

ASEAN Consumer Sentiment Study (ACSS) 2025



The ASEAN Consumer Sentiment Study (ACSS) is UOB's regional flagship study analysing consumer trends and sentiments in five countries (Singapore, Malaysia, Thailand, Indonesia and Vietnam).

Now in its 6th year, the 2025 survey was conducted from May to June and captures the responses of 5000 consumers across different demographic groups in this dynamic ASEAN region.



 Malaysia

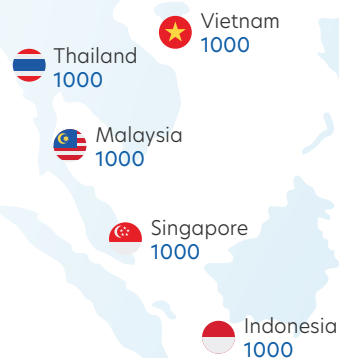


25-minute online survey

Males/Females aged
18-65 years

Data collection period:
May - Jun 2025

Total of 1000
interviews



■ AGE SEGMENTS



Gen Z

18-26 years



Gen Y

27-42 years



Gen X

43-58 years



Baby Boomers

59-65 years



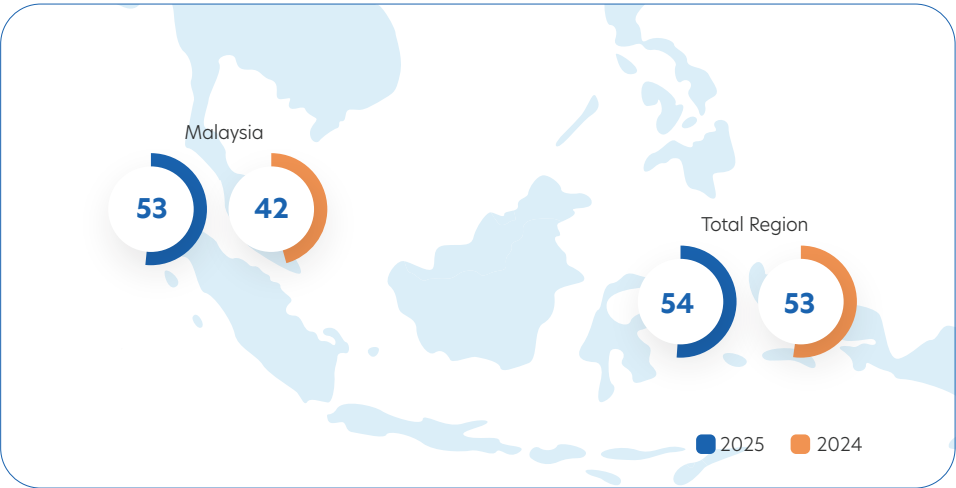
Consumer Sentiments and Outlook

■ Based on the UOB ASEAN Consumer Sentiment Index, Malaysia's score is on par with the regional score, after a strong improvement from 2024

UOB ASEAN Consumer Sentiment Index



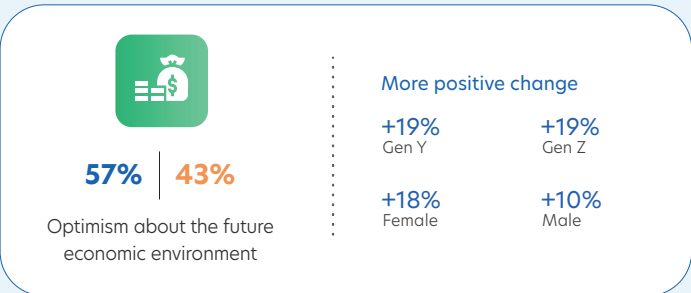
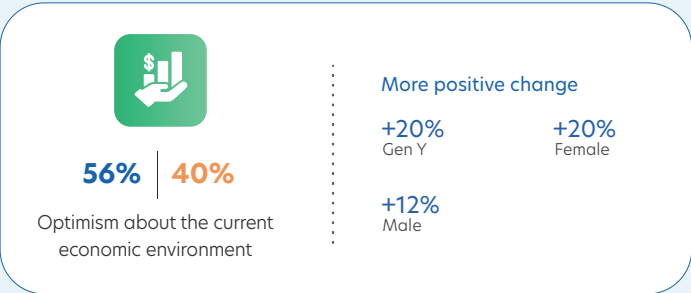
The UOB ASEAN Consumer Sentiment Index is designed to capture the pulse of consumer confidence across key ASEAN markets. It is derived from 6 questions and reflects consumer perceptions of both current and future economic conditions, alongside personal financial concerns and expectations.



Data used in deriving the UOB ASEAN Consumer Sentiment Index is presented below

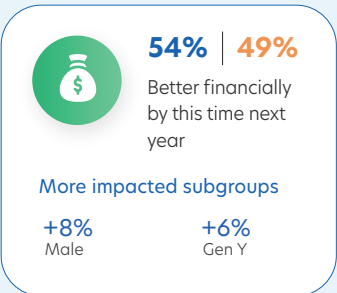
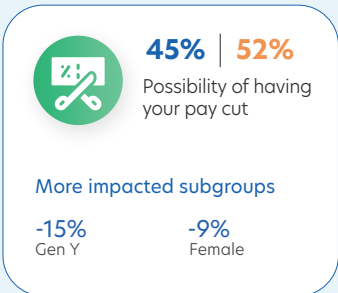
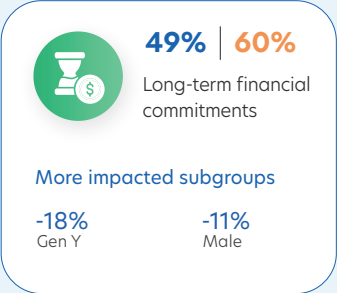
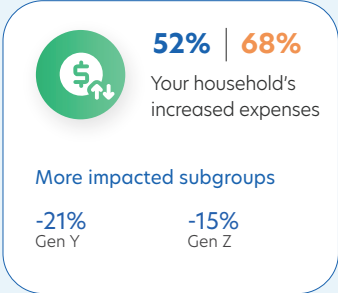
■ On a macro level, optimism about the current and future economic environment has improved strongly

Macro factors



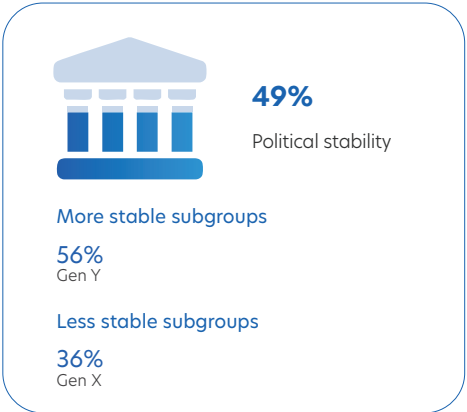
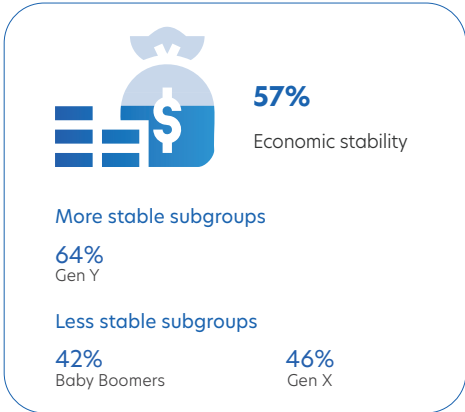
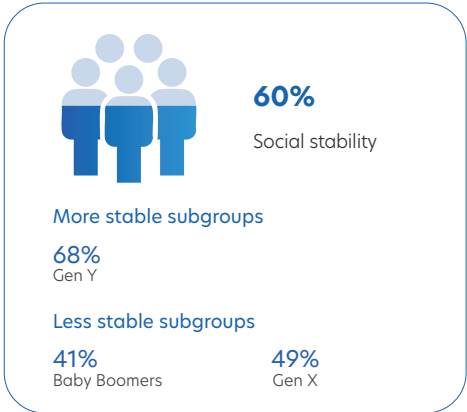
■ At a micro level, MY consumers are less concerned about expenses and income, and more confident about improved financial situation next year

Micro factors



■ 2025 ■ 2024

■ At least 1 in 2 Malaysia consumers view their country's social, economic and political stability positively, with stronger sentiment among the Gen Y segment





Inflation Impact and Shopping Behaviour

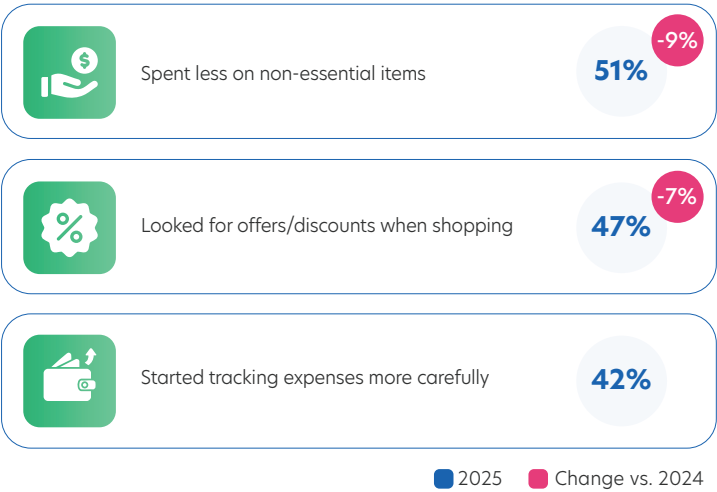
- Increased cost of living, US tariffs and climate change are the key areas of concern for Malaysia consumers, but cost of living concerns have dropped significantly from last year

Key areas of concern

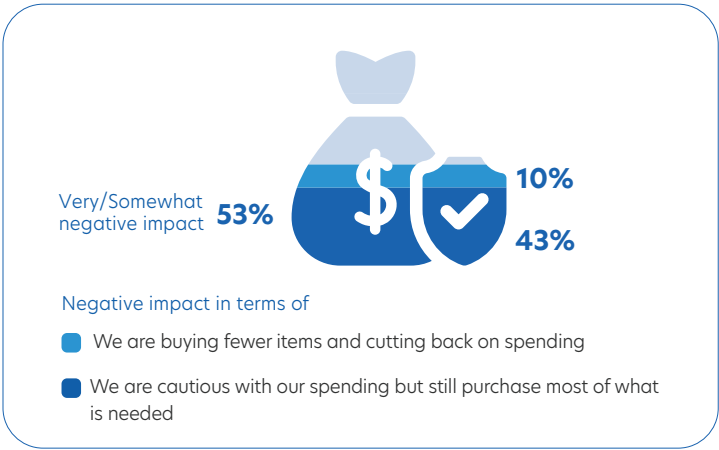


- Around one in two consumers spend less on non-essential items and looked for discounts when shopping, though these behaviours have eased since 2024
- One in two consumers are negatively impacted due to inflation and are cutting back or being more cautious with their spending

Efforts in coping with inflation

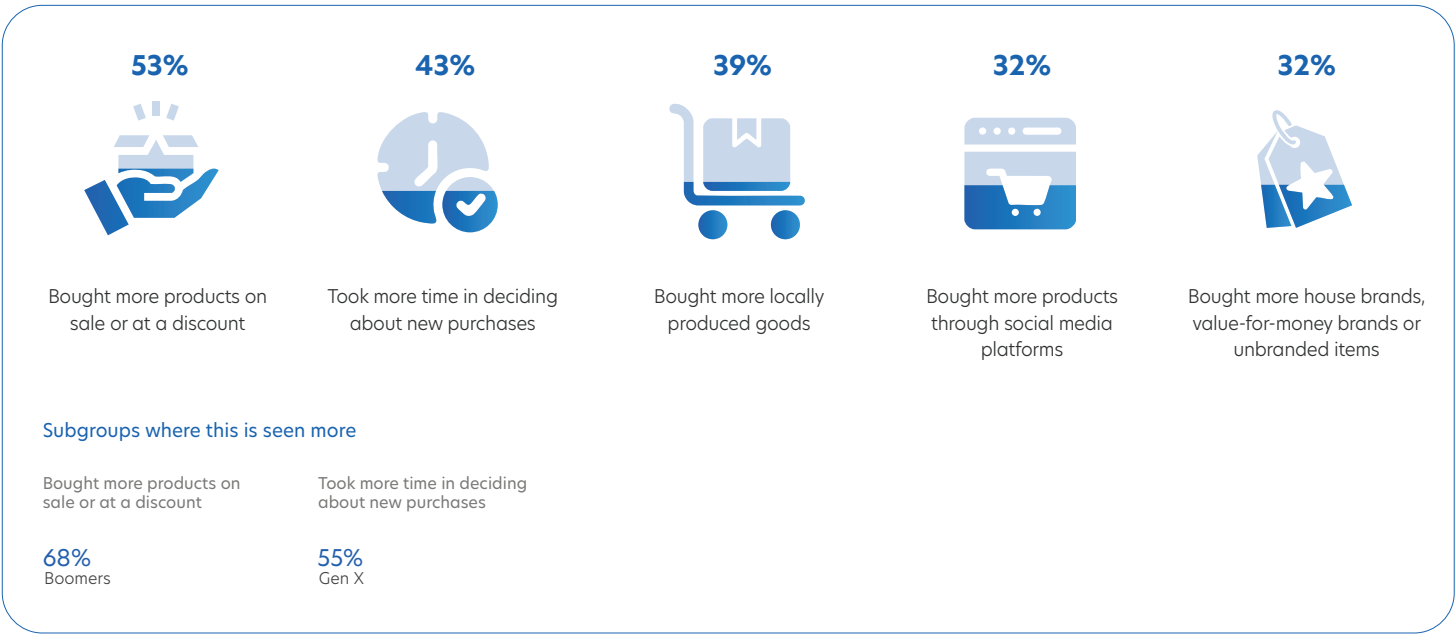


Impact of inflation on household's purchasing power



- Besides buying more discounted products and taking more time in deciding about new purchases, top changes in shopping habits include buying more locally produced goods

Change in shopping habits

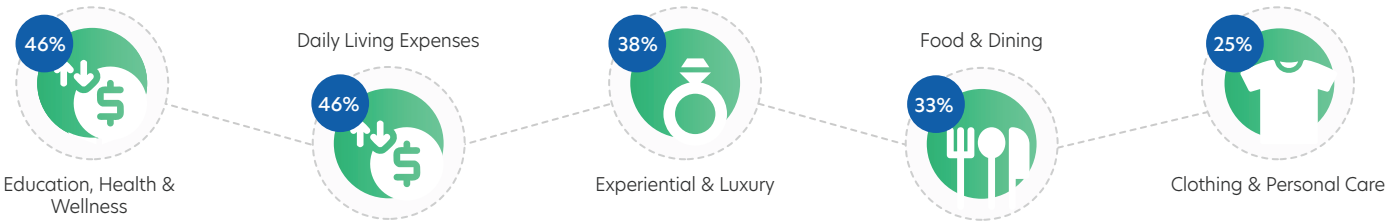




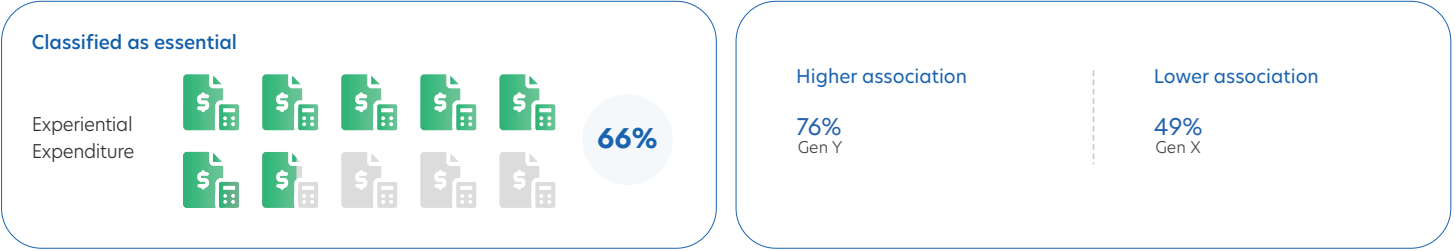
Experiential and Luxury Spending

- In addition to Education, Health & Wellness, as well as Daily Living Expenses, spending has risen on Experiential & Luxury categories

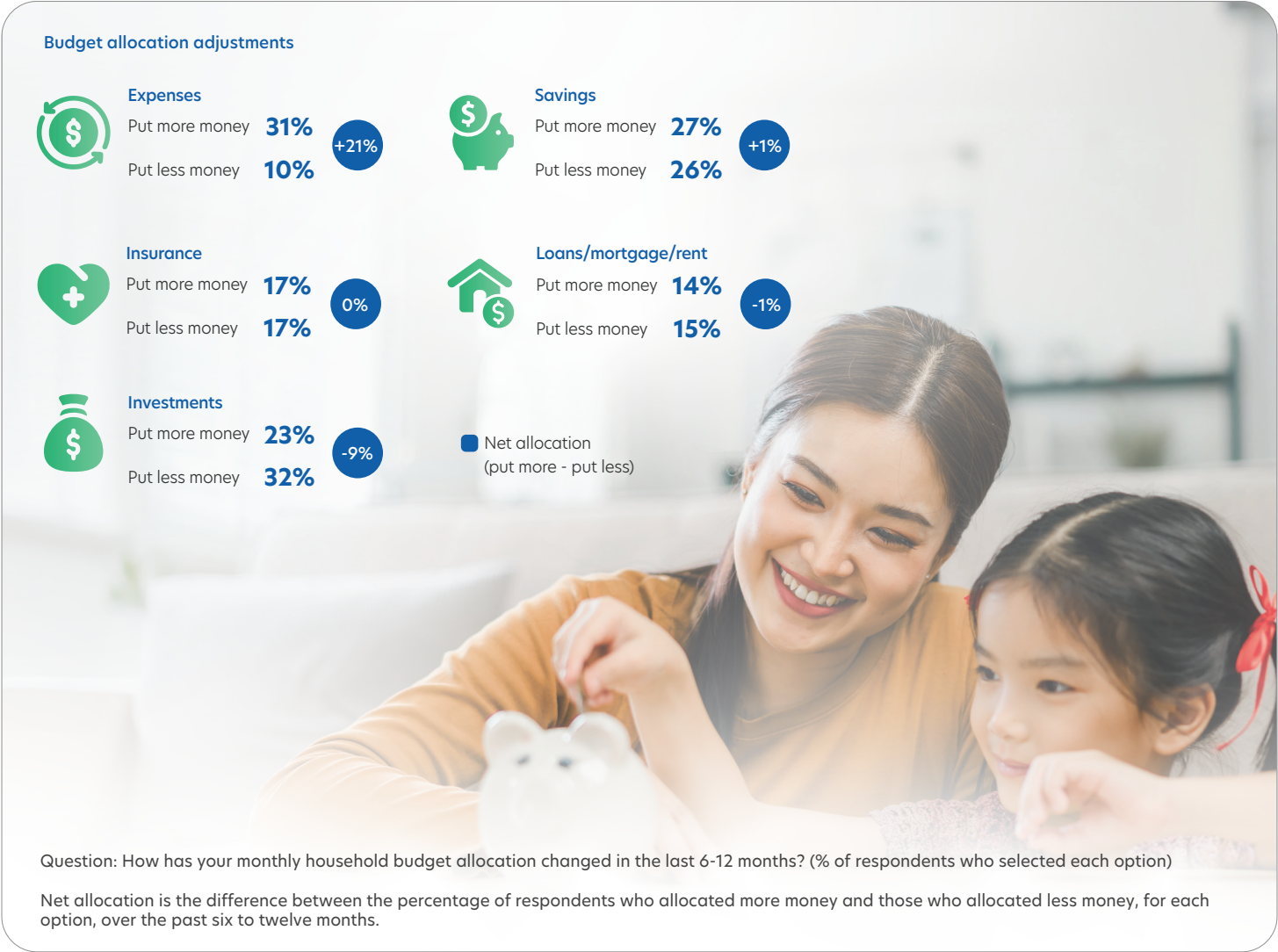
Increase in spending compared to past year



- Experiential items are strongly viewed as essential, particularly among the Gen Y segment



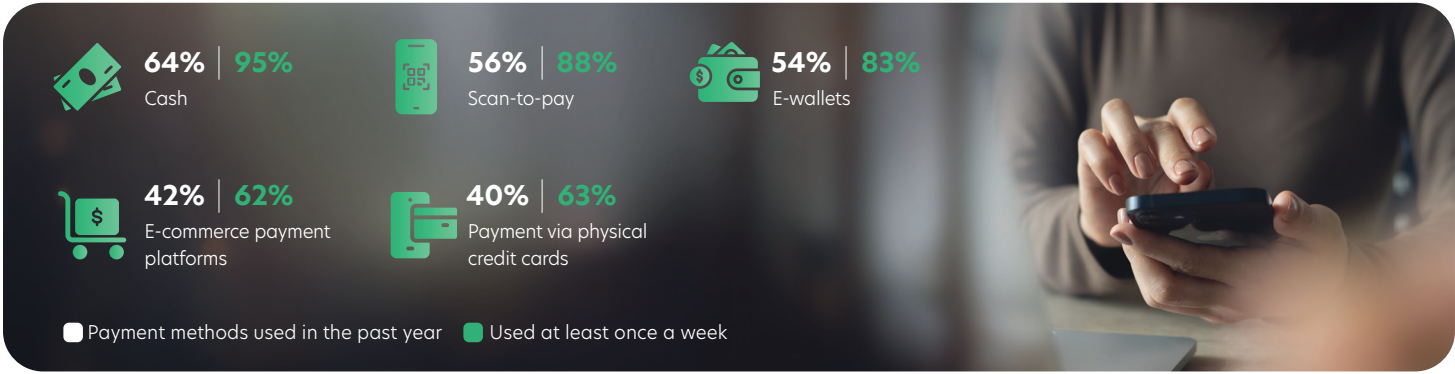
- For budget allocations, the biggest change also lies in allocation of budget to expenses, while budget allocation to investments have dropped



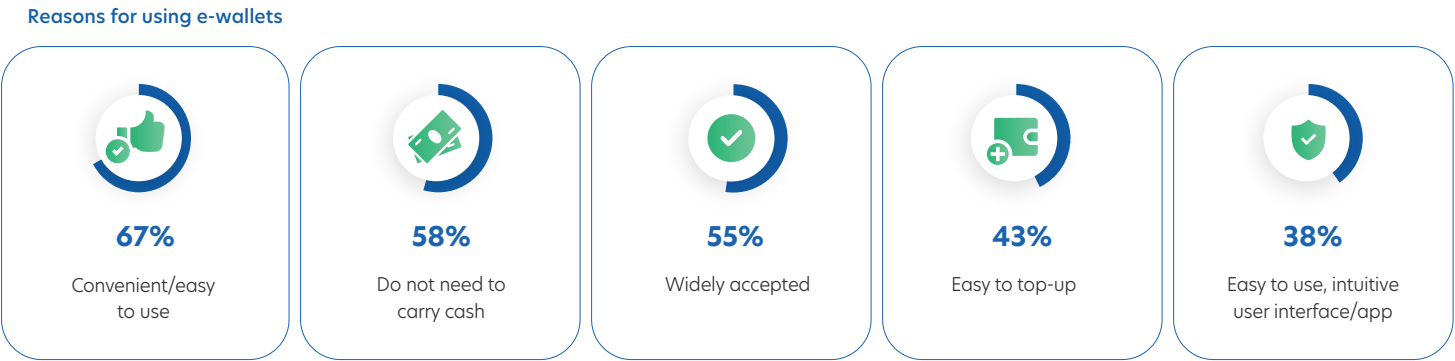


Digital Payment Methods

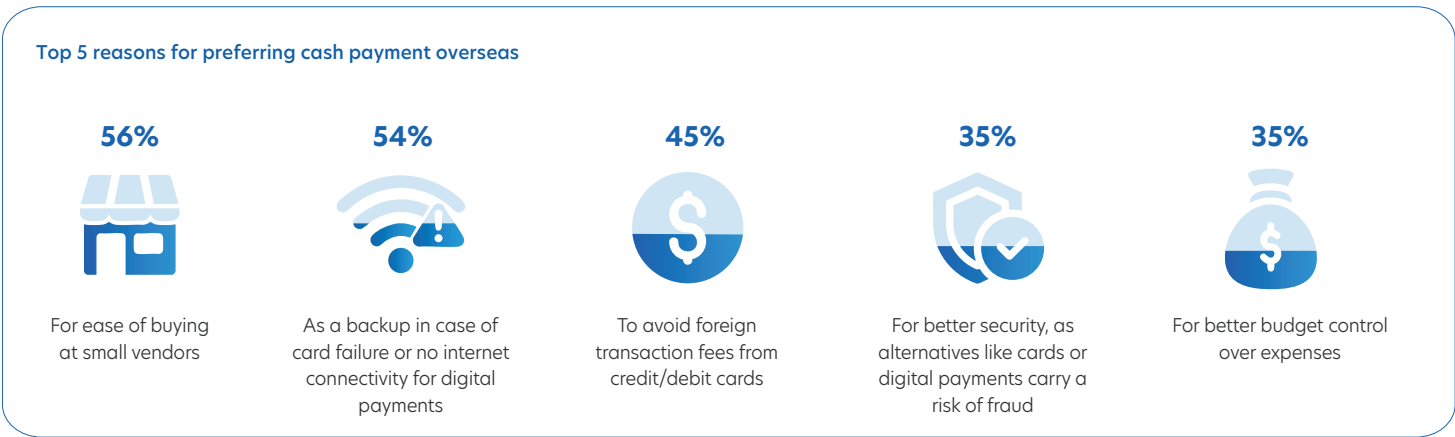
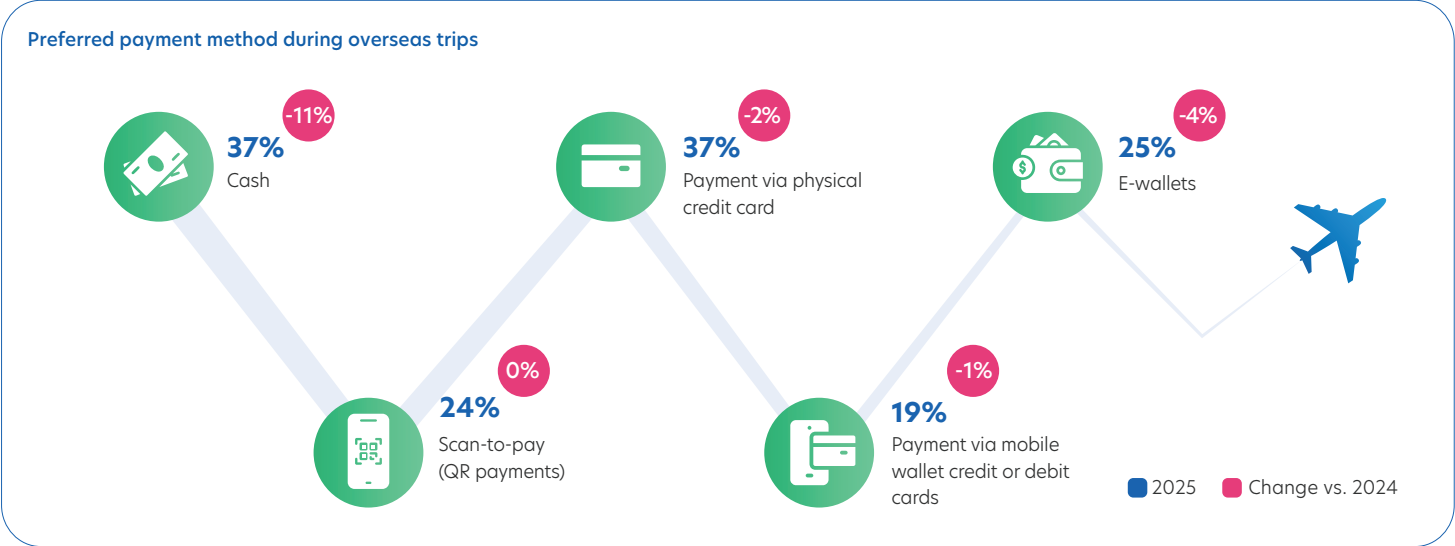
■ Digital payment methods like scan-to-pay and e-wallets lead in both adoption and usage



■ Popularity of e-wallets is driven by convenience, ability to make cash-free transactions, and wide acceptance



■ Cash and physical credit cards remain the most preferred payment method among Malaysian consumers for overseas trips





Financial Literacy - Save and Protect

The majority of Malaysia consumers feel confident managing their finances

Confident of managing personal finances effectively



86%

Save

- Over two in three consumers save more than ten percent of their monthly personal income, particularly among Gen Y
- Most consumers have an emergency fund, with over one in two consumers able to cover regular expenses for more than 3-6 months

Save more than 10%



68%

Segments saving more

75%
Gen Y

86%

14%



55%






- Consumers who have an emergency fund
- Consumers who do not have an emergency fund
- Emergency fund able to cover > 3-6 months of regular expenses



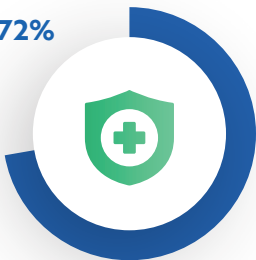
Protect

- One in two Malaysia consumers are insured for Whole Life insurance
- Three in four consumers consider themselves to have adequate insurance coverage

More insured segments

	Whole Life insurance	48%
	Personal Health insurance	41%
	Personal Accident insurance	39%
	Critical Illness insurance	32% 45% Gen X
	Death & Total Permanent Disability insurance	24% 31% Gen X

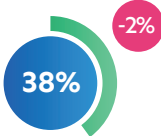
72%



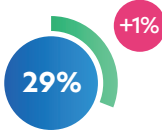
Adequate insurance coverage

- Online is the preferred channel for nearly two in five consumers and channel preferences have remained stable compared to 2024

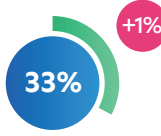
Buy insurance



Online channel preference



Omnichannel preference



Offline channel preference

Change vs. 2024



Financial Literacy - Invest and Plan

Invest



- Although the majority actively seek investment knowledge, only 45 per cent invest more than ten percent of their annual income



86%

Actively seek investment knowledge



45%

Invest more than 10% of annual income

- Online remains the preferred channel for both investment purchases and advice, though close to a third prefer an omnichannel approach



44% | 28%

Buy investment products



35% | 30%

Seek financial/investment advice

■ Online channel preference

■ Omnichannel preference



Plan



- Younger Malaysian consumers expect to improve or retain their retirement lifestyle, while older Malaysians expect to downgrade

Improve/retain my lifestyle after retirement

87%

Downgrade my lifestyle after retirement

13%

Segments with higher preference

94%
Gen Z

91%
Gen Y

27%
Boomers

24%
Gen X

- The key legacy planning steps taken by consumers are nomination of beneficiary for life insurance benefits and EPFs, as well as making a will



40%

Nominated a beneficiary for my life insurance benefits



37%

EPF nomination



36%

Made a will



23%

Lasting Power of Attorney



20%

Advance Care Plan



23%

None of the above

