



NEWS RELEASE

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Singlife Financial Freedom Index 2024: It could now take Singapore consumers 30 years to attain financial freedom

*More consumers this year see the importance of financial freedom;
Survey respondents believe they need around S\$612,045 to feel financially free,
needing 30 years based on median yearly savings*

SINGAPORE, 26 August 2024 – The **second** edition of **Singlife's Financial Freedom Index** reveals that it may take consumers some 30 years to achieve financial freedom, up by nearly three years, compared with a year ago. On top of that, 4 out of 10 (44%) Singapore consumers surveyed believe they will never achieve financial freedom. Significant roadblocks cited include insufficient income (53%), unforeseen expenses (38%), job insecurity (32%), and debt repayment burdens (28%).

2024's survey shows a dip in sentiments towards attaining financial freedom, with an average score of 58 out of 100, down from 60 in 2023. Respondents believe they need approximately **S\$612,045** to be considered financially free, **up 8%** from S\$566,640 in 2023. With lowered median yearly savings of S\$20,195 (around S\$1,682 monthly), it could now take about 30 years to accumulate enough savings to feel financially free, compared with about 27 years previously. This could be due to inflation and cost-of-living concerns affecting consumer sentiments.

Although the path to financial freedom appears longer and more daunting compared to a year ago, the latest survey offers a silver lining: 55% of respondents this year say they know how to achieve financial freedom, up from 49% last year.

Debra Soon, Singlife Group Head of Brand, Communications, Marketing and Experience, said: "This year's Financial Freedom Index shows that consumers feel an increasing difficulty in achieving financial freedom. We added more questions in the study and obtained more insights on how much consumers are saving, versus their goals, and what gaps they have in their finances. Perception studies are important in helping us understand how to help Singaporeans find a better way to financial freedom. By understanding the challenges they have to overcome to become financially free, we believe that we can help them plan and take meaningful steps to reach their financial freedom dream, whatever it may be."

This year's survey was conducted between April and June among 3,000 Singaporeans and Permanent Residents (PRs) aged 18 to 65. Those in the 35- to 44-year-old age group find it most difficult to attain financial freedom.

The survey also uncovers fresh insights into how Singaporeans and PRs approach critical life stages such as family planning and retirement, revealing the financial considerations and challenges that shape their choices.

Retirement Goals and Gaps

Four in five consumers aim to retire by 65, slightly above Singapore's legislated retirement age of 63. Consumers expect they would need a median of S\$2,856 per month for daily living expenses in retirement. The stark contrast between median monthly savings (S\$1,682) and median retirement expenses underscores the need for individuals to begin building up cash reserves in order to retire comfortably.

Nearly 80% of consumers intend to retire in Singapore. A small percentage of consumers cite lower cost of living (71%), slower pace of lifestyle (63%), and a more favourable climate (35%) as their motivations for wanting to retire overseas. Most in this minority group favour locations such as Malaysia, Australia, New Zealand, and Thailand.

Long-term Financial Impact of Parenthood

Half of consumers estimate **more than S\$500,000** is required to raise a child in Singapore from birth to 21 years of age, based on a median monthly expense of **S\$1,918**.

Over 40% believe having a child will delay their retirement age and ability to achieve financial freedom by an average of **14 to 15 years**. Consequently, **54%** of consumers without children say they do not intend to have any, and **80%** of those already with at least one child say they do not intend to have more.

The Financial Freedom Index was designed with the aim of understanding the attitudes of individuals from diverse income levels and age groups towards achieving financial freedom amidst inflation and the changes to the cost of living.

Key Insights (year-on-year)	2024	2023	Changes
Median amount required to feel financially free	S\$612,045	S\$566,640	+8%
Average score (out of 100) on the Financial Freedom Index	58	60	-2 pts
Consumers who see the importance of being financially free	77%	73%	+4%
Consumers who feel financially free	29%	29%	No change
Time needed to achieve financial freedom based on median yearly savings	30 years	27.3 years	+2.7 years
Median yearly savings recorded in survey	S\$20,195	S\$20,790	-2.9%
Consumers saving <\$3,000 monthly	70%	50%	+20%
Consumers saving <\$1,000 monthly	37%	25%	+12%
Consumers aiming to retire by 65 years old	80%	New question for 2024 survey	

Protection Gap and Preparedness for Unexpected Events

Although most consumers have on average three types of insurance products, only **57%** of respondents are aware of or claim to have life insurance coverage. Even fewer (**38%**) indicate that they have coverage for critical illness.

According to industry guidelines, consumers are recommended to have life insurance coverage of [at least nine times of one's annual income](#)¹. Yet, the median coverage among the respondents, at **S\$286,670**, is less than half of the adequate level of coverage.

Based on the S\$4,922 median monthly personal income in the survey, the amount of critical illness coverage respondents have is **S\$207,238** – 12% less than the recommended coverage of [four times of one's annual income](#)².

While most consumers (**78%**) have at least three months of emergency funds, only 1 in 3 perceive that they have adequate savings or emergency funds to cushion unexpected events.

For more insights into consumers' perception of financial freedom from the Singlife Financial Freedom Index 2024, please visit singlife.com/ffi.

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¹ <https://www.lia.org.sg/tools-and-resources/faq/mortality-protection>

² <https://www.lia.org.sg/media/2272/be-in-the-know-about-critical-illness-plans.pdf>

About Singlife

[Singlife](#) is a leading homegrown financial services company, offering consumers a better way to financial freedom. Through innovative, technology-enabled solutions and a wide range of products and services, Singlife provides consumers control over their financial wellbeing at every stage of their lives.

In addition to a comprehensive suite of insurance plans, employee benefits, partnerships with financial adviser channels and bancassurance, Singlife offers investment and advisory solutions through its [GROW with Singlife](#) platform. It also offers the Singlife Account, a mobile-first insurance savings plan.

Singlife is the exclusive insurance provider for the Ministry of Defence, Ministry of Home Affairs and Public Officers Group Insurance Scheme. Singlife is also an official signatory of the United Nations Principles for Sustainable Insurance and the United Nations-supported Principles for Responsible Investment, affirming its commitment to finding a better way to sustainability.

The merger of Aviva Singapore and Singlife was announced in September 2020 and created one of the largest homegrown financial services companies in Singapore in a deal valued at S\$3.2 billion. It was the largest insurance deal in Singapore at the time.

Singlife was subsequently acquired by Sumitomo Life in March 2024, one of Japan's leading life insurers, which valued Singlife at S\$4.6 billion, making the transaction one of the largest insurance deals in Southeast Asia.