

PRESS RELEASE

Survey Finds SA Consumers Lack Strong Confidence in Achieving Their Financial Goals

Survey of 1,000 South Africans shows greater optimism and preparedness among those working with CERTIFIED FINANCIAL PLANNER® professionals

Johannesburg – 17 February 2016: According to a nationwide study, by the Financial Planning Institute of Southern Africa (FPI), most consumers in South Africa feel challenged by their finances, with relatively few saying they are very knowledgeable about financial matters or highly successful at sticking to their financial goals.

The study was conducted in 19 countries around the world with a total of 19,092 participants who were either primary or shared household financial decision-makers. The results of the survey, conducted in conjunction with Financial Planning Standards Board (FPSB) and GfK, a global research firm with extensive experience in the financial services sector, revealed the following key findings:

- **Consumers in South Africa have moderate to low confidence when it comes to their finances.** They have higher confidence than the global average when it comes to achieving their financial life goals. However, 38% of the respondents are strongly confident that they will achieve their goals (22% globally), 27% feel strongly confident when it comes to their “financial know-how” (17% globally), or feel highly successful about sticking to their financial strategies (27% vs. 19% globally).
- **Home ownership and support for loved ones are top financial priorities.** Consumers in South Africa cite home ownership and providing financial support to loved ones as their top financial priorities (82% for each vs. 52% globally for home ownership and 46% globally for providing financial support to loved ones). Other very important priorities include being free of major debt (81% vs. 55% globally), retiring in their desired lifestyle (78% vs. 49% globally) and managing finances to achieve life goals (78% vs. 47% globally).
- **South Africans are interested in financial planning services to help them get on track financially.** They say the most helpful services are retirement planning (64% vs. 50% globally), budgeting, cash flow and debt management (56% vs. 36% globally), and investment planning (53% vs. 38% globally).

- **Knowing whom to trust is the biggest barrier to working with a financial professional.** Well over eight in 10 consumers believe trustworthiness is a very important consideration when choosing a financial planner (87% vs. 68% globally), yet 70% (66% globally) say they don't know whom to trust when it comes to financial planning.
- **Working with a CFP® professional can help consumers feel more knowledgeable about financial matters.** In South Africa, 37% of consumers who work with a CFP® professional report feeling strongly confident in their financial know-how (39% globally). 29% of consumers in South Africa who work with any financial professional feel this confident (24% globally) and only 25% who don't work with any financial professional feel this confident (12% globally).
- **Most consumers think financial planning should be regulated.** While 43 % of respondents in South Africa are unsure whether financial planning is regulated (vs. 41 % globally), 67 % believe it's important for financial planning to be regulated, compared to 79 % globally.

Godfrey Nti, FPI Chief Executive Officer says: "The need for effective financial planning remains crucial and most important for all South Africans. We need to continue to educate, we need to ensure that consumers are equipped with the necessary financial knowledge, understanding and tools to transform their financial situations and create their own, self-sufficient and financially secure future."

"With more than 4,500 CERTIFIED FINANCIAL PLANNER® professionals in the country and nearly 160,000 globally, we and our fellow FPSB member organisations have an incredible opportunity to connect individuals and families with competent, ethical and trustworthy financial planners who can help them take control of their finances and be more confident and secure in their financial decisions," concludes Nti.

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About FPI

The Financial Planning Institute of Southern Africa (FPI), a South African Qualifications Authority (SAQA) recognised professional body for financial planners, which serves the public by ensuring that people who carry the CFP® designation are qualified, experienced and professional. FPI is recognised internationally and is a founding and a current affiliate member of the international Financial Planning Standards Board Ltd (FPSB) based in the USA, along with 25 other affiliate member countries who offer CFP® certification, the highest

recognised professional designation worldwide for a financial planning professional. For more, visit www.fpi.co.za.

About FPSB

FPSB manages, develops and operates certification, education and related programmes for financial planning organisations to benefit the global community by establishing, upholding and promoting worldwide professional standards in financial planning. FPSB demonstrates its commitment to excellence with the marks of professional distinction – CFP®, CERTIFIED FINANCIAL PLANNER® and CFP® Logo mark – which it owns in markets outside the United States. FPSB has a nonprofit member organisation in the following 26 territories: Australia, Austria, Brazil, Canada, Chinese Taipei, Colombia, France, Germany, Hong Kong, India, Indonesia, Ireland, Israel, Japan, Malaysia, New Zealand, the Netherlands, the People’s Republic of China, the Republic of Korea, Singapore, South Africa, Switzerland, Thailand, Turkey, the United Kingdom and the United States. At the end of 2014, there were 157,586 CFP® professionals worldwide. For more, visit www.fpsb.org.

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