



OLD MUTUAL



DO GREAT THINGS EVERY DAY

# OMSIM 2022

SAVINGS &  
INVESTMENT MONITOR  
2022



KNOW BETTER  
DO BETTER



# OVERVIEW & APPROACH



**Annual  
Survey**



**South Africa**



**Online  
Survey**



**1 505  
Respondents**



**Personal  
Monthly  
Income: R8k+**



**Weighted to  
the Working  
SA Population**

**\*\*Dipcheck also conducted among consumers  
earning less than R8k**



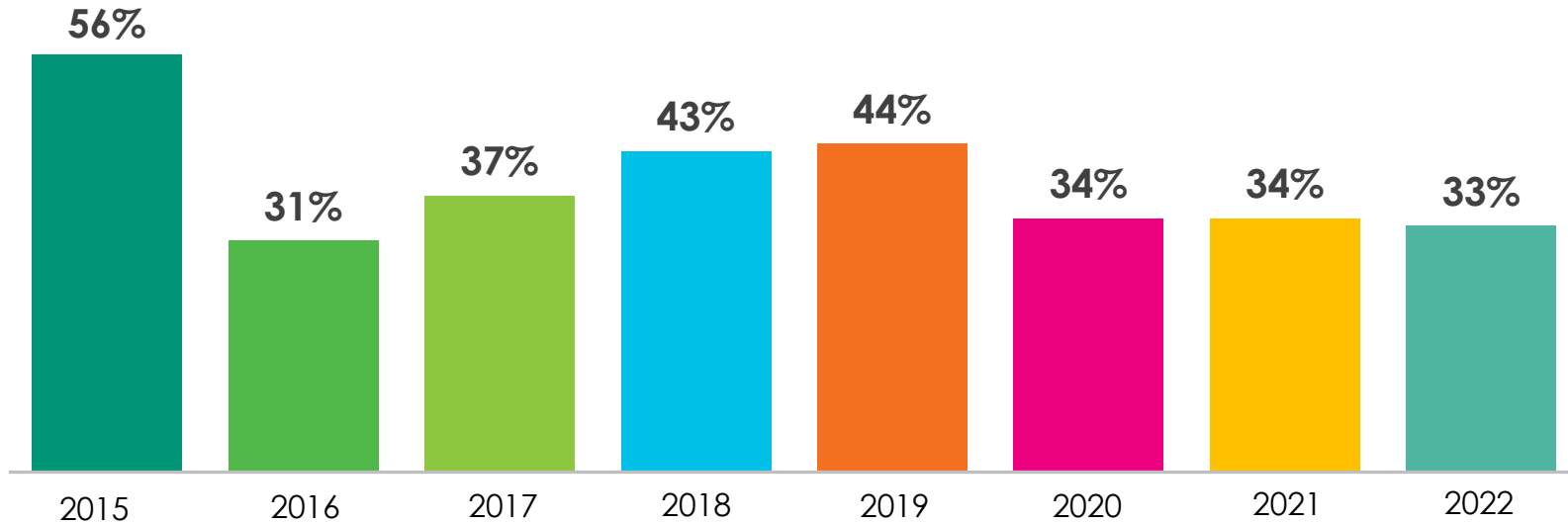
# CONFIDENCE IN THE SOUTH AFRICAN ECONOMY

**KNOW BETTER  
DO BETTER**



# SENTIMENT ABOUT THE SOUTH AFRICAN ECONOMY

Sentiment about the SA economy remains stable and muted and still lower than it was Pre-Covid





# CHALLENGES IMPACTING SOUTH AFRICANS IN 2022

#KZNfloods



#Eskomloadshedding



#Protests



#RisingPrices



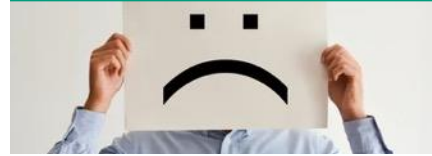
#FuelIncrease



#DomesticViolence



#PoorServiceDelivery



#Looting



#Potholes



#Inflation



#Unemployment



#Corruption



#MentalHealth



#GlobalWar



#Vaccinations



#Covid19





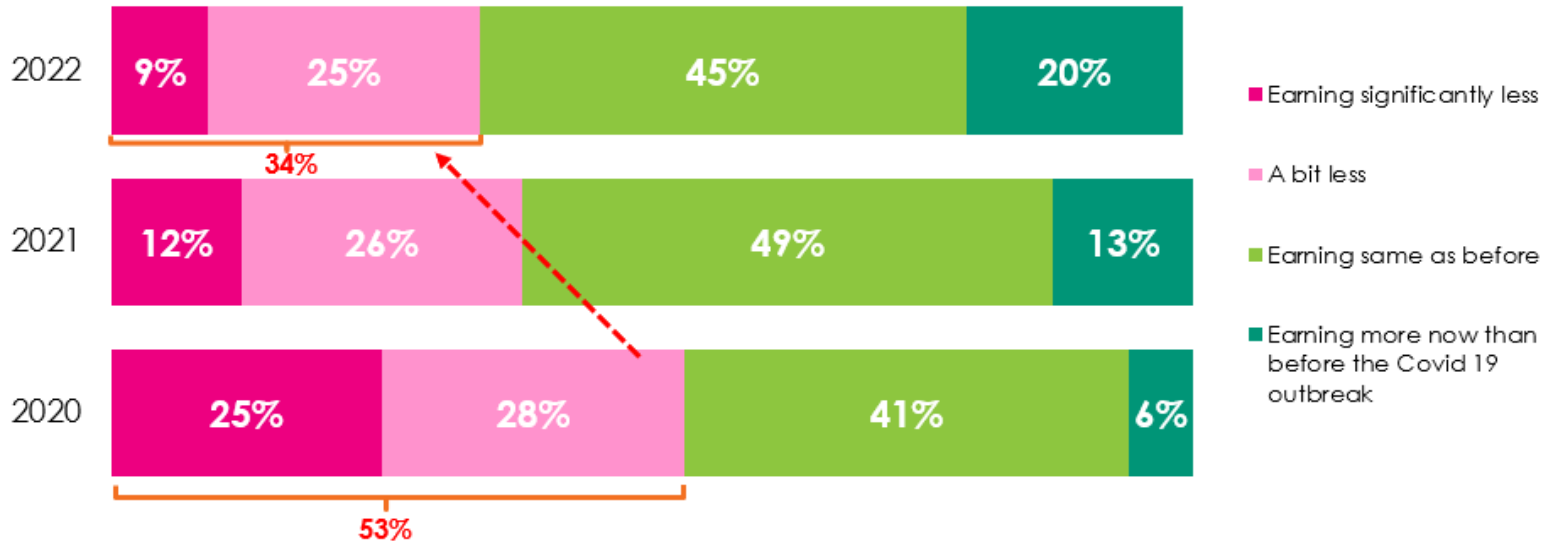
# KEY INDICATORS

**KNOW BETTER**  
**DO BETTER**



# RESILIENCE & RECOVERY

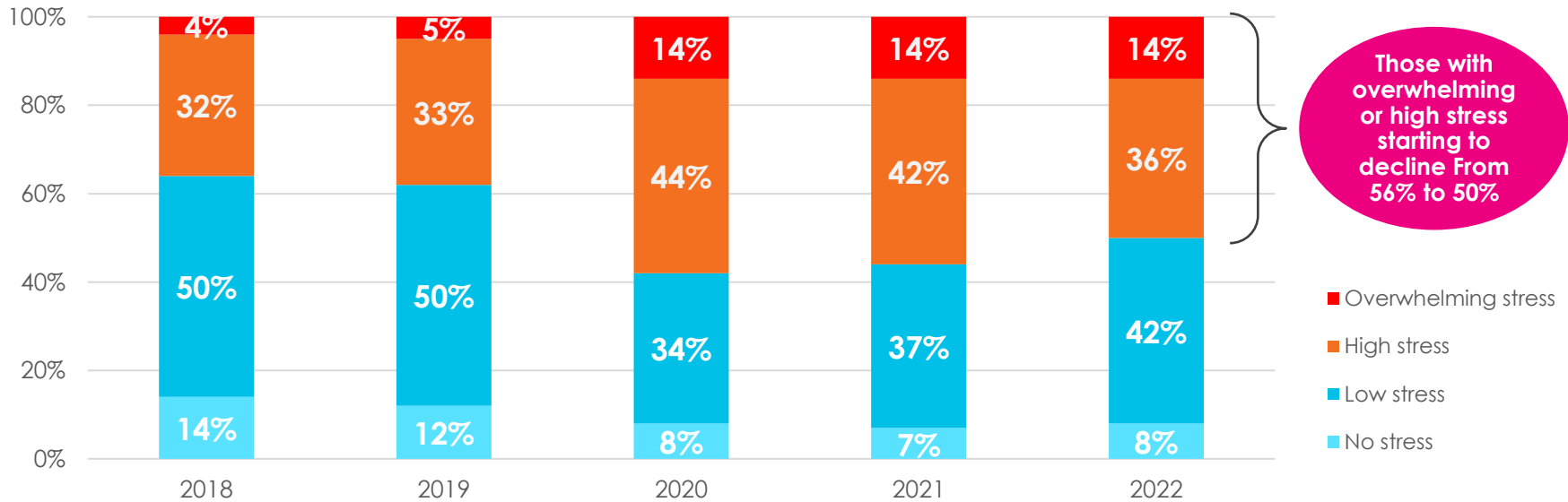
Despite the harsh economic landscape and the spiraling cost of living, the **OMSIM 2022** results see South Africans' resilience as they slowly persevere on their **journey to recovery** – while **country sentiment has not shifted, individual optimism about the future is on the rise**





# FINANCIAL STRESS LEVELS | TRENDED

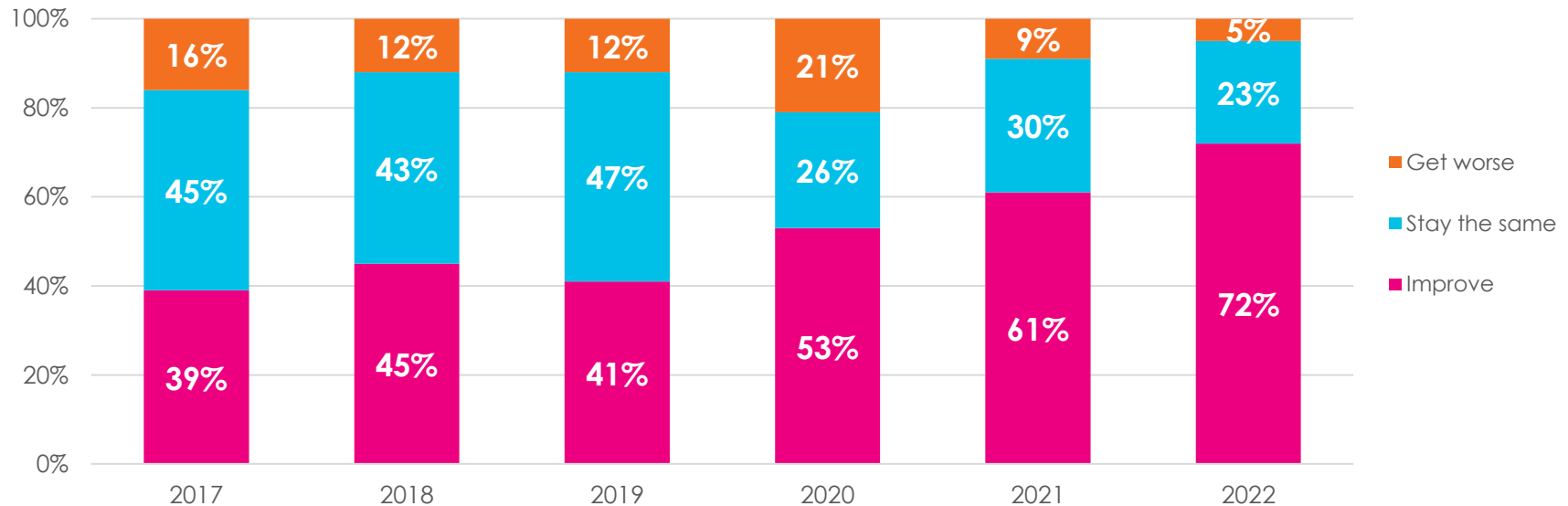
As regards financial stress, we starting to see a very gradual recovery in stress levels. As before, lower income and older consumers are more financially stressed.





# CONSUMER FINANCIAL OUTLOOK NEXT 6 MONTHS | TRENDED

These results speak to the resilience of South Africans with a pervading optimism that things will improve.







# RESERVES & SAVINGS

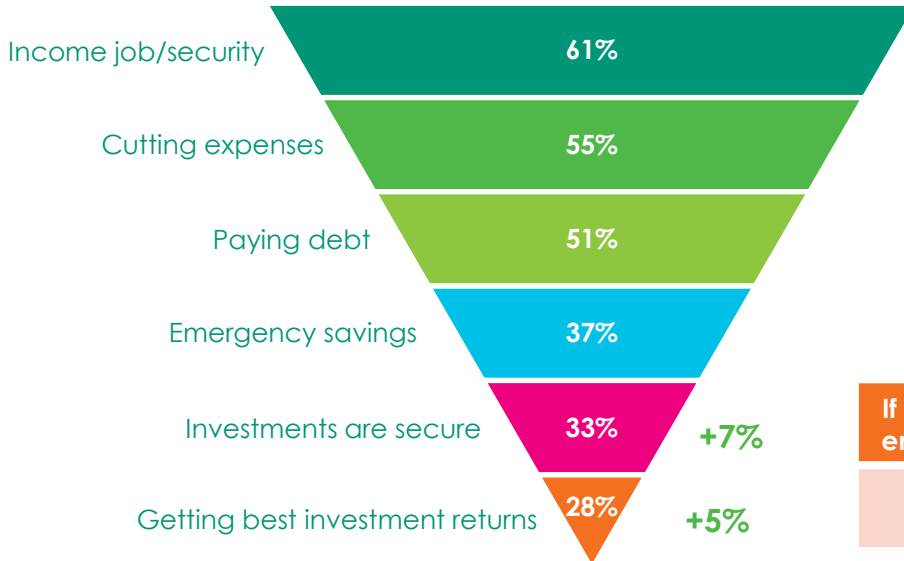
**KNOW BETTER  
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# RESERVES & SAVINGS

We see a continued increase in the need **to plan and build up buffer reserves & savings.**

## TOP FINANCIAL PRIORITIES / 2022



# 86%

"COVID-19 has made me change the way I think about and manage my finances"

Importance of a savings buffer. More cautious spending. Increased cost of living.

| If you lost your job would you have enough money saved to last you... | 2019 | 2020 | 2021 | 2022 |
|---|------|------|------|------|
| Have a savings buffer <b>for more than three months</b>               | 38%  | 27%  | 36%  | 39%  |



# RISK INCLINATION & INVESTMENT CONFIDENCE

**KNOW BETTER  
DO BETTER**



# RISK-INCLINED BEHAVIOUR

1

1 in 2 working South Africans consider themselves to be **risk inclined** where investing is concerned (generally younger, higher income, male)

2

Increase in appetite for 'riskier' investments is evident as consumers search for better returns

3

44% of consumers engage in **online gambling**. One of the key motivations is to **make ends meet**. This is much higher amongst those earning less than R8k, suggesting that risk taking is also driven by tough economic climate.

4

Given the tough economic climate, taking more risk to potentially earn higher returns may have become a necessity for survival

About **6 in 10** are likely to invest in Crypto Currencies in the next year

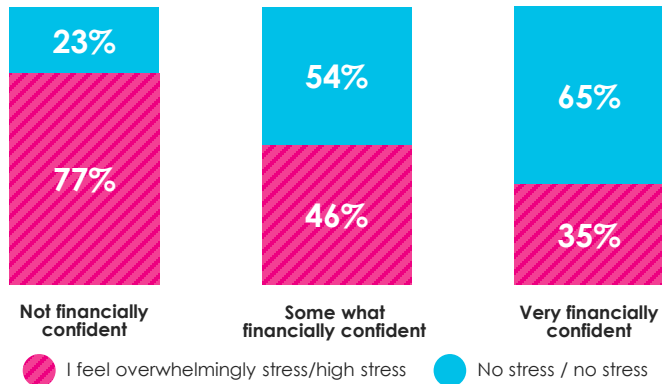
**44%** are engaging in online gambling



# CONFIDENCE IN INVESTMENT AND SAVINGS DECISION MAKING 2022

We see a strong correlation between financial confidence, financial stress and financial satisfaction, with those less confident being more financially stressed, less satisfied and saving less...

## FINANCIAL CONFIDENCE BY FINANCIAL STRESS



| PERCENTAGE OF INCOME SPEND | HOW CONFIDENT ARE YOU IN YOUR ABILITY TO MAKE GOOD SAVINGS AND INVESTMENT DECISIONS |                                |                            |
|----------------------------|---|--------------------------------|----------------------------|
|                            | NOT FINANCIALLY CONFIDENT   | SOMEWHAT FINANCIALLY CONFIDENT | VERY FINANCIALLY CONFIDENT |
| <b>Savings</b>             | <b>14%</b>  | 20%                            | <b>25%</b>                 |



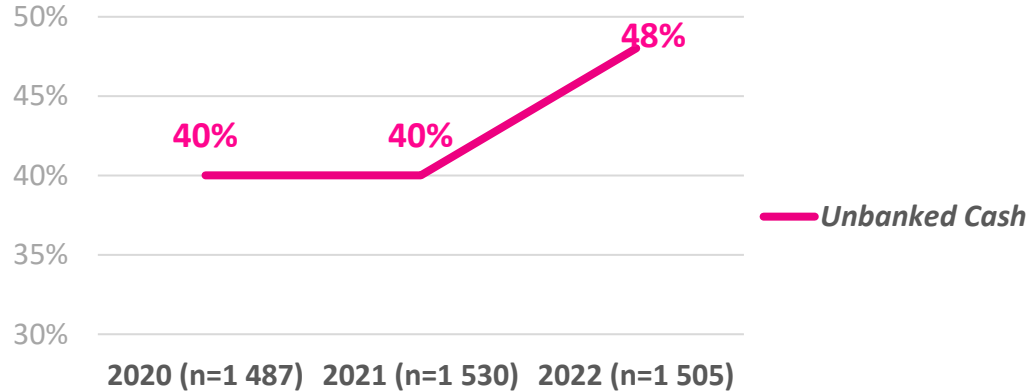
# LIFE RAFT FOR EMERGENCIES

**KNOW BETTER**  
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# LIFE RAFT FOR EMERGENCIES

- **Increase in working South Africans holding unbanked cash savings** – this a life raft for many, so they have money on hand for **immediate access** – with no restrictions or penalties



**52%** have dipped Into Savings To Make Ends Meet – down from 54%

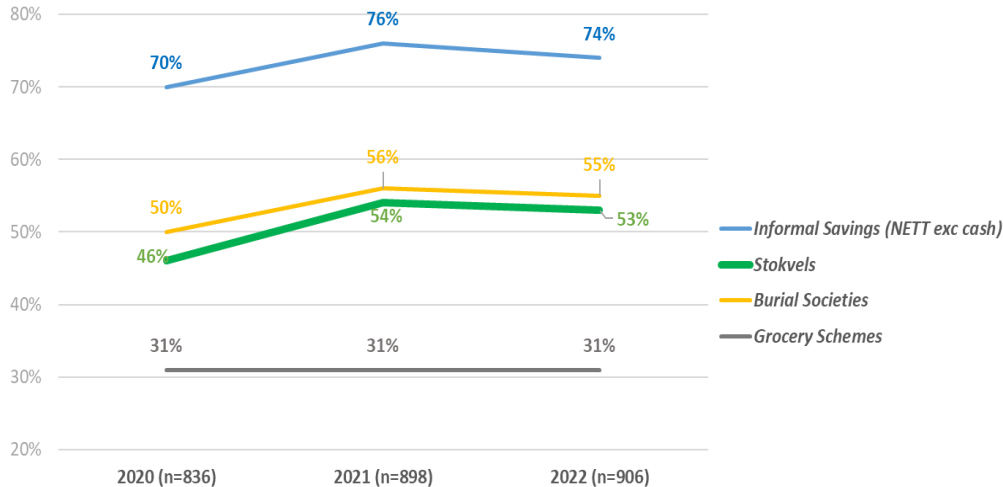
**40%** had to Borrow from friends or family – down from 44% in 2021

**25%** fallen behind on store card payments – down from 28%

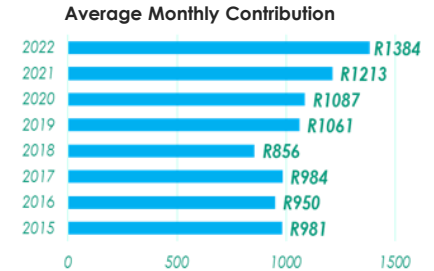
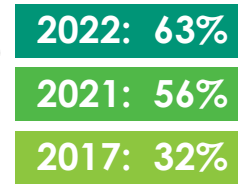


# LIFE RAFT FOR EMERGENCIES: STOKVELS

- **1 in 2 black South Africans hold stokvels**, stable since 2021.
- Of those who use stokvels, **the incidence of belonging to more than 1 stokvel has doubled since 2017**



## NUMBER OF STOKVELS AND MONTHLY CONTRIBUTION\*



\* Filtered on black respondents



# THE GREAT RESIGNATION TREND

**KNOW BETTER**  
**DO BETTER**



# GREAT RESIGNATION TREND

Despite the high unemployment levels in SA, the “Great **Resignation**” trend seen elsewhere in the world is starting to evidence here.



**1 in 4**

left their job  
since Covid  
started



**1 in 10**

left their job  
voluntarily since  
Covid started



# KEY INSIGHTS

**KNOW BETTER**  
**DO BETTER**



# KEY INSIGHTS:

1

**The Resilience** shown by consumers is paying dividends as they **slowly persevere** toward **financial recovery** whilst continuing to maintain an **optimistic outlook** for the future

2

**Building Reserves** and savings top of mind with consumers adopting more mindful spending habits

3

Consumers show openness to **taking financial risks** as there is a greater **need for quicker higher returns**

4

**Survival = having a life Raft** with many consumers trying to ensure that they have a cash emergency fund

5

Despite high unemployment, the **Great Resignation** trend is emerging in South Africa

6

Strong **Relationship between confidence** in financial decision making, **saving behaviour** and **lower financial stress**



**THANK YOU**

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