

Fast Facts:

RETIREMENT PLANNING IN MALAYSIA

A summary of key findings about retirement planning in Malaysia from the Manulife Investor Sentiment Index 2014 Q1*.



90% do not expect to depend on pension in retirement

The vast majority of investors, 90%, say they expect post-retirement income to come mainly in the form of full or part-time work, personal insurance products or income from investments.



33% wish they started planning for retirement earlier

In the survey, 33% of investors wish they had started planning for their retirement earlier and 19% say saving for retirement is one of their top financial priorities, highlighting the growing importance of preparing for retirement.



ALMOST to increase their savings

50% Almost half the investors say they plan to increase their savings on a regular basis while around one-third will work more or take action to increase their income. Only 8% will invest more in stocks or purchase an insurance plan that offers a one-off payment.



70% in favour of raising the retirement age

Of those surveyed, 70% are in favour of raising the retirement age, reflecting the relatively low official retirement age of 60.



75% are positive about working in retirement
Three-quarters of investors are positive about working in their retirement as they feel it is a good way to spend their time and they want to make a financial contribution to their family. It will also enable them to enjoy a higher quality of life that comes with being actively engaged in the workplace and community.



13% of monthly expenses on healthcare and medical bills

Investors estimate they will spend 13% of their monthly expenses on healthcare and medical expenses during their retirement. This is the second-largest monthly expense expected after household expenses/daily necessities (28%). Given the burden of aging populations and the rapid growth of health care costs, it is not reasonable for people to believe that the government will fund medical costs.



44% to financially support themselves and spouse/partner

Of those who are married or live with a partner, 44% expect to support themselves and their spouse/partner financially in retirement. However, the majority of investors' spouses/partners have their own retirement savings and this may not be a major burden.

*ABOUT THE DATA

Data is sourced from the Manulife Investor Sentiment Index (MISI) survey which measures and tracks investors' views across eight markets in the region – China, Hong Kong, Indonesia, Japan, Malaysia, the Philippines, Singapore and Taiwan – on attitudes towards key asset classes and related issues.

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