

OLD MUTUAL

SAVINGS & INVESTMENT MONITOR



2021

THE TIME IS NOW

KNOW BETTER



DO BETTER

OLD MUTUAL SAVINGS & INVESTMENT MONITOR 2021

Full Detailed Research Report

Peppercorn Research

July 2021



THE TIME IS NOW

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1. Recap of Main Findings from Measure 15 (July 2020)

The 2020 results pointed to a very stressed and financially pressed South African consumer.

Not only were absolute income levels under pressure as many took salary cuts but demands on share of wallet were increasing as never before. A third of consumers found that they are having to support more people financially than they did before the pandemic. Coupled with that was the constant fear of retrenchment or loss of income. It was no wonder that stress levels skyrocketed.

Not unexpectedly, financial satisfaction levels were at an all-time low, and whilst many anticipated an improvement in the next 6 months, we pondered then that only time would tell if that was to be.

There was strong evidence that buffer savings, already under pressure in 2019, had been further eroded with the resilience of relatively higher earners now being tested.

What was worth noting though is the ability of South Africans to make a plan. Stokvels started going online and adapting to digital payments. Indebted consumers reached out to creditors and made use of the relief measures on offer (for home loans in particular). Loyalty program members were mining those for rewards wherever they could. All reached out to friends and family for help if needed and helped others out where they could.

We pondered then as whether the idea of a greater appreciation of shared humanity was not impossible.

2. Overview of these 2021 results

The financial stress and pressure brought on by the Covid 19 pandemic is evident throughout these results, but there are some signs the things are starting to ease up as working South Africans adjust to the new normal.

Part of that adjustment is born out of an increased awareness of the need to save and build up buffer savings and generally to take one's finances and income security more seriously. If this COVID-19 pandemic has taught us anything, then it is that nothing is certain and nothing (lives nor money) should be taken for granted.

The emergence of the Poly-jobber seeking multiple income streams is, we think, a trend that is here to stay. This is born not only out of necessity as good full-time positions are scarce, but having had a taste of the better work life balance that work from home has meant for many, it is a lifestyle that may appeal to a broader audience.

For working South Africans, the pressure to support or at least help out friends and family is unrelenting, the sandwich generation is now at 43%.

Concerns around job and income security are top of mind across all demographics and income levels, but there is a growing sense of optimism, but we may be turning a corner.

Whilst there is an increased awareness for the need for adequate protection and long-term cover, this has not translated into significant increased take up, due no doubt to the dampening effect of constrained affordability.

Informal savings continue to grow in popularity with increasing numbers of South Africans belonging to more than one stokvel or savings club, often with a specialized focus beyond groceries e.g. travel, property investment or investment on the Stock Exchange.

Levels of increased borrowing remain a concern.

Despite some green shoots, faith in the South African economy remains muted and confidence in the South African government's handling of the COVID-19 pandemic has slipped. There is no doubt that ongoing corruption generally and COVID related corruption specifically has colored the mood of the nation.

3. Sample and Methodology

Traditionally the Old Mutual Savings and Investment Monitor (OMSIM) fieldwork has been conducted face to face, but in 2020 with lockdown restrictions and acknowledging the need for social distancing and the responsibility to minimise risk to fieldworkers and respondents, the data collection moved online with data collection via an online panel. This online approach was repeated in 2021.

The 2020 sample was screened on consumers with a minimum personal income of R5 000 per month, due primarily to the difficulty in reaching a balanced sample of those earning less than R5 000 per month online. In order to make apples with apples comparisons, the historical OMSIM measures were filtered on R5 000+. In 2021 the threshold income was increased to R8 000 per month, as inflationary effects need to be accounted for. A consumer earning R5 000 in 2016 could buy a very different basket of groceries to someone earning R5 000 in 2021.

Sample details are set out below. Note that 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

	2021 (n=1530)				
Personal Monthly Income			Population Group		
R8 000 - R14 999	36%		Black African	59%	
R15 000 - R24 999	26%		Coloured	13%	
R25 000 - R49 999	28%		Indian/Asian	6%	
R50 000 - R99 999	10%		White	22%	
Generations			Gender		
Gen Z	6%		Male	61%	
Gen Y	54%		Female	39%	
Gen X	34%				
Baby Boomer	6%				
Age Groups					
18-29 Years	15%				
30-49 Years	65%				
50+ Years	21%				

This report compares these 2021 results to the 6 previous measures (2015 to 2020). The fieldwork dates and sample sizes are set out below:

- Measure 10 (July 2015): 29 April to 30 May 2015, n=735
- Measure 11 (July 2016): 26 April to 27 May 2016, n=825
- Measure 12 (July 2017): 25 April to 24 May 2017, n=811
- Measure 13 (July 2018): 26 April to 26 May 2018, n=813
- Measure 14 (July 2019): 16 May to 14 June 2019, n=826
- Measure 15 – Covid 19 Special Edition (July 2020): 29 May to 23 June 2020, n=1487
- Measure 16 (July 2021): 10 May to 3 June 2021, n=1530

As regards fieldwork timing and the evolution of the pandemic and the various lockdown levels, the following timeline should be noted:

- In March 2020 the WHO declares a pandemic and hard lockdown starts in South Africa
- 21 April 2020, a 500-billion-rand stimulus is announced in response to the pandemic
- 1 May 2020: President Ramaphosa announces that from 1 May 2020, a gradual and phased easing of the lockdown restrictions will begin, lowering the national alert level to 4.
- 1 June 2020: national restrictions were lowered to level 3.
- 17 August 2020: national restrictions were lowered to level 2.
- 21 September: national restrictions were lowered to level 1.
- In December 2020 the Minister of Health announced that SA had entered the second wave and the country goes into an adjusted level 3 lockdown to reduce the speed of the second wave during the festive season.
- Adjusted level 3 remains but some restrictions eased on 1 February and again on 13 February 2021
- On 18 February 2021 South Africa started its national vaccination program against Covid-19. The program will go through in phases, prioritizing healthcare and frontline workers and then those over the age of 60. Lockdown was lowered from an adjusted level 3 to an adjusted level 1 starting on 1 March 2021
- On 30 May 2021, President Ramaphosa, due to a surge in COVID-19 infections, addressed the nation announcing the tightening of restrictions from adjusted level lockdown 1 to 2, beginning on 31 May. The third COVID-19 wave had taken hold. On 15 June the country was moved to alert level 3 due to the third wave. On 27 June, in a national address, the President announced the tightening of restrictions with a move to adjusted level 4 beginning on 28 June 2021.
- On 1 July 2021 vaccine registration for people over the age of 50 opened, with vaccination sites being open to over 50s from July 15, however all vaccination sites (public and private) were opened by 5 July as walk-in sites (no appointment necessary).

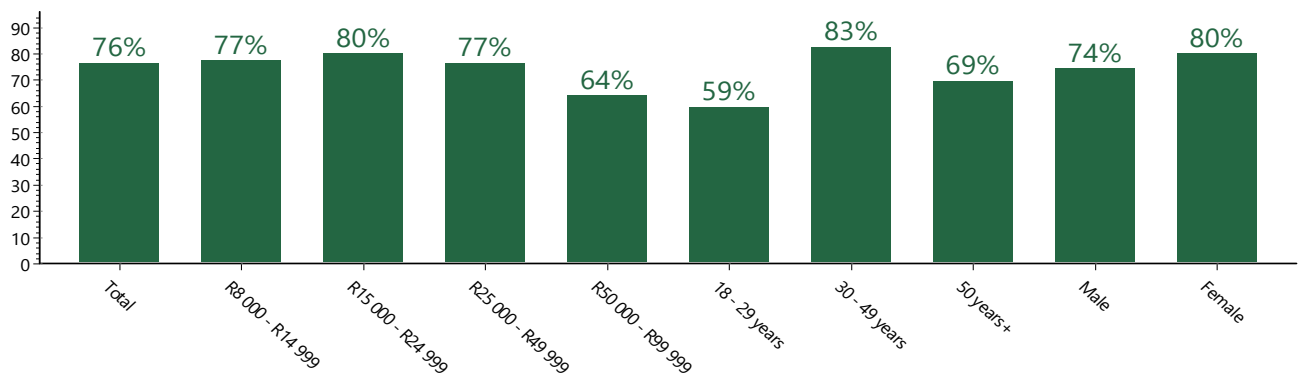
4. Sandwich Generation and Dependency Issues

Dependent Children

Incidence of dependent children is stable (by and large a result of the quota control on age), with 54% having children under 12 years in home.

	2015	2016	2017	2018	2019	2020	2021
Dependent Children							
Yes	67%	72%	70%	67%	73%	76%	76%
No	33%	28%	30%	33%	27%	24%	24%
Age Groups of Children							
Younger Than 12 Years	51%	52%	51%	55%	58%	57%	54%
Older Than 12 Years	36%	39%	36%	33%	41%	35%	40%

19. Dependent Children by Demographics 2021



Single Motherhood and Financial Support by Fathers

The spike in single motherhood seen in 2019 has not been maintained and we are back closer to 2018 levels. This remains a significant segment, however.

Base = mothers	2015	2016	2017	2018	2019	2020	2021
Yes	43%	47%	45%	44%	52%	41%	44%
No	57%	53%	55%	56%	48%	59%	56%

Incidence of paternal support has improved back to 2019 levels.

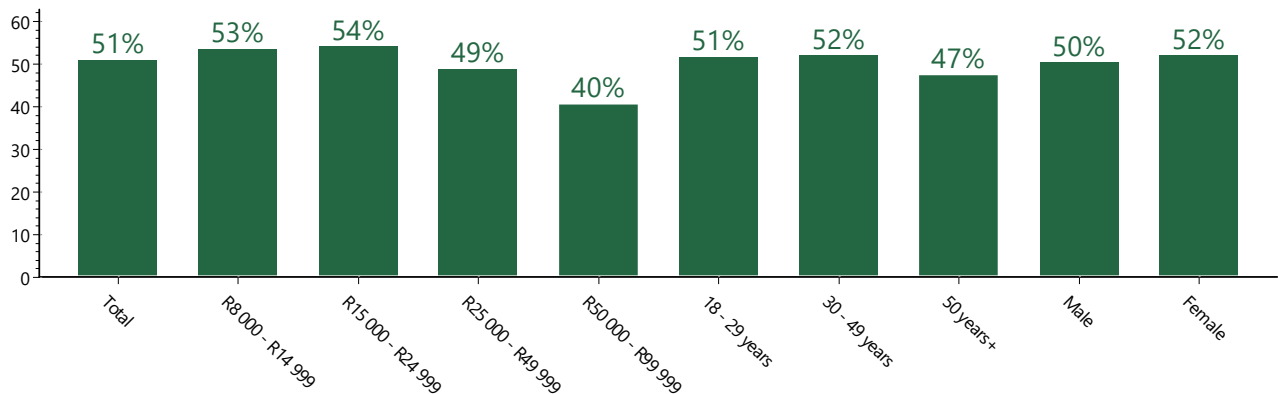
Father of Children Contribute Financially Base = Single mothers	2015	2016	2017	2018	2019	2020	2021
Yes-Regularly	26%	10%	19%	16%	23%	17%	28%
Yes-But Only Now and Then	25%	34%	34%	34%	29%	23%	25%
No	49%	56%	47%	49%	47%	60%	47%

Other Dependents (Other Than Children)

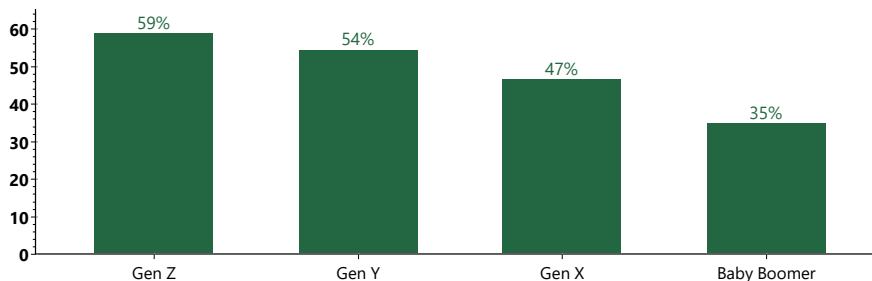
The sharp increase in adult dependents seen in 2020 has been maintained and it is notable that Gen Z (those aged 25 years and younger in 2021) have the highest incidence of adult dependents.

	2015	2016	2017	2018	2019	2020	2021
Have adult dependents	35%	38%	36%	39%	43%	52%	51%

23. Adult Dependents by Demographics 2021



23. Adult Dependents by Generations

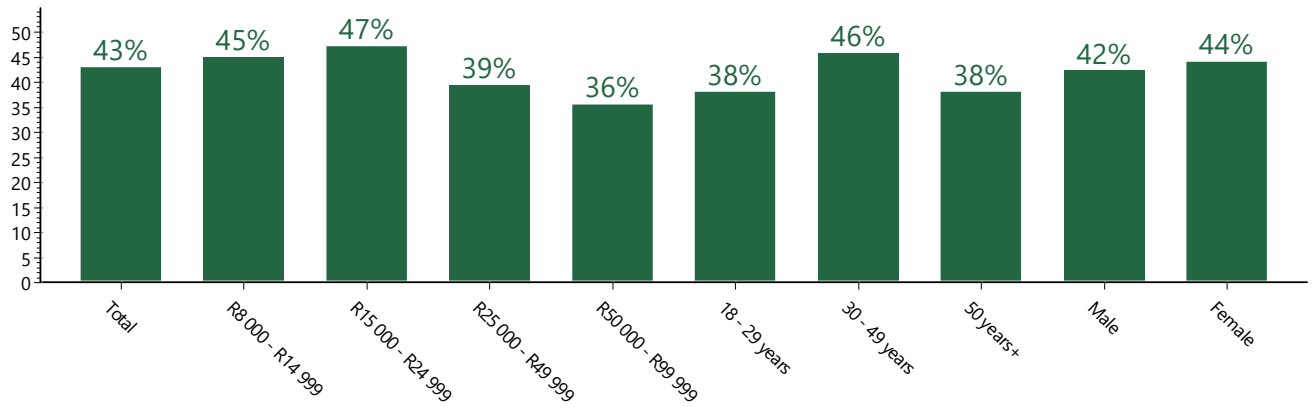


Sandwich Generation

The term 'Sandwich Generation' has been coined to describe those who are supporting not only children but also parents and / or other older dependents. 2020 saw a significant increase which has been maintained in 2021 and at 43% this is the highest level recorded since the inception of The Old Mutual Savings & Investment Monitor.

	2015	2016	2017	2018	2019	2020	2021
Sandwich Generation	27%	31%	28%	31%	34%	42%	43%

Sandwich Generation by Demographics 2021



Changes in Assistance Levels since onset of the Pandemic

A third of consumers are giving financial support to more people since the start of the pandemic.

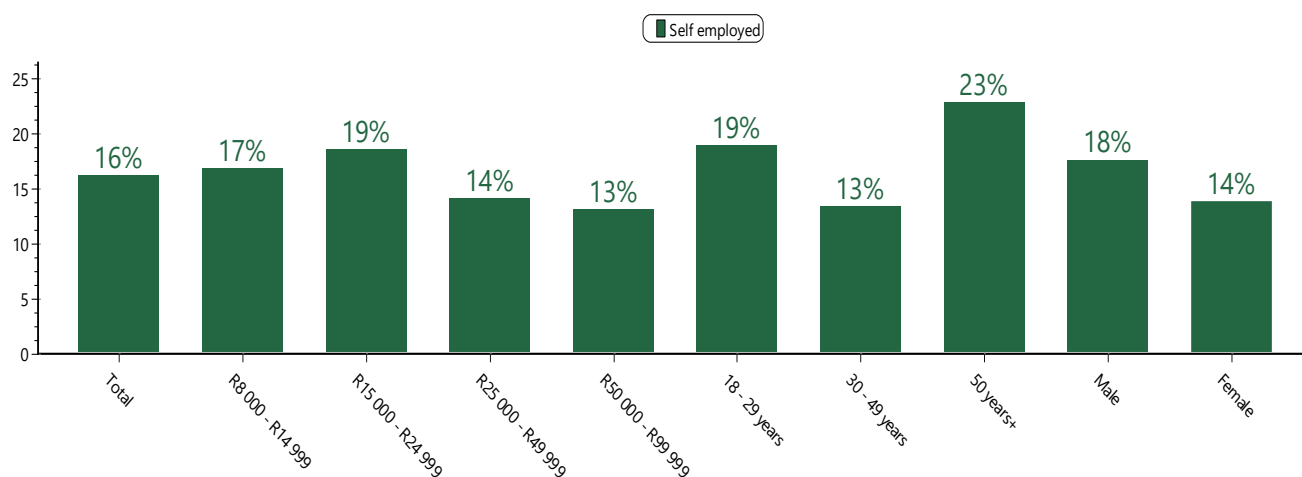
Changes in levels of dependent support	2020	2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50+ years	Male	Female
I am giving financial support to more people since the start of the pandemic	34%	31%	29%	33%	29%	33%	33%	33%	24%	29%	33%
Unchanged - the number of people I support is the same as before	56%	62%	61%	61%	66%	61%	60%	60%	70%	64%	60%
I am supporting fewer people now	10%	7%	9%	6%	5%	6%	7%	7%	6%	7%	7%

5. Working Life

Self- Employment & Employment Sector

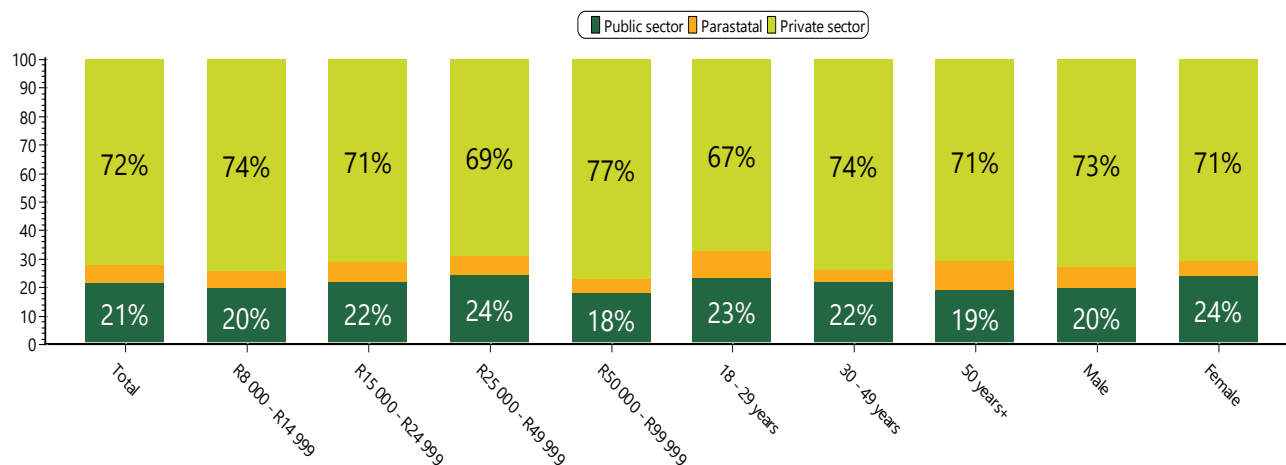
Self-employment levels are at 16%, up slightly from levels seen historically. As before, self-employment is highest amongst those in their 50's and older, but with significant pockets in the younger age groups.

1.Work Status by Demographics 2021



The vast majority are employed in the private sector.

4.Current Work Sector by Demographics 2021



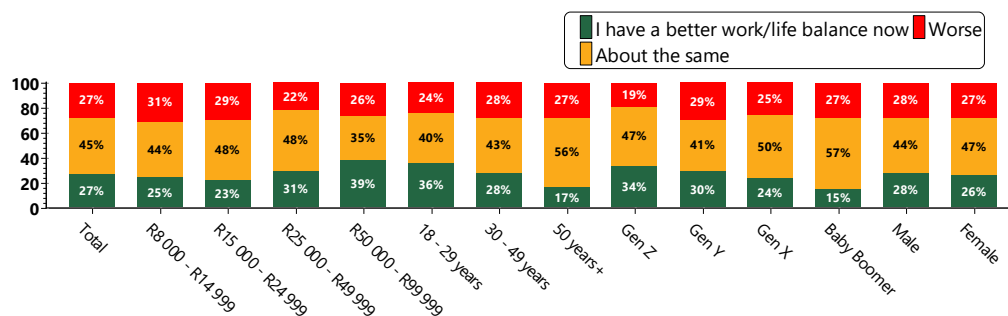
Working from Home & Work / Life Balance

Some 56% now working from home at least some of the time, with younger respondents more likely to split their work between home and another location. This is because they are more likely to have multiple jobs or income streams (see commentary on the rise of the Poly-jobber below).

As would be expected it tends to be higher earners who are able to work from home.

	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50 years+	Male	Female
I go out to work	44%	52%	48%	36%	25%	35%	43%	53%	45%	42%
I work from home all or most of the time	25%	20%	20%	30%	38%	27%	25%	23%	25%	25%
My work is split between working from home and a workplace	31%	28%	31%	33%	37%	38%	32%	24%	30%	33%

We asked respondents if they felt that their work / life balance was better or worse now compared to before the Covid 19 pandemic. Responses are mixed, with younger people and higher earners more likely to report a better balance.



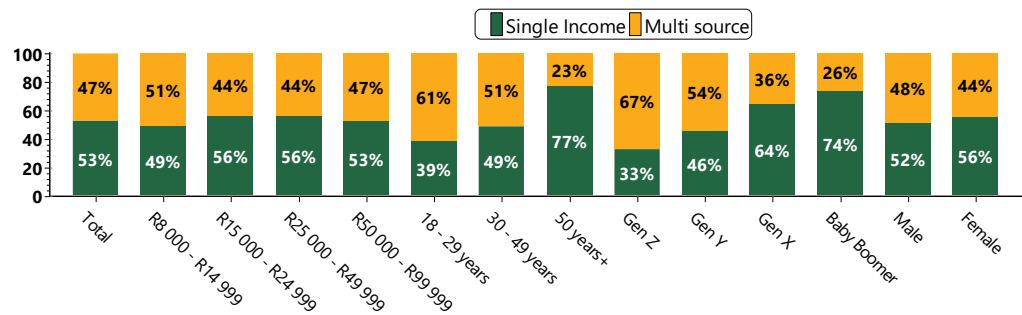
What is worth noting is the correlation between reported improved work / life balance and working from home. 41% of those who work from home all or most of the time report a better balance now. However, it doesn't work for everyone and 22% (so one in 5 home-based workers) feel that their work / life balance has deteriorated.

Work/life balance compared to before the Covid 19 pandemic	Total	I go out to work	I work from home all or most of the time	My work is split between working from home and a workplace
I have a better work/life balance now	27%	16%	41%	33%
About the same	45%	55%	37%	39%
Worse	27%	29%	22%	29%

Rise of the Poly-jobber

One of the strong themes that arises out of these OMSIM 2021 results is the growing awareness of the need for multiple income streams. As consumers have seen businesses fold under the strain of Covid 19, and seen

friends and family retrenched or themselves experiencing this, so the desire for income security is heightened. It is not only greater awareness; however, many are acting on this and have developed multiple and diverse income streams. These take many forms, from a business or craft completely unrelated to their main job (the so-called Slasher) to other side hustles, second jobs or extra freelancing and contract work. This Poly-jobbing is very much a younger person's game, driven no doubt to some extent by the realities of youth unemployment which has forced young people to innovate and find a way past the absence of good full-time positions. That said, 1 in 5 50+ year olds have multiple income streams.



Concerns around job security

Job and income security concerns are top of mind. The vast majority agree that job security is more important than job satisfaction and two thirds are constantly worried about losing their job or income. Whilst security concerns get less intense as incomes rise (presumably because levels of buffer savings are higher) we still have 50% of those earning R50 000+ worrying about losing their income.

% Agree (strongly or slightly)	2017	2018	2019	2020	2021
Job Security Is More Important Than Job Satisfaction	81%	80%	80%	73%	77%
I am constantly worried about losing my job/income	Not measured			66%	62%

(% agree strongly or slightly)	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Job Security Is More Important Than Job Satisfaction	77%	82%	74%	75%	73%	77%	76%	80%	77%	78%
I am constantly worried about losing my job/income	62%	71%	62%	54%	50%	65%	62%	58%	62%	61%

6. Impact of Covid 19 Pandemic on Income Levels

38% report a negative effect on their personal income levels ranging from earning a bit less (26%) to significantly less. This is better, or should one rather say not as bad as 2020 which does point to some recovery.

Impact on personal income	2020 (Working)	2021
I am earning more now than before the Covid 19 outbreak	6%	13%
I am earning about the same as before	41%	49%
I am earning a bit less	28%	26%
I am earning significantly less	25%	12%

Those who are earning more tend to be younger (bearing in mind that a fair proportion of 18 – 29 years olds would have started working for the first time in the last year.

Impact on personal income	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50+ years	Male	Female
I am earning more now than before the Covid 19 outbreak	13%	12%	11%	15%	19%	23%	14%	1%	14%	12%
I am earning about the same as before	49%	45%	48%	56%	45%	45%	47%	13%	47%	51%
I am earning a bit less	26%	29%	31%	20%	24%	28%	27%	7%	26%	26%
I am earning significantly less	12%	14%	10%	10%	12%	5%	13%	5%	12%	11%

Looking at household income, the negative impact is more marked with some 45% reporting worsening household income, but the “improvement” from 2020 is also more marked.

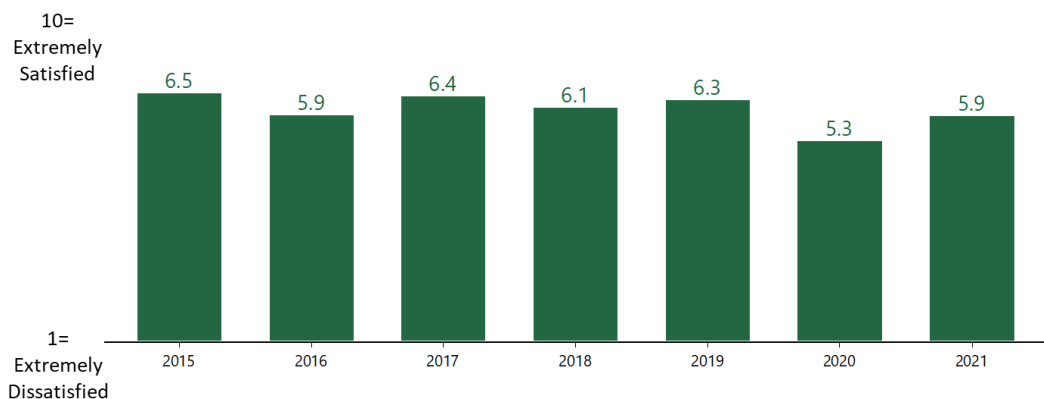
	2020	2021
Household income is higher than before the Covid 19 outbreak	6%	15%
Household income is about the same as before	27%	40%
Household income is a bit lower	34%	32%
Household income is a lot lower	34%	13%

Impact on household income	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50+ years	Male	Female
Household income is higher than before the Covid 19 outbreak	15%	13%	15%	15%	18%	24%	15%	1%	16%	12%
Household income is about the same as before	40%	37%	40%	44%	42%	41%	38%	10%	41%	39%
Household income is a bit lower	32%	35%	35%	29%	28%	29%	32%	9%	30%	36%
Household income is a lot lower	13%	16%	10%	12%	12%	6%	14%	7%	12%	14%

7. Perceptions of Current Financial Situation & Future Outlook

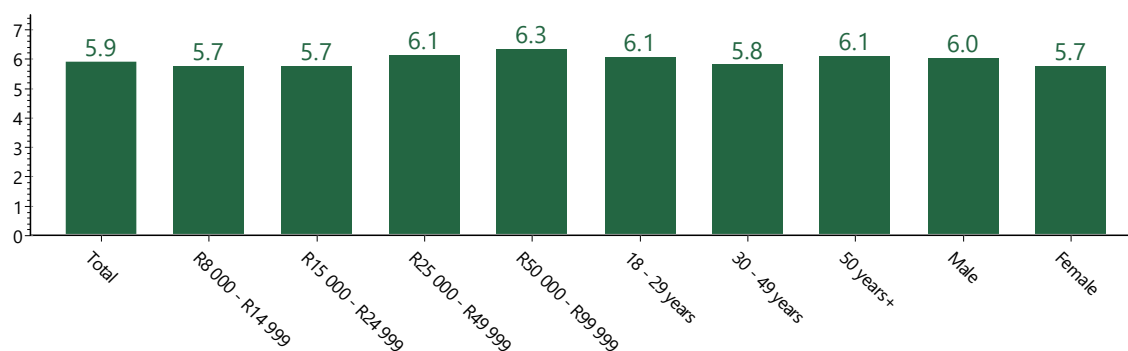
Satisfaction with Current Financial Situation

The mean satisfaction has recovered significantly from the all- time low recorded in 2020, but at 5.9 remains pretty dismal.



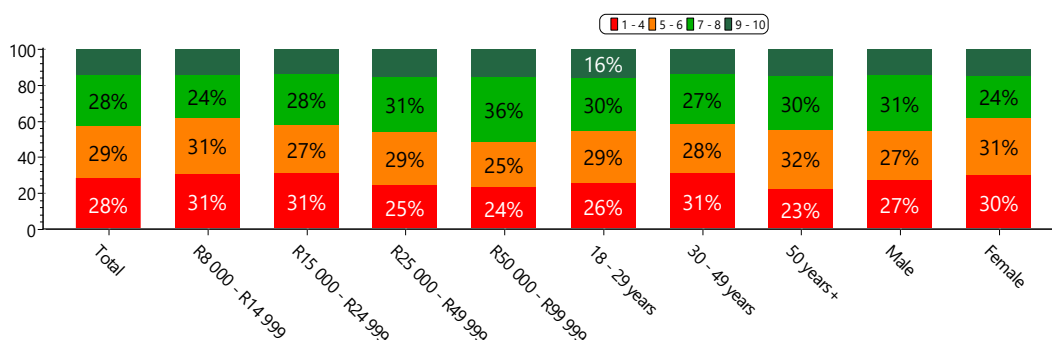
Satisfaction levels remain strongly correlated to income, with younger consumers taking a more positive view (albeit still with very mediocre scores).

42.Satisfaction With Overall Financial Situation by Demographics 2021



Looking at grouped scores rather than mean scores (which tends to flatten out the data), the significant pockets of highly dissatisfied consumers (scoring 4 or less) become evident in the lower income groups in particular.

42.Satisfaction With Overall Financial Situation-Group by Demographics 2021



Financial Situation Compared to a Year Ago

Echoing the pattern seen elsewhere in the results, there has been a decrease in the proportion of people who feel that their situation is worse, but yet we still have 1 in 3 who feel this way.

	2015	2016	2017	2018	2019	2020	2021
Better than it was a year ago	42%	30%	33%	37%	34%	23%	28%
About the same	32%	35%	38%	31%	35%	28%	37%
Worse than it was a year ago	26%	36%	29%	33%	31%	48%	35%

Looking demographically, it is once again noteworthy that the likelihood of reporting worsening circumstances rises with income. Much would be down to the general optimism of youth but also concerns and increased anxiety among older consumers as regards loss of value in retirement savings especially as they don't have the luxury of time that their younger counterparts have in terms of making up any shortfall.

	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 +	18 - 29 years	30 - 49 years	50 years+	Male	Female
Better than it was a year ago	28%	26%	26%	28%	40%	37%	29%	18%	27%	29%
About the same	37%	36%	37%	39%	38%	36%	36%	42%	40%	34%
Worse than it was a year ago	35%	38%	38%	33%	22%	28%	35%	40%	33%	37%

Level of Financial Stress

Respondents are asked to describe the level of financial stress that they feel today on a 4-point scale from "overwhelming stress" to "no stress at all". Stress levels remain very high with 56% reporting overwhelming or high stress levels.

	2016	2017	2018	2019	2020	2021
I feel overwhelming stress	13%	5%	4%	5%	14%	14%
High stress	46%	34%	31%	33%	44%	42%
Low stress	34%	45%	50%	50%	34%	37%
No stress at all	7%	16%	14%	12%	8%	7%

Looking demographically, whilst higher earners report lower stress levels, as before we see that no segment is immune.

	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50 years+	Male	Female
I feel overwhelming stress	14%	17%	12%	13%	13%	13%	16%	11%	13%	17%
High stress	42%	41%	47%	42%	30%	41%	39%	51%	40%	45%

Low stress	37%	38%	35%	34%	44%	40%	39%	28%	39%	33%
No stress at all	7%	4%	6%	10%	13%	6%	6%	10%	8%	5%

Outlook for the Next Six Months

Generally speaking, consumers are optimistic that their financial situation will improve over the next 6 months. Last year posed the question as to whether this was a reflection of true optimism or resigned acceptance that 'the only way from here is up'. We believe that there is a growing sense of optimism, fuelled no doubt at least in part by the long-awaited vaccine roll out.

What is worth noting though is the relative pessimism of those aged 50+ years or older. Again, probably due to concerns around retirement savings as well as the prospect for finding employment at their life-stage if retrenched.

Outlook for Next 6 Months	2015	2016	2017	2018	2019	2020	2021
Improve/get better	53%	39%	39%	45%	41%	53%	61%
Stay the same	43%	45%	45%	43%	47%	26%	30%
Get worse	5%	16%	16%	12%	12%	21%	10%

Outlook for Next 6 Months	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 +	18 - 29 years	30 - 49 years	50 years+	Male	Female
Improve/get better	61%	63%	62%	57%	61%	74%	65%	38%	59%	62%
Stay the same	30%	25%	28%	35%	34%	20%	26%	49%	31%	28%
Get worse	10%	12%	10%	8%	5%	6%	9%	13%	9%	10%

Depth of Savings Buffer

Consumers were asked to assess their available funds in the face of retrenchment or loss of income. In 2021 only a third have enough money to last a month or less

Would you have enough money to last you ...	2019	2020	2021
Less Than a Month	12%	24%	20%
One Month	16%	16%	14%
2 Months	17%	15%	13%
3 Months	17%	17%	16%
More Than 3 Months	38%	27%	36%

The position of higher earners is more resilient, but even at R50 000+ we have 1 in 4 who would not make it past a month.

Would you have enough money to last you ...	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50+ years	Male	Female
Less Than A Month	20%	21%	21%	21%	15%	18%	23%	12%	17%	26%
One Month	14%	16%	13%	14%	9%	13%	15%	12%	13%	16%
2 Months	13%	15%	15%	12%	9%	19%	13%	14%	15%	11%
3 Months	16%	19%	16%	13%	18%	13%	17%	17%	16%	16%
More Than 3 Months	36%	29%	35%	41%	49%	37%	32%	45%	40%	30%

Savings and Investment Horizons

We posed the following question:

“When people talk about savings and investments they often talk about short, medium and long term. What is your ideal investment term at the moment?”

On the face of it, older respondents are more likely to take a shorter-term view, but keep in mind that short term for one person is long term for another.

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Short term	25%	29%	24%	23%	19%	19%	24%	32%	23%	29%
Medium term	38%	38%	35%	37%	46%	41%	38%	33%	39%	36%
Long term	37%	33%	40%	40%	35%	39%	37%	34%	38%	35%

For this reason, we went on to ask what time frame they considered as short term, and what horizon they had in mind for long term. So as not to lead responses in any particular direction the question was asked open ended with verbatim responses being grouped and coded afterwards.

For the vast majority, short term is under a year

Time Frame: Short Term	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Short time/not long/anything immediately accessible	13%	17%	14%	10%	8%	17%	14%	8%	13%	13%
From a few months to a year	64%	66%	61%	61%	74%	66%	65%	59%	63%	67%
1 - 2 or 3 years	12%	7%	14%	15%	9%	11%	9%	16%	12%	9%
1 - 5 years/up to 5 years	9%	9%	9%	11%	7%	5%	9%	14%	9%	10%
5+ Years	2%	2%	2%	3%	2%	1%	3%	2%	3%	1%

When it comes to long term, understanding of that is more diverse, but generally a lot shorter than the general understanding of long term in the financial services industry. For 1 in 4, long term starts at under 5 years.

Time Frame: Long Term	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Under a year	2%	3%	2%	1%	2%	2%	2%	1%	2%	2%
1 year or more	12%	14%	11%	12%	10%	16%	11%	11%	11%	14%
2/3/4 years or more	13%	15%	13%	11%	13%	12%	13%	12%	14%	12%
5 - 7 years or more	29%	26%	28%	29%	35%	25%	29%	30%	29%	28%
8 - 19 years or more	19%	16%	18%	20%	25%	15%	19%	21%	21%	15%
15 years or more	1%	1%	2%	2%	1%	1%	1%	2%	1%	1%
20 years or more	7%	4%	6%	11%	4%	3%	6%	11%	6%	8%

A long period/years/for life/for future use/an investment/to retire/something not immediately available	18%	21%	20%	14%	11%	24%	18%	12%	17%	20%
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8. Financial Product Repertoire (Formal)

Incidence of Formal Savings and Protection Products

Generally speaking, incidence of product holding climbs with income, regardless of product category.

There are however some other demographic biases worth noting:

- Women are less likely to hold perceptually riskier investments like shares and cryptocurrencies
- Lower incidence of short-term insurance among 18 - 29 years olds (probably because they are still in the acquisitive phase of the big insurables like cars and properties). This younger group also show lower take up of protection products that speak to their own mortality (funeral, disability, dread disease)
- Appetite for cryptocurrency investment is stronger among younger age groups

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Banking										
Any Type of Bank Account	95%	94%	95%	97%	96%	95%	94%	99%	96%	95%
Banked Savings	72%	69%	74%	73%	71%	77%	70%	73%	73%	69%
Formal Policies and Investments										
Endowment/Savings/Investment Policies	54%	47%	52%	59%	71%	60%	53%	52%	56%	51%
Retirement Annuities	52%	39%	49%	64%	73%	48%	51%	59%	53%	50%
Pension or Provident Fund	61%	49%	62%	69%	77%	56%	63%	58%	63%	58%
Education Policies	23%	21%	23%	26%	19%	28%	23%	17%	22%	24%
Unit Trusts/Mutual Funds/ETF's	23%	14%	20%	27%	48%	28%	23%	19%	25%	20%
Listed Shares	25%	18%	20%	29%	50%	33%	25%	20%	29%	18%
Risk and Protection										
Funeral Policies	76%	76%	75%	76%	74%	69%	77%	77%	77%	74%
Life Insurance Policies	66%	51%	63%	81%	83%	66%	67%	63%	67%	65%
Disability Cover	39%	22%	35%	55%	64%	33%	40%	41%	40%	38%
Dreaded Disease/Severe Illness Cover	35%	21%	31%	49%	56%	34%	36%	32%	34%	36%
Income Protection Policies	29%	21%	28%	39%	40%	40%	30%	21%	29%	30%
Short Term Insurance	59%	39%	60%	74%	88%	54%	59%	63%	59%	59%
Medical Insurance	29%	22%	25%	38%	36%	33%	29%	25%	28%	30%
Medical Aid/Medical Scheme	63%	45%	63%	78%	88%	66%	62%	66%	64%	62%
Alternative Investments										
Offshore Investments	9%	4%	5%	12%	25%	12%	9%	7%	12%	4%
Gold Coins	7%	5%	6%	7%	20%	11%	8%	3%	9%	4%
Cryptocurrencies	23%	21%	21%	24%	31%	31%	25%	12%	28%	16%

A Closer Look at Retirement

Just under a third of the sample have no formal retirement products at all. Not surprisingly they tend to younger and lower income.

	2015	2016	2017	2018	2019	2020	2021
Have pension/provident fund OR an RA	74%	71%	73%	69%	70%	67%	73%
Have NEITHER a pension/provident fund NOR an RA	26%	29%	27%	31%	30%	33%	27%

	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Have pension/provident fund OR an RA	73%	60%	72%	84%	91%	64%	74%	76%	74%	72%
Have NEITHER a pension/provident fund NOR an RA	27%	40%	28%	16%	9%	36%	26%	24%	26%	28%

We asked those aged 50 years and older to think back over the last year and the effects of the Covid 19 pandemic and whether their retirement plans had been affected at all i.e. are they thinking about or planning / preparing for your retirement and differently?

47% say yes, their retirement plans and how they think about retirement has changed.

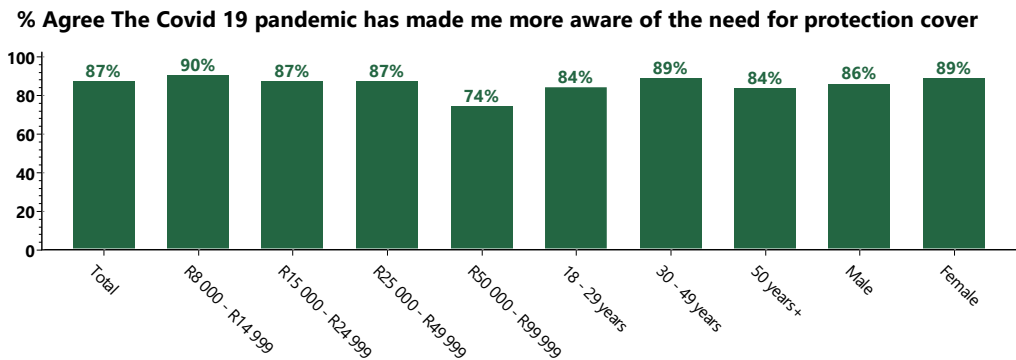
Lower earners are less likely to admit to this (probably because they are less connected / involved with their retirement planning and more focused on day to day survival, rather than being immune to the impact of Covid 19 on their finances). Interestingly there is no statistically significant difference in these results by those with a formal retirement product vs those without.

Base = 50 years and older	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999* (small base)	Male	Female
Yes	47%	35%	39%	57%	57%	45%	49%
No	53%	65%	61%	43%	43%	55%	51%

In what way have those plans changed? Many report having had to dip into retirement savings (on particular those who only have discretionary retirement savings) and well as having to cut back on contributions.

	Total	Have NEITHER a pension/provident fund NOR an RA	Have pension/provident fund OR an RA
Had to dip into retirement savings/this what kept us afloat over Covid/had to use us/nothing left/used up quite a lot	16%	43%	8%
Decreased income, lost job/no increases/have not been able to make contributions as planned/had to stop or decrease premiums	16%	22%	14%
Have had to do an overall rethink/a big stock take/very top of mind/asked adviser to look at whole portfolio/realise need to be more careful with my planning	12%	9%	13%
Will have to retire later/work longer/put retirement on hold	10%	10%	10%
Underlying assets worth less/dividends not paid out/poor performance and returns	10%	2%	12%
Now clear won't be enough/will need to invest more	8%	2%	10%
Want to retire early and focus on a different career/free lance	5%	0%	7%
Looking to take an early retirement package and start a business/want to start a business/trying to decide if it is worth resigning	4%	0%	5%
Making more of an effort to put money away/cutting back on other things to increase retirement savings	3%	5%	2%
Tired/pressure/want to retire earlier	2%	0%	3%
Not sure/haven't really thought through it/just in survival mode	2%	0%	3%
Will have to make an alternative plan, maybe move in with daughter	2%	0%	2%
Will have to get a second job to save for retirement/will have to find a way to create extra income	1%	1%	1%
Prepared to accept more risk	1%	0%	1%
Don't want to retire in this country	1%	0%	1%
Worried about Government forcing pension schemes to invest on SOE's	1%	4%	0%
Debt paid off/focus now on reducing debt	1%	0%	1%
Thinking on renting out my home for income	1%	0%	1%
Just so much uncertainty re future/income	0%	2%	0%

Whilst the vast majority appreciate the heightened need for protection and long-term cover, this has not resulted in strong uptake. The financial pressures are such that if anything the movement is in the other direction, with people cutting back on cover due to affordability issues. Note that the data in the table below related to the past calendar year – no doubt many would have already cut back where they can.

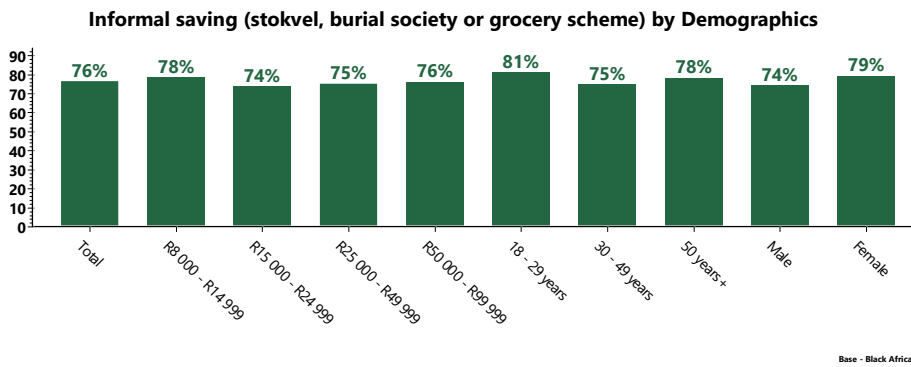
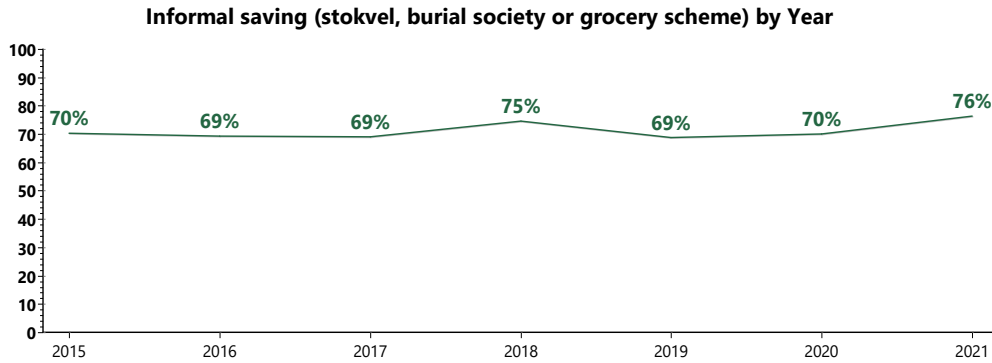


Changes to insurance or protection cover past year	Increased cover	Given up or cut down / moved to cheaper options
Car/household insurance	5%	25%
Medical aid/medical insurance	11%	20%
Life insurance cover or moved to cheaper options	11%	14%
Funeral cover or moved to cheaper options	12%	13%

9. Informal Savings

Incidence of Informal Savings

2021 sees the continuation of an increasing trend in informal savings, and as 81% of informal savers are Black, the results here are filtered on black respondents.



Looking within informal savings to the various savings forms, 2021 sees a recovery in the decline in stokvel membership seen in 2020.

Base = Black African	2015	2016	2017	2018	2019	2020	2021
Savings Club/Stokvel	61%	57%	53%	63%	61%	46%	54%
Burial Society	31%	32%	29%	24%	24%	50%	56%
Grocery Scheme	12%	18%	15%	15%	13%	31%	31%

Looking demographically, we see that these informal savings vehicles gain traction across all Black African segments of the market with stokvels and grocery schemes being particularly popular among women.

Product repertoire	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Savings Club/Stokvel	54%	52%	54%	54%	64%	56%	54%	51%	50%	60%
Burial Society	56%	57%	59%	52%	55%	58%	56%	55%	56%	58%
Grocery Scheme	31%	31%	29%	35%	32%	37%	31%	25%	26%	39%

Number of stokvels belonged to

Not only does incidence appear to be on the up, but the number of stokvels that members belong to is increasing. (Note: Number of Stokvels not recorded in 2020)

	Total	2015	2016	2017	2018	2019	2021
1	73%	63%	73%	68%	85%	87%	47%
2	22%	29%	24%	26%	15%	12%	36%
3 or more	5%	8%	3%	5%	0%	1%	17%

Multiple membership less popular (but still significant among 50+ years)

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
1	47%	42%	47%	51%	51%	44%	43%	62%	50%	42%
2	36%	40%	37%	33%	28%	37%	37%	33%	34%	39%
3 or more	17%	18%	16%	15%	21%	19%	20%	5%	16%	18%

Stokvel Contributions

Average contribution rates are increasing over time. These are not only inflationary increases but are also a reflection of the increasing number of stokvels and savings clubs that members belong to. This also explains to some extent the drop off in contribution rates for those aged 50+ years (as they belong to fewer stokvels on average).

(Note that the averages below are per member and the sum of all the stokvel they belong to i.e. not per stokvel).

	2015	2016	2017	2018	2019	2020	2021
Mean (RANDS per month)	R981	R950	R984	R856	R1 061	R1 087	R1 213

Contribution rates peak in the R25 000 – R49 999 income bracket.

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Mean	R1 213	R1 099	R1 267	R1 364	R1 206	R1 234	R1 280	R905	R1 291	R1 113

Stokvel Structure and Savings Goal

Stokvels fall into two main groups: those where each member is saving for their own reasons, and those where the group saves for a common goal. Common goal structures slightly more popular among younger members. (Note: Some duplication as members may belong to more than one type of stokvel)

Base = Black stokvel members	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
We save for the same common goal	55%	54%	50%	59%	64%	60%	57%	40%	57%	52%
No common reason, each member saves for different things	51%	52%	55%	51%	39%	47%	48%	70%	48%	56%

Looking at those stokvels with a common goal, groceries and year end expenses are the most common categories, with some interesting nuances:

- Travel for higher earning members
- Younger groups saving to invest in the stock exchange

Base = Black stokvel members who belong to a stokvel with a common goal	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999* (small base)	18 - 29 years	30 - 49 years	50 years+* (small base)	Male	Female
Groceries	62%	68%	64%	56%	49%	56%	66%	48%	54%	73%
End of year expenses	60%	58%	60%	65%	61%	55%	59%	76%	59%	62%
School fees/education expenses	30%	36%	34%	22%	18%	22%	35%	11%	36%	23%
To buy property	26%	23%	32%	19%	40%	31%	28%	3%	33%	15%
Travel and holiday	25%	19%	23%	31%	44%	18%	27%	25%	30%	19%
Weddings/other big celebrations	17%	21%	13%	11%	27%	14%	21%	3%	22%	11%
To invest on the stock exchange	14%	12%	17%	13%	12%	24%	13%	3%	14%	13%
To buy livestock	13%	10%	14%	14%	20%	17%	14%	0%	17%	7%
Cleaning & sanitising products	12%	16%	8%	10%	12%	13%	13%	5%	14%	9%

10. Debt and Credit

Personal Loans

2020 saw an increase in all the main loan types which has been maintained in 2021.

Current Short/Medium Term Loans	2015	2016	2017	2018	2019	2020	2021
Personal Loan from A Financial Institution	17%	24%	15%	15%	21%	43%	43%
Personal Loan from A Micro Lender	3%	7%	6%	4%	5%	12%	14%
Personal Loan from A Friend/Family Member	7%	11%	10%	9%	13%	19%	21%
Personal loan from employer	Not measured					9%	9%

Younger people are more likely to borrow from friends and family.

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Personal loan from a financial institution	43%	39%	47%	46%	42%	40%	47%	34%	44%	43%
Personal loan from a micro lender or mashonisa	14%	14%	14%	14%	11%	11%	16%	7%	14%	14%
Personal loan from a friend/family member	21%	25%	23%	17%	14%	31%	22%	13%	23%	18%
Personal loan from employer	9%	9%	8%	7%	11%	14%	10%	2%	9%	7%

11. Coping Mechanisms

As incomes are cut and constrained or demands on the purse increase (especially as friends and family reach out for help) so households' resort to various strategies to cope. These range from cost cutting, accessing new (or existing) credit lines, dipping into savings or just not paying the bills.

The main actions taken (ranked by 2021 results) are taking advantage of rewards programs, dipping into savings, borrowing from friends and family and letting store card payments lapse.

The statistically significant increases from 2020 to 2021 have occurred in relation to:

- Leveraging loyalty programs
- Taking out personal loans
- Borrowing from family and friends
- Cashing in savings or investment policies.

	2019	2020	2021
Taken advantage of points/rewards accumulated on loyalty programs	Not measured	54%	69%
Dipped into savings to make ends meet	23%	52%	54%
Had to borrow from friends or family	38%	39%	44%
Fallen behind on store card payments (base = store account holders)	32%	42%	38%
Had to borrow from your savings club or stokvel (base = stokvel members)	31%	32%	37%
Fallen behind on any household bills	24%	37%	34%
Fallen behind on credit card payments (base = credit card holders)	15%	36%	32%
Fallen behind on stokvel or savings club contributions (base = stokvel members)	Not measured	34%	32%
Have cashed in a savings or investment policy	Not measured	23%	31%
Taken out a personal loan	15%	16%	28%
Fallen behind on rent or home loan payments	7%	26%	19%
Left or resigned from a stokvel or savings club	Not measured	13%	13%
Taken out a high cost loan	5%	11%	12%
Taken a loan from my employer	Not measured	12%	11%

Looking at the 2021 results demographically, it is worth noting that women are more likely to turn to accumulated rewards points, probably because they are more avid followers of rewards programs generally. Older consumers are more reluctant to dip into savings (although significant numbers do). They are also more reluctant to borrow from family and friends.

	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50 years+	Male	Female
Taken advantage of points/rewards accumulated on loyalty programs	69%	67%	69%	72%	69%	66%	74%	56%	66%	75%
Dipped into savings to make ends meet	54%	53%	55%	59%	43%	50%	57%	48%	51%	59%
Had to borrow from friends or family	44%	57%	47%	32%	28%	51%	46%	35%	43%	47%
Fallen Behind on store card payments (Base = store card holders)	38%	49%	39%	28%	24%	34%	42%	31%	35%	44%
Had to borrow from your savings club or stokvel (base - stokvel members)	37%	41%	38%	30%	30%	31%	36%	45%	38%	34%
Fallen behind on any household bills	34%	42%	32%	32%	18%	26%	36%	33%	32%	37%
Fallen behind on credit card payments (Base = credit card holders)	32%	38%	33%	30%	20%	32%	32%	33%	30%	35%
Fallen behind on stokvel or savings club contributions (base = stokvel members)	32%	34%	33%	25%	37%	29%	30%	44%	30%	34%
Have cashed in a savings or investment policy	31%	31%	29%	34%	29%	34%	33%	24%	30%	33%
Taken out a personal loan	28%	29%	30%	25%	22%	29%	31%	15%	29%	26%
Fallen behind on rent or home loan payments	19%	22%	15%	20%	19%	17%	21%	17%	20%	19%
Left or resigned from a stokvel or savings club	13%	16%	14%	11%	6%	14%	15%	7%	12%	15%
Taken out a high cost loan	12%	13%	11%	11%	10%	9%	13%	8%	12%	10%
Taken a loan from my employer	11%	15%	12%	7%	7%	16%	12%	5%	12%	10%

12. Lifestyle Changes

Expense Categories where Cutting Back (Spontaneous)

In 2021, the following question was put to consumers:

“Thinking about the past year or so, what are the THREE main things that you have cut down spending on, or find yourself spending less on (if anything)? “

The question was asked open ended and the responses then coded, rather than respondents being presented with a list of options.

Differences between men and women in where and how they are cutting down are stereotypical. Women are cutting back harder on clothing as well as hair and beauty. They are also cutting back more on groceries / Woollies (because they are more likely to be doing the shopping). Women are less likely to mention cutting down on alcohol, probably a result of the fact that there are fewer female drinkers to start with (rather than a case of shipping in the chardonnay pre lockdown).

Whilst entertainment was still the category where cut most spending, 18 – 29-year olds cut less here than older generations. There are / were more prepared to cut on clothing though and are the age group most likely to cut down on takeaways and junk food.

87.Reduced spending past year	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50 years+	Male	Female
Going out/entertainment/movies and restaurants/leisure	55%	53%	51%	59%	61%	46%	55%	60%	54%	56%
Clothing/non-essential clothes/shoes/accessories	36%	42%	37%	32%	29%	42%	36%	33%	27%	51%
Travel/holidays/trips/getaways/travelling	31%	25%	31%	36%	33%	26%	32%	29%	33%	27%
Alcohol	23%	24%	24%	22%	17%	27%	23%	17%	30%	11%
Food and groceries/non-essential food/less Woollies/luxury food	18%	19%	20%	18%	13%	15%	19%	19%	14%	25%
Convenience food/junk food/takeaways	17%	19%	19%	14%	14%	21%	17%	12%	17%	16%
Petrol/fuel/transport	17%	15%	13%	18%	29%	16%	17%	17%	18%	15%
Buying unnecessary things/cutting luxuries/less careless spending/fewer shopping sprees/less shopping generally	14%	13%	15%	15%	12%	11%	15%	13%	12%	16%
Cell phone and data/internet/airtime	7%	7%	10%	5%	5%	13%	6%	4%	8%	5%
DSTV/pay TV/Netflix/downgraded DSTV	5%	5%	4%	4%	7%	2%	4%	9%	6%	2%
Beauty/hair/nails/personal grooming/cosmetics	4%	3%	5%	5%	2%	7%	4%	4%	1%	9%
Gym	3%	3%	3%	3%	3%	3%	3%	3%	3%	3%
Saving and Investments/Stopped RA/sold shares	3%	4%	3%	2%	1%	3%	3%	4%	3%	2%
Snacks/sweets/cooldrinks/coffees	3%	4%	3%	2%	1%	3%	3%	0%	2%	3%
Car expenses/car servicing	3%	2%	2%	3%	4%	3%	3%	3%	3%	2%
Cigarettes/smokes	3%	3%	3%	2%	3%	5%	2%	2%	4%	0%
Mentions at levels of 3% or less are not tabled										

Supermarket choice, DSTV, domestic help and data costs all hard hit.

Some notable demographic differences:

- Women are more likely to switch to a cheaper supermarket (again because they are more likely to be doing the shopping)
- Women are more likely to cut down domestic help (because more prepared to take this on themselves / unpaid labour?)
- Women are also more prepared to sacrifice gym
- Higher earners have to cut back less generally and are best poised to take advantage of the low interest rate environment

88.Adapted lifestyle past year	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	Male	Female
Switched to a cheaper supermarket brand for most purchases	39%	41%	42%	39%	27%	35%	42%	36%	44%
Stopped or moved to cheaper DSTV option or a cheaper streaming	39%	44%	40%	37%	29%	34%	41%	39%	40%
Cut down on domestic help	36%	33%	35%	40%	35%	31%	38%	32%	41%
Moved to a cheaper cell phone or data option	35%	41%	36%	31%	21%	30%	38%	33%	37%
Given up gym subscription in favour of exercising alone/at home	31%	29%	31%	34%	29%	32%	34%	28%	36%
Put plans for major expenditure on hold	29%	22%	31%	35%	35%	24%	30%	29%	29%
Cashed in an investment earlier than planned	18%	16%	18%	22%	15%	18%	19%	18%	18%
Moved from one rented property to cheaper rented property	13%	15%	16%	10%	8%	18%	15%	13%	13%
Sold vehicle and not replaced, or traded down	10%	8%	9%	12%	14%	10%	10%	10%	9%
Taken advantage of low interest rates and bought property	10%	8%	8%	10%	21%	11%	11%	10%	9%
Moved children to less expensive school (base = those with dependent children)	12%	13%	11%	12%	9%	14%	12%	8%	15%
Sold home and downscaled	5%	3%	5%	5%	9%	6%	4%	5%	5%
Left a job in order to access retirement fund	2%	3%	2%	1%	4%	2%	3%	2%	2%
None of the above	15%	14%	13%	16%	23%	17%	12%	17%	13%

13. Financial Priorities

Job and income security is the number one priority regardless of demographic, thereafter there are some interesting differences in priority ranking:

- Looking at differences by gender, we see that women place even more emphasis on income security and cutting expenses (often as they manage the day to day shopping and household budget). Men place higher emphasis on getting the best possible returns
- Higher income earners also place more emphasis on returns and relatively less on expense cutting (probably because they have more leeway)
- Younger people rank checking in on their tribe higher on the priority list.

90.Ranked 1st,2nd or 3rd	Total 2021	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000+	18 - 29 years	30 - 49 years	50 years+	Male	Female
Making sure that my job/income is secure	65%	64%	66%	67%	67%	61%	66%	66%	62%	71%
Cutting expenses wherever I can	62%	62%	66%	62%	53%	53%	65%	62%	59%	67%
Paying down debt wherever possible	50%	48%	50%	55%	47%	47%	52%	47%	49%	52%
Build up a financial buffer/more emergency funds	37%	37%	35%	37%	40%	39%	37%	35%	39%	33%
Making sure that my investments are safe	26%	29%	24%	22%	31%	28%	24%	29%	28%	23%
Getting the best possible return from my investments	23%	20%	22%	21%	36%	21%	22%	24%	27%	16%
Checking in on and helping friends and family financially where needed	19%	21%	19%	18%	12%	29%	17%	17%	19%	18%
Checking that I have enough cover/insurance in place	18%	19%	18%	18%	15%	22%	17%	20%	17%	19%

90.Ranked 1st,2nd or 3rd	Total 2021	Gen Z	Gen Y	Gen X	Baby Boomer
Making sure that my job/income is secure	65%	61%	63%	71%	61%
Cutting expenses wherever I can	62%	58%	60%	66%	60%
Paying down debt wherever possible	50%	37%	52%	51%	50%
Build up a financial buffer/more emergency funds	37%	37%	37%	36%	32%
Making sure that my investments are safe	26%	30%	27%	23%	30%
Getting the best possible return from my investments	23%	19%	23%	21%	31%
Checking in on and helping friends and family financially where needed	19%	35%	19%	15%	17%
Checking that I have enough cover/insurance in place	18%	22%	19%	16%	19%

14. Financial Mindset Changes

An increased awareness of the need to save and to be more involved in one's finances generally was cited spontaneously as one of the good things to come out of the Covid 19 pandemic. We also put the following statement to respondents and asked them how much they agree with it (on a 4-point scale from Strongly Agree to Strongly Disagree:

"The Covid 19 pandemic has changed how I feel about my money and finances? "

Some 87% agree that it has.

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Agree	87%	88%	84%	84%	73%	83%	85%	82%	82%	88%
Disagree	13%	12%	16%	16%	27%	17%	15%	18%	18%	12%

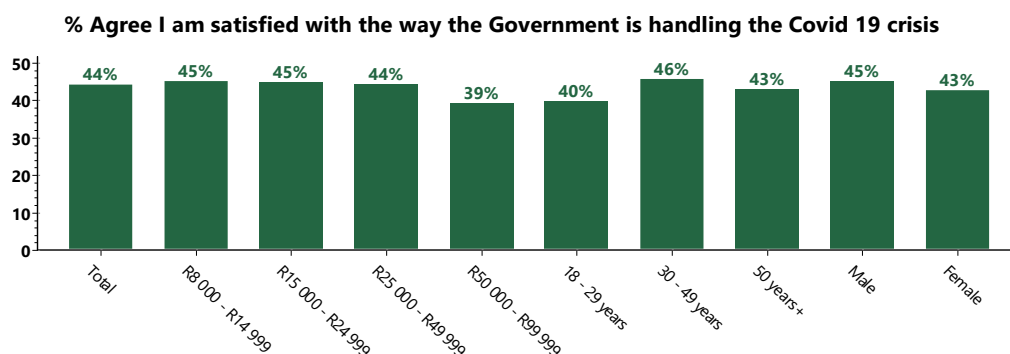
We then went on to ask in what way it has changed.

Base = total sample (not only those who say it has changed)	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Focus on saving/importance of having a buffer/ expect the unexpected/make sure cash on hand	26%	28%	27%	23%	24%	27%	27%	24%	27%	25%
More aware of spending/lots of belt tightening/cautions of every cent I spend/really careful/necessities only	26%	25%	26%	27%	23%	26%	27%	21%	24%	29%
Cost of living gone through the roof/inflation/so expensive/run out/don't make it to month end	8%	10%	7%	8%	1%	7%	7%	11%	7%	9%
Taking my finances more seriously/paying attention and educating myself/more savvy now	7%	7%	6%	9%	6%	8%	7%	6%	8%	6%
Lower income/income erratic /lower income in household as spouse/others are retrenched	7%	8%	7%	7%	5%	6%	7%	8%	7%	7%
Constraint stress and uncertainty/ depressed/constantly worry about job and income	6%	6%	6%	5%	6%	5%	6%	4%	5%	7%
Better now/got a better job/stabilising/made it through	4%	3%	3%	6%	3%	4%	3%	5%	4%	4%
More aware of debt/making effort to pay down and not take on new debt	2%	1%	2%	2%	3%	2%	2%	1%	2%	2%
Bad/low/severe/worse/more difficult/everything changed	2%	1%	2%	1%	2%	2%	2%	1%	2%	1%
Had to take on more debt/take out a personal loan /rely on debt to survive/struggling with debt	2%	2%	1%	1%	1%	1%	2%	1%	1%	3%
Mentions at levels lower than 2% not reflected										

15. Faith in Government and the South African Economy

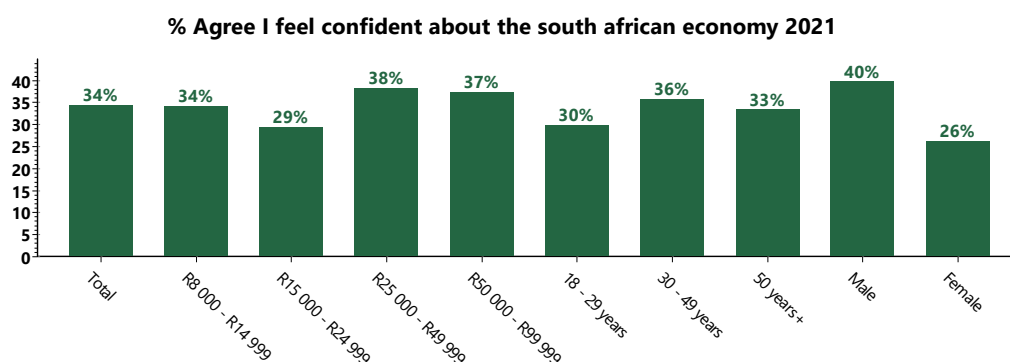
At an overall level, satisfaction with the way the Government is handling the crisis has declined with only 44% saying they are satisfied compared to 56% in 2020. The revelations around PPE and other Covid related corruption cannot have helped. The 2020 scores may also have been buoyed by TERS and other relief measures that were in place at the time.

The decline in satisfaction is evident across all income levels and ages



When it comes to confidence in the South African economy, the decline seen in 2020 is still present with only 34% agreeing (strongly or slightly) that they have confidence in the economy. Women in particular are doubtful.

	2015	2016	2017	2018	2019	2020	2021
% Agree Have confidence in the SA economy	56%	31%	37%	43%	44%	34%	34%



16. Is there a Silver Lining?

In 2021, the following question was put to consumers:

“What is the ONE good thing that you feel has come out of the Covid 19 crisis?”

The question was asked open ended and the responses then coded, rather than respondents being presented with a list of options.

17% could not think of anything positive, but for the remainder, a renewed sense of family is a significant positive (especially for women) as are lessons learnt in the personal finance space.

	Total	R8 000 - R14 999	R15 000 - R24 999	R25 000 - R49 999	R50 000 - R99 999	18 - 29 years	30 - 49 years	50 years+	Male	Female
Renewed sense of family/love the extra family time/understand the importance of loved ones/more time with kids	19%	14%	19%	23%	23%	20%	19%	17%	14%	26%
Lesson to invest/mange money better/make provision/save/nothing is certain/better financial awareness	13%	15%	12%	11%	10%	12%	14%	12%	15%	10%
More time at home, quieter/love working from home/able to work from home	8%	5%	8%	10%	15%	10%	9%	5%	9%	7%
Re-evaluation of what is important in life/appreciate like more/grateful for what we have/less materialistic	8%	8%	8%	7%	7%	7%	7%	8%	6%	9%
More health conscious and aware of safety/ more responsible and care more about our health and fitness	7%	7%	8%	5%	8%	7%	6%	9%	7%	7%
Ubuntu/shared humanity/community/caring for others/compassion/nationhood	7%	7%	8%	6%	4%	6%	6%	8%	7%	6%
Better hygiene and cleanliness/lots of hand washing/more hygiene aware	6%	7%	7%	4%	7%	8%	5%	6%	6%	5%
Better budgeting/less shopping and spending on fun/fiscal discipline	3%	3%	4%	4%	0%	2%	4%	2%	3%	3%
Better work/like balance/a little rest/more time/not stuck in traffic	3%	1%	3%	5%	4%	2%	3%	4%	2%	5%
Accelerated adoption of tech/virtual meetings/new ways of doing business/even kids use portals	3%	3%	3%	2%	7%	1%	3%	4%	4%	1%
Mentions at levels of 2% or less not tabled										
Nothing/don't know	17%	21%	16%	15%	13%	14%	17%	21%	17%	17%

17. Addendum: A Sense Check Post the July 2021 Unrest

Given the unrest that brought parts of the country to its knees in July 2021, it was decided delay the release of the OMSIM 2021 results (originally due for release on 15 July) until the dust had settled. We took advantage of this delay to sense check the mood on the ground and to get an interim read on certain key OMSIM metrics.

To this end we conducted a small (but significant) sample of 350 online interviews, demographically matched to the main OMSIM 2021 sample. The data was collected over the period 18 – 20 July 2021. (The main unrest took place from 9 to 17 July, beginning in KZN on the evening of 9 July and spreading to Gauteng on 11 July 2021).

This addendum summarises those results.

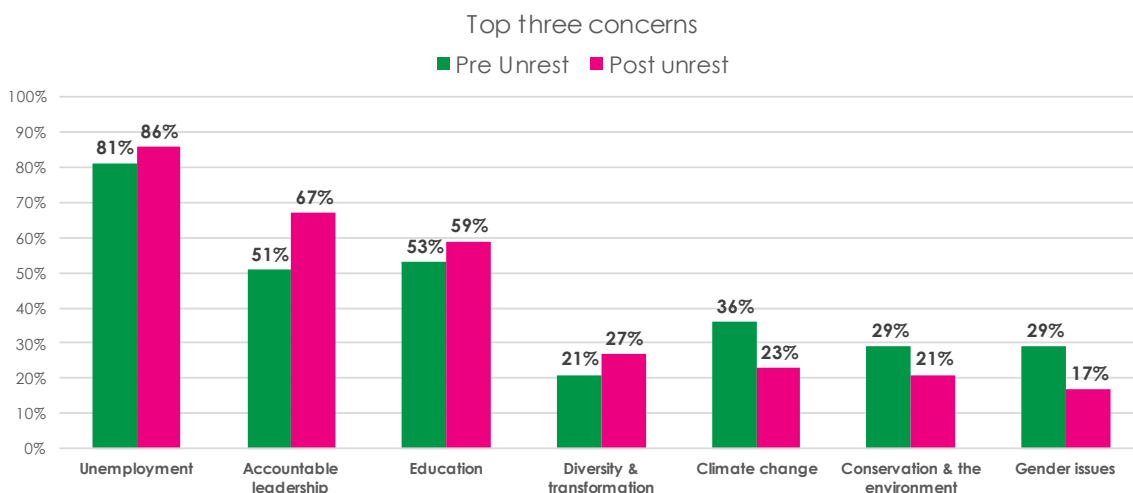
Before we get into the results, here is a timeline of how things unfolded:

- On 29 June 2021, former president Zuma was sentenced to 15 months in prison for contempt of court, after he refused to appear at the Zondo Commission. Zuma handed himself over to police on 7 July, and challenged his detention on 9 July in the Pietermaritzburg High Court on the grounds of health but this was rejected.
- Zuma's arrest led to violent protests by his supporters, who dubbed their campaign as "Free Jacob Zuma and shut down KZN," in KZN.
- On 9 July 2021, the same day Pietermaritzburg High Court upheld his conviction and prison sentence, the unrest began. Public violence, burglary, and malicious damage to property were reported in parts of KwaZulu-Natal, with at least 28 people being arrested and a highway being blocked.
- The riots continued on the evening of Sunday, 11 July 2021, when multiple news sources indicated reports of gunshots and explosions heard at local malls and residential areas. The violence quickly escalated, and by the morning of Monday, 12 July 2021, multiple companies and malls were forced to close following widespread looting and violence.
- On the morning of Monday, 12 July 2021, the SANDF was deployed in Gauteng and KwaZulu-Natal, as part of Operation Prosper. By Monday afternoon on 12 July, more than 200 shopping centres had been looted, with several in Soweto having been ransacked. On 14 July, the SA Pharmacy Council noted that 90 pharmacies were completely destroyed with the bulk of those in KwaZulu-Natal being hit the hardest.

Whilst South Africans were encouraged by the response of communities to the unrest (protecting property, cleaning up), only 1 in 3 were satisfied with the Government's handling of the crises and half felt helpless and overwhelmed, in KZN in particular.

I am not surprised by the unrest, it is a long time coming	72%
This unrest is politically motivated and an attempt to destabilise the country	87%
I feel encouraged by the community response to the unrest e.g. clean ups and helping to protect infrastructure	89%
I feel helpless and overwhelmed, I don't know what to do and I don't see a good outcome	53% (KZN 65%)
I am satisfied with the way the Government is handling the unrest	31%

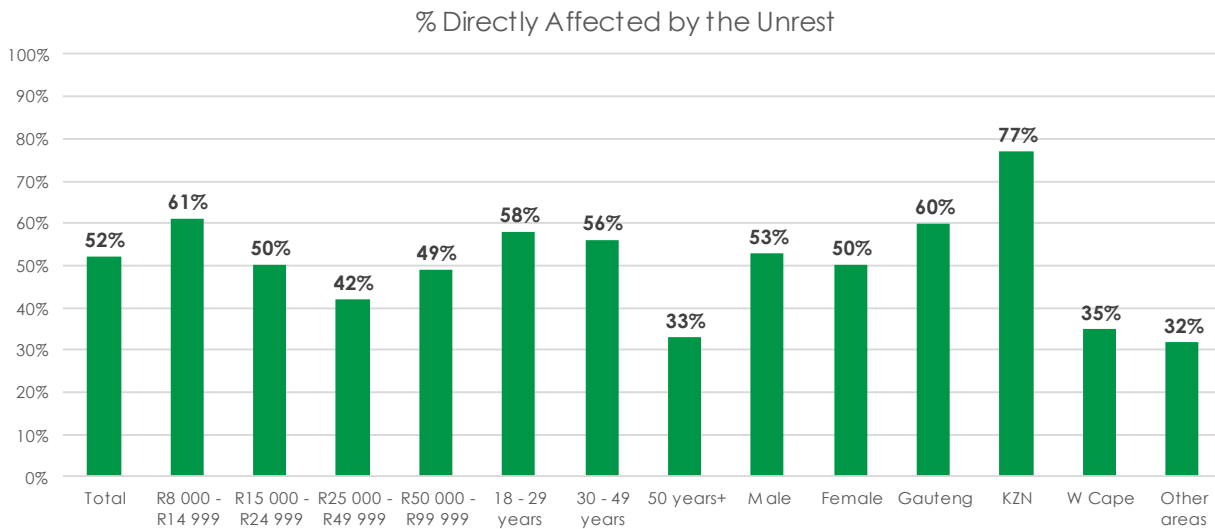
Accountable leadership more of a concern than ever



Looking ahead to the possible consequences of the unrest, we asked respondents to rank their greatest concerns. Increased joblessness is by far the greatest concern.

	% Ranked 1 st , 2 nd or 3 rd
Increased unemployment / joblessness	74%
The destruction of infrastructure and its effect on long term economic recovery	58%
The effect on inflation / rising cost of goods and services	45%
The disruption of the roll-out of Covid 19 vaccinations	35%
Damage done to social cohesion and relationships between all South Africans	33%
The effect on the value of the Rand	33%
The effect of this on the value of my savings and investments in South Africa	22%

We asked respondents if they had been directly affected by the violence and unrest in any way. Just over half (52%) said they had. Not unexpectedly, incidence of direct impact was highest in KZN.



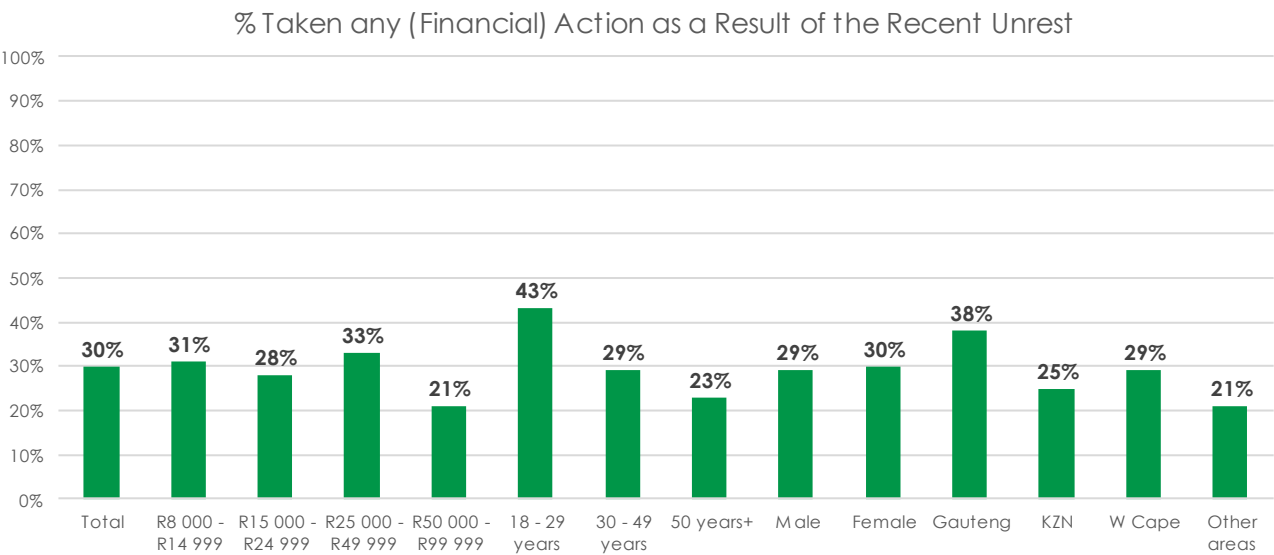
We then asked how they had been affected. The most common (spontaneous) complaints were as follows (%'s are based on those who said yes, they had been directly affected)

- Unable to go to work, either because commute was not safe, or transport not running, or asked by employer to stay home, or place of work looted / destroyed. For most this is much more than an inconvenience as no work equal no pay, or asked to take unpaid leave (25%)
- Unable to buy basic groceries / food / medicine...stock shortages common as the effects of disrupted supply and increased demand (stockpiling) take hold (25%)
- Unable to shop at usual local shop as many are looted else shut up amid safety concerns. This means travelling further afield (more cost) to often more expensive outlets (21%)
- Some report feeling overwhelmed and scared for their own safety, with huge emotional stress and anxiety levels being sky high (14%)
- Others report their own and family members' businesses being looted and destroyed (11%)

Lower level mentions include:

- Supply disruptions on business, unable to make or receive deliveries (6%)
- Supply disruptions at a personal level: all couriers closed, no online deliveries (6%)
- Price increases / shortages pushing up prices (4%)
- Banks closed / ATM's damaged / difficulty in securing cash (3%)
- Hard to get fuel / uncertain petrol supply (3%)
- Involvement in local community patrols (3%)

Just under a third report having taken some kind of financial action or shift in their financial behaviour as a result of the unrest.



Generally the most common reaction is a heightened awareness of the need to save (21%) and exercise fiscal discipline (26%) – the unrest drove home the need for this amongst consumers already sensitized by financial pressures brought on by the Covid 19 pandemic. The other aspect that arose spontaneously at significant levels was increased spending brought on by stockpiling household essentials (19%).

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