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The Filipino Financial Confidence Report

2026



Based on research conducted by Ipsos across 1,050 Filipino middle-class households
Monthly household income PHP 25,000 to PHP 149,999 | Ages 21 to 65
Fieldwork: October 10 to 28, 2025 | Published: July 2026

Ipsos

A message from the CEO

Every year, millions of middle-class Filipinos make critical financial decisions under intense pressure. At their kitchen tables, they calculate what they can afford today, what dreams they have to postpone, and what they hope will somehow work out in the future. They are navigating a rapidly shifting economic landscape that demands harder choices, earlier preparation, and absolute structural clarity.

But as we look ahead, we must confront a fundamental truth: hope is not a financial strategy.

For generations, Filipino culture has deeply valued "resilience", praising our people for their *diskarte* — the ability to "make do" and bounce back after a crisis. This spirit is admirable, and it is a trait our industry rightly champions. However, relying on reactive survival alone is exhausting. True resilience cannot just be a mindset; it must be structural. While *diskarte* is a powerful mechanism for staying afloat, achieving sustainable growth requires moving from passive endurance to earned certainty.

True financial confidence is not about passively hoping the storm misses you or proudly surviving it on a raft. It means knowing you aren't just one medical bill or one job loss away from losing everything you've worked for. It is the economic equivalent of building a house with a solid concrete floor and a stormproof roof. Even when a massive typhoon hits, you know your family is safe, your foundation is secure, and you won't have to start back from absolute zero.

Financial confidence is not about being rich. It is about retaining control over your financial narrative, no matter what happens. It means having the clarity to make decisions today that allow you to absorb life's shocks and recover quickly, ensuring that an unexpected setback tomorrow cannot wipe out a lifetime of hard work.

The Filipino Financial Confidence Report 2026 was born out of a responsibility to understand these dynamics deeply. Built on a comprehensive study of 1,050 middle-class respondents across the Philippines conducted by Ipsos, this research spans Gen X, Gen Y (Millennials), and Gen Z. The data highlights a critical, widening gap in our society: the distance between passive resilience and earned certainty.



Currently, only 32% of middle-class Filipinos describe themselves as financially confident. This report is dedicated to the 68% who are ready to change that reality.

We are publishing these findings because financial education and security should never be an exclusive privilege. It must become a structural advantage — one that empowers individuals to ask better questions, protect their families, and take concrete control of their future.

As we look to the future, our commitment is to help shift the paradigm from temporary survival to permanent stability. I invite you to use the insights in this report to support your hopes and dreams with deliberate action, build your solid foundation, and take on tomorrow with financial confidence.

Soon Liang Lau
President & CEO
FWD Philippines

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Section 1:

The State of Filipino Financial Confidence

Life is full of events we plan for and things we never see coming. Having financial confidence means you are equipped to navigate these moments and protect what's important to you whether it's freedom to choose, your family's future, or your dream retirement.

Financial confidence is trust in your own ability to manage your money, make smart choices, handle challenges and unexpected twists, and keep moving toward your long-term goals. It is knowing you can bounce back no matter what life throws at you.



The Reality

Seven in ten middle-class Filipinos are experiencing prolonged financial constraints

Sentiment of middle-class families indicates a consistent trend of capital constraints and long-term anxiety.

The burden of stress



Currently, **68%** of middle-class Filipinos report persistent financial anxiety. This is not a temporary rough patch; households have been juggling rising costs and multi-generational family duties for decades.

The cost of today



Because daily bills demand immediate cash, long-term security gets pushed to the bottom of the priority list. The things people want to do, like save money and protect their loved ones, constantly get delayed by the expenses they must pay today.

The Drivers

Three financial pressures fueling anxiety

These everyday anxieties reflect the challenges middle-class households actively manage, cutting across all generations:

Rising cost of living



74%

continue to face challenges with the rising cost of everyday living

Healthcare insecurity



52%

are concerned about medical crises and the cost of healthcare

Retirement anxiety



34%

are anxious they will outlive their productivity and not have enough for retirement

The Motivation

Fighting for stability and success

The middle class is prioritizing baseline economic stability.

Despite overwhelming pressure, Filipino families are highly driven and ambitious. When asked about their goals for the next two to three years, they aren't dreaming of extravagant lifestyles; they simply want stability and a measure of success:

56%
want to guarantee long-term financial security for their families

52%
are actively trying to set up a solid emergency fund

45%
are striving to achieve financial independence

45%
are working to fully fund their children's education

These goals represent the foundation of a secure life that hard-working Filipinos rightly deserve, but have not yet been able to secure.

The Solution

Financial confidence starts when hard work meets preparation

Financial confidence starts the moment you match your daily hard work with proactive preparation.

This lets you face your financial reality with total honesty, and build a safety net for you and your loved ones.

It is about closing the distance between where you stand today and where you want to be.

Financial confidence is not about feeling wealthy. It's about feeling ready for whatever life brings.

It is the ability to navigate uncertainty with clarity, knowing what you have, what you owe, and what still needs to be built. More importantly, it means having a plan in place so when something goes wrong, your life and your loved ones do not fall apart.



Section 2:

What Financial Confidence Looks Like by Generation

Filipino households are not all the same. A 24-year-old navigating her first job and a 52-year-old planning his retirement face entirely different financial realities, even if they live in the same house.

Financial confidence means something different at each life stage. It is affected by different risks, fueled by different goals, and built in different ways. This section looks at financial confidence through the lens of three distinct generations:

Gen X • Born 1965-1980

Close to retirement, far from ready

Gen X is nearing retirement at a time when income becomes finite, healthcare risks rise, and financial missteps are harder to recover from. The result is a generation shaped by one defining pressure: protecting what they have built while preparing for a future they may not yet be ready to fund.

The Retirement-Seekers



The Solo Navigator

Gen Y • Born 1981-1995

Trying to sustain, but financially squeezed by multi-directional demands

Gen Y must support multiple priorities at once: aging parents, growing children, shared households, and their own long-term security. The result is distinct subsegments shaped by the same pressure: sustaining others while struggling to secure themselves.

The Classic Sandwich



Gen Z • Born 1996-2010

Navigating shifting careers and new unknowns

Gen Z is building independence in an economy defined by unstable income, shifting careers, and constant uncertainty. The result is a generation shaped by one defining pressure: staying self-sufficient while trying to build security on ground that keeps moving.

The Fragile Independent



The Chosen Family

GEN X: The Retirement-Seekers
Close to retirement, far from ready



For Gen X, financial confidence is about certainty in the face of a future that is now close enough to calculate. They are entering the years when regular salary income will stop, healthcare needs will rise, and the decisions they made decades ago will determine their daily quality of life.

As retirement approaches, the financial mindset of Gen X shifts fundamentally to protection. They are no longer focused on taking aggressive risks to grow new wealth; instead, their primary goal is protecting the wealth they have already built and adding to it. This defensive posture is driven by immediate economic anxieties:

65%
worry that inflation will reduce the purchasing power of their hard-earned savings

57%
fear that unexpected healthcare costs will completely deplete their funds

41%
are anxious about the impact of stock market volatility on their investments

35%
worry about having enough to maintain their desired lifestyle in retirement

Life after retirement: driven by choice or survival?

Quality of life after retirement is driven by financial confidence: can they afford to retire according to their own terms, or do they need to keep working for themselves and those who rely on them? The data reveals the generation is splitting into two paths:



Retirement by choice (60%)

6 in 10 plan to retire on their own terms.

Work becomes a source of purpose, not a mandatory lifeline.

- **41%** want to leave their main career to launch a new business or pursue a passion project
- **19%** are fully prepared to stop working



Retirement by survival (40%)

4 in 10 are worried they can't afford to retire. This segment is forced to keep working.

- **29%** must take part-time or flexible jobs to supplement basic living expenses
- **8%** do not plan to ever fully retire
- **3%** explicitly worry they will be stuck in the workforce forever

Their retirement fund: vulnerable to medical crises, inflation, increasing life expectancy

Gen X faces a compounding set of financial risks that are more concrete than ever before. They are highly aware that they have protection gaps that leave them exposed:

The medical vulnerability (82%)



8 in 10 do not have enough money to cover heavy medical costs, leaving their entire nest egg exposed to a single health emergency

The inflation threat (81%)



There is widespread worry that existing savings are not keeping pace with the rising cost of everyday living, meaning purchasing power will shrink over time

The longevity risk (71%)



Driven by increasing life expectancy, the vast majority are anxious about outliving their savings and running out of money during their retirement years

Retirement versus legacy dilemma

They are trying to fund an active, potentially long retirement while simultaneously fulfilling deep cultural and emotional obligations to the next generation. When asked how they plan to allocate the wealth they have accumulated, their priorities conflict:



67%

want to fund a comfortable and secure retirement for themselves



64%

explicitly fear they will be unable to leave financial inheritance due to competing pressures



63%

need to ensure they are prepared for major healthcare costs in their old age



52%

feel intense pressure to leave a significant financial legacy as an inheritance



51%

aim to actively help their children financially while they are still alive

What financial confidence looks like for The Retirement-Seekers, in practice:



A Gen X Filipino with financial confidence has a retirement income plan that provides guaranteed, predictable income that they will not outlive. They have healthcare coverage that covers the high-cost years at the end of life, not just major accidents. Their savings are positioned to grow at a rate that protects their purchasing power over a long retirement. They have a basic legacy plan that is not necessarily large but built with intention. And they have reviewed their protection coverage in the last two years to make sure it still reflects their life as it actually is, not as it was when they first bought it.

Financial confidence for Gen X is the ability to say: "Retirement is approaching, and I am prepared for it."

GEN Y: The Classic Sandwich
The forever breadwinners



The “Sandwich Squeeze” is a financial reality locking Gen Y into a cycle of caregiving. Many Gen Y Filipinos in the classic sandwich face challenges with financial security because they are everything to everyone, all at once.

They are supporting both parents and children while trying to hold their own future together. This intense multi-directional dependency means their monthly income is heavily consumed by immediate, non-negotiable family expenses:

The day-to-day expenses (32%)



Nearly a third of their financial resources are completely absorbed by the basic daily expenses and upkeep of their households

Medical & care needs for parents (27%)



Over a quarter of their budget is explicitly dedicated to managing the health, medication, and care of aging parents

The multi-generational load (91%)



9 in 10 Gen Y provide financial support to their parents, while managing an average of 2 children per household

Competing priorities create severe stress points that derail their personal security

Because every peso is already committed even before it is earned, Gen Y must constantly balance the needs of their children, their parents, and themselves. This pressure results in clear financial stress points that impact their long-term security:



61%
experience stress over their ability to save for their own retirement



53%
face difficulty building an emergency fund for the whole family



50%
feel limited in their ability to save for personal life goals

Operating without a financial buffer leaves these households highly vulnerable to sudden economic disruptions.



35%
are not confident they could handle a major unexpected medical expense for the family



38%
report that these financial trade-offs directly impact their mental and emotional well-being



73%
prioritize family needs during financial windfall, sacrificing self-preservation

Even when extra money or a windfall becomes available, Gen Y consistently chooses to deprioritize themselves.

Their deep-seated commitment to family causes them to sacrifice their own long-term security for immediate household peace of mind:



34%
funnel extra funds into family emergency funds



30%
put money toward children's future education



Only 19%
allocate any extra money toward their own retirement

What financial confidence looks like for The Classic Sandwich, in practice:

A classic sandwich generation Filipino with financial confidence has a plan that keeps the household standing even if the breadwinner gets sick, loses income, or passes away. Bills are paid, parents are cared for, and children stay in school. They are not compromising one financial priority for another, and they are not one emergency away from debt. Their income protection covers not just today's expenses but the lifestyle both their children and parents depend on. And they have thought through their own future too, not just the futures of everyone they carry.

Financial confidence for the classic sandwich generation is the ability to say: "I am holding up three generations, and I have made sure that if something happens to me, they will be okay."

GEN Y: The Solo Navigator
In complete control today, but entirely exposed tomorrow



For generations, the traditional milestones of Filipino adulthood were non-negotiable: marry, build a household, raise children, and count on that family network for long-term security. But a rapidly expanding segment of Gen Y is entirely rewriting this script.

They are highly educated, financially self-sufficient, and single by choice – navigating the economy without a secondary income, a partner's safety net, or the traditional expectation of multi-generational support.

This structural choice creates a unique tension: while they enjoy absolute lifestyle control today, they carry the entire responsibility of securing their long-term financial security completely alone.

Driven by self-reliance, solo navigators trade traditional family safety nets for modern independent living

Solo navigators operate with the reality that they do not have a spouse's secondary income as a backup, nor do they rely on children for support in their later years. This choice introduces a distinct set of long-term planning requirements, as an increasing segment of the population intentionally chooses singlehood.

In traditional Filipino culture, unmarried individuals without children were often referred to as *"matandang dalaga"* or *"matandang binata"*. Historically, these individuals were expected to take care of aging parents or move into the households of siblings who had built families of their own. However, modern solo navigators are redefining this trajectory, choosing independent living based on high educational attainment and financial self-sufficiency. This evolution is driven by documented, long-term national trends:



1.7 children per woman signals a historic demographic low

Data from the Philippine Statistics Authority (PSA)[1] National Demographic and Health Survey shows that the country's total fertility rate has dropped to an unprecedented low. This is part of a steady, multi-decade decline rather than a temporary shift, down from a fertility rate of 4.1 in 1993.



9.2% of households are solitary living

Research from the University of the Philippines Population Institute (UPPI)[2] shows that one-person households now account for a significant portion of the country's total households, driven by shifting social values and structural composition.



56% prioritize absolute autonomy over traditional milestones

This segment designates "achieving financial independence" as their primary short-term goal – a deliberate choice made to maintain total control over their own lives.

Local academic and demographic literature points to three clear structural drivers fueling this voluntary decision to step away from traditional family structures:

The unbundling of the traditional "family fallback" model[3]

Historically in the Philippines, raising children was culturally viewed as a long-term insurance mechanism – an expected support system for parents in their old age. With the rise of independent financial literacy, modern solo professionals view this traditional dynamic as a cycle they prefer to break, choosing instead to completely self-insure their own retirement.

Capital realignment in a high-cost economy[4]

Rising inflation, real estate barriers, and the escalating cost of education have turned traditional child-bearing into an immense economic liability. Solo navigators prefer allocating their capital toward immediate wealth-building, career mobility, and personal financial stability.

The premium placed on lifestyle control[5,6]

Career acceleration, travel flexibility, and a growing focus on well-being and mental health increasingly outweigh traditional expectations of early marriage and childbearing. Many now prioritize autonomy, growth, and financial independence before taking on family responsibilities.



The reality of the solo timeline

While a solo navigator's mindset or relationship status may change in the future, the profound financial exposure remains an active, high-stakes challenge for as long as they are navigating the economy as a single unit. Every year spent solo is a year where they remain the sole underwriter of their life.

The "half-sandwich squeeze": supporting today versus planning for tomorrow

Though without children, solo navigators face unique family responsibilities. They experience a "half-sandwich squeeze," where financial resources are frequently directed toward supporting aging parents or other family members, placing additional strain on their finances and increasing their long-term vulnerability.



Furthermore, navigating the local economy as a single unit exposes them to distinct structural, fiscal, and lifestyle friction points that multi-income households rarely face:



94% pet ownership rate leads Southeast Asia

Leading the region according to a January 2024 survey by the Worldpanel Division of Kantar Philippines (Philippines Upscale Pet Food and Supplies)[7], a profound cultural shift has occurred. Solo navigators are increasingly choosing to be child-free, substituting traditional family building with "fur parenting" to fulfill their need for companionship without sacrificing their autonomy.



83% of surveyed Filipino pet owners consider their pets their "child" or "baby"

Industry research points to growing pet humanization in the Philippines. According to a survey by Vero (Philippines' Burgeoning Pet Culture is Creating 'Paw-Some' Opportunities)[8], pets are increasingly treated as family members, driving regular spending on food, veterinary care, grooming, and other pet-related needs. For solo navigators, this creates a significant fixed cost within a single-income budget.



0 legal dependent tax credits are available to single professionals

Under the current Philippine fiscal regulations, single individuals without legal dependents lack access to specific tax exemptions or "Head of Household" structural benefits, meaning they absorb a higher proportional tax burden and cost of living per capita.



100% of household fixed overhead rests on a single income

Because they cannot split costs, expenses like urban rent, utility bills, and condominium association dues are carried entirely by the individual, leaving them highly vulnerable to sudden cash flow disruptions and unexpected financial emergencies.

This localized combination of family obligations and individual financial constraints restricts their cash flow, creating a sharp contrast between their stated financial intentions and actual asset management:



70% want protection against health and medical emergencies

They express an intense drive to secure health coverage to buffer against unexpected medical expenses.



Only 40% have coverage

Less than half of total solo navigators are consistently and actively managing their insurance portfolios, meaning actual ownership of key financial and medical plans lags significantly behind their target goals.

While the intent to build a health buffer is high, actual ownership of financial health plans lags, exposing a deep vulnerability in a segment that has no secondary income to absorb a sudden crisis.

Financial confidence requires shifting from short-term savings to a self-sustaining, lifelong support system

For a solo navigator, financial confidence is not about matching the milestones of traditional family structures or accumulating short-term assets. Instead, it is about long-term self-reliance, knowing with absolute certainty that the financial structures they build today can carry them entirely through old age even without a fallback.

What financial confidence looks like for The Solo Navigator, in practice:



A financially prepared solo navigator transitions from generic savings to an intentional, independent financial framework. As a matter of practical financial planning, they focus heavily on securing personal health protection and critical illness plans, ensuring that a medical concern is fully covered without draining their personal wealth.

Recognizing they do not have any fallback to step in financially, they design a rigorous retirement roadmap centered on longevity, deliberately investing in vehicles that yield reliable passive income to sustain their lifestyle into old age.

Finally, they actively fund and construct their own social support systems and healthcare proxies, ensuring their personal, medical, and financial affairs are securely managed on their own terms.

Financial confidence for the solo navigator is being able to say: "I secured my future with proper planning and preparation, not by assumptions about who will take care of me."

GEN Y: The Chosen Family
Inseparable by bond, unrecognized by law

While traditional legal frameworks define family through biological ties or marriage, a demographic shift is quietly emerging among the urban, educated middle class. Known as the chosen family segment, this includes deeply committed households such as LGBTQIA+ partnerships, long-term cohabiting couples, and families raising informally adopted children.



According to frameworks from the Philippine Institute for Development Studies (PIDS)[9], these households are often highly educated and professionally stable. They function as primary family units – pooling resources, purchasing property, and supporting one another's daily lives, yet remain not fully recognized within existing legal frameworks. As a result, they face a unique vulnerability: they carry the responsibilities of a family, but without automatic legal recognition, their shared security remains unprotected.

Choosing shared households over traditional life paths

The concept of family in urban hubs has shifted from strict legal definitions to intentional, self-determined blueprints. For middle-class professionals who find traditional formalization legislatively unavailable, structurally rigid, or misaligned with their realities, a shared household built on a mutual bond has become a primary, long-term family form. This transition is verified by localized academic and demographic data:

Increasing cohabitation living arrangements

Long-term academic tracking published via the University of the Philippines Population Institute (UPPI) Young Adult Fertility Study (YAFS)[10] series notes that live-in arrangements have nearly quadrupled to 24%, evolving from a temporary youth phase into an acceptable, long-term household structure.

The rise of non-marital domestic concurrency

Research on family formation in the Philippines[11] points to a sustained rise in cohabitation, with more young Filipinos forming households outside formal marriage. Practical considerations, including shared living costs, financial responsibilities, and housing, are increasingly shaping how people form long-term partnerships and build families.

The reality they are navigating was starkly exposed during recent public health crises, where chosen families were disproportionately vulnerable in moments when it mattered most: hospitalization, emergency medical decision-making, and access to bereavement benefits. These systemic gaps have forced an urgent conversation around the validity of alternative households, shifting the focus from legal technicalities to the real-world responsibilities these families manage every day.

Growing recognition of the structural barriers facing chosen families

The primary threat to the chosen family is not a lack of commitment, but from the default institutional framework that categorizes them as legal strangers. This absence of formal recognition converts into financial exposure and structural vulnerability across everyday life:

Zero automatic medical proxy rights

Under the Philippine Civil Code, a domestic partner, an LGBTQIA+ spouse, or an informally adopted child is legally categorized as a "stranger." In a critical care emergency, they are structurally barred from signing medical waivers or directing life-saving procedures.

Exclusion from default workplace benefits

The vast majority of corporate Health Maintenance Organization (HMO) templates and social security frameworks restrict the definition of "dependents" to legal spouses and legitimate children.

This forces chosen families to pay double out-of-pocket premiums to secure private healthcare coverage for one another.

0% default inheritance model

Under civil law, common-law partners and informally adopted children possess zero rights of compulsory intestate succession.

If a partner passes away without an extensively audited will, the entire estate – including homes and assets funded jointly – automatically defaults to blood relatives, often leaving the surviving partner entirely disenfranchised.

Zero access to household tax breaks

Single professionals in shared households cannot file for structural tax benefits or claim partner-related tax credits.

This means that they have to absorb a higher proportional per capita tax burden than legally recognized couples sharing identical expenses.

The legitimacy of these challenges is underscored by the historic, localized efforts currently being built by progressive institutions to bridge this legal vacuum:



The "Right to Care" ordinances

Groundbreaking local initiatives like the Quezon City Right to Care Ordinance (Ordinance SP-3221, S-2023) and subsequent scaling in San Juan City have begun to close the healthcare gap.

By issuing Right to Care Cards, these LGUs empower resident queer and cohabiting couples to execute a notarized Special Power of Attorney (SPA). It grants them the legal authority to make critical health decisions and authorize treatments for their partners.



Corporate DEI structural redesigns

Major private sector companies and financial institutions are actively revising their corporate policies to reflect the evolving definitions of family and partnership.

Increasingly, they are recognizing same-gender, domestic, and common-law partners as eligible medical dependents, often accepting an Affidavit of Cohabitation in lieu of the traditional marriage certificate requirements.

While these local interventions offer meaningful steps toward inclusion, they remain localized exceptions. For the vast majority of middle-class chosen families across the country, the challenge remains an everyday financial reality.

Proactive financial planning helps chosen families navigate institutional gaps

For the chosen family, financial confidence begins with recognition. Their household structures, their relationships, and their definitions of family do not fit standard administrative forms. Yet their financial needs, their love for the people they are responsible for, and their desire to protect the life they have built together are just as real and urgent as anyone else's.

Financial confidence for the chosen family means having access to the same financial security that traditional families access without thinking about it: the ability to designate the person you love as your beneficiary, the ability to build a protection plan that covers the people in your actual household, and the ability to plan a future that reflects reality rather than a standard form's assumptions.

In this environment, life insurance emerges as the ultimate equalizer and foundational tool for securing the chosen family, providing an alternative mechanism within existing legal frameworks and manually guaranteeing protection by design.

What financial confidence looks like for The Chosen Family, in practice:

A chosen family member with financial confidence establishes a comprehensive protection and estate blueprint designed around their actual household. They utilize Irrevocable Beneficiary Designations on personal life insurance policies, naming their partner or informally adopted children as the direct recipients of their wealth. This creates a legally binding contract that completely bypasses restrictive intestate succession laws, ensuring that those they support are financially secure even after their death, free from the threat of estate disputes or interference from biological relatives.

Beyond legacy planning, they actively secure personal, portable health and critical illness coverages with clear medical proxy instructions, enabling their chosen family members to step in and take care of them during health emergencies without facing institutional barriers. They deliberately engage with financial products that take their household seriously rather than treating it as an exception.

Financial confidence for the chosen family is not different from financial confidence for anyone else. It simply requires more intentional navigation of a system that was not built with them in mind: "Our bond may not be written into the law, but our security is completely guaranteed by our own preparation."



GEN Z: The Fragile Independent

Navigating a changing landscape with optimistic anxiety



The Gen Z mindset is defined by a striking tension: young Filipinos are remarkably optimistic about their long-term financial goals, yet this optimism is entirely overshadowed by intense, immediate anxiety.

Gen Z is building their early adult independence in an economy where unstable income and shifting career models are the norm. Unlike older generations who entered the workforce during periods of predictable corporate growth, this age group confronts a highly fluid, volatile modern labor market as their permanent baseline. For them, traditional financial planning frameworks built on linear assumptions do not apply. Financial confidence is not about accelerating growth but a tactical strategy for baseline survival.

The volatility defining the modern Filipino labor market is a two-way dynamic. It is driven simultaneously by rapid technological and structural shifts in the global economy, and by Gen Z's deliberate rejection of traditional, rigid corporate setups.

The structural pressures shaping the market

On one side, external environmental trends are actively changing entry-level career predictability:

The automation of early career footings

AI is rapidly absorbing repeatable, junior tasks like basic documentation, routine data processing, and initial reporting. According to the 2025 World Economic Forum's Future of Jobs Report[12], this fast-paced displacement forces a massive upskilling demand, meaning young graduates risk losing the steady, hands-on corporate on-ramps that once anchored previous generations.

The rise of borderless, contractual hiring

International firms are increasingly bypassing permanent local headcounts in favor of agile, offshore contract hiring and project-based staff augmentation. This shifts the employment landscape away from secure, multi-year tenures toward short-term, independent freelancing. As institutional benefits are less guaranteed, workers are expected to secure their own financial safety nets.

The generational preferences driving the shift

On the other side, Gen Z is actively leaning into this fluidity, prioritizing personal well-being.

Gig economy for flexibility

Data from the Philippine Institute for Development Studies (PIDS)[13] reveals a profound behavioral shift: over half of this generation (53%) explicitly prefer multiple part-time roles or entrepreneurship over a single full-time traditional job. They deliberately choose the gig economy to protect their time, preserve mental health, and allocate funds for immediate lifestyle desires like travel.

An insistence on purpose and authenticity

Gen Z heavily prioritizes values-driven employment.

Research[14] shows that these young workers demand meaningful work that aligns with their passions and allows them to make a social impact. They also place a premium on employers that support mental health and sustainable work-life balance.



Personal financial future outlook: the optimism paradox

This colliding friction between an unstable market and a desire for independence splits their outlook into a split reality:



39% maintain long-term optimism amidst a changing landscape

They retain an optimistic belief that they can ultimately navigate the chaos and achieve their long-term financial goals.



34% are actively pushed back by structural job insecurity and inflation

This optimism is constantly checked by immediate macroeconomic pressures, leaving them highly anxious about basic career stability.

The cost of independence: burnout and financial vulnerability

The everyday financial fears of Gen Z are deeply intertwined with their mental health and wellness concerns. Trying to balance their desire for personal autonomy with variable, modern income streams in a high-cost environment has created an age group that feels perpetually one emergency away from financial insolvency:

64% are constrained by the rising cost of everyday living



Hyperinflation stands as the absolute primary financial concern for this generation, severely restricting their monthly disposable income

62% suffer from persistent work stress, anxiety, or burnout



The relentless pressure to remain competitive and continuously upskill to match market changes triggers severe psychological depletion

45% face deep anxiety over the high cost of healthcare



Knowing how rapidly a medical crisis can liquidate a household's early wealth, Gen Z reports an intense fear of healthcare-induced financial shock

27% are actively hyper-aware of unexpected job loss or income reduction



Because modern roles are increasingly project-based or contract-dependent, income volatility serves as a constant, frontline stressor

This protective instinct, however, hits an immediate execution gap when Gen Z seeks out institutional financial products to construct a safety net:

51% find traditional protection and insurance products too expensive



Early-career wages and irregular freelance cash flows make standard premium structures feel financially out of reach

21% are highly resistant to being locked into long-term financial commitments



Operating with young, fluctuating incomes makes them wary of rigid, multi-year contracts

20% find standard financial products too complicated



Legacy institutional frameworks create an unnecessary layer of friction for an age group that demands immediate, accessible clarity

Protection is redefined not as wealth-building, but as safeguarding their radical independence

For Gen Z, financial confidence is fundamentally about independence. It means having enough of a self-managed buffer that a single setback — an unexpected medical bill, job loss, or broken work tool — does not unravel everything they have built.

At its core, it means not having to call their parents for financial rescue. Protection is viewed through a practical lens: preserving personal autonomy and safeguarding existing stability.



65% prioritize securing income continuity

Their primary target is ensuring they still have an active income stream if they get sick, injured, or are temporarily unable to work



60% demand autonomous access to healthcare

They want to independently afford quality healthcare and wellness support, without relying solely on default employer benefits



47% anchor on parental independence

A core generational driver is ensuring they do not have to depend on their parents financially when an emergency strikes



43% seek to shield what they have already built

They are highly focused on protecting early savings, investments, and micro-assets they have accumulated from being wiped out by a single setback

What financial confidence looks like for The Fragile Independent, in practice:

For Gen Z, financial confidence starts with making protection feel possible today, not something that only comes later with a bigger salary or a more stable career path. It's about having entry points that are simple, affordable, and aligned with how they actually earn and spend.

A financially confident Gen Z navigates uncertainty by starting with what they can afford now. They don't wait for milestones. They begin early, while costs are still low, and lock in protection that fits their current reality.

In practice, they separate their future from their day-to-day spending. They set aside a clear plan for protection, even in small amounts, so that unexpected events don't derail the progress they are just beginning to build.

They choose straightforward, right-sized coverage across life, health, and critical illness plans they can start small with, keep affordable, and build on over time. By putting these in place early, they create a protective boundary around their income, so that whatever they've worked hard to save remains intact, even when life takes an unexpected turn.

Financial confidence for Gen Z is not about having their entire life figured out. It is the peace of mind that comes from knowing they are no longer one bad event away from starting over: "I am building my independence on a foundation I control, automated to protect my life from the ground up."

Section 3:

Take On Tomorrow with Financial Confidence

The true value of financial confidence is that it shifts your relationship with the future from worrying about what might go wrong to preparing for what can go right.

To take control of your tomorrow, you must move beyond basic budgeting and understand how different financial plans protect your timeline and provide long-term security:

1. The four pillars of financial confidence



Protection (Income Replacement and Legacy Continuity)

This is your structural shield. Insurance protection can help provide financial support during periods of income disruption, so that when something happens to you, you pass on wealth and not debt, to the people who matter most. It is about taking care of your loved ones even when you are gone, ensuring that your hard-earned progress remains a lasting foundation for them.



Health and Critical Illness (CI) Insurance

This is your wellness boundary. Medical crises are the fastest drivers of unexpected debt in the Philippines. Health and Critical Illness protection provides a direct cash payout upon diagnosis of severe illnesses, ensuring you can afford quality treatment without draining your personal savings or relying on family contributions.



Savings and Investment-Linked Insurance

This is your wealth builder. These tools blend core insurance protection with an investment component, allowing your money to grow over time. They are designed to fund major life milestones like purchasing a home, starting a business, or securing your children's education, while keeping a safety net intact.



Retirement Planning Readiness

This is your ultimate independence fund. Retirement planning is simply creating a guaranteed income stream for your future self. It ensures that when you choose to stop working, you can completely maintain your lifestyle and remain entirely self-reliant. More importantly, it provides the confidence that your financial security will not have to depend on family support, government assistance, or continued employment.

2. The actionable roadmap for each generation

Every generation faces a distinct set of priorities. Building your financial confidence means activating the specific pillars that match your specific needs.

Gen X (The Retirement-Seekers): **Break the cycle and secure retirement readiness**



The Focus

Retirement and Health/CI Protection

The Move

Take control of your financial future with a plan that protects what matters most. While you may feel far from ready for retirement, you must prioritize securing independent health coverage and finalizing your retirement fund now.

By doing this, you ensure that your medical and living needs are fully covered, breaking the traditional cycle of relying on your children for support and giving them the freedom to build their own lives.

Gen Y (The Classic Sandwich): **Shield the present and protect your dependents**

The Focus

Protection, Savings, and Investment-Linked Insurance



The Move

Take control by managing your dual responsibilities with clear financial boundaries and a long-term plan. Because you are simultaneously funding aging parents and raising young children, you must establish life insurance policies that guarantee wealth, not debt, is passed down. Use endowment plans to build clear, separate funds for your children's education and your parents' medical costs so your core personal savings stay protected.

Gen Y (The Solo Navigator):
Secure your autonomy and build a self-reliant backup system

The Focus

Protection and Health/CI Insurance, and Early Retirement Planning

The Move

Take control by creating your own backup system. Because you manage your household on a single income stream without a dual-income safety net, your earning capacity is your most valuable asset.

Establish personal critical illness and income protection policies so your independent lifestyle remains completely secure, even if you face a temporary health crisis.

Simultaneously, leverage your greatest asset — time — by starting your retirement fund now.



Gen Y (The Chosen Family):
Design your own legacy and custom protection

The Focus

Savings/Investments and Life Protection

The Move

Take control by proactively mapping out your wealth architecture. Do not wait for legacy administrative systems to recognize your household structure. Use life insurance with clear, irrevocable beneficiary designations and endowment or investment-linked plans to guarantee that your partner or chosen family members are legally and financially protected, no matter what happens.

Build a legacy that reflects your chosen family, not just legal definitions.



Gen Z (The Fragile Independent):
Set up the foundation and secure radical independence early

The Focus

Flexible Protection and Early Financial Readiness

The Move

Take control by starting exactly what you can afford today. Financial planning does not require a massive salary or a corporate 9-to-5 desk. Because you are young, your personal risk profile is at its lowest which means insurance premiums are the most affordable they will ever be.

Take advantage of this unique window and the fact that you have the longest time ramp ahead of you by securing protection policies early. You lock in low rates and build an immediate safety net for your income and health, ensuring that a single unexpected setback never forces you to restart your independence from scratch.



3. Moving forward on your own terms

Tomorrow will always bring shifts in the job market, fluctuations in inflation, and changes in the economic landscape. Resilience is your ability to endure these changes; financial confidence is your decision to prepare for them.

By identifying where you stand today and the financial plans that match your life, you stop playing defense against the future. You own your narrative, protect your loved ones, and take on tomorrow entirely on your own terms.

When your foundation is secure, you have the freedom to stop just worrying about tomorrow, and truly step forward to celebrate living.

The Filipino Financial Confidence Report 2026 is based on research conducted by Ipsos across 1,050 Filipino middle-class households (monthly household income PHP 25,000 to PHP 149,999), ages 21 to 65, fieldwork conducted October 10 to 28, 2025. Part of a broader 9-market Asian study covering more than 9,000 respondents. FWD Life Insurance Philippines. July 2026.

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