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INTERNATIONAL STUDENTS PAY MOST FOR EDUCATION IN AUSTRALIA, THE USA AND UK

Australia is the most expensive country for overseas students to study in according to new research from HSBC. The combined average cost of university fees and living expenses in Australia puts the average cost at over \$38,000 per year for international students.

The USA is the second most expensive country for overseas students to study in, with the combined average cost of university fees and living expenses in the United States putting the average annual cost at over \$35,000 for international students. However, overseas students in Ivy League universities could pay over two thirds (67%) on top of this amount, with average total costs reaching US\$58,760 a year.

The global bank looked at available data on higher education in thirteen countries around the world and found that international students could expect to find lower cost education in Germany, with low tuition costs and cost of living. International students studying in Germany pay an average \$635 for study costs and a further \$5,650 in living costs, bringing the annual total to \$6,285, a sixth of the cost of studying Australia.

The UK was third most expensive overall with annual fees of \$19,291 and living costs of \$11,034. International student costs in UAE, Singapore and Hong Kong are all above \$20,000 per year, as a result of higher costs of living in these three premier emerging market destinations.

Table 1: Average annual cost of Studying Abroad for International Students

Country	Annual Fees	Annual Cost of living	Annual Total
Australia	\$25,375	\$13,140	\$38,516
United States	\$25,226	\$10,479	\$35,705
United Kingdom	\$19,291	\$11,034	\$30,325
United Arab Emirates	\$21,371	\$6,004	\$27,375
Canada	\$18,474	\$7,537	\$26,011
Singapore	\$14,885	\$9,363	\$24,248
Hong Kong	\$13,182	\$9,261	\$22,443
Japan	\$6,522	\$12,642	\$19,164
Russia	\$3,131	\$6,310	\$9,441
China	\$3,983	\$4,783	\$8,766
Taiwan	\$3,270	\$4,987	\$8,257
Spain	\$1,002	\$6,004	\$7,006
Germany	\$635	\$5,650	\$6,285

in US\$ per year

Malik Sarwar, Global Head of Wealth Development commented:

“With rising affluence, particularly in developing markets, and an increasingly competitive workplace that demands quality skills and a global outlook, we expect appetite for international education to continue to grow. Even though the market for higher education remains segmented and therefore mispriced at an international level, it is inevitable that the cost is going up *everywhere* as government subsidies are rolled back. Provisioning for the cost will be a challenge for families with these aspirations so they need to plan ahead.

“The good thing about education planning is that it is predictable. Children's education needs are tightly constrained to a defined number of years. It is the annual cost that is the main variable depending on the country chosen for your child's higher education.

“Those who wish to educate their children overseas need to consider more factors than simply tuition fees, such as living costs, exchange rates and inflation in their estimates of total costs. On average, living expenses can comprise at least a third of total costs and parents need to budget for travels back home during school holidays. As such, there is a need for parents to ensure their children's education forms an important part of their financial planning.”

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Sources and Methodology

The research was compiled from data in 13 countries around the world.

Fees represent the average tuition cost for international students based on the top 10 largest institutions in each relevant country (sourced from individual institution data).

Cost of living sourced from HESA Global Education Rankings 2010 where possible and adjusted to account for inflation and from Expatitsan.co.uk and HSBC Studying Abroad Research (Oct 2012) otherwise.

Ivy League costs based on total average costs for attending a top ranked US University according to Forbes. Source: <http://www.forbes.com/top-colleges/list/>

US Dollar conversion exchange rate as at 17th July 2013 – 1.51 USD to GBP.

For further information please contact:

James Thorpe – 020 7992 1433

jamesthorne@hsbc.com

Notes to editors:

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