



OLDMUTUAL

SAVINGS &  
INVESTMENT MONITOR

|||| COVID-19 SPECIAL REPORT



DO GREAT THINGS EVERY DAY

THE TIME IS NOW

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



# Methodology and Sampling...

**Annual Survey**

**Metro Working  
South Africans**

**Saving & Investment  
Behaviours & Attitudes**

**Online survey  
(7 main metros)**

**1 487 respondents**

**Personal Monthly  
Income as at end  
February 2020:  
R5k +**

**Weighted to the  
working SA  
population**

**Fieldwork dates: 29 May – 23 June 2020**

**12 Edition. 15<sup>th</sup> measure.**

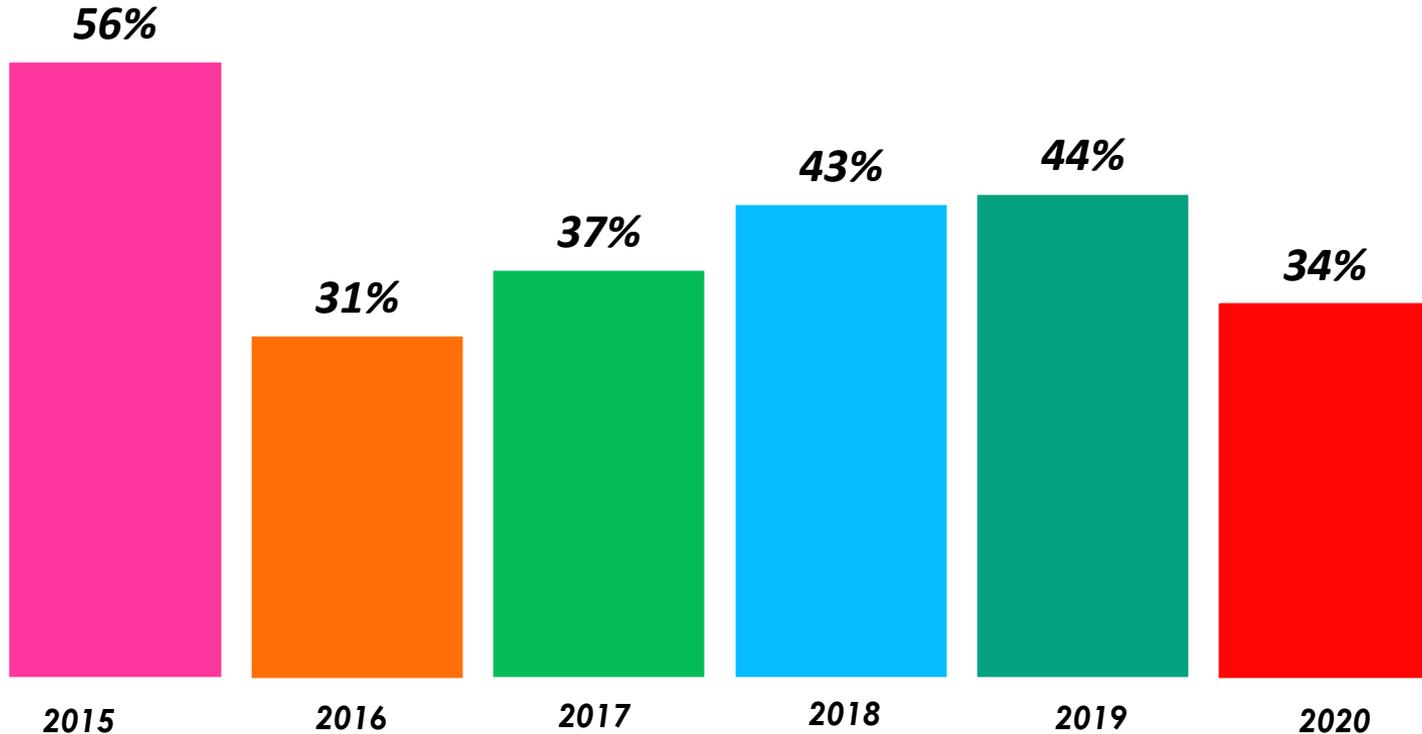






# Confidence in the SA economy...

*"I feel confident about the South African economy" (% Strongly agree/Agree)*





*Satisfaction with the way the  
Government is handling the  
COVID-19 situation*

**58%**



**CONSUMERS' CURRENT REALITY**

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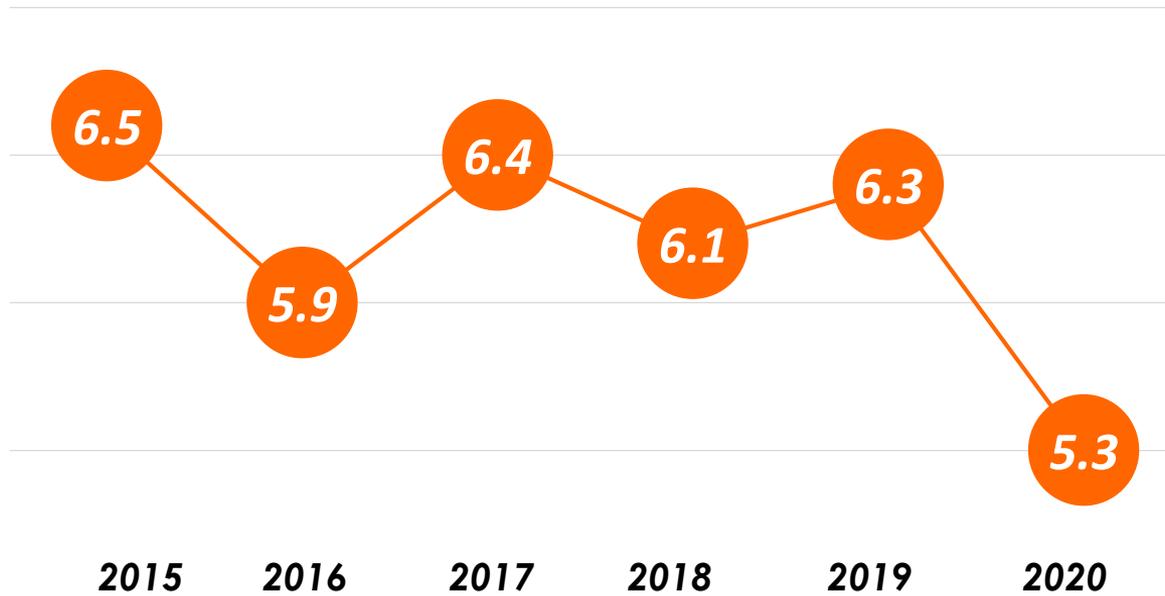
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# Satisfaction with financial situation...

Mean score out of 10



Previous lowest score in history of OMSIM was 5.9



## Income status...

### Impact

Positive impact – I am earning more than before	5%
No impact as yet – I am earning the same as before	38%
Some negative impact – I am earning a bit less/have taken a small salary reduction/reduced hours	26%
Significant negative impact – I am earning significantly less/big salary or earnings reduction	23%
I have been retrenched/not earning at all from my business/no income from work	8%

57%

**“I am constantly worried about losing my job/income”: 66%**



## Working status...

### Impact

<i>I go out to work as before</i>	<i>35%</i>
<i>I am now working from home (most or all of the time)</i>	<i>32%</i>
<i>I continue to work from home as I did before</i>	<i>12%</i>
<i>I am still employed, but am not able to go out and work nor work from home</i>	<i>21%</i>

Based on those employed at time of fieldwork

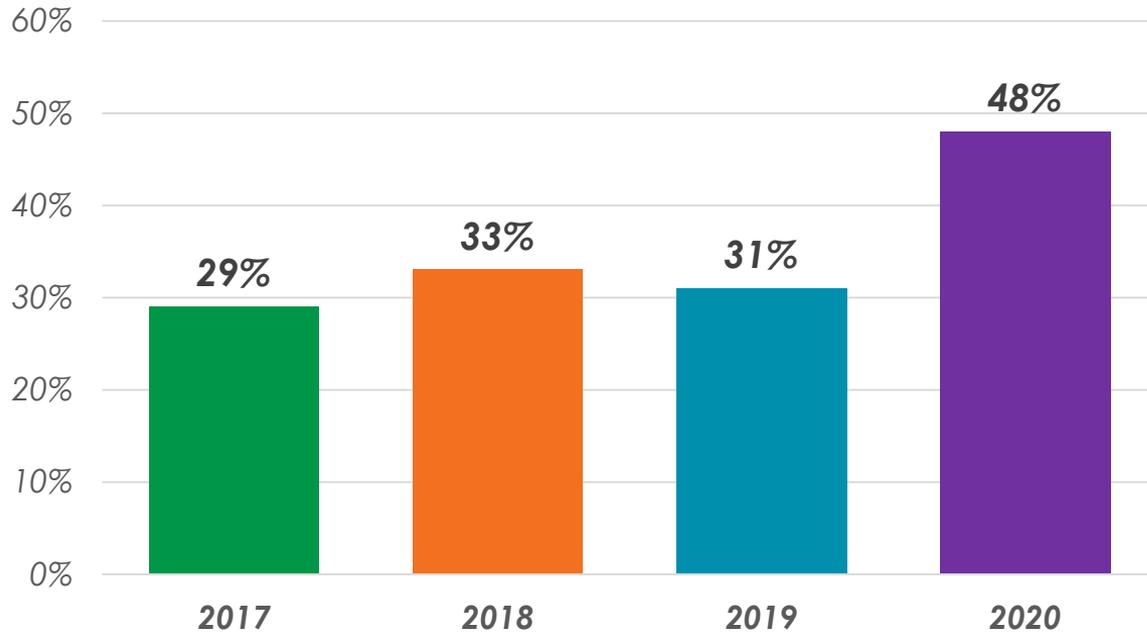


# Change in incomes...

Change	Personal Income as at end of February 2020				
	R5k – R9 999	R10k – R19 999	R20k – R39 999	R40k – R79 999	R80k+
Unchanged	38%	52%	55%	47%	59%
Up to 25% more	1%	5%	3%	5%	3%
25% + more	5%	3%	4%	5%	2%
Up to 25% less	-	12%	11%	12%	11%
25% - 50% less	9%	9%	14%	11%	7%
50% - 75% less	41%	6%	9%	9%	9%
75% + less	6%	13%	4%	11%	9%
	100%	100%	100%	100%	100%

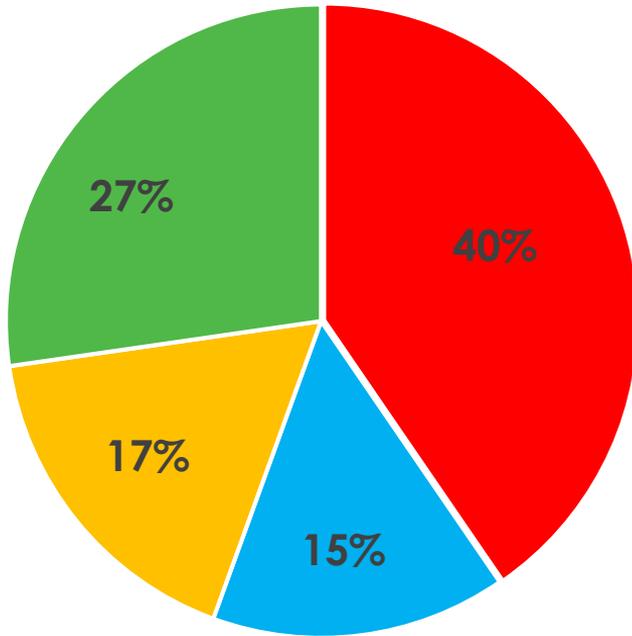


# Financial situation worse than a year ago...





# If lost job, have funds to last for...



■ 1 month or less ■ 2 months ■ 3 months ■ More than 3 months

	2019	2020
1 month or less	28%	40%
2 months	17%	15%
3 months	17%	17%
More than 3 months	38%	27%



Based on those employed at time of fieldwork



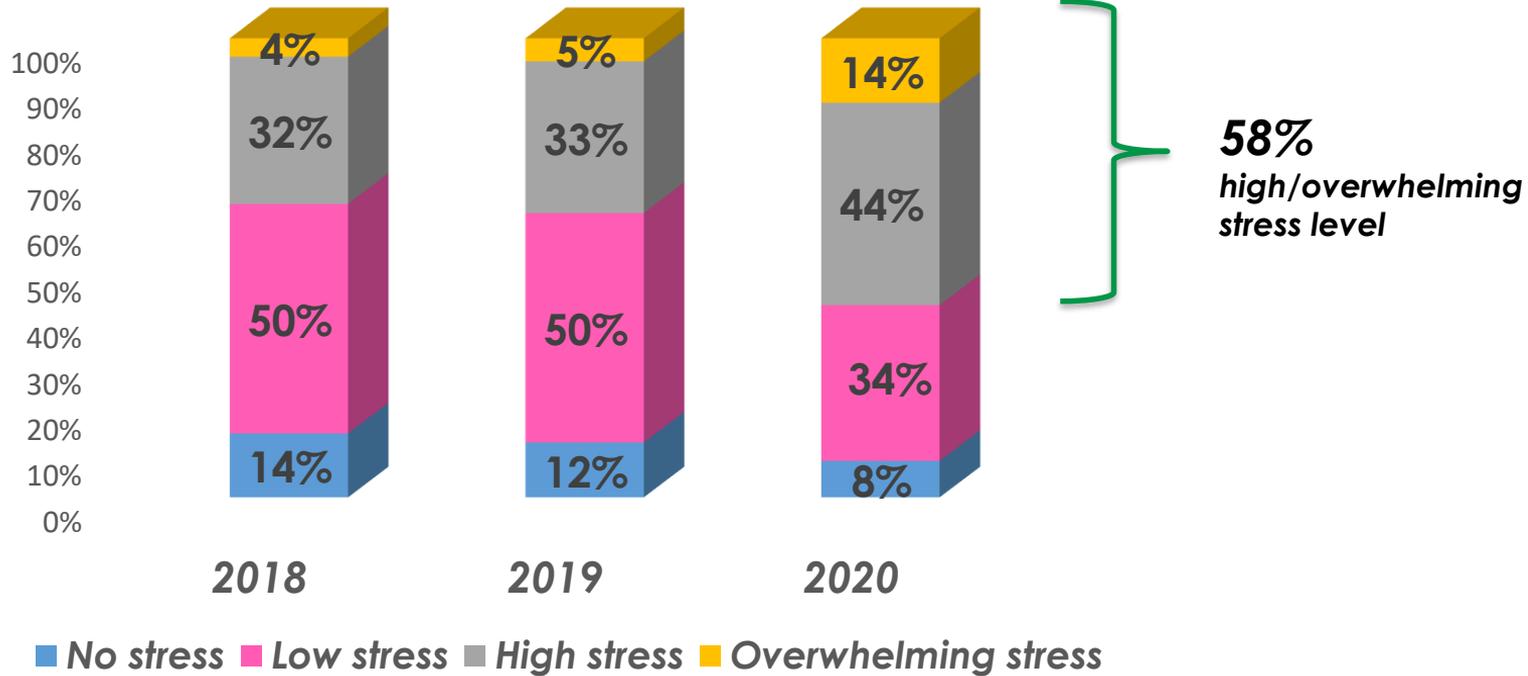
## State of finances...

	2019	2020
• <i>Dipped into savings to make ends meet</i>	23%	52%
• <i>Fallen behind on household bills</i>	24%	37%
• <i>Taken advantage of points/rewards accumulated on loyalty programmes</i>	-	54%
• <i>Have cashed in a savings/investment policy</i>	-	23%



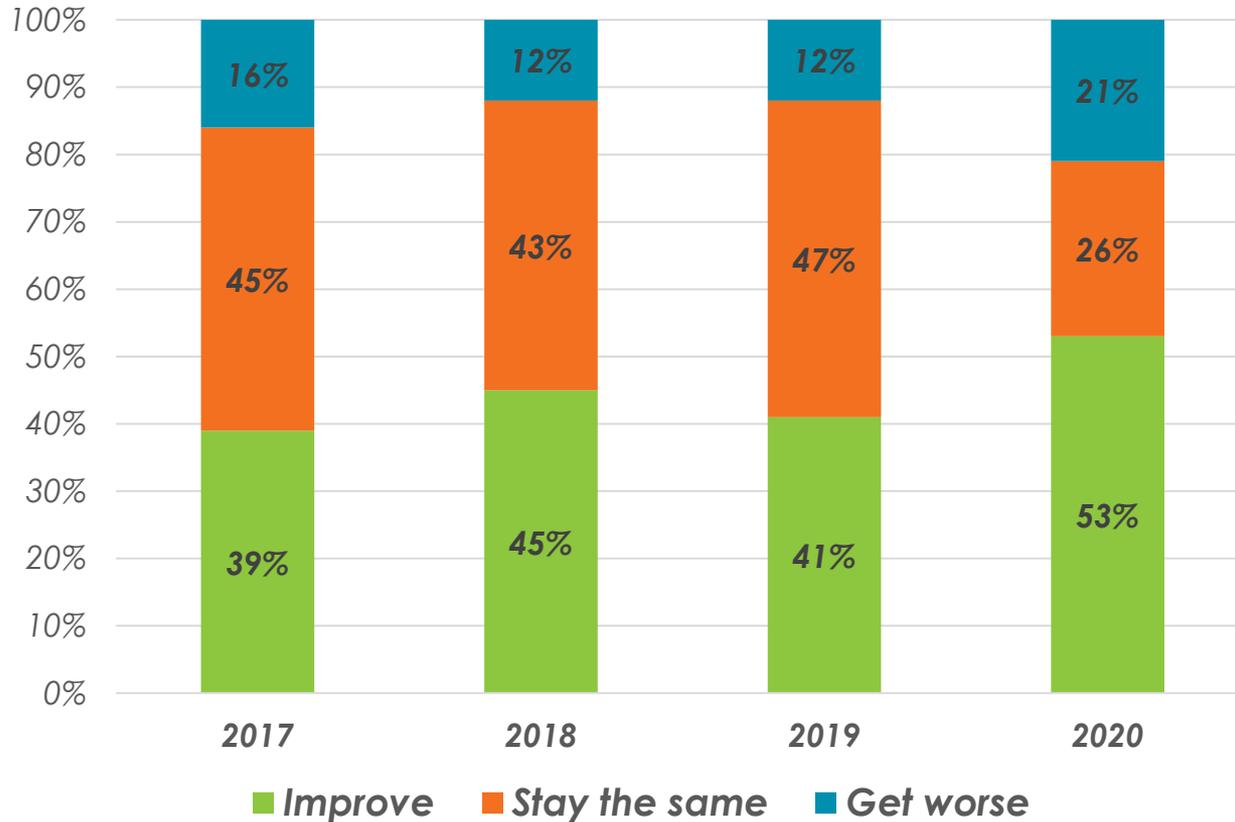


# Level of financial stress...



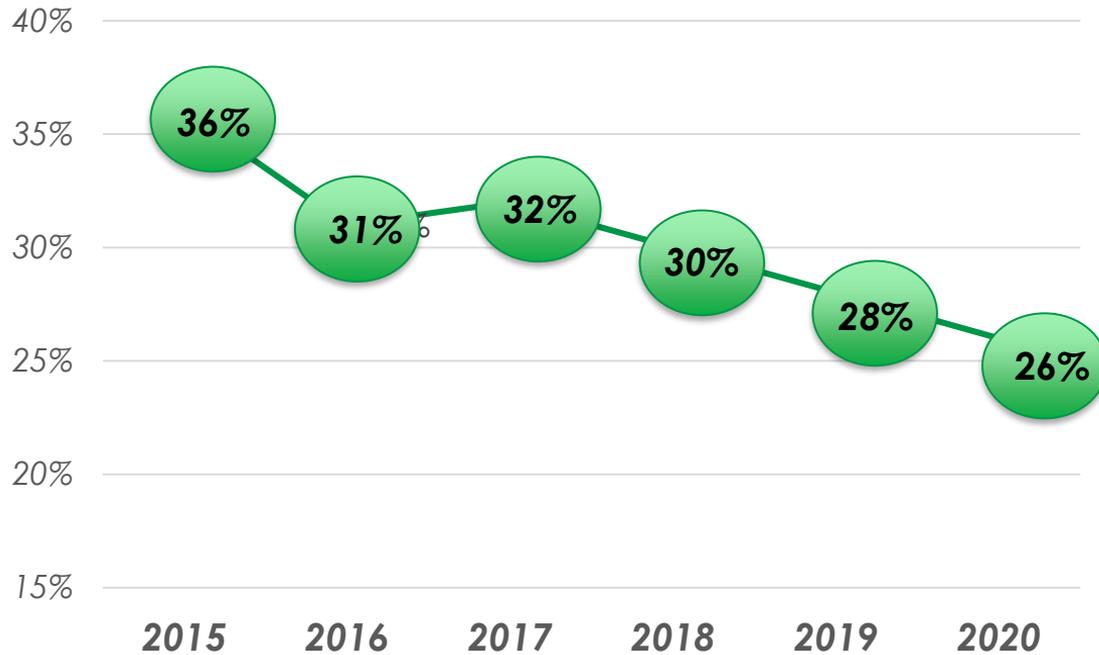


# Financial situation expectation over next 6 months...





# Have Education Policies...



Based on those with dependent children



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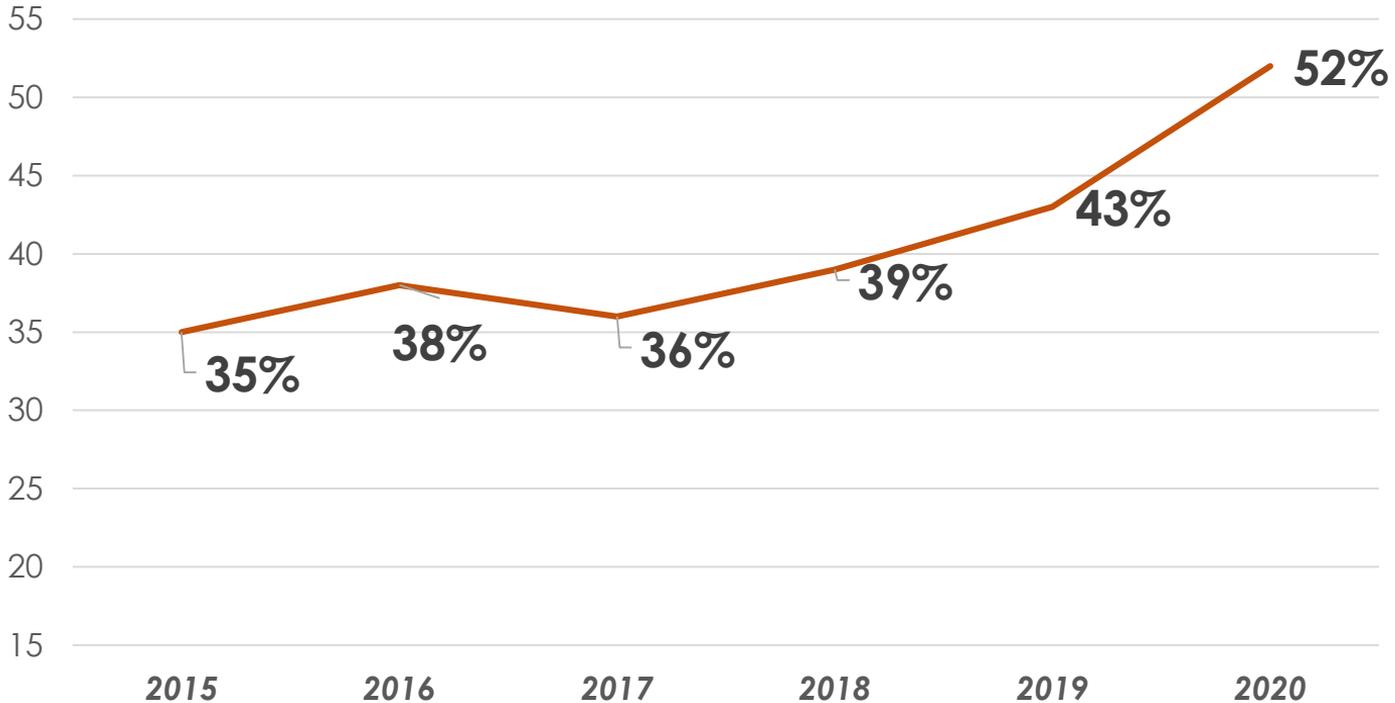
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**DEPENDENCY**

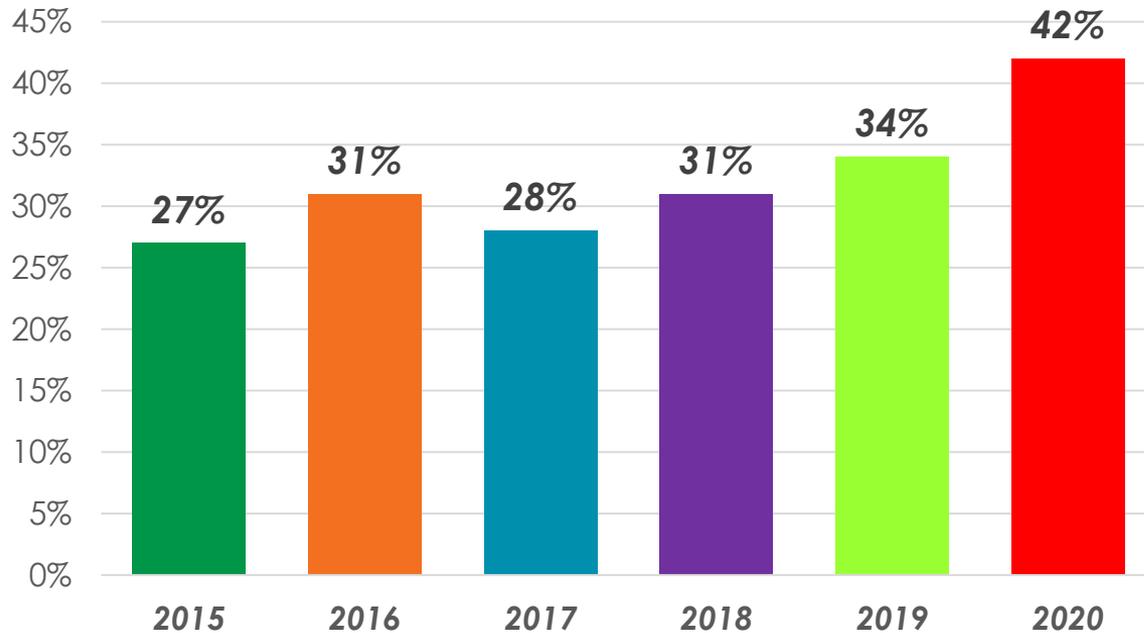


## Other adult dependents (excluding spouse/partner)





# The Old Mutual Sandwich Generation Indicator





**DEBT**

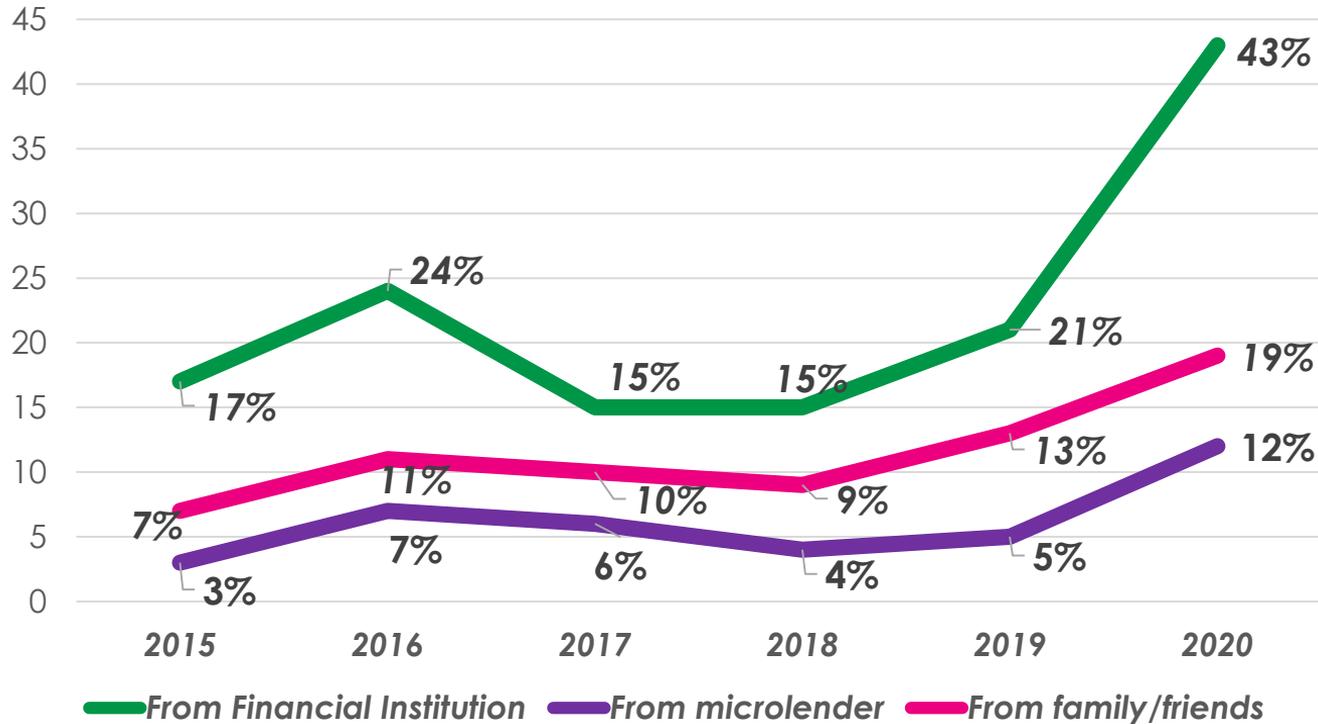
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# Personal Loans...



## Other Loans/Debt:

From employer	9%
Instalment Sale	45%
Overdraft	49%



# Loan repayment situation...

## Fallen behind/no longer able to meet

- *Personal loan from a financial institution* **32%**
- *Personal loan from a microlender* **34%**
- *Personal loan from a friend/family* **39%**





## Fallen behind on debt payments...

	2019	2020
• <i>Fallen behind on credit card payments</i>	15%	28%
• <i>Fallen behind on store card/account payments</i>	32%	30%
• <i>Fallen behind on rent or home loan payments</i>	7%	26%





# Debt relief...

*Have explored or applied for a payment holiday/restructure or debit relief*

<b>Credit Card</b>	<b>29%</b>
<b>Store card/account</b>	<b>22%</b>
<b>Personal loan from a financial institution</b>	<b>38%</b>
<b>Personal loan from a microlender</b>	<b>40%</b>
<b>Personal loan from a friend/family</b>	<b>41%</b>
<b>Home Loan</b>	<b>35%</b>

*Have you succeeded in getting it?*

<b>Yes</b>	<b>No</b>	<b>Pending</b>
<b>57%</b>	<b>23%</b>	<b>20%</b>
<b>43%</b>	<b>29%</b>	<b>28%</b>
<b>53%</b>	<b>26%</b>	<b>21%</b>
<b>61%</b>	<b>26%</b>	<b>14%</b>
<b>59%</b>	<b>26%</b>	<b>15%</b>
<b>63%</b>	<b>18%</b>	<b>19%</b>



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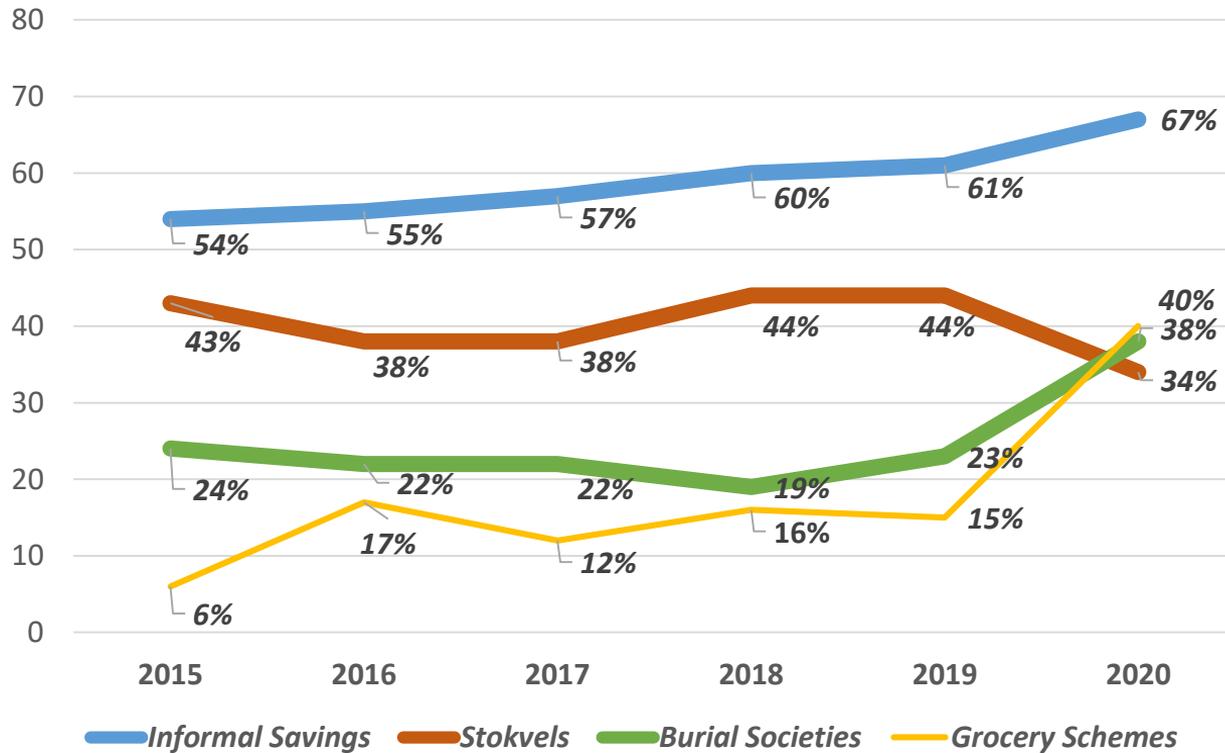
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**INFORMAL SAVINGS**



# Informal Savings...





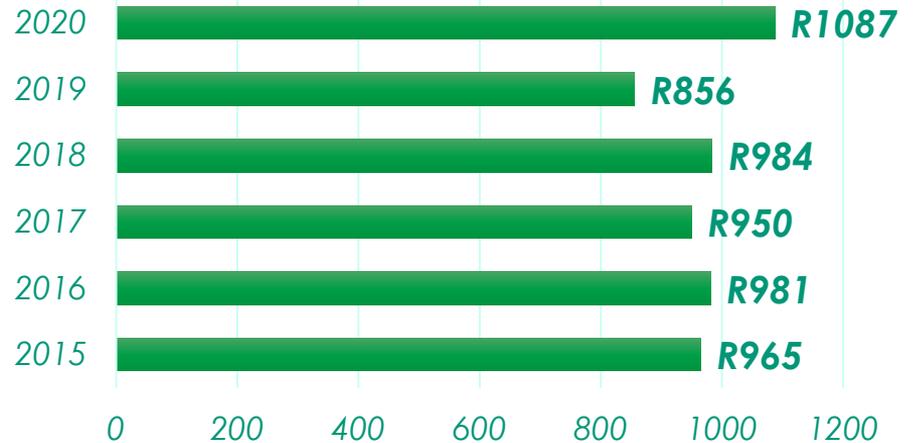
# Stokvels...

## Meetings

*We are still holding our stokvel meetings face-to-face* **22%**

*We are meeting online now (Whatsapp, Zoom, Stokfella, Teams)* **78%**

## Average Monthly Contribution





**POST COVID BUYING**

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# Post Covid – changes to buying behavior...

**Essential Costs**

*Food and groceries, transport, education, accommodation, assistance payments, medical aid, cellphone/data costs, car & HH insurance*

**Priority “luxuries”**

*Cigarettes, alcoholic beverages, DSTV/Mnet subscriptions, other online TV/movie/music streaming services (eg. Netflix, Spotify, Amazon Prime, Disney, etc.), E-Hailing services (Uber, Taxify, etc.)*

**As needed**

*Hair/Beauty, domestic worker/gardener, Nanny/child minder at home, pre-school/after care services, home improvements/maintenance, online shopping for food, clothing, shoes electronics and appliances*

**Nice to have**

*Holiday and travel, Eating out/going out, take-aways, having friends around/entertaining at home*



## **Main concerns about the pandemic...**

***The health of my loved ones and immediate family/loved ones falling ill or worse***

***My own health/falling ill myself or worse***

***Impact on the economy***





## *Potential positives about the pandemic...*

*Respect and appreciation for essential workers*

*Appreciation of shared humanity/Ubuntu/empathy*

*Improved public health services*

*Better work/life balance*





*Thank you*

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