

FSC. FINANCIAL RESILIENCE INDEX

APRIL 2025





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The Financial Services Council (FSC) started tracking the financial confidence and wellbeing of New Zealanders in March 2020, just as COVID-19 became a reality. It has tracked views over the past five years, with our latest survey for this report taking place in February 2025 and generating 2,005 responses.

New Zealanders are still concerned about the cost of living and about other indicators that are having an impact on our financial confidence and wellbeing. However, the overall data indicates a stabilisation or bottoming out across the Financial Resilience Index measures surrounding the economy, suggesting that respondents may be seeing that the worst may be behind us as OCR rates and cost of living pressures begin to ease.

This index reveals that, despite this, New Zealanders are still concerned:

- New Zealanders continue to worry about money, with 55% (equivalent to just over 2 million of us) worrying about money daily or weekly.
- Job security continues to become a greater concern since last year, with 80% feeling either completely, very or reasonably secure in their current employment, down from 84% in 2024 and 89% in 2023.
- There is a drop in the number of New Zealanders feeling prepared for retirement back to 44%, the same as in 2023.

- Concerns about inflation, house prices and interest rates are tailing off slightly, with all indicators showing reduced concerns across these three current financial issues.
- There has been a slight decrease in the number of New Zealanders with \$50,000 or less in savings and/or investments (around 1.29 million in total), supported by a slight increase in the \$250,001 and \$650,000 range (around 875,000 in total).

As always, this data shows a moment in time, but more importantly, it provides insights into how New Zealanders are really faring as we lean into the varied global and economic challenges we face over the coming year.

The Financial Resilience Index data indicates that financial confidence and wellbeing of New Zealanders is potentially on the up.

Through the Blueprint for Growth policy platform,¹ the FSC continues to highlight issues, drive change to improve our relationship with money and support the wider financial services industry to continue to drive this trend upwards as financial pressures ease.

With the support of the FSC Research Committee, we will delve further into these results over the coming year as we continue to focus on the key issues from this research through our Money and You research series.

¹ <https://blog.fsc.org.nz/media-release-16-august-2023>

FINANCIAL RESILIENCE INDEX KEY INDICATORS

84% 
**FINANCIALLY
CONFIDENT**

Financial confidence has decreased
There was a slight decrease in those reasonably to very confident in making financial decisions compared to last year (85%).

44% 
**FINANCIALLY
PREPARED FOR
RETIREMENT**

Fewer feel prepared for retirement
There was a 6% decrease in those reporting that they are very or reasonably prepared for retirement (back to 2023 levels) yet an increase in those reporting they could last longer than a year on remaining savings.

80% 
**FEELING SECURE
IN THEIR JOBS**

Job security has dropped
There was a decrease in job security, with 80% feeling either completely, very or reasonably secure in their current employment, down from 85% in 2024 and 89% in 2023.

43% 
**FINANCIALLY
LITERATE**

Financial literacy has slightly declined
The number of respondents who indicated having at least a good understanding across five financial literacy areas dropped 3%, which is an ongoing trend down from 47% in 2023.

79% 
**HAVE
INVESTMENTS**

Investment money has reduced overall
The number of New Zealanders with investments has dropped slightly from 82% last year. However, there is a slight increase of those with savings and/or investments between \$250,001 and \$650,000.

60% 
**OVERALL
ADVERSE
EFFECT ON
WELLBEING**

Effect of finances on overall wellbeing has stabilised
The number of respondents indicating an adverse effect of financial issues on their overall wellbeing has slightly decreased.



KEY INDICATOR **1** FINANCIAL CONFIDENCE

KEY INDICATOR **2** FINANCIAL LITERACY

KEY INDICATOR **3** FINANCIAL PREPAREDNESS

KEY INDICATOR **4** JOB SECURITY

KEY INDICATOR **5** WELLBEING



KEY INDICATOR: FINANCIAL CONFIDENCE

Financial confidence overall has again remained relatively stable, with 84% reasonably to extremely confident in

2025 compared to 85% last year, but with another notable drop in extremely confident respondents.

Which of the following statements best describes your confidence in making financial decisions?



2023: n=2,030; 2024: n=2,002; 2025: n=2,005

1

KEY INDICATOR: FINANCIAL CONFIDENCE

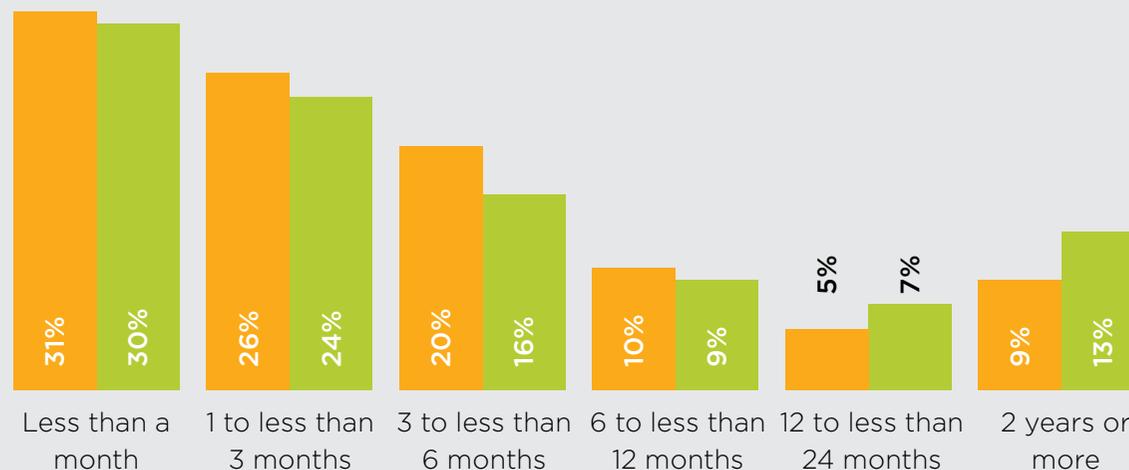
The number of New Zealanders able to keep up their current lifestyle without earning an income compared to last year is relatively stable, with a small increase in those being able to continue their lifestyle for 12 months or more.

There is little change in confidence in the economy except for the number of very confident respondents, which has seen a drop.

How long could you continue your current lifestyle without earning an income?

2024
2025

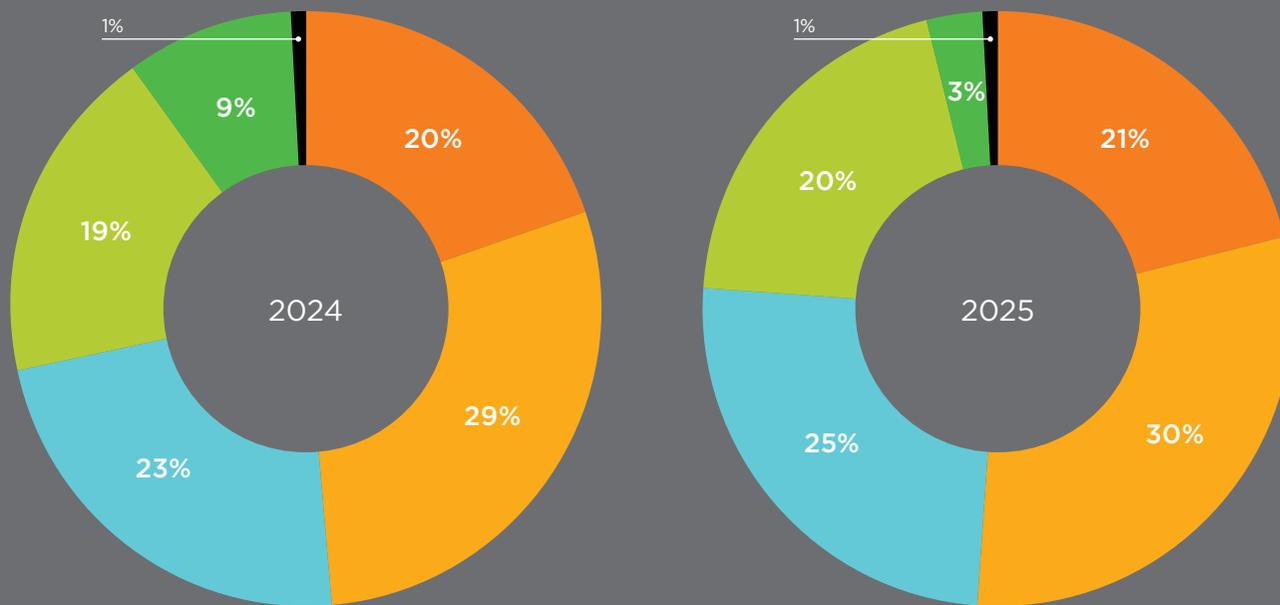
2024: n=1,504
2025: n=2,005



How confident are you with the overall economy at the moment?

- Very unconfident
- Somewhat unconfident
- Neither confident nor unconfident
- Somewhat confident
- Very confident
- Not sure

2024: n=2,002; 2025: n=2,005



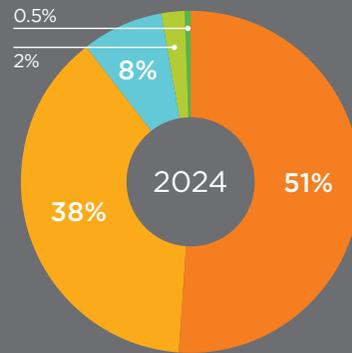


KEY INDICATOR: FINANCIAL CONFIDENCE

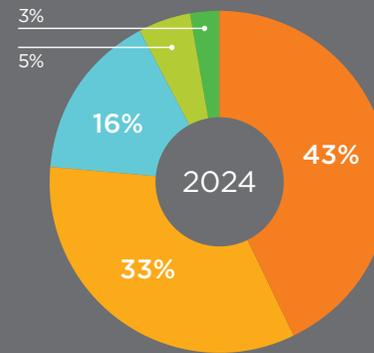
Inflation remains the highest concern, with concerns about house prices and rising home loan interest rates starting to tail off.

How concerned are you about the following financial issues at the moment?

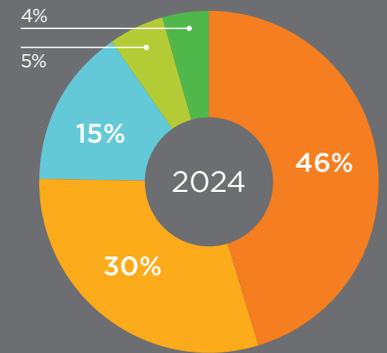
INFLATION



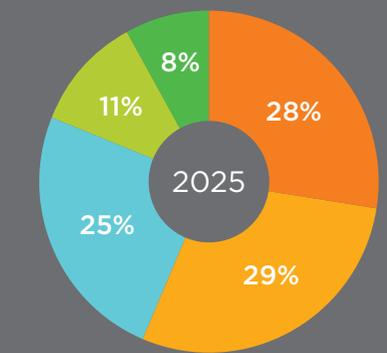
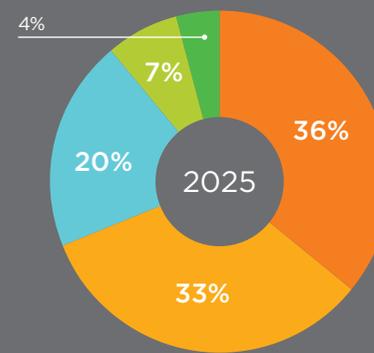
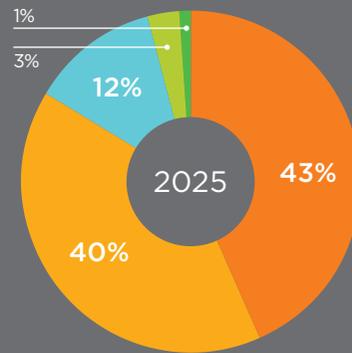
HOUSE PRICES



INTEREST RATES



- Very concerned
- Somewhat concerned
- Neither concerned nor unconcerned
- Not very concerned
- Not at all concerned



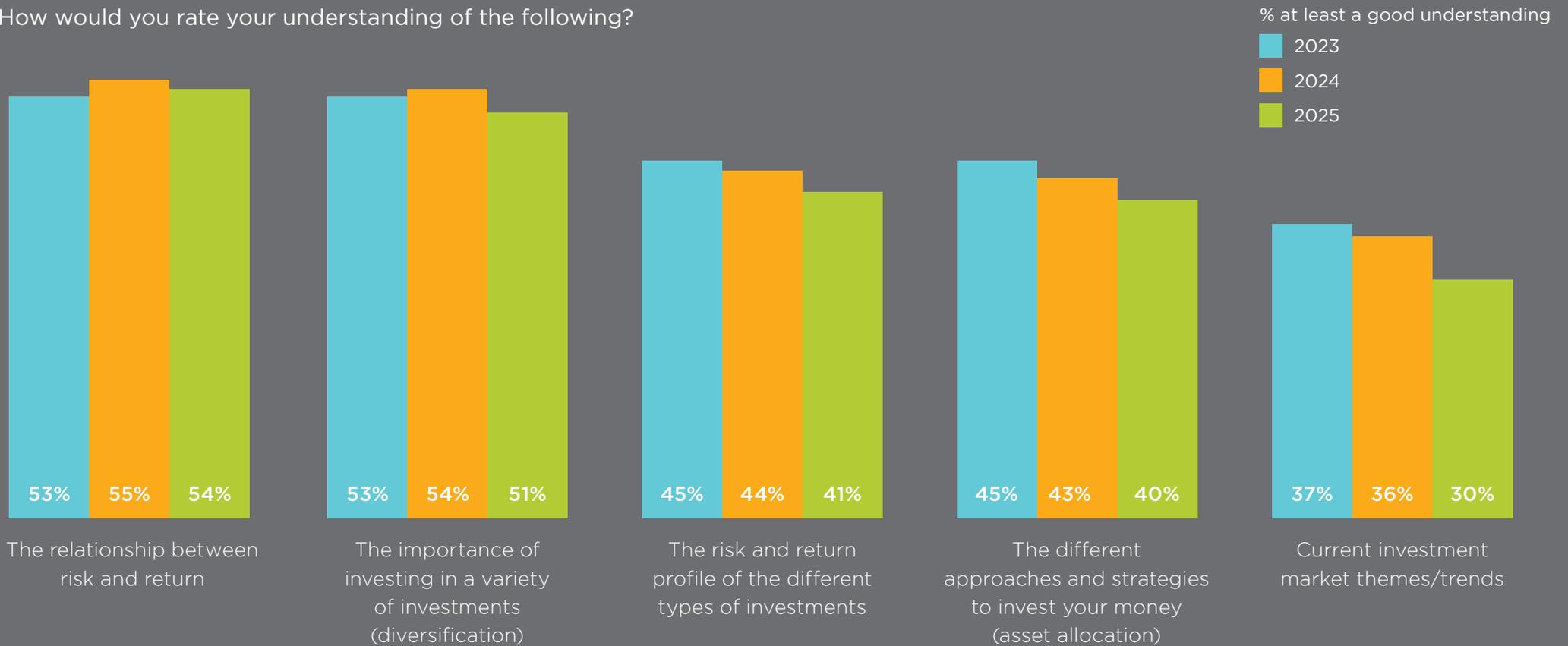
2024: n=2,002; 2025: n=2,005



KEY INDICATOR: FINANCIAL LITERACY

Self-reported financial literacy has decreased slightly across all indicators.

How would you rate your understanding of the following?

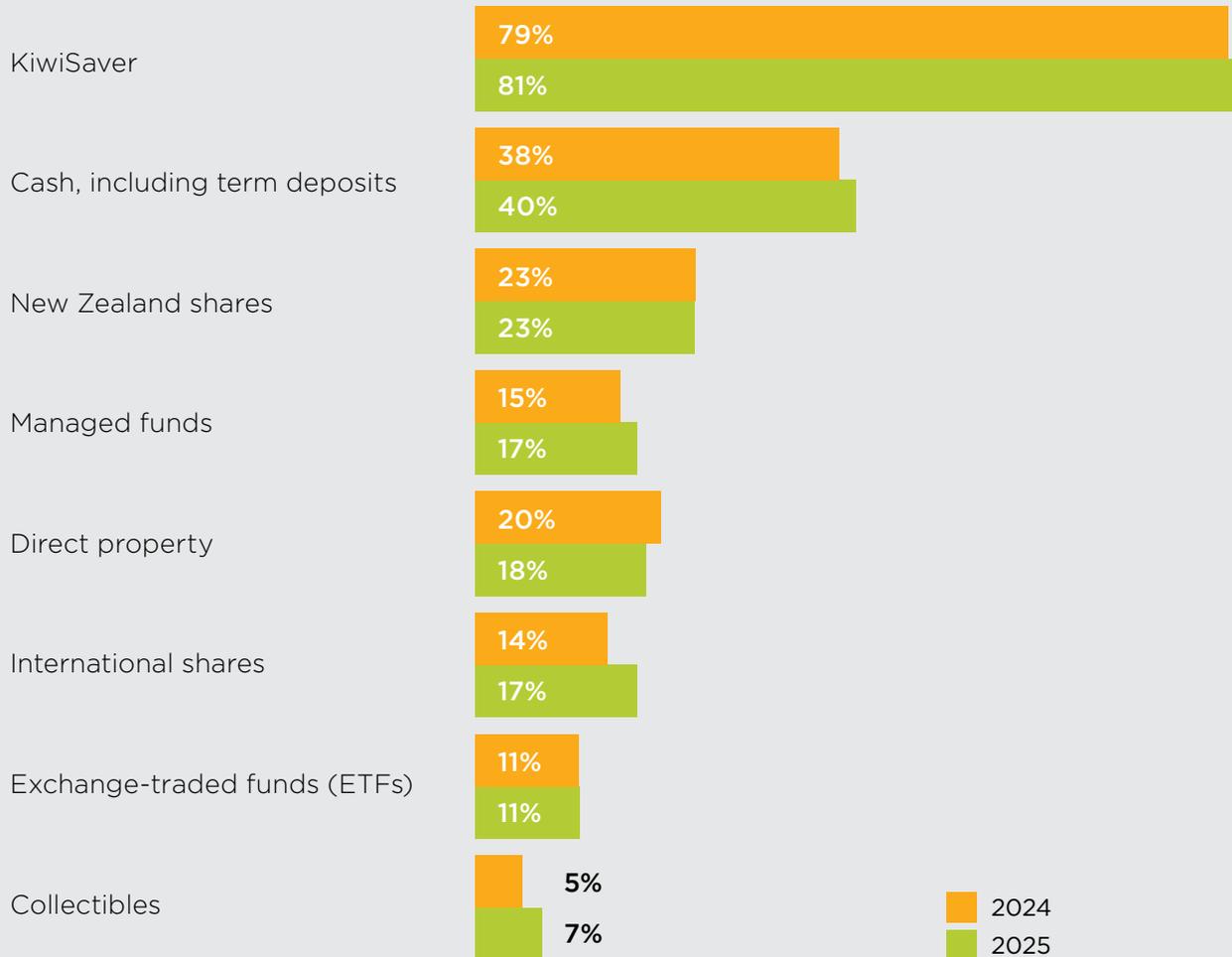


2023: n=2,030, 2024: n=2,002; 2025: n=2,005



KEY INDICATOR: FINANCIAL LITERACY

Which of the following investments do you currently have?



2024: n=2,002; 2025: n=1,579 (top eight investment types listed)





KEY INDICATOR: FINANCIAL PREPAREDNESS

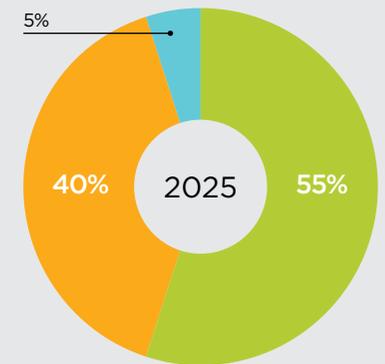
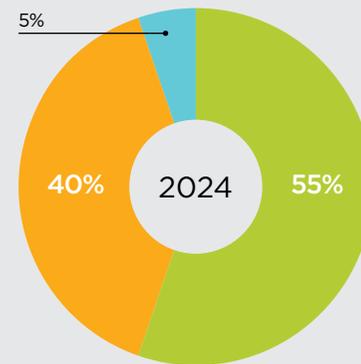
Being able to access money in an emergency is a key indicator for being financially resilient and prepared.

The data shows little movement year on year on the percentage of those who have savings, with the majority of New Zealanders having \$150,000 or less in savings when including KiwiSaver.

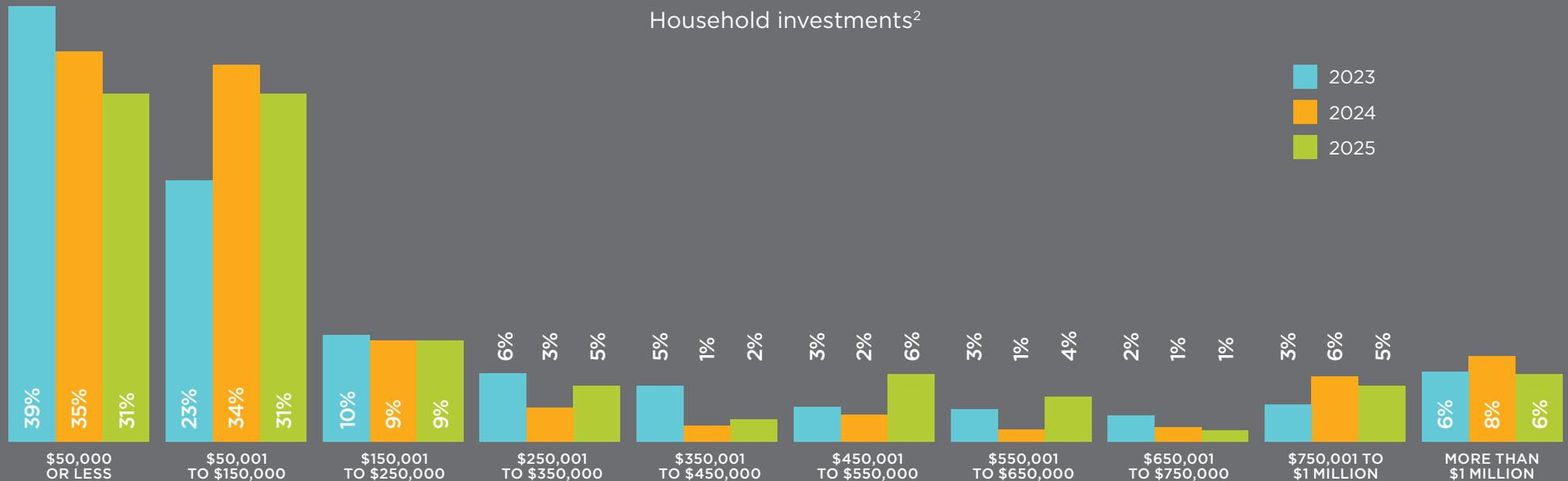
There has been a slight increase in numbers with savings between \$250,001 and \$650,000.

If you had to pay \$5,000 for something unexpectedly, could you access the money within a week (without going into debt)?

■ Yes
 ■ No
 ■ Don't know
 2024: n=1,103; 2025: n=2,005



Household investments²



2024: n=1,103; 2025: n=968

²Including KiwiSaver but excluding your residential property

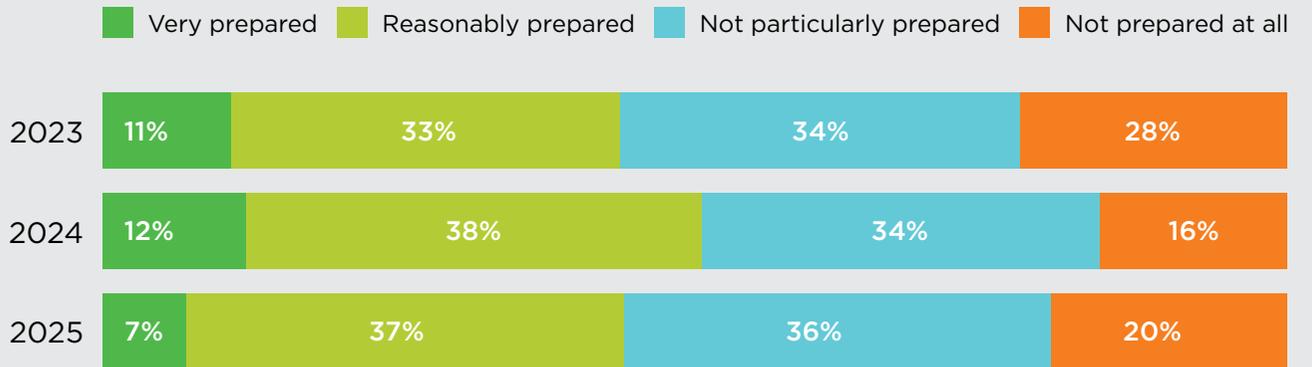


KEY INDICATOR: FINANCIAL PREPAREDNESS

This year, fewer people overall are feeling prepared for retirement, with those not being prepared at all rising to a fifth of respondents.

There is a slight positive shift in the number of respondents that could maintain their lifestyle with retirement savings, with fewer only being able to maintain their lifestyle for less than a year and more now reporting they could maintain their lifestyle for 6 years and more.

How financially prepared do you feel you are for retirement?



2023: n=1,805; 2024: n=1,504; 2025: n=1,385

How long could you maintain your lifestyle with your remaining retirement savings?

2024
2025



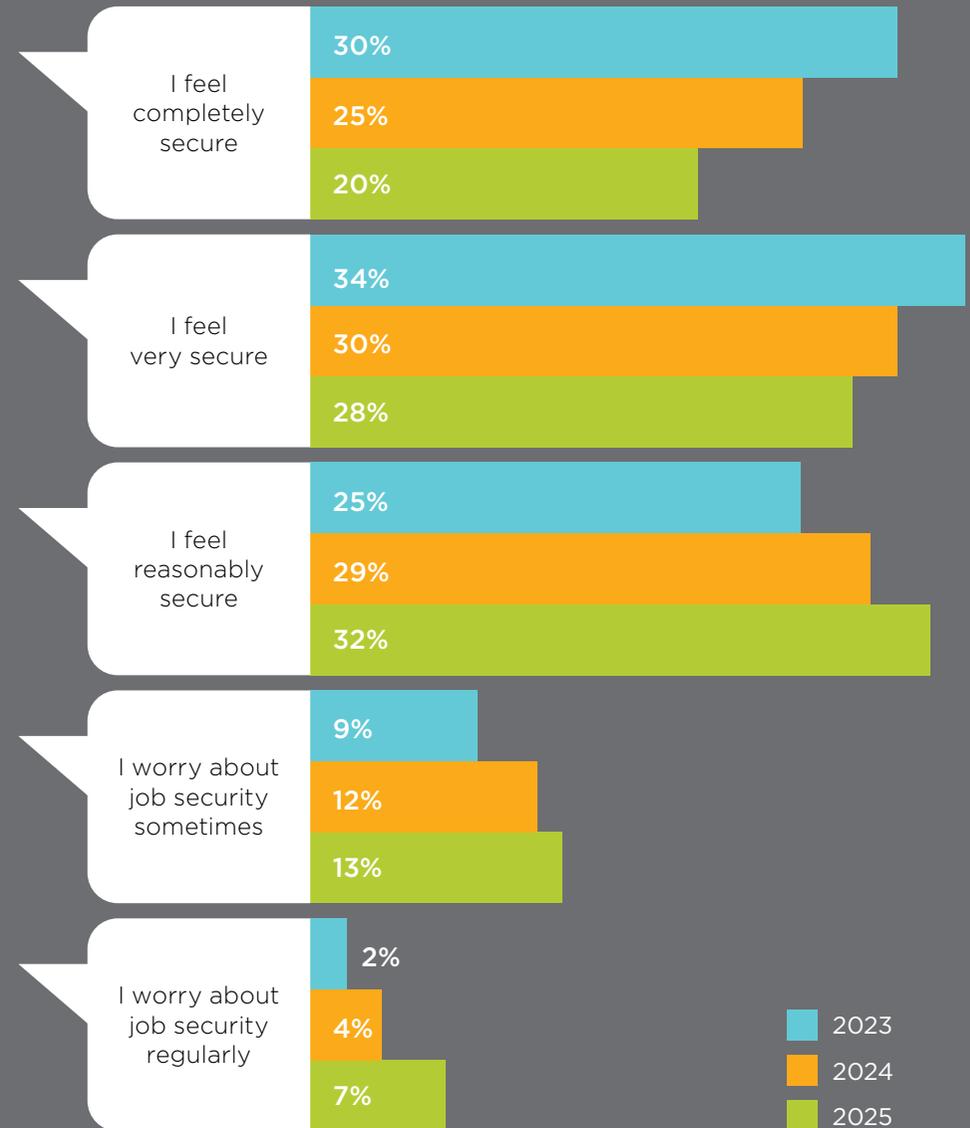
2024: n=232; 2025: n=329



KEY INDICATOR: JOB SECURITY

Job security remains high but there is a small downward trend. There was a decrease again this year around job security in current employment, with 80% feeling either completely, very or reasonably secure in their current employment, down from 89% in 2023. There is a similar trend happening through frequency of worry, with 20% responding that they are worrying sometimes or regularly (compared to 16% last year).

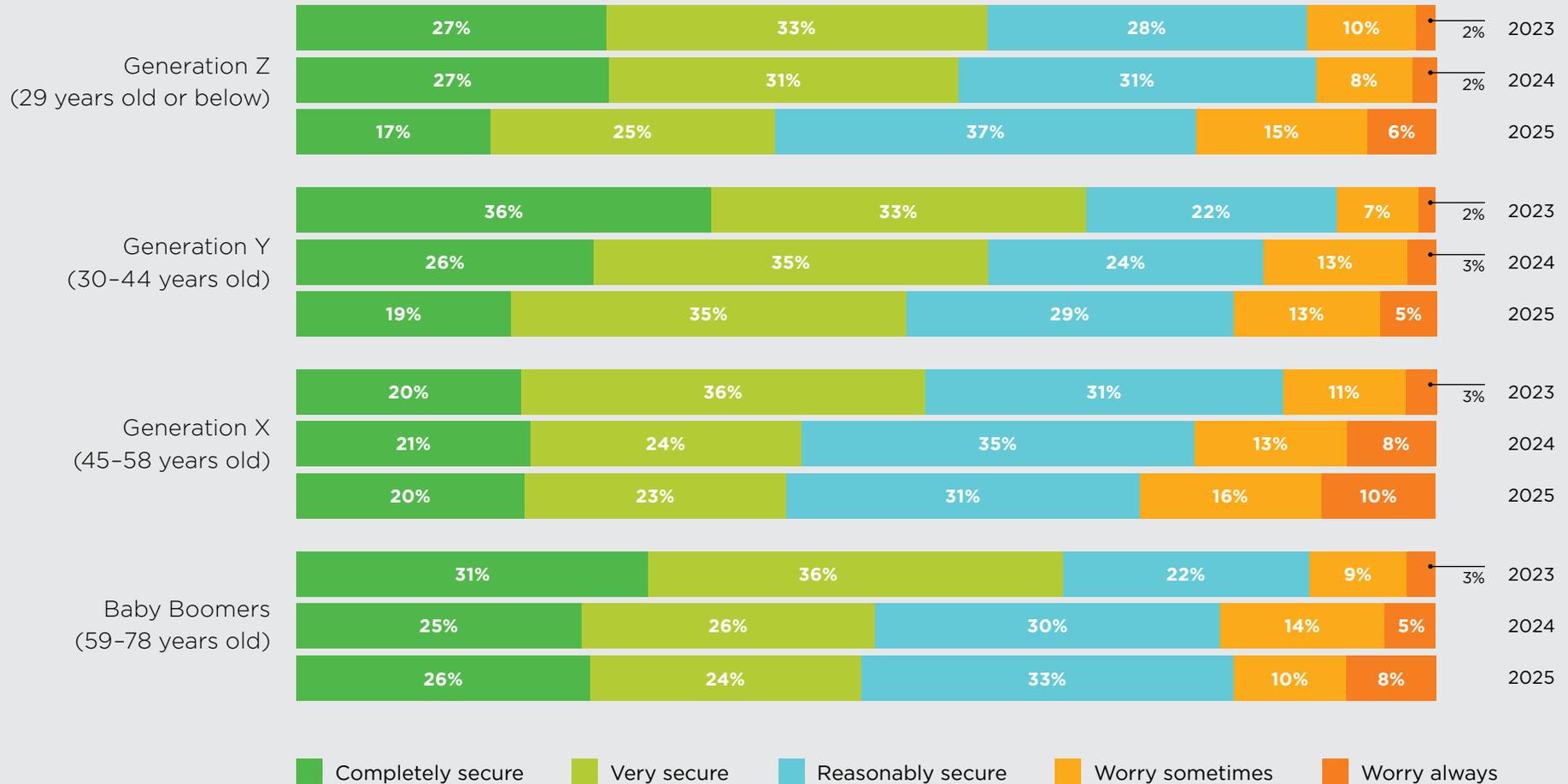
How much job security do you feel in your current employment?



2023: n=1,472; 2024: n=1,504; 2025: n=1,385



KEY INDICATOR: JOB SECURITY (DEMOGRAPHICS)



2023: n=1,472; 2024: n=1,504; 2025: n=1,385



KEY INDICATOR: WELLBEING

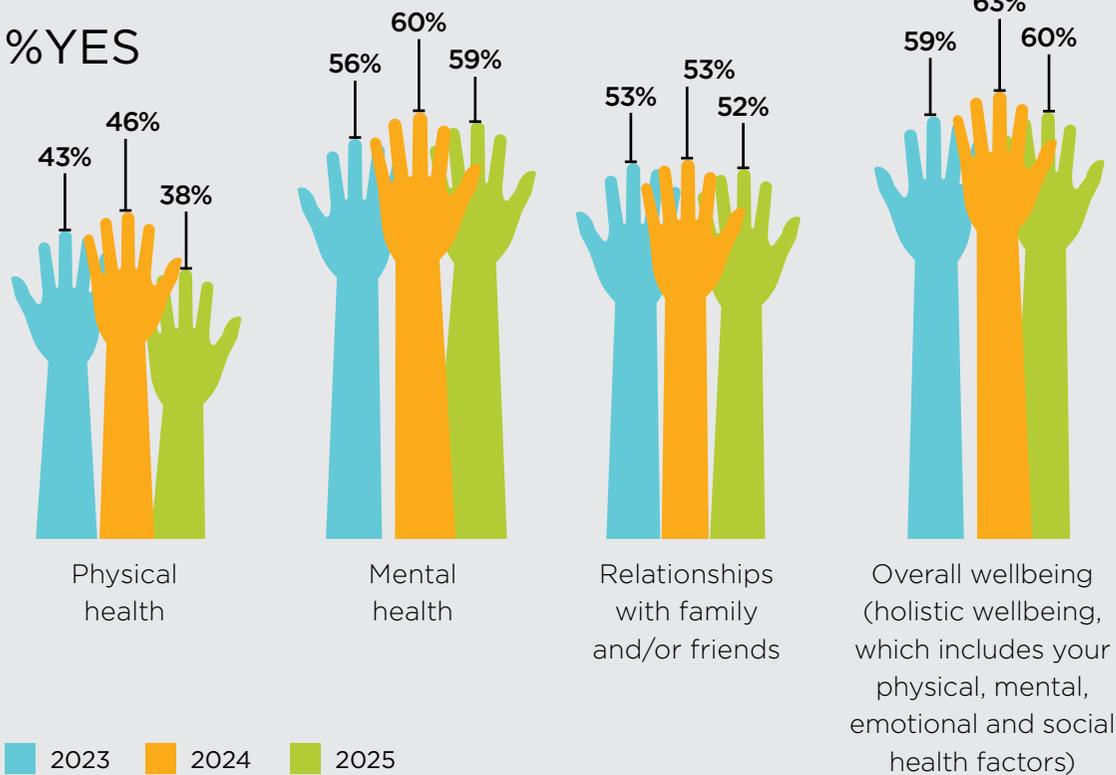
All reported wellbeing indicators have remained broadly the same. Most have seen a slight drop, with the exception of impact on physical health, which has dropped 8% compared to 2024.

New Zealanders continue to worry about money regularly, with the majority (70%) of respondents worrying about money at least monthly.

Younger generations remain the groups that worry about money more regularly.

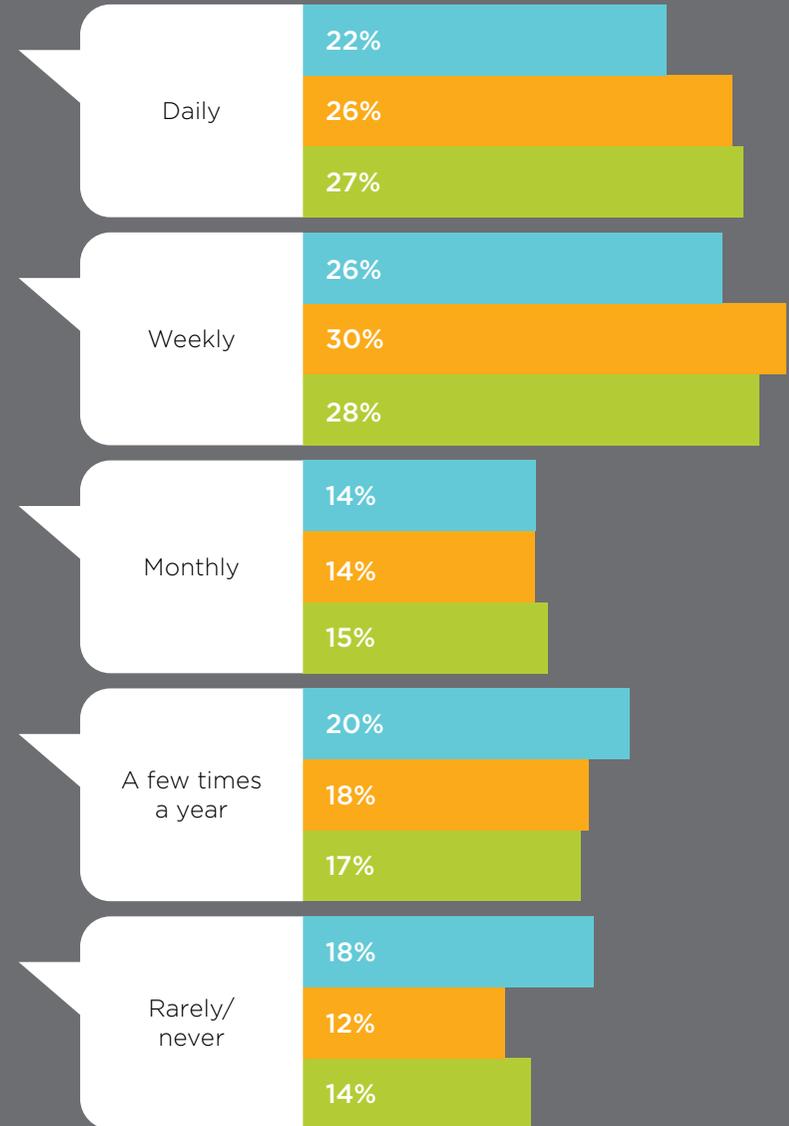
Have financial issues ever adversely affected your ...?

%YES



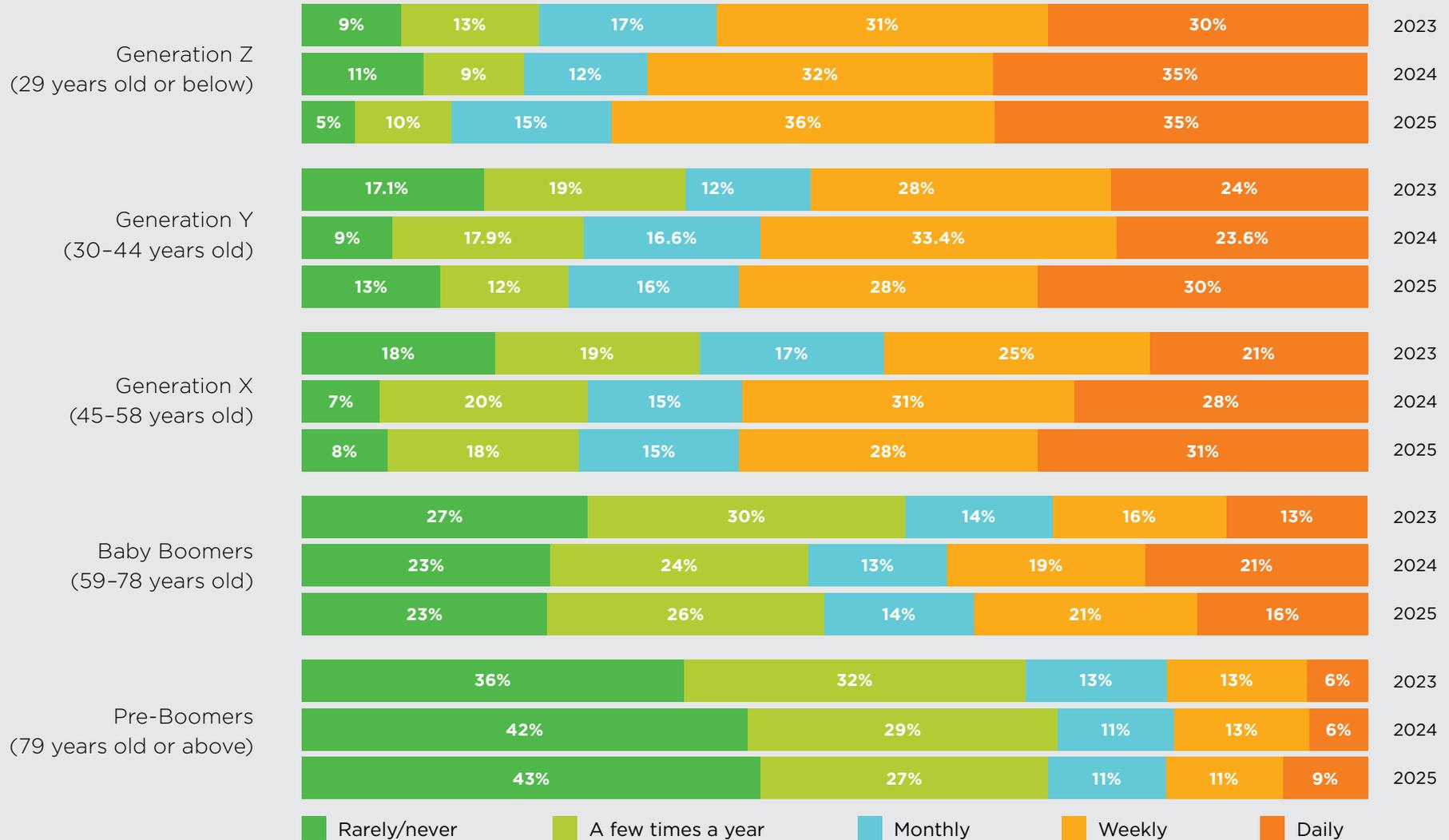
2023: n=2,030; 2024: n=2,002; 2025: n=2,005

How often do you worry about money?





KEY INDICATOR: WELLBEING (DEMOGRAPHICS)



2023: n=2,030; 2024: n=2,002; 2025: n=2,005

ABOUT THE FINANCIAL SERVICES COUNCIL

As the voice of the sector, the FSC is a non-profit member organisation with a vision to grow the financial confidence and wellbeing of New Zealanders. FSC members commit to delivering strong consumer outcomes from a professional and sustainable financial services sector. Our 110+ members manage funds of more than \$100 billion and pay out claims of \$3.2 billion per year (life and health insurance). Members include the major insurers in life, health, disability and income insurance, fund managers, KiwiSaver and workplace savings schemes (including restricted schemes), professional service providers and technology providers to the financial services sector.

Find out more at fsc.org.nz

RESEARCH METHODOLOGY

The research was conducted via an online survey developed and hosted by CoreData.

2023 data was collected between 7 March and 12 March. A total of 2,030 valid complete responses were collected in March 2023.

2024 data was collected between 15 March and 26 March. A total of 2,002 valid complete responses were collected in March 2024.

2025 data was collected between 5 and 18 February. A total of 2,005 valid complete responses were collected in February 2025.

All samples are representative of the New Zealand consumer population in terms of age, gender and income based on the latest Stats NZ data. The data collected forms the basis of this report.

According to Stats NZ, in December 2024, there was an estimated resident population of 5,356,700 and 1,188,590 17-year-olds and younger. As this survey only included respondents aged 18 years old or over, the estimated resident population of the sample is 4,168,110.³

³ infoshare.stats.govt.nz accessed 19 March 2025.



FSC SECTOR RESEARCH



INDUSTRY WIDE:

- FSC Insights & Trends: Women and Finance March (2025)
- Money & You: Managing Risk through Challenging Times (2024)
- Money & You: Consumer Resilience and the Road to Prosperity (2024)
- Financial Resilience Index (2024)
- Money & You: The Perception Gap (2023)
- Money & You: Young People and the Cost of Living (2023)
- Financial Resilience Index (2023)
- FSC Insights & Trends: Financial Resilience Trends in New Zealand (2022)

Money & You: The Lost Generation? (2022)

- Financial Resilience Index (2022)
- Money & You: Women and Financial Wellbeing in New Zealand (2021)
- Money & You: Generation Rent (2021)
- Financial Resilience Index (2021)
- Money & You: It's Not About Money, It's About You (2020)
- Financial Resilience Index (March + August 2020)

LIFE AND HEALTH INSURANCE:

- Money & You: Taking Cover Life Insurance Industry Data Spotlight (quarterly)
- Health Insurance Industry Data Spotlight (quarterly)
- Gambling on Life: The Problem of Underinsurance (2020)
- Moments of Truth: Key Insights into the New Zealand Life Insurance Industry (2019)
- Risking Everything: An Insight Into How New Zealanders Manage Risk (2019)
- Exploring Underinsurance Within New Zealand (2011)

KIWISAVER AND RETIREMENT:

- KiwiSaver Industry Data Spotlight (quarterly)
- Money & You: KiwiSaver at a Crossroads (2021)
- KiwiSaver 2050: Pathways to the Future (2019)
- Shaping Futures: Closing the KiwiSaver Gap (2018)
- Generation KiwiSaver (2018)
- Great Expectations: Retirement Realities for Older New Zealanders (2017)
- Growing the KiwiSaver Pie (2017)
- KiwiSaver and the wealth of New Zealanders (2015)

PROFESSIONAL ADVICE:

- Unlocking the Potential of Professional Financial Advice (2021)
- Money & You: Breaking Through the Advice Barrier (2020)
- Money & You: Literacy | Insight | Advice (2020)

INVESTMENT AND FUNDS:

- Money & You: Investing in Volatile Times (2022)
- Money & You: The Rise of the Digital Investor (2021)

Financial Services Council NZ

Grow the financial
confidence and wellbeing
of New Zealanders

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