

US RANKS AS THE TOP CHOICE FOR PARENTS SENDING CHILDREN ABROAD FOR COLLEGE

- *With average annual tuition topping \$33K, US is also the most expensive destination*
- *Quality of education and a prospering job market make the US a preferred choice*
- *The number of international university students could hit 8 million by 2025*

September 14, 2016 – New York – Nearly one in two parents (48%) rated the United States as the top destination for their child’s international college education. HSBC’s The Value of Education [*Foundations for the future*](#) report reveals the United States is the most popular choice from a list of 50 countries. The UK and Australia ranked as the second and third choices for an education abroad.

Quality of education and job prospects in the US make it a favored destination

The majority of parents (59%), when asked to select the one reason to best explain why the United States is their top choice, say it is because of the better quality of education, while 29% say it is for the job prospects. Parents from China (12%), the UAE (12%) and India (10%) made up the largest proportion of individuals who prefer the US.

US is the most expensive education destination

Despite its popularity, the US is also the most expensive destination, with average annual tuition fees at \$33,215 per year. More than two in five (42%) parents cite higher tuition costs as the most significant barrier to sending a child to college in the United States.

Parents’ ambitions

Over a third (35%) of parents around the world would consider an international university education for their child. Ambitions for an international education are the highest among parents in Indonesia (60%), the UAE (58%), Hong Kong (54%), India (47%) and China (44%). Countries where parents are the least likely to consider sending their child to college abroad are Egypt (10%), Australia and France (both 16%). American parents interested in sending their children abroad for a college education fall below the global average (29%).

Allan Goodman, President and CEO of the Institute of International Education, comments, “Students and parents consider a university education in the USA as a good investment because they have access to the largest choice of excellent colleges and universities and to the English-language skills that are so critical in today’s job market. The USA is home to the largest group of higher education students from around the world— about 1 million in academic year 2014/2015 – who have contributed about USD30.8 billion to the USA economy over the same period from tuition and living expenses.”

“Today, there are 4.5 million students enrolled in universities outside of their home countries, and it is estimated that the global population of international students could double in the near future, achieving approximately 8 million by 2025,” said Goodman.

Germany received highest overall ratings as a destination for international students

Parents also rated their preferred country destinations on their quality of university education, job prospects, and quality of life. The combination of scores reveals that Germany, Singapore, Canada and Japan stand out as the top four countries across these factors, achieving overall scores of 13.3, 12.95, 12.9 and 12.9 respectively from a maximum of 15. These countries outscored parents’ most popular choice, the United States with a rating of 12.77.

Commenting on these findings, Charlie Nunn, Global Head of Wealth Management at HSBC 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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Notes to editors

Media enquiries:

Olivia Weiss	+1 212 525 5081	olivia.x.weiss.us.hsbc.com
Jeremy Balkin	+1 212 525 7287	jeremy.k.balkin@us.hsbc.com

Notes to editors:

About The Value of Education research

The Value of Education is an independent consumer research study into global education trends, commissioned by HSBC. [*Foundations for the future*](#), the third report in the series, 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.

Country league table research methodology

Source: The Value of Education *Foundations for the future* survey

The country ranking is based on the popularity (frequency of mentions) of countries that parents would be most likely to consider as a destination for their child’s international university education. Parents selected their first, second or third choice destinations from a list of 50 countries and territories, including the 15 countries in the survey.

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Parents' rating (out of 15) for each country is the sum of their individual ratings for its quality of education, quality of life and job prospects (each out of 5).

The average annual undergraduate tuition fee for international students is based on the four most popular subject areas that parents would most like their child to study at university (Medicine, Engineering, Business, management and finance, and Computer and information sciences).

Source: Desk research

The average annual tuition fee across these four subjects is derived from the 10 largest universities by enrollment (number of students enrolled) in each country. Both public and private universities are included.

Tuition fees are for international undergraduate students studying at these universities and exclude any additional fees/costs such as administration, examination, books, accommodation, and travel.

Tuition fee data is sourced either from the university website, by phone from their Admissions Departments or from other credible websites. Where course fees were provided in a local currency, it was converted into USD.

The Value of Education *Foundations for the future* report was published in June 2016 and is available on <http://www.about.us.hsbc.com/news-and-media>

More detailed methodology is available on request.

About the Institute of International Education

The Institute of International Education (IIE) is the world leader in designing strategies and implementing programs that advance scholarship, promote access and build economies. An independent, not-for-profit organization founded in 1919, IIE has a network of 19 offices worldwide and over 1,200 member institutions. IIE manages programs of study and training for students, educators, young professionals and trainees from all sectors with funding from government agencies, foundations, and corporations around the world. These programs include the flagship Fulbright Program and Gilman Scholarships administered for the U.S. Department of State. IIE also conducts policy research, provides resources on international exchange opportunities and offers support to scholars in danger.

Allan Goodman is President and CEO of the IIE and a well-known expert into international education trends and students mobility.

HSBC is partnering with the IIE to provide expert insights to support the data from the Value of Education *Foundations for the future* research, and help understand how parents' views and attitudes reported by the research translate into student mobility trends around the world.

About HSBC Bank USA, N.A.

HSBC Bank USA, National Association (HSBC Bank USA, N.A.), with total assets of US\$198.8 bn as of 31 March 2016 (US GAAP), serves 2.4 million customers through retail banking and wealth management, commercial banking, private banking, asset management, and global banking and markets segments. It operates more than 229 bank branches throughout the United States. There are over 145 in New York as well as branches in: California; Connecticut; Delaware; Washington, D.C.; Florida; Maryland; New Jersey; Pennsylvania; Virginia; and Washington. HSBC Bank USA, N.A. is the principal subsidiary of HSBC USA Inc., an indirect, wholly-owned subsidiary of HSBC North America Holdings Inc. HSBC Bank USA, N.A. is a Member of the FDIC.

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