

RIMFELS

RinggitPlus

Malaysian Financial Literacy Survey 2024

BANKING
PARTNER



FINANCIAL
INFRASTRUCTURE
PARTNER



FINLIT
PARTNER



INSURANCE
PARTNER



CREDIT HEALTH
PARTNER



IN SUPPORT OF



© 2024 RinggitPlus, All rights reserved

This report is published by RinggitPlus. RinggitPlus has ensured that the information contained in this report is accurate and verifiable according to the survey conducted. RinggitPlus will not be held responsible nor liable for any errors or omissions from the use or misuse of this information. The views expressed and opinions stated herein may be used for informational purposes only. RinggitPlus does not condone the reproduction of this publication, the storage in a retrieval system nor the transmission of this publication in any form or means, whether electronic, mechanical, photocopying, recording or otherwise, without the prior written permission of RinggitPlus.

For enquiries, please contact:
RinggitPlus, No 8, Level 25, Suite 25-1,
Vertical Corporate Tower B, Avenue 10,
Jalan Kerinchi, Bangsar South,
59200 Kuala Lumpur

Tel: [03-7890 0808](tel:03-78900808) Email: media@jirnexu.com

TABLE OF CONTENTS

| | |
|---------------------------------------------------------------|-----------|
| <i>THE RMFLS 2024 TEAM & ACKNOWLEDGMENTS.....</i> | <i>3</i> |
| <i>FOREWORD.....</i> | <i>4</i> |
| <i>EXECUTIVE SUMMARY.....</i> | <i>5</i> |
| <i>METHODOLOGY.....</i> | <i>6</i> |
| <i>ABOUT THE RESPONDENTS.....</i> | <i>7</i> |
| <i>KEY FINDINGS.....</i> | <i>8</i> |
| <i>RINGGITPLUS FINANCIAL LITERACY SURVEY FULL REPORT.....</i> | <i>11</i> |

THE RMFLS 2024 TEAM

Project Manager

Irene Cheen

Megat Muhammad Najmi Nor Azman

Project Analyst

Pang Tun Yau

Design & Creative

Sherry Cheow

ET Chong

Supported by:

Yuen Tuck Siew

Aleksandar Dukic

Farah Hazwani Jaafar

Zamir Zahar

Iman Aminuddin

Eloise Lau

Jirnexu Digital Solutions:

Martin Goh

Victor Lee

Lim Zhi Wen

Ryan Lim

Caryn Liew

Venus Ng

Joyce Lee

Chen Zi Wei

Acknowledgements

The RMFLS 2024 team would like to acknowledge the immense hard work and support from everyone who contributed to this project in RinggitPlus and beyond. We would like to dedicate a warm thank you to this year's partners: Alliance Bank (Banking Partner), PayNet (Financial Infrastructure Partner), Moomoo MY (FinLit Partner), FWD (Insurance Partner), and CTOS (Credit Health Partner) - their support made this project possible. We also extend our gratitude to the teams at Vase.ai and Archetype Malaysia who have been instrumental in the development and dissemination of this year's survey.

Last but certainly not the least, we are grateful for the support and endorsement by the Financial Education Network (FEN).

FOREWORD

I am pleased to present the results from the 2024 edition of the RinggitPlus Malaysian Financial Literacy Survey (RMFLS). Now in its seventh year, RMFLS represents our deep commitment to raising awareness on financial literacy levels among Malaysians, and helping to raise it through the insights gathered from each year's survey.

The RMFLS survey continues to shine a spotlight not only on financial literacy levels among Malaysians, but also the financial wellbeing of Malaysians as a whole for that particular year. Over the years it has also allowed us to capture longer-term trends that provide another layer of insights of how Malaysians are doing financially.

This year, I am highly encouraged by the results gathered. For the first time since the Covid-19 pandemic, we're seeing a positive trend in a few key metrics that indicate that Malaysians are finally turning a corner in their financial wellbeing.

Among the key findings that demonstrate this include 33% of respondents being able to save more than RM500 per month, up from 29% in 2023. There is also a 4% increase in respondents who save more than RM1,000 a month compared to 2023.

Meanwhile, the "digital financial literacy" phrase is also no longer just a buzzword. With Malaysians becoming increasingly comfortable going fully cashless and embracing digital banking, key aspects like protecting digital personal and financial information as well as the ability to identify potential scam or fraud attempts become very important skill sets.

Even as our survey found that Malaysians in general encountered fewer scam or fraud attempts this year, it is still highly prevalent, indicated by the 86% of respondents who

have encountered a potential scam or fraud attempt in 2024.

As such, even with heightened awareness we may never fully eradicate financial fraud and scams. Perhaps the next step is to help educate Malaysians on how to navigate a potential scam incident.

I would like to express my humble gratitude to the RMFLS 2024 team at RinggitPlus for taking on the challenge of uncovering new findings across the different demographics of Malaysia.

I am honoured that our RMFLS initiative continues to be endorsed by the Financial Education Network (FEN), and we are delighted to hold our RMFLS press conference and panel discussion as part of FEN's Financial Literacy Month 2024 campaign.

As always, RMFLS would not have been possible without the support of partners. I extend my thanks to this year's partners: Alliance Bank (Banking Partner), PayNet (Financial Infrastructure Partner), Moomoo MY (FinLit Partner), FWD (Insurance Partner), and CTOS (Credit Health Partner) for supporting RMFLS 2024.

We hope that the data presented in this report will serve as a resource to policymakers, educators, financial institutions, and individuals as we continue to work together in our journey towards a financially literate Malaysia.

Yuen Tuck Siew
CEO, RinggitPlus

EXECUTIVE SUMMARY

This survey was developed to learn about Malaysians' financial behaviours across a range of income levels and age groups. This year, participants were asked about their financial habits revolving around spending and saving, retirement planning, investments, as well as income protection. In addition, the survey included questions regarding digital financial literacy to highlight its emerging importance in today's world.

The survey was conducted using a self-administered questionnaire online to a total of 3,385 Malaysians nationwide through a third-party analytics platform. The sample represents a statistically-accurate representation of the Malaysian population for better accuracy in our analysis. The key findings of this survey are on page 8 to 10.

The 2024 RinggitPlus Malaysian Financial Literacy Survey found that Malaysians may have hit a turning point in their financial situations. For the first time since the pandemic, Malaysians are displaying healthier financial habits, including being able to save more and have a bigger pool of emergency savings.

The survey also highlighted the importance of digital financial literacy - a broadened view of the traditional concept. While the rate of incidence of fraud attempts have been found to be lower than 2023, it is still highly prevalent and there is a need to educate on top of raising awareness among Malaysians about the importance of protecting their personal and financial information online - and what to do in the event of a potential scam or fraud encounter.

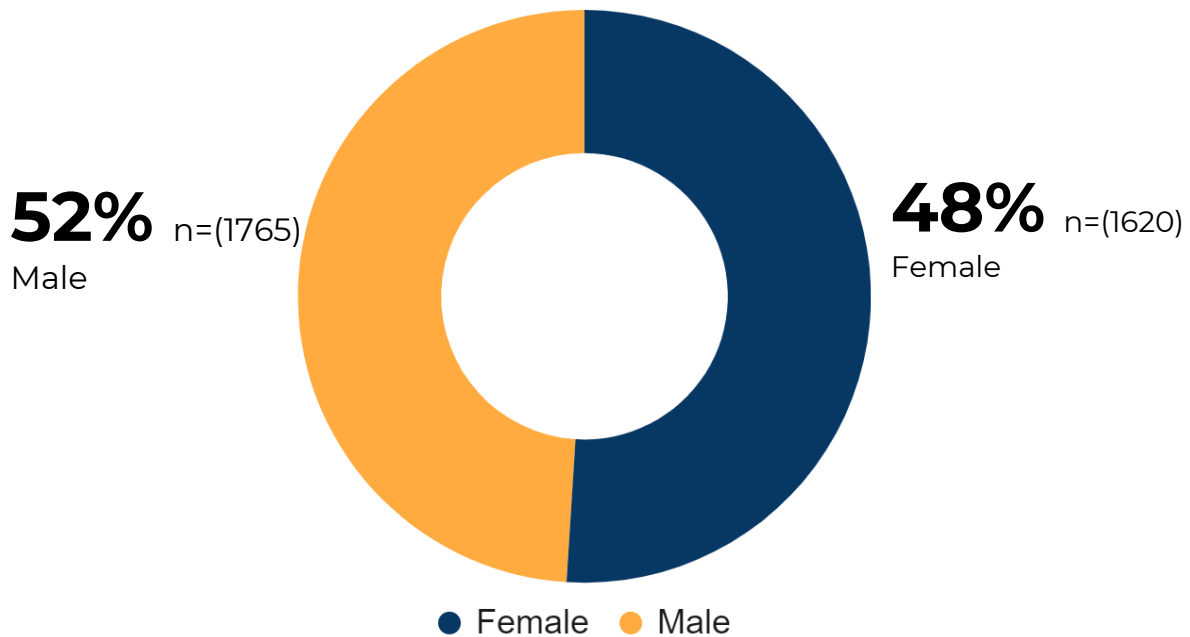
RMFLS continues to highlight the importance of financial literacy among Malaysians. This year's findings is an encouraging one for a long while, and we hope that the data from this survey plays its part in building a financially healthier future for Malaysia.

METHODOLOGY

The survey was conducted in 3 languages which are English, Bahasa Malaysia, and Chinese, covering all Central, Southern, Northern and East Malaysian regions. The data reported was based on a statistically accurate sampling of 3,385 respondents aged 18 and above. The data were then funnelled according to various profiles (age, income level, and location) which were then analysed to capture financial sentiments related to financial behaviour and financial well-being illustrative of Malaysians across demographics and strata.

The key findings are outlined on pages 8 to 10.

ABOUT THE RESPONDENTS



AGE

18-24 - 19%
25-29 - 14%
30-34 - 14%
35-39 - 13%
40-44 - 10%
45 and above - 30%

LOCATION

Central - 29%
Northern - 20%
East Coast - 14%
Southern - 19%
East Malaysia - 18%

INCOME

< RM2,000 - 39%
RM2,000-RM4,999 - 39%
RM5,000-RM9,999 - 17%
> RM10,000 - 5%

SURVEY FINDINGS

Digital Financial Literacy - no longer just a buzzword.

a. In RMFLS 2023, we noted that financial literacy has evolved, and in 2024 the phrase “digital financial literacy” remains more relevant than ever.

b. The concentrated efforts in combating financial fraud and scams have proven effective, with 38% of respondents claiming that they encountered fewer scam or fraud attempts this year compared to 2023.

c. Overall, there was a considerable drop in respondents encountering a potential fraud or scam attempt in 2024 - though at 86% this is still a huge number.

d. A majority of respondents (56%) credited the nationwide Jangan Kena Scam awareness campaign as helping them avoid being potential scam or fraud victims.

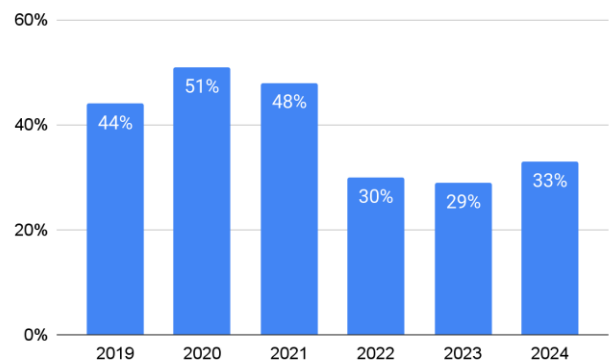
e. The implications are clear - we may never fully eradicate financial scammers from preying on Malaysians, and with heightened awareness we are “fighting back”.

f. The next step is in educating Malaysians on *what to do* if they find themselves in such situations - in six common financial scam scenarios, between 16% - 32% of respondents are either unsure or do not know what to do or who to contact in the event they become victims of financial scams.

A turning point for Malaysian financial wellbeing?

a. One major finding in RMFLS 2024 is that we may be seeing a turning point in the financial wellbeing of Malaysians since the Covid-19 pandemic

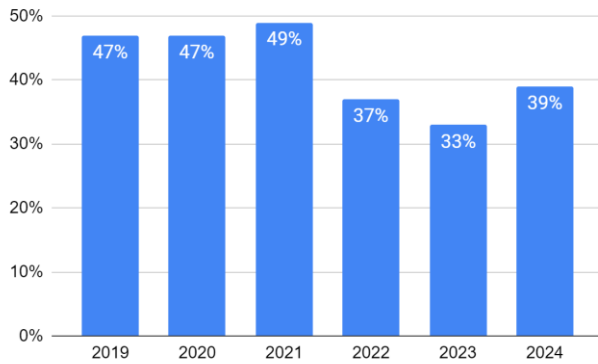
b. In three key metrics, there were positive trends for the first time since 2021. The first is that Malaysians are starting to save more money.



c. We also found that there was a noticeable increase in respondents who saved more than RM1,000 a month, from 10% in 2023 to 14% in 2024.

d. On top of that, the prudent practices shown by Malaysians in previous years* have yielded the second positive trend in 2024: a noticeable increase in the ability to survive a loss of income for longer - 39% of respondents claim they can survive for 4 months or more (vs 33% in 2023).

**RMFLS 2022 & 2021: building an emergency fund was their main financial priority*



e. We also saw greater responsibility when it comes to managing money, including:

- Cutting back on expenses like eating out and leisure activities
- Started financially planning for retirement (60% vs 54% in 2023)
- Among those who withdrew from EPF Akaun Fleksibel, the main reasons were to repay debt and assist with the cost of living expense

f. Lastly, there is also a larger percentage of respondents who stated that their financial situation improved year-on-year (47% vs 44% in 2023).

g. These findings are encouraging, and with a combination of better economic outlook and policies to shift Malaysia towards a high-income nation, we hope this is a turning point for Malaysians towards better financial wellbeing - and how we can support each other along the way.

Shout-Out To Malaysian Women

a. A key finding from RMFLS 2023 was the precarious financial situations of Malaysian women.

b. For RMFLS 2024, we found improvements across most metrics that are measured year-on-year. Some highlights include:

- A 3% increase in female respondents who save more than RM500/month (28% vs 25%)
- An 8% increase in female respondents who can survive without a job for 4 months or more (38% vs 30%)
- A 3% reduction in female respondents who live paycheck to paycheck (54% vs 57%)
- A 6% increase in female respondents who have started financially planning for retirement (57% vs 51%)

c. These figures are highly encouraging, but it is important to note that it is the first of many steps. Other areas, such as investments and insurance/takaful protection, did not show any significant improvements compared to 2023.

Pockets Of Uncertainty Remain

a. Despite general improvements, there is no difference in the percentage of respondents who are anxious, frustrated, or embarrassed about their financial situation in 2024 compared to 2023 (55%). Why is this so?

b. Where some segments have rebounded strongly (e.g. respondents who earn between RM5,000 to RM10,000 a month, who showcased increased savings ability and financial resilience), others face their own unique financial challenges that may contribute to the unchanged negative sentiment about their financial situations.

c. One interesting example is with high income earners (respondents who earn above RM10,000 a month). We found that more of them are living paycheck to paycheck (48% vs 40% in 2023), and fewer can sustain their lifestyle without income for 4 months or longer (58% vs 70% in 2023).

d. The finding above is a clear example of how different segments face their own unique financial challenges - even those who we least expect.

Living The Digital Life

a. 2024 continues a trend that saw Malaysians embrace digitalisation when it comes to personal finance.

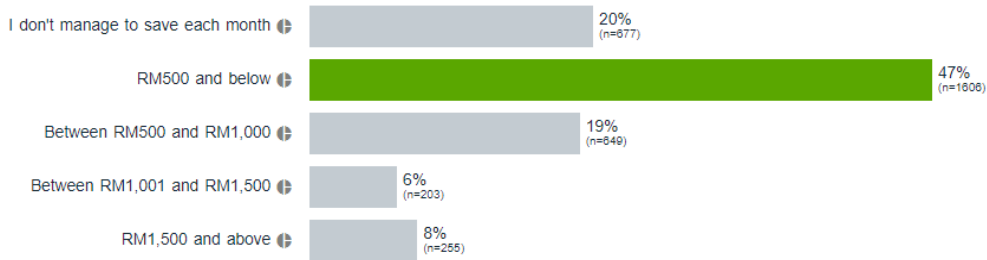
b. Young or old, our findings reveal just how comfortable we are as a nation with digital finance:

- 95% of respondents use at least one e-wallet (vs 91% in 2023 and 89% in 2022)
- 45% of respondents have an account with at least one digital bank, and 26% more intend to open one in the future
- 29% of respondents prefer to purchase an insurance policy/Takaful contract online
- Social media continues to be the main resource to learn or research about financial matters, over traditional sources like family and friends, and directly from the bank/financial institutions
- Social media's trust score (the aggregate rank as defined by respondents between all resources) also increased from 2023 (4.0 vs 3.7), indicating that respondents are trusting information on social media more than ever before

RINGGITPLUS MALAYSIAN FINANCIAL LITERACY SURVEY 2024 FULL REPORT

33% of Malaysians save more than RM500 per month.

Q: How much do you currently manage to save each month?



38% indicate that they can only survive for 3 months or less if they lose their jobs. Meanwhile, 18% are able to last over 6 months comfortably.

Q: If you lose your job, and all you have are your savings, how long do you think you can survive with your current lifestyle?



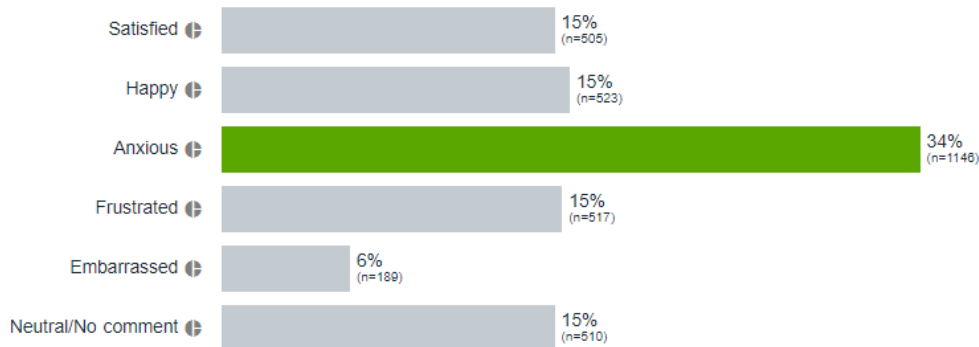
More than half (53%) of respondents indicate that they spend exactly or more of what they earn every month.

Q: If you are honest with yourself, each month you...



55% of respondents are anxious, frustrated, or embarrassed about their current financial situation.

Q: Select one word that best describes how you feel about your current financial situation from the options below.



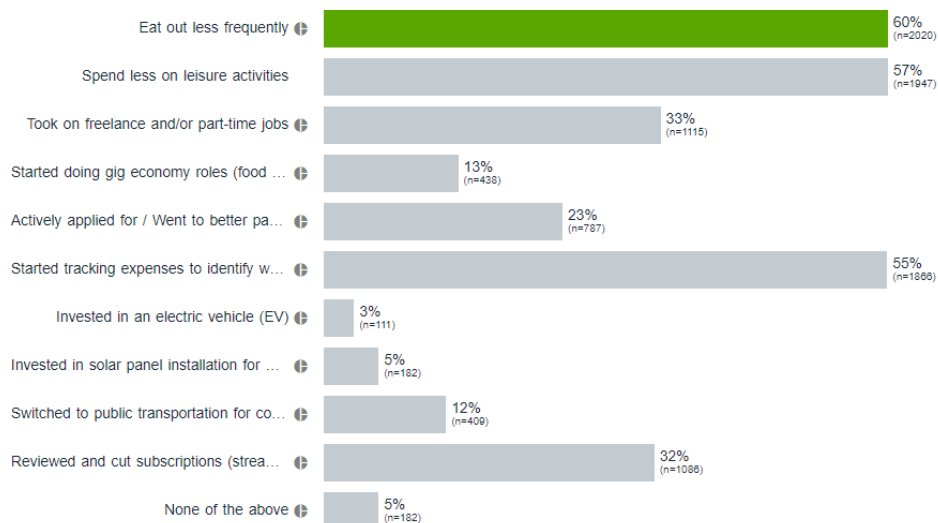
47% stated that their current financial situation is better than in 2023.

Q: Overall, how is your current financial situation this year compared to 2023?



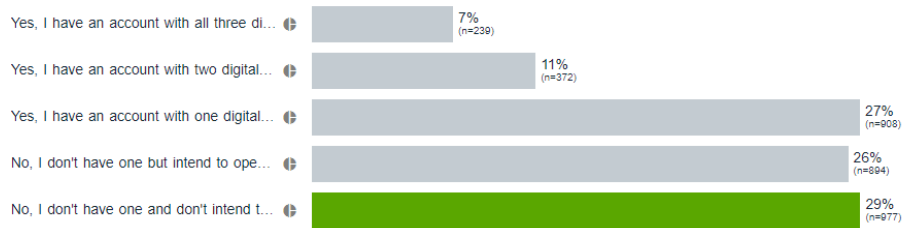
95% of respondents took proactive measures to address their financial situations. Top 3 actions: eat out less frequently, spend less on leisure activities, and started tracking their expenses.

Q: Which of the following have you done this year? (Select all that apply)



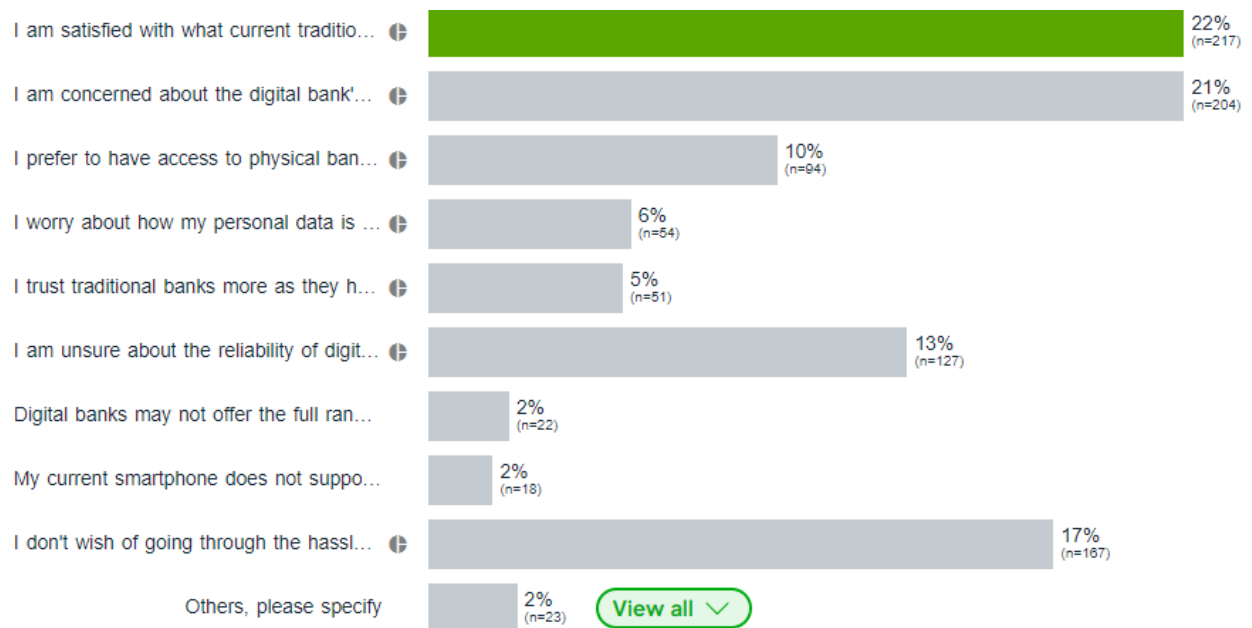
45% of respondents have an account with at least one digital bank. 26% more intend to open one in the near future.

Q: Do you currently have an account with a digital bank? (GXBank, AEON Bank and / or Boost Bank)



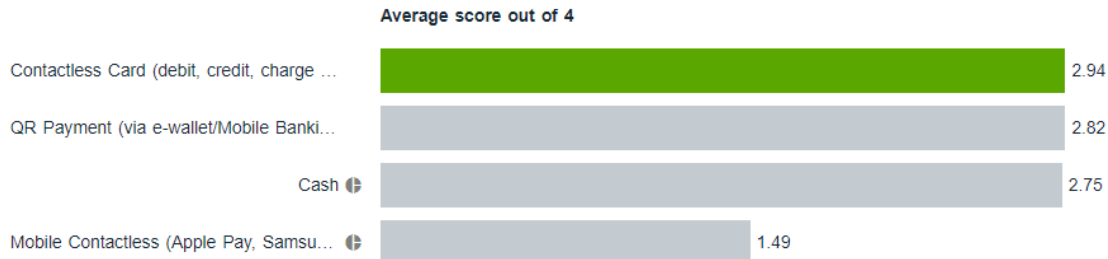
The main reason for respondents who do not have a digital bank account is that they are satisfied with what current traditional banks offer.

Q: Why don't you intend to open an account with a digital bank? Select the reason that is most relevant to you.



Cash is no longer the preferred payment method of Malaysians.

Q: What is your preferred payment method? Please rank from the top being most preferred to the bottom being least preferred.



57% of Malaysians do not own a credit card.

Q: Do you have a credit card?



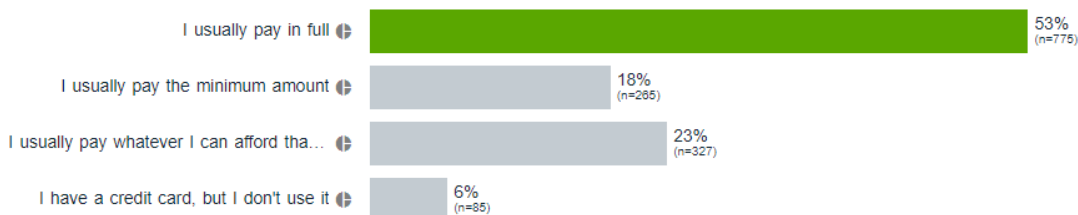
95% of Malaysians use at least one e-wallet app.

Q: How many e-wallet apps do you use? (including banking app e-wallets)



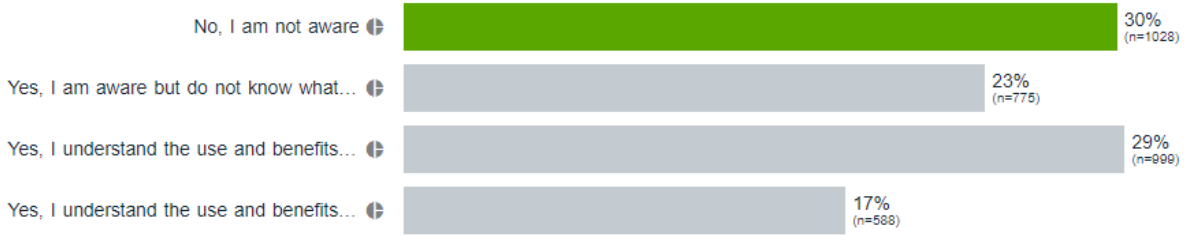
Over half (53%) of the respondents pay their credit card bills in full every month.

Q: How do you usually pay your credit card bill every month? Sample size = 1452



53% of Malaysians either do not know the meaning of a credit score or are aware but do not know what it means.

Q: Are you aware of what a Credit Score is?



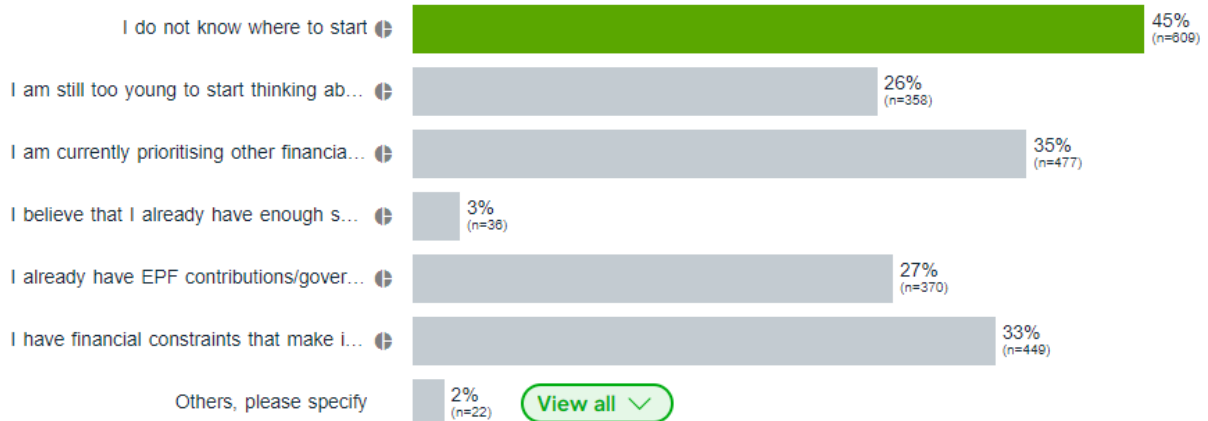
40% of Malaysian adults have not started financially planning for their retirement.

Q: Have you started financially planning for your retirement?



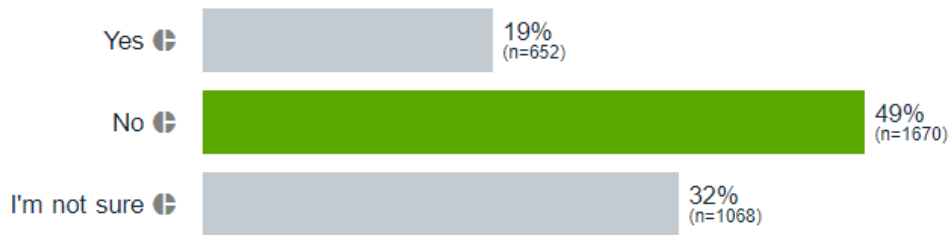
Of those who have not started, 45% said that they do not know where to start, while another 26% said that they are still too young to start thinking about retirement.

Q: You selected "No" for the previous question "Have you started financially planning for your retirement". Please select the statement that most applies to you.



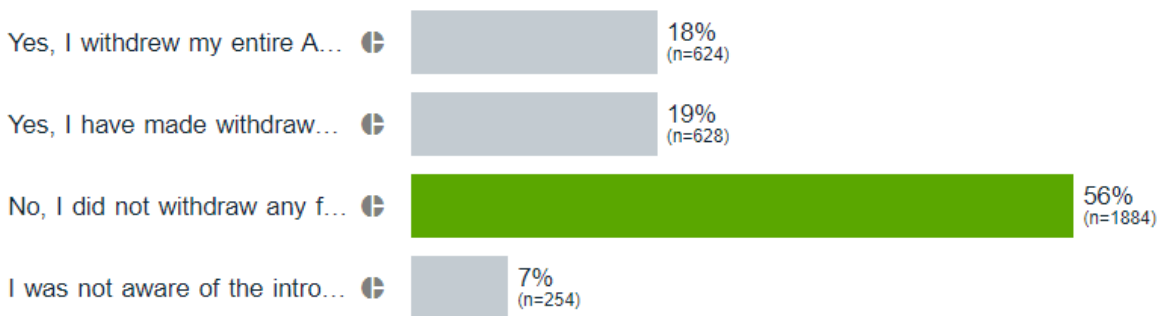
This is despite only 19% of Malaysian adults who believe that their EPF savings is enough for retirement.

Q: Do you think EPF savings is enough for retirement?



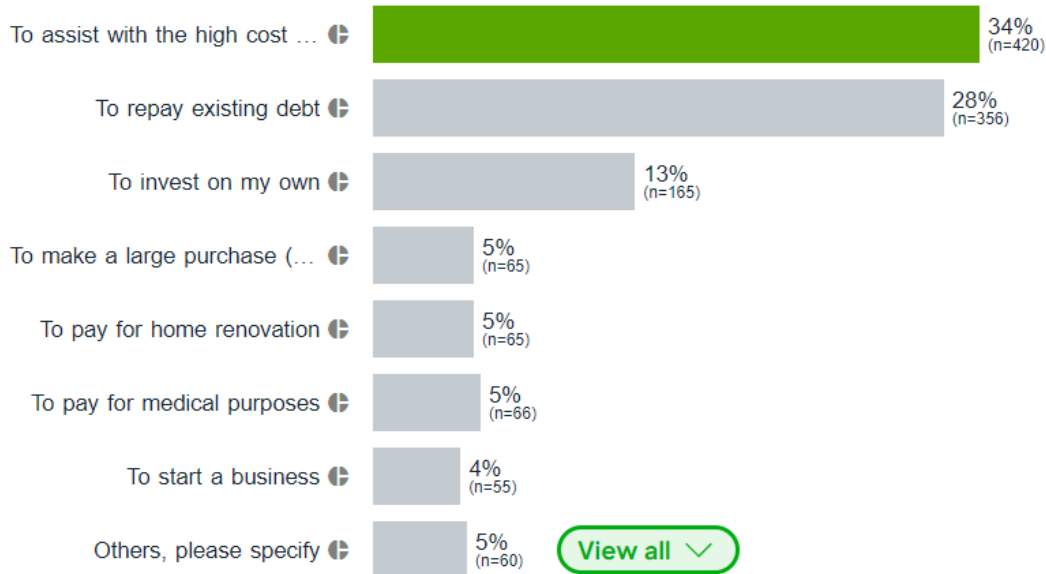
More than half of the respondents did not withdraw any funds from their EPF Flexible Account/EPF Account 3, while another 37% said they made withdrawals.

Q: Did you make any withdrawals from your EPF Flexible Account/EPF Account 3?



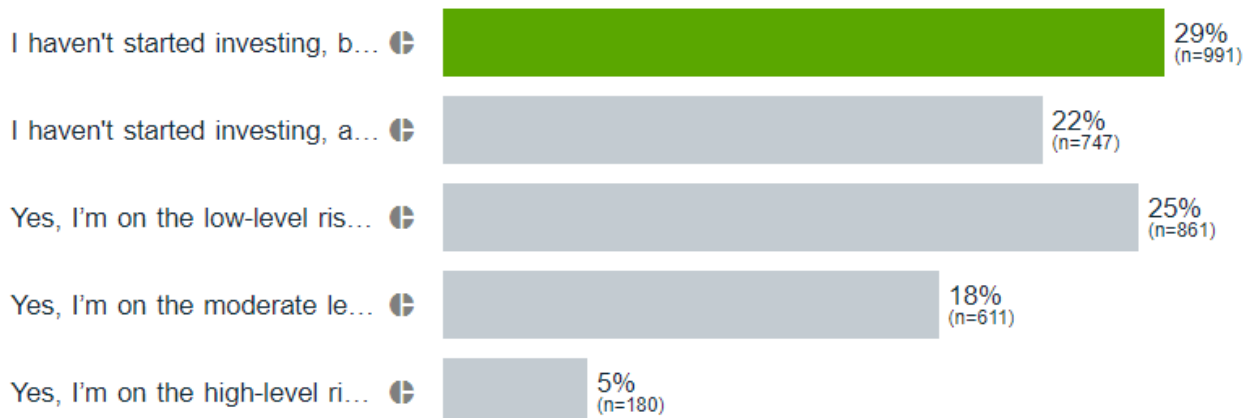
34% of the respondents who said yes to withdrawing from their EPF Flexible Account/EPF Account 3 stated that it was to assist with the high cost of living, while another 28% said it was to repay existing debt.

Q: What was the main reason for withdrawing from your EPF Akaun Fleksibel/Account 3?



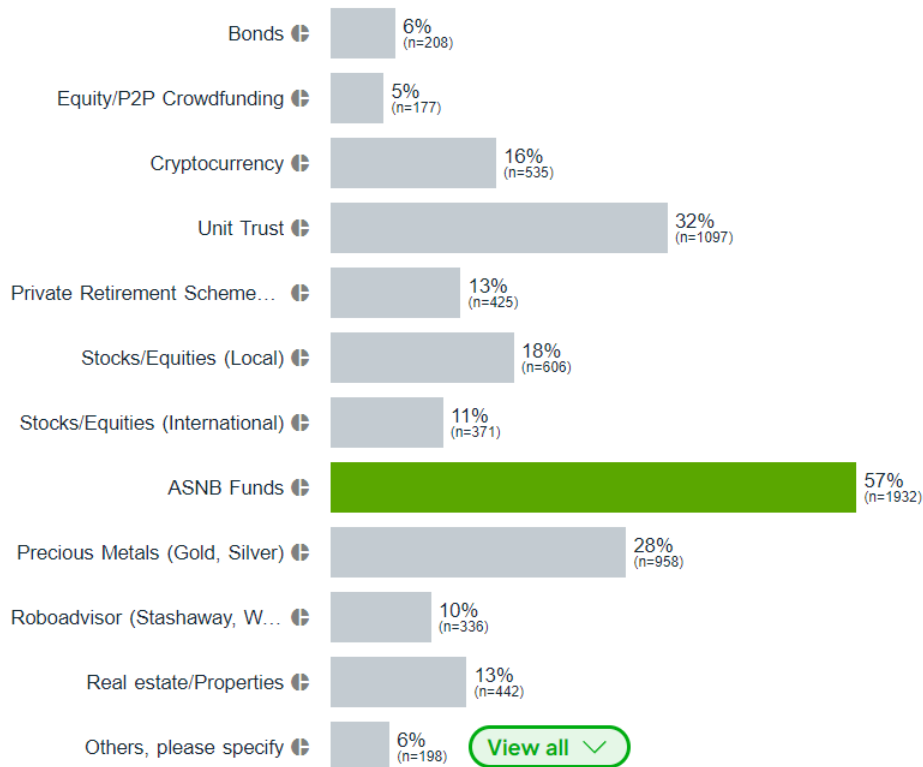
More than half of Malaysian adults have not started investing (51%).

Q: Have you started investing and what is your risk appetite?



Among those who are investing, the most popular products are ASNB funds, unit trust funds, and precious metals.

Q: What type of investment products do you invest in?



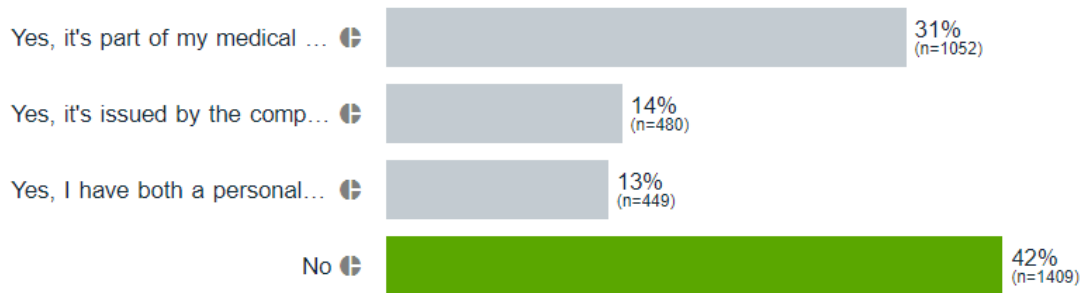
39% of respondents still prefer to purchase an insurance policy/Takaful contract via an agent, while 29% prefer to purchase online.

Q: How would you prefer to purchase an insurance policy or Takaful contract?



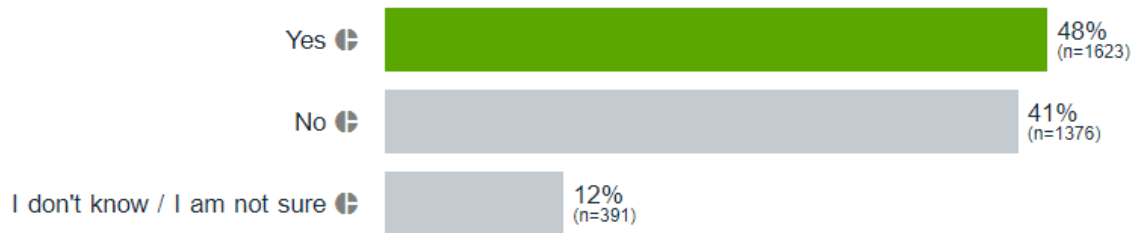
42% of Malaysians are not covered by medical insurance, while 14% rely only on company-issued medical cards.

Q: Do you have a medical card?



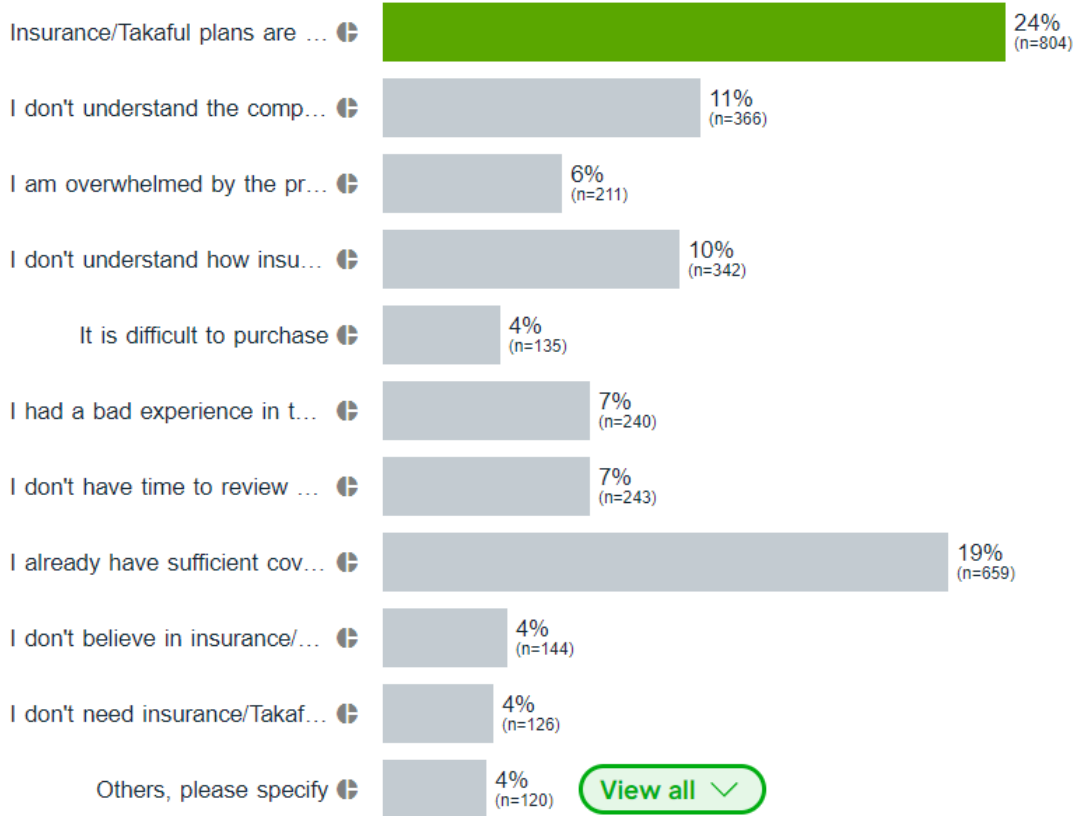
48% of Malaysians have a life insurance policy.

Q: Do you have a life insurance policy/Takaful contract?



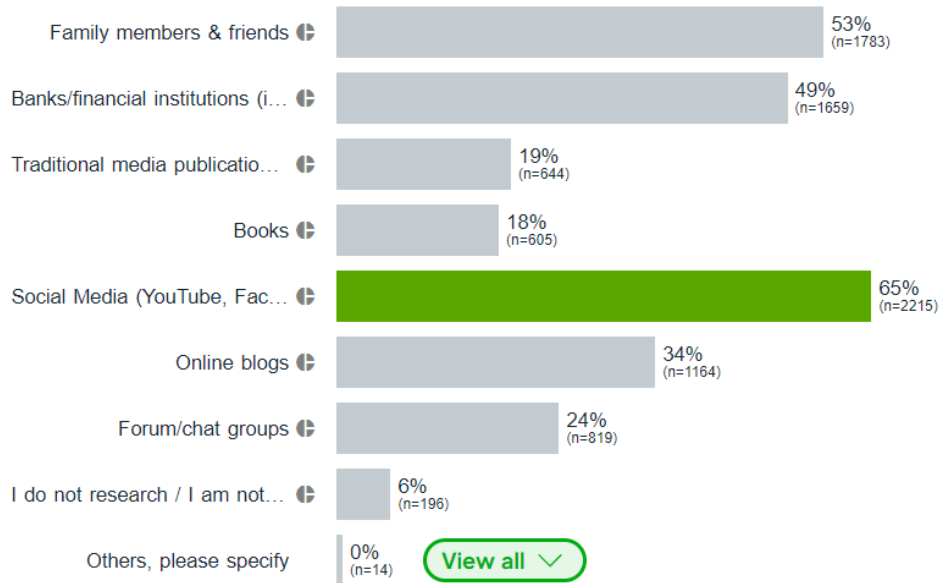
24% of the respondents stated that affordability is a factor that prevents them from getting any insurance/Takaful coverage, while 19% of respondents said that they already have sufficient coverage.

Q: In your opinion, what would be the main reason that would stop you from getting any insurance/Takaful coverage? Select the option that is most relevant to you.



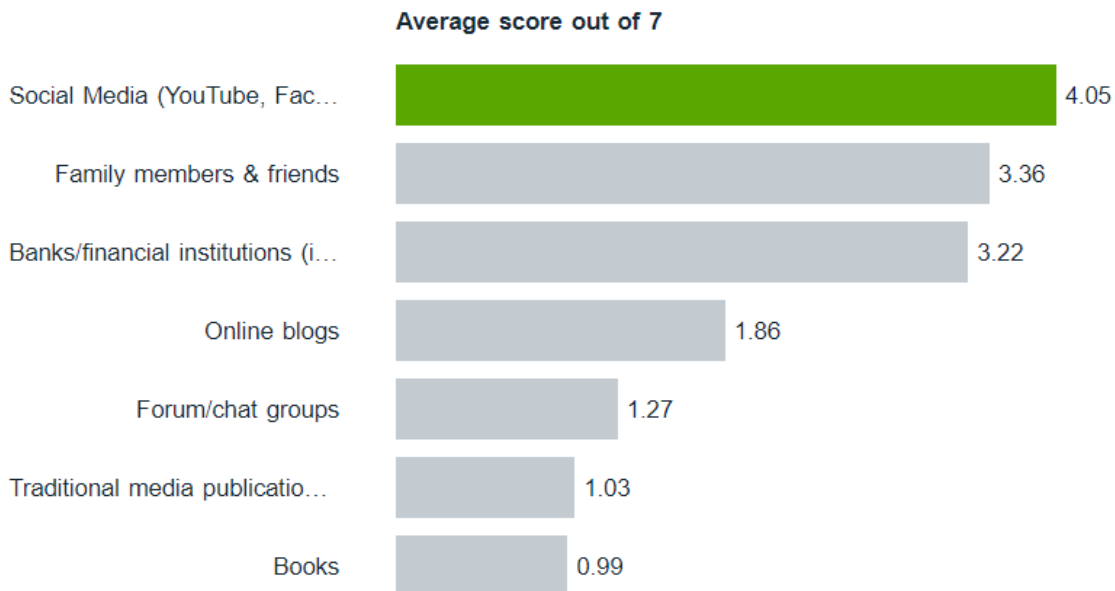
Social media has become the main source of information for respondents when they research financial matters, followed by family members and friends.

Q: Where do you go to learn about or research on financial matters?



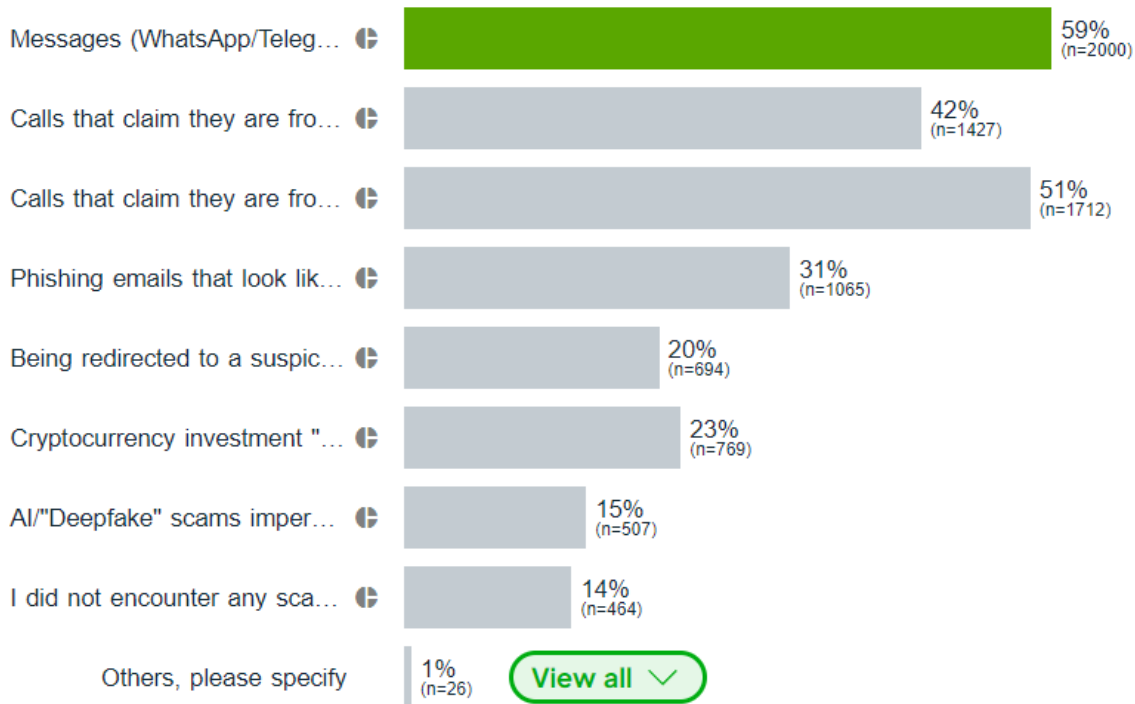
Respondents also rank social media as the source that they trust most for their information, out of all the other sources.

Q: Based on the options selected in the previous question, which platform do you trust the most? (Rank each option from the top being most trusted and the bottom being least trusted)



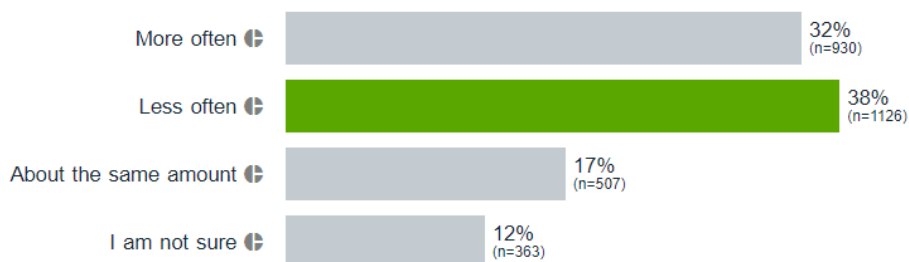
86% of respondents have encountered a potential scam/fraud attempt in 2024.

Q: Which of the following potential scams/frauds have you encountered in 2024?



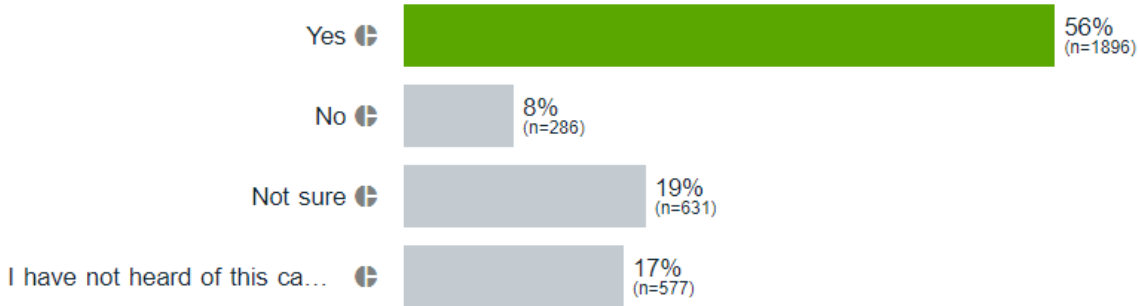
38% of respondents said that they encountered fewer scam/fraud attempts in 2024 compared to last year.

Q: How often do you encounter these scam/fraud attempts in 2024 compared to last year?



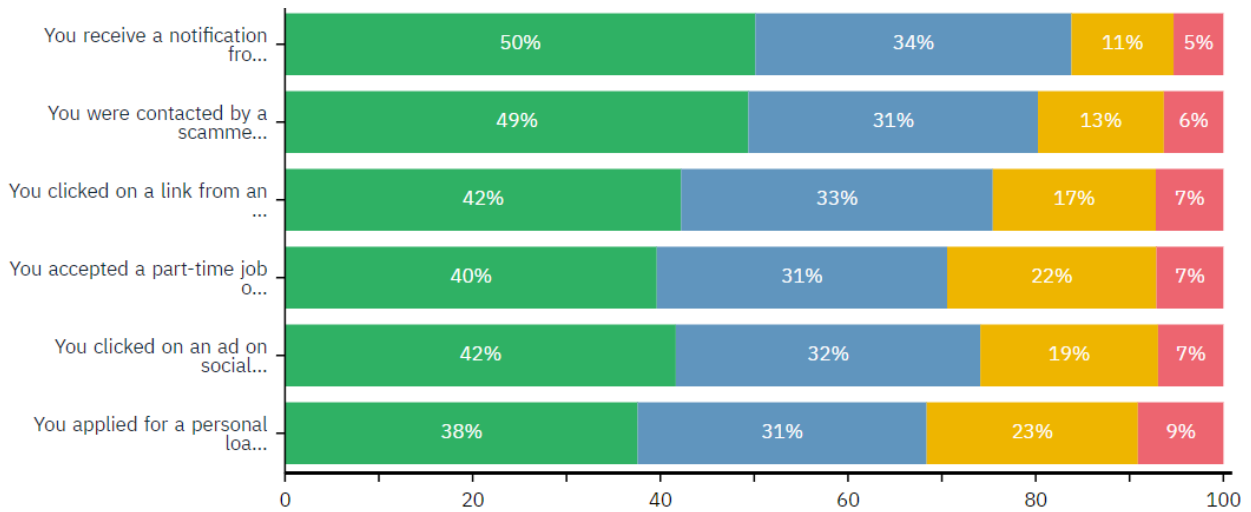
More than half (56%) of the respondents said that the ‘Jangan Kena Scam’ national anti-scam awareness campaign has helped them avoid being potential scam/fraud victims.

Q: Do you find the "Jangan Kena Scam" national anti-scam awareness campaign has helped you avoid being potential scam/fraud victims?



Between 16-32% of respondents are either unsure or do not know what to do and who to contact in six common scam/fraud scenarios.

Q: Do you know what to do in any of the following scenarios where a possible financial scam/fraud has taken place?



- Yes, I am confident in my knowledge of what to do and who to contact in this scenario
- Yes, I am somewhat confident in my knowledge of what to do and who to contact in this scenario
- No, I am not so sure of what to do and who to contact in this scenario
- No, I do not know what to do at all in this scenario

For enquiries, please contact:
RinggitPlus, No 8, Level 25, Suite 25-1,
Vertical Corporate Tower B, Avenue 10,
Jalan Kerinchi, Bangsar South,
59200 Kuala Lumpur

Tel: [03-7890 0808](tel:03-78900808) Email: media@jirnexu.com

© 2024 RinggitPlus, All rights reserved



RinggitPlus