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FRESHER PRESSURE: FIRST 100 DAYS OF UNIVERSITY COST THE AVERAGE STUDENT £3,304

**One in four students admit to borrowing money before first term is up
One in five spend all their student loan within the first 100 days**

HSBC is urging A-level students who are finalising plans to go to University to start thinking seriously about the financial implications of this next stage in their life, and to make sure they have everything in place to deal with financial challenges they will encounter.

This comes as new research from HSBC uncovers the extent of financial 'fresher pressure' students are under, and the real cost of going to uni, with over half (56%) saying that living away from home was more expensive than expected, and one in three (35%) feeling overwhelmed by managing their own finances.

The findings show the average university student spends £3,304 and 58% of their annual student loan within the first 100 days of starting their studies and one in five (19%) has spent the whole loan in the same period.

The research also found:

- As a result of their spending habits, a quarter (24%) of students admit they borrow money, use a credit card or use their overdraft before the first term is up.
- To fund their first 100 university days, three quarters (75%) use their student loan and 42% have help from parents and family. 16% have a job whilst studying and another 16% use their overdraft.
- Students spend almost twice as much on alcohol and nights out (£626) than on course materials (£328) during the first 100 days of university, with rent (£1,279) and food (£670) requiring the most expenditure.
- On top of this, some students also need to front the costs of first term purchases such as a laptop (23%), smartphone (15%) or a tablet (8%).

With the benefit of hindsight one in three students would have budgeted more carefully (35%), saved more money beforehand (33%) and spent less money on frivolous things (31%). However, a quarter (24%) would not have done anything differently.

Financial preparation is key as not only were living costs more expensive than they expected, over half (52%) underestimated how much money their course required them to spend. With 55% feeling relief knowing they had an overdraft that they could use, HSBC's new Student Bank Account, which has a market-leading £3,000 overdraft, may help them feel less overwhelmed.

Nuna Syeda, head of current accounts, HSBC:

“The first 100 days of university are a whirlwind of social engagements with endless pressure to mix and mingle, all whilst adjusting to living independently and for many, managing their finances for the first time. This can take its toll on student bank balances.

“There are several learning curves students must overcome, notably keeping their finances under control without running out of money before the first term is over and juggling a new social life. Students need to be aware that due to course requirements and setting up in a new home, outgoings may be greater at the start.

“However, whether it’s buying second hand books, sharing course materials with friends or bulk cooking at the beginning of the week, there are ways to ensure the essentials are covered whilst budgeting carefully. The HSBC Student Bank Account will also enable them to have the university necessities and help alleviate any stress and fresher pressure.”

The biggest spenders

Student spending by city

	City	Average spend in the first 100 days	% of student loan spent in first 100 days	% who feel overwhelmed managing own finances
1	Newcastle	£3,725	53%	33%
2	Norwich	£3,653	45%	31%
3	Brighton	£3,621	61%	61%
4	Canterbury	£3,501	64%	29%
5	London	£3,461	55%	33%
6	Leeds	£3,347	57%	32%
7	Nottingham	£3,391	62%	26%
8	Plymouth	£3,356	64%	26%
9	Liverpool	£3,306	67%	47%
10	Glasgow	£3,262	51%	42%
11	Bristol	£3,229	62%	35%
12	Edinburgh	£3,192	52%	33%
13	Manchester	£3,169	63%	31%
14	Cardiff	£3,136	51%	23%
15	Southampton	£3,092	63%	38%
16	Birmingham	£3,021	59%	26%
17	Sheffield	£2,889	63%	38%
18	Belfast	£2,096	45%	19%

Students in Newcastle Upon-Tyne spend the most money £3,725, in the first 100 days; equating to almost £40.00 a day.

Students in Norwich (£3,653), Brighton (£3,621), Canterbury (£3,501) and then London (£3,461) are the next biggest spenders.

New students in Belfast (£2,096) and Sheffield (£2,889) spent the least.

However those in Liverpool are getting through the largest percentage of their loan (68%) in the first 100 days, followed by Canterbury (64%) and Plymouth (64%).

Students in Brighton feel the most pressure, with 68% feeling overwhelmed by managing their finances, followed by Liverpool (47%) and Glasgow (42%).

UK Students average costs in first 100 days of uni

	Average spend during first 100 days per month or week	Average total spend - first 100 days
Rent	£389 per month	£1,279
Travel	£56 per month	£184
Shoes and clothes	£47 per month	£155
Fitness	£11 per month	£36
Entertainment services (e.g. Spotify, Netflix, Amazon Prime)	£8 per month	£26
Food	£47 per week	£670
Course materials	£23 per week	£328
Alcohol	£22 per week	£313
Nights out	£22 per week	£313
		Total: £3,304

To help students navigate their way through university, HSBC's new award winning¹ Student Bank Account includes:

- Up to £3,000 interest-free overdraft with no fees (subject to status and account conduct)
- £60 Amazon.co.uk Gift Card²
- A year of Amazon Prime benefits^{2,3}
- Optional student credit card with a limit of £500 (APR 18.9%)
- Credit interest paid on balances up to £1,000 in the first year of study⁴
- HSBC Mobile Banking app, including Paym
- Contactless debit card and access to Apple Pay and Android Pay⁵
- Text alerts: customers set their own limits and we'll text them when they're nearing them
- Access to exclusive offers and discounts available on our Student Exclusives website, featuring offers from National Express, Apple, 3 Mobile and Lonely Planet

For more information, and to apply online please visit [HSBC's website](#).

ENDS

Notes to Editors

Research conducted by Opinium 31st July - 5th August using 1,007 online interviews with UK university students who have been at university for at least 100 days.

¹HSBC was awarded Student Account Provider of the Year at the 2016 Moneyfacts awards and Best Student Bank Account at the moneynet.co.uk awards 2016. It's Student Bank account was awarded a Moneyfacts 5 star rating for 2016.

²For those who open a Student Bank Account before 31 October 2016

³The Amazon Prime benefits are provided as part of the Amazon Student membership and are automatically applied to each students Amazon.co.uk account when they redeem their £60 Amazon.co.uk Gift Card – this offer excludes access to the Kindle Owner's Lending Library. Membership will be applied to each account within 5 business days.

⁴At 1.5% above base rate

⁵HSBC customers can register their credit or debit cards to Apple Pay and Android Pay.

For the latest updates, visit the **HSBC UK newsroom**: <http://www.about.hsbc.co.uk/news-and-media>

Average spend in the first 100 days by University city (item breakdowns by city available)

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Percentage of student loan spent in first 100 days - by University city

1	Liverpool	67%
-2-	Canterbury	64%
-2-	Plymouth	64%
-4-	Manchester	63%
-4-	Sheffield	63%
-4-	Southampton	63%
-7-	Nottingham	62%
-7-	Bristol	62%
9	Birmingham	59%
10	Leeds	57%
11	London	55%
-12-	Brighton	53%
-12-	Newcastle	53%
14	Edinburgh	52%
-15-	Glasgow	51%
-15-	Cardiff	51%
-17-	Norwich	45%

-17- Belfast 45%

Percentage of students who feel overwhelmed by managing their own finances

1	Brighton	61%
2	Liverpool	47%
3	Glasgow	42%
-4-	Sheffield	38%
-4-	Southampton	38%
6	Bristol	35%
-7-	London	33%
-7-	Edinburgh	33%
-7-	Newcastle	33%
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HSBC Holdings plc

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HSBC Bank plc

HSBC serves c17 million customers in the UK and employs approximately 46,000 people. In the UK, HSBC offers a complete range of personal, premier and private banking services including bank accounts and mortgages. It also provides commercial banking for small to medium businesses and corporate and institutional banking services. HSBC Bank plc is a wholly owned subsidiary of HSBC Holdings plc.