

OLD MUTUAL

KNOW BETTER
DO BETTER

SAVINGS &
INVESTMENT MONITOR
2023

DETAILED REPORT



DO GREAT THINGS EVERY DAY





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- Confidence in South African economy
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- Informal savings and Stokvels
- Protection
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- Retirement reform and Preservation Behaviour
- Risk inclination and Online Gambling
- Loadshedding
- Windfall scenario
- Use of Financial Advisers
- Single Mothers
- 18 to 29 year olds





RESEARCH OBJECTIVE

The primary objective of the Savings and Investment monitor is...

**to better understand
the savings behaviour
And financial attitudes
of working South Africans**





SAMPLE & METHODOLOGY



Annual
Survey



South Africa



Online
Survey



n = 1518
Fieldwork
April - May



Personal
Monthly
Income: R8k+



Weighted to
the Working
SA Population

Fieldwork timeline: 5 April – 3 May 2023

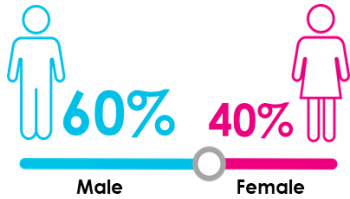
Age, personal income, gender and population group were all quota controlled, and the data reweighted according to the income and demographic profiles of working South Africans aged 18 – 65 years as per the UNISA Bureau of Market Research



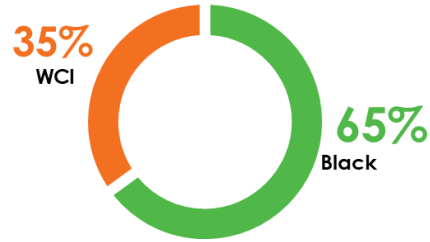
SAMPLE DEMOGRAPHIC DETAIL 2023

Unweighted Numbers: 1 518

GENDER



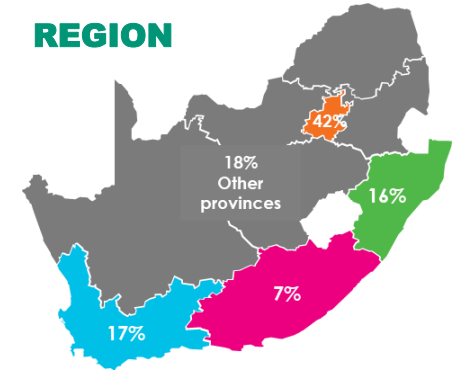
RACE



AGE



REGION



PERSONAL MONTHLY INCOME



R8 000 - R14 999



R15 000 - R24 999



R25 000 - R39 999



R40 000 - R59 999



R60 000 - R99 999



KEY INSIGHTS

1

Working South Africans continue to seek ways to further stretch their budget and income. They remain focused on **expense control, maximizing discounts offered by loyalty programs**, and maintaining high value items rather than replacing them.

2

Multiple income streams are the norm with PolyJobbers holding steady at 50%. We see an increase in PolyJobbers among younger South Africans relative to 2022 (from 60% to 70%).

3

In an effort to **make ends meet**, working South Africans are tapping into lending vehicles. **34% have taken out a personal loan in the past year - doubled since 2020 (16%)**. With debts significantly more expensive to service, **1 in 3 of those with home loans are struggling to meet their monthly repayments**.

4

Consumers **struggle to build savings buffers**, with **30% claiming to have savings that would last them for only 1 month or less**.

5

Only **4 in 10** working South Africans have a financial adviser

6

7 out of 10 South Africans are not seeing any improvement in their income since 2020, and **45% remain considerably financially stressed**.

7

Single mothers, who make up 15% of working South Africans are the most vulnerable. They **have higher levels of financial stress** (61% vs. 45% overall), and display increasing borrowing behaviour

8

Emergency Expenses and Paying off Debt emerge as top savings priorities. Retirement Savings and Childrens' Education remain in the top 5 savings goals, the latter falling behind more urgent, day to day needs.

9

Consumers are **reducing their protection cover or moving to cheaper options**, though penetration levels remain steady for now

10

Reactions to the proposed pension remain mostly positive or mixed. **Of those who left work or changed jobs in the last 2 years, 72% took a cash component and reinvested a portion of the money**.



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RESULTS





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CONFIDENCE IN THE SOUTH AFRICAN ECONOMY





CHALLENGES IMPACTING SOUTH AFRICANS IN 2023 | CONSUMER'S REALITY

The economic environment is tough, with the below compounding the financial situation of consumers globally and in SA. This undermines consumer buying power, with many having tightened their purse strings even more...



**#Natural
Distasters**



**#Rolling
Blackouts**



**#Rising
Debt**



**#Rising
Food Prices**



**#Fuel
Increase**



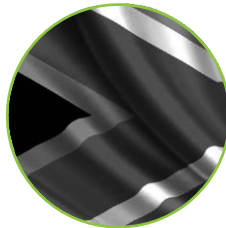
**#Domestic
Violence**



**#Rand
Depreciation**



**#Mental
Health**



**#SA
Greylisting**



#Inflation



#Unemployment

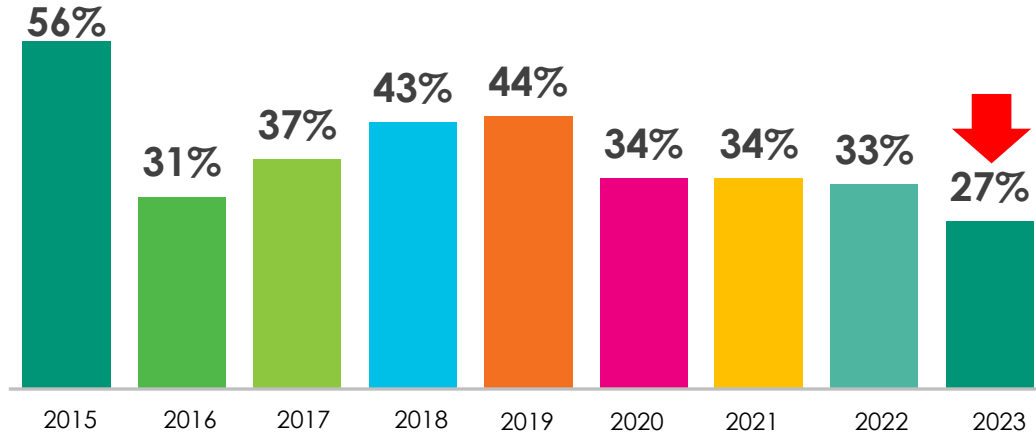


#Corruption

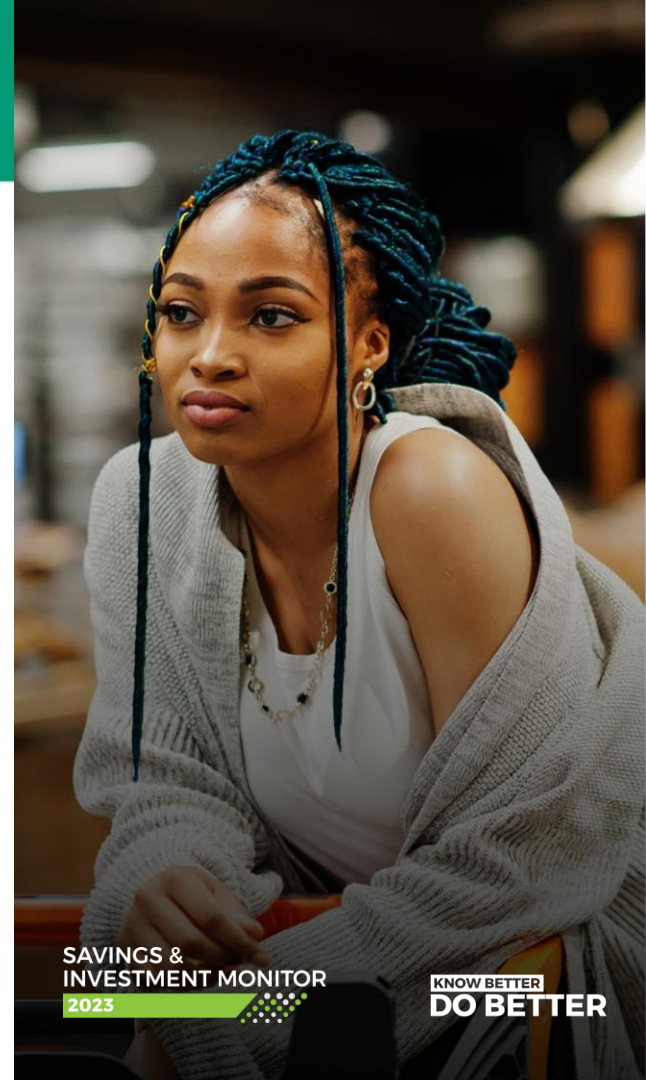


I FEEL CONFIDENT ABOUT THE SOUTH AFRICAN ECONOMY

Confidence in the SA economy is at the lowest it's even been...



% AGREE (STRONGLY OR SLIGHTLY)	TOTAL	Income						Age			MALE	FEMALE
		R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+			
I feel confident about the South African economy	27%	28%	26%	26%	30%	24%	30%	25%	30%	31%	22%	



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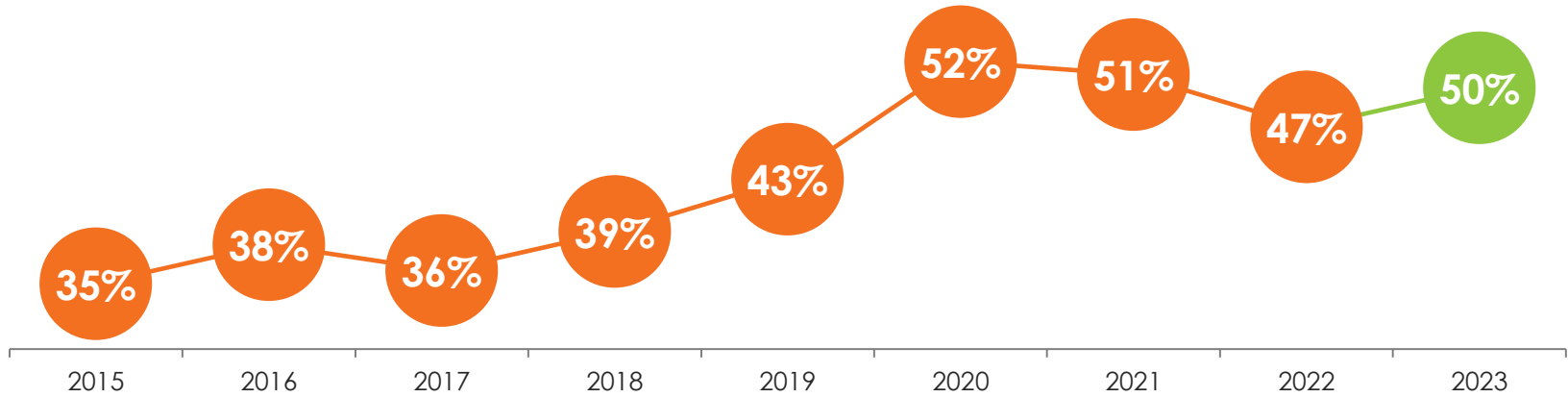
DEPENDENCY





FINANCIAL DEPENDENTS

ADULT DEPENDENTS

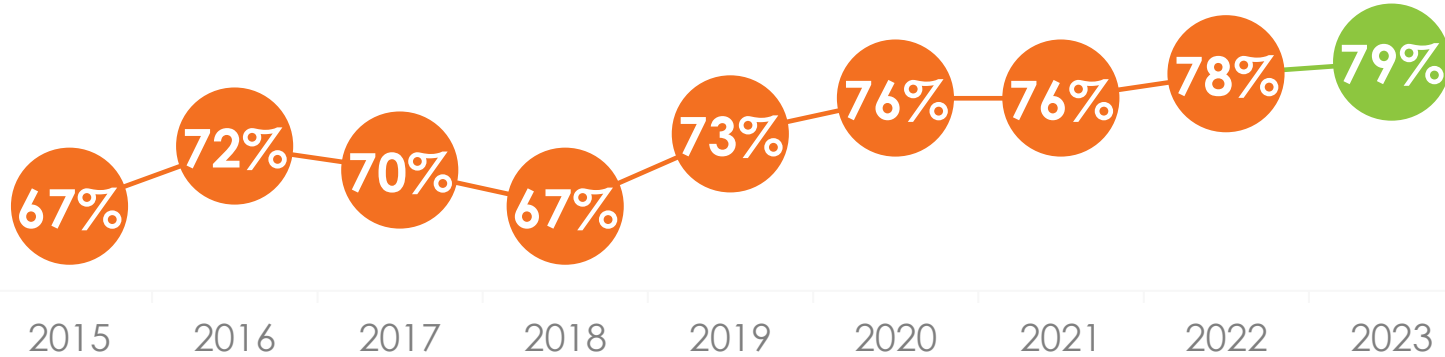


ADULT DEPENDENTS	TOTAL 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Base	1 518	535	374	310	220	79	373	813	332	915	603
Yes	50%	53%	54%	46%	42%	51%	61%	53%	33%	49%	51%
No	50%	47%	46%	54%	58%	49%	39%	47%	67%	51%	49%



FINANCIAL DEPENDENTS

DEPENDENT CHILDREN

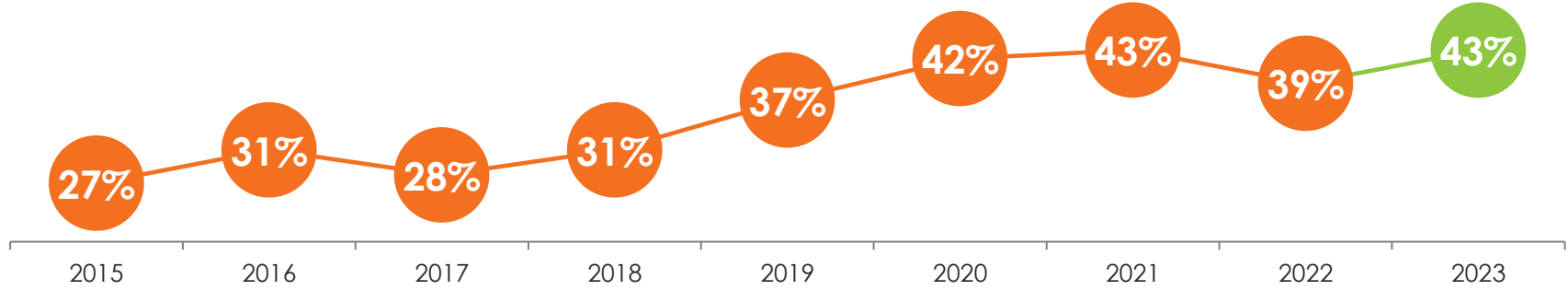


DEPENDENT CHILDREN	TOTAL	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
Yes	79%	74%	81%	84%	76%	85%	62%	87%	63%	77%	82%
No	21%	26%	19%	16%	24%	15%	38%	13%	37%	23%	18%



SANDWICH GENERATION

The term 'Sandwich Generation' has been coined to describe those who are supporting not only children but also parents and / or other older dependents. The decline seen in 2022 has not been maintained, as we see an increase in this 'Sandwich Generation'



SANDWICH GENERATION	TOTAL 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
Yes	43%	44%	45%	39%	36%	51%	42%	47%	27%	41%	46%
No	57%	56%	55%	61%	64%	49%	58%	53%	73%	59%	54%



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RESILIENCE AND RECOVERY – KEY INDICATORS

K

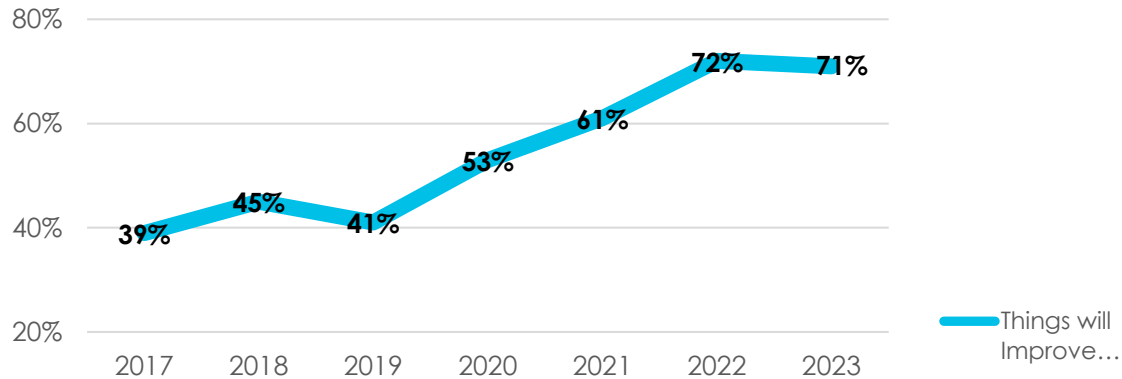
BETTER

1



CONSUMER FINANCIAL OUTLOOK NEXT 6 MONTHS | TRENDED

Whilst 2023 still speaks to the resilience and optimism of South Africans, the individual improving outlook seen post Covid has paused.



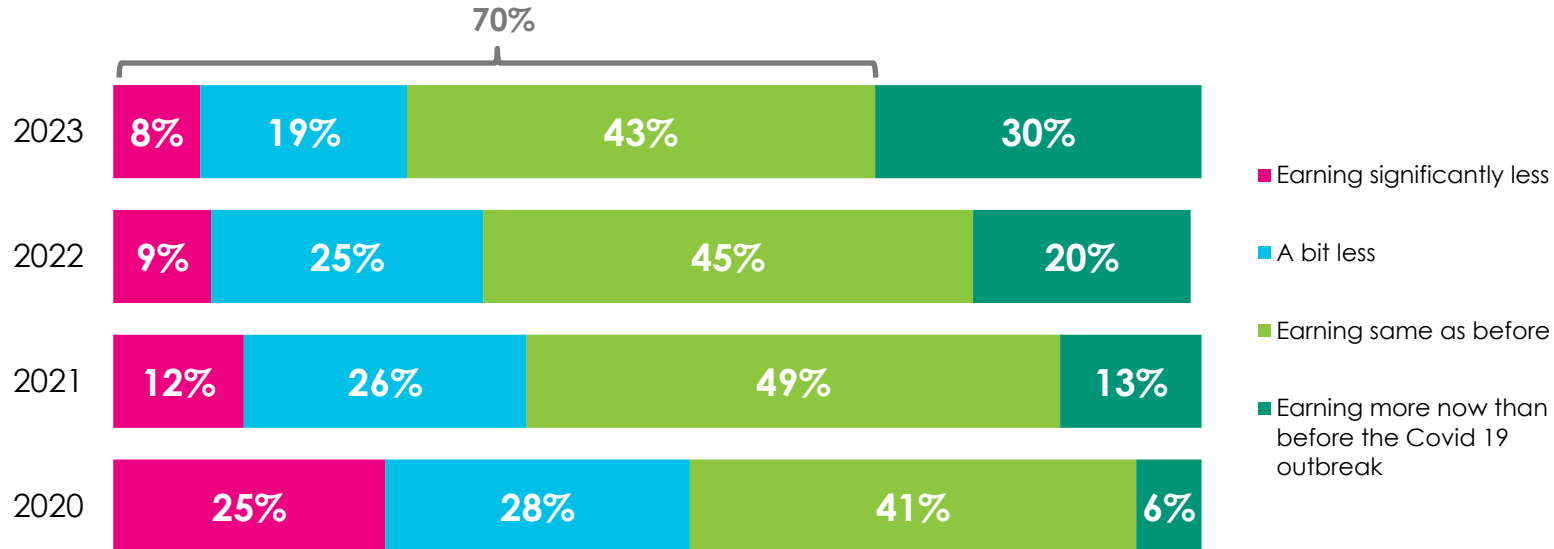
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SHIFT IN PERSONAL EARNINGS

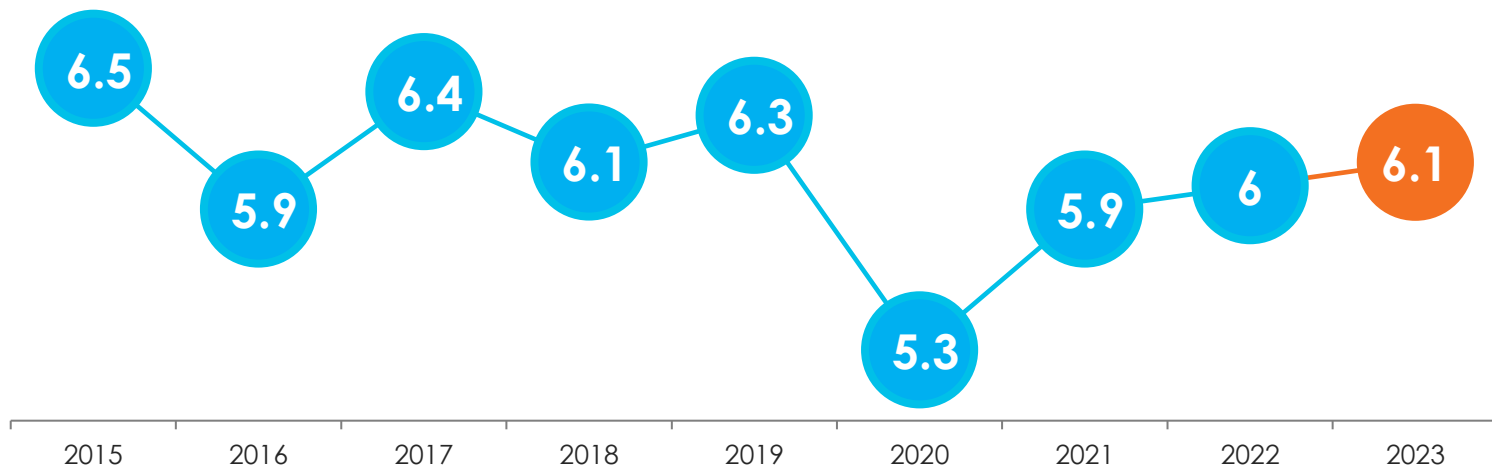
While there have been some positive shifts in personal earnings, **70%** are earning the same or less than they did 3 years ago. With the inflationary environment, this means that the majority of working South Africans have less income in real terms.





FINANCIAL SATISFACTION

No real shift since 2022, but slightly better than 2021 in satisfaction levels. Younger consumers are most satisfied.

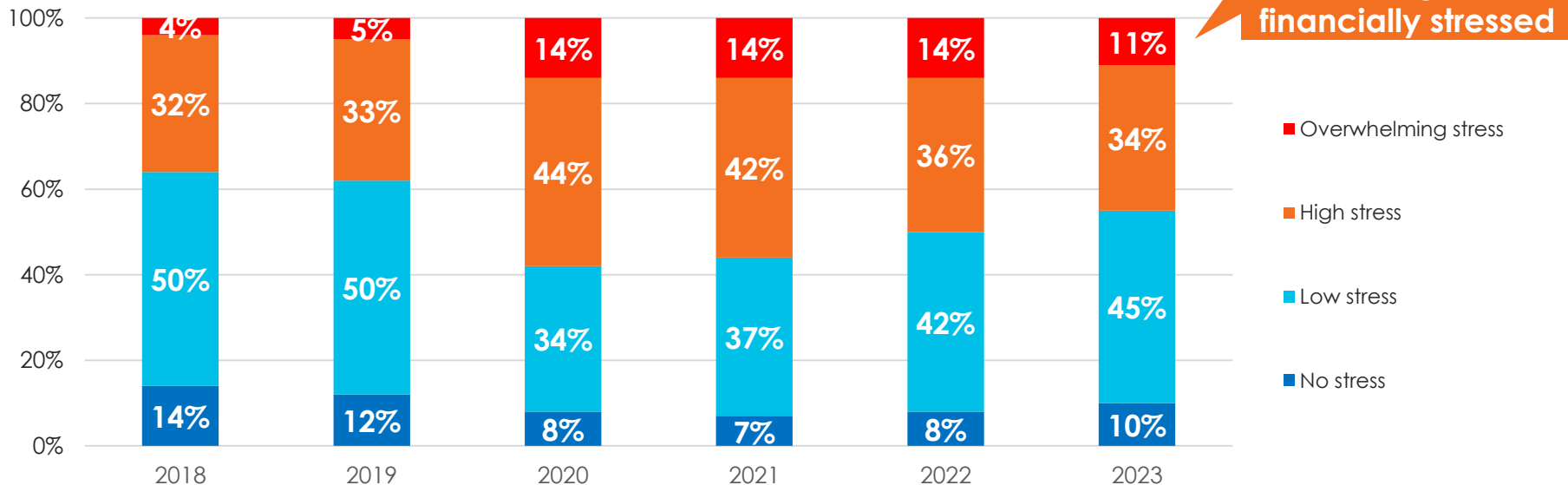


FINANCIAL SATISFACTION	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Mean	6,1	5,9	6	5,9	6,8	6,3	6,9	5,9	6,1	6,3	5,8



FINANCIAL STRESS LEVELS | TRENDED

We continue to see a gradual recovery in stress levels





FINANCIAL STRESS TAKES A PHYSICAL AND EMOTIONAL TOLL

Of those very stressed, 7 in 10 note the negative impact on their mental and physical health

% Agree	Total	Very stressed Cohort	Low stress Cohort	No stress Cohort
Unweighted Numbers	1 518	668	705	145
I feel that financial stress is badly affecting my mental & physical health	47%	71%	28%	18%





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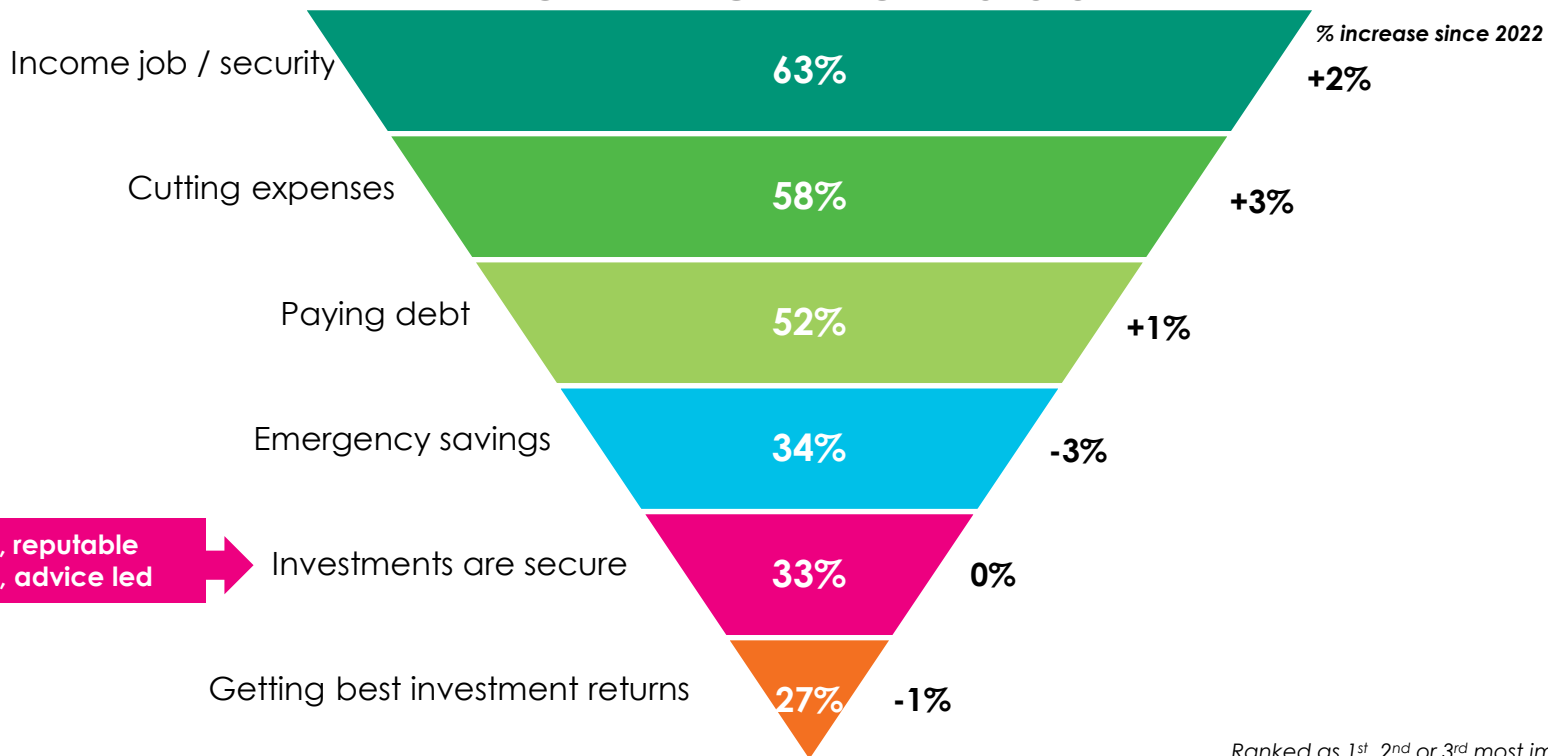
FINANCIAL PRIORITIES, SAVINGS BUFFER,
& COPING MECHANISMS



FINANCIAL PRIORITIES

In 2023 the pattern is largely unchanged: income security, expense and debt control are the most prioritised

TOP* FINANCIAL PRIORITIES 2023





SAVINGS BUFFER

The period immediately post Covid saw people increasingly build up reserves, as they prioritised emergency savings – this remains a key priority, but generally unchanged from 2022.

	2019	2020	2021	2022	2023
1 month or less	28%	40%	34%	29%	30%
2 months	17%	15%	13%	14%	14%
3 months	17%	17%	16%	18%	18%
More than 3 months	38%	27%	36%	39%	38%

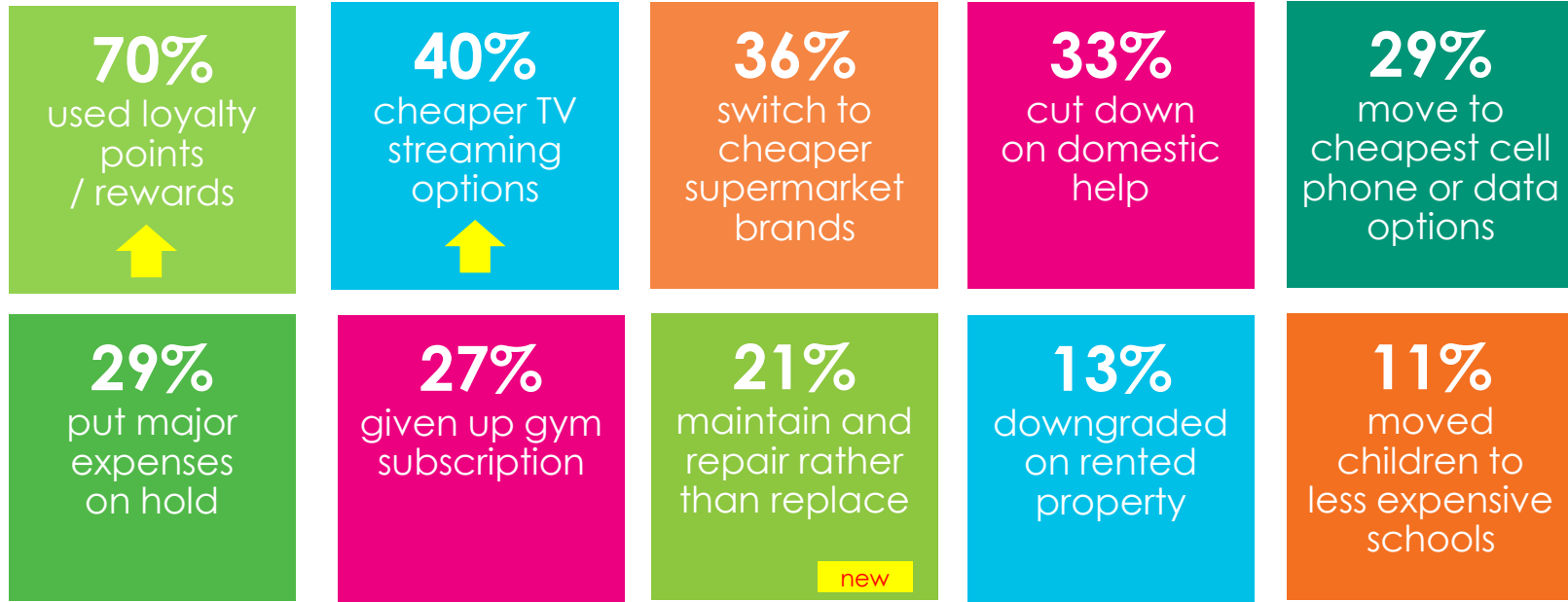
} 62% have savings reserves to last them for only 3 months or less

HOW LONG SAVINGS WOULD LAST	TOTAL	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
One month or less	30%	32%	32%	30%	21%	34%	24%	33%	24%	26%	36%
2 Months	14%	16%	11%	17%	15%	9%	17%	14%	14%	15%	13%
3 Months	18%	19%	18%	18%	14%	16%	18%	18%	18%	17%	19%
More Than 3 Months	38%	33%	40%	35%	50%	42%	41%	36%	45%	42%	33%



INCOME & EXPENSE MANAGEMENT... (SACRIFICE)

Consumers continue to display resilience by looking for ways to stretch their budgets. Rewards programmes increasingly a means to ease the pressure on consumers.

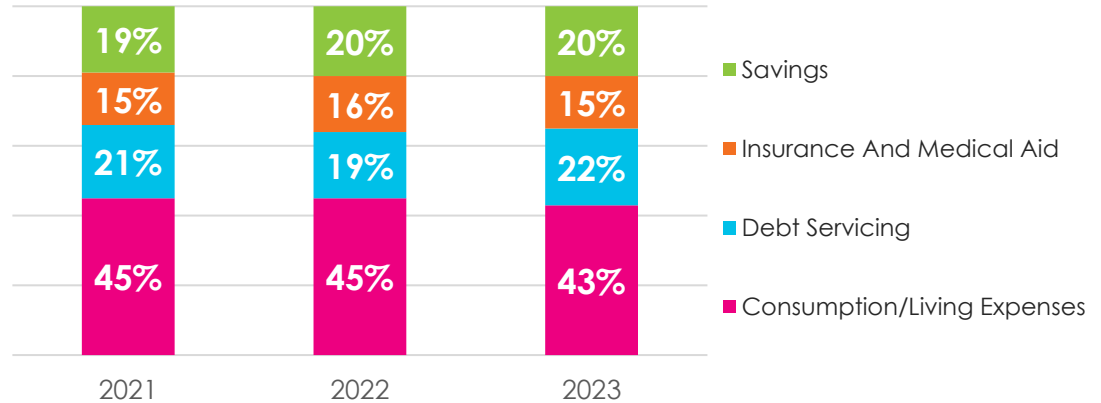


↙ Major holiday, vehicle purchase, large appliances, moving house



INCOME SPEND | TRENDED & 2023

Distribution across Debt, Consumption, and Savings consistent year on year... Interestingly, among the younger consumers, we see an uptick in savings from 23% in 2021 to 26% in 2023



	TOTAL	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
Consumption/Living Expenses	43%	44%	44%	42%	40%	39%	43%	42%	43%	42%	44%
Debt Servicing	22%	19%	21%	24%	23%	27%	17%	22%	24%	22%	21%
Insurance And Medical Aid	15%	15%	15%	15%	17%	16%	15%	16%	15%	15%	16%
Savings	20%	22%	20%	19%	20%	18%	26%	20%	18%	21%	19%



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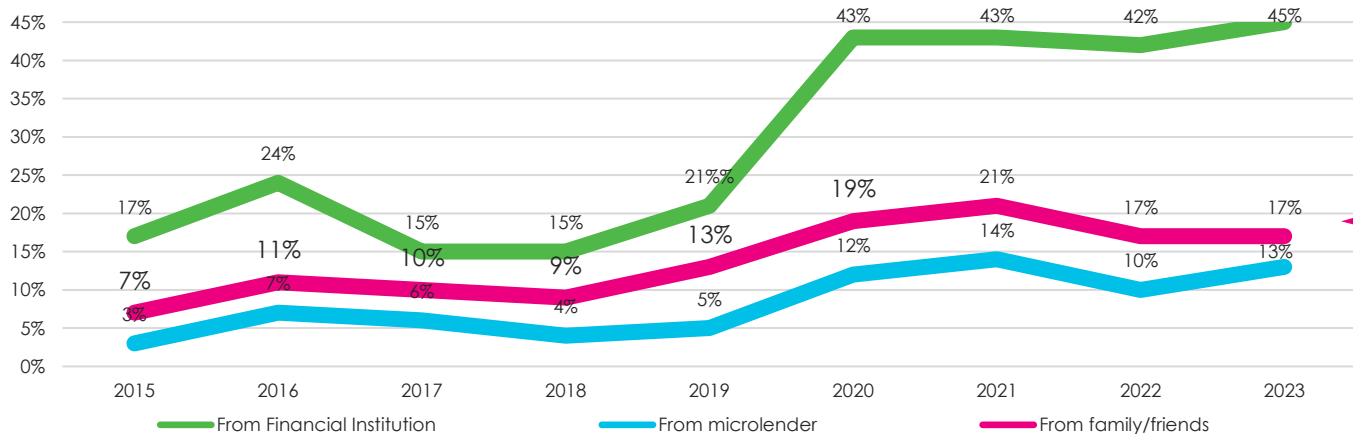
DEBT



COPING MECHANISMS | TRENDED

Latest results show that borrowing is increasing – 34% of working South Africans have taken out a personal loan in the past year. This is double the incidence in 2020 (16%).

HOUSEHOLD FINANCES PAST YEAR	2020	2021	2022	2023
Dipped Into Savings To Make Ends Meet	52%	54%	52%	54%
Had To Borrow From Friends Or Family	39%	44%	40%	43%
Taken Out A Personal Loan	16%	28%	27%	34%



Personal loan sources



COPING MECHANISMS | TRENDED | DETAIL



HOUSEHOLD FINANCES PAST YEAR	2020	2021	2022	2023
Unweighted Numbers	1 487	1 530	1 505	1 518
Taken advantage of points/rewards accumulated on loyalty programs	54%	69%	66%	70%
Dipped Into Savings To Make Ends Meet	52%	54%	52%	54%
Had To Borrow From Friends Or Family	39%	44%	40%	43%
Taken Out A Personal Loan	16%	28%	27%	34%
Fallen Behind On Any Household Bills	37%	34%	35%	31%
Have cashed in a savings or investment policy	23%	31%	32%	31%
Fallen Behind On Store Card Payments	30%	28%	25%	25%
Fallen Behind Of Credit Card Payments	28%	27%	26%	25%
Fallen Behind On Rent Or Home Loan Payments	26%	19%	18%	18%
Fallen behind on stokvel or savings club contributions	18%	17%	13%	12%
Had To Borrow From Your Savings Club Or Stokvel	16%	19%	15%	20%
Taken Out A High Cost Loan	11%	12%	11%	12%
Left or resigned from a stokvel or savings club	13%	13%	10%	11%
Taken a loan from my employer	12%	11%	10%	11%

↑ +3

↑ +7

↑ +5



OTHER CREDIT TYPES | TRENDED 2020 TO 2023

In addition, use of store cards have crept up too

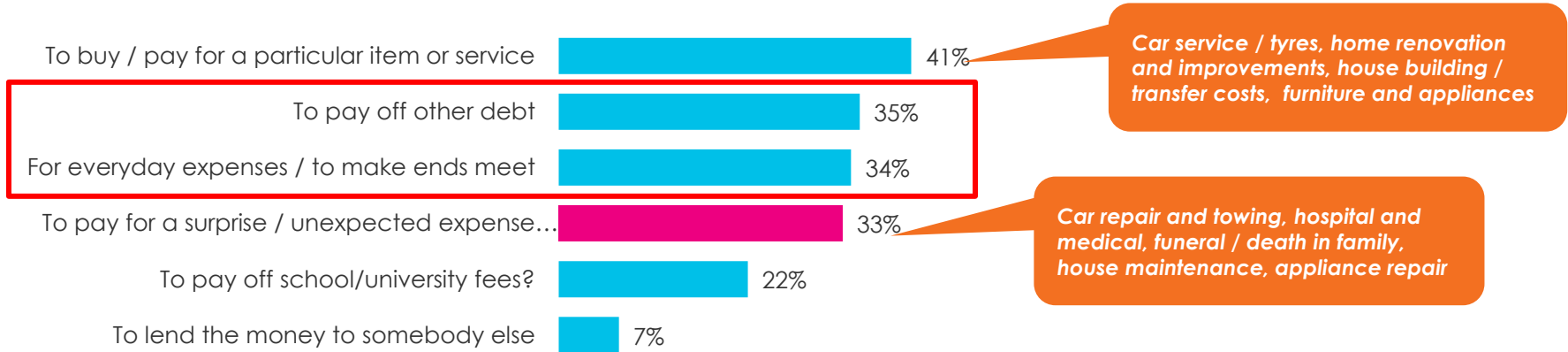
	2020	2021	2022	2023
Unweighted Numbers	1 487	1 530	1 505	1 518
(Bank) Credit card	63%	71%	71%	73%
Store credit cards/shop accounts	58%	60%	57%	61%
Car finance	34%	39%	39%	41%
Home loan/mortgage bond	33%	36%	34%	35%
Revolving credit or overdraft	25%	31%	28%	28%
HP/hire purchase/instalment sale	13%	12%	12%	14%

 +4



MAIN REASON FOR TAKING OUT LOAN

What was the main reason for this loan?

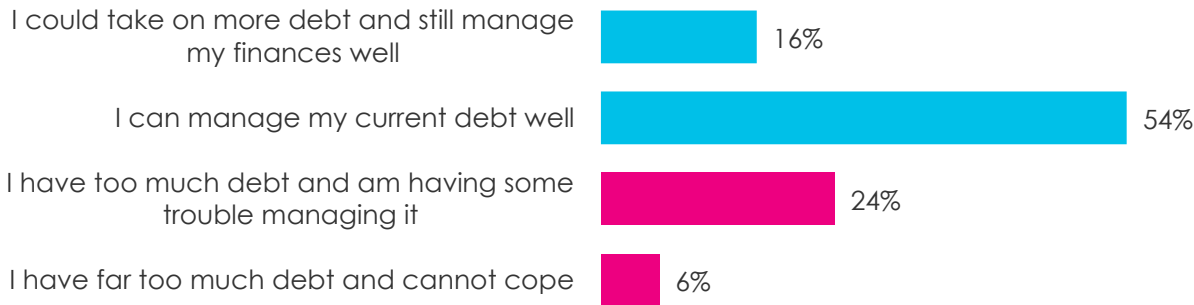


	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	841	286	226	171	114	44	175	501	165	518	323
To buy / pay for a particular item or service	41%	43%	38%	49%	37%	33%	41%	44%	33%	47%	32%
To pay off other debt	35%	34%	35%	36%	35%	42%	29%	36%	37%	33%	38%
For everyday expenses / to make ends meet	34%	34%	31%	34%	34%	46%	39%	36%	23%	35%	32%
To pay for a surprise / unexpected expense that came up	33%	29%	33%	37%	40%	30%	36%	33%	31%	36%	29%
To pay off school/university fees?	22%	23%	24%	19%	23%	21%	27%	22%	19%	22%	22%
To lend the money to somebody else	7%	5%	7%	5%	16%	5%	10%	7%	5%	7%	7%



SENTIMENT RE DEBT BURDEN

Almost 1 in 3 are struggling with Debt. Younger consumers are the most bullish about their ability to take on more debt.

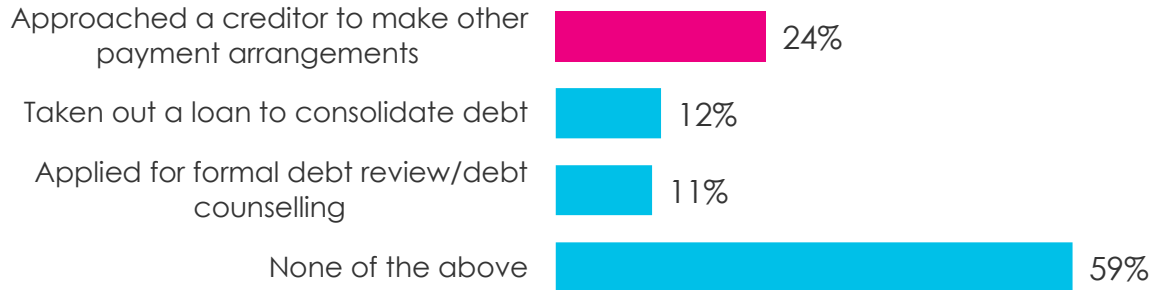


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Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
I could take on more debt and still manage my finances well	16%	15%	15%	17%	20%	22%	28%	17%	8%	18%	15%
I can manage my current debt well	54%	56%	53%	53%	56%	40%	54%	51%	61%	56%	50%
I have too much debt and am having some trouble managing it	24%	22%	26%	26%	22%	28%	15%	25%	27%	22%	27%
I have far too much debt and cannot cope	6%	7%	6%	5%	3%	10%	3%	7%	4%	4%	8%



DEBT MANAGEMENT

1 in 4 have approached a creditor in the last year to make alternative payment arrangements.

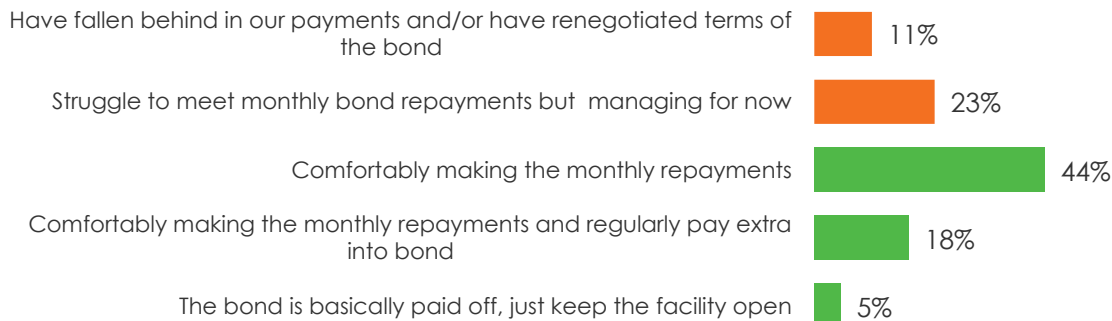


	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
Approached a creditor to make other payment arrangements	24%	27%	28%	19%	18%	20%	30%	26%	15%	25%	22%
Taken out a loan to consolidate debt	12%	12%	10%	10%	15%	9%	12%	12%	11%	12%	10%
Applied for formal debt review/debt counselling	11%	11%	12%	13%	11%	8%	14%	12%	8%	12%	11%
None of the above	59%	55%	54%	64%	62%	71%	52%	58%	67%	58%	60%



HOME LOAN REPAYMENT PATTERNS

1 in 3 with home loans are struggling to meet their repayments, or fallen behind on their payments



Higher among lower income segment - less than R25k (44% vs. 33%)



	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	494	91	112	128	117	46	90	271	133	292	202
Have fallen behind in our payments and/or we have renegotiated	11%	10%	14%	12%	10%	5%	9%	11%	10%	10%	12%
Struggle to meet the monthly repayments but managing for now	23%	32%	32%	21%	11%	22%	25%	23%	22%	23%	22%
Comfortably making monthly repayments	44%	40%	42%	43%	50%	40%	45%	40%	54%	46%	41%
Comfortably making monthly repayments and regularly pay	18%	15%	10%	16%	22%	29%	16%	21%	10%	16%	19%
The bond is basically paid off, just keep the facility open	5%	3%	3%	7%	7%	4%	5%	6%	4%	5%	6%



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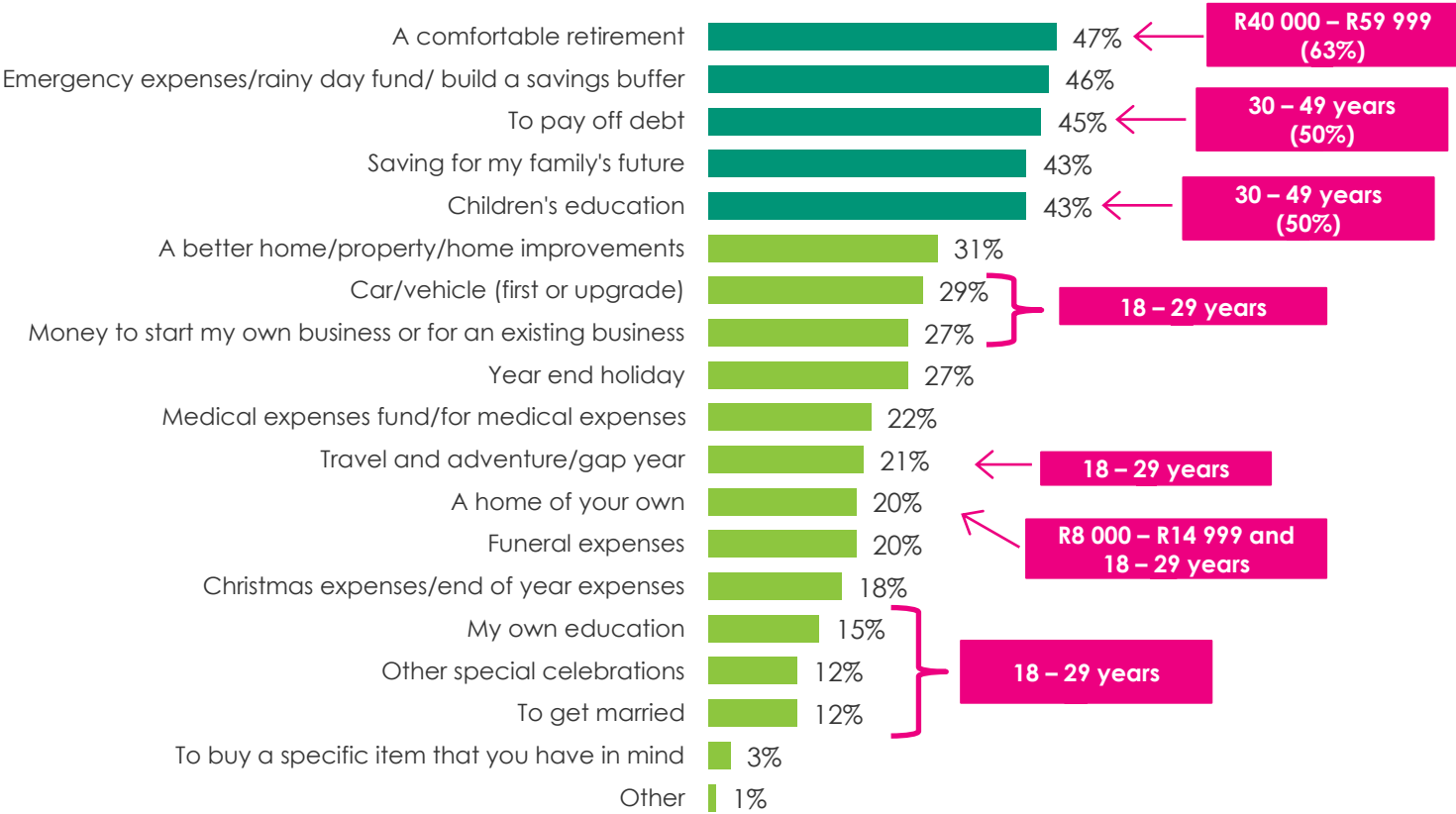
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SAVINGS GOALS AND FORMAL SAVINGS





SAVINGS GOALS 2023

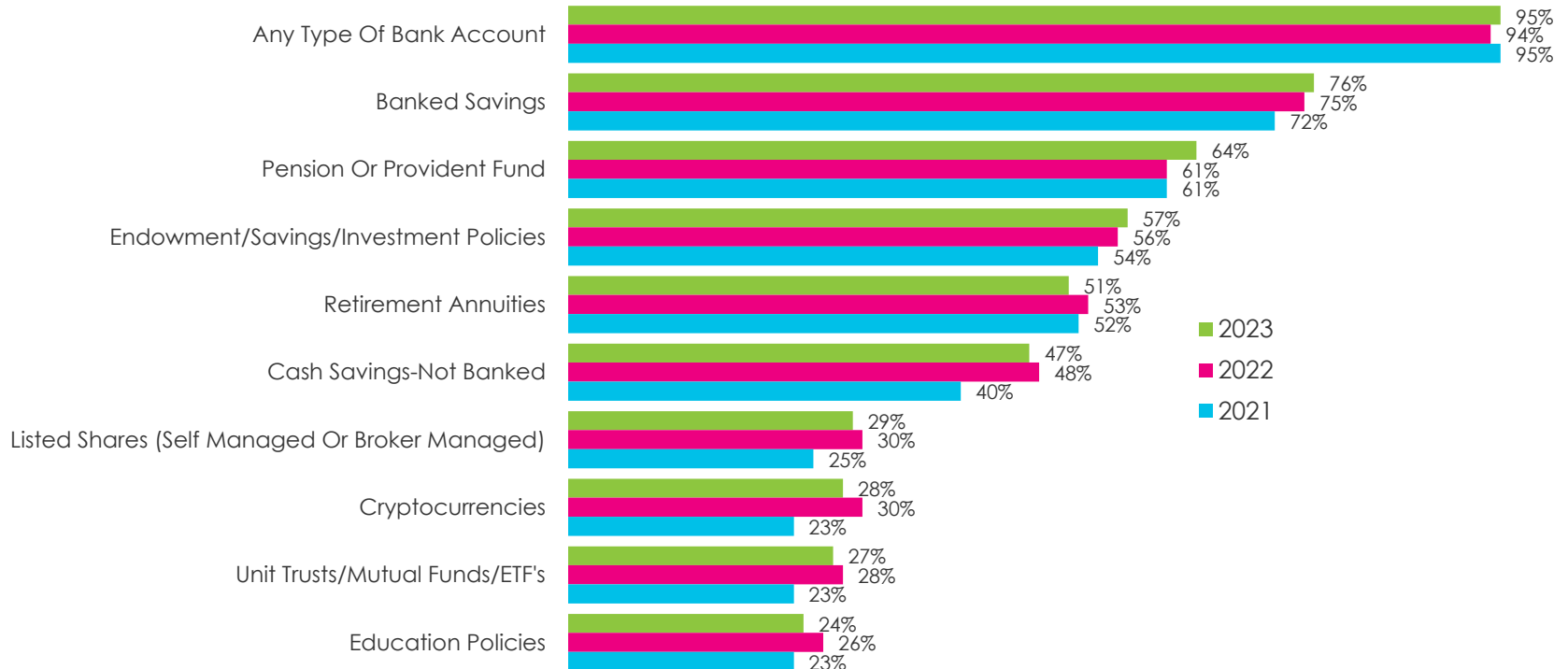


- Retirement Savings and Children's Education are in the top 5 savings goals.
- 2 of the top 3 noted savings goals do not speak to longer term savings - rather, debt repayment and emergency expenses



FORMAL SAVINGS & INVESTMENT PRODUCTS & CASH TRENDED 2021 TO 2023

Reassuringly, formal savings remain stable, banked savings, savings policies nudging up slightly since 2021

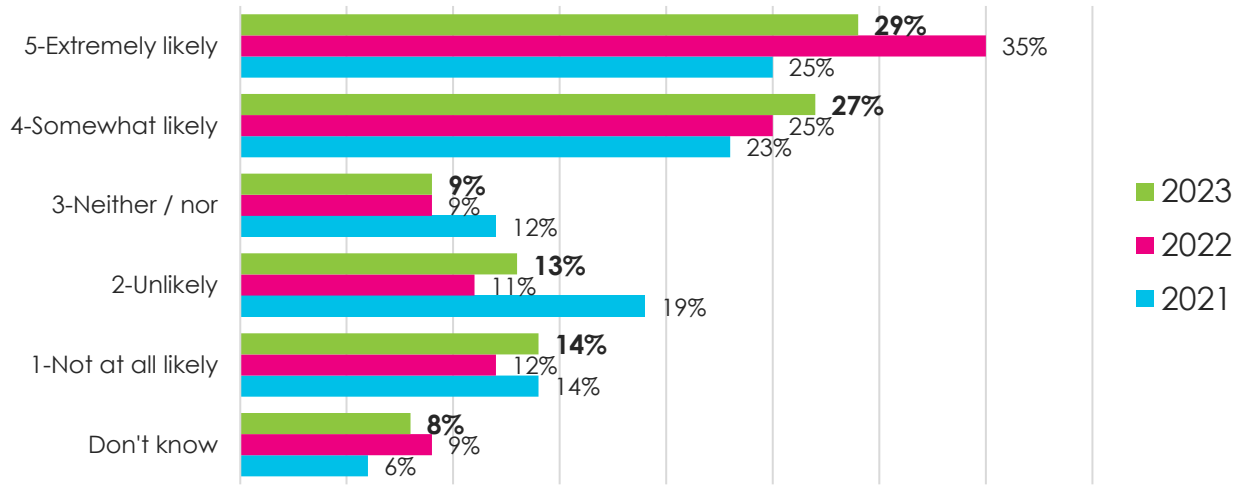




APPETITE FOR CRYPTOCURRENCIES



Appetite for Crypto seeing a decline in 2023, though 56% still likely to purchase Crypto in the next year

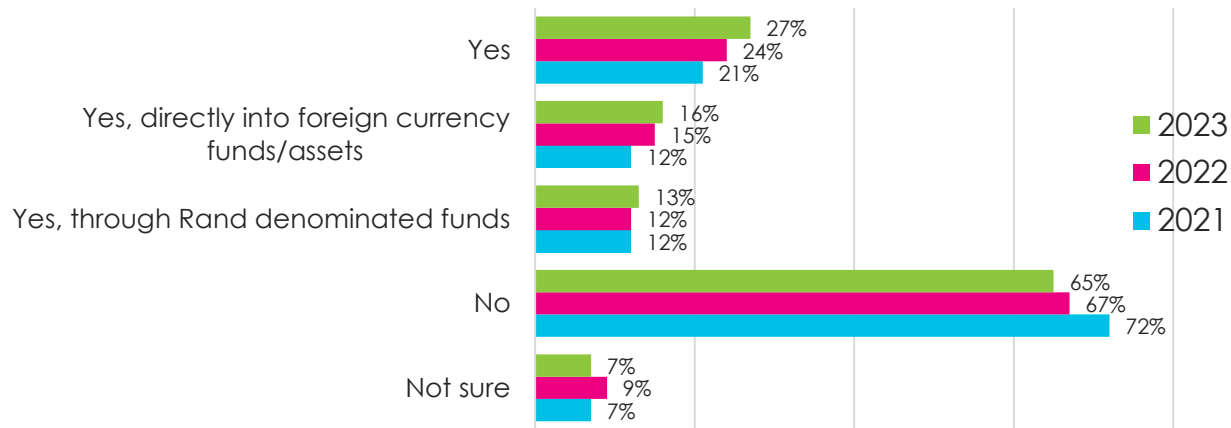


	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332	915	603
% Extremely or somewhat likely to invest in Crypto	56%	51%	60%	56%	60%	61%	64%	59%	42%	62%	48%



OFFSHORE INVESTMENTS

Offshore investment holding continues to nudge up in 2023

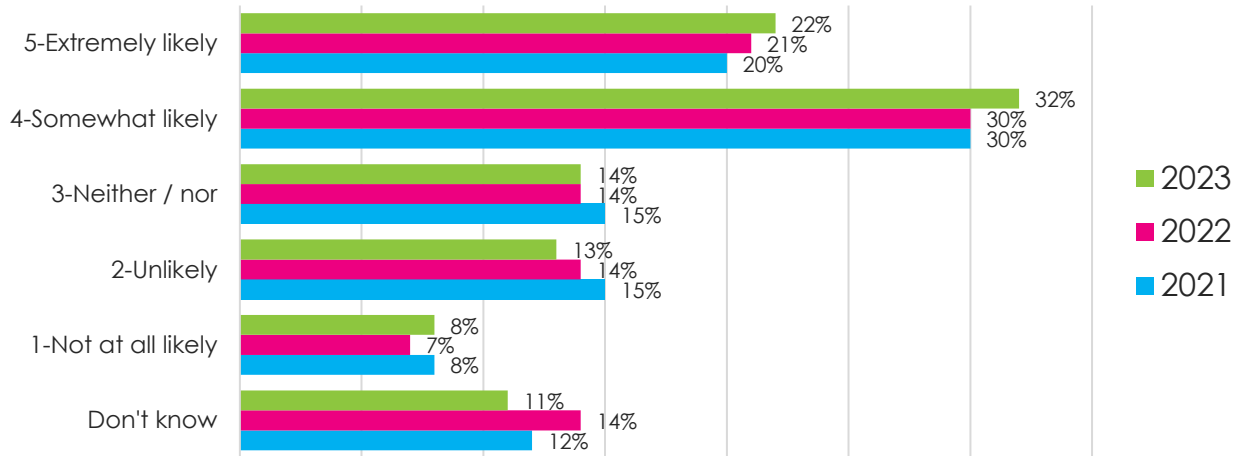


	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332	915	603
Yes	27%	24%	27%	30%	30%	31%	39%	29%	15%	30%	23%
Yes, directly into foreign currency funds/assets	16%	15%	16%	17%	17%	23%	25%	17%	8%	18%	13%
Yes, through Rand denominated funds	13%	10%	15%	16%	15%	13%	17%	14%	8%	15%	11%
Not sure	7%	8%	5%	6%	9%	8%	8%	7%	7%	7%	7%
No	65%	67%	68%	64%	62%	60%	53%	64%	78%	63%	70%



APPETITE FOR INVESTING OFFSHORE

Appetite for offshore continues to nudge up in 2023



	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332	915	603
% Extremely or somewhat likely to invest offshore	54%	54%	56%	49%	59%	55%	62%	56%	44%	60%	47%



SAVINGS &
INVESTMENT MONITOR
2023

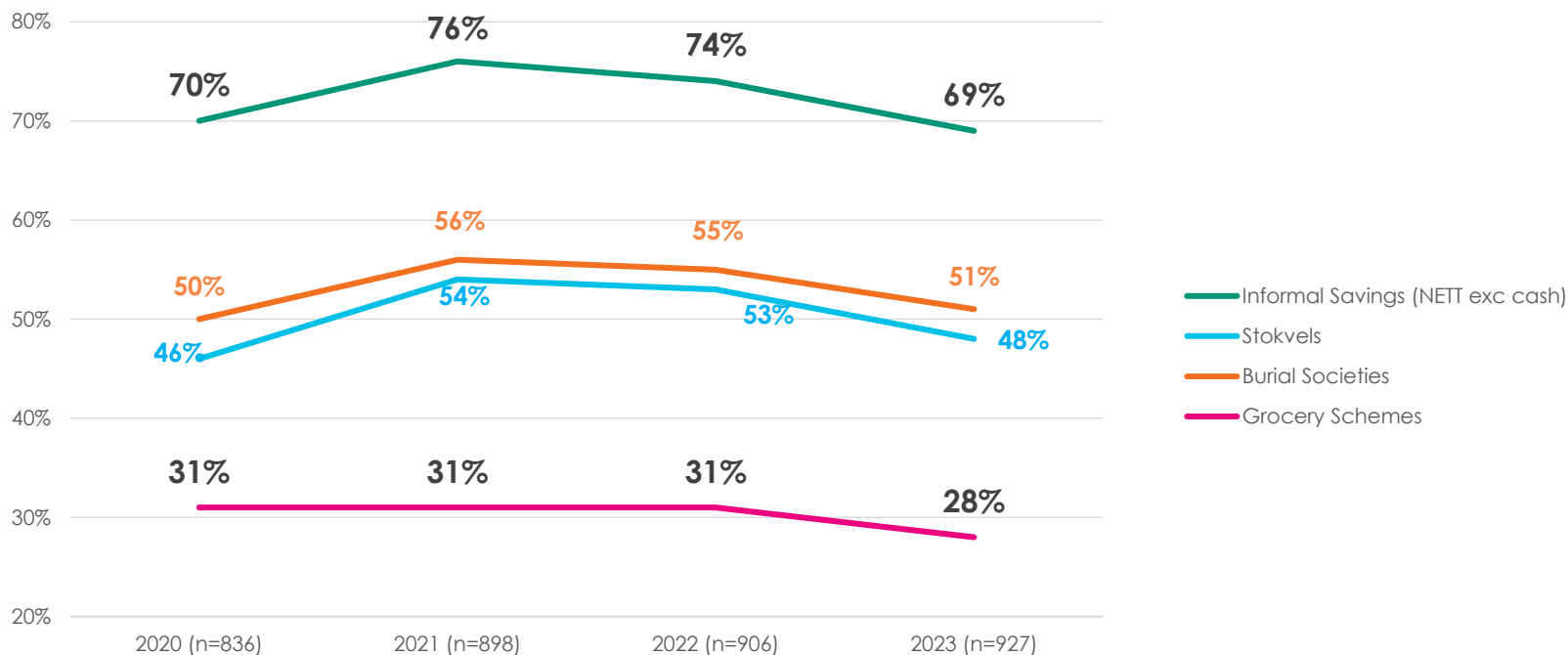
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INFORMAL SAVINGS & STOKVELS



INFORMAL SAVINGS

Informal savings showing a declining trend amongst black working South Africans





NUMBER OF STOKVELS & MONTHLY CONTRIBUTION



No significant shifts in the number of stokvels held and monthly contributions

NUMBER OF STOKVELS AND MONTHLY CONTRIBUTION

% of stokvel members who belong to more than one stokvel

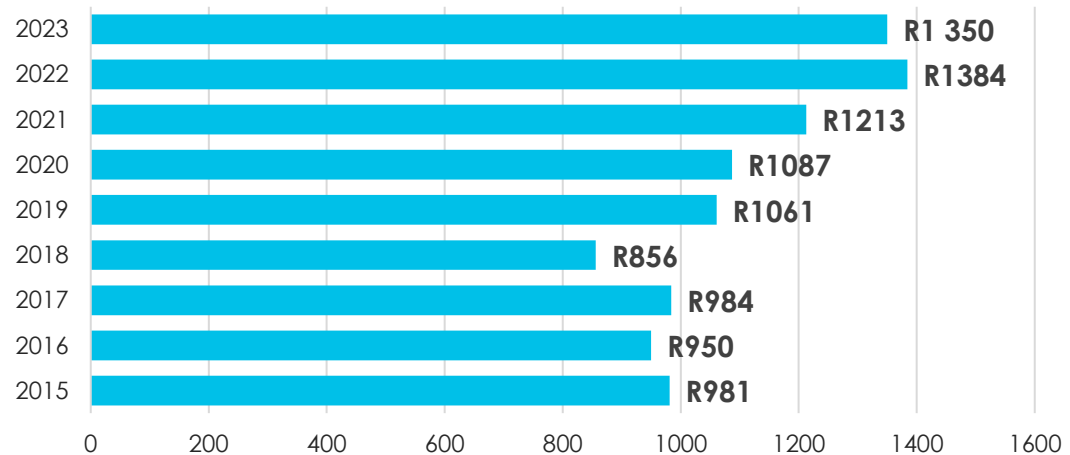
2023: 61%

2022: 63%

2021: 56%

2017: 32%

Average Monthly Contribution





STOKVELS | COMMON SAVINGS GOALS

- The stokvel landscape is evenly divided between stokvels that save for a common goal vs those where members save together but for varied and different personal goals.
- When saving for a common goal, groceries and year-end expenses remain the most prevalent reason.
- The significant increase in saving for travel and holidays is worth noting.

PURPOSE	2021	2022	2023
End of year expenses	60%	57%	58%
Groceries	62%	56%	55%
Travel and holiday	25%	26%	35%
School fees/education expenses	30%	29%	29%
To buy property	26%	17%	19%
To invest on the stock exchange	14%	17%	18%
To buy livestock	13%	14%	16%
Weddings/other big celebrations	17%	12%	11%
Cleaning & sanitising products	12%	7%	9%

↑ Skew upper income (43% vs 35% overall)



STOKVELS AND LENDING

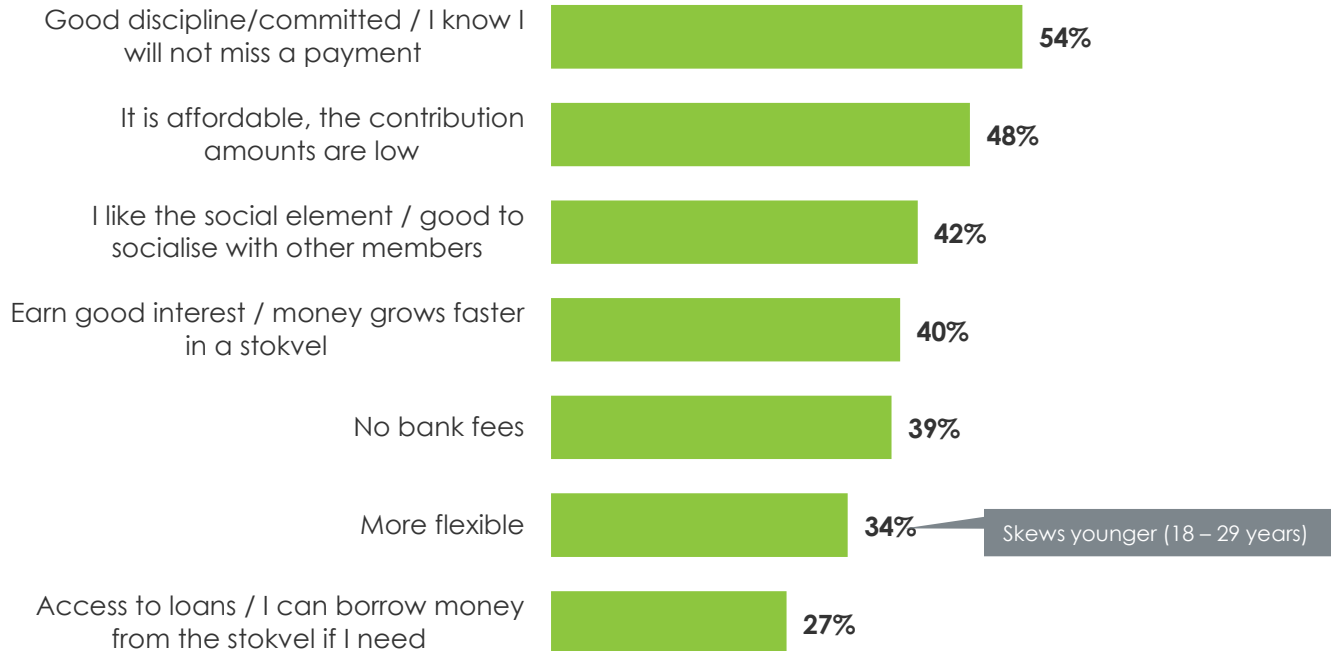


- 65% of stokvel members belong to at least one stokvel that grants loans to members
- **40% belong to a stokvel that grants loans to the general public.**
- Motivation is mixed – from occasional lending to help out members in need, and in some cases as a means of raising money for the stokvel.
- Some 54% of members belong to at least one stokvel that uses lending as an income generator for the group.



WHY BELONG TO A STOKVEL?

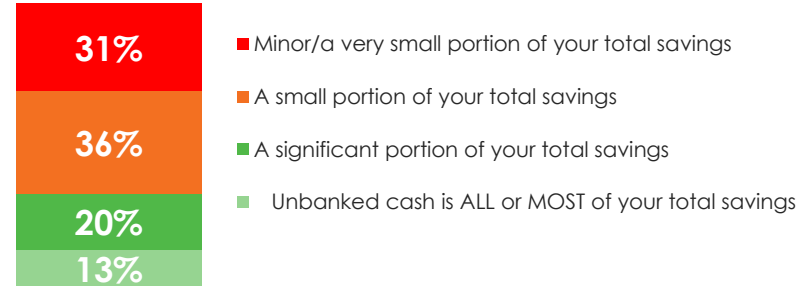
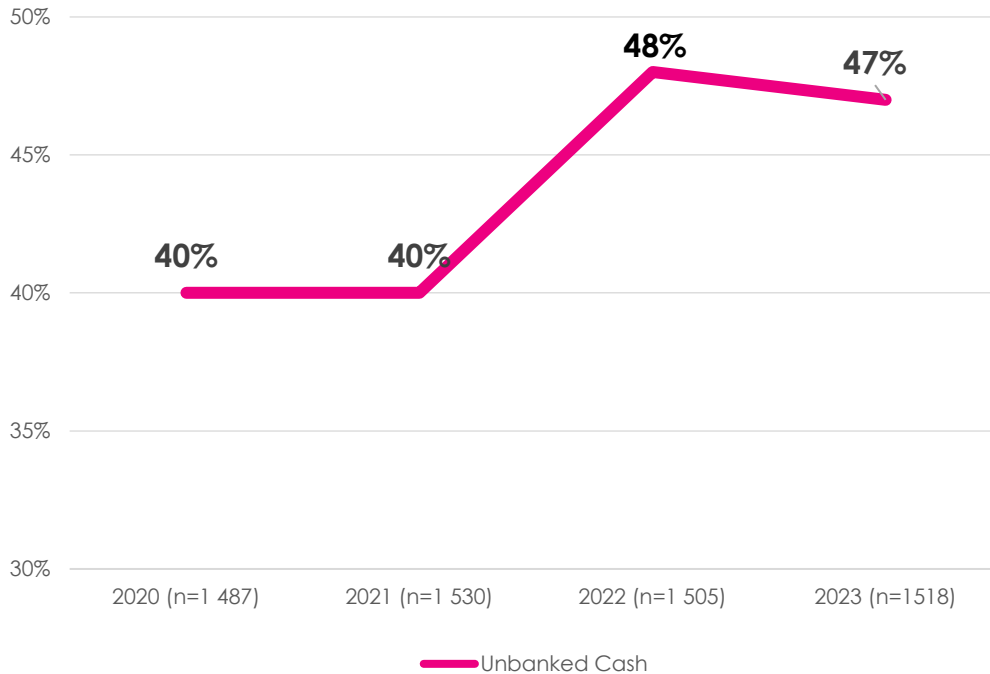
Biggest appeal of stokvels is the enforced discipline as well as the affordability of the contribution amounts





UNBANKED CASH INCIDENCE

Incidence of holding unbanked cash remains stable in 2023. Two thirds of those with unbanked cash noted the money was only a small portion of their total savings

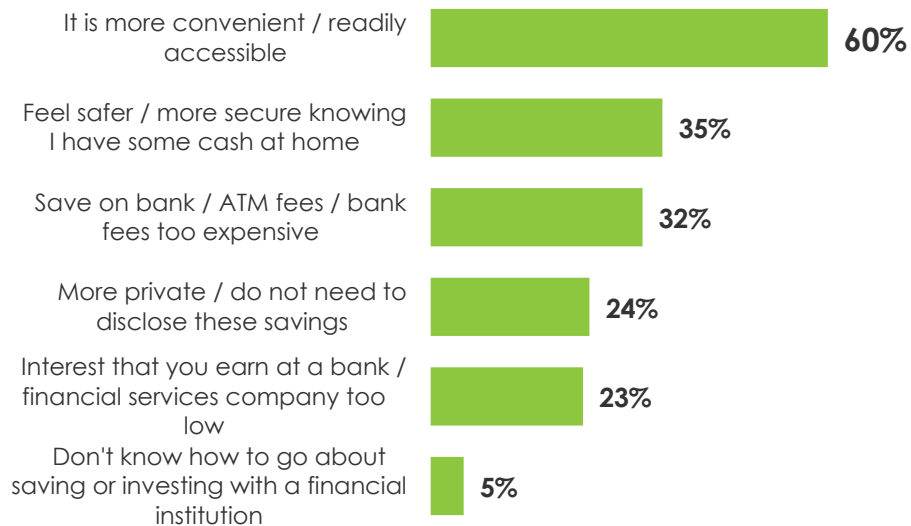




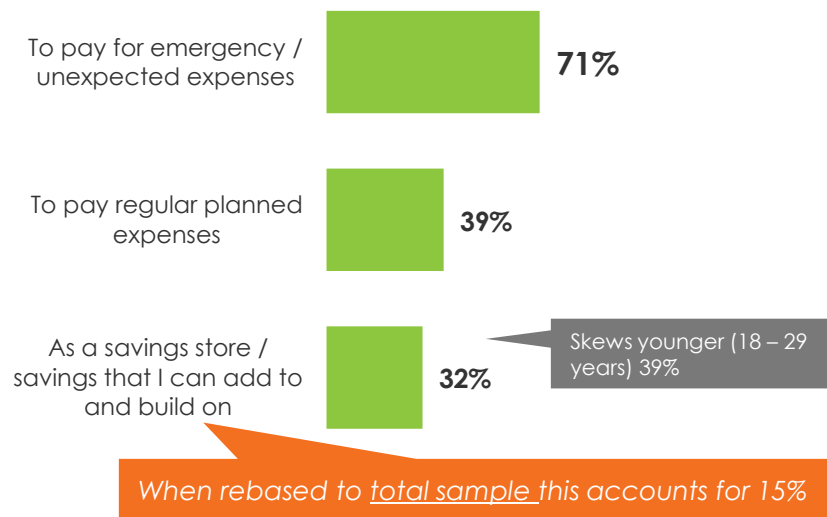
UNBANKED CASH | MOTIVATION

Keeping funds unbanked is driven by the need for accessible funds. 1 in 3 also noted saving of bank fees as a driver for unbanked cash

WHY CHOOSE TO SAVE THIS WAY?



WHAT IS THIS CASH INTENDED FOR?





SAVINGS &
INVESTMENT MONITOR
2023

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PROTECTION

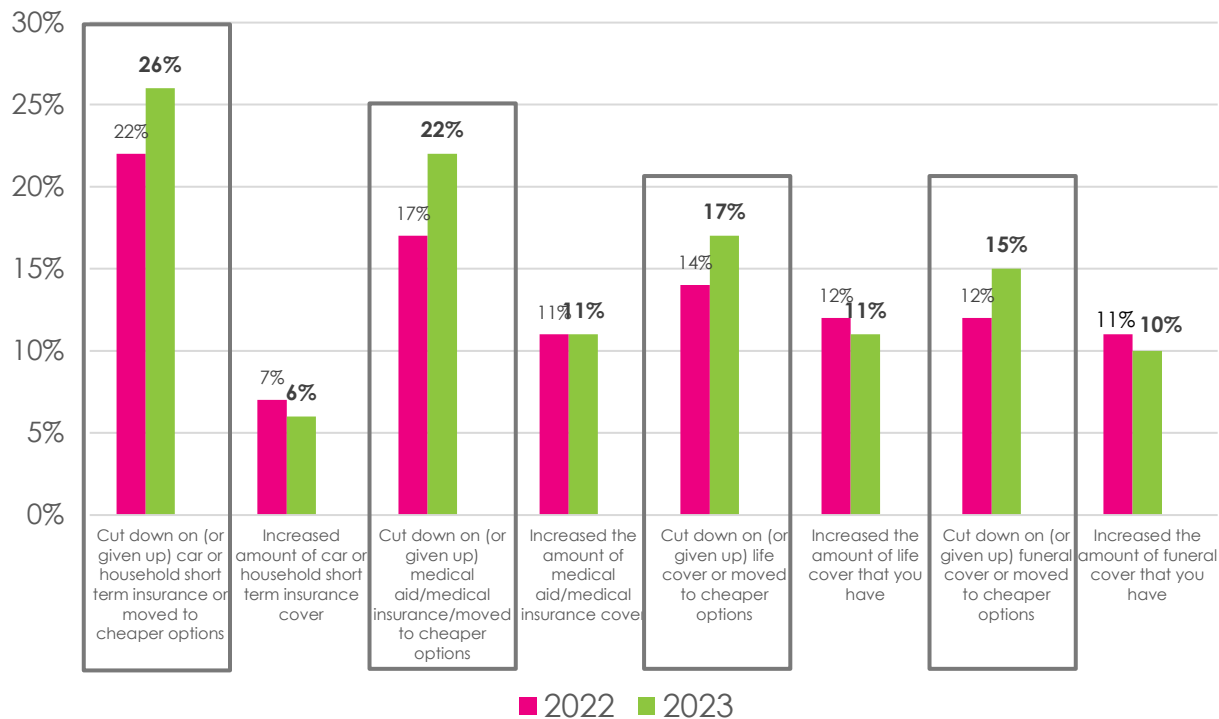
Including product repertoire, changes to cover





CHANGES TO RISK & PROTECTION COVER

The more prevalent trend on risk and protection cover is to move to cheaper options. Penetration levels though are stable, suggesting consumers are trimming and reorganising cover, rather than giving it up entirely.





CHANGES TO RISK & PROTECTION COVER

The more prevalent trend is to review this cover downwards – either by giving it up or moving to cheaper options. Penetration levels though are fairly steady, the results point to a trimming and reorganising of cover, rather than giving it up entirely.

	Total 2022	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted Numbers	1505	1,518	535	374	310	220	79	373	813	332
Cut down on (or given up) car or household short term insurance or moved to cheaper options	22%	26%	25%	29%	29%	22%	18%	27%	27%	21%
Increased amount of car or household short term insurance cover	7%	6%	5%	9%	5%	7%	9%	11%	7%	3%
Cut down on (or given up) medical aid/medical insurance/moved to cheaper options	17%	22%	21%	27%	24%	16%	22%	24%	25%	13%
Increased the amount of medical aid/medical insurance cover	11%	11%	9%	9%	9%	19%	10%	13%	12%	6%
Cut down on (or given up) life cover or moved to cheaper options	14%	17%	16%	19%	17%	13%	14%	18%	18%	12%
Increased the amount of life cover that you have	12%	11%	8%	9%	12%	17%	12%	16%	11%	6%
Cut down on (or given up) funeral cover or moved to cheaper options	12%	15%	16%	18%	15%	13%	8%	15%	18%	7%
Increased the amount of funeral cover that you have	11%	10%	10%	10%	9%	12%	9%	14%	10%	6%
None of the above	44%	37%	40%	32%	32%	37%	50%	27%	33%	56%



SAVINGS &
INVESTMENT MONITOR
2023

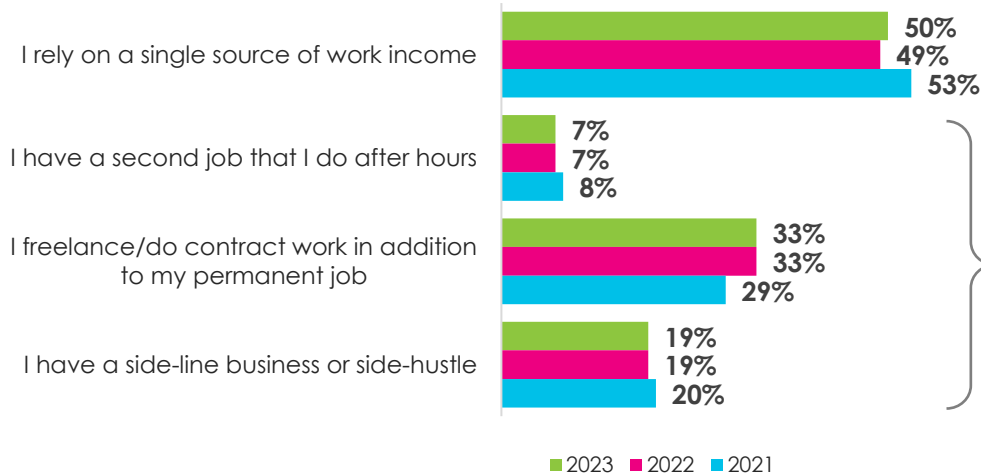
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WORKING LIFE





POLYJOBBERS HOLDING STEADY



Incidence of those with multiple income holding steady at 50%, and again the highest incidence is seen among 18 – 29-year-olds, where we see an increase from 60% to 70%

SOURCE OF INCOME	TOTAL	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	MALE	FEMALE
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332	915	603
I rely on a single source of work income	50%	51%	47%	49%	51%	50%	30%	47%	73%	48%	52%
I have a second job that I do after hours	7%	6%	6%	8%	8%	7%	12%	6%	4%	7%	7%
I freelance/do contract work in addition to my permanent job	33%	33%	35%	31%	36%	33%	49%	37%	12%	35%	32%
I have a side-line business or side-hustle	19%	18%	22%	20%	17%	19%	25%	20%	14%	21%	17%



SAVINGS &
INVESTMENT MONITOR
2023

RETIREMENT REFORM & PRESERVATION BEHAVIOUR

K

BETTER





REACTION TO PROPOSED REFORM & LIKELIHOOD TO TAKE ADVANTAGE OF THE CHANGES

Awareness of the proposed reforms are slightly higher than 2022 (63% have at least heard about it vs 59% in 2022). Reaction to proposed pension reform remains positive or mixed, with only 9% who feel negatively about it. There is little difference in sentiment between retirement fund members and non-members

	TOTAL 2022	TOTAL 2023	18 - 29 YEARS	30 - 49 YEARS	50 YEARS+	PENSION OR PROVIDENT FUND MEMBERS	HAVE AN RA	NO FORMAL RETIREMENT FUND MEMBERSHIP
Positive, I think it is a good thing	50%	54%	55%	55%	50%	56%	54%	49%
Negative, I think it is a bad idea	12%	9%	5%	9%	13%	9%	9%	10%
Mixed feelings, there are positive and negative aspects	38%	37%	39%	36%	38%	36%	36%	41%

62% of fund members concede that they would be likely to withdraw some of their retirement savings before retirement if this was allowed. This is in line with the proportions recorded in 2022



PAST PRESERVATION BEHAVIOUR

Of those who left or changed jobs in the past 2 years, 59% belonged to a pension or provident fund. Only 29% preserved all their retirement savings – the majority took a cash component vs fully reinvesting the funds.

What did you do with the money in that pension or provident fund?

	2022 (n=181)	2023 (n=201)
Reinvested/preserved all the money for my future retirement	31%	29%
Reinvested most of the money, and took the smaller balance in cash	28%	24%
Reinvested some of the money, and took about half the balance in cash	10%	14%
Reinvested a small portion of the money, and took the bigger balance in cash	6%	4%
Took all the money in cash	26%	30%



SAVINGS &
INVESTMENT MONITOR
2023

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RISK INCLINATION & ONLINE GAMBLING





INVESTMENT RISK INCLINATION



RISK APPETITE	2022	2023
Substantial financial risk expecting to earn substantial returns	23%	21%
Above average financial risks expecting to earn above average returns	28%	27%
Average financial risks expecting to earn average returns	31%	36%
Not willing to take any financial risks	19%	16%

Risk inclined South Africans remain fairly stable relative to 2022, and still about 1 in 2...

As before, investment risk appetite is strongly correlated with both age and gender, with men and particularly younger consumers significantly more willing to take on risk.

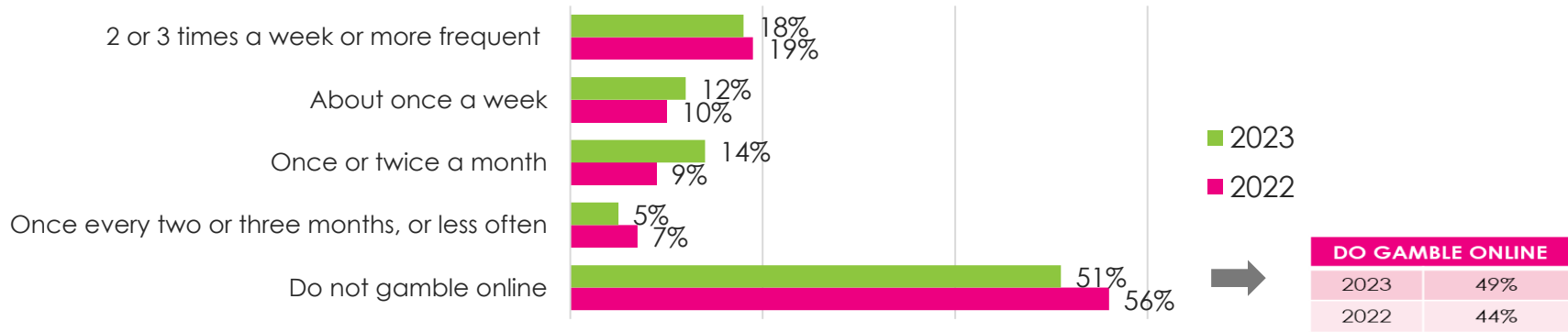
	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332	915	603
Substantial/Above average financial risk expecting to earn substantial/above average returns	48%	49%	45%	48%	51%	46%	64%	49%	35%	53%	41%
Average financial risks expecting to earn average returns	36%	34%	38%	35%	37%	46%	26%	36%	43%	36%	37%
Not willing to take any financial risks	16%	18%	16%	17%	12%	8%	10%	15%	23%	11%	23%



ONLINE GAMBLING*: INCIDENCE AND FREQUENCY

(REFERS TO ONLINE GAMBLING IN THE BROADER SENSE INCLUDING ANY FORM OF ONLINE GAMBLING OR GAMING FOR MONETARY REWARD INCLUDING LOTTO (E.G. LOTTOSTAR), ONLINE CASINOS, ONLINE SPORTS BETTING ETC.)

- Online gambling edging upward since 2022 from 44% to 49%
- 30% of working South Africans gamble online at least once a week



	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted Numbers	1 518	535	374	310	220	79	373	813	332
Every day (or nearly everyday)	6%	6%	7%	3%	6%	2%	5%	7%	2%
2 or 3 times a week	12%	13%	14%	14%	8%	7%	14%	14%	6%
About once a week	12%	10%	16%	11%	14%	12%	13%	12%	13%
Once or twice a month	14%	14%	12%	18%	12%	13%	12%	15%	11%
Once every two or three months	2%	2%	3%	4%	1%	4%	2%	3%	2%
Less often	3%	3%	2%	2%	3%	3%	2%	3%	2%
Do not gamble online	51%	52%	46%	49%	56%	58%	51%	47%	63%



SAVINGS &
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2023

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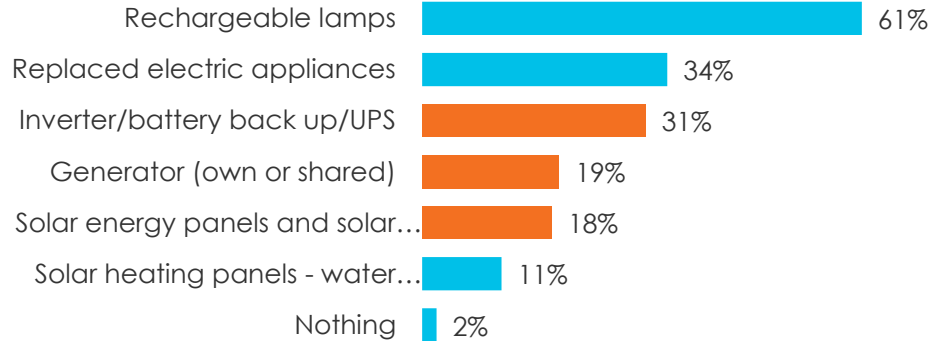
LOADSHEDDING





ALTERNATIVE ENERGY SOLUTIONS AT HOME

Other than the expected rechargeable lights, 1 in 3 have spent on inverters/UPS solutions, while almost 20% have invested in a generator (shared and owned) or solar panels – expectedly this is higher among the upper income segments



ALTERNATIVE ENERGY SOLUTIONS	Total 2023	R8 000 – R14 999	R15 000 – R24 999	R25 000 – R39 999	R40 000 – R59 999	R60 000 – R99 999
Unweighted Numbers	1,518	535	374	310	220	79
Rechargeable lamps	61%	61%	65%	59%	55%	60%
Replaced electric appliances	34%	36%	36%	34%	26%	32%
Inverter/battery back up/UPS	31%	21%	26%	36%	42%	62%
Generator (own or shared)	19%	17%	15%	18%	29%	30%
Solar energy panels and solar storage	18%	14%	17%	17%	25%	26%
Solar heating panels - water heating ONLY	11%	9%	11%	10%	13%	20%
Nothing	2%	2%	3%	2%	4%	0%



COST OF ALTERNATIVE ENERGY SOLUTIONS

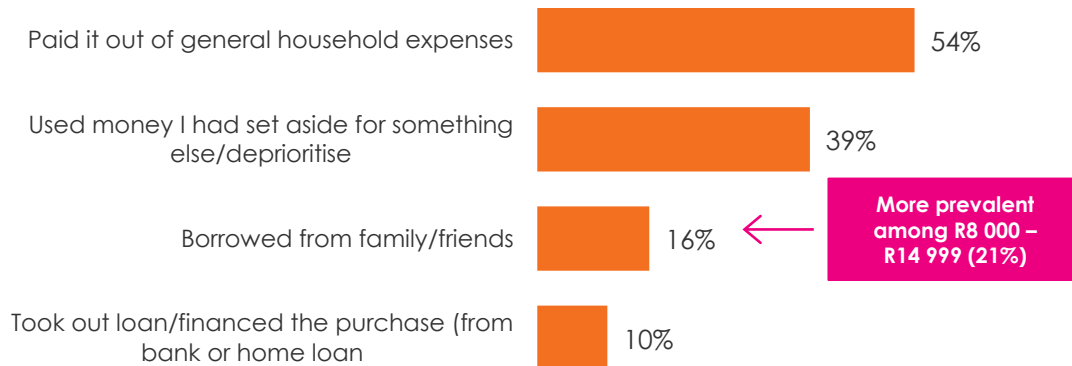
On average, South Africans are paying at least R11k on alternative energy solutions

COST OF ALTERNATIVE ENERGY SOLUTIONS	Total 2023	R8 000 – R14 999	R15 000 – R24 999	R25 000 – R39 999	R40 000 – R59 999	R60 000 – R99 999
Unweighted Numbers	1,518	535	374	310	220	79
Mean (RANDS)	11,746	7,298	12,437	12,159	14,133	25,240

MONEY SET ASIDE FOR THIS EXPENSE?



SOURCE OF FUNDS FOR THIS EXPENSE

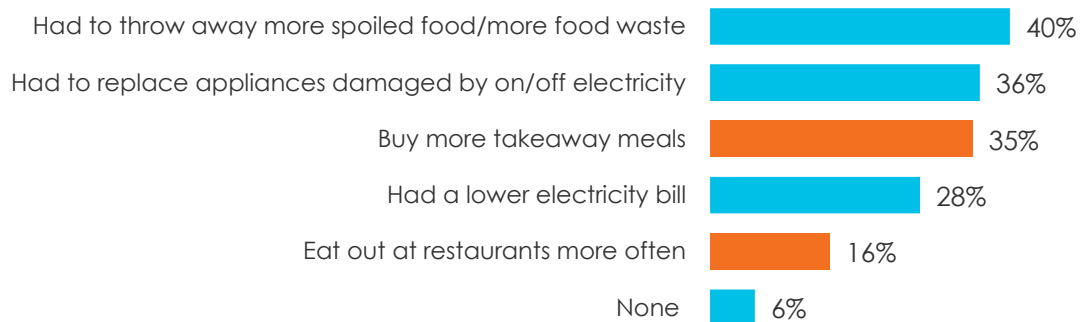


Base = 855 who did NOT have money set aside



CHANGES AT HOME AS A RESULT OF LOADSHEDDING

About 1 in 3 note they had to replace appliances due to loadshedding and also buy more take-away food than they ordinarily would have.....



Eating out and take away driven by R40k+ consumers

HH CHANGES DUE TO LOADSHEDDING	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332
Had to throw away more spoiled food/more food waste	40%	39%	44%	39%	37%	39%	48%	43%	25%
Had to replace appliances damaged by on/off electricity	36%	33%	40%	34%	36%	34%	36%	38%	27%
Buy more takeaway meals	35%	30%	35%	30%	45%	47%	38%	37%	25%
Had a lower electricity bill	28%	26%	26%	31%	32%	32%	33%	31%	17%
Eat out at restaurants more often	16%	14%	13%	15%	22%	22%	21%	16%	10%
None	6%	9%	4%	6%	5%	2%	4%	4%	15%

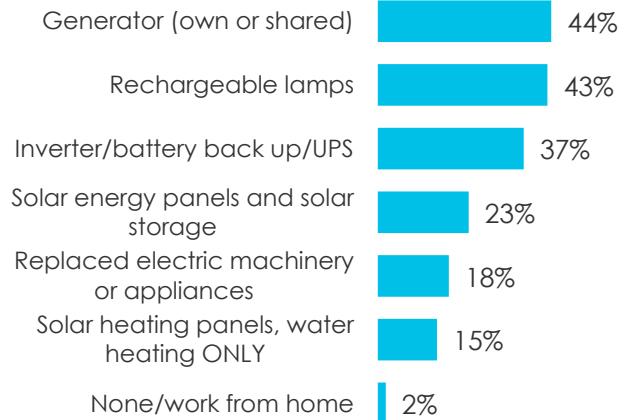


IMPACT OF LOADSHEDDING ON BUSINESS

Amongst businesses, 4 in 10 use generators, and over a third use inverters

COST OF ALTERNATIVE ENERGY SOLUTIONS FOR BUSINESS	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999
Unweighted Numbers	677	217	186	132	101	41*
Mean (RANDS)	23,237	13,295	15,663	23,192	45,826	44,350

Alternative energy solutions using in business



Base = 677 who own or part own a business

Biggest implication that loadshedding has had for business	n=677
Low revenue/profit/loss of money/lost clients	34%
Unable to meet deadlines/can't deliver on time/under pressure	20%
Working short time/closing the shop early	16%
Irregular internet connection/affecting online businesses	11%
The cost of replacing/repairing damages on appliances	6%
Spending more money on alternative electric sources	6%
Stock/food gets spoiled/products expire	6%
Cost the company money to buy a lot of diesel	5%
Job losses/unemployment/retrenchments/downsize	4%
Delayed turnaround time on sending feedback/emails	3%
Business closing down/severe impact on all fronts	3%
Planning/working around the load shedding schedules	3%
Increases expenses/costs of the business	3%
Can't meet clients needs/customers can't find what they want	2%
High rate of theft/crime/poses safety concerns	1%
Loss of unsaved data	1%
Inability to attend meetings online	1%

Mentions of less than 1% not charted



SAVINGS &
INVESTMENT MONITOR
2023

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WINDFALL



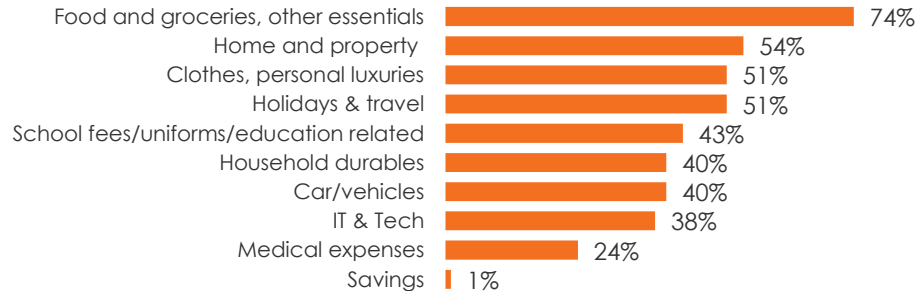


WINDFALL OF A YEARS' SALARY

To test financial behaviour, a 'what if' scenario was posed re a windfall of a year's salary. Again, debt repayment and emergency savings dominate. Just over a quarter indicate they would spend the money – primarily on groceries and essentials

WINDFALL (ANNUAL SALARY)	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted Numbers	1,518	535	374	310	220	79	373	813	332
Pay off debt	63%	58%	61%	66%	65%	77%	55%	66%	59%
Save for emergencies/put into short term savings which can be accessed	55%	57%	49%	57%	57%	53%	58%	56%	50%
Invest it in long term or retirement savings	41%	43%	41%	33%	46%	39%	52%	41%	31%
Invest in own business/start own business	33%	34%	30%	33%	33%	34%	42%	34%	21%
Spend it (or part of it)	27%	27%	27%	28%	24%	36%	30%	29%	21%
Give it (or part of it) away/help out friends & family members	18%	20%	18%	16%	19%	14%	19%	19%	17%
Other	1%	0%	1%	2%	1%	0%	1%	1%	1%

Likely to spend windfall on (n=418)





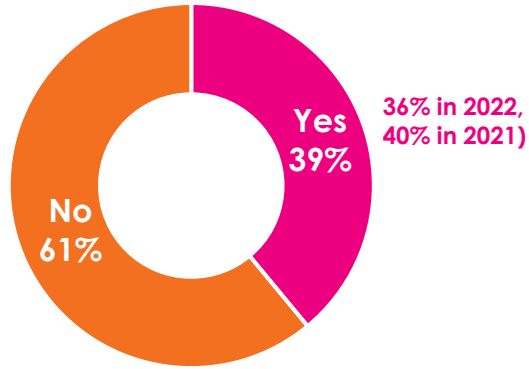
USE OF FINANCIAL ADVISERS





FINANCIAL ADVISERS

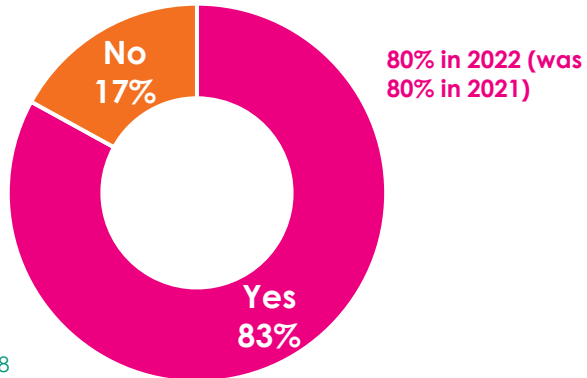
DO YOU USE A FINANCIAL ADVISER?



6 in 10 working South Africans do not use a financial adviser, particularly high (74%) among lower income South Africans

	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted numbers	1518	535	374	310	220	79	373	813	332
Yes, use an adviser	39%	26%	36%	49%	50%	65%	39%	38%	43%
No	61%	74%	64%	51%	50%	35%	61%	62%	57%

CONSULTED YOUR ADVISER IN THE LAST YEAR?



Base= those who use an adviser	Total 2023	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R39 999	R40 000 - R59 999	R60 000 - R99 999	18 - 29 years	30 - 49 years	50 years+
Unweighted numbers	597	153	138	144	112	50	153	299	145
Yes, have consulted my adviser in the last year	83%	83%	85%	89%	76%	80%	88%	83%	82%
No	17%	17%	15%	11%	24%	20%	12%	17%	18%



SAVINGS &
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2023

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SINGLE MOTHERS





SINGLE MOTHERS

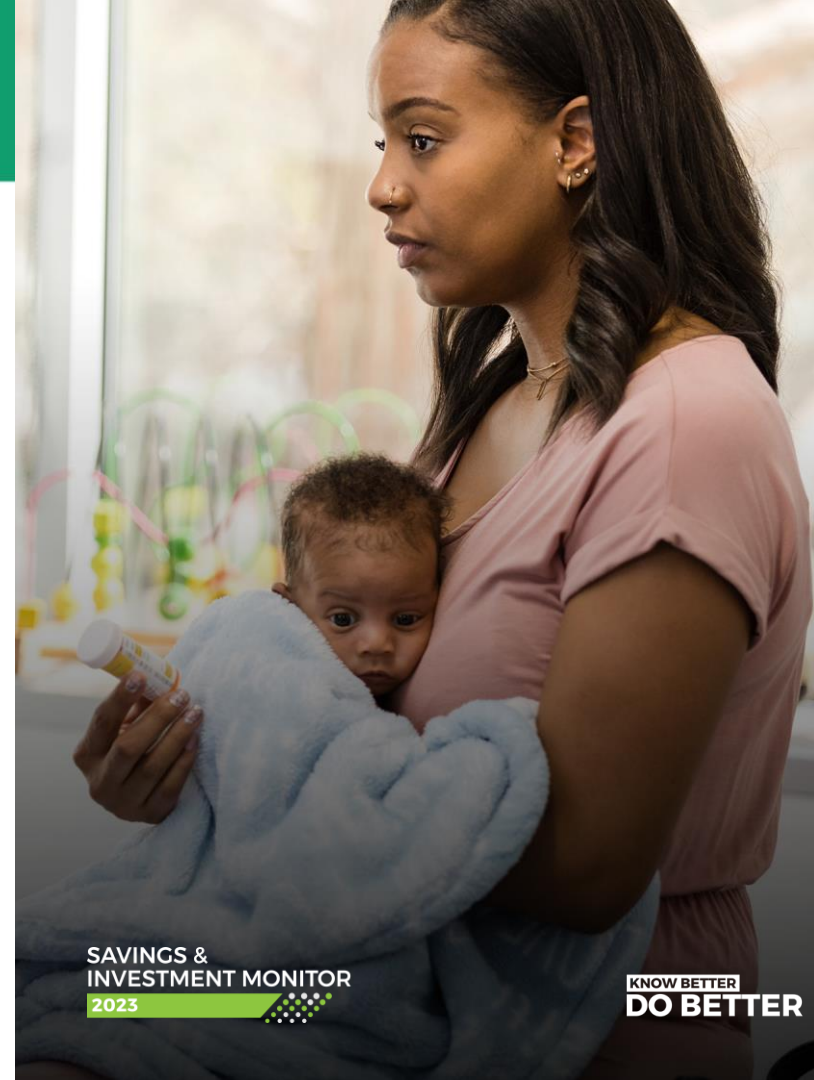
More than 1 in 10 (15%) of working South Africans are single mothers. Almost half of these women do not receive paternal support and are extremely vulnerable in the current recessionary environment.

Single mothers	2020	2021	2022	2023
Yes	13%	14%	12%	15%

PATERNAL SUPPORT

(Base = single mothers)

	2020	2021	2022	2023
Yes	40%	53%	52%	53%
No	60%	47%	48%	47%

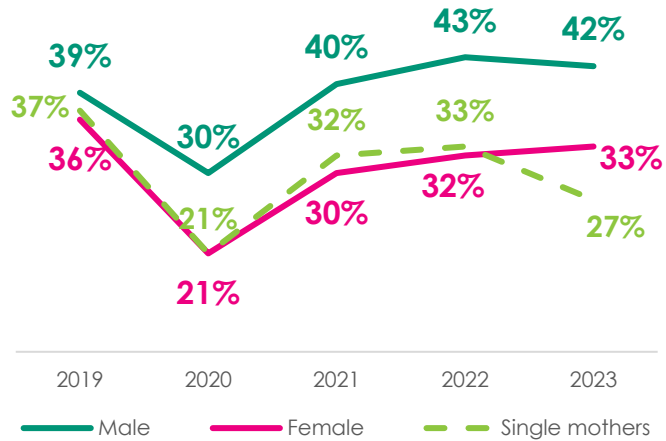




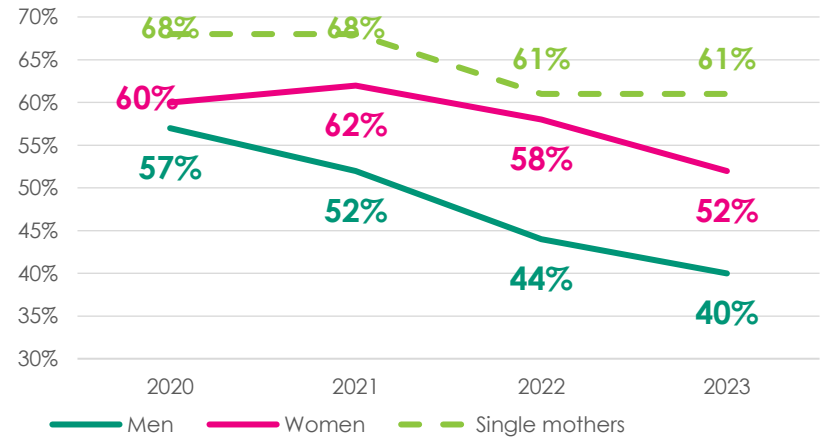
SINGLE MOTHERS

Single mothers have higher levels of financial stress and since 2022, declining levels of financial satisfaction. Additionally, single mothers are the least likely to have a savings buffer to last them more than 3 months

% with savings buffer to last more than 3 months



% feeling overwhelming/high stress

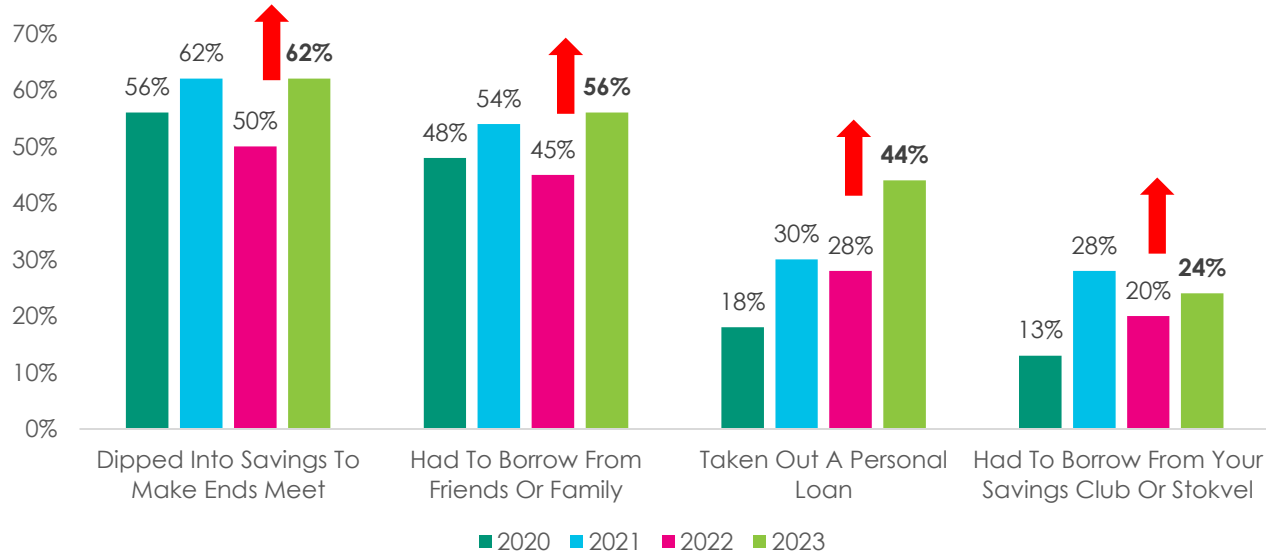


Satisfaction With Overall Financial Situation	2019	2020	2021	2022	2023
Single moms	6	4,7	5,5	5,7	5,1



SINGLE MOTHERS

We also see a significant increase in borrowing behaviour, and dipping into savings since 2022





SAVINGS &
INVESTMENT MONITOR
2023

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DO BETTER

EMPLOYED 18 to 29 YEAR OLDS





EMPLOYED 18 TO 29-YEAR-OLDS

Various indicators show that younger employed South Africans show a positive trajectory – improving year on year since Covid19 pandemic as regards their financial situation, as well as their future outlook

	2021	2022	2023
Financial Satisfaction	6.1	6.5	6.9
Financial Stress	54%	46%	39%
Future Outlook	74%	76%	85%
PolyJobbers	61%	60%	70%
Savings buffer	37%	40%	41%
I am constantly worried about losing my job	65%	58%	52%





THANK YOU

