

OLDMUTUAL



OLD MUTUAL FINANCIAL SERVICES MONITOR

2023



DO GREAT THINGS EVERY DAY



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Detailed 2023 Results:

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- Use of Financial Advisers





RESEARCH OBJECTIVE



The primary objective of the Old Mutual Financial Services Monitor is **to understand the working population's financial behaviour and attitudes in Namibia**



SAMPLE & METHODOLOGY



2nd Measure*



Namibia



Recruited face to face, self administered Survey**



n = 500
August 2023



Personal Monthly Income: NAD R3 000+



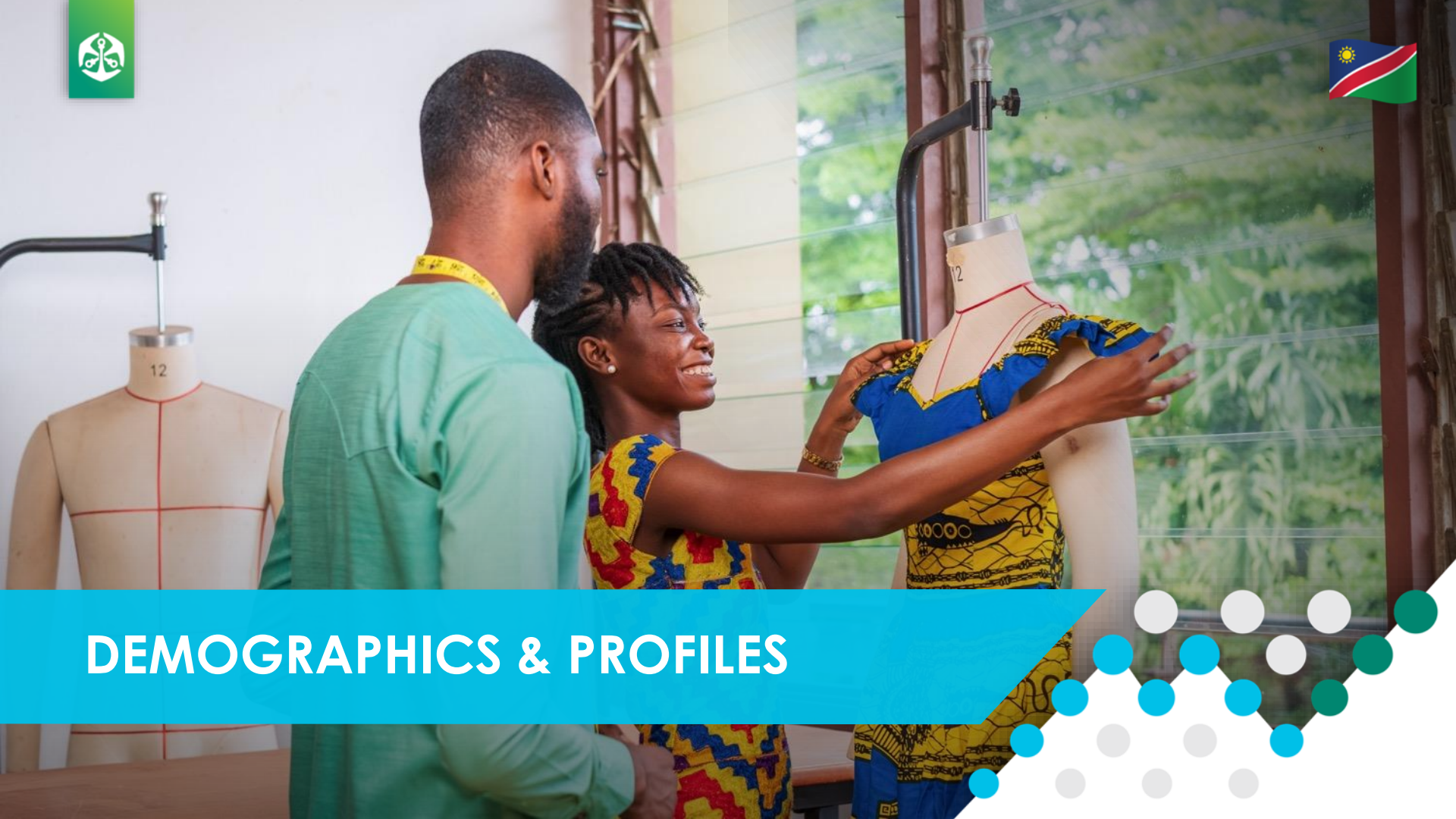
Urban and Peri Urban Working Population

Fieldwork timeline: 1 – 9 August 2023

Age, personal income, gender and geographical location are all quota controlled

*first conducted in 2021

**Recruiting face-to-face, Interviewing self-complete captured on a tablet (Interviewer on hand to assist)



DEMOGRAPHICS & PROFILES





SAMPLE DEMOGRAPHIC DETAIL 2023 - NAMIBIA

Unweighted Numbers: 500

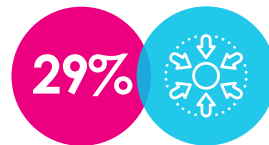
GENDER



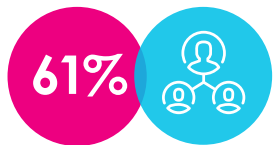
FORMAL VS. INFORMAL



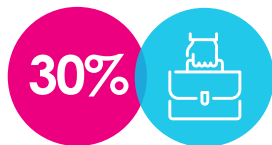
MULTIPLE INCOME



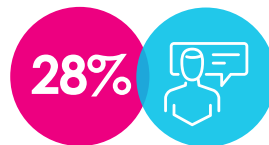
SANDWICH GENERATION



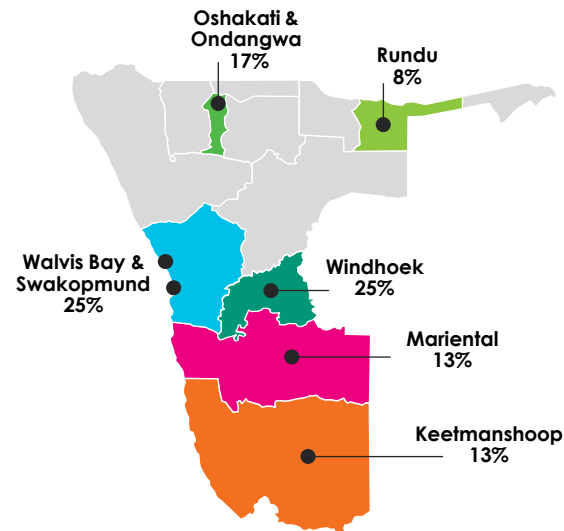
OWN A BUSINESS



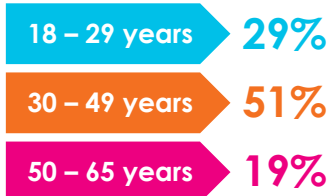
ADVISER USE



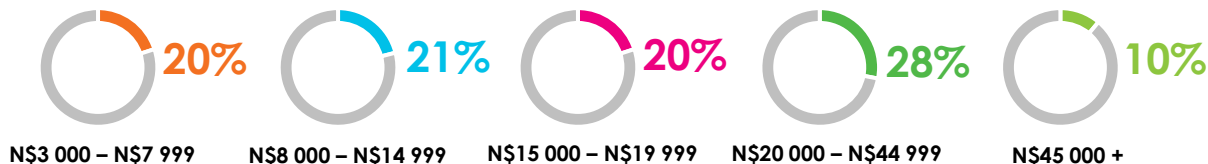
REGION



AGE



PERSONAL MONTHLY INCOME



6 Formal sector (for example, you work for a corporate or registered company/organisation and have access to company benefits);
Informal sector (you do not work for any corporate or registered company/organisation, and you may not have access to any company benefits)



KEY INSIGHTS





KEY INSIGHTS - NAMIBIA

1

Employed Namibians are still **considerably financially stressed (42%)**, with **over 7 in 10 not seeing any improvement in their personal income since 2020**. Lower income consumers are considerably more stressed.

2

2023 sees Namibian consumers being more disciplined regarding debt management relative to 2021 – however, still 27% have indicated that they are struggling to manage debt. This is evidenced by **1 in 4 who have fallen behind on household bills** in the last year, a third **have had to borrow from friends and family**, and **40% still have a personal loan**, using this to pay off other debt, or to cover their everyday expenses. **Credit card usage has also significantly increased** in the last two years (36% to 56%). Furthermore, **3 in 10 dipped into savings to make ends meet**.

3

Putting money aside for **Emergency Expenses** and saving for their **Childrens' Education** are the **top savings goals, followed by saving for a better home**, or saving for their family's future should they no longer be there. These priorities are followed by **saving for a vehicle, or property (to own a home)**.

4

Retirement saving ranks only 7th in the savings goals, with 46% who note they are saving for their retirement. **Whilst focus on retirement provision increases** with age (Retirement savings goal ranked 3rd among those aged 50 years +), indications are that **many may start too late** – in particular, among lower income earners. Concerns around adequacy are noted with only 12% confident that they will have enough saved for retirement - Yet more than half (54%) are not taking action, but rather **hoping that their children (or the government) may provide**, should they be unable to do so.

5

54% of Namibians do not have life cover, even though saving for their family's future is a core savings goal. Affordability and procrastination emerges as key barriers to purchase.



KEY INSIGHTS - NAMIBIA

6

Income supplementation through work (i.e. in addition to main job) remains **significant**, with just under 1 in 3 working Namibians (29%) doing this. About half rely on a single source of income, and close to 1 in 4 use their savings as a source of income.

7

Just **under a third** of Namibians **own or co-own a business** (highest among older, more affluent consumers). Majority have 1-5 employees (SMMEs) and are sole owners. **Business owners show self-reliance** as they either fund their business through profits or through personal savings and investments. **Only 9% have funding from a FSP.**

8

As majority of consumers are formally employed, most have employee benefit products through their employer. **Only 21% do not have any products** through their employer – this is led by lower income, part-time employed, self-employed and those working for Non-Profit organisations. **Retirement funds and medical insurance are the most common employee benefits.**

9

Only 28% of fund members know the value of their savings in their retirement fund (More affluent consumers earning N\$30 000+ are more well-informed at 44%).

47% of all workers (and 61% of fund members) say there is provision of information from employers/funds to better understand their finances and retirement funding, though the **sentiment is largely passive regarding the actual value-add this information provides.**



RESULTS





CHALLENGES IMPACTING NAMIBIANS IN 2023 - CONSUMERS' REALITY

The economic environment is tough, with the below compounding the financial situation of consumers globally and across Africa – including Namibia. The spiraling cost of living has further pressured consumers and undermined their buying power...



#Natural Distasters



#Debt



#Rising Food Prices



#Fuel Increase



#Housing Shortage
[Namibia]



#N\$ Currency Depreciation



#Mental Health



#Inflation



#Unemployment



#Corruption



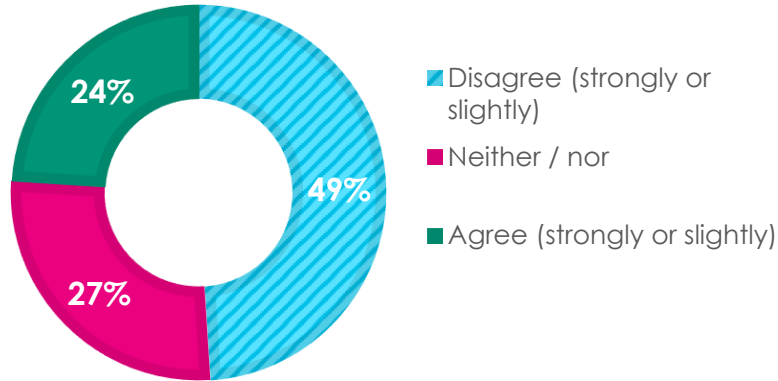
CONFIDENCE IN THE ECONOMY



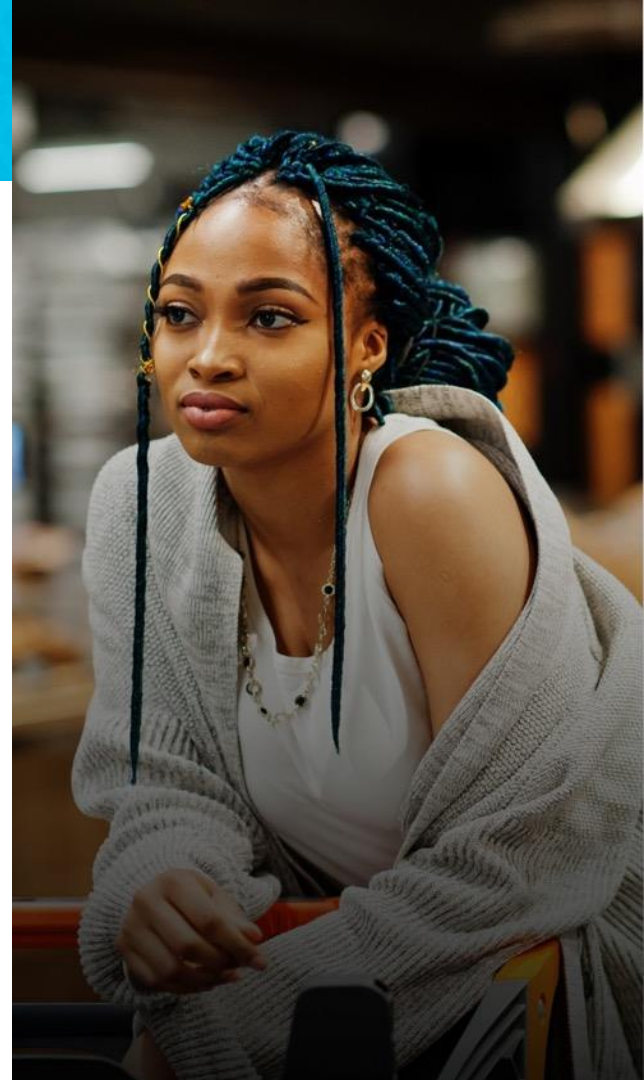


CONFIDENCE IN THE NAMIBIAN ECONOMY

Given the recessionary environment, confidence is low, with only 1 in 4 working Namibians who show confidence in the Namibian economy.



% AGREE (STRONGLY OR SLIGHTLY)	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000 +	Male	Female
I feel confident about the Namibian economy	24%	19%	28%	23%	28%	22%	20%	30%	19%





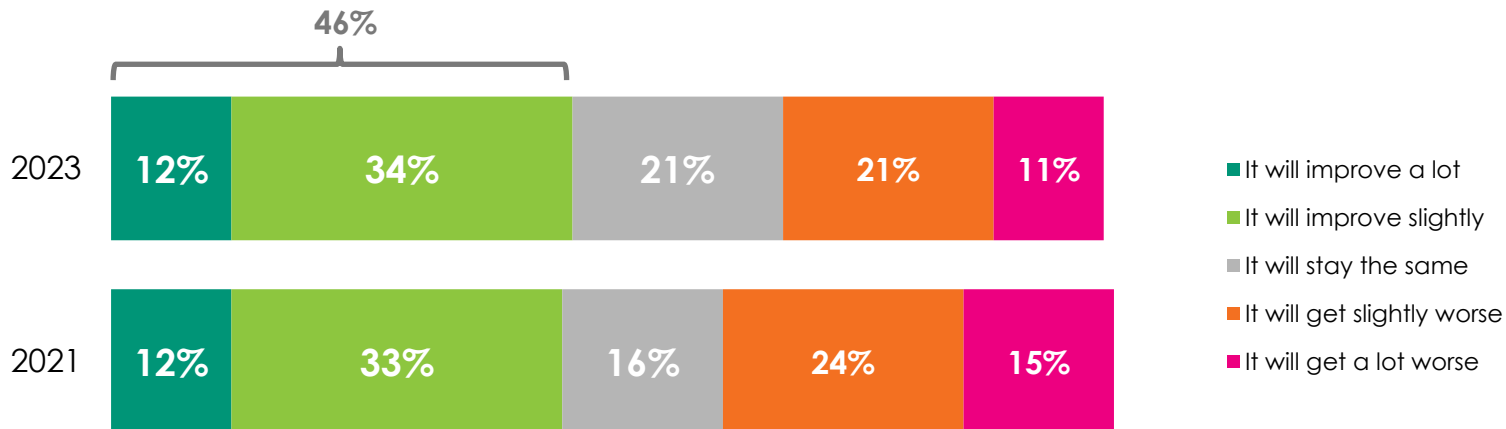
FINANCIAL OUTLOOK & STRESS





CONSUMER OUTLOOK ON THE ECONOMY

Almost half of Namibians continue to have a positive outlook on the Namibian economy over the next 12 months.

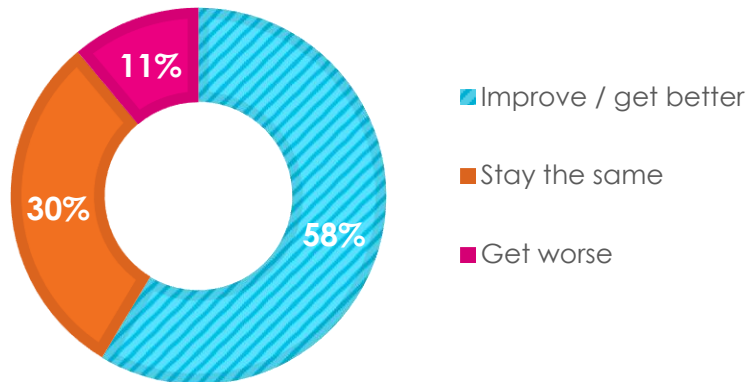


Expectations of Namibian economy over next 12 months	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
It will improve (a lot or slightly)	46%	40%	49%	47%	45%	46%	47%	49%	43%
It will stay the same	21%	20%	24%	18%	17%	28%	20%	18%	24%
It will get worse (a lot or slightly)	33%	40%	27%	35%	37%	26%	34%	33%	32%



CONSUMER FINANCIAL OUTLOOK NEXT 6 MONTHS

Despite current pressures, consumers are generally optimistic in their personal future outlook. Almost 60% of Namibians believe that their financial situation will improve over the next 6 months.



Expectation of own financial situation for next 6 months	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000 +	Male	Female
Base	500	147	256	97	207	156	137	249	251
Improve / get better	58%	63%	55%	60%	62%	51%	61%	59%	57%
Stay the same	30%	29%	33%	26%	25%	43%	25%	29%	31%
Get worse	11%	9%	12%	14%	14%	6%	14%	12%	11%





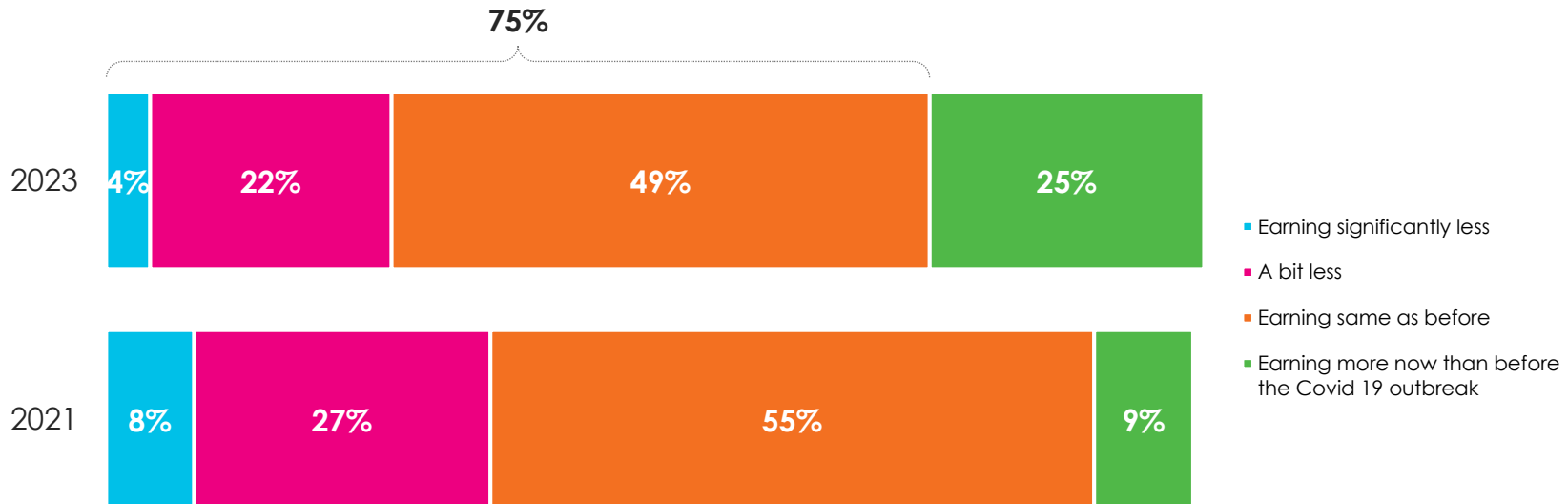
KEY INDICATORS





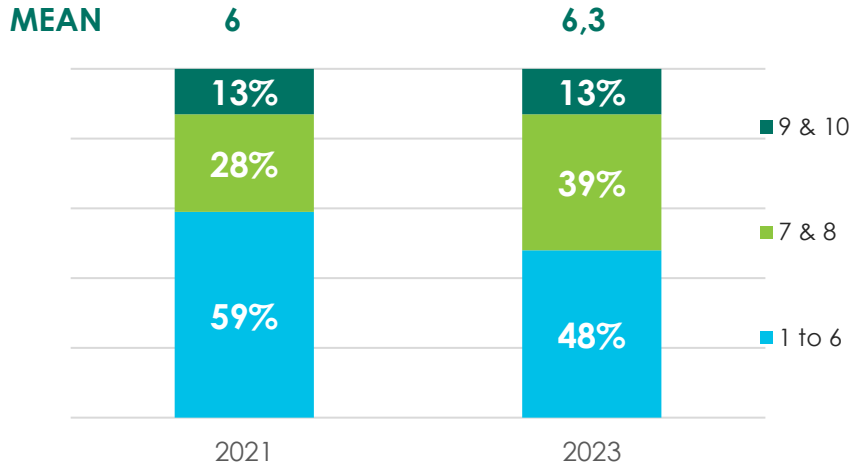
SHIFT IN PERSONAL EARNINGS

While there have been some positive shifts in personal earnings, 75% are earning the same or less than they did 3 years ago (prior to the pandemic) – this means that the majority of working Namibians have less income in real terms.





FINANCIAL SATISFACTION



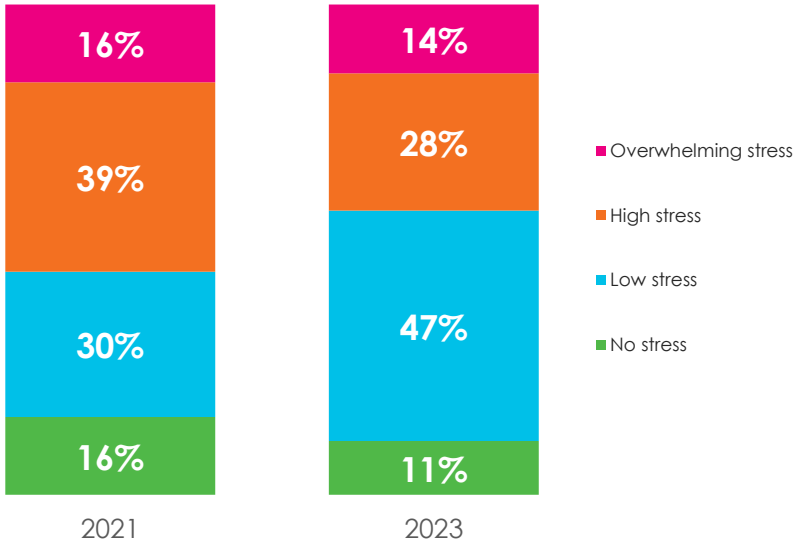
Some improvement in how satisfied Namibians are with their financial situation. Higher income earners are more satisfied.

Overall Financial Situation (Mean Scores)	2021	2023
18 - 29 years	6,1	6,5
30 - 49 years	5,9	6,1
50+ years	6,2	6,6
N\$3 000 - N\$14 999	6,1	5,7
N\$15 000 - N\$29 999	5,8	6,5
N\$30 000+	6,3	7
Male	6,1	6,5
Female	6	6,1



FINANCIAL STRESS

While some improvement is noted since 2021, 42% of Namibian consumers are still considerably stressed. Lower income earners are the most financially stressed.



	2021	2023
N\$3 000 - N\$14 999		
I feel overwhelming stress/high stress	55%	51%
N\$15 000 - N\$29 999		
I feel overwhelming stress/high stress	60%	40%
N\$30 000+		
I feel overwhelming stress/high stress	44%	34%

42% giving financial support to more people since the start of the pandemic

6 in 10 belong to the sandwich generation – financially supporting both children and adult dependents



FINANCIAL STRESS TAKES A PHYSICAL AND EMOTIONAL TOLL

Stressed Namibians note the negative impact on their mental and physical health

	Total	I feel overwhelming stress	High stress	Low stress	No stress at all
Base	500	72	141	234	53
Agree (strongly or slightly) that financial stress is badly affecting my mental and physical health	42%	76%	50%	33%	15%





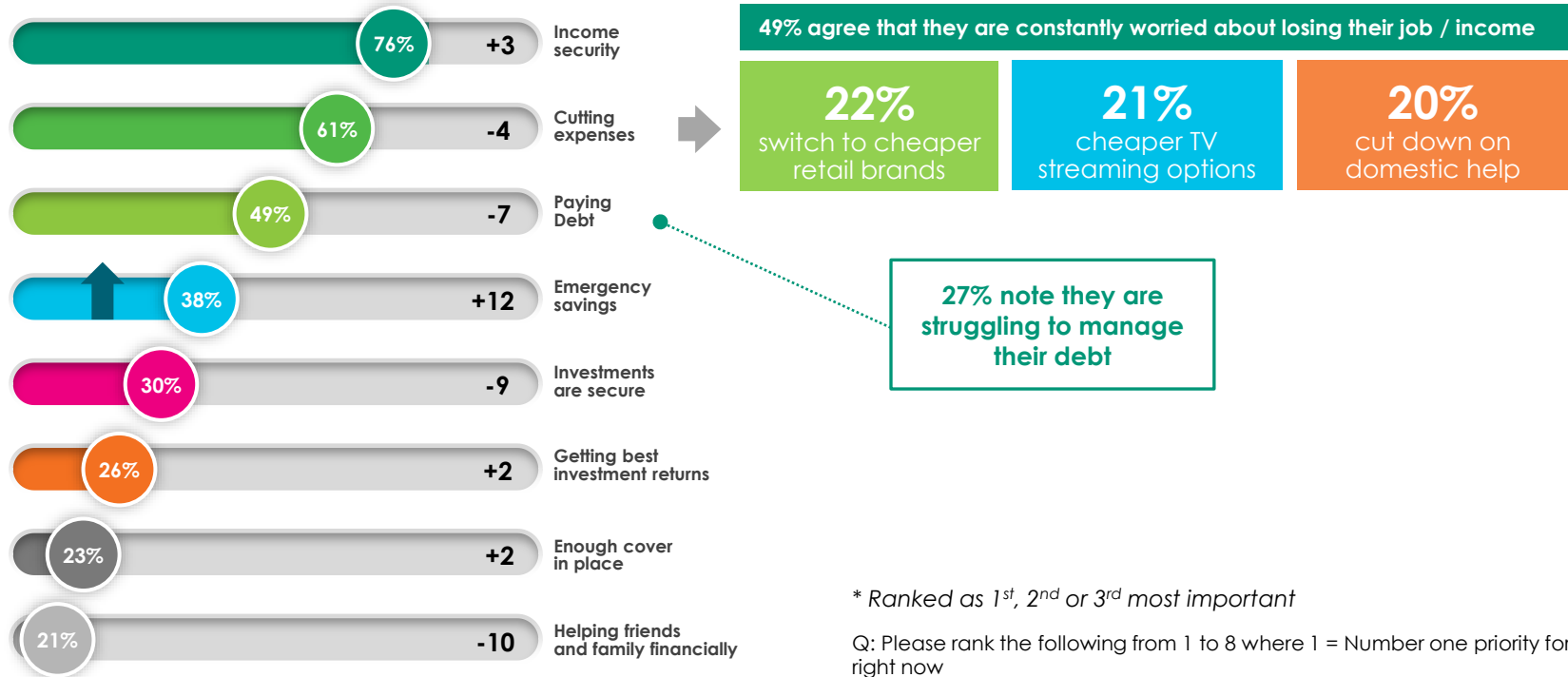
FINANCIAL PRIORITIES





FINANCIAL PRIORITIES

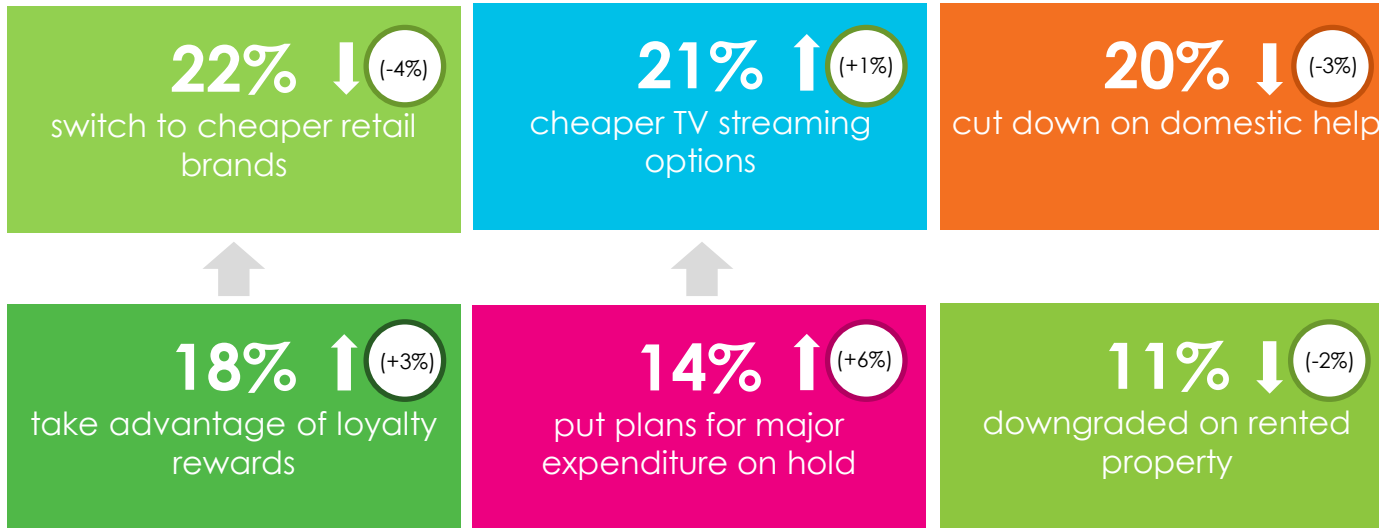
Income security is the top priority for Namibian consumers. This is followed by managing their expenses downward (such as switching to more affordable retail brands, TV streaming options, and cutting down on domestic help). Paying off debt emerges as a 3rd priority. This is consistent across age and income groups. (2023 sees a much stronger focus on the importance of emergency savings, up by 12% since 2021).





INCOME & EXPENSE MANAGEMENT

Namibians continue to tighten their belts and adapt their lifestyles, given financial pressures.



↑↓ Arrows indicate shift against 2021 measure. Only mentions of 10% or more are shown

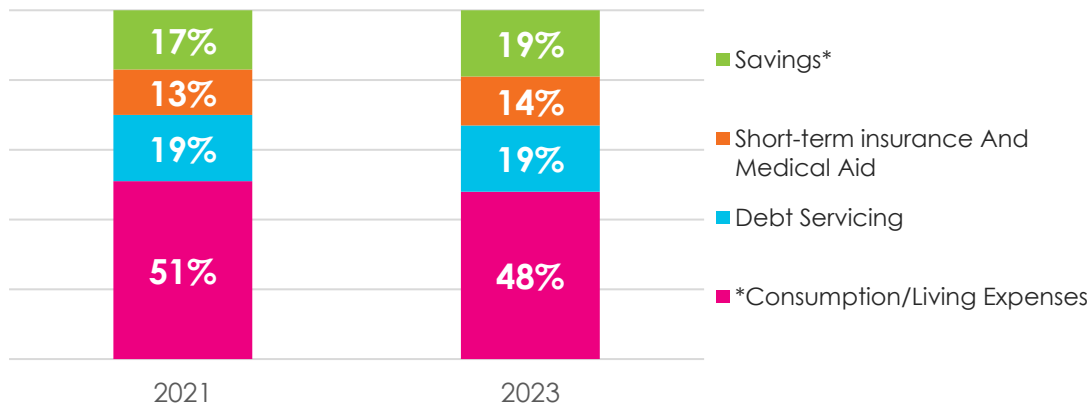
Q: Some people have had to adapt their lifestyles given financial pressures (including the impact of Covid 19 and currency fluctuations), for others little has changed. Thinking back over the past year, which of the following apply to you?

Q: Thinking about the household finances, which of the following has happened in the last year? (Source for loyalty rewards use)



HOUSEHOLD INCOME SPENDING

Consumption makes up just under half of the Namibian household spend, while Debt servicing makes up almost one fifth of the spend allocation, equal to that of saving.



In 2023, Namibians display more disciplined debt management than two years ago. However, still 1 in 4 have fallen behind on household bills in the last year, 1 in 3 who have had to borrow from friends and family, and 40% have a personal loan of any type from a FSP/ friends or family/employer/microlender.

	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
Consumption/living expenses	48%	52%	46%	49%	51%	49%	44%	46%	50%
Debt servicing	19%	15%	20%	19%	18%	19%	19%	19%	19%
Insurance and medical aid	14%	12%	15%	14%	12%	14%	16%	14%	13%
Savings	19%	21%	19%	18%	19%	18%	21%	21%	18%

Q: Thinking about your household (or personal circumstances if single / not living together), please can you tell me what % of income is spent on...?

*Savings (includes monthly contributions / premiums to savings, investments, assurance policies, stokvels and other savings schemes)

*Consumption excludes contributions to policies, savings, insurance etc.



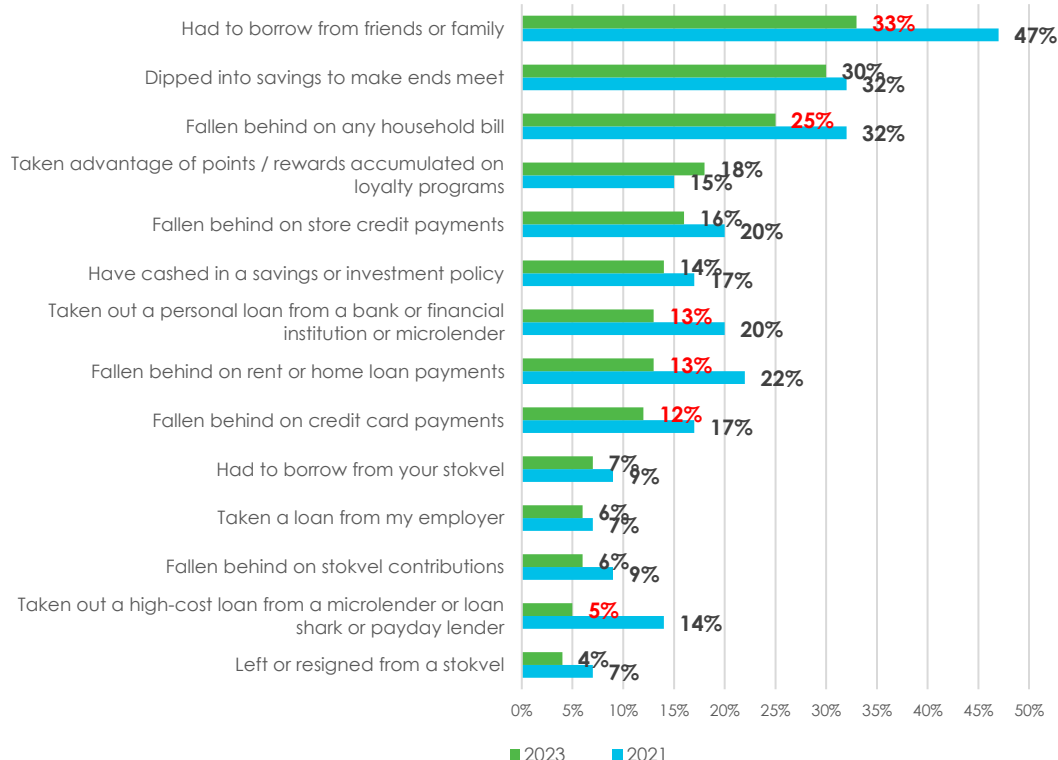
COPING MECHANISMS - NAMIBIA

Even though Namibian consumers are more disciplined regarding debt management since two years ago, 1 in 4 have fallen behind on household bills in the last year, and 1 in 3 have had to borrow from friends and family. Furthermore, 3 in 10 dipped into savings to make ends meet.

Credit card usage has also significantly increased in the last two years (36% to 56%)

	Total 2021	Total 2023
Base	501	500
(Bank) credit card holding	36%	56%

Household Finances Past Year



	Base	500	501
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DEBT





CREDIT TYPES

With the exception of credit cards, incidence of credit facilities has decreased, with a decline in personal loans (from friends and family, FSP or microlender) most notable. Access to credit and asset financing is higher amongst higher income earners.

	2021	2023								
	Total 2021	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	501	500	147	256	97	207	156	137	249	251
(Bank) credit card	36%	56%	56%	54%	63%	51%	54%	67%	55%	57%
Store credit/shop accounts	40%	37%	36%	35%	45%	30%	39%	47%	36%	39%
Personal loan from bank/financial institution	31%	24%	18%	28%	26%	19%	26%	31%	25%	24%
HP/hire purchase/instalment sale	29%	17%	18%	18%	14%	11%	18%	26%	21%	13%
Lay by facility	26%	17%	16%	18%	16%	15%	17%	19%	18%	16%
Car finance	22%	16%	9%	16%	25%	6%	14%	33%	20%	12%
Home loan/mortgage bond	23%	15%	7%	15%	25%	4%	19%	26%	14%	15%
Personal loan from a friend/family member	39%	14%	16%	14%	11%	16%	15%	9%	16%	11%
Personal loan from a micro lender	17%	10%	7%	12%	8%	11%	11%	6%	12%	7%
Student loan	16%	9%	15%	8%	3%	8%	10%	10%	7%	11%
Revolving credit/overdraft facility	14%	9%	5%	9%	13%	4%	12%	13%	9%	9%
Personal loan from stokvel / group savings club	Not measured	3%	5%	2%	4%	3%	1%	5%	4%	2%
Personal loan from employer	7%	2%	3%	2%	2%	4%	2%	0%	2%	2%
High cost loan from a loan shark/payday lender	14%	1%	1%	2%	0%	2%	1%	1%	1%	1%



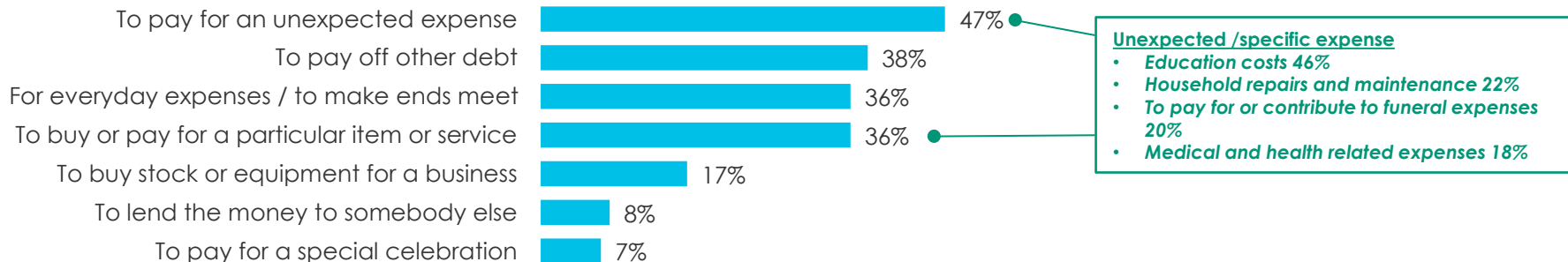
In 2023, 40% have a loan of any type from a FSP/friends and family/employer/microlender



APPLICATION OF PERSONAL LOAN FUNDS

While we see a decline in incidence since 2021, 40% currently still have a personal loan. Key reasons for having a loan was to pay for an unexpected expense (47%), to pay off other debt (38%), to manage their day-to-day expenses (36%), or buy something particular (36%).

What was the main reason for this loan?



	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	202	54	104	44	80	65	57	105	97
To pay for an unexpected expense	47%	61%	46%	32%	54%	46%	39%	50%	44%
To pay off other debt	38%	39%	38%	39%	40%	38%	35%	33%	43%
For everyday expenses / to make ends meet	36%	30%	38%	41%	31%	45%	33%	40%	32%
To buy / pay for A particular item or service	36%	33%	42%	25%	39%	37%	32%	36%	36%
To buy stock/equipment/etc. For business	17%	9%	16%	30%	11%	8%	37%	25%	9%
To lend the money to somebody else	8%	9%	9%	7%	8%	11%	7%	6%	11%
To pay for A special celebration	7%	7%	9%	5%	10%	6%	5%	9%	6%

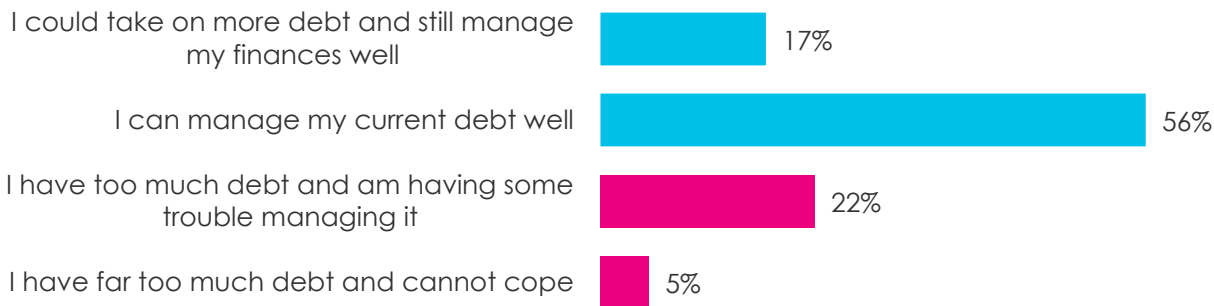
Base: have a loan of any type from FSP, or friends and family, or from employer or microlender or savings group. * Caution small base

Q: What was the main reason for taking this loan / these loans? Q: What was / is the money used for?



SENTIMENT RE DEBT BURDEN

27% of Namibians are struggling with Debt, more prevalent amongst lower-middle income earners.



	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
I could take on more debt and still manage my finances well	17%	16%	16%	21%	17%	17%	17%	19%	16%
I can manage my current debt well	56%	63%	53%	54%	51%	53%	66%	57%	54%
I have too much debt and am having some trouble managing it	22%	19%	25%	22%	26%	24%	15%	20%	25%
I have far too much debt and cannot cope	5%	2%	6%	4%	5%	6%	2%	4%	6%

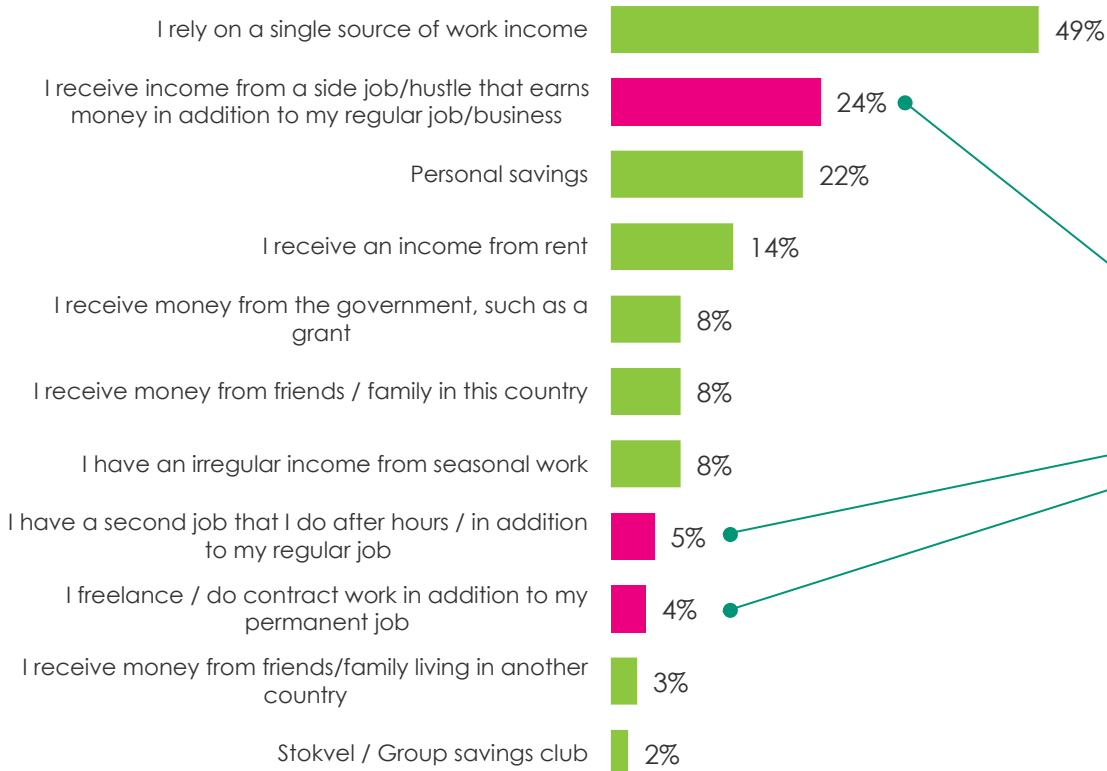


WORKING LIFE & SOURCES OF INCOME





SOURCES OF INCOME



Incidence of those supplementing income through work / side hustles is 29% (was 33% in 2021)

About half of Namibian consumers are dependent on a single source of income only. 29% are 'Polyjobbers', earning money from additional side jobs/contracting/after hours work. Almost a quarter use their savings as a source of income.



SOCIAL MEDIA USAGE

Very high levels of social media usage, with WhatsApp and Facebook being the most popular. Significantly higher social media usage amongst younger consumers.



% Use

90%

77%

44%

42%

36%

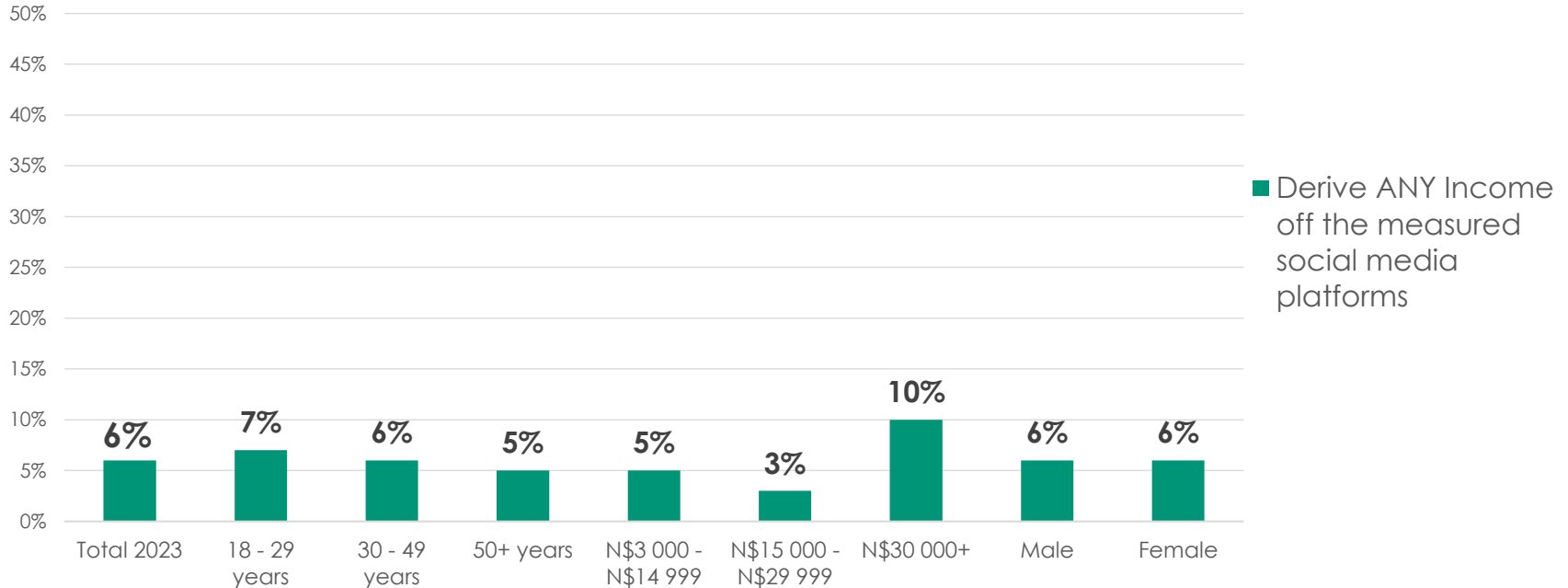
20%

SOCIAL MEDIA USAGE	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
WhatsApp	90%	95%	89%	82%	85%	96%	91%	88%	92%
Facebook	77%	82%	82%	58%	79%	81%	70%	78%	76%
Instagram	44%	65%	42%	18%	47%	44%	39%	41%	47%
Tik Tok	42%	61%	40%	16%	46%	41%	35%	35%	48%
YouTube	36%	52%	32%	22%	36%	37%	36%	35%	37%
Twitter	20%	36%	14%	10%	19%	20%	20%	20%	19%



SOCIAL MEDIA & INCOME GENERATION

Despite high usage, only 6% are using social media to derive an income.





EMPLOYEE BENEFITS





EMPLOYEE BENEFITS (CURRENT)

As the majority of consumers are formally employed, most have an Employee Benefits product through their employer. Retirement funds and Medical insurance are most prevalent. Access to employee benefits is strongly correlated to income.

Of those who do not belong to a pension or provident fund, 15% are offered this but did not take it up, 21% are unsure if their employers offers this, and the balance (64%) are not offered this at all.



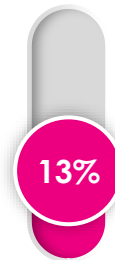
Pension/Provident Fund



Medical/Health Insurance



Group Funeral Cover



Group Life Cover



Credit Life Insurance

Both pension funds and medical cover skew to public sector.

21%

do not have any of these products through their employer. Lead by the lower income, informal sector, part time employed, self-employed and those working for Non-Profit organisations

NAMIBIA



EMPLOYEE BENEFITS (CURRENT)

21% do not have any of these products through their employer – significantly higher amongst lower income earners.

	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 – N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
Pension/Provident Fund	70%	67%	72%	68%	61%	81%	70%	65%	74%
Medical/Health Insurance	62%	59%	65%	61%	46%	76%	71%	58%	67%
Group Funeral Cover	19%	18%	19%	20%	11%	21%	28%	20%	17%
Group Life Cover	13%	14%	13%	11%	7%	17%	18%	16%	10%
Credit Life Insurance	3%	4%	3%	3%	1%	3%	7%	4%	3%
None Of The Above	21%	24%	19%	24%	32%	12%	16%	26%	17%



EMPLOYEE FINANCIAL EDUCATION

Less than half of all workers noted they were provided with financial information by their employers or pension / provident fund.



47% of all workers are provided with financial information to better understand their finances & Retirement Funding



61% for pension and provident fund members



14% for non members

	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base = total sample	500	147	256	97	207	156	137	249	251
Yes	47%	43%	50%	43%	40%	54%	49%	45%	49%
Base = fund members	349	99	184	66	127	126	96	163	186
Yes	61%	53%	65%	62%	55%	62%	68%	63%	59%
Base = non-members	151	48*	72	31*	80	30*	41*	86	65
Yes	14%	23%	12%	3%	15%	23%	5%	10%	18%

Q: Does your employer or pension / provident fund provide you with financial information to help you better understand your finances and retirement funding?

* Caution small base

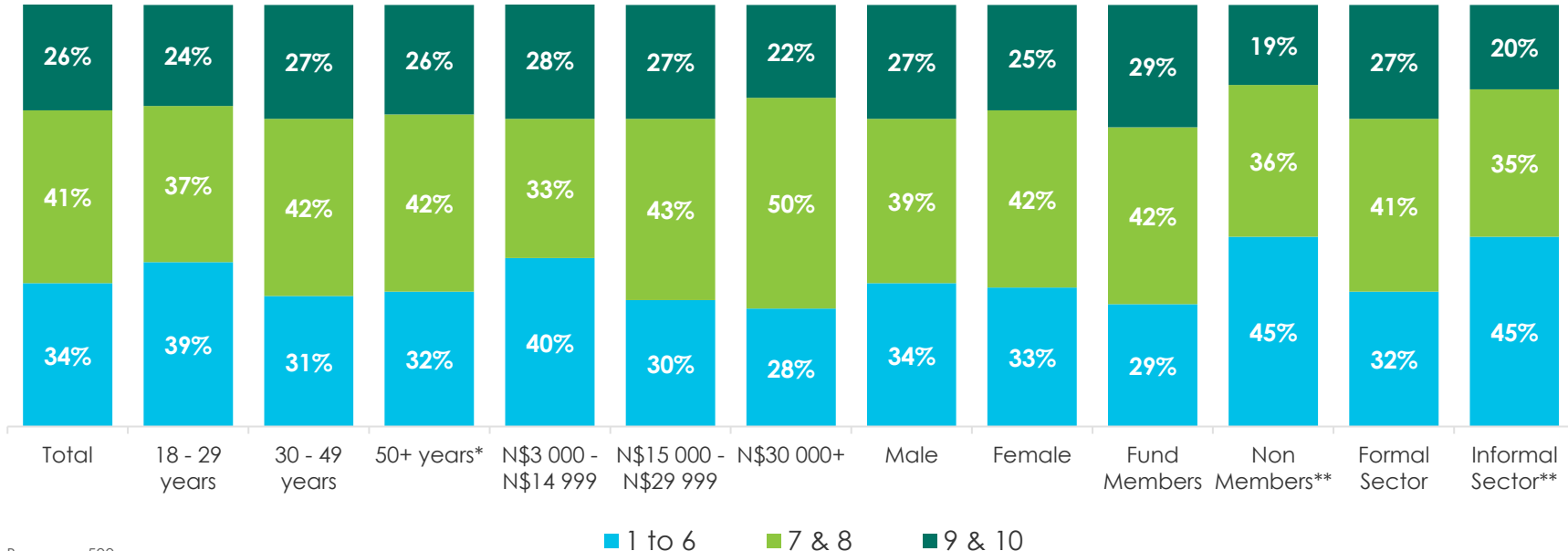


INFORMATION VALUE-ADD

The value-add in receiving financial information from their employer or pension / provident fund is not strongly felt by consumers.

10 = Extremely value adding

1 = Not at all value adding



Base: n = 500

Caution small or extremely small (**) base

Q: On a scale of 1 to 10, where 1 is not at all value adding and 10 is extremely value adding, how value adding is/would this information be to you?

■ 1 to 6 ■ 7 & 8 ■ 9 & 10

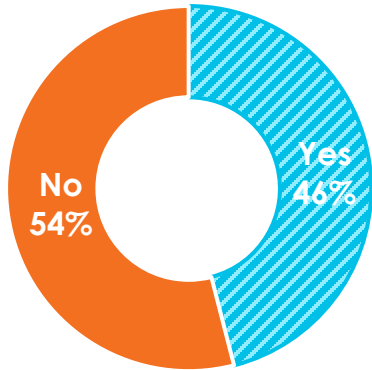


RETIREMENT SAVINGS





SAVING FOR RETIREMENT



- Less than half of working Namibians say that they have started saving for their retirement.
- This is slightly higher for formal sector (48%) vs informal sector (31%) workers.
- Despite the comparatively higher proportion of older consumers and higher income earners who have started, over a third of those aged 50 years or older have not yet started saving for their retirement.

52% of Pension fund members say they have started saving for retirement.
 81% with a Retirement Annuity say they have started saving for retirement.

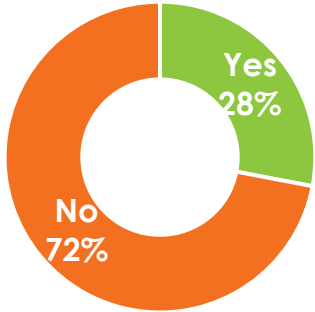
	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
Yes	46%	37%	43%	65%	25%	54%	68%	53%	39%
No	54%	63%	57%	35%	75%	46%	32%	47%	61%



PENSION / PROVIDENT FUND

DO YOU KNOW THE VALUE OF YOUR SAVINGS IN YOUR RETIREMENT FUND?

Higher member engagement (and interest) amongst older and higher income earners, yet the majority of fund members don't know the approximate value of their retirement savings.



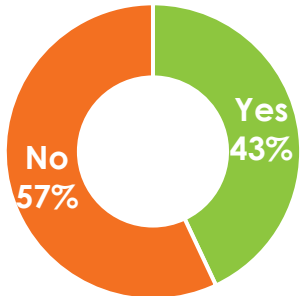
	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	349	99	184	66	127	126	96	163	186
Yes	28%	22%	26%	42%	16%	28%	44%	34%	22%
No / not sure	72%	78%	74%	58%	84%	72%	56%	66%	78%

DO YOU KNOW WHERE AND HOW YOUR RETIREMENT FUNDS ARE INVESTED?



17%

Percentage of workers who are fund members who **have a good knowledge** of where and how **their retirement funds are invested**. 57% do not know

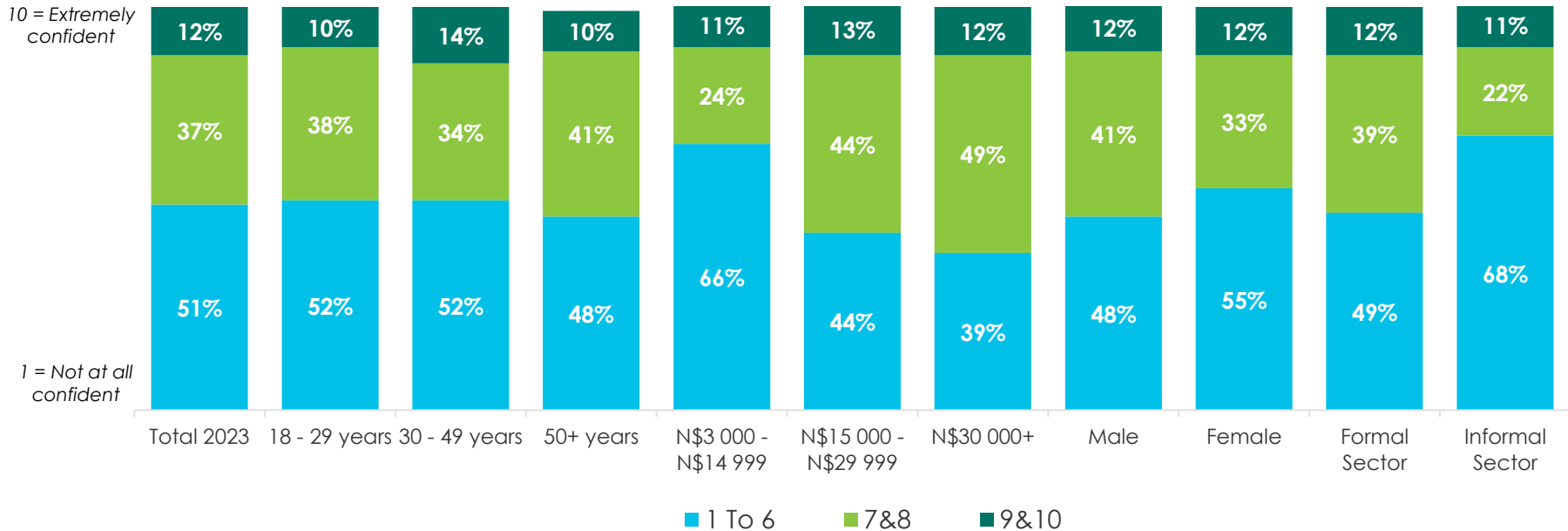


	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	349	99	184	66	127	126	96	163	186
Yes	43%	35%	45%	50%	28%	48%	58%	47%	40%
No / not sure	57%	65%	55%	50%	72%	52%	42%	53%	60%



CONFIDENCE IN ADEQUACY OF RETIREMENT FUNDING

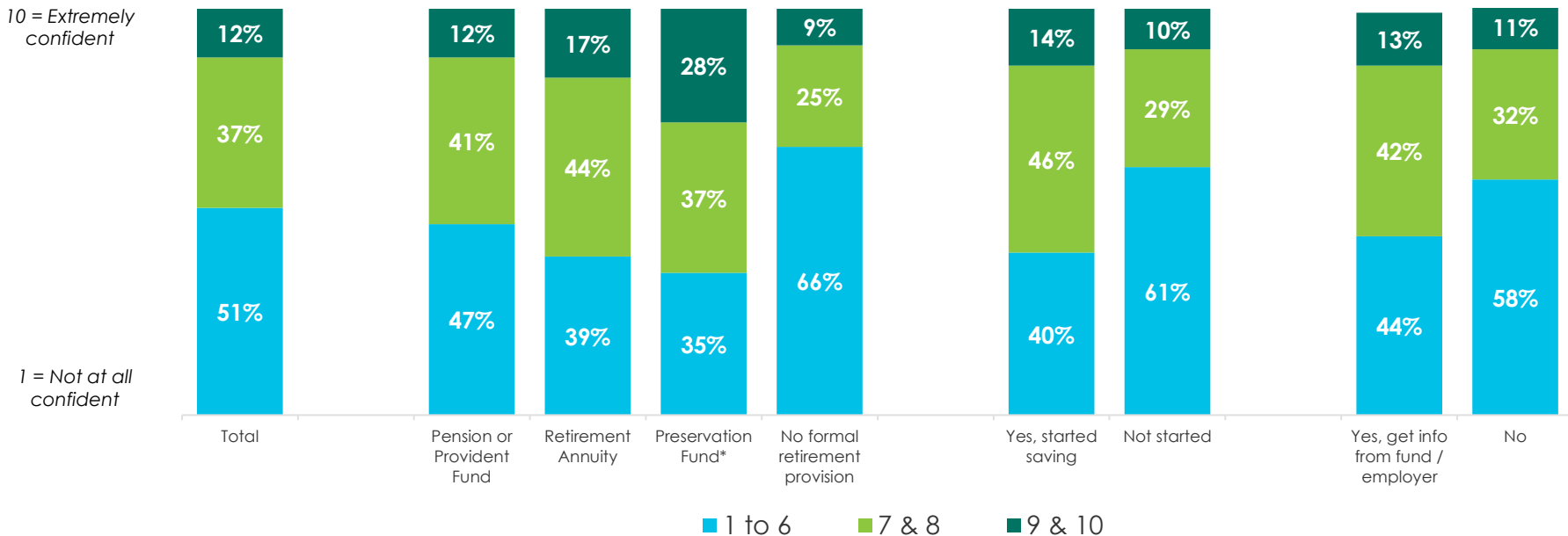
There are very low levels of confidence that retirement savings will be adequate.





CONFIDENCE IN ADEQUACY OF RETIREMENT FUNDING | 2

Confidence is even lower among those with no formal retirement products and those who have not started saving for their retirement and / or those who do not receive any financial advice or information from their employer or pension / provident fund.





HOPES AND FEARS ABOUT RETIREMENT

With the majority of consumers not taking action to start saving for retirement (54%) , 7 out of 10 in Namibia are hoping that their children may support them when they are old. Almost half also have expectations that the government will look after them when they are unable to support themselves (comparatively higher among the the informal sector).



55%* are afraid of losing their money if the company providing pension/retirement fund collapses



39% avoid thinking about old age and retirement because it scares them



70% feel their children should look after them financially when they are old



47% feel the government will look after them if they are unable to look after themselves

(*)Based on those with formal retirement products in place
• % = Agree strongly or slightly

Q:To what extent do you agree with each of these statements?



HOPES AND FEARS ABOUT RETIREMENT

7 out of 10 Namibians are hoping that their children may support them when they are old. There are no significant differences across age and income levels. Almost half also have expectations that the government will look after them when they are unable to support themselves – this is comparatively lower amongst younger Namibians.

% Agree (strongly or slightly)	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+
Base (= those with formal retirement products in place)	378	103	199	76	136	130	112
I'm afraid of losing my money if the company providing my pension / retirement fund collapses	55%	52%	56%	55%	59%	53%	53%
% Agree (strongly or slightly)	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+
Base (total sample)	500	147	256	97	207	156	137
I avoid thinking about old age and retirement because it scares me	39%	36%	41%	41%	45%	35%	36%
My children should look after me financially when I am old	70%	70%	68%	76%	67%	70%	76%
The government will look after me if I am unable to look after myself	47%	37%	49%	56%	48%	48%	44%



PROTECTION

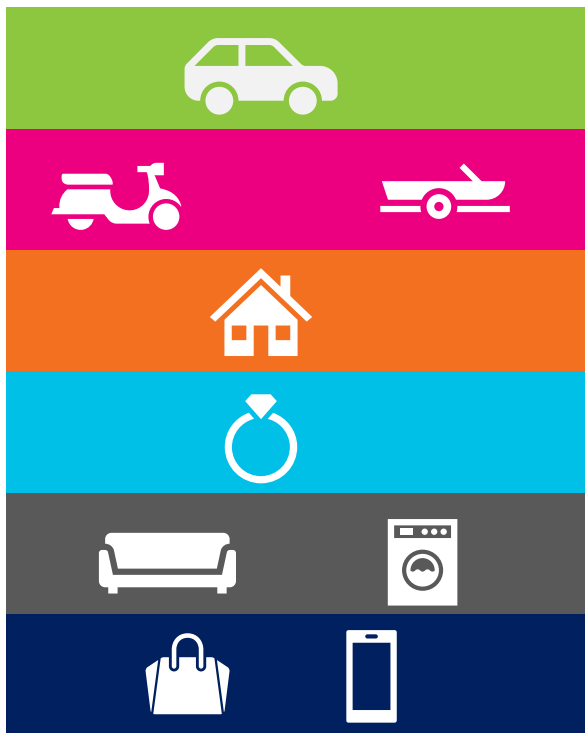




ASSETS OWNED & INSURED

Low levels of insurance across assets owned.

Asset Ownership lowest among younger and lower income consumers.



OWNED

INSURED
(Base= total sample)

INSURED
(Base = own this asset)

46%

26%

58%

4%

2%

43%
(Caution v small base)

37%

18%

49%

25%

2%

8%

83%

16%

19%

86%

14%

16%

Q: Which of the following assets do you own? Q: For which, if any do you have insurance or financial cover in case of damage, theft or loss?



CHANGES TO RISK & PROTECTION COVER

Low levels of change to risk and protection cover.

	Total 2021	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	501	500	147	256	97	207	156	137	249	251
Cut down on (or given up) car or household short-term insurance or moved to cheaper options	7%	9%	10%	9%	7%	9%	11%	7%	10%	8%
Increased amount of car or household short-term insurance cover	1%	3%	1%	4%	3%	2%	1%	6%	4%	2%
Cut down on (or given up) medical aid/medical insurance/moved to cheaper options	6%	5%	6%	6%	1%	6%	6%	2%	6%	4%
Increased the amount of medical aid/medical insurance cover	3%	5%	2%	7%	3%	2%	6%	7%	6%	3%
Cut down on (or given up) life cover or moved to cheaper options	7%	7%	7%	9%	4%	7%	9%	5%	9%	6%
Increased the amount of life cover that you have	5%	5%	3%	5%	5%	4%	4%	7%	5%	5%
Cut down on (or given up) funeral cover or moved to cheaper options	12%	8%	8%	8%	9%	9%	8%	7%	9%	8%
Increased the amount of funeral cover that you have	7%	4%	3%	5%	3%	4%	4%	4%	4%	4%
None of the above	68%	71%	76%	68%	72%	70%	72%	72%	67%	75%

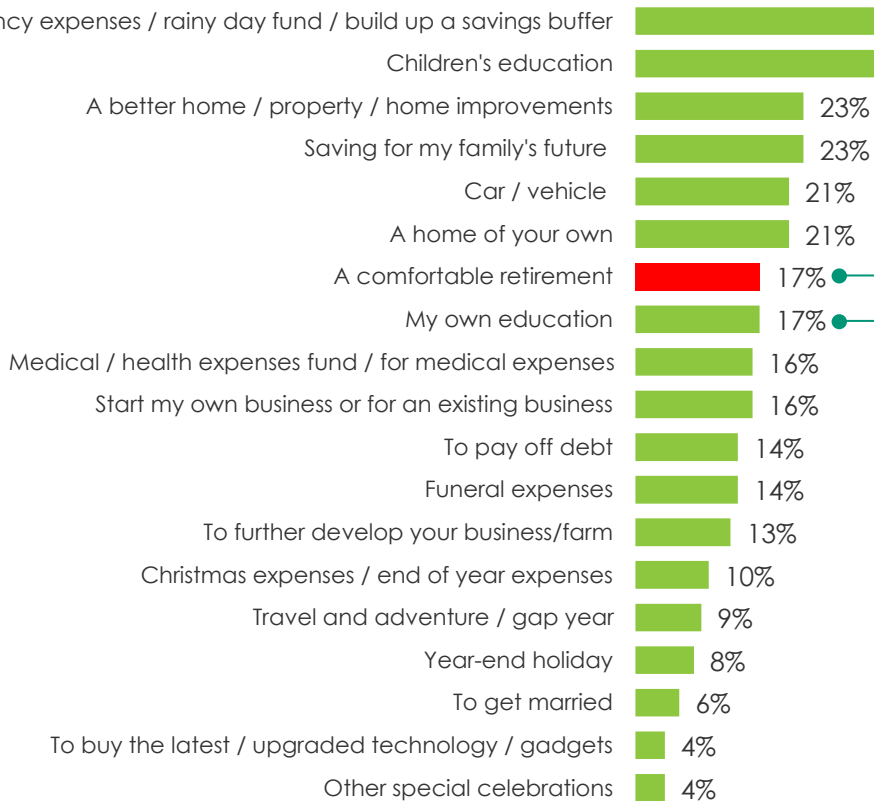


SAVINGS GOALS





SAVINGS GOALS 2023



● N\$30 000 – N\$44 999 (51%)
 ● N\$30 000 – N\$44 999 (49%)

● 50+ years (38%)
 ● 18 - 29 years (35%)

Emergency Savings/Rainy day funds, saving for their children's education, saving for a better home, as well as for their family's future are the top goals amongst working Namibians.

Saving for retirement is noted, though not a fundamental savings goal.

Retirement is ranked 3rd amongst older and higher income earners (N\$30 000+).



TOP SAVINGS GOALS BY LIFESTAGE

18 – 29 years	30 – 49 years	50+ years
Savings buffer	Childrens' education	Savings buffer
Own education	Savings buffer	Childrens' education
Childrens' education	Own home / better home	Retirement
Car / own home / better home	Family's future	Family's future



SAVINGS GOALS | DEMOGRAPHIC DETAIL

	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
Emergency expenses / to build up A savings buffer	37%	41%	32%	45%	29%	35%	51%	39%	35%
Children's education	34%	28%	36%	39%	29%	28%	49%	36%	33%
A better home / property / home improvements	23%	26%	24%	15%	21%	22%	26%	26%	20%
Saving for my family's future in the event that I am no longer there to provide	23%	22%	20%	30%	15%	28%	28%	25%	21%
Car / vehicle (first or upgrade)	21%	27%	18%	21%	14%	26%	26%	24%	18%
A home of your own	21%	26%	23%	7%	23%	24%	14%	23%	18%
A comfortable retirement	17%	16%	10%	38%	9%	15%	31%	18%	16%
My own education	17%	35%	12%	2%	22%	17%	9%	14%	20%
Medical / health expenses	16%	18%	14%	21%	11%	21%	20%	16%	17%
To start my own business or for an existing business	16%	19%	15%	14%	15%	17%	17%	14%	18%
To pay off debt	14%	16%	12%	16%	14%	14%	13%	15%	13%
Funeral expenses	14%	11%	13%	20%	9%	15%	20%	14%	13%
To further develop your business/farm	13%	9%	12%	21%	9%	10%	23%	19%	7%
Christmas expenses / end of year expenses	10%	11%	9%	9%	7%	15%	8%	11%	8%
Travel and adventure / gap year	9%	12%	7%	8%	5%	10%	12%	10%	7%
Year-end holiday	8%	8%	9%	6%	6%	11%	9%	6%	11%
To get married	6%	10%	5%	2%	4%	8%	7%	8%	4%
To buy the latest / upgraded technology / gadgets	4%	7%	4%	0%	3%	6%	2%	5%	3%
Other special celebrations	4%	3%	4%	5%	2%	4%	6%	4%	3%



INFORMAL (CASH) SAVINGS & STOKVELS



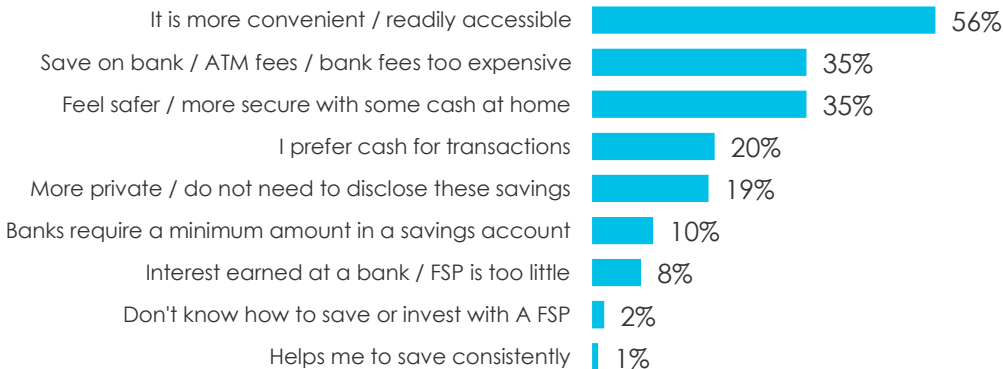


UNBANKED CASH

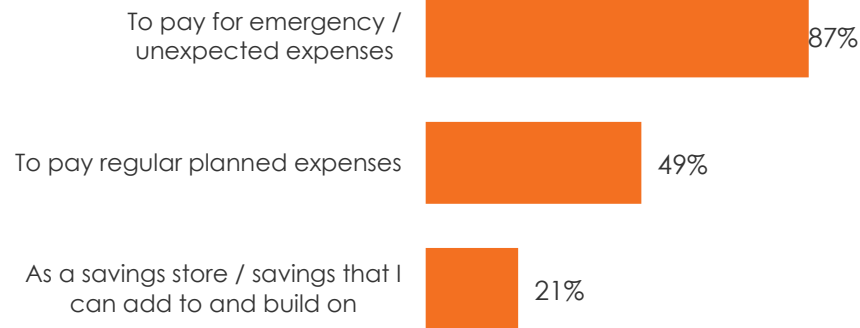
30% (down from 47% in 2021) hold cash savings. These tend to be small portions of total savings. Convenience is a top driver of appeal for unbanked cash savings.

	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	150	49*	71	30*	52	43*	55	83	67
Unbanked cash is all or most of your total savings	11%	10%	14%	7%	19%	7%	7%	13%	9%
Unbanked cash is a significant portion of your total savings	19%	20%	20%	13%	27%	19%	11%	19%	18%
Unbanked cash is a small portion of your total savings	39%	45%	25%	60%	33%	42%	42%	33%	46%
Unbanked cash is a minor / A very small portion of your total savings	31%	24%	41%	20%	21%	33%	40%	35%	27%

WHY CHOOSE TO SAVE CASH THIS WAY?



WHAT UNBANKED CASH IS FOR



Q: Thinking about your unbanked cash savings relative to your TOTAL savings and investments, would you say that

Base =150 respondents who have unbanked cash savings. Caution: *small base size



STOKVEL / GROUP SAVINGS CLUB

11% belong to a stokvel / group savings club (11% in 2021).

% of stokvel / group savings club members who belong to more than one stokvel:

31%



Total monthly contribution (mean) N\$

N\$ 799

- Of those who belong to a stokvel, 55% say that their club saves for a common goal and 49% say that members save together but for different personal goals.
- When saving for a common goal, groceries and year-end expenses remain the most prevalent reason.

TOP COMMON SAVINGS GOALS (n=30*)

1. End of year expenses
2. Groceries (includes food, household cleaning products, etc.)
3. School fees / education expenses
4. Cleaning & sanitising products
5. To buy property
6. Travel and holiday
7. To buy livestock
8. Weddings / other big celebrations
9. To buy stock/inventory for your business

65% of stokvel members belong to at least one stokvel that grants loans. These loans are made:

- To members only 36%
- To the public only 4%
- To both the public and to members 25%

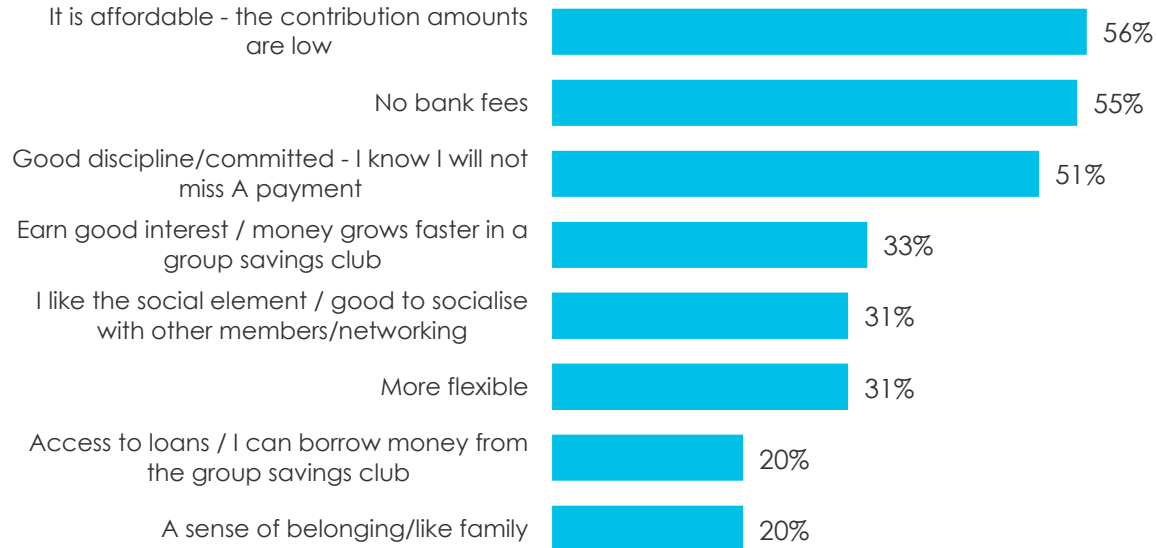
Q: Which of the following do you have (either in your own name or with your spouse / partner)?

Base= 55 respondents who are members of a group savings club. *Caution, small base size



MAIN REASONS FOR BEING A MEMBER OF A STOKVEL / GROUP SAVINGS CLUB

Affordability and access to loans are top drivers of appeal for Stokvels.





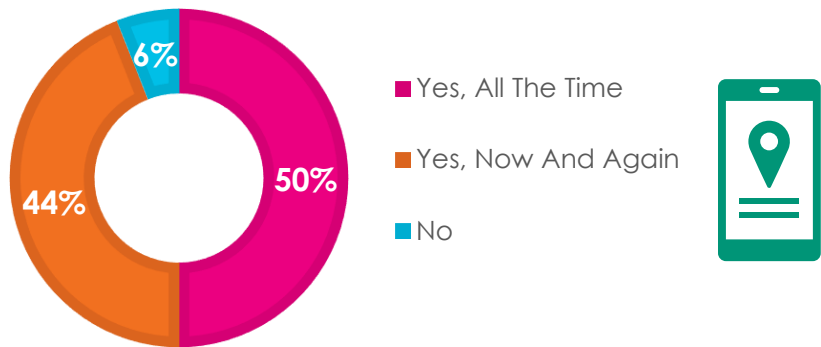
MOBILE MONEY





MOBILE MONEY / ELECTRONIC WALLET

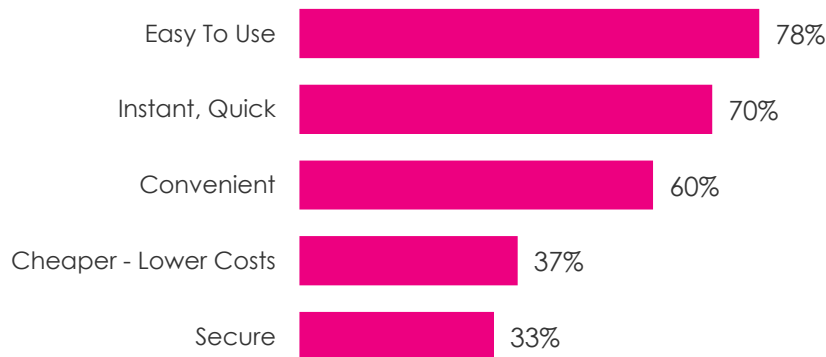
MAKE USE OF MOBILE MONEY / ELECTRONIC WALLET?



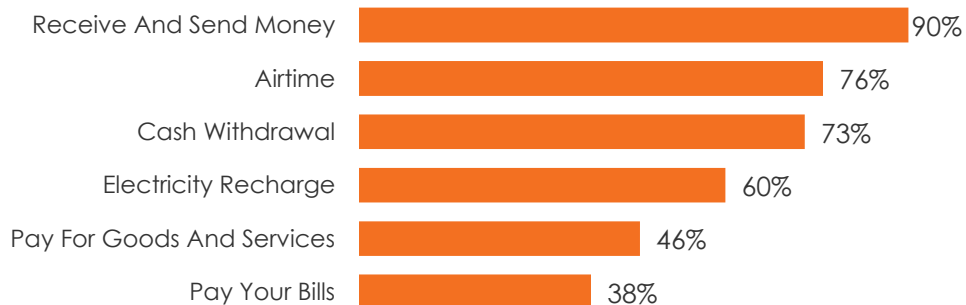
Mobile Money usage is significant. The high usage is driven by its convenience, ease of use and the immediate gratification that it provides.

Q: Do you make use of mobile money / electronic wallet?
This is a financial service that allows you to receive money and make financial transactions with your mobile phone.

BENEFITS OF MOBILE MONEY / ELECTRONIC WALLET



WHAT MOBILE MONEY / ELECTRONIC WALLET IS USED FOR



Base = 468 respondents who use mobile money / electronic wallet



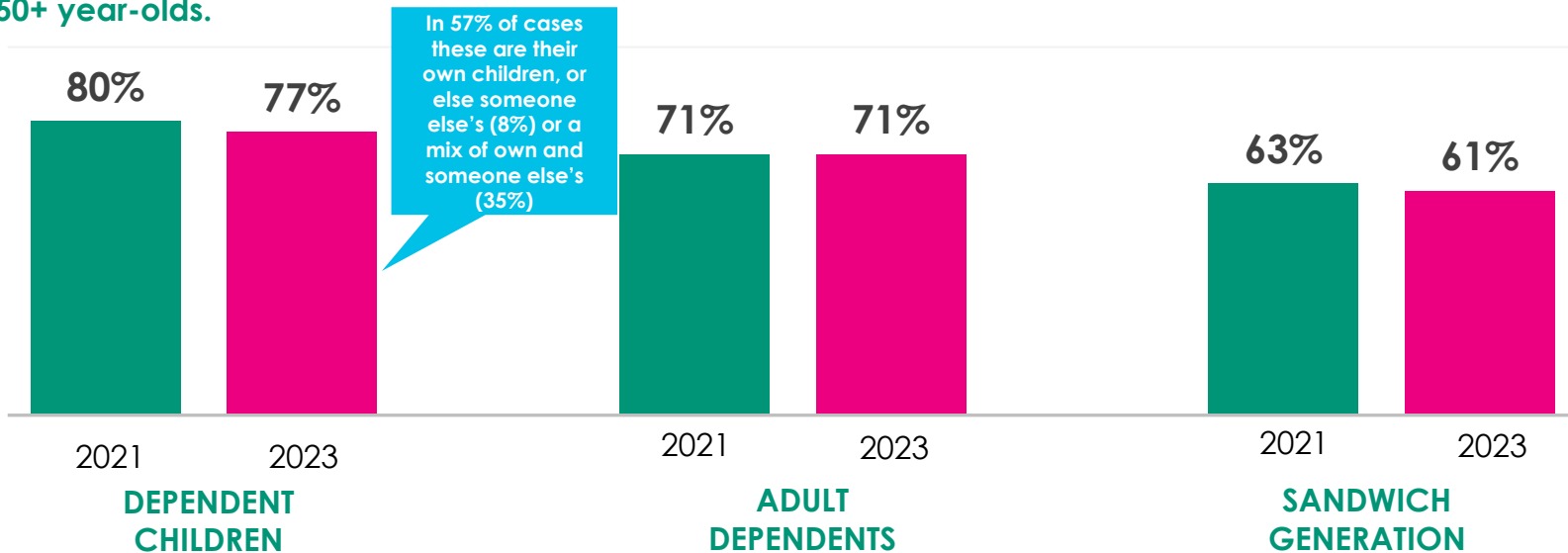
DEPENDENCY





DEPENDENTS

Incidence of dependents is high and remaining steady, with comparatively high dependency levels amongst 50+ year-olds.



Incidence of Dependents	ADULT DEPENDENTS				SANDWICH GENERATION			Male	Female
	Total	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+		
Base	500	147	256	97	207	156	137	249	251
Dependent children	77%	59%	84%	87%	73%	77%	83%	76%	79%
Other (adult) dependents	71%	69%	68%	84%	69%	71%	76%	76%	67%
Sandwich generation	61%	50%	61%	78%	56%	62%	69%	65%	57%

Q: Do you have any children that are dependent on you (your own children or somebody else's)?

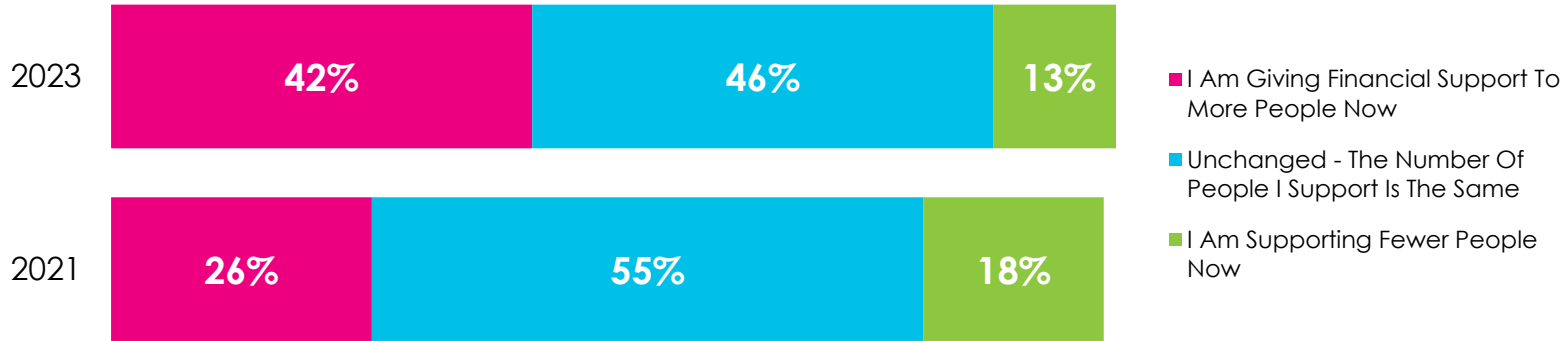
Q: Other than children, or spouse / partners, do you have any other dependents i.e. people who rely on you for financial support?

62 NOTE: Sandwich generation are those who have both dependent children and other (adult) dependents)



SHIFTS IN NUMBER OF DEPENDENTS

While the incidence of dependents is largely unchanged, 2023 sees a sharp uptick in those reporting that they are supporting more people since the start of the Covid 19 pandemic. This increase is evident across all ages and income groups



Incidence of Dependents	Total 2023	18 - 29 years	30 - 49 years	50+ years	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
I am giving financial support to more people now	42%	41%	39%	49%	41%	40%	45%	47%	37%
Unchanged - the number of people I support is the same as before	46%	42%	51%	37%	46%	49%	42%	43%	48%
I am supporting fewer people now	13%	17%	10%	13%	14%	11%	14%	10%	15%



BUSINESS OWNERSHIP

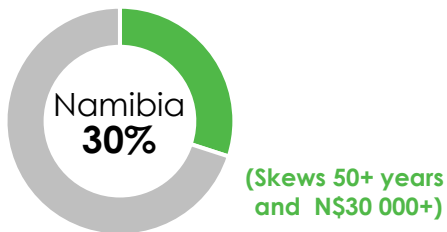




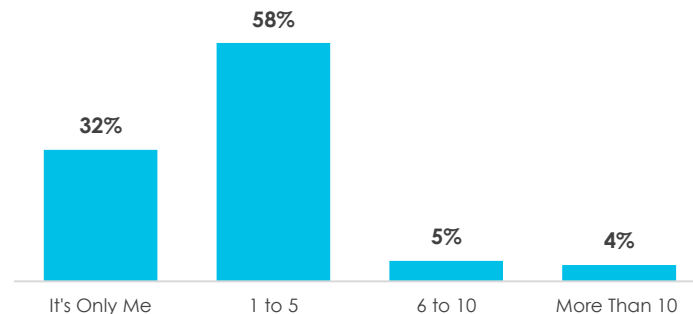
BUSINESS OWNERSHIP

Just under a third of working Namibians own or part own a business, but these are generally small or micro in size.

Those that own or part-own a business



Number of employees



	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base = total sample	500	147	256	97	207	156	137	249	251
Yes, own or part own a business	30%	24%	28%	43%	22%	22%	50%	37%	23%
Base = business owners	149	36	71	42*	45	35	69	92	57
Own the whole business	68%	61%	70%	69%	80%	54%	67%	68%	67%
I am a part owner with others	32%	39%	30%	31%	20%	46%	33%	32%	33%

Q: Do you own or part-own a business?

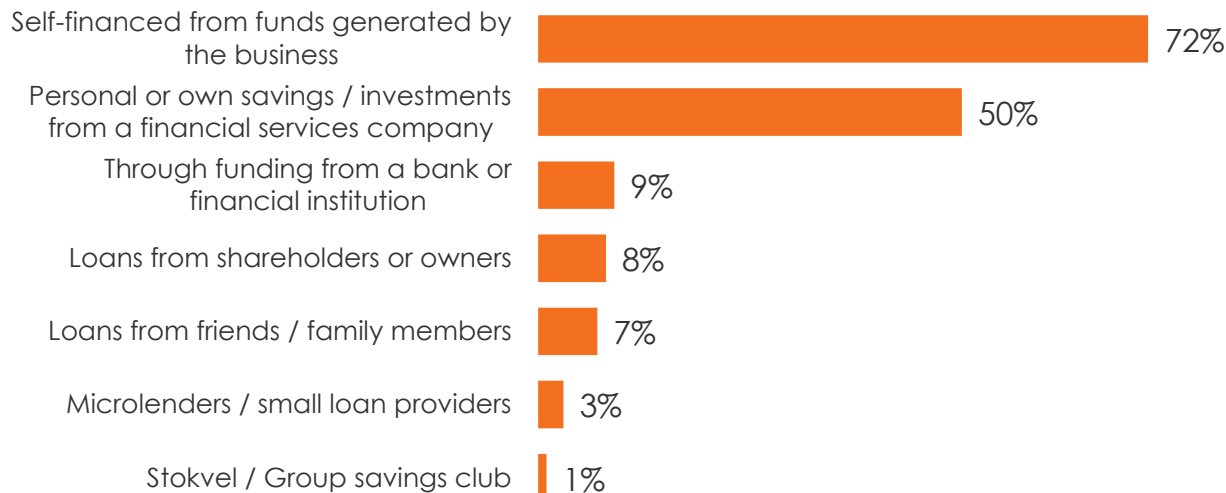
Q: When it comes to the ownership of the business, which applies to you?

Q: How are you financing this business? If you own more than one business, please answer in relation to your main/priority business.



BUSINESS FUNDING

Business owners show self-reliance as they either fund their business through profits or through personal savings and investments. Limited access to credit may also be a driver. Only 9% have funding from a FSP.





RISK INCLINATION & ALTERNATIVE FINANCIAL BEHAVIOURS





INVESTMENT RISK INCLINATION

RISK APPETITE	TOTAL 2023
Substantial financial risk expecting to earn substantial returns	18%
Above average financial risks expecting to earn above average returns	23%
Average financial risks expecting to earn average returns	22%
Not willing to take any financial risks	37%

Low risk inclination, with 37% of Namibians not prepared to take on any risk at all.

Risk inclination is slightly stronger among males and younger consumers.

	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female	Formal Sector	Informal Sector
Base	500	147	256	97	207	156	137	249	251	435	65
Substantial/Above average financial risk expecting to earn substantial/above average returns	41%	45%	41%	33%	42%	40%	40%	45%	37%	41%	42%
Average financial risks expecting to earn average returns	22%	29%	18%	24%	18%	24%	27%	22%	23%	22%	22%
Not willing to take any financial risks	37%	27%	40%	43%	40%	36%	33%	33%	40%	37%	37%



ALTERNATIVE FINANCIAL ACTIVITIES

Low incidence of alternative financial activities.

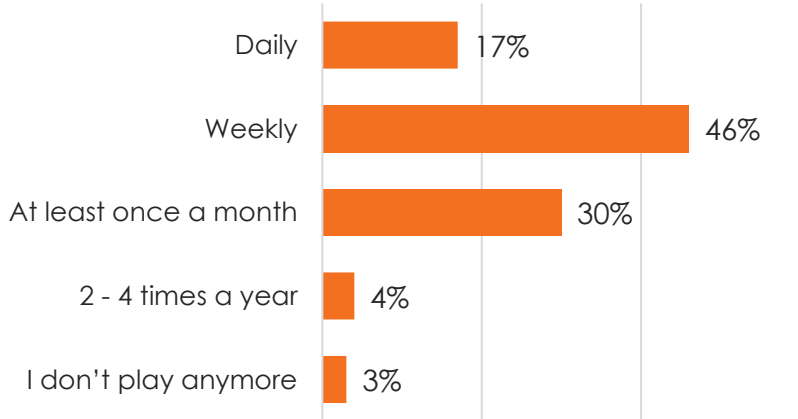
There is a comparatively higher proportion of males who are involved in sports betting and gambling.

	Total 2021	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female	Formal Sector	Informal Sector
Base		500	147	256	97	207	156	137	249	251	435	65
Sports Betting	Not measured	14%	18%	15%	5%	14%	13%	15%	23%	5%	13%	22%
Gambling	Not measured	9%	10%	9%	6%	9%	6%	12%	16%	2%	9%	9%
Bitcoin/Crypto Currency Investing	4%	5%	5%	5%	5%	4%	4%	7%	6%	4%	5%	5%
Stock Market Trading/Listed Shares/Shares On The Stock Exchange	6%	4%	10%	2%	0%	5%	3%	4%	7%	1%	5%	0%
Investing In Gold Coins	Not measured	1%	1%	1%	0%	1%	1%	1%	1%	1%	1%	0%
Offshore Investing	6%	<1%	1%	0%	0%	0%	1%	0%	0%	0%	0%	0%



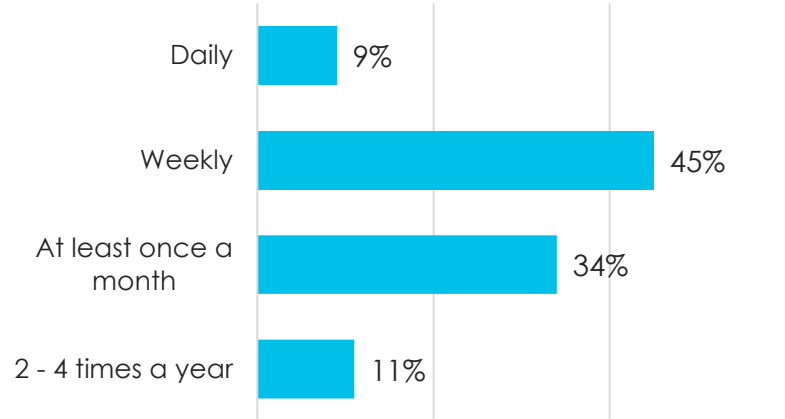
INCIDENCE AND FREQUENCY: SPORTS BETTING AND GAMBLING

FREQUENCY OF SPORTS BETTING



Base = 77 Sports betters

FREQUENCY OF GAMBLING



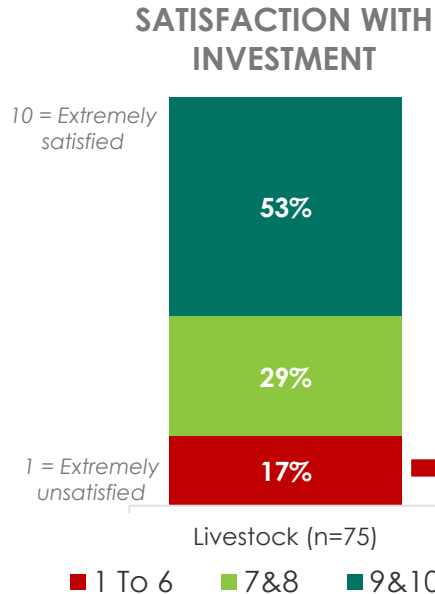
Base = 44* Gamblers

Reasons for sports betting and gambling	n=89
I do it for the fun/excitement	47%
To win back money I have lost	39%
To win money to treat myself or others	35%
To make ends meet/to try and survive financially	34%
To relax and unwind	33%
To increase/boost my wealth	33%
Because my friends are doing it	22%
To compensate for/help with the impact of currency fluctuations	9%



LIVESTOCK INVESTMENT

Less than 1 in 5 working Namibians invest in livestock. This is highest among older, more affluent consumers. The majority of livestock investors are satisfied, and the few who are not, cite this investment approach to be risky given the drought conditions over the recent years. This may explain the slight dip we see relative to 2021 (from 19% to 15%)



	% investing in livestock
Aged 50+	31%
N\$30 000+	26%
Informal sector	23%

- Too risky esp. with the drought
- Not into farming, didn't really want to get into this
- Locks you in/ takes ages to mature

Q: Which of the following activities do you take part in?



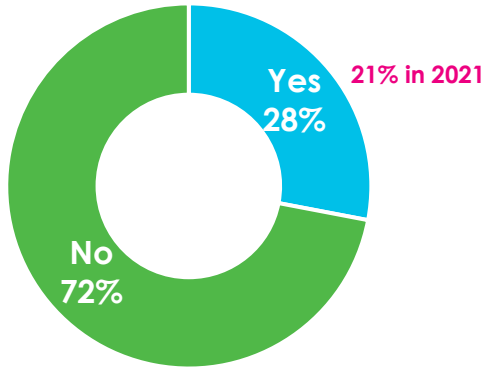
USE OF FINANCIAL ADVISERS





FINANCIAL ADVISERS

DO YOU USE A FINANCIAL ADVISER?



7 out of 10 working Namibians do not use a financial adviser

	Total 2023	18 - 29 years	30 - 49 years	50+ years*	N\$3 000 - N\$14 999	N\$15 000 - N\$29 999	N\$30 000+	Male	Female
Base	500	147	256	97	207	156	137	249	251
Yes, use an adviser	28%	29%	24%	38%	13%	36%	42%	28%	28%
No	72%	71%	76%	62%	87%	64%	58%	72%	72%

44% agree that they are not always sure who to turn to when it comes to their finances.



THANK YOU



Old Mutual Life Assurance Company (SA)
Limited is a licensed FSP and Life Insurer.