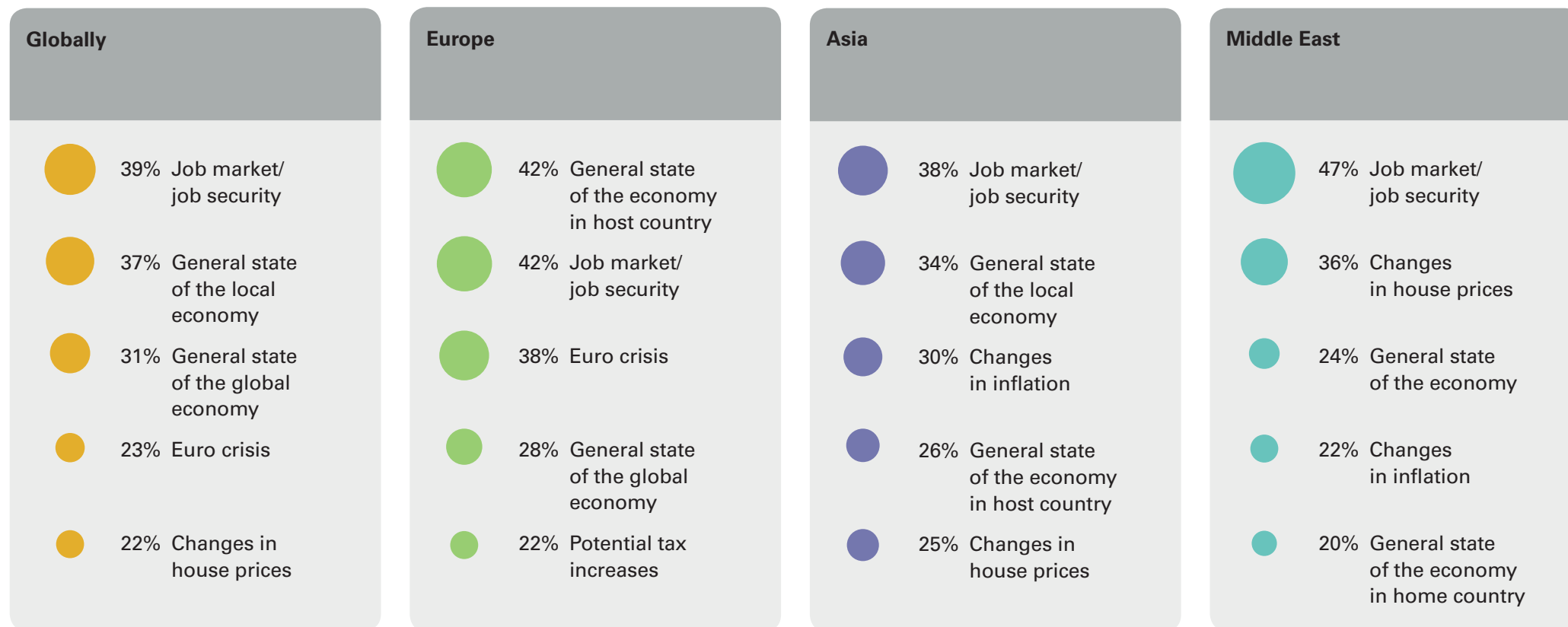
In the Middle East, fluctuations in house prices represent a considerable concern to expats living there, with more than one

in three (36%) expats in the region believing this to be one of their top three concerns, compared to the global average of one in five (22%).



⁶ BBC – <http://www.bbc.co.uk/news/business-18868704>

GLOBAL ATTITUDES TO RISK — TOP FIVE RISKS TO FINANCIAL WELLBEING AND CONFIDENCE



TOUGH PROPERTY RIGHTS RESTRICTIONS IN THE MIDDLE EAST

In the past, legislation placed tough restrictions on expats in the Middle East buying freehold properties⁷ in the region. The Expat Explorer survey reveals how these challenging property rights mean that expats in the Middle East are among those least likely (16%) to own a property after relocating compared to other regions (24%). The Middle East also stands in contrast to other countries where expats find it easier to get a foot on the property ladder, in particular Canada (46%), USA (40%), India (39%) and Australia (39%) where expats are most likely to own a home.

The report also found that Middle Eastern-based expats are most concerned about changes in house prices (36%), citing this to be a top risk to their financial wellbeing and confidence (compared to the worldwide average of 22%).



⁷ Emirates 247 - <http://www.emirates247.com/eb247/companies-markets/real-estate/expat-non-freehold-ownership-illegal-2010-11-21-1.319105>

THE OUTLOOK FOR UK BASED EXPATS

This year, the UK ranks 32nd out of 37 countries in the Expat Economics league tables. Expats in the UK have a muted outlook on the economy with nearly half (48%) citing the state of the UK economy as a top concern. Compared to the global average of 40%, six in ten expats in the UK say they are feeling the heat of the economy and are dissatisfied with its current state.

However, UK-based expats are adopting a classic British 'keep calm and carry on' attitude, with only 7% actively looking to leave the country – the lowest rate of all European countries. In fact, expats in Britain tend to view their move as longer term and half (50%) maintain their pension provisions in the UK compared to the global average (45%).

Looking at the overall picture for retirement provisions for UK-based expats, it appears that austerity measures implemented in the UK have had little impact on planning for the golden years. Nearly three quarters (74%) of expats in the UK have made little to no changes to their retirement plans as a result of economic changes compared to a global average of 66% of expats who said the same. However, like expats across the world (31%), more than a third of expats (37%) in the UK accept that they will have to work longer in order to fund their retirement.



⁸ The Guardian – <http://www.guardian.co.uk/business/2013/jul/01/eurozone-unemployment-record-high>

MILLENNIALS SEEKING OPPORTUNITIES IN TECH AND FINANCE IN THE UK

With ripples of concern from neighbouring countries⁹ due to rising local unemployment figures across the Eurozone, job security remains high on the agenda for those in Britain. The state of the job market (46%) is cited as the second biggest risk for UK-based expats. Only one in ten (13%) expats in Britain feel that the country is getting better as a place for expats to live and work, compared to a third (32%) elsewhere in the world. Nearly half (45%) say that it is actually getting worse compared to nearly a third (30%) who said the same across the globe.

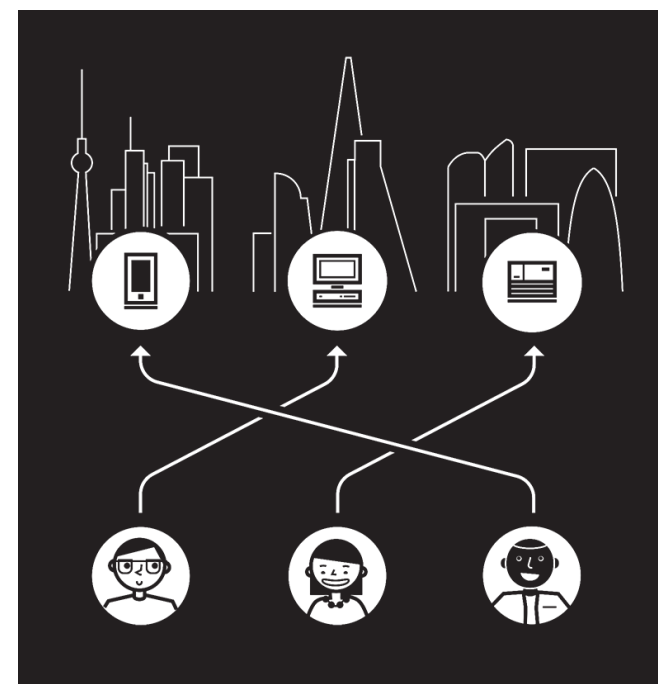
However, one segment of expats in the UK, seen to be bucking this pessimistic outlook, are the millennials (those aged 18-34) who appear to be finding more

opportunities in London's financial centre and technology sector.

According to research reports, members of the millennial generation will make up 70% of the global workforce by 2025⁹. Growing up with new technologies and social media, the millennials (those 18-34) are more resilient and tech savvy than ever in contrast to previous generations. This year's Expat Explorer report reveals that this Gen-Y¹⁰ workforce is finding opportunities in a fusion of careers covering technology and finance.

The millennials are particularly attracted to the UK (19%) and the UAE (16%) as locations to live and work – the only two countries seeing double digit figures of expats of this age group.

London's thriving finance centre and technology hub, Tech City or "Silicon Roundabout" as it is known by the locals, appears to be drawing in talent from abroad with nearly half (48%) of those surveyed in London belonging to the millennial generation. Banking and financial services (10%) and IT (10%) are cited as two of the top three professions for this age bracket. With data from the Office of National Statistics reporting 1.2m jobs in the UK are within the financial services profession and 1.3m jobs in IT, this would be the equivalent of 120,000 and 130,000 of these roles, respectively, being filled by expats.



⁹ ONS Workforce jobs by industry taken March 2013

¹⁰ Wikipedia - http://en.wikipedia.org/wiki/Generation_Y

DEUTSCHLAND DELIGHTS AND THE SWISS TASTE OF SUCCESS AGAINST WIDER EUROPEAN WOES

Due to the growing demand for software developers, coders and designers in London's Tech City, it appears that European and global talent with technology skills are increasingly attracted to work for the capital's growing tech cluster.

Other notable career options for members of this generation include teaching abroad, especially in Asia, allowing younger expats to get a first taste of expat life abroad. One in ten expats (11%) aged 18-34 say they work in education. In comparison to other age groups, this generation is also more likely than any other age bracket to move in pairs with a third (33%) deciding to make the jump to be with a partner.

Bucking the pessimism felt elsewhere in Europe, expats in Switzerland and Germany remain robust to wider turmoil. Through a mixture of fiscal policy¹¹ and strong export markets¹², Switzerland and Germany stand out as beacons of growth in Europe in the Expat Explorer survey, taking up 1st and 7th position out of 37 countries respectively in the Expat Economics league tables.

The economic realities of both countries have translated into local expat sentiment, with most expats in Switzerland and Germany (86% and 87% respectively) reporting that they are satisfied with the local economy in contrast to European averages (53%). This optimism continues when expats in both places were asked whether the country is getting better as

a place for expats to live and work – roughly a third of expats in Switzerland and Germany (37% and 28% respectively) believe the country is getting better compared to one in four (24%) expats in the rest of Europe.

The strength of these economies has also resulted in expats reporting that they are better off financially with one in three (34%) expats in Switzerland and one in four (27%) in Germany citing an improvement in their financial status since relocating compared with less than a quarter of expats across Europe who said the same (23%). This mixture of strong economies, higher earnings and better financial statuses allow nearly seven in ten (69%) expats in Switzerland to have more disposable

income – the highest among all European countries covered in this year's report. Additionally, more than half of expats (51%) in Germany reported having higher disposable income compared with a global average of 40%.

The pull of a strong economy in both Switzerland and Germany comes at a price however, with the countries falling in to the bottom half of the Expat Expenses league table (ranking 23rd and 25th respectively). The expensive cost of living is having a particular impact on expats in Switzerland. More than two in five (43%) expats are currently looking to leave the country and are doing so because of costly outgoings – much higher than the European average of only 27% of expats who said the same.

¹¹ Bloomberg – <http://www.bloomberg.com/news/2013-02-28/swiss-economy-defies-strong-franc-with-unexpected-expansion-1-.html>

¹² Bloomberg – <http://www.bloomberg.com/news/2013-07-31/german-unemployment-declined-in-july-amid-recovery.html>

ASIA STILL LEADING ON THE FINANCE FRONT

Asia is home to among the highest paid expats in the world as revealed in this year's Expat Explorer survey, where average expat remuneration packages are at least 15% higher than the global average – \$74,000 per annum, compared to \$64,000 elsewhere.

In Asia, the highest proportion of expats earning more than \$250,000 are located in Indonesia (22%), Japan (13%) and China (10%) compared with a global average of just 3%. Comparatively, the lowest-paid expats live in Europe, where average salaries are \$53,000 annually. Within Europe, a significant proportion of expats in Spain and Italy earn less than \$60,000 per year (83% and 82% respectively) compared to the global average (65%).

This year's findings also reveal that Thailand emerges as a favourable destination for expats looking for both quality life and improved financial status. As well as taking top spot in the Expat Experience league tables, the country also ranks top for the Disposable Income criteria. Upon relocation, expats in Thailand are more likely to say they have greater disposable income, with nearly eight in ten expats (76%) witnessing an improvement compared with the global average (49%). This trend is mirrored elsewhere in the region where a large proportion of expats in Taiwan (64%) and Vietnam (64%) report similar experiences.

It seems that these thriving Asian countries still have strong appeal for career-minded expats. Despite the recent slowdown of China's wider economy¹³, nearly seven in ten expats (69%) moved to China to take advantage of better job opportunities, closely followed by Singapore (54%) and Hong Kong (41%).

¹³ FinancialTimes – <http://www.ft.com/cms/s/0/a3c88944-efa1-11e2-8229-00144feabdc0.html>

EXPATS DIVERSIFY INVESTMENT PORTFOLIO UPON RELOCATION

The Expat Explorer survey looks at the typical expat investment portfolio and this year's findings reveal that expats are favouring higher performing investments over cash holdings. Upon relocation, the amount of cash holdings fell from 65% to 50%, whereas the proportion of assets held in property (32% up from 21%) and other investments (18% up from 14%) has increased.

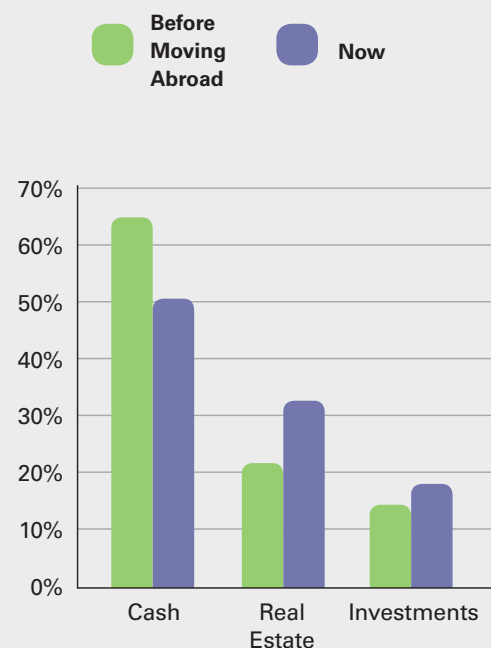
Expats are opting for longer term investments by increasing the proportion of their assets held in real estate from 21% to 32% since moving abroad. This pattern is most pronounced in Australia (49% up from 22%), Qatar (42% up from 33%) and Canada (41% up from 18%) where expats hold almost half of their total assets in property. However, the greatest increase is seen among UK-based expats, where the proportion of assets held

in real estate more than doubles from 13% to 31% since relocating.

For those who indicated holding investments in different asset classes, equities and fixed income are seen to be the largest recipients of the shift away from cash with the proportion of assets held in these almost doubling from 25% to 40% during the course of an expat's posting.

The findings also highlight that expats in markets such as Brazil and China¹⁴ are more concerned about local inflation than the average expat. This is demonstrated by the amount holding foreign currency as part of their portfolios. For example, expats in BRIC countries are holding the majority (57%) of their investment portfolio in foreign currencies compared to 17% of the investment portfolios of the average expat.

**Typical Expat Investment Portfolio:
before and after moving abroad**



**Holdings in
Investment Assets now**



¹⁴ FinancialTimes - <http://www.ft.com/cms/s/0/b43f5a6c-098e-11e3-ad07-00144feabdc0.html#axzz2ccbVTxNH>

EXPAT EXPERIENCE

ABOUT EXPAT EXPERIENCE

Expat Experience looks at an expat's lifestyle, especially the level of ease or difficulty in which expats can set up in their new country, how well they integrate into the local community, and their overall quality of life.

EXPAT EXPERIENCE LEAGUE TABLE

The Expat Experience league table has been compiled using a comprehensive set of sub-criteria (29 in total) to reveal which locations expats voted as the places with the best life experience. A sample size of 30 or more respondents from each country was required to be considered indicative of the views of the country's expat population, with many countries far exceeding the minimum sample size. The league table is based on a series of sub criteria to ensure a fair assessment of how individual countries rate across a range of factors. Each criterion is weighted to arrive at a score which determines the country ranking. One of the main criteria is quality of life, for which expats rate accommodation, food, entertainment, healthcare, work-life balance, social life, commute to work and opportunities for sports and travel.

EXPAT EXPERIENCE LEAGUE TABLE

	Setting Up	Integration	Quality of Life	Overall Expat Experience
	Rank	Rank	Rank	Rank
Thailand	3	3	1	1
Bahrain	6	23	2	2
China	15	2	4	3
Cayman Islands	1	24	3	4
Australia	2	14	8	5
Singapore	5	26	7	6
India	28	12	5	7
Taiwan	24	8	6	8
Spain	8	7	16	9
Brazil	20	1	17	10
Germany	12	11	12	11
Russia	4	16	18	12
Switzerland	14	22	11	13
South Africa	22	18	10	14
Argentina	31	21	9	15
Canada	7	20	20	16
Mexico	26	5	19	17
New Zealand	16	27	14	18
Belgium	11	17	22	19

EXPAT EXPERIENCE

LEAGUE TABLE (Continued)

	Setting Up	Integration	Quality of Life	Overall Expat Experience
	Rank	Rank	Rank	Rank
Malaysia	9	30	13	20
France	10	9	26	21
Turkey	19	4	27	22
USA	17	19	23	23
Japan	35	15	21	24
Hong Kong	18	28	25	25
United Arab Emirates	29	36	15	26
United Kingdom	13	13	30	27
Italy	21	10	33	28
Qatar	36	34	24	29
Ireland	23	29	29	30
Indonesia	27	6	35	31
Vietnam	30	25	31	32
Netherlands	33	32	28	33
Kuwait	34	35	32	34
Oman	25	31	34	35
Egypt	32	33	36	36
Saudi Arabia	37	37	37	37

EXPAT EXPERIENCE FINDINGS

FROM BRAZIL WITH LOVE

This year, Brazil emerges as the most romantic expat destination of 2013 with the largest proportion of expats (62%) saying they met a lifelong partner there since relocating (compared to the global average of 40%). The survey also reveals that not only do larger numbers of expats fall in love when they move to Brazil, but a higher proportion also moved to be with a loved one. Over half of expats in Brazil (55%) said that they relocated to be with their family or partner compared to the global average of one in three (33%).

The country also ranks highest for the Integration score, with expats in Brazil finding it easier than any other country to integrate into the local community. Expats there are more inspired to pick up the local language with nine in ten expats (90%) saying they have made an effort to learn Portuguese compared to the worldwide average (60%).

Other countries which rank highly in the romance stakes are Russia and Italy where around six in ten expats (61% and 58% respectively) agreed that they had found a life partner since moving.

While these countries might hold the key to many expat hearts, it is not all doom and gloom for those living in other nations. It seems that expats are generally luckier in love: almost twice as many expats agree to having met their life partner since moving (40% compared to 21% who disagree).

Female expats are more likely to meet a partner than their male counterparts. The data revealed nearly 10% fewer men met their life partner after expatriating compared to women (43%).



EXPAT EXPERIENCE FINDINGS

FOOD'S GOT THE LOVE

UK food has had a makeover. Expats in the UK are no longer confined to paltry choice between fish and chips, cucumber sandwiches and Coronation chicken. The wide array of food choices available has helped UK cuisine shed its former image and bring a new energy to the UK menu.

This trend is mirrored in the findings of this year's Expat Explorer survey whereby expats in Britain are among the most willing to throw themselves into their new culture and indulge in the local cuisine. Nearly half (46%) of UK-based expats say that they enjoy the chance to eat local food, matching the global average and challenging the common preconception that British food is inferior to cuisine from abroad.

The survey also found that Europeans are most likely (75%) to find it easy to adjust to the UK food scene compared to the global average (69%), shattering any illusions of Euro-food-snobbery. Two thirds (66%) of expats in the UK also agree that it's easy to get used to local food, with more than half (58%) saying it was 'very easy' (compared with a global average of 44%).

There's no denying that the ever-increasing marketplace¹⁵, crammed with choice and diversity has benefitted UK cuisine. The renewed appetite for BBQ ribs, burgers and hotdogs, plus global cuisine like curries and spicy Sichuanese hotpots, and inventive re-imaginings of beloved British dishes, show that the UK has never been better equipped to please even the fussiest of foodies.



¹⁵ Food verdicts – <http://foodverdicts.co.uk/articles/rise-of-american-comfort-food-in-the-capital/>

EXPAT EXPERIENCE FINDINGS

COME THAI WITH ME

Beaming with a lustrous hue from its buzzing city life, shimmering beaches and mouth-watering cuisine, Thailand, yet again, tops the tables for quality of life abroad. This year, the country ranks 1st out of 37 countries in the Expat Experience league tables. Perhaps it is of little surprise that, when asked why expats choose to move to Thailand, more than two in five (44%) specify they did so to improve their quality of life compared with the global average of less than one third (29%).

Expats in Thailand have a positive outlook on most aspects of expatriate life including integration and setting up. For example, 76% of all expats in Thailand note the ease with which they made friends compared with the global average (52%). Combined with the array of diverse social activities to be enjoyed, it is unsurprising that expats moving to Thailand are

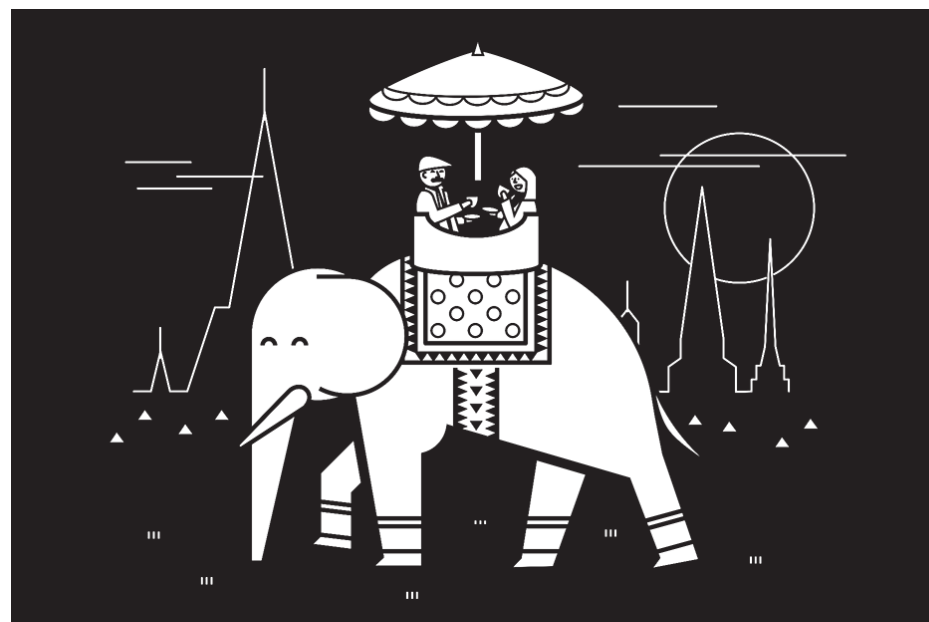
more likely than those in any other location to see an improvement (59%) in their social life. Thailand-based expats seem to have the best of both local and expat culture with more than seven in ten expats (76%) saying they found integrating into the local community easy compared with the global average (66%), and around half (54%) agree that they socialise more with their expat friends compared with elsewhere in the world (39%).

Supporting these findings, the vast majority of expats in Thailand immerse themselves in the local culture (98%), with most (71%) finding it easy to do so compared with the global average of 80% and 59% respectively.

With a careful blend of the best elements found in Southeast Asian cuisine, food certainly plays an important part for expats in Thailand. A large proportion seem

to be satisfied with the local fare with 63% finding it easy to adjust to the local food compared with the global average (44%). Equally, more expats in Thailand (83%) than in any other country claim to enjoy eating the country's food

and shopping for local produce. Since relocating, expats are also enjoying the health benefits of the light Thai cuisine with six in ten (61%) noting that they have a healthier diet – almost double compared with the worldwide average (32%).



SOCIAL BUTTERFLIES ATTRACTED TO BUZZING STREETS OF ASIA

One region emerges as the expat social hub in this year's Expat Explorer survey. Asia is the only region where expats generally agree that they enjoy a more active social life since relocating (35%), compared with the global average of 26%.

Perhaps with more sunshine, closer to proximity to immaculate beaches¹⁶ for water sports and metropolitan city lives on offer, Thailand (59%), Malaysia (46%) and China (44%) are the among the top destinations for a better social life compared with the global average (26%). In contrast, expats in Oman (71%), Kuwait (51%) and Ireland (51%) are most likely to note that their social life actually worsened since moving abroad.

The social factor contributes significantly to the expat's overall quality of life abroad. The countries where expats experienced a better social life also rank highly in the Expat Experience league tables with Thailand (1st), China (3rd), Singapore (6th) and Taiwan (8th) featuring in the top ten list. Asia-based expats, particularly those in Southeast Asia, also benefit from a lower cost of living as highlighted in the Expat Expenses league table, meaning that leisure activities (28%) and going out (26%) are generally cheaper upon relocation when compared to expats home country at 20% and 22% respectively.



¹⁶ Lonely Planet – <http://www.lonelyplanet.com/campaigns/wherewillyougo/beaches.php>

EXPAT EXPERIENCE FINDINGS

EASE OF SETTING UP IN THE CAYMANS

The Cayman Islands rank highest for the Setting Up criteria in the Expat Experience league tables at 1st place. Expats based in the Caymans rank the country higher than expats from any other country for a range of setting-up measures including travelling around locally (87%), getting used to the local culture (82%), making friends (80%), finding accommodation (78%), and organising healthcare (76%). With such extensive financial options¹⁷ available in the Cayman Islands, a higher proportion of expats (67%) also agree that it is an easy place to organise their finances compared with the global average (51%). As a result, seven in ten (70%) expats in the Cayman Islands state that they enjoy a higher quality of life, almost twice the global average (45%).

The Caymans also remains the friendliest country in the world with eight in ten (80%) expats rating the destination as an easy place to make friends – the highest out of all countries worldwide. A further 49% went as far to say they found it “very easy” compared with a more reserved global average of 23%. It is perhaps for this reason that expats are finding themselves a long term home in the country with more than two in five expats (44%) holding the majority of their retirement provisions in the Caymans compared with 32% globally.

The country also ranks favourably in terms of overall quality of life abroad at 4th place. Expats in the Cayman Islands rate the destination for its ease of acclimatising to the new culture (82% compared with the average across the world of 59%).



¹⁷ BBC – <http://www.bbc.co.uk/news/world-latin-america-20219637>

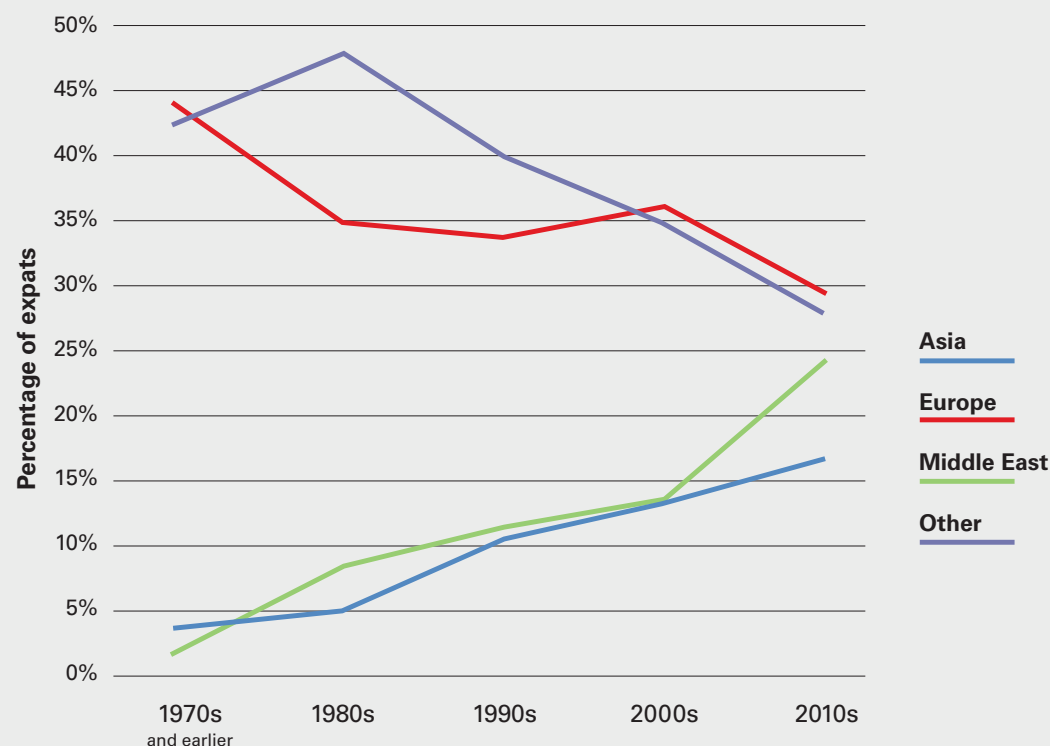
EXPAT EXPERIENCE FINDINGS

THE GREAT MILLENNIUM ESCAPE

The Expat Explorer 2013 survey reveals more than a third (37%) of those surveyed are serial expats, having lived abroad at least once before their current placement. The most popular destinations for serial expats are the UK (14%), UAE (11%) and Australia (8%), with these countries accounting for a third of all the serial expats surveyed. The findings also reveal that nearly half (46%) of these experienced expats are expat lifers, aged between 35-54 years old, and are most likely to have moved to look for better job prospects (39%).

Looking at the most popular expat destinations, Asia and the Middle East are seen to be drawing in global talent with a significant rise in expats moving to the Gulf regions at the turn of the century, while expats choosing European destinations for an overseas posting have seen a gradual decline over the years since the onset of the Eurozone crisis.

Region moved to on previous occasions



RAISING CHILDREN ABROAD

ABOUT RAISING CHILDREN ABROAD

Raising Children Abroad looks at the perceptions of expat parents on the cost of raising children, the quality of education and childcare services, changes in children's behaviour, individual confidence levels after relocating and the ease with which children are able to make new friends and integrate into new cultures. A child in the survey refers to someone below the age of 18 in the care of their parents.

RAISING CHILDREN ABROAD LEAGUE TABLE

The Raising Children Abroad league table ranks countries in terms of four main factors deemed important for expat parents.

The four factors are:

- Childcare
- Education
- Health
- Experience

A sample size of 30 or more expat parents from each country was required to be considered indicative of the view of the country's expat population, with many countries far exceeding the minimum sample size. The league table is based on a series of sub criteria to ensure a fair assessment of how individual countries rate across a range of factors. Each criterion is weighted to arrive at a score which determines the country ranking.

RAISING CHILDREN ABROAD

LEAGUE TABLE

	Childcare Rank	Education Rank	Health Rank	Experience Rank	Overall Raising a Child Abroad Rank
Germany	6	1	5	4	1
Singapore	5	3	4	10	2
France	1	4	3	15	3
New Zealand	12	9	2	2	4
South Africa	7	8	7	1	5
Belgium	9	5	8	8	6
Australia	16	13	1	11	7
Canada	19	6	6	5	8
Spain	2	12	16	6	9
Russia	15	2	15	17	10
Hong Kong	3	14	13	16	11
USA	21	10	10	7	12
United Arab Emirates	10	18	11	12	13
Netherlands	18	7	14	13	14
Cayman Islands	4	24	12	9	15
China	8	15	19	14	16
Italy	11	17	9	20	17
Kuwait	14	20	17	21	18

RAISING CHILDREN ABROAD

LEAGUE TABLE (Continued)

	Childcare Rank	Education Rank	Health Rank	Experience Rank	Overall Raising a Child Abroad Rank
United Kingdom	22	11	20	18	19
Mexico	13	16	23	19	20
Turkey	20	21	24	3	21
Saudi Arabia	17	22	18	24	22
Ireland	24	19	22	23	23
Qatar	23	23	21	22	24

RAISING CHILDREN ABROAD

FINDINGS

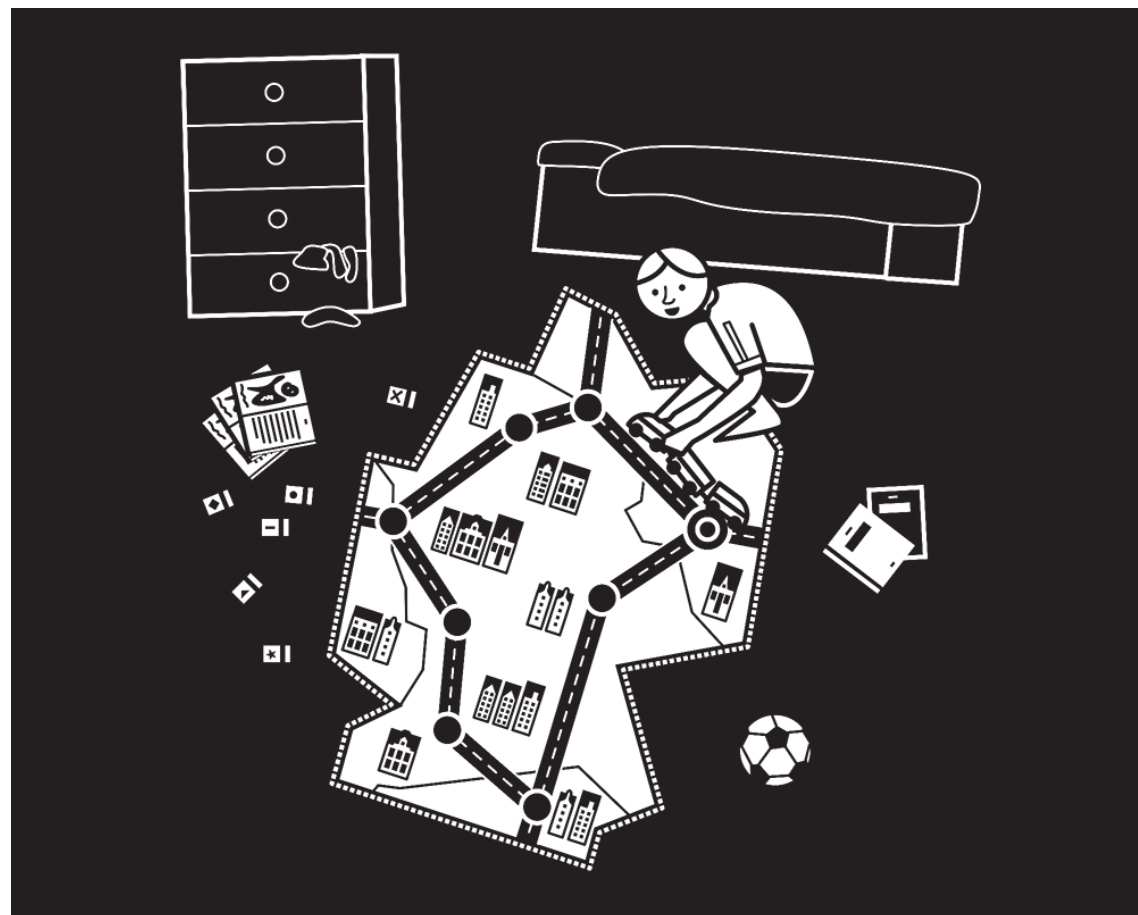
GERMANY TOPS TABLES FOR BRINGING UP CHILDREN ABROAD

Germany's position in the Raising Children Abroad league tables shows that the country not only performs well among its European neighbours in the economics stakes. This year, the country also ranks 1st out of 24 countries as a destination to raise a family abroad when looking at factors such as education, quality of childcare, health and experience.

Expatriate parents in Germany rate the country highest for its cost-effectiveness when it comes to schooling. Since moving overseas, nearly a third (30%) of expatriate parents are spending less on education compared with the global average (16%). Despite these lower costs, the quality of education has not been compromised, with nearly six in ten (58%) expatriate parents actually seeing an improvement in the quality of education their children receive compared to their country of origin.

Elsewhere in the world, despite having access to higher quality of education in countries like Singapore (78%), the majority of expatriate parents in the Lion City (83%) say they are spending more on education, likely to be for international schooling, compared to 62% of expatriate parents globally who say the same.

Expatriate parents in Germany are also more satisfied with the quality of childcare on offer in the country. Six in ten (60%) expatriate parents note an improvement in childcare provisions compared with less than half (48%) across the world. When it comes to health and wellbeing, 73% of parents indicate an improvement in their children's lifestyle compared with the global average (56%).



RAISING CHILDREN ABROAD

FINDINGS

FRANCE, GERMANY AND SPAIN OFFER EXPAT PARENTS AN ATTRACTIVE MIX FOR CHILDCARE PROVISIONS

Expat children based in Germany are also more likely to learn the local language (68%) than expat children on average (44%) and a higher proportion of parents (65%) have noted a general improvement in their children's quality of life compared to their home country.

The 2013 Expat Explorer report reveals that European states such as Germany, France and Spain offer expat parents an attractive combination of cost-efficient and high quality childcare. Expat parents in these countries note improved provisions for childcare but at relatively low costs. In contrast, despite having access to better quality childcare, comparative costs are considerably higher for those in Middle Eastern countries such as the UAE (74%) and Kuwait

(81%) when compared with the global average (58%). Likewise, seven in ten (71%) expat parents in Singapore also experience higher expenses for nursery, child minders and after-school care.

As seen with childcare provisions, Singapore (83%), Kuwait (80%) and the UAE (80%) are among the most expensive places for expat parents when it comes to the cost of schooling. Since relocating, eight in ten expat parents in these countries saw a marked increase in the cost of education compared with the rest of the world (62%). Conversely, better value in the education system is more likely to be experienced by expat parents in European countries such as France (35%), Spain (35%), Germany (30%) and Italy (28%).



RAISING CHILDREN ABROAD

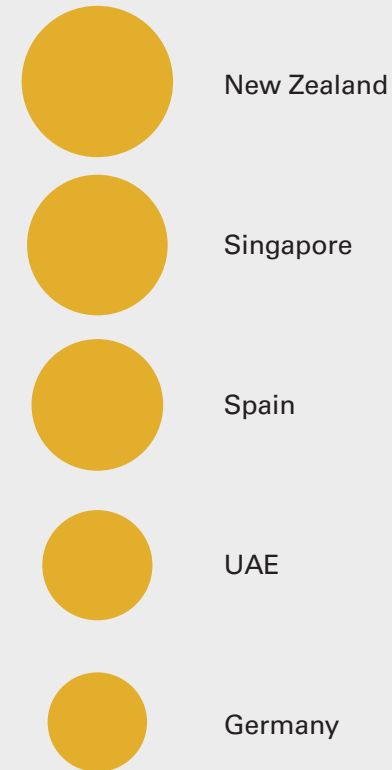
FINDINGS

NEW ZEALAND — HOME TO THE MOST OUTGOING EXPAT CHILDREN IN THE WORLD

Out of all the countries that qualified for the Raising Children Abroad league tables, New Zealand – which ranks 4th out of 24 countries – emerges as the destination for outgoing expat kids. Four in ten expat parents there (40%) agree that since moving abroad, their children have become more outgoing compared to one in four (25%) globally.

Not only are expat children here more sociable, the results show nearly half (48%) of expat parents in New Zealand feel their children are, on the whole, more confident and better-rounded. In contrast, only a third of expat parents (33%) elsewhere say the same.

Top 5 countries to bring up outgoing children



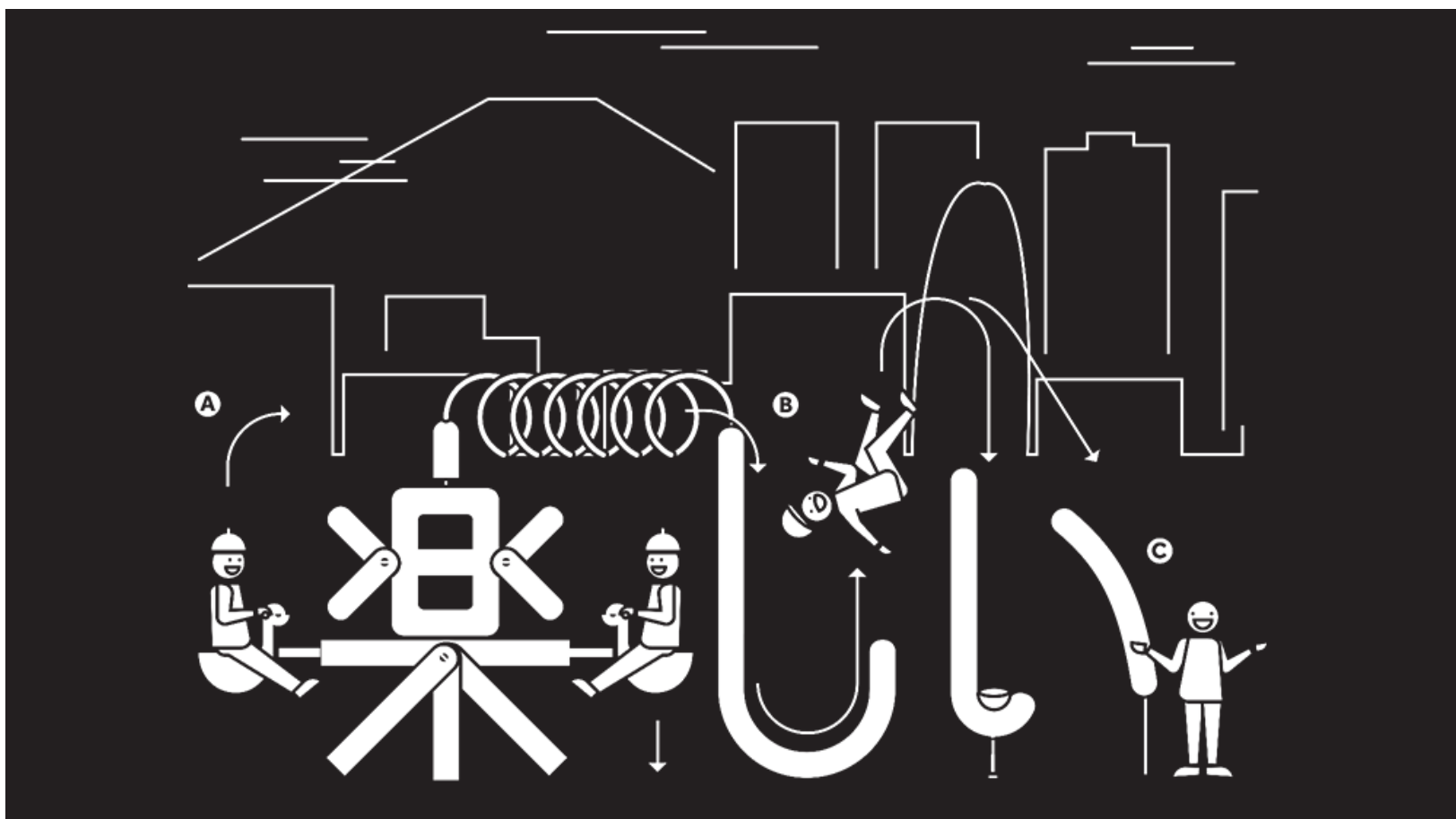
RAISING CHILDREN ABROAD

FINDINGS

DIFFICULT LANGUAGES PROVE THE MOST POPULAR AMONG THE EXPAT KIDS

The Expat Explorer 2013 survey reveals that languages traditionally perceived to be the most difficult, such as Chinese and Thai are among those most commonly studied.

Despite the difficulty in mastering tricky pronunciations and difficult characters, children living in Asia (58%) are actually more likely out of any region to be learning a new language compared with the global average (44%). The trend is most accentuated by expat children living in Thailand (75%), Taiwan (72%), Hong Kong (52%) and China (44%) where a larger proportion of parents say their child is picking up a new language in addition to their native tongue.



RAISING CHILDREN ABROAD

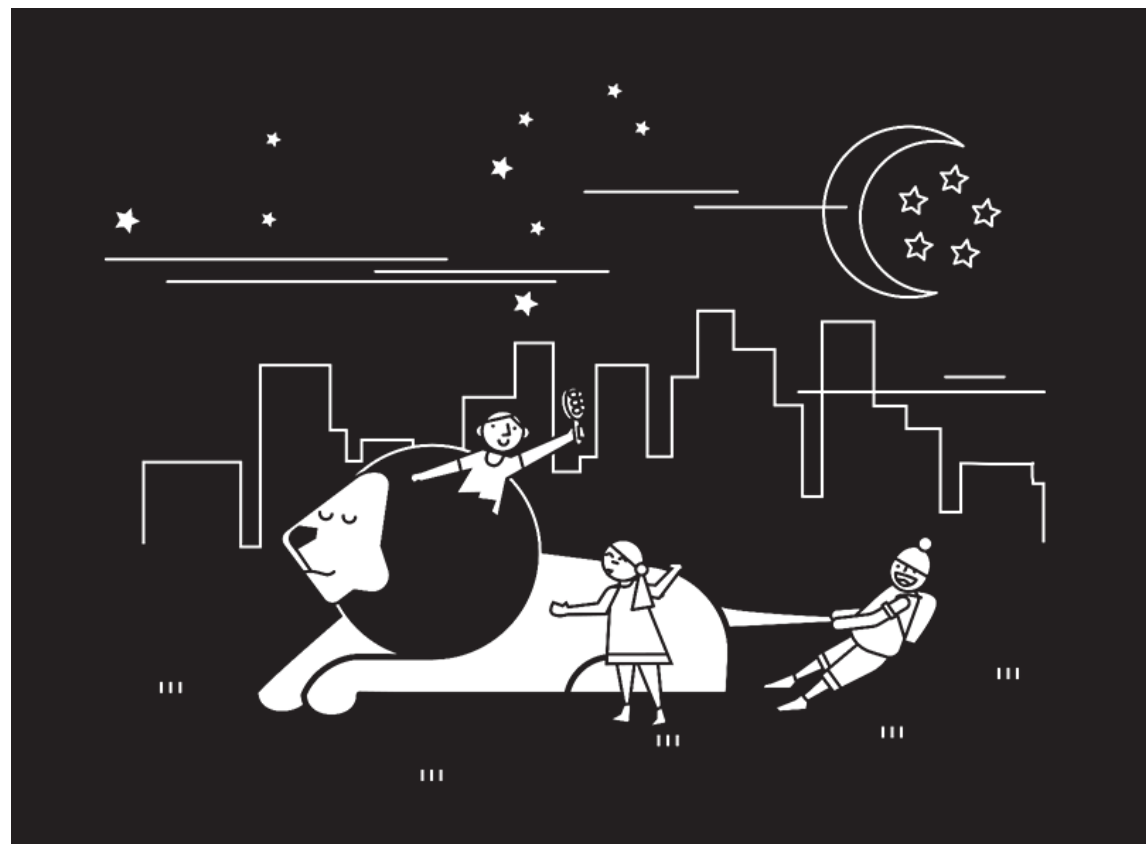
FINDINGS

SINGAPORE — THE SAFEST PLACE FOR EXPAT CHILDREN

With the crime rate in Singapore one of the lowest in the world¹, it comes as no surprise that expat parents rate the country as the safest place to raise children abroad. Having the peace of mind that they can walk around the city any time of the day and still feel protected, nearly nine in ten (86%) expat parents in Singapore regard the destination as the most child-safe haven. Other Asian and Middle East countries also feature highly in terms of safety including Qatar (73%), the UAE (72%) and Hong Kong (71%) – all receiving higher levels of endorsement.

Additionally, Singapore ranks second place overall for Raising Children Abroad and the country fares well for improvements seen in children's health and wellbeing with seven in ten (71%) expat parents rating this aspect favourably compared with the global average of just over half (56%). Since relocation, more than a third (36%) also notice an improvement in their children's health compared with 26% elsewhere.

Being exposed to a mixture of both Western and Eastern cultures, more than a third (36%) of expat parents in Singapore note that their children are generally more outgoing compared with the global average (25%).



¹ <https://www.osac.gov/Pages/ContentReportDetails.aspx?cid=13850>

EXPAT EXPENSES

ABOUT EXPAT EXPENSES

New to this year's Expat Explorer survey is the Expat Expenses league table, which unveils the most cost-effective countries for expats to live based on everyday expenses. The findings paint an interesting picture of the most cost-effective and costliest countries for expats around the world.

EXPAT EXPENSES LEAGUE TABLE

The Expat Expenses league table is calculated by reviewing the changes in disposable income upon relocation available to expats and coupling this data with the changes in the amount spent on a range of everyday essentials in comparison to the same goods and services in their home country. These include comparative costs across 12 different categories including accommodation, transportation, household goods, groceries, clothing, education, childcare, utilities, tax, financial advice, banking, and healthcare.

Expat Expenses Rank	Country		
1	Thailand	19	Hong Kong
2	Indonesia	20	Japan
3	Taiwan	21	South Africa
4	India	22	Brazil
5	Vietnam	23	Switzerland
6	China	24	Kuwait
7	Qatar	25	Germany
8	Bahrain	26	Egypt
9	Russia	27	United Arab Emirates
10	Mexico	28	Belgium
11	Saudi Arabia	29	Singapore
12	Turkey	30	Canada
13	Cayman Islands	31	Australia
14	Malaysia	32	France
15	Spain	33	United Kingdom
16	Argentina	34	Italy
17	USA	35	Netherlands
18	Oman	36	New Zealand
		37	Ireland

EXPAT EXPENSES FINDINGS

INCREASED EARNING POTENTIAL AND LOWER LIVING COSTS MEANS SOUTHEAST ASIA IS TOP OF THE EXPAT EXPENSES LEAGUE TABLE

The 2013 Expat Expenses league table reveals that Southeast Asian¹⁸ countries are the most cost effective countries for expats to live in, based upon relative spend on a range of daily necessities.

Thailand ranks 1st out of 37 countries thanks to a combination of relatively high earning expats residing in the country, coupled with lower spend required for everyday essentials. Expats report having to spend less than average on a number of important day-to-day expenses including housing, transportation and utilities (see table). Notably, a higher proportion of expats in the country (68%) report spending less on personal tax rates following their move compared with the global average (31%).

Accommodation costs, which often accounts for the biggest outgoing cost, is also reported as being cheaper in Thailand than in any other country in this year's league tables. Six in ten (63%) expats there spend less on housing compared with a global average of 19% of expats who say the same.

Other Southeast Asian countries making the top five on the Expat Expenses league table are Indonesia (2nd) and Vietnam (5th), while Taiwan and India rank 3rd and 4th respectively.

Indonesia benefits not only from a larger proportion of high earning expats, but also as having one of the lowest cost of living expenses of all countries. More than a fifth (22%) of expats in Indonesia

earn over \$250,000, the largest proportion of high earners from any country included in this year's league tables. However, the cost of everyday essentials for Indonesia-based expats also remains low.

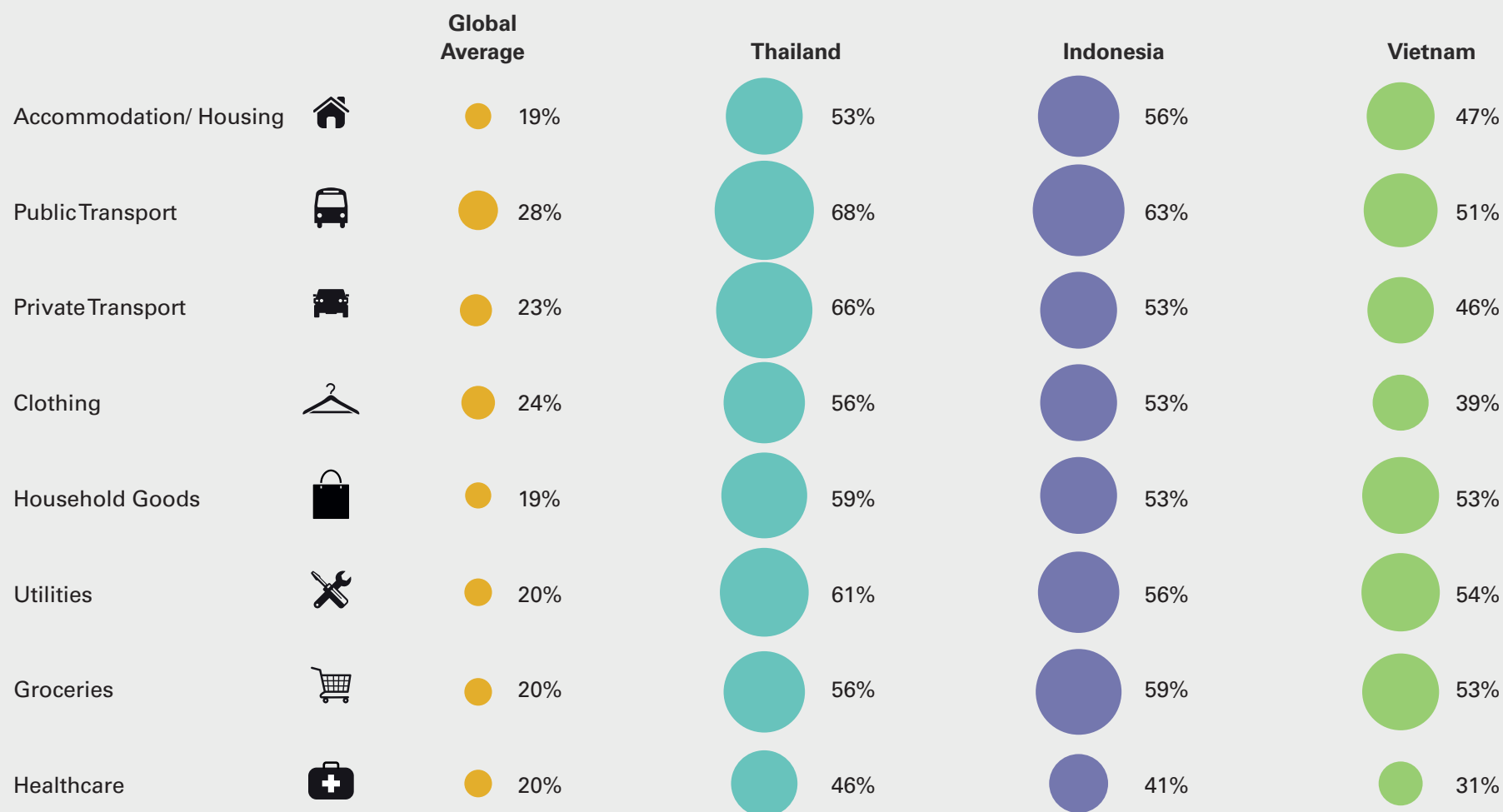
Expats in Indonesia report spending less on accommodation (56% spend less compared with the global average of 19%) and spending on private transport, healthcare, childcare and education, utilities and groceries are also much lower compared to their home country. Similar to Thailand, expats also benefit from lower personal tax rates following their move with six in ten (63%) spending less since moving abroad – more than twice of that of the global average (see table).

In contrast to Thailand and Indonesia, expats in Vietnam are less likely to earn more upon relocation, but the relatively inexpensive cost of day to day items explains Vietnam's higher ranking in the Expat Expenses league table. Transport and accommodation are areas expats are most likely to report spending less on following the move abroad.

¹⁸ Wikipedia – http://en.wikipedia.org/wiki/Southeast_Asia

EXPAT EXPENSES FINDINGS

Areas where expats are spending less



EXPAT EXPENSES FINDINGS

HIGH TAXES AND EXPENSIVE PUBLIC TRANSPORT DRIVE UP THE COST OF LIVING IN EUROPEAN COUNTRIES

European countries are among some of the most expensive locations for expatriates, with five countries from the region at the bottom of the Expat Expenses league table including Ireland (37th), Netherlands (35th), Italy (34th), UK (33rd) and France (32nd). A combination of lower earning potential coupled with higher expenses and likelihood to pay more personal tax rate than their home country explains why many of the European destinations appear lower on the league table.

Those most likely to face higher personal tax rates upon relocation include Italy (66%), Netherlands (62%), Belgium (60%), Germany (58%), Ireland (51%), France (47%) and UK (46%) compared with a global average of 36%.

Public transport is also a factor that pushes up the cost of living for many European-based expats. While more than a third (37%) of expats report spending more on public transport since moving overseas, this figure increases substantially for a number of European countries including the UK (59%), Switzerland (59%) and Netherlands (55%), Ireland (43%) and Germany (42%), although these increases are somewhat less than those experienced in Singapore (63%) and Japan (60%).



EXPAT EXPENSES

FINDINGS

CHILDCARE AND CHILDREN'S EDUCATION REMAINS MOST EXPENSIVE IN MIDDLE EAST, BUT EXPATS BENEFIT FROM HIGH EARNING POTENTIAL AND LOWER PERSONAL TAX RATES

While expats in Middle Eastern countries spend more on a range of factors (including accommodation, clothing and household goods) childcare and children's education are areas where expats in this region notably spend more than those in other countries.

The Expat Explorer survey this year reveals that expat parents in the Middle East are among those who are most likely to spend more on their children's education since relocating. Across the board, over eight in ten parents in the region including Qatar (87%), the UAE (80%) and Kuwait (80%) report higher costs spent on schooling compared with the global average (62%), which is likely due to increased spending on private or international schooling.

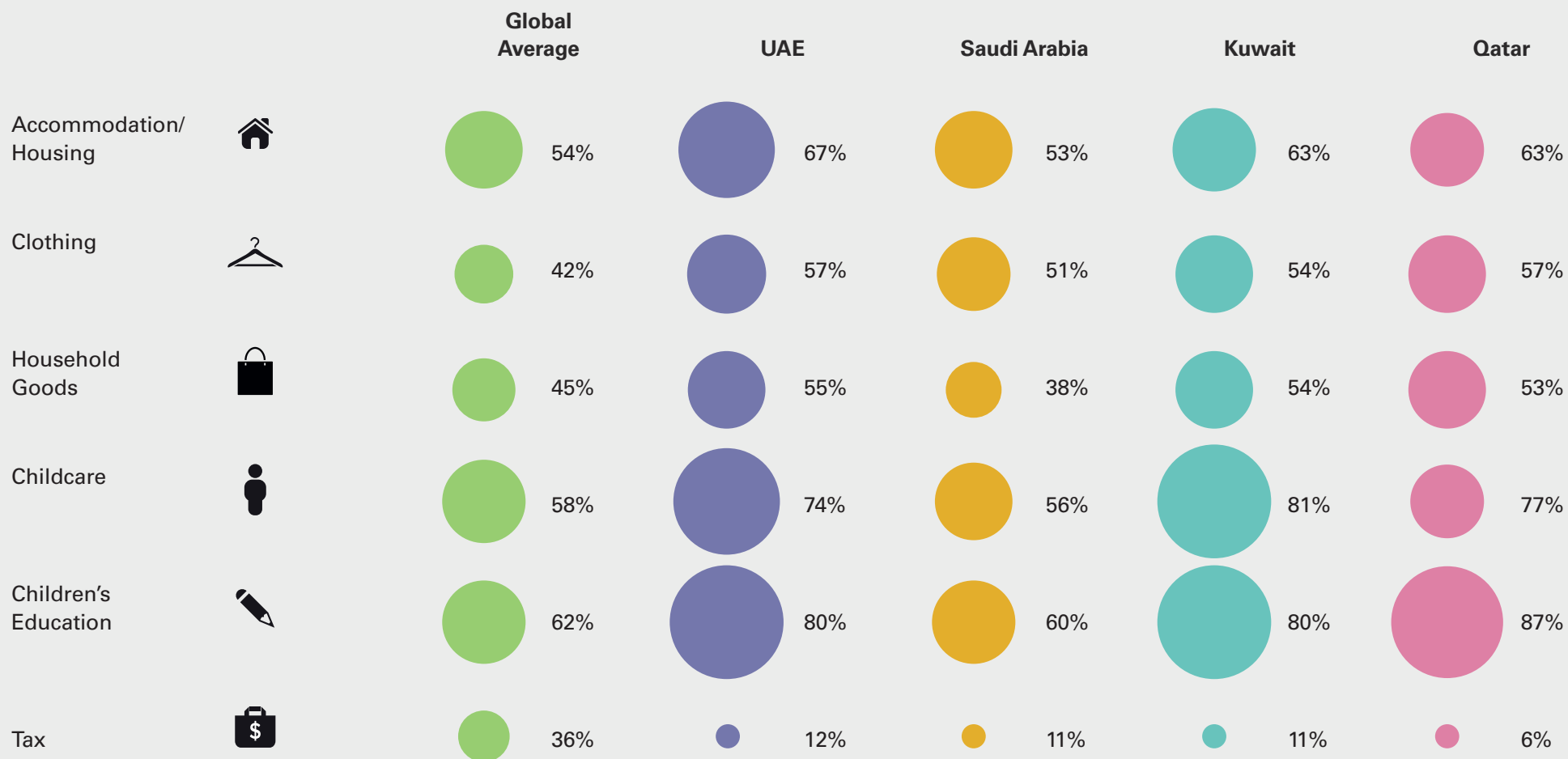
Looking at other aspects of spending for expats parents, those in the UAE (74%) and Kuwait (81%) are also more likely to be spending more on childcare since relocating than expats in general (58%). The one Middle Eastern anomaly to both of these trends is Saudi Arabia (60% spend more on children's education and 56% spend more on childcare – both below the global averages).

Despite these increases in spending for childcare provisions and education, expats in the Middle East benefit from an advantageous tax regime, with expats in Qatar (63%), Saudi Arabia (56%) and UAE (50%) more likely to report lower personal tax rates upon relocation than the global average (31%).

While expats in the Middle East are usually considered as part of the high earning expat community, this year's survey reveals that only expats in certain Middle Eastern countries such as Bahrain and Qatar are likely to earn more than the average global expat salary of \$64,000 per annum. The survey reveals that average salaries in the region are around 15% lower at \$56,000 per annum. Despite this, expats in all Middle Eastern countries included in this year's Expat Economics league tables agree they are earning more than they would in their home country (69% compared with the global average of 53%).

EXPAT EXPENSES FINDINGS

Areas where expats are spending more



COUNTRY REPORTS

COUNTRY REPORT

ARGENTINA

ARGENTINA'S LOCAL ENTERTAINMENT PROVES POPULAR WITH THE EXPATS, BUT MANY EXPERIENCE DIFFICULTIES WHEN SETTING UP

Argentina ranks within the top half of the Expat Experience league tables. This can be explained by factors such as the local entertainment. Nearly three-quarters (73%) of expats said that they enjoy experiencing the local entertainment compared to the global average of 49%. As a major player in cinematic production, boasting globally renowned sports teams and housing Buenos Aires (one of the capitals of world theatre), it is unsurprising that entertainment also ranks highly among the expat population.

While expats rate the local entertainment and embrace the variety of climates (64% said that they found it easy to adjust to the weather), expats are less likely than average (43% compared to the global average of 66%) to feel that they identify strongly with the country. This may be accounted for by the difficulties experienced

setting up as over a third (34%) of expats had trouble organising their accommodation (compared to a global average of 22%).

Conversely, Argentina was not ranked highly in the Expat Economics league tables with a significant three-quarters (75%) of respondents expressing a level of dissatisfaction with the current state of the economy (compared to the global average of 39%). With only 14% of expats in Argentina (compared to the global average of 41%) associating the country with a higher salary than their home country, it is likely that expats' personal financial situations contributed to their wider economic outlook.

That having been said, some relatively inexpensive living costs mean that higher salaries are not necessarily required. Nearly half (45%) of expats find that they

spend less on utilities since moving compared to the global average of 20%. Despite these reports of lower living costs, expats in the country raise inflation as one of the most significant risks to their financial wellbeing and confidence over the next 12 months (68% say that inflation is a concern compared to the global average of 19%).

Expat Economics Ranking



Expat Experience Ranking



Expat view of life in ARGENTINA

“Get to know the country by using public transport and join clubs to meet new people.”

Profiles of Argentina based expats surveyed in 2013

Sample size:	44
Country of origin:	19% France 13% USA
Occupation:	22% IT & Internet 14% Education 14% Advertising, Marketing & PR
Age:	18-34 = 57% 35-54 = 32% 55+ = 11%
Gender:	59% Male 41% Female

COUNTRY REPORT

AUSTRALIA

AUSTRALIA OFFERS EXPATS SUCH A GREAT WAY OF LIFE THAT THEY DON'T WANT TO LEAVE

Expats rate their experiences in Australia very highly with the country ranking 5th out of 37 countries in the Expat Experience league tables. Many expats moving to Australia cite the promise of an improved quality of life as the key driver behind their decision to relocate (42% compared to a global average of 29%) and 60% of all expats in Australia found that their quality of life improved upon relocation.

Expats find the weather, food, and culture easy to adapt to and tend to associate the nation with a pleasant climate, nice scenery, and friendly locals. These real positives mean that nearly half (48%) of expats feel that they are integrating well into the local community, compared to the global average of 34%, and a healthy 81% report a strong connection with the country (compared to

a global average of 66%). The enviable lifestyle enjoyed by these expats results in an overwhelming majority (84%) intending to stay in Australia (compared to the global average of 62%).

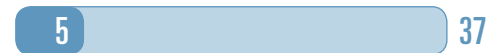
Australia appears to be an attractive destination for retirees. Over a quarter (26%) of the expat population living in Australia is retired compared to the 9% global average. In addition, 61% of the survey respondents moved to Australia before the millennium (compared to a global average of 39%) and so have been enjoying the Australian way of life for over a decade. However, the higher cost of healthcare may be a slight drawback for those choosing to move for their twilight years, as over half (56%) note that healthcare is more expensive than in their home country compared to a global average of 42%.

In terms of personal finance, the majority (86%) of expats in Australia choose to hold their retirement provisions in their host country compared to a global average of 45%, demonstrating a confidence in the local economic situation and a long term relocation outlook. Over half (52%) of expats associate the country with strong economic growth. This is in contrast to a global average of one third (33%).

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in AUSTRALIA

“Come with an open mind to accept the changes and use the changes to enhance your life.”

Profiles of Australia based expats surveyed in 2013

Sample size:	512
Country of origin:	42% UK 15% New Zealand 6% USA
Occupation:	11% Health 10% IT & Internet 9% Education
Age:	18-34 = 15% 35-54 = 35% 55+ = 50%
Gender:	49% Male 51% Female

continued...

COUNTRY REPORT

AUSTRALIA (Continued)

In line with this optimism, Australia ranks within the top half of the Expat Economics league table, scoring 17th out of 37 countries while its neighbouring country, New Zealand, comes in at 29th place. While Australia is popular with the retired generation, there are some real financial benefits to be had from working in the country, as 54% of expats associate the nation with higher salaries compared to the worldwide average (41%). For those more concerned with the wellbeing of their children, Australia also delivers in terms of raising a family abroad.

The country performed consistently well on measures relating to the health of expat children with seven in ten (70%) seeing an improvement in their children's health and wellbeing since relocating, compared to a global average of 56%.

COUNTRY REPORT

BRAZIL

EXPATS IN BRAZIL HAVE A GREAT EXPERIENCE AND FIND LOVE

The blazing sun of Brazil offers expats a great experience with the country ranking 10th out of 37 countries in the Expat Experience league table. A healthy work-life balance is one of the reasons for this with 45% of expats saying that their lifestyle has improved since relocating compared to a global average of 39%.

Another addition to the great experience in Brazil is the friendly locals with 62% of expats finding a life partner in the country compared to a global average of 40% and most expats making local friends with only one in five (21%) agreeing that they only go out with expat friends compared to a global average of 39%. Finally, the delicious local cuisine such as feijoada and a pleasant climate help to make an impression on expats living in Brazil. Six in ten (60%) enjoy the local cuisine and seven

in ten (71%) enjoy the local climate compared to global averages of 46% and 42% respectively.

Despite falling in to the second half of the Expat Economics league table rankings, satisfaction with the Brazilian economy is high among expats. As part of the BRIC countries, Brazil has experienced strong economic growth, which is reflected in satisfaction with the local economy; 21% report being very satisfied with the Brazilian economy compared to a global average of 14%. Furthermore, 64% of expats in Brazil reported increased earnings upon relocation.

With a great experience to be had and a strong local economy, Brazil is fast becoming a top expat destination. Some 62% of expats in the country say Brazil is becoming a better place to live, compared to a global average of only 32%.

Profiles of Brazil based expats surveyed in 2013

Sample size:	42
Country of origin:	14% UK 12% USA 7% France
Occupation:	21% Education 10% IT & Internet 7% Health 7% Architecture & Engineering 7% Science & Research
Age:	18-34 = 24% 35-54 = 50% 55+ = 26%
Gender:	62% Male 38% Female

Expat view of life in BRAZIL

“Brazil is a huge, diverse country. Research it. It’s not all football, samba, rainforest and beaches!”

Expat Economics Ranking



Expat Experience Ranking



COUNTRY REPORT CANADA

CANADA PROVIDES BOTH LIFESTYLE AND FINANCIAL BENEFITS FOR EXPATS

Canada ranks above its American neighbour in both the Expat Economics and Expat Experience league tables. The comparison is most notable in the Expat Experience league table with Canada ranking 16th while the US came in at 23rd out of 37 countries.

In terms of experience, a staggering 90% of expats in Canada identify themselves as having a strong connection with the country compared to a worldwide average of 66%. Perhaps as a result of this strong link to their new home, expats living in the country note a lower than average association to their home country – 72% compared

to a global average of 80%.

This degree of affinity is most likely aided by the friendliness of the local people with whom expats are choosing to spend their time. Only one in four (24%) expats in Canada say they are spending more time with expat friends than local friends, compared with the global average of 39%. In fact, nearly six in ten (58%) of Canada-based expats say they find the local people extremely amiable compared to 45% of expats who said they same in other parts of the world. To this end, expats tend to find integrating into the local community easy with 50% of expats making this claim (compared to a

global average of 34%).

This level of identification may be contributing to expats staying longer in the country. Nearly eight in ten (79%) expats moved to Canada before 2000 – which is double the worldwide average (39%). This retention level is set to continue as 86% of respondents are intending to stay on in Canada compared to a global average of 62%. The extended appeal of Canada means that the country remains popular with retirees.

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in CANADA

“Canada is a culturally diverse country. Be open, accepting and tolerant of others but retain your individuality.”

Profiles of Canada based expats surveyed in 2013

Sample size:	397
Country of origin:	22% UK 15% USA
Occupation:	11% IT & Internet 9% Health 14% Banking, Insurance & Financial Services
Age:	18-34 = 8% 35-54 = 32% 55+ = 11%
Gender:	59% Male 41% Female

continued...

COUNTRY REPORT

CANADA (Continued)

Just over a third (36%) of expats in Canada are retired compared to a global average of less than one in ten (9%).

Moreover, while Canada proves popular as a destination to enjoy the twilight years, many are starting their life abroad here too. For 73% of respondents in Canada, this was their first time being an expat. With Canada rating so highly for being an easy place to set up, this is hardly surprising.

Not only do expats find sourcing accommodation easier (65%) than in other countries compared to 51% on average, they also find the housing to be of a higher quality than in their original country, with 67% (compared to a global average of 53%) saying that this was the case.

In terms of Raising Children Abroad, Canada ranks 8th on the league tables. Seven in ten (71%) expat parents feel that their children have a better quality of life in Canada than they would at home compared to 54% globally, while a slightly higher than average number (39%) also found it easy to organise childcare compared to a global average of 27%.

SKILLED PROFESSIONALS FLOCK TO CHINA'S EXPANDING JOB MARKET

China ranks highly in this year's Expat Explorer survey, securing 2nd and 3rd place out of 37 countries in the Expat Economics and Expat Experience league tables respectively. Following the trend set by the Expat Explorer Survey 2012, China as a whole receives favourable reviews from expats, with neighbouring Singapore ranking 6th in terms of Expat Experience, Taiwan 8th and Hong Kong 25th. Expat Economics ratings follow a similar pattern, with Singapore leading the way in 9th place, Taiwan in 13th and Hong Kong following in 19th.

Previously recognised as a key destination for career-minded expats, this year's survey shows that China's workforce is becoming ever-more global, with more and more expats arriving in the country to advance their careers.

A higher proportion of expats in China moved to better their job prospects compared to a global average of 36%, closely followed by Singapore (54%) and Hong Kong (41%), demonstrating that these thriving Asian countries continue to retain strong appeal for career-minded expats. Nearly one quarter (23%) say that they moved to China following an active recruitment drive for people with specific professional skillsets compared to the global average of 10%, reflecting an employment boom despite the current economic climate. Two in five expats in China (41%) agree that their working environment has improved and a further 59% say that they earn more than they did at home, cementing the idea that the Chinese job market is improving to accommodate the needs of its expanding workforce.

Profiles of China based expats surveyed in 2013

Sample size:	71
Country of origin:	20% UK 46% USA 8% Hong Kong 3% Russia
Occupation:	25% Education 17% Construction, Manufacturing, Utilities 11% Management, Consulting, Marketing, PR & Advertising
Age:	18-34 = 53% 35-54 = 41% 55+ = 6%
Gender:	39% Male 61% Female

Expat view of life in CHINA

“Scenic views, lovely weather and good employment opportunities with less competition.”

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



continued...

COUNTRY REPORT

CHINA (Continued)

Higher salaries are a core part of this change, enabling expats to enjoy a greater quality of life when they arrive in China. With a higher disposable income, expats are keen to make the most of the culture, cuisine and history by throwing themselves into local life. The majority make an effort to speak the language (86% compared to a global average of 60%), two-thirds (66%) agree that it is easy to make friends locally and 44% praise the local diet, rating it more highly than the food at home (compared to a global average of 32%).

Living in China offers expats the chance to enjoy a better work-life balance with nearly half (49%) saying that this has improved

since moving overseas compared to a global average of 39%. With dramatic landscapes, historic sites and cityscapes to explore, expats are spoilt for choice when it comes to leisure time. Many take advantage of China's close proximity to the Pacific and Asia, reporting that they tend to travel more often than they did prior to relocating (69% compared to a global average of 57%). Furthermore, 45% of expats based in China agree that they are now 'more active in sports', the highest proportion in any country surveyed; perhaps illustrating sport and physical activity is a good way for expats to meet new people and explore their environments simultaneously.

Ranking 16th out of 24 countries in the Raising Children Abroad league tables, China is also valued by expat parents as a destination to bring up their families. Many expats in China believe that the quality of education available to their children is better than that at home (56% compared to a global average of 49%) and three quarters (74%) say that their children are safer in China than they were at home. Childcare is another area in which China triumphs as the country occupies 16th place in the league table.

DESPITE ECONOMIC CONCERNS, RETIREES AND PARENTS RATE FRANCE AS AN EXPAT DESTINATION

It seems that France appeals to expats of all ages. When looking at the age demographic of the average expat in France, about a third of expats fall in each of the age brackets with 32% between the ages of 18 and 24, 33% between 35 and 54 and 35% of expats in France over the age of 55.

While the age demographics are evenly spread, the fact that 35% of expats in France are over the age of 55, compared to the global average of 21%, demonstrates France's sustained popularity among the older generation and retirees. In turn, this helps to explain the lower than average proportion of expats moving to France to take advantage of better career prospects (17% compared to a

global average of 36%) and lower numbers in full-time employment (only 28% of expats in France are in full time employment compared to a global average of 54%). This is compounded by eight in ten (80%) respondents having been there for three years or more, indicating that it is a place to settle rather than to pass through quickly.

The popularity of France among retirees, who are likely to have more spare time as a result of their employment status, may be accounted for by the fact that more than half (59%) of these expats associate France with being a culturally interesting place and a destination offering a good quality of life (51%).

Like elsewhere in Europe, expats in France tend to experience higher costs of living with the country ranking 32nd out of 37 in the Expat Expenses league table. This means that most expats living there do not see an improvement in their financial status after the move. Nearly two in five (39%) expats feel that their finances got better upon relocation, which is twice the global average of 20%.

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in FRANCE

“ Learn the language and try to enjoy the moment instead of looking back. ”

Profiles of France based expats surveyed in 2013

Sample size:	269
Country of origin:	22% UK 9% USA
Occupation:	10% Education 9% IT & Internet 7% Media, New Media, Creative
Age:	18-34 = 32% 35-54 = 33% 55+ = 35%
Gender:	40% Male 60% Female

continued...

COUNTRY REPORT

FRANCE (Continued)

While the cost of living may be higher in many respects, France stood out as being cost effective in terms of childcare and education. Expat parents generally see an improvement in the quality of the childcare (56%) and education (53%) since moving and are actually spending less on these expenses. Compared with the global average of 67%, only 45% of expats think that the overall cost of Raising Children Abroad is more expensive in France than in their home country. This factor combined with other elements such as children's improved health and wellbeing, means that France ranks an impressive 3rd place out of 24 countries in the Raising Children Abroad league tables.

COUNTRY REPORT

HONG KONG

HONG KONG: STILL A TOP DESTINATION FOR FAMILY LIFE, ESPECIALLY FOR CHILDCARE PROVISIONS

While Hong Kong falls into the second half of the Expat Experience league tables (ranking 25th out of 37 countries), the country's popularity with expat families continues, showing a strong correlation with findings from the Expat Explorer Survey 2012. The country ranks 11th out of 24 in the Raising Children Abroad league tables and 3rd specifically for childcare, demonstrating that Asia is continuing as a place for families looking to raise a family abroad. With this in mind, it's no surprise that the main reason expats relocate to Hong Kong is to join their families or partners (41% compared to a global average of 33%).

Hong Kong continues to receive high praise for its child-focused credentials, particularly childcare and education. More than half of expats (56%) in the country agree that the quality of childcare exceeds that available at home (compared to a global average of 48%). The standard of education also follows this trend, with more than half (54%) observing slightly better schooling in Hong Kong compared to their home country (compared to a global average of 49%). Seven in ten expat parents (71%) also report marked improvements in child safety (compared to a global average of 57%).

Profiles of Hong Kong based expats surveyed in 2013

Sample size:	136
Country of origin:	42% China 17% UK 5% India
Occupation:	16% Banking, Insurance & Financial Services 19% Education 10% IT & Internet
Age:	18-34 = 58% 35-54 = 38% 55+ = 4%
Gender:	50% Male 50% Female

Expat view of life in HONG KONG

“Hong Kong is a fantastic hub for Asian travel with direct flights to the whole of Asia. Take a look at the atlas and pick your countries...they are all accessible from this Oriental pearl.”

Expat Economics Ranking

19 37

Expat Experience Ranking

25 37

Raising Children Abroad Ranking

11 24

continued...

COUNTRY REPORT

HONG KONG (Continued)

In addition to catering for family life, Hong Kong offers a wealth of other lifestyle benefits for expats. Many associate the country with a lower tax system (61% compared to a global average of 27%), higher salaries (50% compared to a global average of 41%) and a greater sense of personal security (60% compared to a global average of 40%). Financial status tends to have increased in comparison to an expats' home country, as seven in ten expats agree that they earn more since relocating (70% compared to a global average of 59%). A tenth of respondents (11%) are earning an annual household income of \$200,000USD each year, which, given Hong Kong's relatively higher cost of living, is perhaps expected.

Thanks to Hong Kong's efficient transport infrastructure, local subway networks, buses and trams, expats here are among those more likely to enjoy a better commute to work than they did in their home countries (53% against a global average of 43%) – another factor in shaping Hong Kong as a family-friendly hub.

COUNTRY REPORT

INDIA

INDIA OFFERS EXPATS A GREAT EXPERIENCE AND A HEALTHY ECONOMIC OUTLOOK

This year, India ranks 7th out of 37 countries in the Expat Experience league tables. The positive attitudes of the local people are appreciated by the expat community with seven in ten (71%) commenting on the friendliness they encounter. This level of welcome, combined with a favourable work-life balance (51% of respondents have seen an improvement upon relocation compared to a global average of 39%) contributes to 37% of expats enjoying a more active social life (compared to a global average of 26%).

As such, while the notorious heat of both the weather and cuisine makes adjusting to the culture slightly more difficult (47% compared to a global average of 26% say that adjusting to the weather was difficult and 39% compared to a global average of 20% said the same about food), integration is helped by the positive

attitudes of the local community. When asked about their reasons for moving, a significantly higher percentage (25%) compared to the global average (7%) were sent to live in India by their organisation. This perhaps suggests that multinational companies, eager to expand their operations outside the developed nations, are identifying the economic opportunities available in India and posting more of their employees accordingly. Many expats are making the most of the relocation and see India as an up-and-coming destination, with nearly three quarters (73%) reporting that the country is improving as a place for expats to live and work.

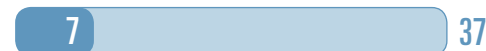
It is not just businesses and economists that are recognising and benefitting from India's economic strength. Indeed, the research reveals that the expat population is overwhelmingly

satisfied with the state of the economy, with 80% pointing out their contentment, a figure far higher than the global average of 56%. The beneficial economic environment filters down to the expat's everyday finances. For example, half (51%) of expats report spending less on housing than they did previously compared to a global average of 19%, while slightly over two in five (43%) find groceries cheaper than in their home country – more than double the global average of 20%. These comparably low costs lead to India ranking 4th on the new Expat Expenses league table.

Expat Economics Ranking



Expat Experience Ranking



Expat view of life in INDIA

“It is a wonderful place to live. It is a country full of good people, has a pleasant climate and delicious food.”

Profiles of India based expats surveyed in 2013

Sample size:	51
Country of origin:	16% UK 10% UAE 8% USA
Occupation:	10% Banking, Insurance & Financial Services 10% Health 10% Marketing, Advertising & PR
Age:	18-34 = 59% 35-54 = 31% 55+ = 10%
Gender:	49% Male 51% Female

COUNTRY REPORT INDONESIA

EXPATS REAP THE REWARDS OF THE RAPIDLY GROWING INDONESIAN ECONOMY

As a rapidly growing economy, Indonesia features highly in the 2013 Expat Economics league tables at 6th place out of 37 countries. The economic boom of recent years is demonstrated by the expat satisfaction in the local economy, with two thirds (66%) of expats expressing satisfaction with the state of the local economy compared to a global average of 56%. Furthermore, nearly half (47%) of expats in Indonesia associate the country with economic growth compared to a global average of 33%.

Expats in Indonesia benefit from a range of luxuries, including being able to employ domestic help around the home with more than half (56%) of expats able to employ domestic staff compared to only 15% globally. Despite these luxuries, being an expat in Indonesia presents additional challenges such as arranging

personal finances; 71% of expats in Indonesia say that their finances have become more complex because they have more money to manage and nearly nine in ten (86%) note that managing different currencies has made their financial situation more complex.

Despite ranking in the bottom half of this year's Expat Experience league tables, many expats found that Indonesia has a wide range of cultural offerings. Nearly seven in ten (69%) found the country a culturally interesting place for them and their family compared to a global average of only 45%, while 94% said they were happy to experience the local culture. It appears that Indonesian food such as nasi goreng and gado-gado are popular with expats. More than six in ten (63%) expats say that they enjoy eating the local cuisine. This contributed to 44% expressing that they have a healthier diet

since relocating compared to a global average of 32%.

Profiles of Indonesia based expats surveyed in 2013

Sample size:	32
Country of origin:	25% UK 19% USA 16% Australia
Occupation:	22% Education 13% Banking, Insurance & Financial Services 9% Construction, Manufacturing, Utilities
Age:	18-34 = 38% 35-54 = 49% 55+ = 13%
Gender:	75% Male 25% Female

Expat view of life in INDONESIA

“Understand housing and rental agreements. Always get local help in trying to sort these things out.”

Expat Economics Ranking

6

37

Expat Experience Ranking

31

37

COUNTRY REPORT

MALAYSIA

EXPATS IN MALAYSIA HAVE AN ACTIVE SOCIAL LIFE AND ENJOY EXTRA LUXURIES

Malaysia ranks in the upper half of the 2013 Expat Economics league tables at 14th out of 37 countries. Given Malaysia's young and dynamic population and growing economy, expats are upbeat about the economic climate with 41% believing the economy is getting better (compared to a global average of 32%), while nearly eight in ten (78%) say they are satisfied with the local economy (compared to a global average of 56%). As a result, few expats are looking to leave the country because of a negative economic outlook, only 15% compared to a global average of 25%.

More than half (54%) of expats in Malaysia believe the country offers a higher quality of life compared to a global average of 45%.

The strong community and social life among expats is part of the reason for this. Nearly half (46%) of expats have a more active social life in Malaysia (compared to a global average of 26%) and over two fifths (43%) are more likely to play sport following their relocation (compared to a global average of 26%). Other luxuries made available to expats in Malaysia include the chance to own more than one property (22% compared to a global average of 13%) and going on more extravagant holidays (41% compared to a global average of 26%).

While expats in Malaysia are less likely to associate the country with political stability, higher personal security or higher salaries, expats find the benefits of Malaysia

are wide-ranging. Nearly half (46%) of expats enjoy a higher standard of accommodation compared to a global average of 39% and 67% have more opportunity to travel compared to a global average of 57%.

Expat Economics Ranking

14

37

Expat Experience Ranking

20

37

Expat view of life in MALAYSIA

“Contact an expat living in Malaysia before you move to get an understanding of the country.”

Profiles of Malaysia based expats surveyed in 2013

Sample size:	46
Country of origin:	22% UK 13% Indonesia 9% India
Occupation:	18% Education 15% IT & Internet 12% Banking, Insurance & Financial Services
Age:	18-34 = 34% 35-54 = 47% 55+ = 7%
Gender:	61% Male 39% Female

COUNTRY REPORT

MEXICO

A FAMILY FRIENDLY COUNTRY THAT IS EASY TO MAKE FRIENDS AND FEEL WELCOME AT WORK

Mexico performs particularly well for integration scores, securing 5th place overall. Nearly eight in ten (76%) expats in Mexico feel they are integrating well with the local community, compared with 66% elsewhere. Seven in ten (69%) agree they find it easy to make local friends compared with the global average of 50%.

In terms of the Expat Experience league tables, Mexico ranks within the top half of the tables at 17th place out of 37 countries. Over half (56%) of expats agree that the country is becoming a better place for an expat to live, compared with 32% globally. The local entertainment offerings are also popular with expats. Two-thirds (66%) say they enjoy the local entertainment compared to a global average of 39% and the majority

(81%) say they enjoy shopping for local produce compared to a global average of 67%.

In terms of the Expat Economics league tables, Mexico ranks 22nd out of 37 countries. Expats in Mexico benefit from a range of luxury factors that are not as common in other countries. More than twice the number of expats (32%) have domestic staff compared to a global average of 15%, while the number owning their own property is also higher than average (35% compared to a global average of 24%). Expats living in Mexico are likely to report being satisfied with the local economy (67% compared with a global average of 56%) and associate the country with economic growth (45% compared with a global average of 33%).

Expat Economics Ranking



Expat Experience Ranking



Expat view of life in MEXICO

“Choose a city with interesting sites and reasonably priced housing or accommodation.”

Profiles of Mexico based expats surveyed in 2013

Sample size:	108
Country of origin:	14% USA 13% UK 9% Spain
Occupation:	20% Education 12% Sales & Customer Service 8% Architecture & Engineering
Age:	18-34 = 26% 35-54 = 56% 55+ = 18%
Gender:	52% Male 48% Female

COUNTRY REPORT

SAUDI ARABIA

SAUDI ATTRACTS SHORT TERM, YOUNG EXPATS WHO SEEK GOOD FINANCIAL BENEFITS

Expat sentiment in Saudi Arabia echoes themes highlighted in the 2012 Expat Explorer report – that job opportunities and high salaries make the country a great location for young expats looking for career progression and earning potential. However, it appears to attract short-term career expats. Almost double the global average are enticed to Saudi Arabia by better job prospects with 68% moving there for that reason, compared with a global average of only 36%.

This is unsurprising given that 47% of expats in Saudi Arabia associate the country with strong economic growth compared to a global average of 33% and 29% of expats who are very satisfied with the state of the local economy, which is more than double the global average. Expats in Saudi Arabia also benefit from a lower personal income tax system with 56% of expats paying less tax now than they did in their home

country. Perhaps as a result of the strong economy, expat confidence is higher than usual; only 19% feel that the local economy poses a financial threat to them compared to a global average of 37%.

Despite the strong economy, which helps Saudi Arabia to rank in the top half of the Expat Economics rankings (15th), expat life is more challenging for Saudi-based expats, with the country coming bottom in the Expat Experience rankings. This could be attributed to the hot climate with only 7% of expats associating Saudi Arabia with pleasant scenery compared to 42% globally. In addition, more than half (54%) of expats have a less active social life compared to only 35% globally.

Saudi Arabia also ranks low on the Raising Children Abroad league tables, ranking 22nd out of 24 countries. Factors contributing to this include the expense of raising

children in the country, with 17% of expats spending much more than before on their children's education and 14% spending much more than before on childcare.

As a result of the strong economy but difficult expat experience it is unsurprising that Saudi Arabia attracts a youthful expat crowd with 65% of expats aged 18-34 compared to a global average of only 8%. Expats in Saudi Arabia are also likely to be looking for job opportunities: 57% of expats who are seeking to relocate are looking to do so for a new career.

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in SAUDIA ARABIA

“ Understand the culture of Saudi Arabia before coming in. ”

Profiles of Saudi Arabia based expats surveyed in 2013

Sample size:	146
Country of origin:	32% Egypt 11% India 12% Pakistan
Occupation:	19% Construction, Manufacturing, Utilities 12% Sales & Customer Service 9% Health
Age:	18-34 = 65% 35-54 = 30% 55+ = 5%
Gender:	86% Male 14% Female

COUNTRY REPORT SINGAPORE

CAREER-DRIVEN EXPATS REAP THE EMPLOYMENT BENEFITS IN SINGAPORE, WHILE PARENTS SAY THAT THE HIGH QUALITY OF EDUCATION AND CHILDCARE JUSTIFIES THE COSTS

Expats in Singapore are likely to move from areas of close proximity and similar culture. A high proportion of expats move to Singapore from the neighbouring countries of Malaysia (29%) and Indonesia (8%) while others move from the Asian countries of India (23%), the Philippines (8%) and China (7%). These regional and cultural similarities probably contribute to expats finding it easy to settle in. Not only does Singapore score 5th for ease of setting up but expats also said they found it easy to adjust to the climate (74%) and get used to the new culture and lifestyle (68% against the global average of 59%).

Like other Asian countries, Singapore proves to be a popular destination for younger expats. A significant number (62%) of those

living in the country are in the 18-34 age bracket. However, while younger expats are being drawn to other Asian countries to work in education, this is not the case in Singapore. Only 4% of expats work in education, compared to the Asian regional average of 20%. While jobs in education may not be pulling in the masses, the high level of respondents who work in the IT and internet sectors (20%) suggests that Singapore is perhaps attracting younger skilled, expats who, having grown up in the age of the internet, boast a high level of digital fluency.

Indeed, an improvement in career prospects is emerging as the most significant factor driving expats to Singapore, with more than half of respondents (54% compared to a global average of 36%) citing this as the key motivator.

This is unsurprising when it is considered that 68% of expats are in full time employment and 61% associate the country with greater earning potential. Despite these employment benefits, job market security is still a major concern for expats in Singapore, with 53% (compared to the global average of 39%) citing it as one of the top three threats to their financial wellbeing and confidence.

Expat Economics Ranking

9 37

Expat Experience Ranking

6 37

Raising Children Abroad Ranking

2 24

Expat view of life in SINGAPORE

“Country stability combined with personal security creates ample opportunities.”

Profiles of Singapore based expats surveyed in 2013

Sample size:	228
Country of origin:	29% Malaysia 23% India
Occupation:	20% IT & Internet 14% Construction, Manufacturing, Utilities
Age:	18-34 = 61% 35-54 = 32% 55+ = 7%
Gender:	45% Male 55% Female

continued...

COUNTRY REPORT

SINGAPORE (Continued)

This wealth of career opportunities combined with forecasts for greater economic prosperity (54% of expats expect economic growth) contribute to Singapore ranking 9th in the Expat Economics league table. A further 85% of expats report current satisfaction with the economic situation in the country. However, while expats are earning more, they are also spending more as Singapore only ranked 29th in the Expat Expenses league table. As well as the high cost of groceries and going out (65% and 64% said they are spending more respectively), Singapore emerges as one of the most expensive countries for public transport, with 63% of expats pointing out the higher costs.

The education and childcare system is also expensive (79% and 83% saw an increase in cost respectively) but it seems that expats are willing to pay the fees, because the higher costs are justified by the quality of service. Nearly eight in ten (78%) say that the quality of education is better in Singapore and 72% say the same for childcare. Factors such as these contribute to Singapore ranking 2nd out of 24 countries in the Raising Children Abroad league tables.

COUNTRY REPORT

TAIWAN

EXPATS IN TAIWAN ENJOY A HEALTHY BALANCE OF EXPERIENCE AND ECONOMIC SECURITY

Living in Taiwan provides expats with excellent opportunities, resulting in the country ranking 8th in the league tables for Expat Experience and 13th for Expat Economics. For its relatively young demographic of expats, of whom 64% are aged between 18 and 34, Taiwan appears to strike the balance between offering expats a solid quality of life and an economic climate to match.

For many expats living there, Taiwan is not their first expat experience: 49% say that they have lived as an expat on at least two separate occasions previously (compared to a global average of 37%). The vast majority are keen to grasp the local language (86%), but 76% admit to having difficulties (compared to a global average of 25%). This may explain

why lots of expats say that they tend to socialise more frequently with fellow expats, rather than local friends (59% compared to a global average of 39%). That said, most expats (86%) find the local population very friendly and enjoy immersing themselves in local life.

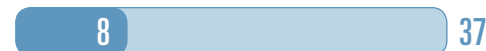
Taiwan's central location and strong travel network enable expats to easily explore nearby countries. Seven in ten (71%) say that they travel more now than they did before relocating compared to a global average of 57%. High standards of healthcare and a greater sense of personal security explain why nearly half the expats surveyed here concur that Taiwan is becoming a better place for expats to live (49% compared to a global average of 32%).

The happiness of expats in Taiwan is also shaped by their views of the country's economy; three quarters feel satisfied with the economic situation in Taiwan, compared to a global average of just 56%. Alongside economic confidence, expats also benefit from lower living costs. Over half of expats spend less on housing (52%) and groceries (54%) and a similar proportion (45%) find that household goods are cheaper.

Expat Economics Ranking



Expat Experience Ranking



Expat view of life in TAIWAN

“ Study the language and remember that accents tend to differ.” ”

Profiles of Taiwan based expats surveyed in 2013

Sample size:	91
Country of origin:	30% USA 14% Canada 11% UK 7% Phillippines
Occupation:	47% Education 9% IT & Internet 5% Media, New Media, Creative
Age:	18-34 = 64% 35-54 = 25% 55+ = 11%
Gender:	57% Male 43% Female

continued...

COUNTRY REPORT

TAIWAN (Continued)

With so much on offer to see and do, it is perhaps unsurprising that many expats in Taiwan appear to prioritise living in the moment over saving for the future. More than one third (38%) have yet to make any plans for retirement compared to a global average of 17%. For those who are bucking this trend, around half favour their home country as a base for retirement provision (45% compared to a global average of 28%). Just 10% choose to base their provisions

in Taiwan (compared to a global average of 45%). However, this is perhaps explained by the higher proportion of expats who have not yet made any arrangements at all. Either way, this inter-country saving may account for why more than half of expats in Taiwan comment that their finances are now more complicated than before they moved (53% compared to a global average of 28%).

COUNTRY REPORT

TURKEY

TURKEY IS FAST-BECOMING A HOTSPOT FOR BANKING ACTIVITY

Turkey's Expat Economic ranking significantly outweighs its score for Expat Experience, at 10th and 22nd respectively out of 37 countries. The country is ranked 21st in the Raising Children Abroad league tables, preceded by the UK (19th) and Mexico (20th).

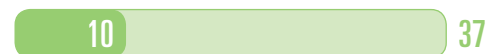
The dominant professions for Turkey-based expats are roles in the education sector (27%) or in banking, insurance, and financial services (24%); in both cases, reaching more than double the global averages of 11% and 10%.

Turkey is fast-becoming something of a hotspot for banking and financial services activity, attracting a steady stream of expats keen to make their mark in the business world. Expats in Turkey tend to have generally positive feelings about their local economy with

eight in ten (81%) expats saying they are satisfied with its present state of the economy compared with a global average of 56%. With a fast-growing GDP, the country is increasingly recognised for its many investment opportunities, particularly in industries such as automotive, steel and energy. Recent years have seen a sudden surge in the number of start-up internet companies based in Turkey, particularly those specialising in selling goods to the country's younger population. Almost a quarter (22%) of expats moved to Turkey because they were sent by their companies, more than three times the global average of just 7%. This contrasts with the findings from last year's survey, which highlighted that many expats made the move in order to challenge themselves.

As well as career opportunities, Turkey also offers expats strong recreation and lifestyle options, as well as a pleasant climate and landscape. Popular with expats young and old, living in Turkey means that many expats enjoy better quality of accommodation than before they relocated.

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in TURKEY

“Do your research and pay a few visits to get to know the country before you move.”

Profiles of Turkey based expats surveyed in 2013

Sample size:	125
Country of origin:	9% Pakistan 7% India 6% Germany
Occupation:	27% Education 24% Banking, Insurance & Financial Services
Age:	18-34 = 27% 35-54 = 46% 55+ = 27%
Gender:	62% Male 38% Female

continued...

COUNTRY REPORT

TURKEY (Continued)

The country is ranked 21st out of 24 countries in the league tables for Raising Children Abroad, scoring particularly well in terms of family experience (3rd out of 24 countries). Another benefit for expat families is the availability of domestic help: one third of expat families employ a nanny, cleaner, or similar to help improve their day-to-day living (34% compared to a global average of 15%). Many also remark on the climate and cuisine, saying that they found it very easy to acclimatise to the warm weather (84% compared to a global average of 54%) and local diet.

When it comes to settling in, picking up the language appears to be the only barrier for many expats. Seven in ten expats (70%) admit to finding it difficult to master, which is more than a fifth of the global average of 25%. However they are still willing to give it a try with nearly nine in ten (86%) expats attempt to use Turkish in everyday conversation, compared with a global average of 60%.

EXPATS ENJOY EDUCATION, CULTURE AND LOCAL LIFE

This year, the Expat Explorer report reveals the UK to be a popular destination for the millennials, those aged between 18 – 34 years old, who are finding opportunities within London's thriving financial district and technological centre, Tech City. The findings show that financial services (10%) and technology (10%) are the two most popular career choices for this age group. Young professionals heading to the UK are taking up similar job opportunities in these sectors – 12% say they work in the tech and finance industries. According to statistics from the Office of National Statistics this would be the equivalent of 148,000 jobs in these sectors being filled by expats. Due to the growing demand for software developers, coders and designers in London's Tech City, it appears that European and global

talent with technology skills are increasingly attracted to work for the capital's growing tech cluster.

In terms of overall Expat Economics, the country ranks 32nd out of 37 countries, ahead of its European neighbours, France (33rd) and Spain (34th). Expats in Britain have a muted outlook on the economy with nearly half (48%) citing the state of the UK economy as a top concern. Compared to the global average of 40%, six in ten expats in the UK say they are feeling the heat of the economy and are dissatisfied with its current state. However, UK-based expats are adopting a classic British 'keep calm and carry on' attitude, with only 7% actively looking to leave the country – the lowest out of all European countries.

Profiles of UK based expats surveyed in 2013

Sample size:	1,107
Country of origin:	6% Germany 6% Ireland 6% Poland
Occupation:	13% Education 6% IT & Internet 6% Media, New Media, Creative
Age:	18-34 = 45% 35-54 = 46% 55+ = 9%
Gender:	34% Male 66% Female

Expat view of life in the UK

“Housing is much more expensive than planned and most rents do not include local taxes or utilities – it's a good to bear this in mind when signing contracts.”

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



¹ ONS Workforce jobs by industry taken March 2013

continued...

Looking at the Expat Experience tables, the UK ranks 27th out of 37 countries, with healthcare, education and lifestyle benefits outweighing those in places like Italy and Qatar (which ranked 28th and 29th respectively). It appears that expats in Britain are among the most willing to immerse themselves in local life, perhaps a legacy of the many cultural events which took place in the country last year. Four out of five (85%) are happy to experience local culture, and more than half highlight this as a key factor when deciding where they and their families should live. Furthermore, expats in the UK are among those likely to mingle and make friends locally,

rather than sticking with the expat crowd. More than two in five (43%) expats say that they prefer the company of local friends over expat friends when going out, contrary to the feedback from expats in other parts of the world (31%).

Many expats note an improvement in the facilities which are available to their children on moving to the UK, leading to the country securing 19th place in the league tables for Raising Children Abroad, performing particularly well for education (11th out of 24 countries). Nearly a quarter (24%) of expats say they spend less on education costs since relocating compared with the global average of 16%.

However, when it comes to overall expat satisfaction, only one in ten feel that the UK is getting better as a place for expats to live and work (13% compared to a global average of 32%); nearly half say that it is getting worse (45% compared to global average of 30%).

COUNTRY REPORT

UNITED ARAB EMIRATES (UAE)

HIGH PAYING UAE CONTINUES TO DRAW IN EXPATS

As a global hub for professionals and a growing regional economy, the UAE continues to draw in career-minded expats and scores 16th out of 37 countries in the 2013 Expat Economics league tables. This is demonstrated by expats' earnings with 70% of expats saying they earn more than they do in their home country against a global average of 53%. The UAE benefits from both a natural-resource driven yet diversified service-based economy¹, which results in 80% of expats being satisfied with the state of the local economy compared to only 56% globally. Nearly six in ten (58%) expats associate the UAE with lower income taxation compared to a global average of 27%.

As is the case with other Gulf countries, the UAE tends to attract a high proportion of young expats.

Half of expats (51%) are aged between 18 and 35 compared to a global average of only 37%. These young expats tend to move for better job prospects, with 60% who move there doing so for job opportunities compared to 36% globally. The UAE ranks higher than some other Gulf countries for Expat Experience, although this has dropped from 23rd to 26th compared to last year's findings.

The UAE is improving as a place to bring up children, this year scoring 13th out of 24 in the Raising Children Abroad league tables, with seven in ten (72%) feeling that their children are safer in the UAE compared to a global average of 57%. Some more challenging aspects of having children in the UAE include the cost, with almost half (48%) of expats in the UAE spending more

on education for their children and 42% spending more on childcare compared to a global average of 25% and 21% respectively.

A strong economy and increasingly vibrant atmosphere continues to make the UAE one of the most popular expat destinations, with 59% of expats saying their host country is becoming a better place for expats to live.

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



Expat view of life in the UAE

“Don’t just stay in Dubai & Abu Dhabi cities – get out and see the rest of the country – it’s a very interesting place.”

Profiles of UAE based expats surveyed in 2013

Sample size:	799
Country of origin:	41% India 9% Pakistan 7% UK
Occupation:	16% Construction, Manufacturing, Utilities 9% Banking, Insurance, Financial Services 8% IT & Internet
Age:	18-34 = 51% 35-54 = 45% 55+ = 4%
Gender:	61% Male 39% Female

¹ <http://www.uae-embassy.org/uae/economy>

COUNTRY REPORT

USA

THE USA: STILL THE LAND OF OPPORTUNITY

A high proportion of expats relocate to the USA to improve their job prospects, fuelling long-standing perceptions of the USA as a land of opportunity and freedom and reinforcing findings from last year's Expat Explorer survey. For other expats, their motivation for moving is to join their family or partner, while another third moved to study (29% compared to a global average of 14%).

Overall, the USA ranks 23rd out of 37 countries when it comes to Expat Economics and Expat Experience. Compared with neighbouring Mexico (17th) and Canada (16th), these scores may not seem particularly high; however, expats in the USA appear to have a particularly strong affinity for their new home and are among the least likely of those looking to relocate, with many noting an improvement in quality of life, healthcare and education.

Figures show that the USA continues to rank well for lifestyle, with a high number of expats enjoying new luxuries upon relocation, including owning a better car (51% compared to a global average of 33%). Many expats say that they strongly associate their new home with a good quality of life, further reinforcing the country's 'American Dream' stereotype. The proportion of expats who, on relocating, are able to own property stands at almost twice the global average (40% compared to a global average of 24%). Expat family life in the USA is bolstered by strong healthcare and education systems, ranking 10th out of 37 countries for both. These factors undoubtedly play a part in generating the country's higher rating in the Raising Children Abroad league tables (12th of 24 countries).

Profiles of USA based expats surveyed in 2013

Sample size:	531
Country of origin:	15% UK 11% Canada 8% India
Occupation:	13% Education 12% Health 11% IT & Internet
Age:	18-34 = 18% 35-54 = 39% 55+ = 43%
Gender:	39% Male 61% Female

Expat view of life in the USA

“Don't move to an expat ghetto - get involved with the local community and, if you have children, reach out beyond the community at your international school.”

Expat Economics Ranking



Expat Experience Ranking



Raising Children Abroad Ranking



continued...

COUNTRY REPORT

USA (Continued)

As previously reported in the last year's survey, a good climate and picturesque scenery remain core aspects of expat life in the USA, with the majority appreciating the quality of their outdoor surroundings (55% compared with a global average of 42%). The USA also ranks highly for people to make friends and forge relationships, as almost half (47%) say that they have found a life partner since moving and almost one third (30%) strongly agree that they have found it easy to make new friends. The USA's diverse position in terms of language and culture perhaps reduces the severity of the expat language barrier but does not alter the fact that more than a quarter (28%) tends to favour the company of fellow expats more often than local friends, compared with a global average of 39%.

When it comes to savings and provisions for later life, the USA is leading the way, with three quarters of expats making pension provisions locally compared with the global average of 45%. Given the higher quality of life and personal sense of security associated with life in the USA, it's of little surprise that many expats here have no plans to move again – four out of five (80%) intend to stay put compared to a global average of 62%, reflecting the ease with which many expats take to their new culture and the strong bonds forged with life in the USA.

COUNTRY REPORT

VIETNAM

YOUNG EXPATS MAKE THE MOST OF THE LOWER COST OF LIVING IN VIETNAM

As a young and growing economy, Vietnam has recently seen an influx of opportunity-seeking expats. In the 2013 Expat Explorer report, Vietnam ranks 21st for Expat Economics and 32nd for Expat Experience out of 37 countries.

Despite scoring in the bottom half of the Expat Economics league table, the country fares well for expats having more disposable income upon relocation with 64% of expats noting an increase compared to a global average of 49%. While many expats have more disposable income, inflation is a strong concern with 34% of expats believing it poses a threat to their financial wellbeing compared with a global average of 19% who said the same.

Vietnam is particularly popular among young expats with more than two-fifths (44%) of expats living here aged between 18 and 34,

compared with a global average of 37%. This suggests a short-termism for those living in the country, which is further demonstrated by 57% of expats making retirement provisions in their home country, compared to a global average of 28% and only 7% making retirement provisions in Vietnam.

Despite the drop in ranking for Vietnam in the Expat Experience league table compared with its Economics score, the country offers expats great opportunities to travel more and live in a lower cost country. More than three quarters (77%) of expats in Vietnam say they have travelled more since becoming an expat against a global average of 57% and nearly a quarter (23%) of expats report spending much less since moving compared with a global average of 7%.

Profiles of Vietnam based expats surveyed in 2013

Sample size:	70
Country of origin:	21% UK 20% USA 10% Australia
Occupation:	27% Education 13% Banking, Insurance & Financial Services 10% Construction, Manufacturing & Utilities
Age:	18-34 = 44% 35-54 = 47% 55+ = 9%
Gender:	76% Male 24% Female

Expat view of life in Vietnam

“Come with an open mind and give it a shot, you will be well rewarded.”

Expat Economics Ranking



Expat Experience Ranking



FURTHER INFORMATION

CONTACT

Alexandra Liptrot / Katy Vawser-Ringsdore
HSBC Expat

Phone: (+44) 1534 606755 / 606865

Email: alexandraliptrot@hsbc.com
katy.vawser.ringsdore@hsbc.com

Joey Ng / Zoe Blackburn
Press officers
Hill+Knowlton Strategies

Phone: (+44) 207 973 5941 / 413 3013

Email: joey.ng@hkstrategies.com
zoe.blackburn@hkstrategies.com

GET INVOLVED

Web: www.expats.hsb.com

Interactive tool: <http://expatexplorer.hsb.com/>

HSBC Expat Hints & Tips:
<http://expatexplorer.hsb.com/hintsandtips/>

Blog: www.expatexplorer.blogspot.com

Twitter: www.twitter.com/expatexplorer

Any opinions expressed in this survey are given in good faith but no liability is accepted by HSBC Expat for any direct or consequential loss arising from the use of this information.