

A collection of white line-art icons on a blue background, including a dollar sign in a circle, a diamond, a scale of justice, a stack of money, a magnifying glass over a dollar sign, a money bag, a pie chart, and various arrows and plus signs, all connected by a network of lines.

ETIQA INSURANCE SINGAPORE

RETIREMENT INSIGHTS REPORT 2024



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Singaporeans' views on retirement

For many Singaporeans, retirement represents financial freedom and personal fulfilment, with dreams of being debt-free and travelling the world. However, these aspirations require strong financial security – enough savings to cover living expenses, healthcare, and unexpected needs. Rising costs, inflation, and the loss of a steady income make securing a comfortable retirement increasingly challenging.

The Etiqa Insurance Singapore Retirement Insights Report 2024 highlights the realities of retirement and emphasises the urgent need for early planning to ensure a fulfilling retirement journey.





Research methodology

To uncover Singaporeans' views on retirement, Etiqa Insurance Singapore surveyed 1,009 citizens and PRs across four age groups: Gen Z (18-28), Millennials (29-43), Gen X (44-59), and Seniors (60 and above).

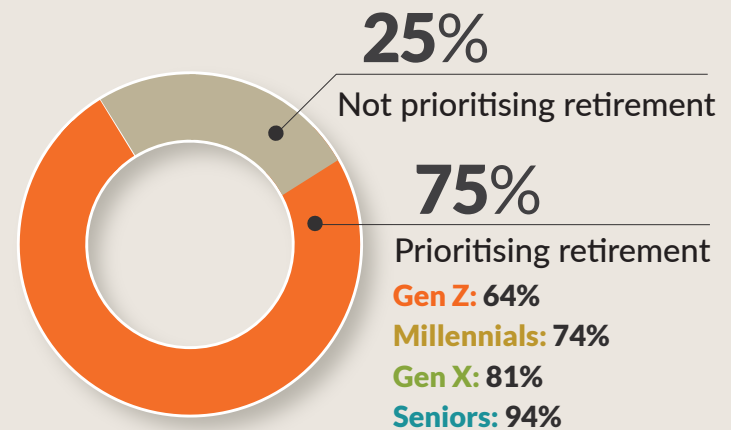
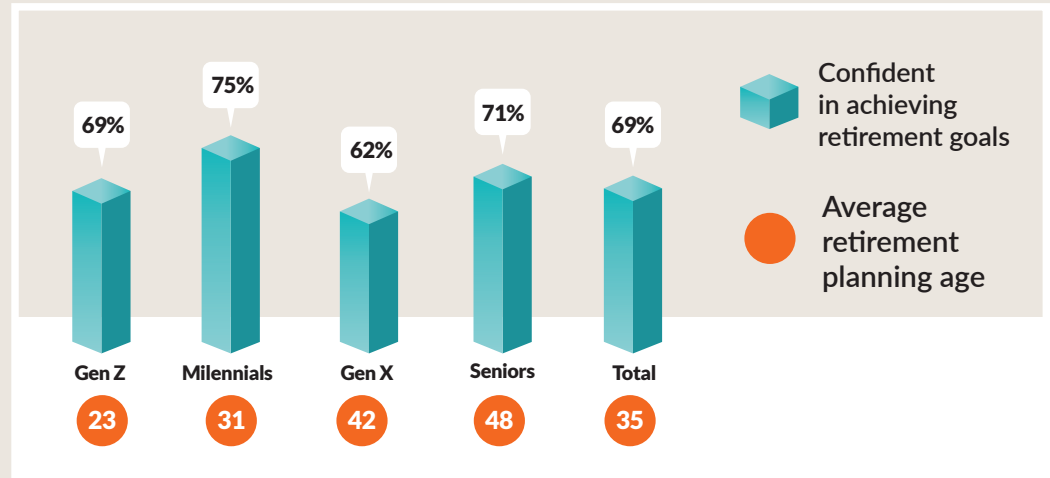
Conducted by Kantar in June 2024, the survey provides a comprehensive overview of attitudes, preparedness, and sentiments towards retirement across different generations.

Retirement perceived as a long-term goal by most

Retirement planning is a crucial long-term goal for all age groups, with three in four starting at the age of 35, and Gen Z increasingly recognising its importance.

75% of Singaporeans have prioritised planning for retirement, typically starting at age 35.













Seniors (94%), Gen X (81%), and millennials (74%) prioritise retirement planning for future financial security, with Gen Z (64%) also recognising its importance early on. Overall, 69% of Singaporeans are confident about reaching their retirement goals, with millennials being the most confident at 75%.



Retirement perceived as a long-term goal by most

While retirement is a long-term goal, younger Singaporeans are more focused on immediate needs. For instance, 58% of millennials and 59% of Gen Z prioritise vacations to maintain a balance between work and leisure. Over the next five years, 45% of millennials and 48% of Gen Z will shift their focus towards their children’s education. Additionally, 78% of millennials prioritise caring for their parents, while 77% of Gen Z view investments as their top long-term goal over the next decade.

Top Financial Goals

	Short Term (next 1 year)	Mid Term (next 5 years)	Long Term (next 10 years)
Gen Z	 59% Vacations	 48% Children's education	 77% Investments
Millennials	 58% Vacations	 45% Children's education	 78% Taking care of parents
Gen X	 62% Vacations	 39% Sufficient emergency funds	 83% Building up savings
Seniors	 65% Vacations	 43% Retirement planning	 94% Retirement planning

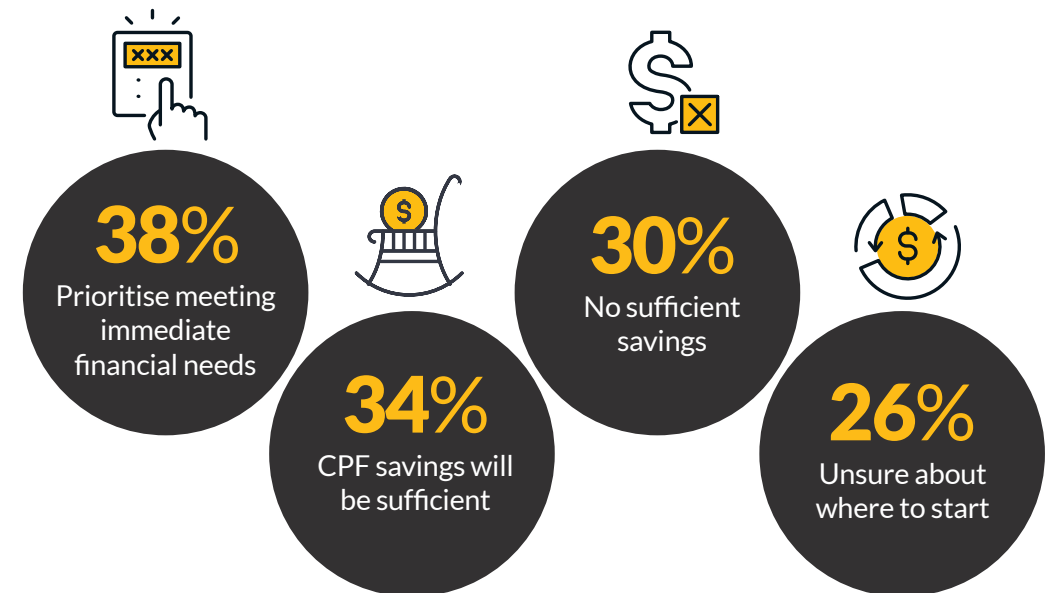
Overcoming retirement challenges

25% of Singaporeans have yet to start retirement planning. Top reasons include prioritising immediate financial needs (38%), reliance on CPF savings (34%), and insufficient savings (30%).

About 1 in 3 Singaporeans, believe their CPF savings will be sufficient for retirement.

26% of respondents are unsure where to start with retirement planning, possibly feeling overwhelmed by the complexities of financial planning or struggling to balance short-term needs with long-term goals.

WHY IS RETIREMENT NOT PRIORITISED?



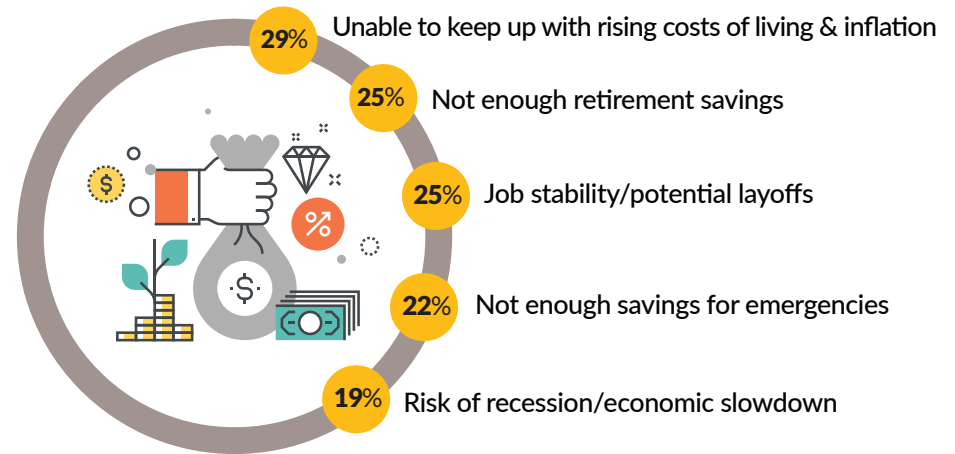
Top financial concerns

Concerns about insufficient retirement savings are particularly high, especially among seniors (39%) and Gen X (34%), underscoring the urgent need for early planning.

The concern about insufficient retirement savings among seniors (39%) in Singapore underscores the critical need for early retirement planning and serves as a reminder for younger Singaporeans to prioritise it.

Younger Singaporeans share concerns about living costs, job stability, and insufficient savings. Among them, 24% of millennials and 30% of Gen Z are worried about living costs, while 21% of millennials and 28% of Gen Z are concerned about job security.

TOP FINANCIAL CONCERNS



Top Financial Concerns (by Generation)

Gen Z	30% Unable to keep up with inflation	28% Job stability
Millennials	24% Unable to keep up with inflation	21% Job stability
Gen X	34% Not enough retirement savings	31% Unable to keep up with inflation
Seniors	39% Not enough retirement savings	34% Unable to keep up with inflation

Key considerations in retirement planning

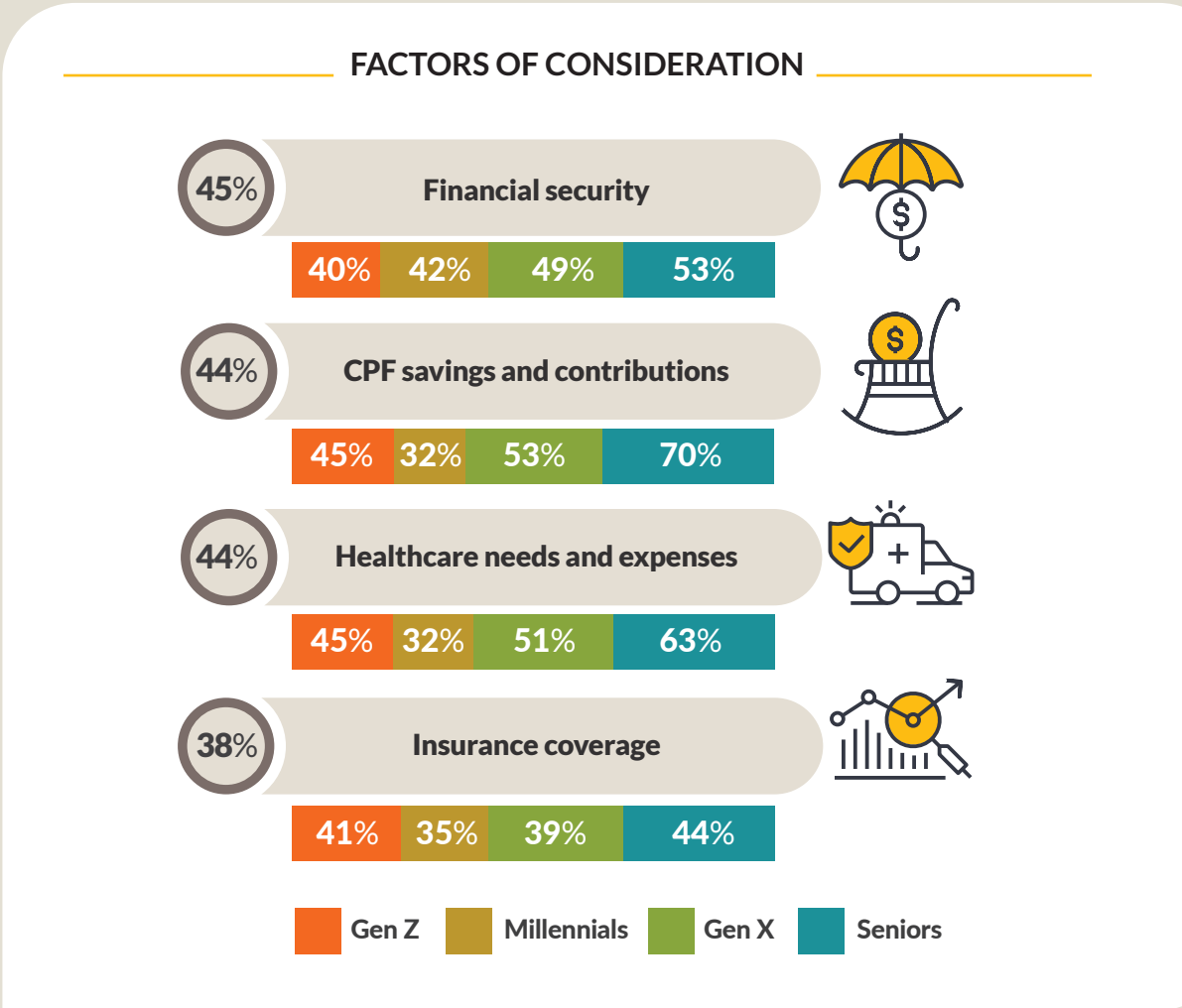
Financial security (45%) and CPF savings (44%) are top considerations for Singaporeans, but healthcare (44%) and insurance coverage (38%) are also key.

Financial security is a top priority for Singaporeans, with seniors (53%) and Gen X (49%) most concerned about achieving a stable retirement.

CPF savings are also seen as crucial, with seniors (70%) and Gen X (53%) heavily relying on them, while millennials (32%) and Gen Z (45%) are increasingly focused on building their CPF savings.

Healthcare is another major concern, particularly for seniors (63%) and Gen X (51%), who are acutely aware of the costs associated with ageing.

Additionally, insurance coverage is becoming a significant focus in retirement planning, with about 38% of Singaporeans prioritising it.





Younger Singaporeans aim to retire earlier

Over 70% of younger Singaporeans aim to retire before the age of 60, with 74% of Gen Z believing they will need less than \$6,000 per month in retirement.

While 81% of Singaporeans aim to retire between the ages of 50 and 70, younger Singaporeans, including millennials (71%) and Gen Z (71%), hope to retire by 60. Among them, 57% of millennials and 74% of Gen Z estimate needing less than \$6,000 per month in retirement.

Ideal Retirement Age

	Under 40	40-49	50-60	61-70	71-75	Above 75
Gen Z	5%	13%	53%	28%	1%	-
Millennials	5%	13%	53%	28%	1%	-
Gen X	5%	15%	44%	33%	2%	2%
Seniors	1%	7%	43%	40%	4%	5%
Total	3%	11%	42%	39%	3%	3%

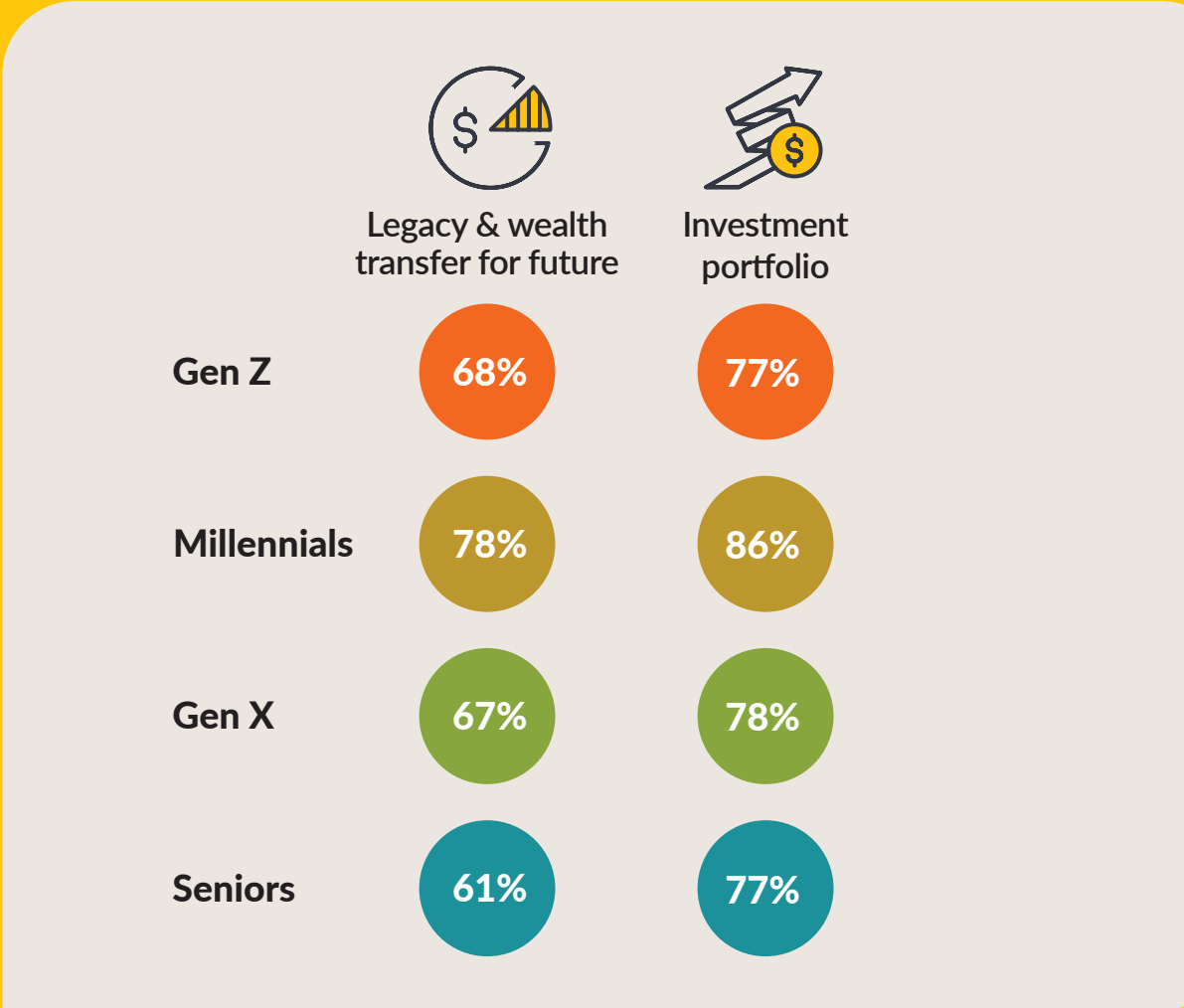
Expected Retirement Monthly Expenses (SGD)

	< 2000	2000-3999	4000-5999	6000-9999	> 10,000
Gen Z	18%	36%	20%	8%	18%
Millennials	15%	24%	18%	22%	21%
Gen X	31%	36%	19%	10%	4%
Seniors	38%	44%	13%	2%	3%
Total	23%	32%	19%	14%	13%

Younger Singaporeans prioritise wealth transfer

Wealth transfer is no longer just a priority for seniors; it is becoming increasingly important to younger Singaporeans as well.

Younger Singaporeans, including 78% of millennials and 68% of Gen Z, prioritise legacy and wealth transfer in their retirement planning, reflecting their desire to secure both their financial future and that of the next generation. Their strong interest in building an investment portfolio (86% of millennials and 77% of Gen Z) highlights their belief that investments are as essential for growing and preserving wealth.



Investing remains a key strategy despite lack of confidence

41% of Singaporeans consider investment as a key retirement strategy, but a third of those who invest lack confidence in their approach.

Those lacking confidence in investing cite fear of losing money (57%), insufficient financial knowledge (53%), and high risk (45%) as their main concerns.

Investment as a retirement strategy

	Gen Z	Millennials	Gen X	Seniors	Total
Investing	49%	41%	37%	49%	41%
Confident to invest	64%	74%	54%	54%	64%
Not confident to invest	36%	26%	46%	46%	36%

REASONS FOR LOW CONFIDENCE IN INVESTING



Preference for low-risk financial instruments

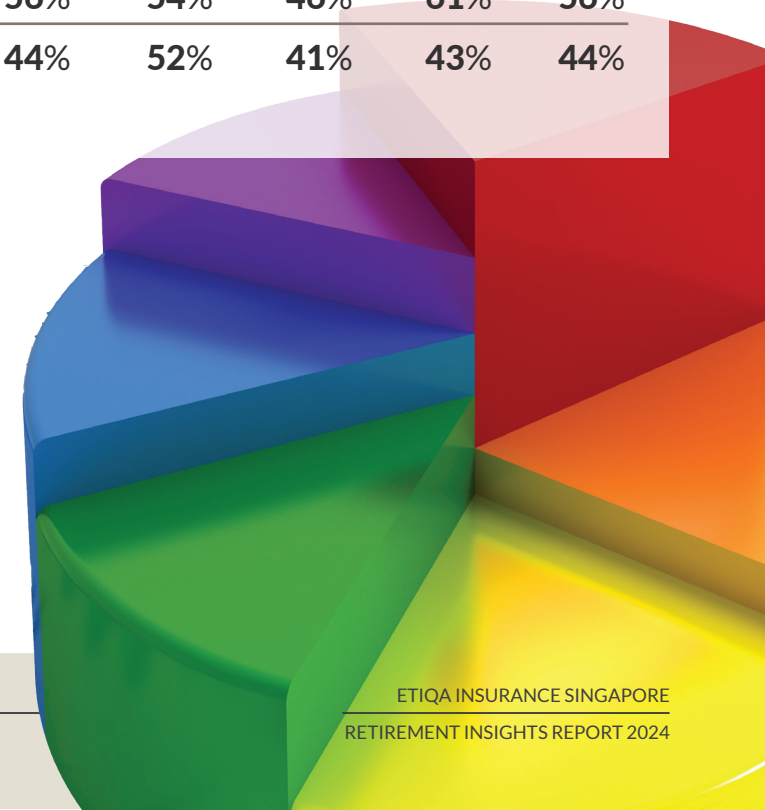
When planning for retirement, Singaporeans across all age groups tend to avoid riskier investments, preferring safer financial instruments.

Singaporeans favour low-risk financial instruments, such as savings accounts (61%), CPF contributions (56%), and fixed deposits (44%). Younger Singaporeans, including millennials and Gen Z, also adopt a conservative approach to retirement planning, with these same tools being their top three choices.

Specifically, 65% of millennials and 61% of Gen Z use savings accounts, 54% of millennials and 56% of Gen Z rely on CPF contributions, and 52% of millennials and 44% of Gen Z invest in fixed deposits.

FINANCIAL TOOLS TO FUND RETIREMENT

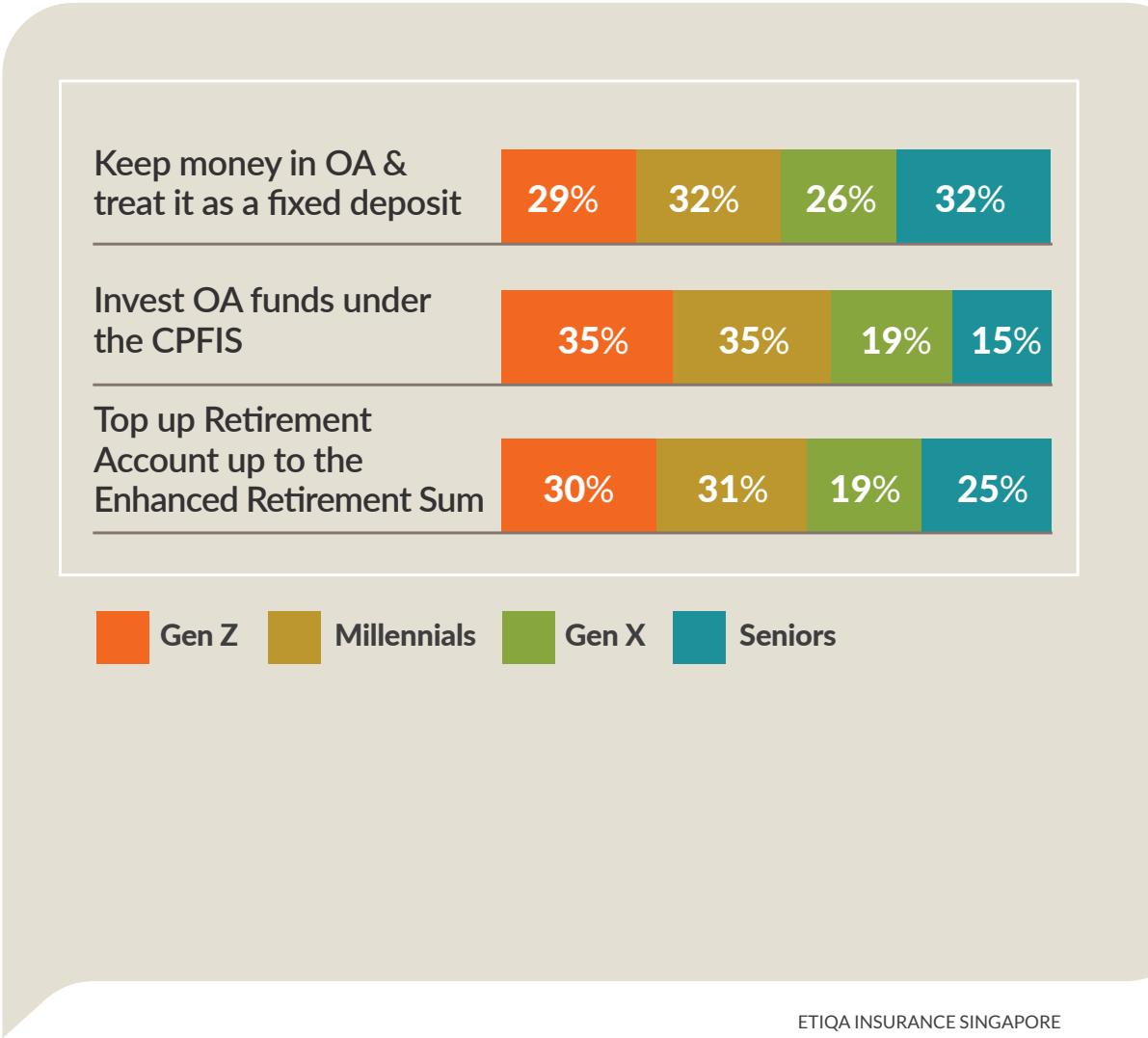
	Gen Z	Millennials	Gen X	Seniors	Total
Saving accounts	61%	65%	51%	68%	61%
CPF	56%	54%	46%	61%	56%
Fixed deposits/ savings bonds	44%	52%	41%	43%	44%



Younger Singaporeans show greater interest in the CPF Investment Scheme

Instead of keeping their funds in the CPF Ordinary Account (OA), younger Singaporeans are increasingly turning to CPF Investment Scheme (CPFIS) for investment opportunities.

With CPF funds secured until age 55, a growing number of Younger Singaporeans, including 35% of millennials and 35% of Gen Z, are increasingly utilising the CPFIS to unlock long-term growth and maximise their financial benefits.



Opportunities to enhance retirement planning

More than one in three seniors and Gen X wish they had started saving for retirement earlier.

Among seniors (38%) and Gen X (38%), there is a belief that starting retirement savings earlier could have resulted in better outcomes.

Furthermore, 33% of seniors and 30% of Gen X acknowledge that consistent and aggressive saving could have significantly increased their retirement funds over time.

These insights underscore the importance of younger Singaporeans adopting early retirement strategies, maintaining financial discipline, and diversifying investments to secure a comfortable retirement.

AREAS FOR IMPROVEMENT

	Gen X	Seniors
 Start saving for retirement earlier	38%	38%
 Start retirement planning earlier	35%	33%
 Save more consistently and aggressively	30%	33%
 More discipline with budgeting & spending	25%	29%

Enhancing retirement planning for a secure future

Retirement planning is a top priority for Singaporeans, with many already taking proactive steps to secure their financial future.

To further enhance their retirement planning, Singaporeans should focus on building financial literacy and increasing investment confidence to make more informed decisions. Embracing these strategies will contribute to a more stable and fulfilling future.

With a well-rounded approach to financial education and strategic planning, Singaporeans can navigate their retirement journey more easily and confidently, ensuring a more secure and rewarding retirement.





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If you would like to talk to us about the insights in this research, we would love to hear from you. Please contact us at marketing@etiqa.com.sg.

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