



The State of Financial Literacy in Malaysia

- Malaysians have low confidence regarding their own financial knowledge. 1 out of 3 Malaysians think that their financial knowledge is low.
- 75% of Malaysians understand that inflation leads to a rise in cost of living. However only 38% can relate the effect of inflation on their own purchasing power.
- 43% of Malaysians understand that the growth of money is compounded over time.
- 1 out of 10 Malaysians believe that they are not disciplined when managing their finances.
- 84% of Malaysians who claim to save regularly do so only for the immediate term. They typically withdraw at the end of the month to cover daily subsistence expenses.
- 76% of Malaysians have a budget, but 2 out of 5 find it difficult to keep to a budget.
- 3 out of 10 Malaysian working adults need to borrow money to buy essential goods.
- 1 out of 5 Malaysian working adults did not save during the past six months.
- 5.2% of Malaysians find it difficult to raise RM1,000 in emergency funds.

Source: National Strategy for Financial Literacy 2019-2023

