

News Release

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Australia the top choice for Malaysian parents planning to send their child abroad for university education

Newly released data from HSBC's "*The value of Education: Foundations for the Future*" report reveals Australia as the top destination parents in Malaysia are the most likely to consider for their child's international university education – with 59% of Malaysian parents ranking it at the top of their preferred list of countries for international university education. The next two most preferred destinations are UK (49%) and Japan (27%).

HSBC's value of Education survey covers more than 6,200 parents in 15 countries including Malaysia.

The survey reveals that over two in five (43%) parents would consider a university education abroad for their child. The majority (98%) of parents see benefits in completing a university education abroad, with the main ones being: exposure to new experiences, ideas and cultures (71%), increasing confidence (68%), breadth of experience (65%) and International work experience (62%).

Studying abroad can also be expensive. The average annual undergraduate tuition fee for international students for these countries are - Australia: USD 26,136 , UK : 29,656 and Japan: 10,978¹.

Considering the high expense associated with studying abroad, parents with a monthly household income of MYR5,000 or above (51%) are most likely to consider sending their child abroad to university, than are parents with a monthly income of less than MYR5000 (22%).

However, the higher cost associated with an international university education is seen by parents as a barrier to their child studying at university abroad. 64% parents in Malaysia are the most likely to say that higher cost is a potential barrier to them.

In 2013, over 4.1 million students went abroad to study, up from 2 million in 2000, representing 1.8% of all tertiary enrolments or 2 in 100 students globally. Malaysia is also one of the top ten countries in the world in terms of countries of origin of mobile students².

The survey also reveals the top three subject areas parents would most like their child to study are: Medicine (25%), Engineering (15%), and Business, Management and Finance (12%). Their preferences are mostly driven by the income-earning potential and job security and occupation can offer, as well as the perceived benefits to the society.

¹ Desk Research

² UNESCO

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Commenting on these findings, Lim Eng Seong, Country Head, Retail Banking and Wealth Management, HSBC Malaysia, said “An international university education for their child is a highly desirable ambition for many parents. However, it comes at higher costs, with living expenses and air fares on top of tuition fees. Early planning and regular saving can help parents overcome these financial barriers and unlock the extra opportunities they wish for their child.”

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About HSBC in Malaysia

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The Hongkong and Shanghai Banking Corporation Limited

The Hongkong and Shanghai Banking Corporation Limited is the founding member of the HSBC Group, which serves over 47 million customers through four global businesses: Retail Banking and Wealth Management, Commercial Banking, Global Banking and Markets, and Global Private Banking. The Group serves customers worldwide from over 6,000 offices in 71 countries and territories in Asia, Europe, North and Latin America, and the Middle East and North Africa. With assets of US\$2,410bn at 31 December 2015, HSBC is one of the world's largest banking and financial services organisations.

The Value of Education Foundations for the future

The Value of Education Foundations for the future report was published in June 2016 and represents the views of 6,241 parents in 15 countries and territories around the world: Australia, Canada, China, Egypt, France, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom and United States. The findings are based on a survey of parents from a nationally representative sample in each country who have at least one child aged 23 or younger currently (or soon to be) in education. Over 350 parents (including 150 with a child at university or college) were surveyed in all countries. The research was conducted online by Ipsos MORI in February and March 2016, with interviews in Egypt conducted face-to-face.