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50% OF AFFLUENT MALAYSIANS ARE “POWER PLANNERS” FOR THEIR RETIREMENT FINANCIAL NEEDS - HSBC QUALITY OF LIFE REPORT 2024

- 50% of affluent Malaysians are retirement “power planners”, who have carved out a plan for their future financial needs holistically.
- 73% of affluent Malaysians say that they are on track to meet their retirement goals.
- 84% of affluent Malaysians say they have a comprehensive financial plan for retirement in place, higher than the survey average of 72%.
- Affluent Malaysians say they need US\$ 830,000 (RM3.61 million) to retire comfortably, and almost half (48%) of those who are currently working want to continue to do so post-retirement.
- Decline in physical health, higher healthcare costs and inflation are the top 3 retirement concerns.
- 44% of affluent Malaysians rank having adequate insurance coverage as a top financial goal.
- 72% of affluent Malaysians are wealth accumulation power planners, higher than the global average of 61%.
- Affluent Malaysians allocate 24% of their monthly income towards investments.

HSBC’s Quality of Life Report 2024, which explores the **relationship between financial fitness, physical and mental wellness, and the role of planning**, reveals that **one in two (50%) affluent Malaysians are retirement “power planners”** who have carved out a comprehensive plan for their future financial needs.

According to the study, power planning for retirement entails **having a comprehensive financial plan** (of which 84% of affluent Malaysians say they do), **being aware of the amount needed for retirement** (86%), **reviewing the performance of retirement savings regularly** (88%) and **adhering to a retirement savings plan** (86%).

When it comes to retirement power planning, Malaysia **ranks second highest amongst the markets surveyed**. The Report, which surveyed over 11,000 affluent individuals across 11 markets including Malaysia, also found that **73% of the affluent in Malaysia say that they are financially on track to meet their retirement goals**.

The survey **defines affluent individuals as those having investable assets of US\$ 100,000 to US\$ 2 million**.

On the average **retirement savings needed, affluent Malaysians say they would require US\$ 830,000 (RM3.61 million)**. This is lower than those surveyed in Hong Kong (US\$1.08 million) and Singapore (US\$980,000), but higher than India (US\$390,000) and Indonesia (US\$340,000). **Almost half (48%) of the affluent Malaysians surveyed say they want to work post-retirement**, which is slightly higher than the **survey average of 47%**.

As for the **top three concerns they have about retirement**, affluent Malaysians cited a **decline in physical health (44%), higher healthcare costs (40%) and inflation eating into their retirement savings (38%)**.

Given that healthcare is a top concern, it comes as no surprise that **44% of affluent Malaysians rank having adequate insurance coverage as a top financial goal**.



72% of affluent Malaysians (72%) are also wealth accumulation power planners, which is higher than those in Singapore (61%), Taiwan (61%) and Hong Kong (60%). Wealth Accumulation power planners **regularly review their financial plan, seek professional advice, as well as have a diversified portfolio of investments across product types, asset classes, sectors, themes and geographies.**

Commenting on the survey findings, **Linda Yip, Country Head of Wealth and Personal Banking, HSBC Malaysia** said: “Enjoying a comfortable retirement is an aspiration for many, and the key to achieving this is building adequate financial buffers to work towards this goal. Savings alone may be insufficient, and this is where financial planning and making the right investments and protection decisions is imperative, which is what the Quality of Life Report 2024 emphasises.

“With Malaysia’s expanding economy and its pursuit of becoming a high-income nation, **it is befitting that affluent respondents in Malaysia say that they allocate almost a quarter (24%) of their monthly income towards investments**, thus underscoring the importance of financial planning for the future. When financial fitness is in check, this would have a positive multiplier effect on mental and physical wellness, and thus leading the way to a good Quality of Life.”

With HSBC Premier and Premier Elite, we have a dedicated team of Relationship Managers and wealth advisors that assist our Premier customers in wealth planning for the future. Moreover, our comprehensive wealth management products and services are tailored to the risk appetite and financial needs of our customers that may include providing for protection, children’s education, retirement planning, wealth transfer solutions and growing personal wealth. We also offer bespoke financial solutions to cater to the wealth management needs of high net worth and sophisticated investors.

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Note to editors:

About the HSBC Quality of Life Report 2024

HSBC published the first Global Quality of Life Report in 2023. The report explores what a good quality of life means for affluent individuals across different generations and investigates the relationship between physical and mental wellness, and financial fitness. The HSBC Global Quality of Life 2024 builds on these themes, examining changes over the past year and delving deeper into attitudes, priorities, and behaviours specific to retirement, healthcare protection, wealth accumulation, legacy planning, and international education. The research was conducted by Intuit Research (www.intuit-research.com), on behalf of HSBC from the 4th to 20th March 2024. A total of 11,230 affluent individuals with investable assets of USD 100,000 to 2 million were surveyed via online access panels. Respondent criteria: aged 25-69; financial decision makers for themselves; have invested in financial products. Markets Surveyed: mainland China, Hong Kong, India, Indonesia, Malaysia, Mexico, Singapore, Taiwan, United Arab Emirates, United Kingdom and the United States of America. Information provided in this press release are based on the Report findings and does not serve as an investment advice or recommendation.



HSBC Malaysia

HSBC's presence in Malaysia dates back to 1884 when the Hongkong and Shanghai Banking Corporation Limited established its first office in the country on the island of Penang, with the permission to issue currency notes. HSBC Bank Malaysia Berhad was locally incorporated in 1984 and is a wholly-owned subsidiary of The Hongkong and Shanghai Banking Corporation Limited, founding member of the HSBC Group. In 2007, HSBC Bank Malaysia was the first foreign bank to be awarded an Islamic banking subsidiary license in Malaysia, namely HSBC Amanah Malaysia Berhad. HSBC Malaysia offers a comprehensive range of banking and financial services including Islamic financial solutions. HSBC Malaysia has also led innovation in Malaysia by introducing Malaysia's first ATM and Electronic Touch Banking in the early 1980s. Today, HSBC Malaysia has launched innovative solutions such as HSBCnet for secure banking for businesses, Trade Transaction Tracker and Facial Recognition on supported mobile phones.