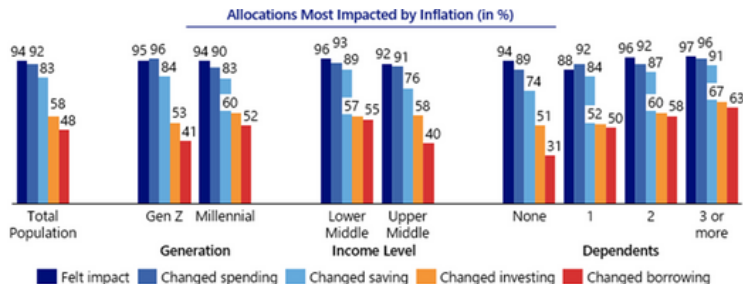
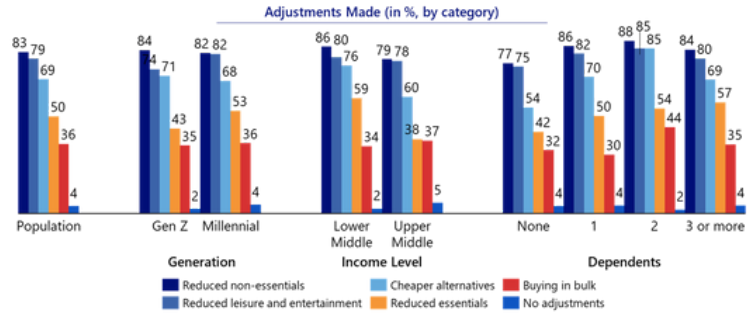


# Growing Concern: 94% of Metro Manila’s Middle-Class Gen Zs and Millennials Felt the Impact of Inflation in the 2nd Quarter of 2023 – NRI Singapore-Manila Branch

Majority, or 94%, of Metro Manila’s middle-class Gen Zs and Millennials, felt the impact of inflation in the 2nd quarter of 2023, according to a survey conducted by Nomura Research Institute (NRI) Singapore-Manila Branch from May to June.

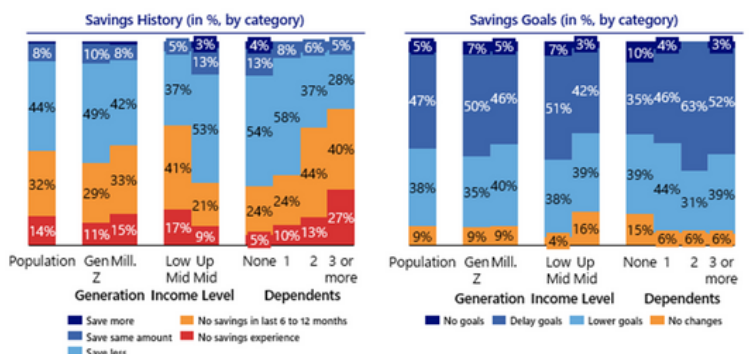
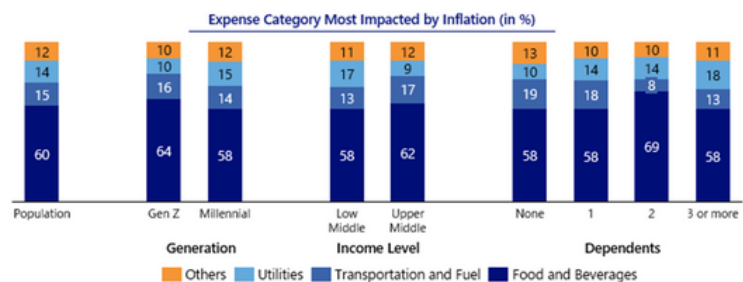


**Nearly one-third unable to save, while others forced to adjust goals amid inflation challenges.**

Over the last 6 to 12 months, 32% of the respondents reported being unable to save, while 44% managed to save but at a lower percentage of their income. Given the challenges of inflation, 38% and 47% of the respondents indicated that they have had to adjust their savings goals by either reducing their target amount or delaying their timelines, respectively.

**Soaring costs impact food, transportation and fuel, and utilities, forcing cuts on non-essential goods and leisure & entertainment spending.**

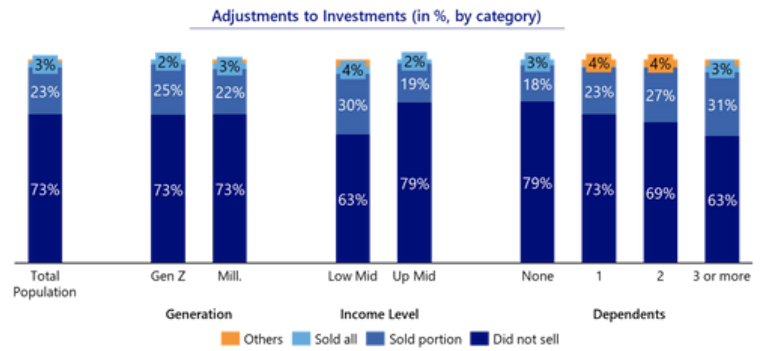
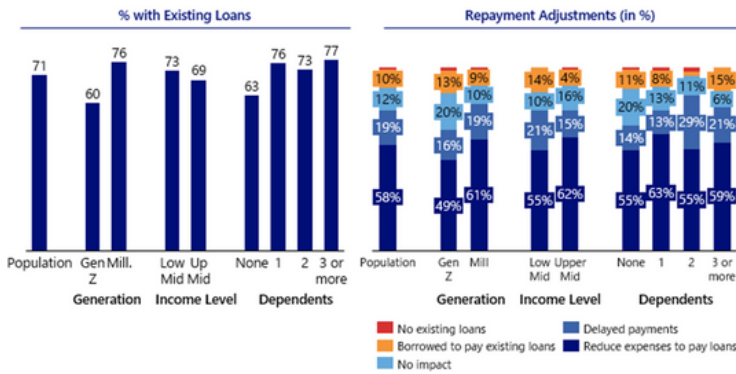
Continuous price increases have had the greatest impact on food and beverages, being selected as the most affected category by 60% of respondents, followed by transportation and fuel at 15%, and utilities (e.g., electricity, water, internet, etc.) at 14%.



**Almost half of respondents turn to more loans, more than half cut back expenses to repay existing debts.**

71% of respondents reported having outstanding loans. Among those who already have loans, 58% have had to cut back on other expenses to pay for loans, while 19% have been forced to delay payments.

Furthermore, an overwhelming 83% reported reducing their spending on non-essential goods, while 79% found it necessary to cut back on leisure and entertainment expenses.

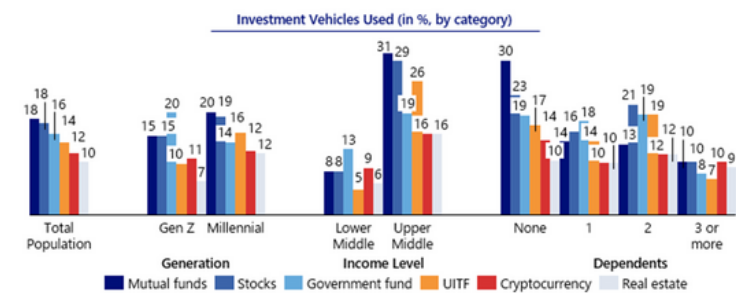
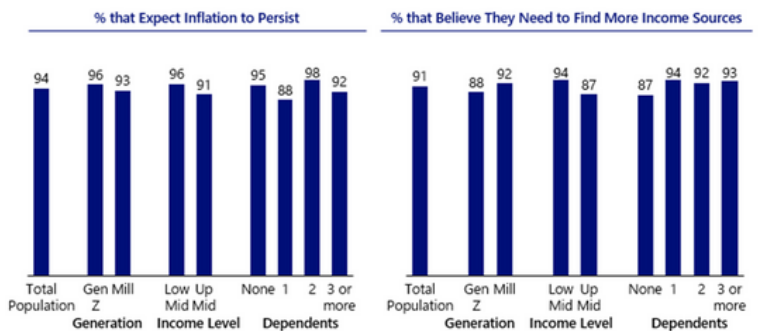
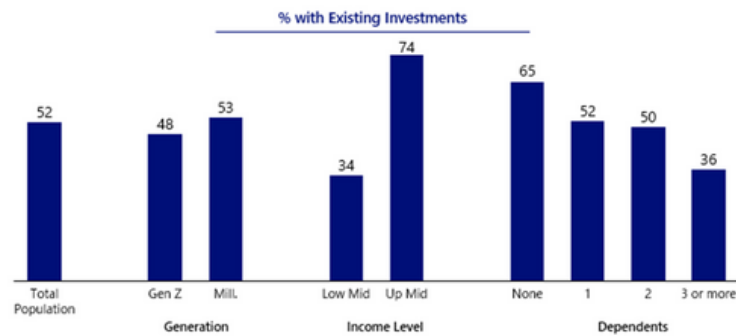


52% of respondents had investments, which were diversified among various funds and stocks; 26% of those with investments had to liquidate their portfolios at least partially.

Navigating the inflation challenge emerges with a diverse array of coping strategies, as 94% express concerns about sustained price hikes in the next 6 to 12 months, prompting 91% to seek additional income streams.

52% of respondents have existing investment portfolios. Among these respondents with investments, mutual funds and stocks emerged as the top investment products, chosen by 18% of participants each.

94% of respondents expressed concern that the continuous price increases would persist over the next 6 to 12 months with 91% felt the need to find other sources of income.



According to NRI Singapore-Manila Branch, the online survey was conducted among 295 adults from Metro Manila, consisting of 92 Gen Zs and 203 millennials from the middle-class, with monthly individual income ranges of PHP 13,000 to PHP 41,000 and PHP 41,001 to PHP 163,000.

(Note: All respondents with investment were asked to select all applicable options)

Furthermore, 23% of respondents with investments had to partially liquidate their holdings in order to provide more liquidity with 3% selling off their entire portfolio.

## About the NRI

Nomura Research Institute (NRI) was established in 1965 as Japan's first private think tank. Since then, NRI has been a leading research and consulting firm with more than 17,000 people worldwide. The Manila branch has been supporting country development as well as business development and transformation of various organizations in the Philippines, South East Asia, and Japan since 1997.

**Envision the value,**  
**Empower the change**

Interested to talk about the article or any of NRI's services?



[nrimanila-inquiry@nrisg.com](mailto:nrimanila-inquiry@nrisg.com)



26/F Yuchengco Tower, RCBC Plaza,  
6819 Ayala Avenue, Makati City  
Philippines