

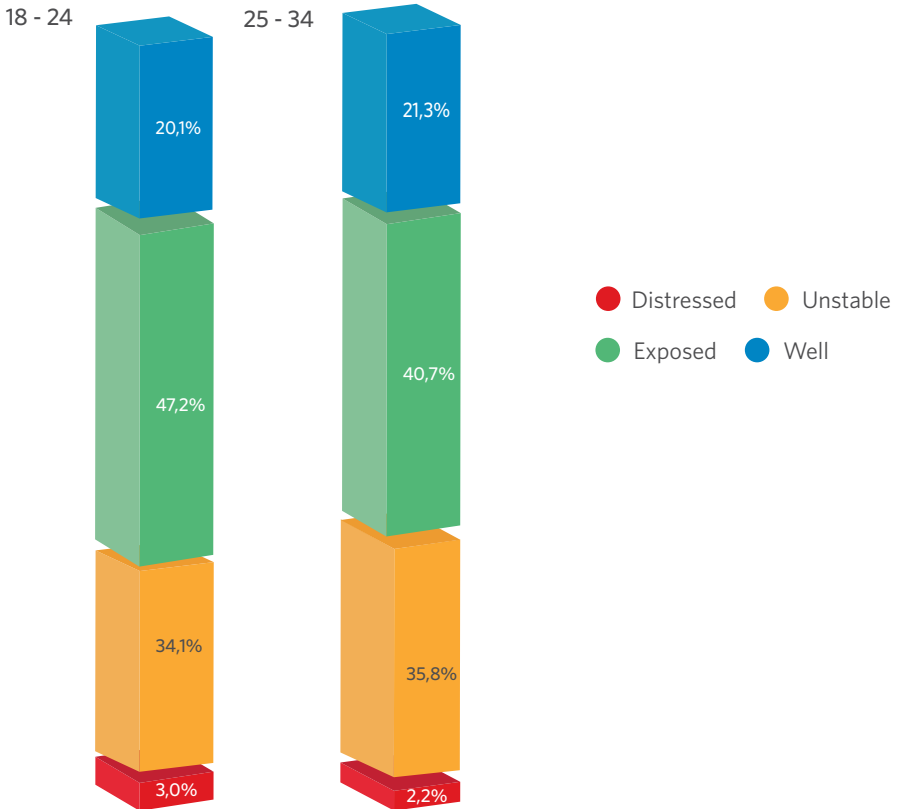
## YOUNG PEOPLE AND FINANCIAL SUCCESS

### Over-confident and under-literate

- **Young people in South Africa** have experienced a **variety of challenges** ranging from disruptions in their education endeavours due to the COVID-19 pandemic to struggling to obtain employment.
- Although they are experiencing a lot of challenges, the one opportunity that they have is the **benefit of time**.
- More than **30%** of the total population is **18 to 34 years of age**.
- **Two-thirds** of the youth FKP households were from low-income groups (earning **less than R108 500 per year**).
- The youth FKP households' main sources of income are mostly from **salaries and wages (61.7%)**, while some mainly depended on **business income (17.7%)** or **grants (13.0%)**.
- **Almost 50%** of youth FKP households indicated they **did not have any financial goals** (therefore no financial plan).
- Those that do have financial goals indicated that the **most important goals** included in their financial plans include long-term investment to generate wealth, to fund education and to have emergency savings.
- **Apart from funeral policies** in the **24 -34 year old** FKP group, other financial management activities such as having a **signed Will, tax and estate planning**, and **planning for asset accumulation** were **not part of the youth FKP households' top ten financial goals**.
- The youth attach a high value to financial advice from family and friends.
- Over-confident but not over-literate: More than **60%** deemed that they have satisfactory to excellent financial knowledge and skills. However, their financial literacy scores in fact showed very low financial literacy levels.
- The youth segment seems to be quite **willing to engage via a digital platform** but they also have a high level of trust in those that they are engaging with – financial education to counter financial fraud and phishing is therefore important to ensure they do not become victims of financial crimes.

# Their financial wellness

- The **majority** of South Africa's young adult FKP households are in the **Financially Exposed** category, similar to the average for all South African households.
- The Financial Wellness capital scores indicate that the youth's **educational attainment** is their **best asset** as it is their highest capital score.



	18 - 24 years	25 - 34 years
Living conditions	6,5	6,2
Education	6,6	6,7
Income	4,5	4,7
Net wealth	5,2	5,0
Personal empowerment	4,2	4,7
Financial Wellness Index	64,4	65,3