



The Global Indian Pulse

Global Report



HSBC

| Opening up a world of opportunity

Contents

03

Foreword

Nuno Matos

04

About this research

06

Executive summary

10

**Pen portraits
of generations**

14

Where they are now

Experiences of Global Indians
in their countries of residence

18

Brain circulation

Patterns of returning to
India

24

The ties that bind

Connections to India

30

Investments in India

Flows, motives and hurdles

38

**The future is
sustainable**



Foreword

Welcome to HSBC's first, annual Global Indian Pulse report. The Indian diaspora is the largest migrant population in the world, and through this study we want to understand more about how Global Indians view the places where they live, and also the strength and importance of their connections back to India. With HSBC's history of over 155 years in India – and internationally – we are committed to helping people to open up a world of opportunities across the markets we operate in.

We live in a time where the exchange of ideas, culture, money and goods transpires around the globe more freely than ever before. This increased circulation brings huge positives, enabling greater connections between people and enriching communities.

This development can be seen clearly among the Indian diaspora. The enormous contribution made by Global Indians to the prosperity of countries and territories all around the world is widely acknowledged and highly respected. While, in some quarters, perceptions of an outflow of skilled workers from India persist, we believe the reality is more of a 'brain circulation' and many Global Indians are invested both emotionally and financially in the long-term success and development of India.

Our first edition of The Global Indian Pulse offers constructive evidence that aims to foster deeper understanding of this diaspora, and shine light on their emotional and financial contributions to their maternal country. To do this, we surveyed more than 4,000 people aged 18 and over in nine markets, with the intention of making this the most comprehensive cross-border study into Global Indians' attitudes.

The report looks behind the data in order to tell the stories behind their perspectives and celebrate the role of Global Indians in terms of realising a confident future for India. It explores the unique emotional and cultural connection this diverse

diaspora maintains with India, and reveals how these attitudes and connections span generations.

HSBC is wholly committed to opening up a world of opportunity for all our Global Indian customers. Through our leading international banking and wealth management capabilities we're uniquely placed to open up a world of opportunities wherever Global Indians live, study, and work, and also offer innovative ideas and connections both with and within India.

I would like to thank Professor Bridget Anderson, Dr. Omkar Goswami, Professor Ruben Gowricharn, Professor Jaideep Prabhu and Professor Nirvikar Singh for their analysis and insight, and our research partner Ipsos MORI for its contribution to the research and final report.

I hope you enjoy reading The Global Indian Pulse and would be delighted to hear your thoughts and feedback to help us evolve the study in the future.



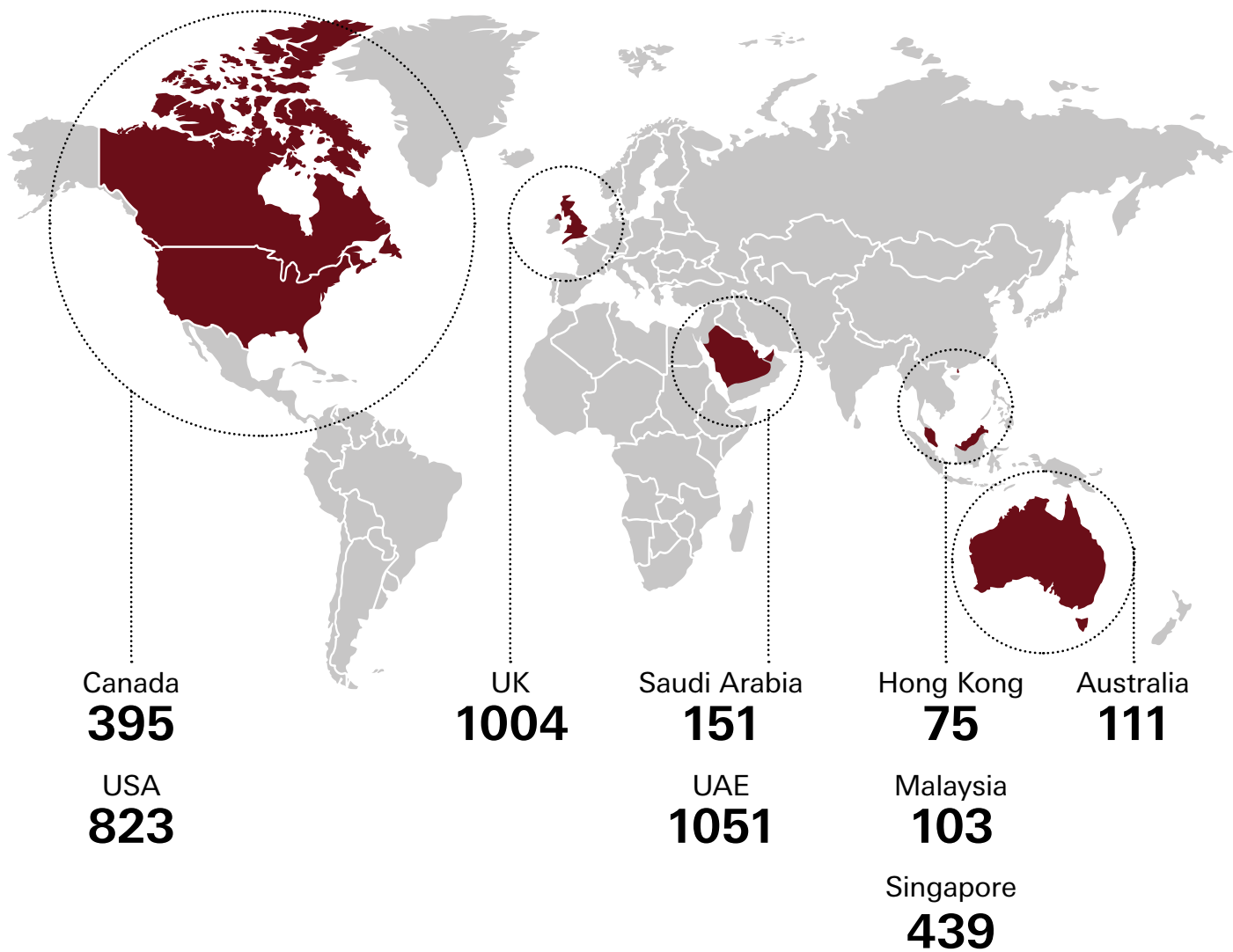
Nuno Matos
Chief Executive Officer,
Wealth and Personal Banking

Research design

The phrase ‘Global Indians’ refers to anyone who is not currently living in India but was born there (first generation), or has a parent who was born there (second generation) or a grandparent born there (third generation). This research focuses on markets with a more prominent Global Indian presence.

IPSOS MORI INTERVIEWED 4,152 GLOBAL INDIANS IN 9 MARKETS USING ITS ONLINE PANEL

Number of interviews



Fieldwork dates: 18 August–13 September 2021.

As this is an online sample, it is more urban, more educated, and more affluent than the general population. Data are unweighted.

Expert collaborators



Professor Bridget Anderson

Director of the Specialist Research Institute Migration Mobilities Bristol and Professor of Migration, Mobilities and Citizenship at the University of Bristol, United Kingdom.



Pranjul Bhandari

Chief India Economist and Managing Director at HSBC.



Dr. Omkar Goswami

Professional Economist. Founder and Chairman of CERG Advisory Private Limited. Serves on some major corporate boards.



Professor Ruben Gowicharn

Professor of Indian Diaspora Studies at the VU University, Netherlands.



Professor Jaideep Prabhu

Jawaharlal Nehru professor of business and enterprise, Judge Business School at the University of Cambridge, United Kingdom.



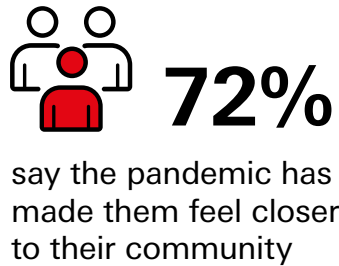
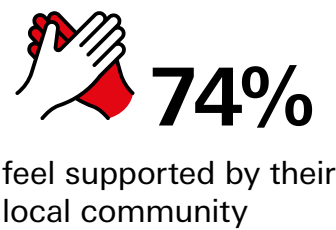
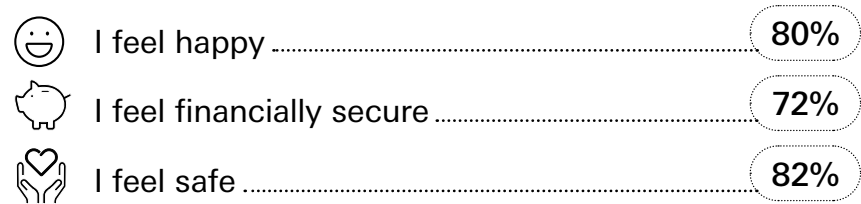
Professor Nirvikar Singh

Co-author of 'The Other One Percent: Indians in America' Distinguished Professor of Economics at the University of California, Santa Cruz, United States.

Executive summary

Where they are now

The Global Indians we spoke to generally feel happy, safe and financially secure.



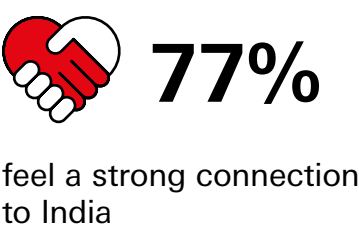
Our research highlights the benefits Indian heritage can bring. Seven in ten (70%) Global Indians say being connected to India has helped them in the country* they live now.

Professor Nirvikar Singh suggests India’s reputation can amplify the standing of Global Indians in their country of residence. This reputation is shaped by India’s soft power (notably Bollywood, sport, and Indian cuisine) and the high profile, contribution and influence of Indians across the world in politics, business, media and medicine.

Professor Bridget Anderson emphasises the professional and social value of Global Indian networks within and beyond their countries of residence.

The ties that bind

Global Indians have significant links to India.



Food (63%) and celebrating cultural festivities (52%) are the most common ways Global Indians stay connected to India, particularly those who do not have any plans to live in India in the future.

*Please note that throughout this report where we say country, this refers to countries and territories.

Brain circulation

Connections with India operate in both directions. Our research finds ‘brain circulation’ – the flow of people and ideas to and from India – is very much in play.



61%

of the Global Indians we spoke to are planning to move to India in the future

Key drivers for those planning to live in India

- 51%** Being closer to family/friends
- 43%** Caring for relatives
- 32%** Immersing themselves in Indian culture
- 32%** Using their skills and experience to bring change in India

Investments in India

India offers enormous potential to investors – Professor Jaideep Prabhu praises its vibrancy and describes it as the biggest untapped market in the world. For Global Indians, investments also represent an important tie to India.



80%

are making investments of some sort in India






59%

are planning to increase their levels of investment in the next three years

The same proportion plan to increase investments in their country of residence, highlighting a sense of optimism among many Global Indians despite the upheavals caused by the pandemic.

Investment motivations among Global Indians are a mixture of head and heart.

The top three reasons for increasing investments are:

-  Friends / family are remaining in India **44%**
-  I believe it's the most effective use of my investments **40%**
-  I want to better promote positive change in India **36%**

Dr Omkar Goswami observes that Global Indians, like all savvy investors, are always looking for the best return. And if the Indian portfolio of investments do not offer the best risk adjusted returns, they will go elsewhere.

The future is sustainable

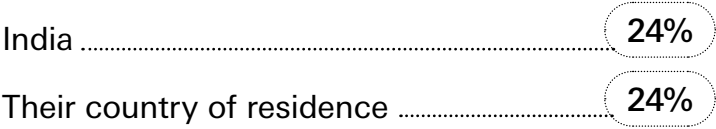
Sustainability matters a great deal to the Global Indians we spoke to. Global Indians are planning to make a range of sustainable investments in both India and their countries of residence in the next two years.



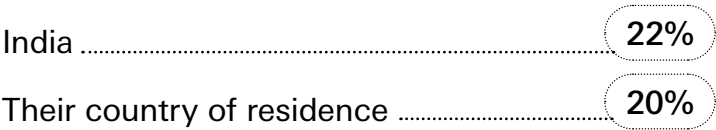
For three-quarters environmental/social initiatives are a key part of investment decisions

However, key barriers are:

A lack of knowledge about these types of investments



Doubts about what impact they will have



Returns are another concern but Professor Jaideep Prabhu highlights the enormous potential in India to do well financially while also doing good.





The experiences of Global Indians are shaped by many factors – their country of residence, their age, gender and occupation

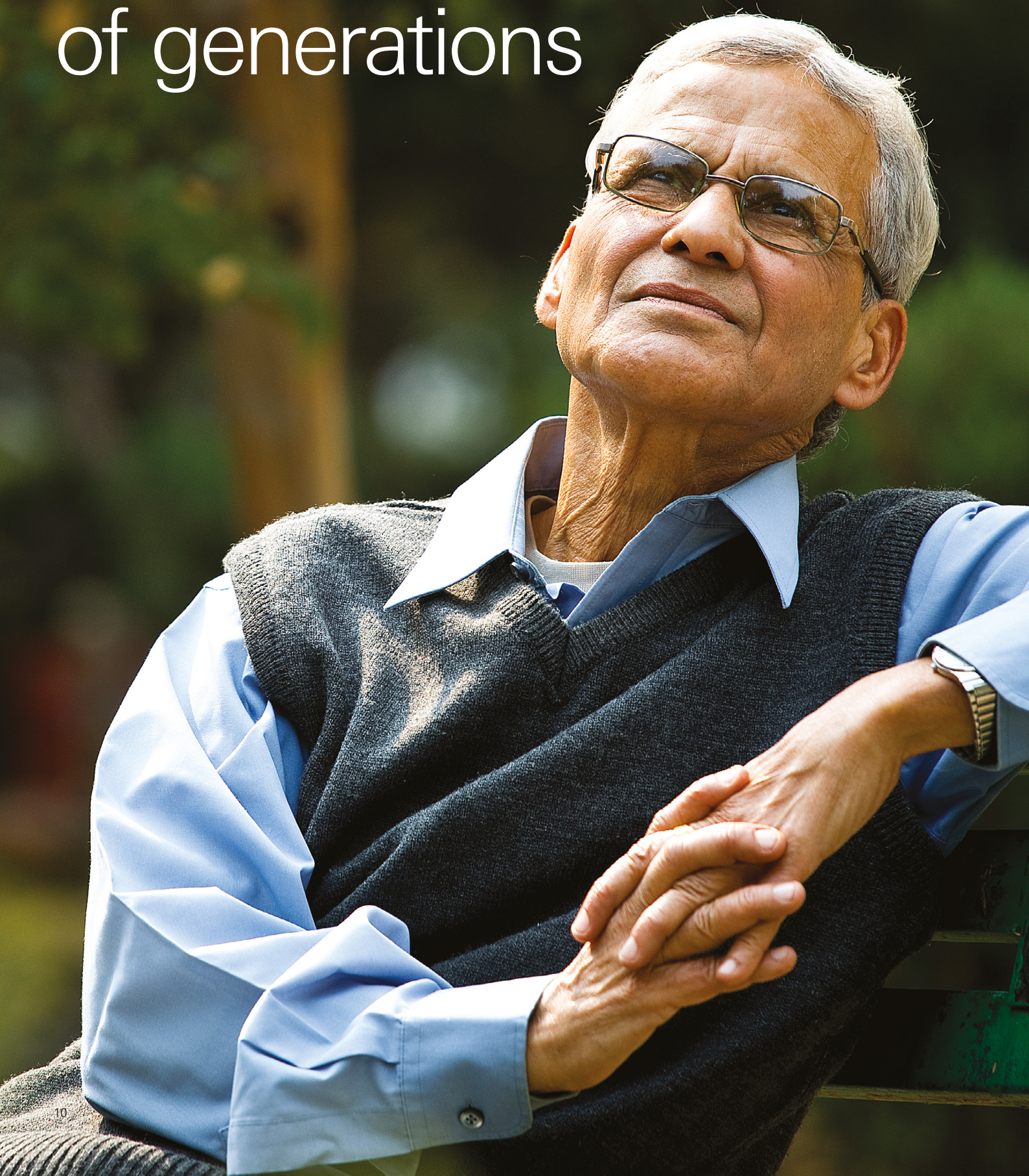
One example our research has found is that men are more likely than women to plan to live in India in the future, while women are more likely to stay connected to India through food and cultural festivities.

But this is also a story of generations and their different relationships with India.

Professor Ruben Gowricharn describes third generation Global Indians as remarkable – they have less experience of India, weaker family ties and feel less connected to India than the first generation, but nevertheless it feels a relatively strong bond with the ancestral homeland. Therefore, Indian culture (for instance Bollywood) and food plays a central role in keeping their heritage alive. Perhaps tellingly, the third generation are more likely to miss food (42%) than family (30%)!

Although the nature of their ties may differ, the third generation are as likely as the first generation to be planning to live in India in the future and they are more likely than other generations to have increased their investments in India the past three years (63%).

Pen portraits of generations



First generation Indians

Born in India

Most of the Global Indians that we spoke to are first generation. The first generation are particularly likely to feel strongly connected to India and to miss family and friends compared to other generations.

They are more likely to plan to live in India in the future than the second generation and family ties and retirement are more common reasons compared to other generations. However, they are less likely to plan to retire in their country of residence. The majority invest in India.

First generation Indians are more likely to be between 30-39 and reside in Canada or the UAE.



53%

Gender

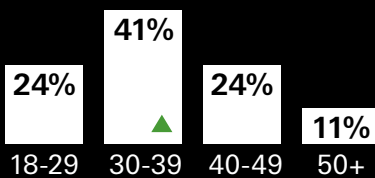
Male

Female

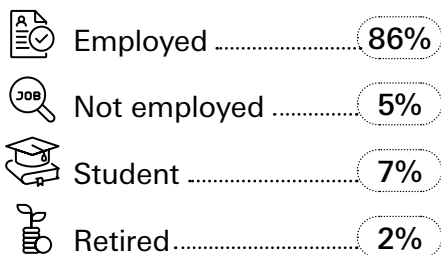
♂ 60%

♀ 40%

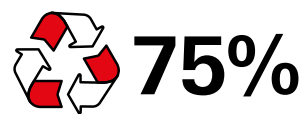
Age



Employment



Sustainability (% T2B agree)



Agree that environmental or social initiatives and funds are a key part of their decision to invest

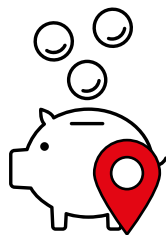
Connection



83%

Feel a strong connection to India

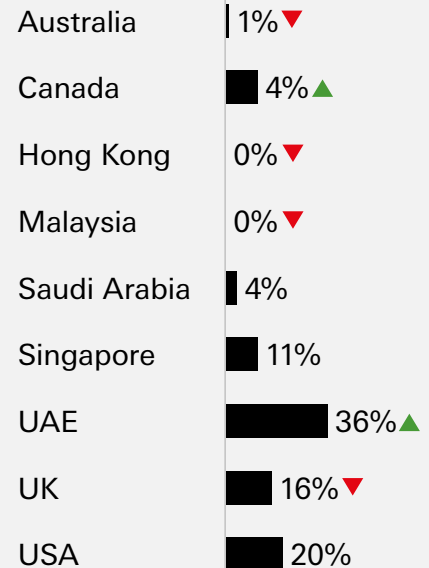
Retirement



64%

Plan to retire in their country of residence

Markets



If plan to live in India



■ Not planning to live in India
 ■ Next 12 months
 ■ Next 2 years
 ■ Next 5 years
 ■ Next 10 years
 ■ > 10 years
 ■ Don't know

Base: All first generation Indians (n=2190)

▲▼ Signifies significantly higher / lower than total sample at 95%

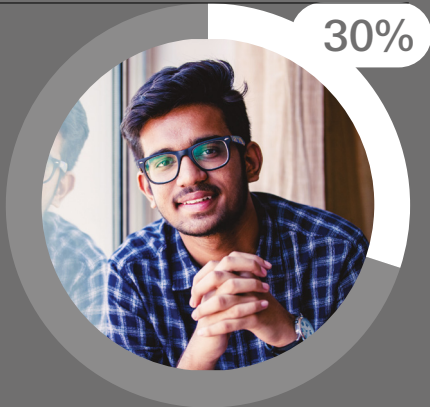
Second generation Indians

Not born in India but at least one parent born in India

The second generation are less likely to feel a strong connection to India than the first generation. They have a greater tendency to miss family and friends than the third generation but less than the first generation.

They are less likely to be planning to live in India than the first or the third generation. Wanting to immerse themselves in Indian Culture is a more common reason to move to India than for the first generation. They are less likely than other generations to invest in India.

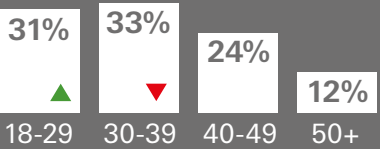
Second generation Indians are younger, more often studying and more likely to live in Hong Kong, the UK or the UAE than the other generations.



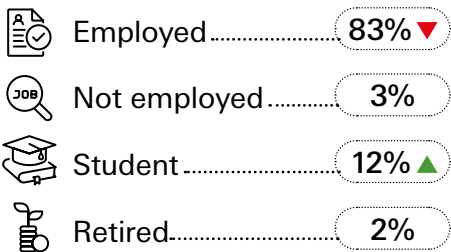
Gender



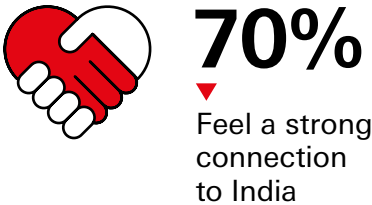
Age



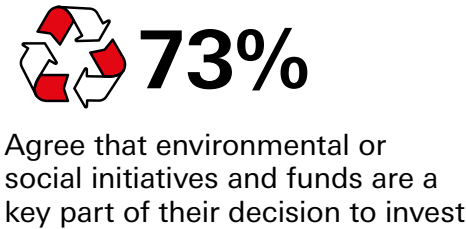
Employment



Connection



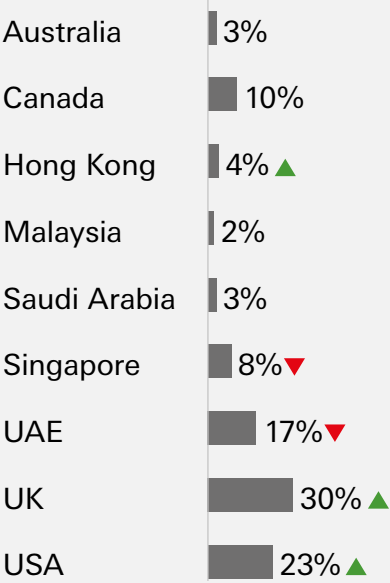
Sustainability (% T2B agree)



Retirement



Markets



If plan to live in India



Not planning to live in India Next 12 months Next 2 years Next 5 years Next 10 years > 10 years Don't know

Base: All second generation Indians (n=1233) ▲ ▼ Signifies significantly higher / lower than total sample at 95%

Third generation Indians

They and their parents were not born in India but they have at least one grandparent born in India

The third generation feel less connected to India than the first generation and are less likely to miss family and friends compared to other generations. More of the third generation miss food rather than family.

However, they are as likely as the first generation to be planning to live in India in the future but are more likely than the first generation to want to do so to immerse themselves in Indian culture. Their investment decisions are more commonly motivated by environmental or social considerations than the first and second generation.

Third generation Indians are more likely to be in the 40-49 age group, be employed and reside in Australia, Malaysia, Singapore and the UK than other generations.

Gender

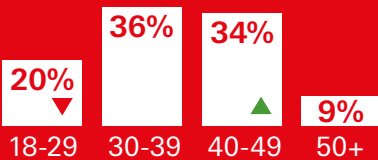
Male

Female

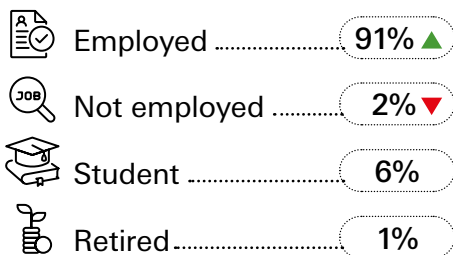
♂ 62%

♀ 38%

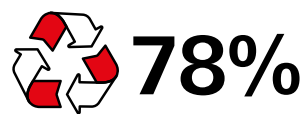
Age



Employment



Sustainability (% T2B agree)



Agree that environmental or social initiatives and funds are a key part of their decision to invest

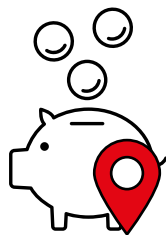
Connection



70%

Feel a strong connection to India

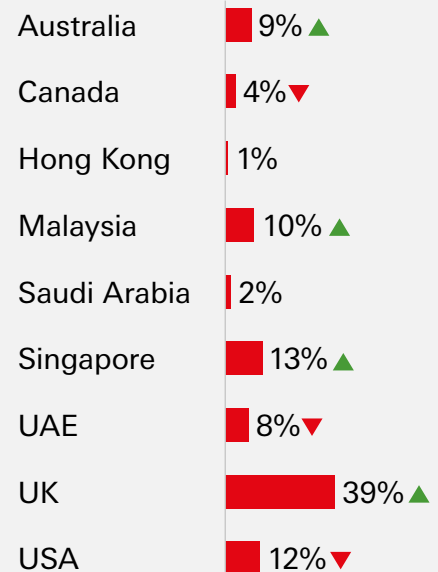
Retirement



82%

Plan to retire in their country of residence

Markets



If plan to live in India



■ Not planning to live in India
 ■ Next 12 months
 ■ Next 2 years
 ■ Next 5 years
 ■ Next 10 years
 ■ > 10 years
 ■ Don't know

Base: All third generation Indians (n=729)

▲▼ Signifies significantly higher / lower than total sample at 95%

Where they are now

Experiences of Global Indians in their countries of residence

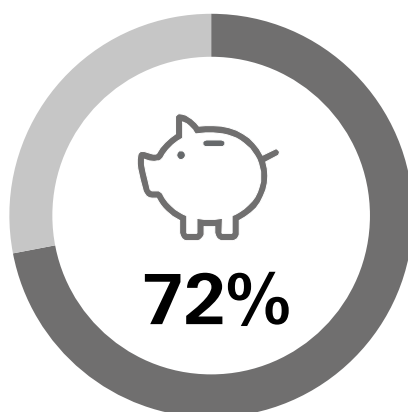
Most of the Global Indians we spoke to feel happy, safe and financially secure.

These feelings vary by age and gender; male and Global Indians aged over 30 are more likely to agree with all three statements.

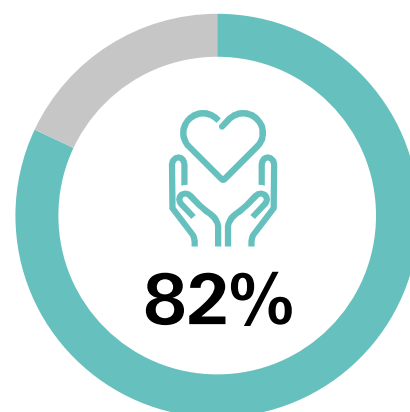
I am happy



I feel financially secure

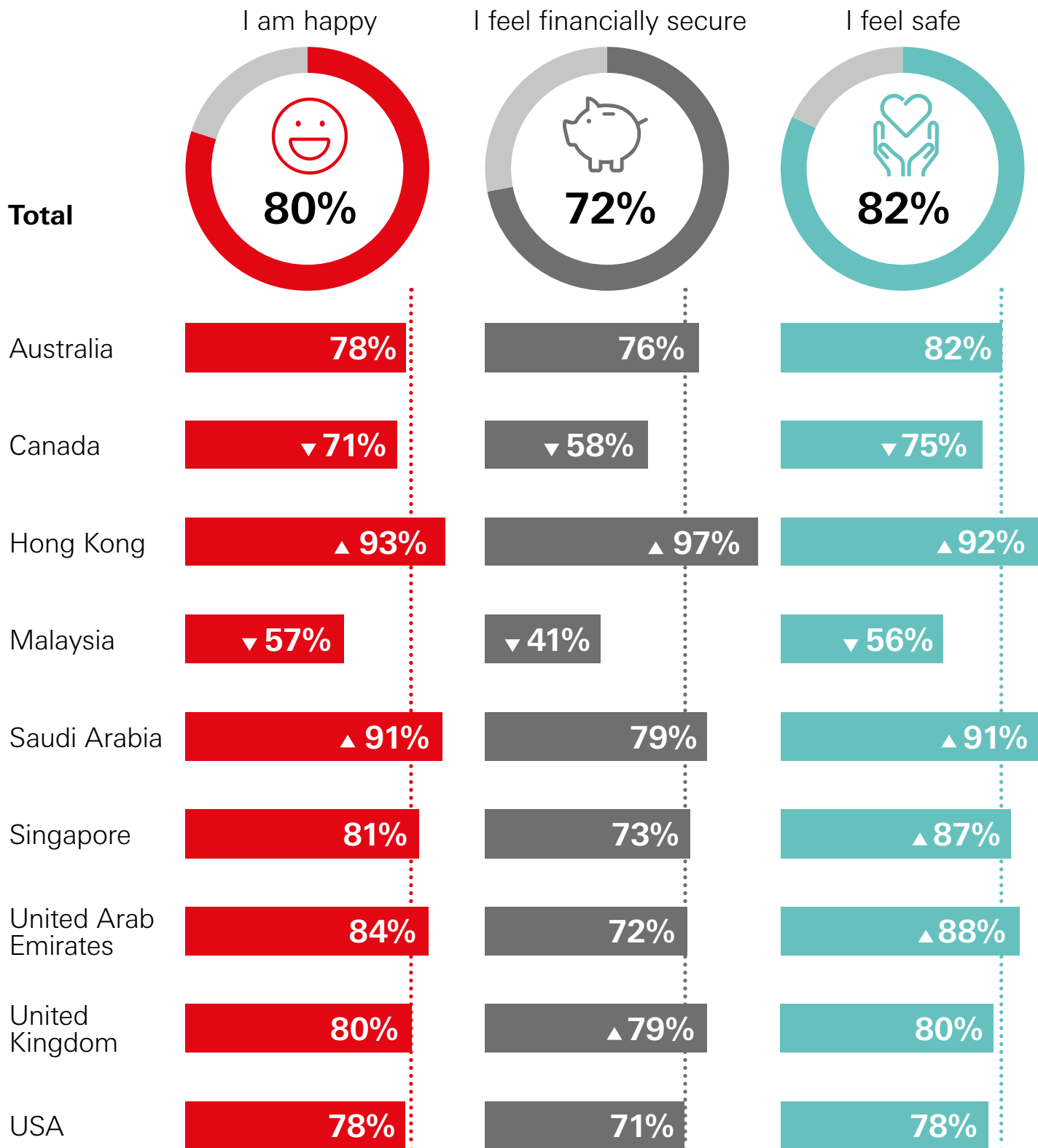


I feel safe



Global Indians living in Hong Kong, Saudi Arabia, Singapore and the UAE are particularly likely to feel supported by their local community

There are also differences by market. Global Indians living in Hong Kong are more likely to agree with all three statements.



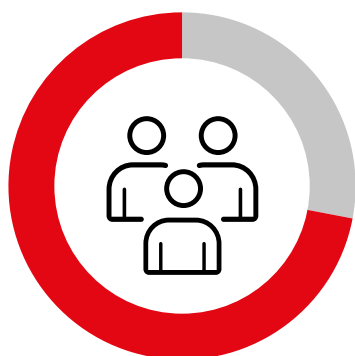
▲▼ Signifies significantly higher / lower than overall

Global Indians generally feel supported by their local communities – and the pandemic has made them feel closer to their community.



74%

I feel supported by my local community



72%

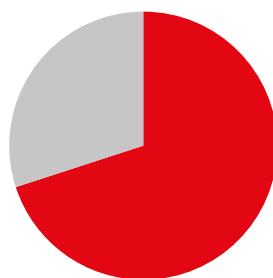
The pandemic has made me feel closer to my community

Global Indians living in Saudi Arabia and the UAE have higher levels of agreement on both statements, while agreement is lower in Canada and Malaysia. Global Indians in Australia and Hong Kong are also more likely to feel the pandemic has increased their closeness to the community, whereas those in the USA are less likely.

“There are international networks in particular but also a strong national base that can be of benefit to you in employment. You have certain forms of human capital that are very useful to you and to businesses and wider society.”

Professor Bridget Anderson

Our research highlights the positives Indian heritage can bring. Seven in ten of the Global Indians we spoke to feel that being connected to India helps them in the country where they live now.



70%

Being connected to India has helped me in the country I live in now

This is more likely to be the case for the first generation (76%) compared to the second (64%) or third generations (65%).



“India has got pretty impressive soft power through its diaspora, through things like Bollywood. Indians are in all these positions of power around the world.”

Professor Jaideep Prabhu



Indian advantages

Our expert collaborators highlighted several different ways in which being connected to India can help Global Indians in their countries of residence.

Networks within and beyond their country of residence can be advantageous both for work and socially.

More intangibly, the reputation of India and high-profile Indians in fields such as business, sport, politics, food and entertainment can benefit Global Indians.

There are also cultural and educational advantages. Professor Jaideep Prabhu argues that Global Indians such as Sundar Pichai are able to get to the top of large companies because they have both technical and managerial skills, are educated in English and from a young age are exposed to people of different linguistic and religious backgrounds.

Brain circulation

Patterns of returning to India

Many Global Indians maintain their connections to India by returning there, both to visit and to live. Only 4% have never visited India. Before the pandemic, 69% visited India at least once every two years and 10% visited every six months.

Three-fifths (61%) of Global Indians are planning to live in India in the future. This is particularly likely for first and third generation Indians compared to the second generation.

How likely, or unlikely, are you to live in India in the future?

All



First generation



Second generation



Third generation



Likelihood to live in India in the future varies by market, with Global Indians in Australia, Hong Kong, Saudi Arabia, the UAE and the UK being more likely, while the likelihood is lower in Canada, Malaysia, Singapore and the USA.

There are also differences by gender and age. Men are more likely than women to plan to live in India in the future, as are 30-49 year olds compared to younger and older Global Indians.

“There was this fear of brain drain which may have been legitimate at one point in time but now people talk about brain circulation and that is really what we see.”

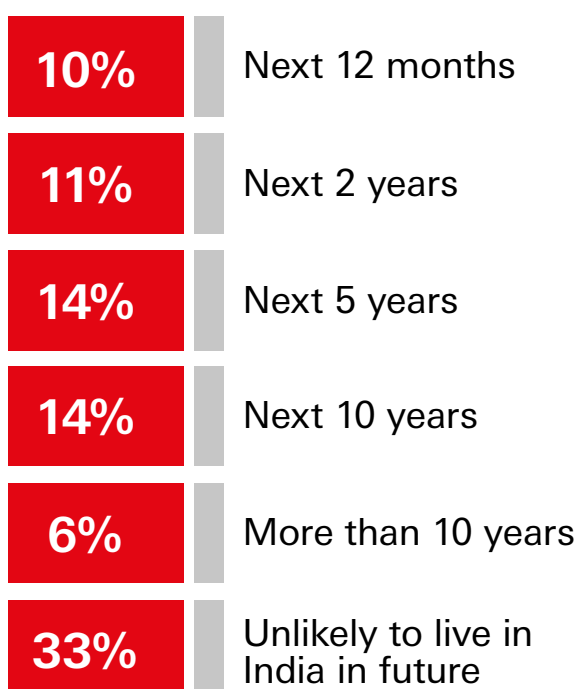
Professor Jaideep Prabhu

“The first generation has a different relationship to India, they knew India, it was a personal experience, they had family there. But the third and fourth generation, are driven by curiosity and identification with the ancestral homeland.”

Professor Ruben Gowricharn

Moving to India is likely to happen sooner rather than later for a significant proportion of Global Indians. A fifth (21%) of the Global Indians we spoke to are planning to do so in the next two years.

When do you plan to live in India?



A fifth of Global Indians are planning to move to India in the next two years



Brain circulation not brain drain

Professor Jaideep Prabhu cites the concept of 'brain circulation', a phenomenon first identified by Professor AnnaLee Saxenian.¹ Historically, Indians had to choose between India or living abroad. More recently, there has been a flow of people and ideas to and from India. People relocate to India for a few years, for instance to open R&D Centres for their companies, and then return or move to another country.

Professor Bridget Anderson comments that migration and mobility should be regarded as an ongoing journey. Wealthier, higher skilled individuals are able to choose whether to settle abroad or return to India.

¹Saxenian, A., 2002. Brain circulation. How high-skill immigration makes everyone better off. Brookings Review, 20(1), pp.28-31.

Second and third generation Global Indians are more likely to be planning to move to India to immerse themselves in Indian culture

Family is the foundation of Global Indians' ties to India. It is the most important driver for Global Indians of all generations planning a move to India. The two most commonly cited drivers are to be closer to family and friends (51%) and to be able to care for parents and elderly relatives (43%).

For a third (32%), immersing themselves in Indian culture is a factor. This is mentioned less often by first generation Indians, who are more likely than other generations to cite family ties and retirement. In contrast, the second and third generations are more likely to say the pandemic has made them reassess their plans and to give work and education as reasons for moving.

“People go back because they think they can get on a fast track in India. There is just a lot of opportunity in India and places like Bengaluru have become major hubs of innovation. There is real scope there to do something significant and the other pull, of course, is family ties.”

Professor Nirvikar Singh

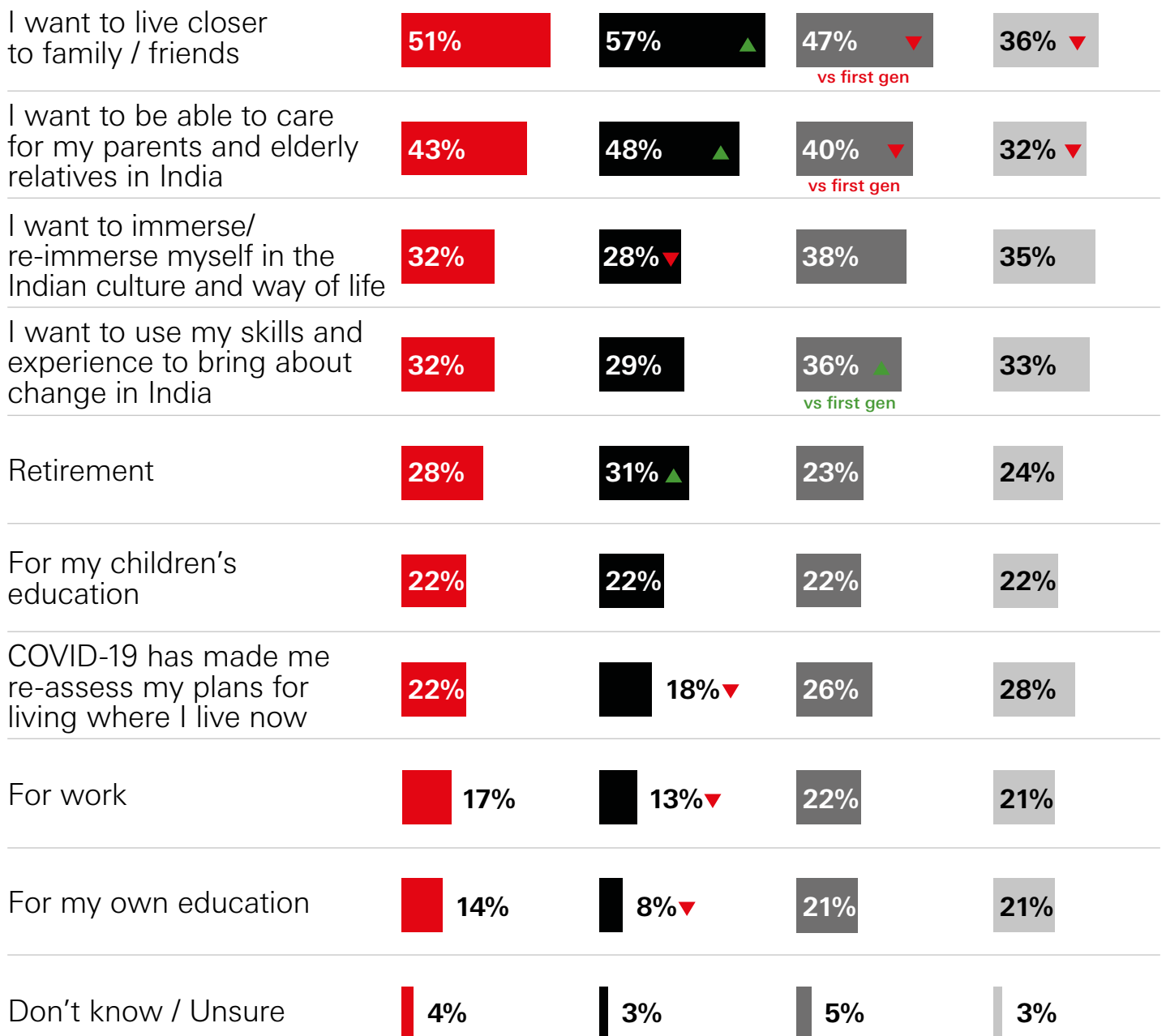


Curiosity about India

Professor Ruben Gowricharn highlights that first generation Global Indians *know* and have experienced India. For later generations, the relationship with India is a different one. They are interested in knowing more about their roots and want to learn more about their heritage.

A desire to use their skills to bring about change in India is a significant factor for a third of Global Indians. This is more the case for the second generation compared to the first generation.

Why do you plan to live in India in the future?



■ Total

■ First generation

■ Second generation

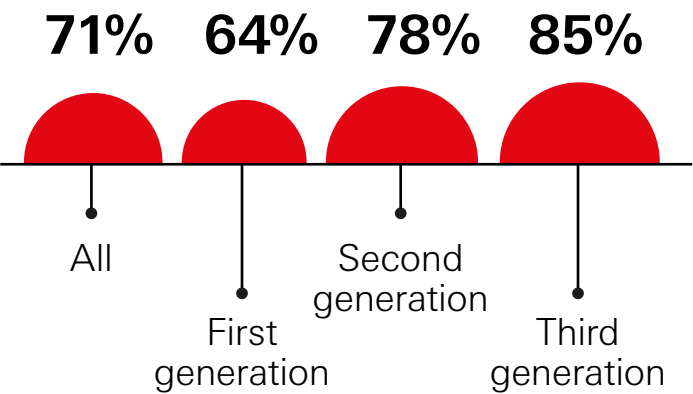
■ Third generation

▲▼ Signifies significantly higher / lower than other generations

Here or there? Retirement plans

Most Global Indians are planning to retire in their country of residence, although this is lowest among the first generation. There are also differences by country of residence, with Global Indians living in Australia, Canada, Malaysia and the USA being more likely to plan to retire there, while those in Hong Kong, Singapore and the UAE are less likely.

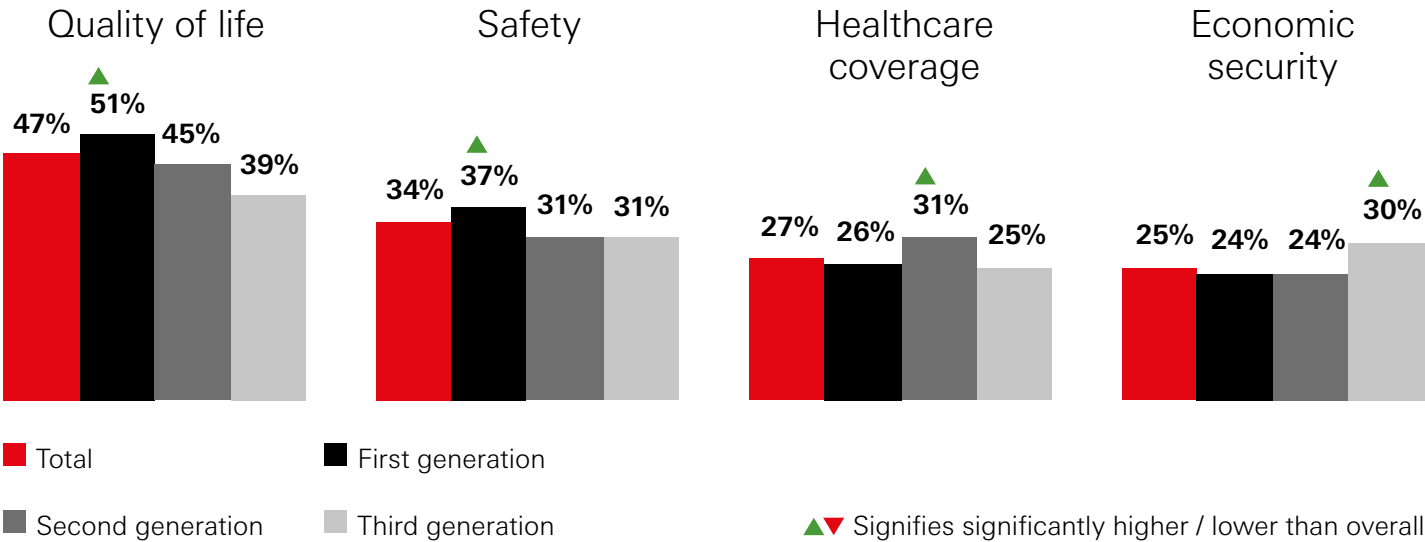
Do you plan to retire in your country of residence?



39%
of the Global Indians we spoke to say they plan to live in India in the future but retire in their current country of residence

Quality of life and safety are the biggest drivers for Global Indians retiring in their current country of residence, especially among the first generation.

What are the key reasons for you planning to retire in [country of residence?]





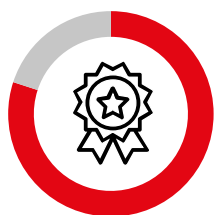
The ties that bind

Connections to India

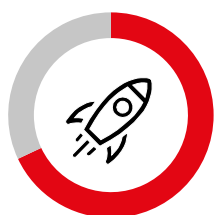
Over three-quarters of the Global Indians we spoke to generally feel strongly connected to India. They are very interested in its success and feel invested in its future.



77%
I feel a strong connection to India



80%
I am very interested in the success of India



68%
I feel invested in the future of India

These feelings are more common among First generation Global Indians. Global Indians who are male or aged 30-49 years old are also more likely to agree with all three statements.

We see differences by market too, with higher levels of agreement among Global Indians living in Hong Kong and the UAE and lower agreement in Canada, Malaysia and Singapore. This reflects the patterns seen for likelihood to live in India.

“There is a feeling that India’s moment has come. There is the opportunity for India to really shine, for Indians to shine and you see examples of Indians shining.”

Professor Jaideep Prabhu



Pride in India

Our expert collaborators spoke of a sense of national pride in India as it has evolved from a developing country into a world player. Professor Jaideep Prabhu comments that India's time has come.

This is more than just a matter of pride. Indian achievements can also amplify and strengthen the standing of Global Indians in their country of residence.

For most Global Indians, the pandemic has strengthened their connections to India. Almost three quarters (73%) agree the pandemic has made them feel closer to friends and family in India. This is especially true for first generation Global Indians and those living in Hong Kong, Saudi Arabia, the UAE and the UK.

“If India has a stronger reputation then that benefits you as an Indian American wherever you are.”

Professor Nirvikar Singh

Global Indians are most likely to stay in touch with India through food and cultural festivities – particularly if they do not plan to live in India in the future



There's nothing else like Bollywood

Professor Ruben Gowricharn comments that third generation Global Indians focus more on food, clothes, music and entertainment because they do not have the close family ties in India of earlier generations.

His research has found for these Global Indians, Bollywood is more than entertainment, it is about their identity. He describes Bollywood as a unique element of the Indian diaspora because of its ability to bind together Indians all over the world.

Keeping connected

Global Indians are most likely to stay connected with India through food and cultural festivities. This is particularly the case for women and 18-29 year olds. Supporting Indian charities (30%) and investing in Indian businesses (24%) are important ties for a significant proportion.

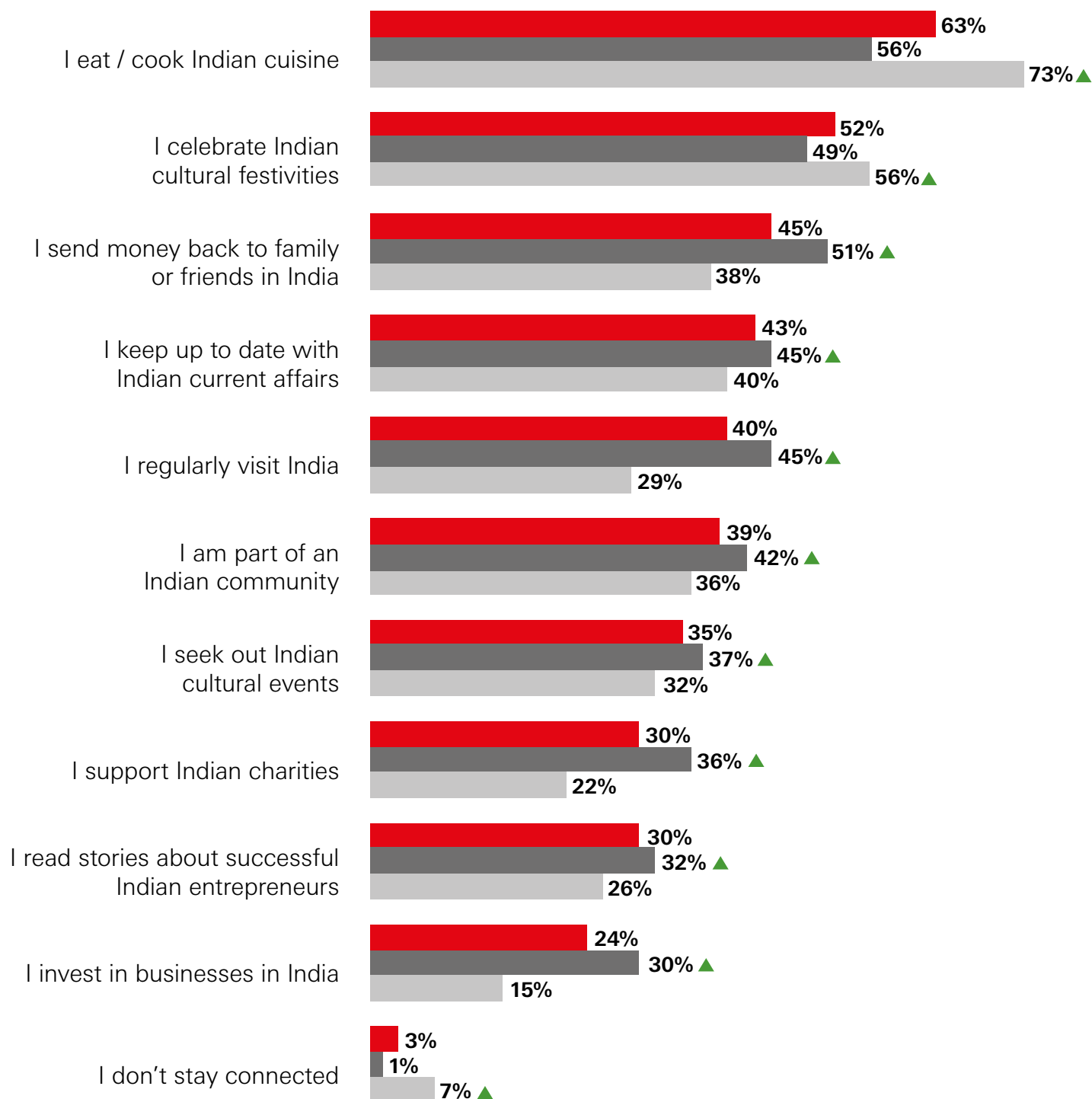
“The Indian diaspora is unique in terms of Bollywood. Few diasporas have such a supply of culture and bonds that binds all different ethnic communities all over the world together.”

Professor Ruben Gowricharn



For Global Indians not planning to live in India, Indian food and celebrating cultural festivities are especially important. Despite having no plans to move there, more than nine in ten of this group stay connected with India.

How do you stay connected to India? Please select all, if any, that apply.



■ All ■ Plan to live in India ■ Do not plan to live in India ▲ ▼ Signifies significantly higher / lower than overall

Absence makes the heart grow fonder

Family, food, friends and culture are the things Global Indians report missing most about India. Family and friends in India are missed more by the first generation than the second generation and by the second generation compared to the third.

Which, if any, of the following do you miss, from India? Please select as many as apply.

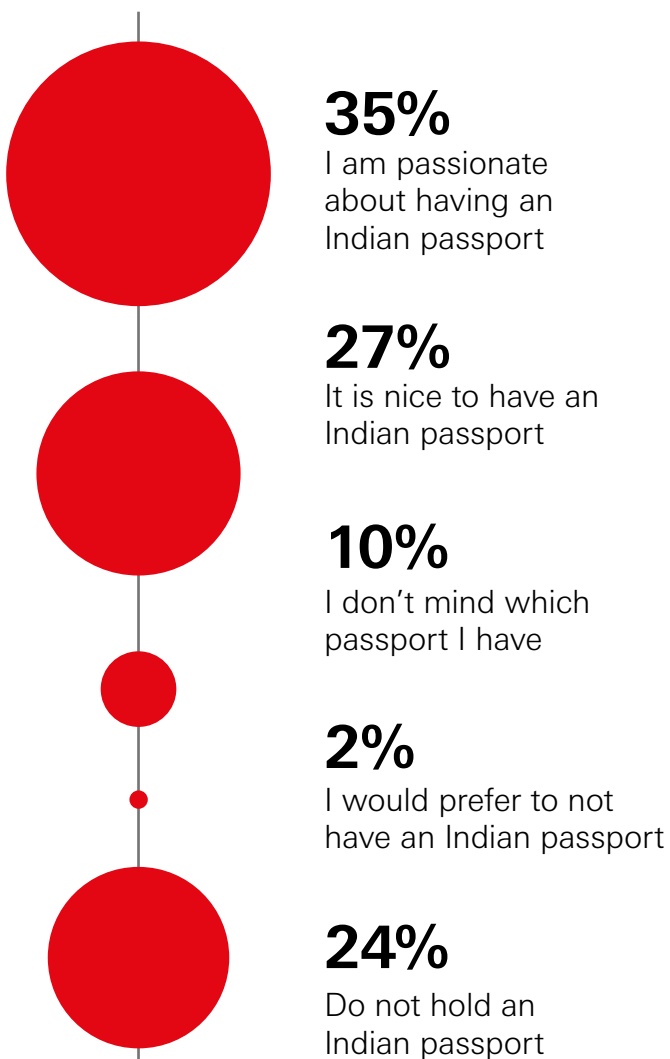
	Total	First generation	Second generation	Third generation
My family	57%	69% ▲	52% ▼	30% ▼
The food	52%	55%	51%	42% ▼
My friends	46%	57% ▲	36% ▼	29% ▼
Culture	46%	47%	47%	39% ▼
Diversity of places	28%	27%	29%	30%
Community	27%	28%	29%	24% ▼
Religion	25%	25%	25%	26%
Access to household support	20%	22% ▲	17%	16%
Ease of access to medical facilities	14%	13%	14%	13%
My career	11%	9%	14% ▲	11%
The office and/or work environment	10%	7% ▼	14%	14%
I do not miss anything from India	7%	4%	8%	11% ▲ vs first gen

▲▼ Signifies significantly higher / lower than overall

Third generation Global Indians miss food more than family!

Passionate about passports

Three-quarters (74%) of Global Indians have an Indian passport. Global Indians who hold an Indian passport – and the first generation are more likely to do so – often feel passionate about doing so. First generation Global Indians with an Indian passport (13%) are more likely than the second (8%) and third generation (4%) to not mind what passport they have.



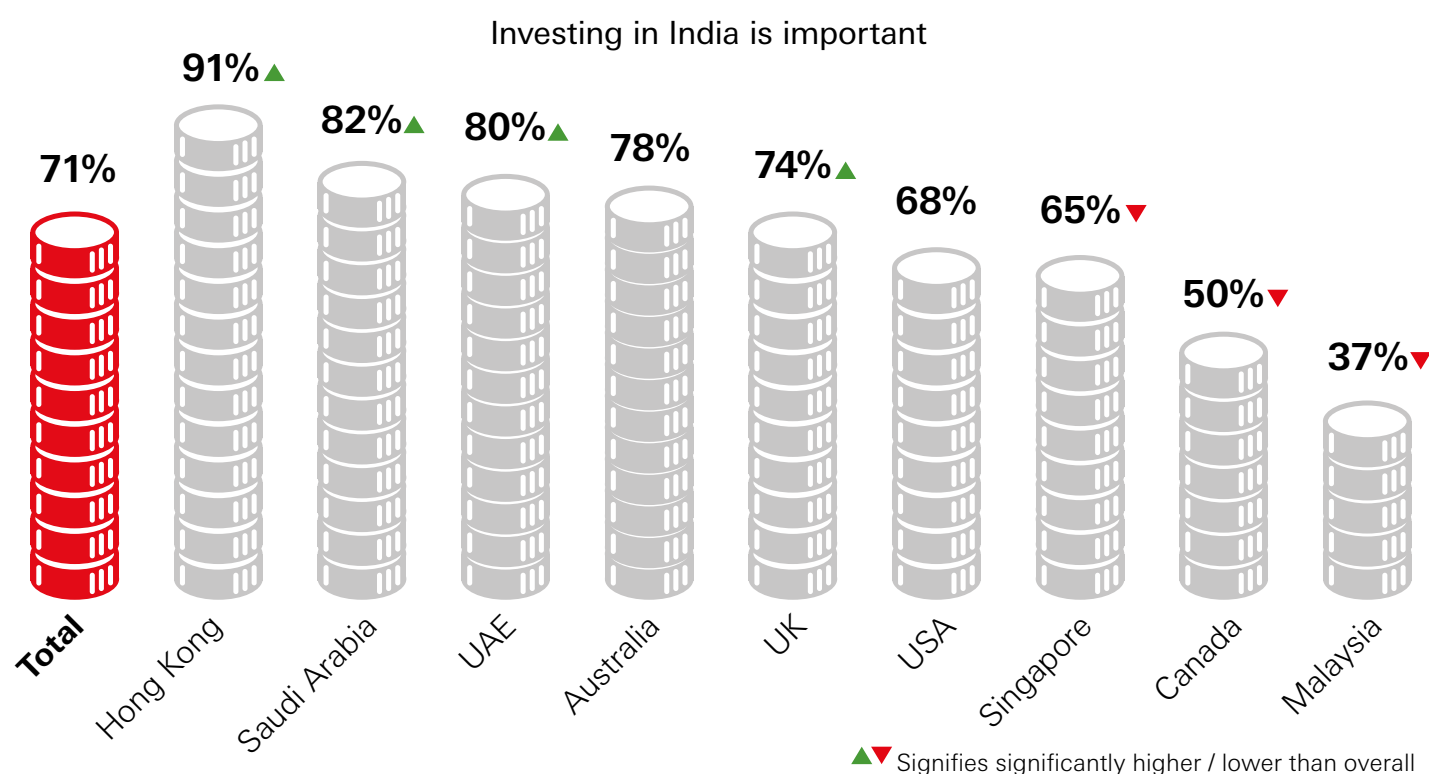
Almost half (45%) of the Global Indians we spoke to send money to friends or family. The most common reason for doing so is to contribute to their living expenses.

Investments in India

Flows, motives and hurdles

India: A market full of opportunities

Almost all (80%) of the Global Indians we spoke to are making investments of some sort in India – and most expect to increase how much they invest. The view that it is important to invest in India is widespread, shared by 71%. Global Indians in Hong Kong, Saudi Arabia, the UAE and the UK are particularly likely to value investing in India.



“There is a huge vibrancy, there are incredible opportunities in India and the youth in particular are just driving that vibrancy. There is huge untapped economic potential in India. The biggest untapped single market left in the world is India.”

Professor Jaideep Prabhu

“

Much of the recent foreign direct investment in India has been in technology sectors, but policy makers are making efforts to make investment in industrial and manufacturing companies more attractive ”

Pranjul Bhandari
Chief India Economist, HSBC

Investment flows

Professor Nirvikar Singh discusses how ties between Indian professionals in America and India have laid the foundations for increasing flows of capital to India:

“Private equity is now coming into India pretty strongly, especially in sectors like tech and I think that has been aided also by the fact that Indian Americans who have been successful in the USA now have moved into finance. There are a lot of Indians in private equity and venture

capital and that wasn't the case a decade or two ago. They are able to intelligently channel capital into India.”

Professor Jaideep Prabhu also highlights two-way flows of talent, capital, technology and access to markets between India and Global Indians' countries of residence. He argues that India offers Global Indians good returns because of the opportunities available but soft considerations such as knowledge and networks are also important.

Country of residence investments

Most Global Indians (85%) are also investing in their countries of residence. This figure is particularly high in Hong Kong (95%) and the UK (90%).

Stocks and shares (47%) and property (46%) are the most common asset classes, but a significant proportion are investing in local businesses where they live, particularly in Australia, Hong Kong, the UAE and the UK.

I invest in local businesses:

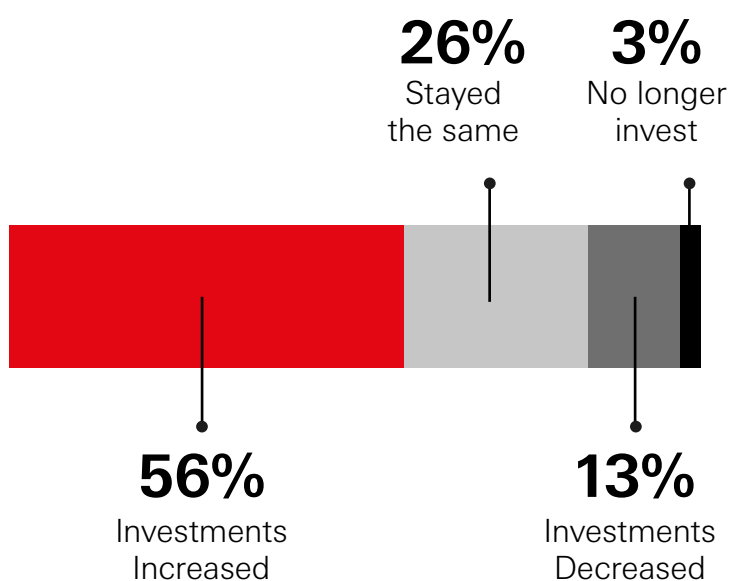


Investing more or less?

Despite the global pandemic, a majority of Global Indians with investments in India have increased their investments in the past three years. This is particularly pronounced for the third generation (63%). Only 13% have decreased their investments.

Global Indians in Australia and Hong Kong are more likely to have increased their investments, whereas the proportion is lower in Canada and Malaysia.

Have your investments in India, increased, stayed the same or decreased in the last 3 years?



Global Indians have increased their investments in India for a mix of reasons which relate to both head and heart. For around two in five, investment return is an important factor. Our expert collaborators emphasise the importance of returns on investment for Global Indians.

“Investment opportunities are a touchpoint. They are always looking at the best return adjusted for risk. And if the Indian portfolio of investments do not offer among the best returns adjusted for risk, they will go elsewhere.”

Dr Omkar Goswami



Mumbai calling?

Mumbai is the clear winner when we asked Global Indians where they would be most likely to invest in property in India. A fifth (21%) picked Mumbai. Chennai was second on 9%.

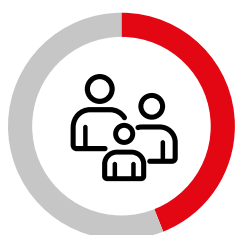
Connections to India – through friends and family still living there and their own plans to move to there – are also influences. Some are motivated by a desire to do good and have increased their investments to promote positive change in India and help the COVID recovery.

Among Global Indians who have decreased their investments in India, the impact of COVID-19 is by far the most common reason, mentioned by 53% (and 61% of the first generation), followed by worsened personal circumstances on 25%.

COVID-19 is by far the most common reason why a minority of Global Indians have decreased their levels of investment in India in the past three years

Second and third generation Global Indians are more likely to mention COVID recovery (both 35% compared to 23% of the first generation). The third generation are also more likely to be inspired by more environmental investment opportunities (42%).

Why have you increased your investments in India?



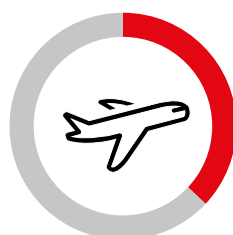
44%

Friends/family are remaining in India



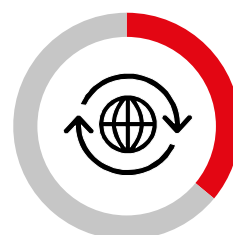
40%

I believe it's the most effective use of my investments



37%

I plan to return/go to India in future



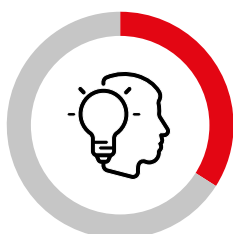
36%

I want to better promote positive change in India



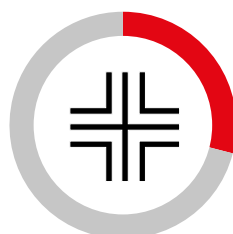
35%

More environmental or social investment opportunities



34%

Improved personal circumstances



29%

To aid COVID relief / recovery



22%

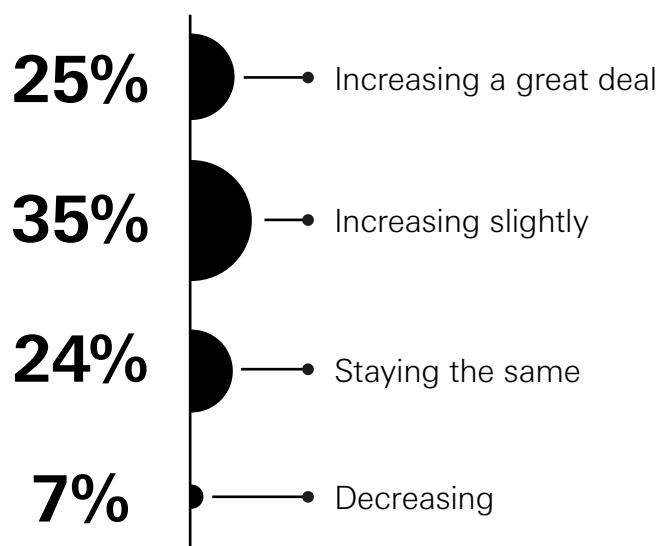
I've reduced my investments in the country I live in

Investment projections positive

Three-fifths say they will increase how much they invest in India over the next three years, with a quarter (25%) planning to do so “a great deal.” We also see three-fifths (59%) planning to increase their investments in their country of residence, rising to 79% in Australia, 67% in Saudi Arabia and 66% in the UAE. This illustrates the optimism many Global Indians feel about the future, despite the upheaval caused by the pandemic.

This is particularly true for third generation Global Indians, with 32% planning “a great deal” of an increase in their Indian investments. This generation is also more likely to be planning to increase their investments in their country of residence.

How do you envisage your investments changing in India in the next 3 years?



59% Planning to increase investments in India

59% Planning to increase investments in country of residence

A third (32%) of third generation Global Indians are planning to increase their investments in India “a great deal” in the next three years



Areas of opportunity

Professor Nirvikar Singh comments there are particular opportunities in India in life sciences, software and entertainment, especially in digital form.

“People see India as a large new opportunity for the use of digital technology in multiple ways. India has demonstrated it can be a world leader in areas like software and life sciences and these are the two big opportunities for the world going forward.”



Addressing uncertainty

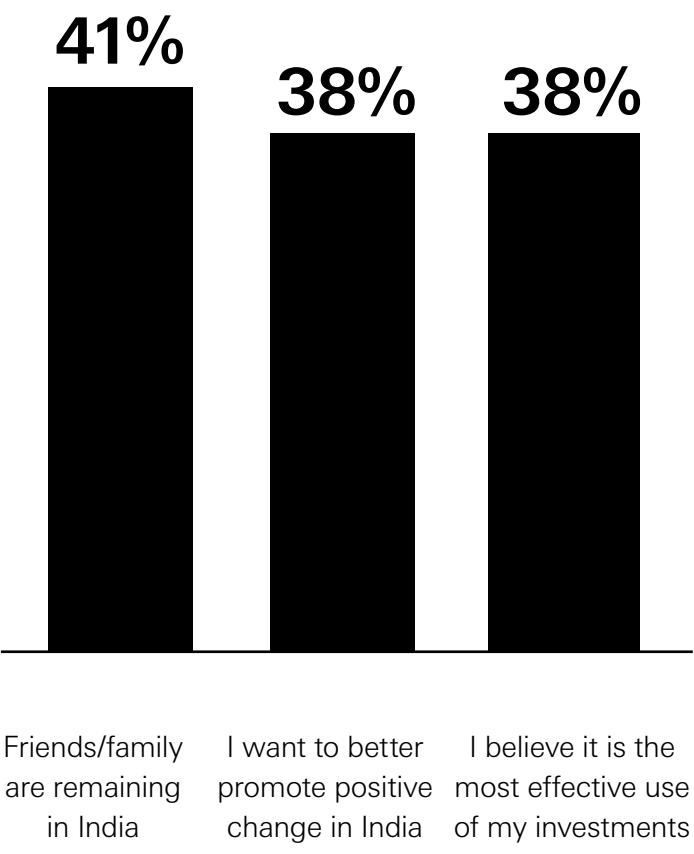
Economist Dr Omkar Goswami cites uncertainty and inconsistency as key barriers to investing in India:

“We still haven’t got ourselves a very certain and clear approach to investors, irrespective of whether they are foreign investors or Indian investors. If we develop a body-language of consistency in policy and being consistent with investors that would help, because at the end of the day India is a good country to invest in.”

Reasons for increasing investments in India in the future are the same mix of head and heart that have motivated past investments – family connections, promoting positive change and good returns.

Friends and family are more of a factor for first generation Global Indians (45%) than second (38%) and for second than third (32%). The third generation is more motivated to aid economic recovery after the pandemic than other generations (32% compared to 26% of the first and second generations).

Why will you increase your investments in India?



**Plans to increase
investments reflect
the optimistic outlook
of Global Indians**

The future is sustainable

Sustainability matters to Global Indians. For three-quarters, environmental or social initiatives are a key factor in investment decisions. This is particularly the case for third generation Global Indians (78%, compared to 74% of the first and second generation). Global Indians who are male, aged 30-49 or living in Hong Kong are more likely to say this.

76%
say environmental or social initiatives and funds are a key part of their decision to invest

“There are a lot of these social businesses that are doing well both on the social side as well as the business side.”

Professor Jaideep Prabhu



Doing good while doing well

Professor Jaideep Prabhu comments that investors do not have to sacrifice returns when making sustainable investments. In a country like India, there is no contradiction between doing good and doing well financially because there are so many needs to meet.

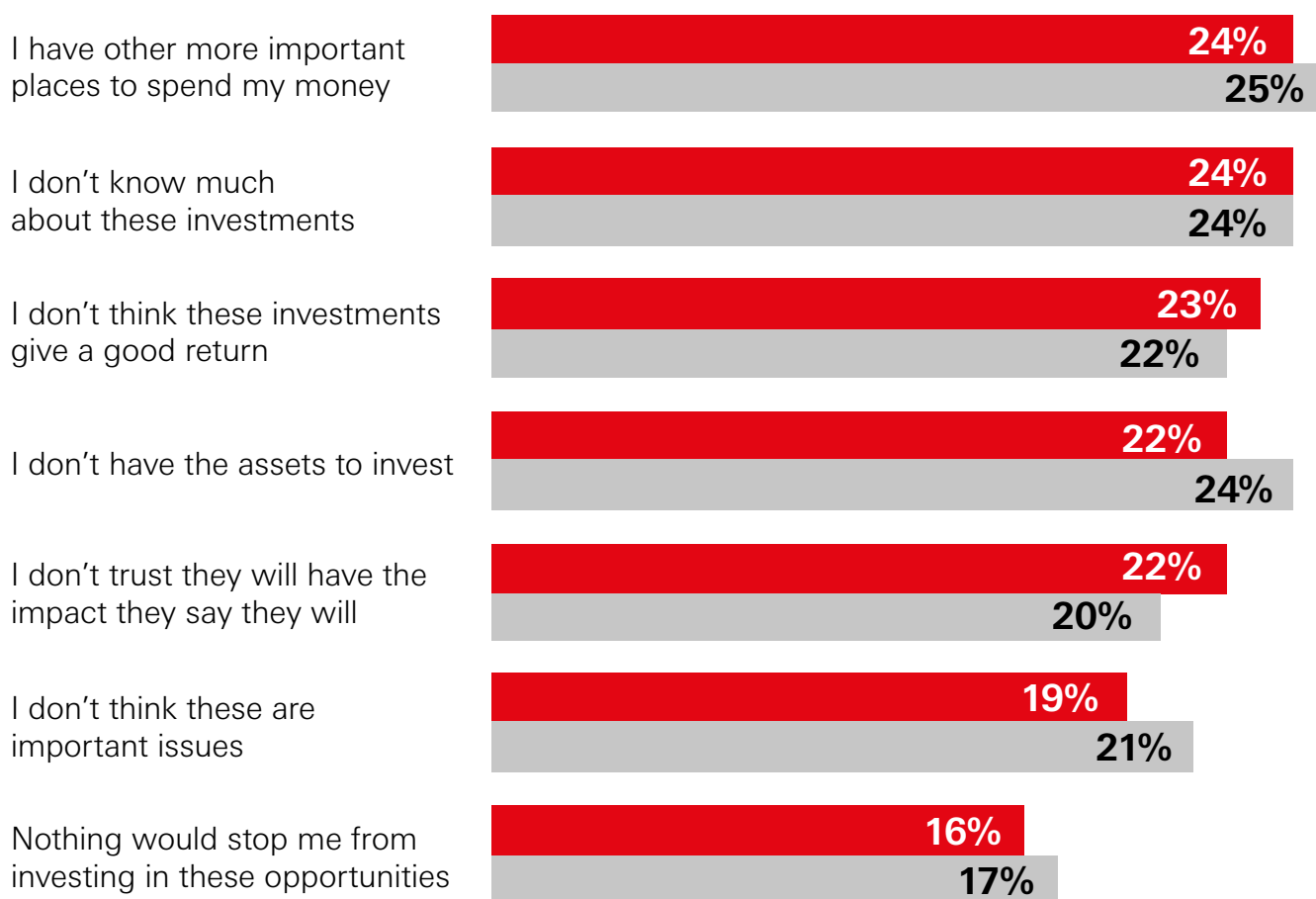
Global Indians are planning to make a range of sustainable investments in both India and their country of residence in the next two years.

Skills development, recycling, solar/wind power generation and electric cars are their top choices.

We asked Global Indians planning to make sustainable investments what would stop them from doing so. We see the same obstacles in India and countries of residence. The top barrier is having more important places to spend their money and concerns about returns is another factor. A lack of knowledge is also a significant barrier and some Global Indians have doubts about the impacts of these investments.

One in eight Global Indians say nothing would stop them from investing in environmental and social opportunities in India and their country of residence.

Which of the following, if any, would stop you from investing in these environmental or social-focused investment opportunities?



■ India ■ Country of residence

“

As the world transitions from carbon dependency, there is a huge economic opportunity for India because it has a less entrenched industrial and manufacturing set up to repurpose”

Pranjul Bhandari
Chief India Economist, HSBC



A mutually beneficial flow of opportunities

Professor Nirvikar Singh highlights that Global Indians can have an important role to play in helping India tackle sustainability challenges:

“The overseas population can certainly provide intellectual capital. An example of that is water saving technologies in agriculture. India has one of the lowest per capita water availabilities in the world by country. Cooking is another example, where there are tremendous negative health impacts of how Indians cook in villages.”

Disclaimer

This report is issued and published by HSBC Holdings plc, 8 Canada Square, London E14 5HQ. HSBC Holdings plc and the HSBC Group (together, "HSBC") are not responsible for any loss, damage, liabilities or other consequences of any kind that you may incur or suffer as a result of, arising from or relating to your use of or reliance on this report. The contents of this report are subject to change without notice. HSBC gives no guarantee, representation or warranty as to the accuracy, timeliness or completeness of this report.

This report is for general circulation and information purposes only. This report is not prepared with any particular customers or purposes in mind and does not take into account any investment objectives, financial situation or personal circumstances or needs of any particular customer.

Excerpts from this factsheet may be used or quoted, provided they are accompanied by the following attribution. Reproduced with permission from The Global Indian Pulse by HSBC published in 2021 by HSBC Holdings plc.' HSBC is a trademark of HSBC Holdings plc and all rights in and to HSBC vest in HSBC Holdings plc. Other than as provided above, you may not use or reproduce the HSBC trademark, logo or brand name. This report may not be distributed to any jurisdiction where its distribution is unlawful.

This report does not constitute and should not be construed as legal, tax or investment advice, solicitation and/or a recommendation of any kind from the bank to you nor is it intended to sell any investments, financial products or services or solicit purchases or subscriptions for them. You should not use or rely on this document in making any investment decision. HSBC is not responsible for such use or reliance by you.

Any market information shown refers to the past and should not be seen as an indication of future market performance. This article should not be used as the basis for any decision on taxation, estate, trusts or legacy planning. You should always consider seeking professional advice when thinking about undertaking any form of prime residential or commercial property purchase, sale or rental. It is important to note that the capital value of, and income from, any investment may go down as well as up and you may not get back the original amount invested. Past performance is not a guide to future performance. You should consult your professional advisor in your jurisdiction if you have any questions regarding the contents of this article.

No part of this document or video may be reproduced, stored in a retrieval system, or transmitted, on any form or by any means, electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of HSBC Holdings plc.

© HSBC Holdings plc 2021. All rights reserved.