

FINANCIAL EDUCATION KEY TIPS



1 86% CLAIM THAT COVID HAS MADE THEM CHANGE THE WAY THEY THINK ABOUT AND MANAGE THEIR FINANCES

Get expert advice to help you draw up a financial plan that includes a long-term investment plan and a short-term emergency savings to protect you from unexpected financial emergency or future shocks.



2 51% OF PEOPLE HAVE MORE THAN ONE SOURCE OF INCOME - POLY-JOBBERS

There are 3 Basic Money principles: Know how to make money, how to keep money, and how to grow money. Having alternative streams of income lands itself very well to these basic principles.

- Make use of all the platforms available to you. This includes various freelance platforms where you can advertise your gig and social media platforms where you can advertise for free or cheaply.
- Invest, save or spend the money from your other job wisely. The second income stream can only help you grow if you use the money prudently.
- Don't neglect your primary job. Don't forget to always abide by your primary employment rules around operating another business.
- Don't do something you are not qualified for or not good at – not only will this turn your side hustle into a side hassle, but it may have some negative consequences. Do something you know you're good at.
- Don't be tempted when making extra money to regard it as money 'you never had' and go on a spending spree.



DO GREAT THINGS EVERY DAY

THE TIME IS NOW
KNOW BETTER
DO BETTER



3 OF EMPLOYED BLACK SOUTH AFRICANS WHO HAVE STOKVELS, 63% SAID THEY BELONG TO MORE THAN 1 STOKVEL, THIS IS UP FROM 56% IN 2021

Stokvels may have started out as informal savings clubs to assist with groceries, burial costs, but today they help members save for medium to long-term goals; such as Education, Holidays or home renovations.

The popularity of Stokvels is positive because it points to a culture of saving. However, it's also important to explore saving or investing through formal channels, because such saving/investment vehicles offer the benefit of compound interest over the long-term.

4 39% OF WORKING SOUTH AFRICANS ARE WEDGED IN THE SANDWICH GENERATION. THIS IS DOWN FROM 43% IN 2021

Empower your family to start a small business e.g leasing apartments for a rental income or opening a Spaza shop or mobile trailer to sell some products to help them become financially independent.

Work together, talk about the collective financial situation in a household, make sure you collectively plan the budget and ensure that the financial burden is managed fairly in the household. Communicate openly about the debts you must service so you can manage expectations and help your family adjust.

5 44% OF WORKING SOUTH AFRICANS GAMBLE ONLINE AND OF THOSE WHO GAMBLE, 37% GAMBLE TO MAKE ENDS MEET. THIS IS MORE PREVALENT IN THE LOWER INCOME BAND

- Be cautious of the dangers of gambling as it could lead to further debts especially if you have access to credit.
- Many people have lost valuable assets to gambling.
- Should you feel that you are developing an addiction, seek help ASAP. Know when to stop.
- Whilst it may sound noble to make ends meet by gambling, do your utmost to find a reliable stream of income and make that your primary source of income.

6 64% OF WORKING SOUTH AFRICANS DO NOT HAVE A FINANCIAL ADVISER

Partnering with a financial adviser can help you plan for your future better, and improve the quality of your financial decisions to set you on a growth path. When you know better, you do better.



50% OF WORKING SOUTH AFRICANS FEEL POSITIVE ABOUT THE PROPOSED RETIREMENT REFORM:

REASONS:

- **23% BELIEVE IT WILL HELP WITH UNFORESEEN CIRCUMSTANCES LIKE INABILITY TO WORK**
- **15% BELIEVE THE ABILITY TO CLAIM OR ACCESS FUNDS ANYTIME IS GOOD**
- **17% SAY IT WILL HELP WITH PAYING DEBT.**
- **26% BELIEVE IT WILL BE A SETBACK IN THE LONG TERM**

Understand what your retirement replacement ratio is and work with your financial adviser towards closing the gap.

Plan for the years you have in hand before you reach retirement age.

Consider income sources after retirement for example, your pension and potential additional resources to cope with unexpected expenses.

Develop a healthy and trusting relationship with your financial adviser as you need someone to help you remain objective especially when you make major financial decisions. Remain disciplined and focused



66% MADE USE LOYALTY PROGRAMMES

33% SWITCHED TO CHEAPER SUPERMARKET BRANDS

33% SWITCHED TO CHEAPER TV/STREAMING OPTIONS

30% CUT DOWN ON DOMESTIC HELP

28% MOVED TO CHEAPER CELLPHONE OR DATA OPTIONS

28% GAVE UP A GYM SUBSCRIPTION

9% MOVED CHILDREN TO LESS EXPENSIVE SCHOOLS

To make ends meet, you may need to downscale your living expenses, There is nothing wrong with taking strong measures to keep your family and finances afloat. Trying to keep up with the Dhlamini's will only get you into more financial trouble.