



# OLD MUTUAL SUPERFUND MEMBER UPDATE

DECEMBER 2016

We would like to share some insights from the 2016 Old Mutual Savings and Investment Monitor to show you the financial attitudes and behaviour of South Africa's working population. South Africans - are experiencing severe financial stress and, as a result, are draining their savings and relying increasingly on credit. These are our realities - but we have the power to make a change.

## SOUTH AFRICA'S FINANCIAL SAVING REALITIES

**Nearly half of South African households are saving less than they were a year ago.**

This is one of the key findings of the latest **Old Mutual Savings and Investment Monitor**, which tracks the shifts in the financial attitudes and behaviour of South Africa's working population. South Africa the lowest savings level reported since the 2009, when households were recovering from the financial turmoil that took place in 2008.

South Africans are increasingly cutting back on living expenses as they struggle with their financial positions. The findings revealed that confidence in our local economy has plummeted to an all-time low of **31% - a considerable decrease from 55% in 2015** - with two thirds of respondents describing their level of financial stress as overwhelming or high.

In terms of saving for retirement, a staggering **41% of property owners consider their primary residence to be part of their retirement nest egg**, with the use of pension and provident funds decreasing over the past year.

Dependency on children for future care and financial assistance during retirement is also at its highest level yet. This finding correlates with a steadily growing sandwich generation. The sandwich generation includes those who are supporting not only children, but also parents or other ageing dependents. **The number of people in the sandwich generation has reached a record high of 29% in 2016, climbing considerably from 25% in 2015.**



Increasing our savings is one of the major challenges facing us all! Old Mutual SuperFund is committed to encouraging increased savings and investment habits, and providing access to financial advice and innovative retirement solutions to our members.

**May your holiday season  
be wrapped in cheer  
and filled with celebration  
for the New Year.**



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