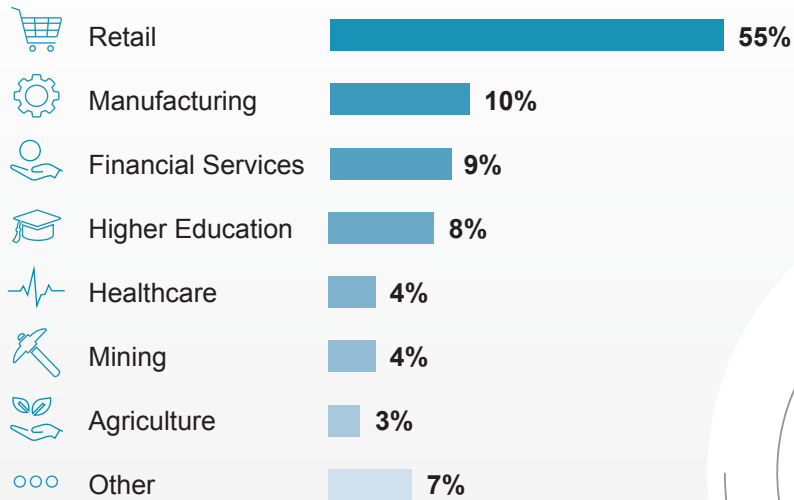


# Impact of Covid-19 on members' financial behaviour

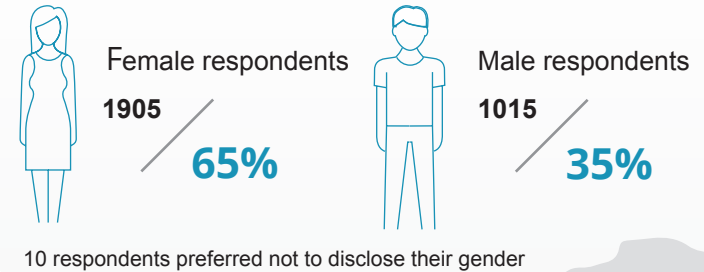
Simeka has conducted a survey amongst their clients on how Covid-19 impacted members' financial behaviour. The results shown below are based on the statistics of the female respondents, who represent 65% of the respondents.

## Sector



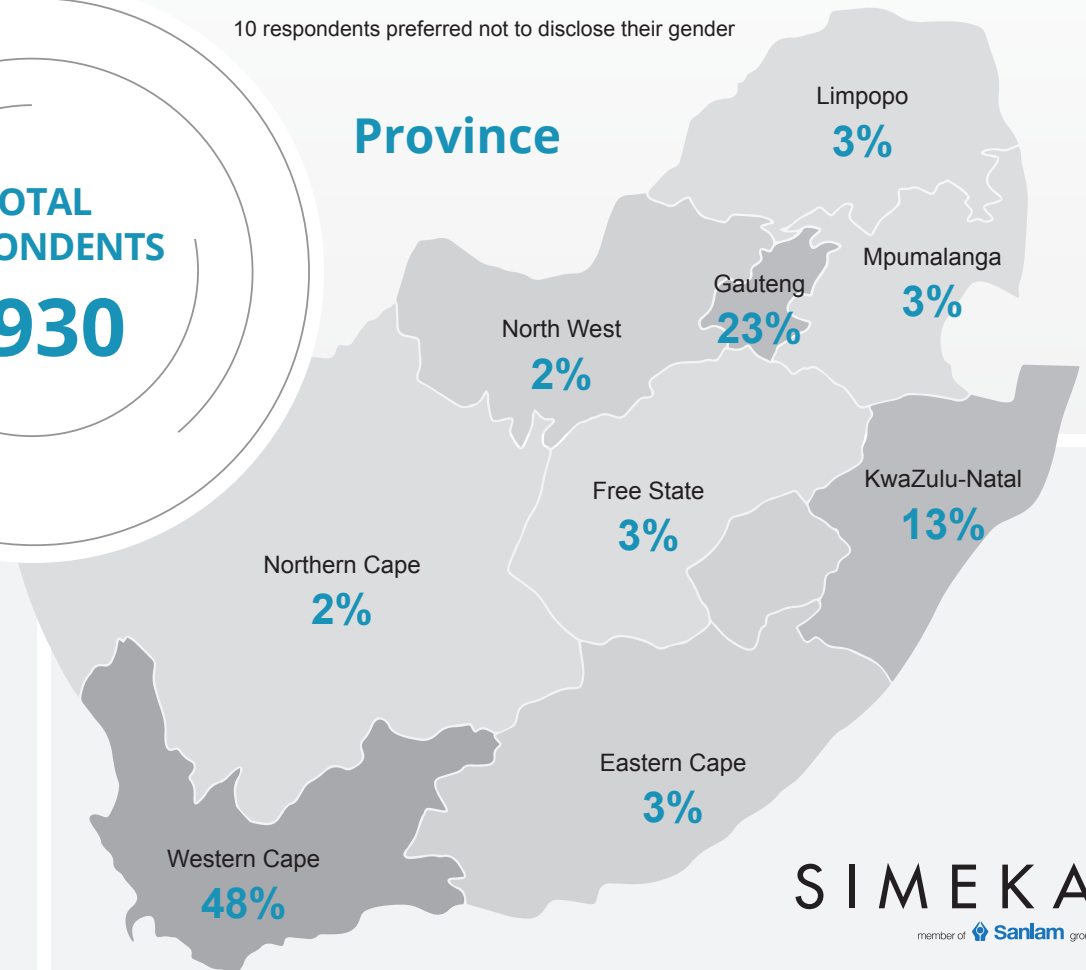
Sectors representing 1% or less of the total respondents were included under "Other"

## Gender

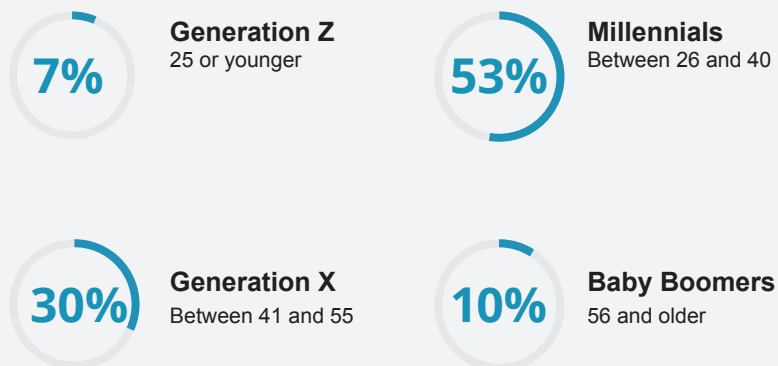


TOTAL RESPONDENTS  
**2930**

## Province



## Age



# Results of Female Respondents

## DEPENDENT CHILDREN



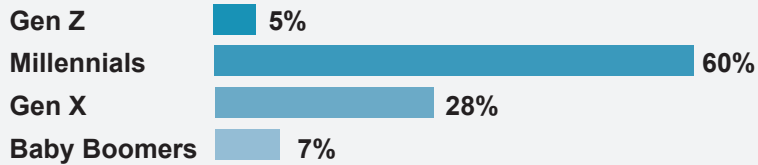
**76%** have dependent children



## OTHER DEPENDANTS



**59%** have other dependants

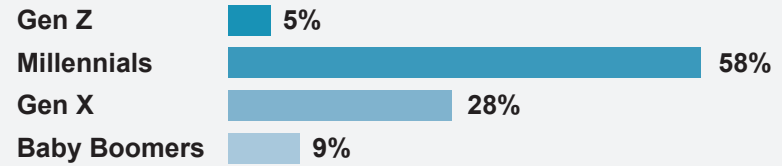


**53%** have at least 1 dependent child and at least 1 other dependant

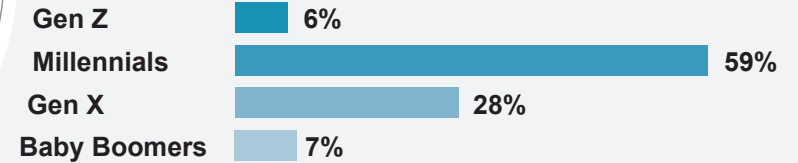
**92%** in the Millennials and Gen X age group have at least one other dependant

**88%** have at least one dependant

**78%** PRIMARY BREADWINNERS



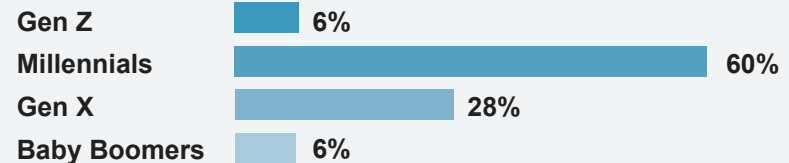
**81%** INDICATED THAT COVID-19 HAD A NEGATIVE IMPACT ON THEIR HOUSEHOLD FINANCES



**72%** EXPERIENCED STRESS BECAUSE OF THEIR CURRENT FINANCIAL SITUATION

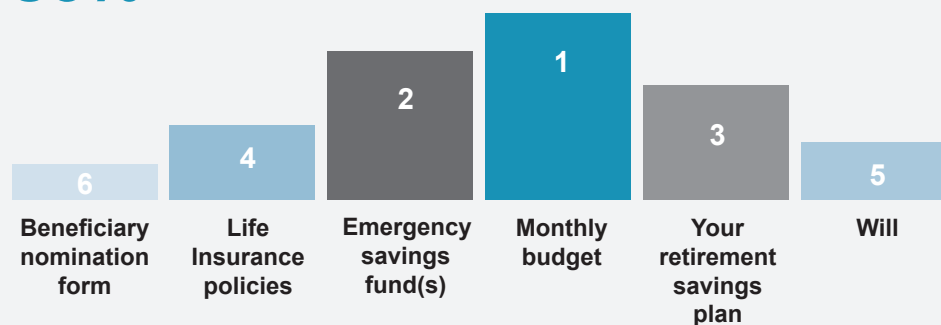
**17%** Not at the moment

**11%** No

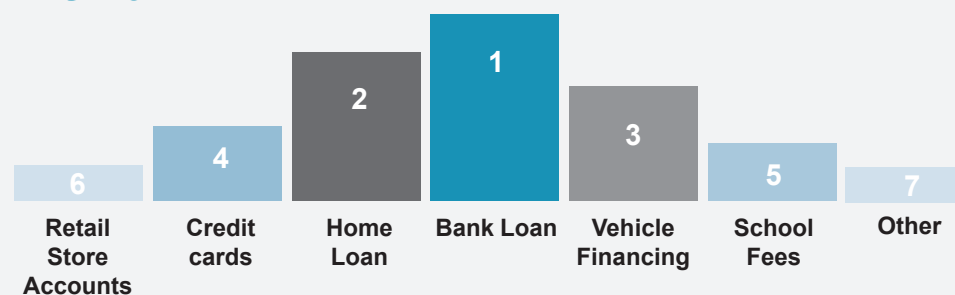


# Results of Female Respondents

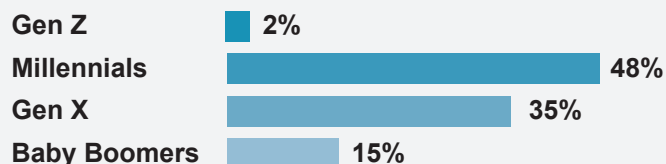
## 86% REVISITED THEIR FINANCIAL AFFAIRS



## 26% RECEIVED OR WERE OFFERED FINANCIAL RELIEF



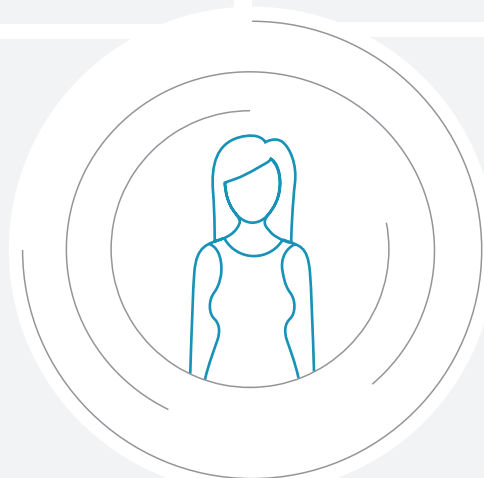
## 20% ACCESSED THEIR BENEFIT STATEMENT



Members are more likely to look at retirement savings closer to retirement.

## 50% WOULD HAVE CASHED IN THEIR RETIREMENT SAVINGS IF LEGISLATION ALLOWED IT

Remember, if you cash in your retirement savings now, you will have to start saving from ZERO! It also means that any money that you have cashed in will not benefit from the powerful effect of compound interest. Cashing in your benefit will also reduce the tax-free portion available at retirement.



## 95% DID NOT CHANGE THEIR INVESTMENT STRATEGY

Speaks to members understanding the implications of locking in losses by switching out of portfolios at the wrong time.

Just over **3/4** who switched, opted for a more conservative investment strategy.

The other **1/4** switched to a more aggressive investment strategy.

As a result of the Covid-19 pandemic, markets (ALSI) dropped by -21.4% in the first quarter of 2020. In the three months thereafter, markets bounced back by 23.2%.

Members who made the decision to switch into a more conservative investment strategy after markets had fallen would have locked-in those losses and not benefited from the subsequent recovery in the market. It is important to remember that saving for retirement is a long-term investment. Switching out of your long-term investment strategy due to short-term negative returns can have a devastating impact on the money you have invested.

## 46%



HAD A POSITIVE EXPERIENCE DURING LOCKDOWN

2



Cut back on expenses

1



More family time

3



Living a healthier lifestyle