Link: Building a tree that generations can sit under

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Financial resilience can mean different things to different people. For some, it is a day-to-day goal, stripping out the anxieties of "what-ifs" . For others, it is a chance to live the life they have always wanted. Yet, it can also be rife with uncertainty about a post-work future.

So where does Asia, and more specifically, Malaysia, lie?

Insights from the recently released Financial Resilience Index 2026 (FRI) by Sunlife Asia, an international financial services organisation, offer a clear picture of current public sentiment.

Sunlife's president of emerging markets in Asia, Randy Lianggara, makes it a point to mention that the journey to retirement is not a sprint, but rather a marathon.

"Being financially resilient is actually not about being rich. I liken it to maintaining a building and making sure that it is ready for an earthquake," he says.

However, the stats can be sobering. FRI showed that financial resilience across Asia has actually weakened over the past year, with the sharpest decline being among highly resilient households. In those instances, it has dropped from 32% in 2025 to 25% in 2026, with the focus shifting to managing day-to-day finances, but doing so with less certainty, and most notably, less protection against disruptions. Overall, only 13% feel secure about their current financial situation.

Malaysia is no different, according to Sunlife Malaysia's president and country head, Ho Teck Seng. Around only 11% of respondents feel financially secure.



... our job here at Sunlife, really, is to help build financial security that not only covers future health spending, but also helps to cover income, family and their future as a whole.
— Randy Lianggara, president of emerging markets in Asia, Sunlife

"We are now in what many are calling the 'sandwich generation', where you have to take care of both ageing and elderly parents, as well as your own family. This is why financial planning is becoming even more important," says Ho.

Rising costs in Malaysia have forced households into short-term financial trade-offs, where 27% are drawing down from their savings, 29% are tightening their belts for essential spending, and 13% have paused retirement contribution.

"The majority of people are aware that they need to plan for retirement, but the gap lies in turning that awareness into action. So our job here at Sunlife, really, is to help build financial security that not only covers future health spending, but also helps to cover income, family and their future as a whole," says Randy.

This is where education remains key, according to both Randy and Ho.

In Malaysia,the vast majority of citizens rely on the Employees Provident Fund (EPF) to fund their retirement. But what has also become common knowledge is that a shocking 48% of EPF contributors below the age of 55 have less than RM10,000 in their accounts.

This raises the question: Is it simply a matter of low wages, or are there other factors at play? Ho points out that while Covid-19 was a shock, in retrospect there was no massive downturn when it came to income.

"Malaysians are slowly coming to the realisation that EPF savings are not the sole source of funds for retirement. Although more are becoming educated about the topic, they lack access to proactive tools," says Ho.

Findings from FRI show that households with higher financial literacy are 49 percentage points more likely to feel optimistic and less likely to experience financial stress, which has often been cited as one of the greatest burdens on mental health.

This is also reflected in general behaviour, as households with stronger financial capability are more likely to plan ahead and maintain longer-term financial habits, while others remain focused on immediate needs, which could end up being a costly move.

"I see investing as akin to planting a tree. You yourself may never be able to sit below its branches, but your children will," says Randy.

RETIREMENT IS ABOUT MORE THAN JUST A NUMBER

However, investing itself has also undergone several changes over the years — not so much the concept, but rather the ways people choose to channel their money. Priorities have also shifted from generation to generation, meaning that everyone's goals now look slightly different.

"Of course, people are still looking for returns, there is no walking away from that. But many are starting to realise that returns alone don't tell the whole story. The main question is no longer, 'What will give me the highest return?' Rather, it is 'Will my plan work if the market falls, or if I happen to live longer than expected?' That is the challenge: protection. Will this strategy still work five or 10 years down the line? That is where the expertise of companies like Sunlife comes in," says Randy.



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Technology has also drastically changed how people interact with their financial institutions. Customers now expect a truly seamless experience, and with social media democratising information, the need for reliable advice becomes even more crucial.

Sitting at the very intersection of these needs is artificial intelligence (AI), which both Randy and Ho are big proponents of, but in very selective ways. FRI revealed that six in 10 of the Malaysians it surveyed now regularly use generative AI for financial advice, almost 18% more than in 2025.

"Yes, clients are looking for convenience. However, what they come to discuss is deeply personal: their health, future and family — and they want to talk with people they trust," says Ho.

Randy is more direct, pointing out that "AI is not capable of empathy".

This human touch makes all the difference in product differentiation; products can be replicated, but a human touch cannot be replicated by an algorithm. As an example, Ho mentions how takaful products play an instrumental role for Sunlife's Malaysian operations, and how the group runs numerous campaigns on the ground to encourage adoption, which allows them face-to-face time with potential customers.

Returning to the original question, it is clear that retirement for Asians and Malaysians is increasingly defined less by a set age and more by the interplay of wants and needs.

"Seventy-nine per cent believe retirement should be a personal choice. Instead of abandoning their growing wealth, people are pacing it — building in protection, structure, expert advice, and regular reviews to ensure it is there when it actually matters," says Randy.