



**momentum**  
investments

# **MFP** **OUTCOME MATTERS**

**Paul Nixon**

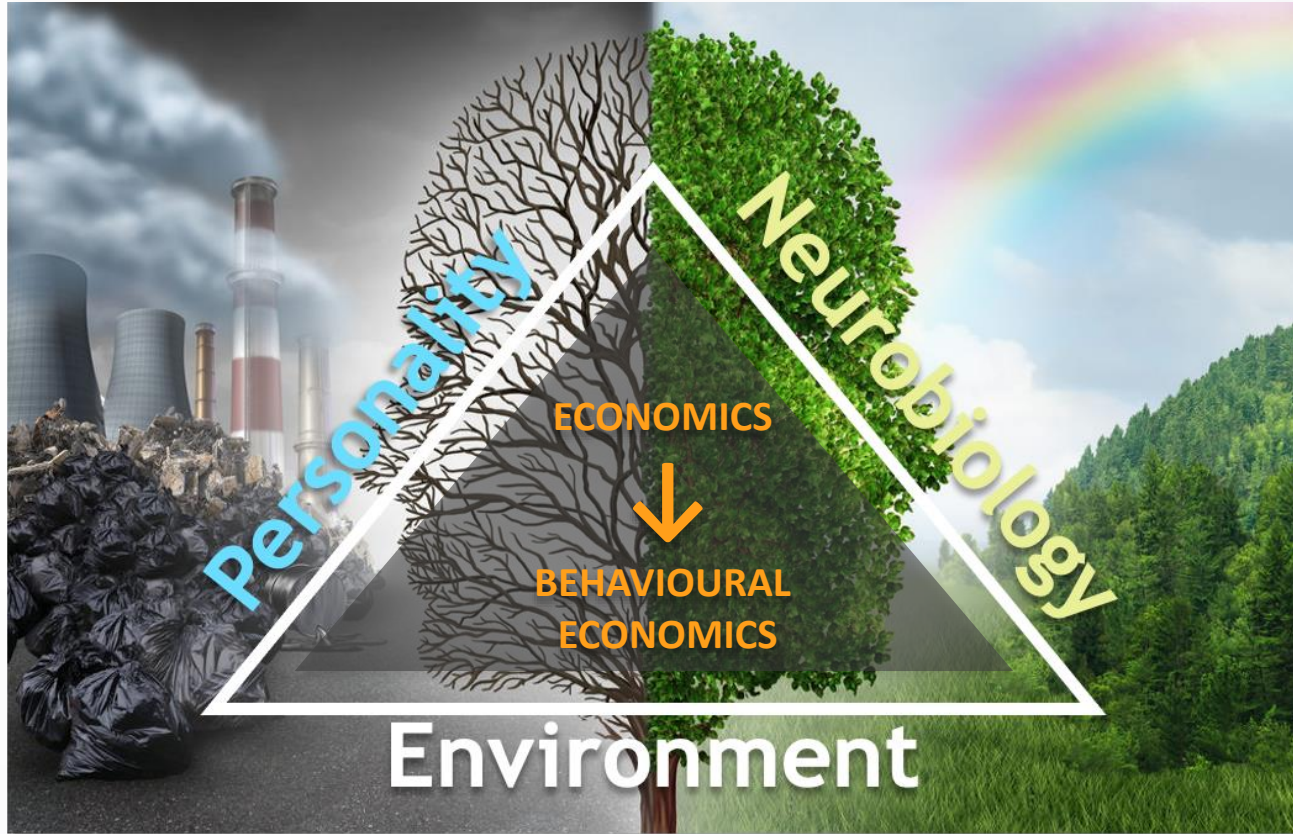
**SA financial personality assessment**

23 November 2021

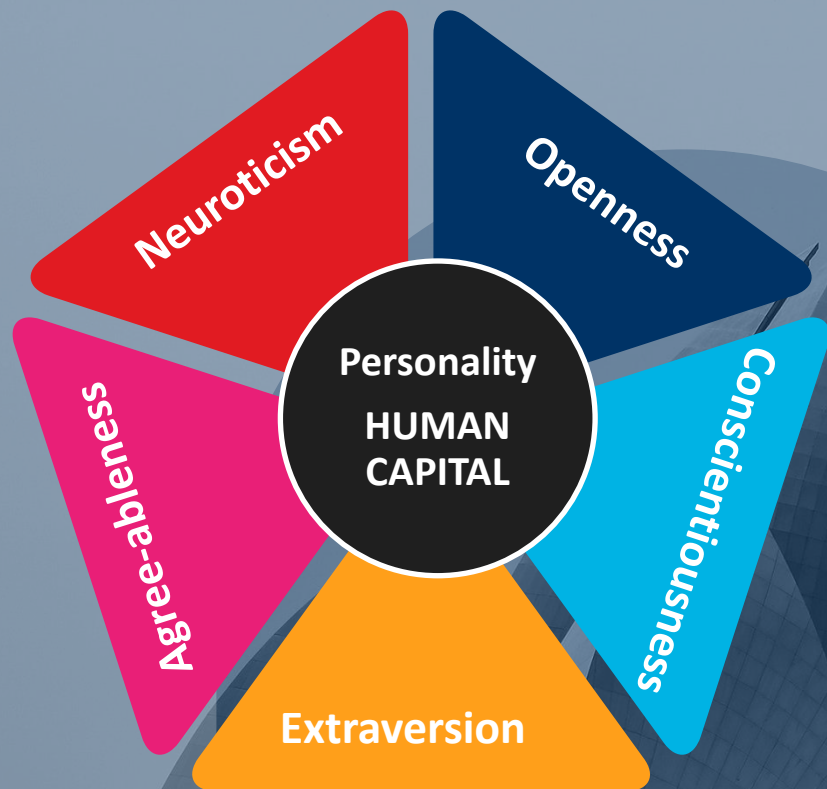
# Introducing a South African-first: Financial Personality Assessment



# An integrated model of financial behaviour <sup>™</sup>



# Our personality matters



**(O) = OPENNESS: RISK SEEKING**

Present-orientated, low saving, high debt

**(C) = CONSCIENTIOUSNESS: RISK AVERSE**

Future-orientated, money retention, low debt

**(E) = EXTRAVERSION: RISK SEEKING**

Dominant, external locus of control

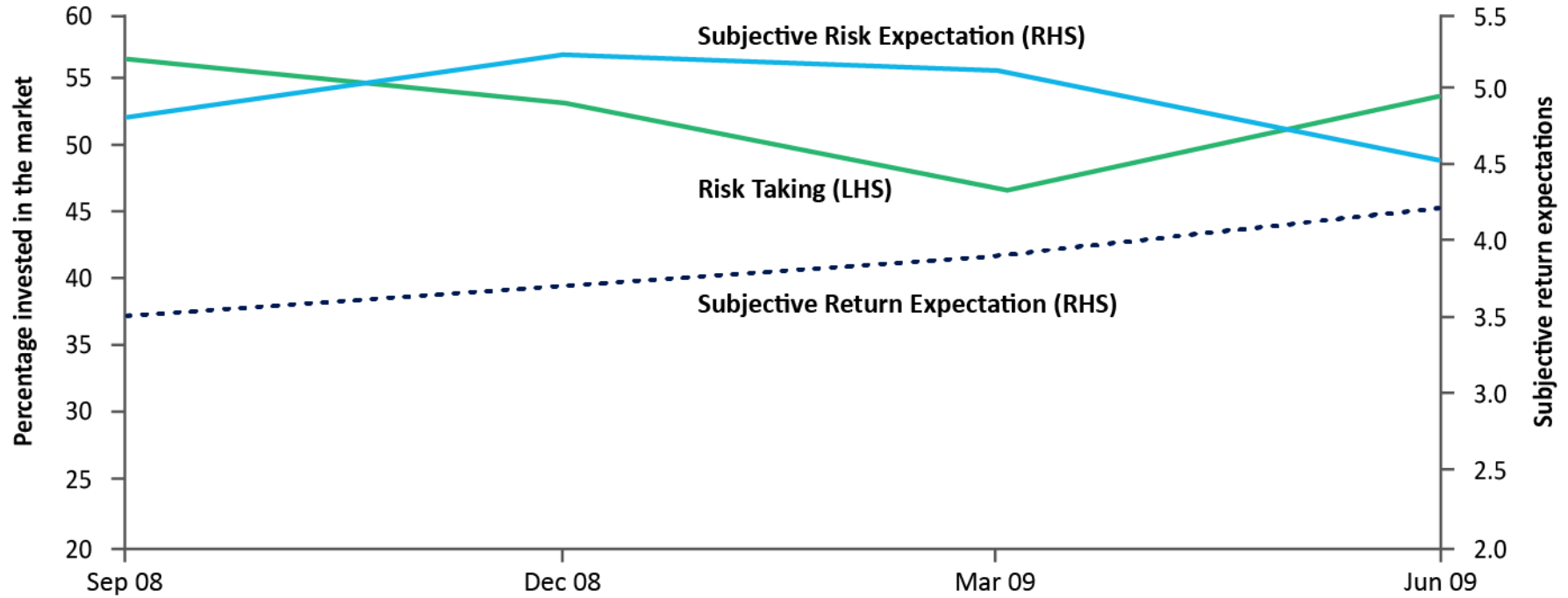
**(A) = AGREEABLENESS: RISK SEEKING**

Empathetic, internal locus of control

**(N) = NEUROTICISM: RISK AVERSE**

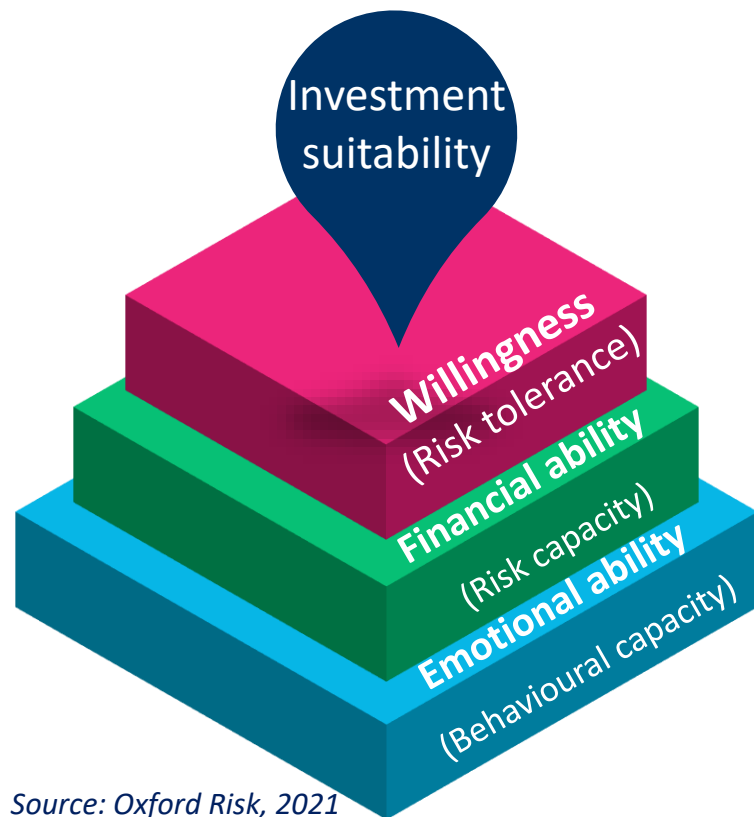
Anxious, pathological behaviour

# The link between risk tolerance and personality m



Source: Weber and Klement (2018)

# But how does this relate to advice?

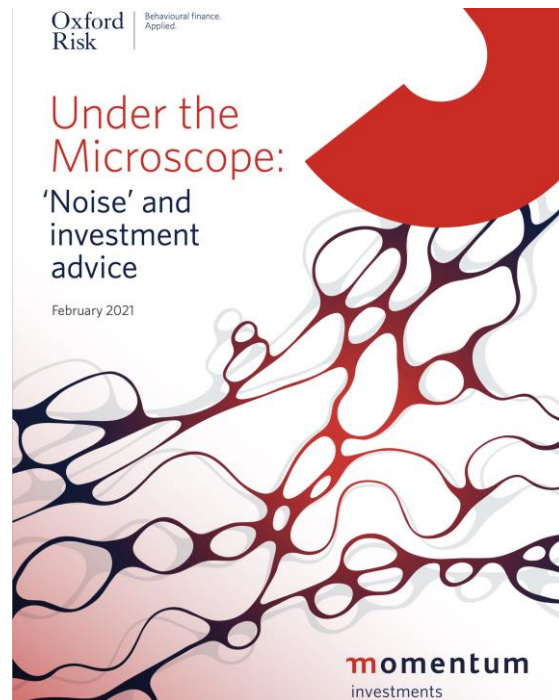


Source: Oxford Risk, 2021

Long-term, stable  
personality trait  
establishing baseline  
risk preference

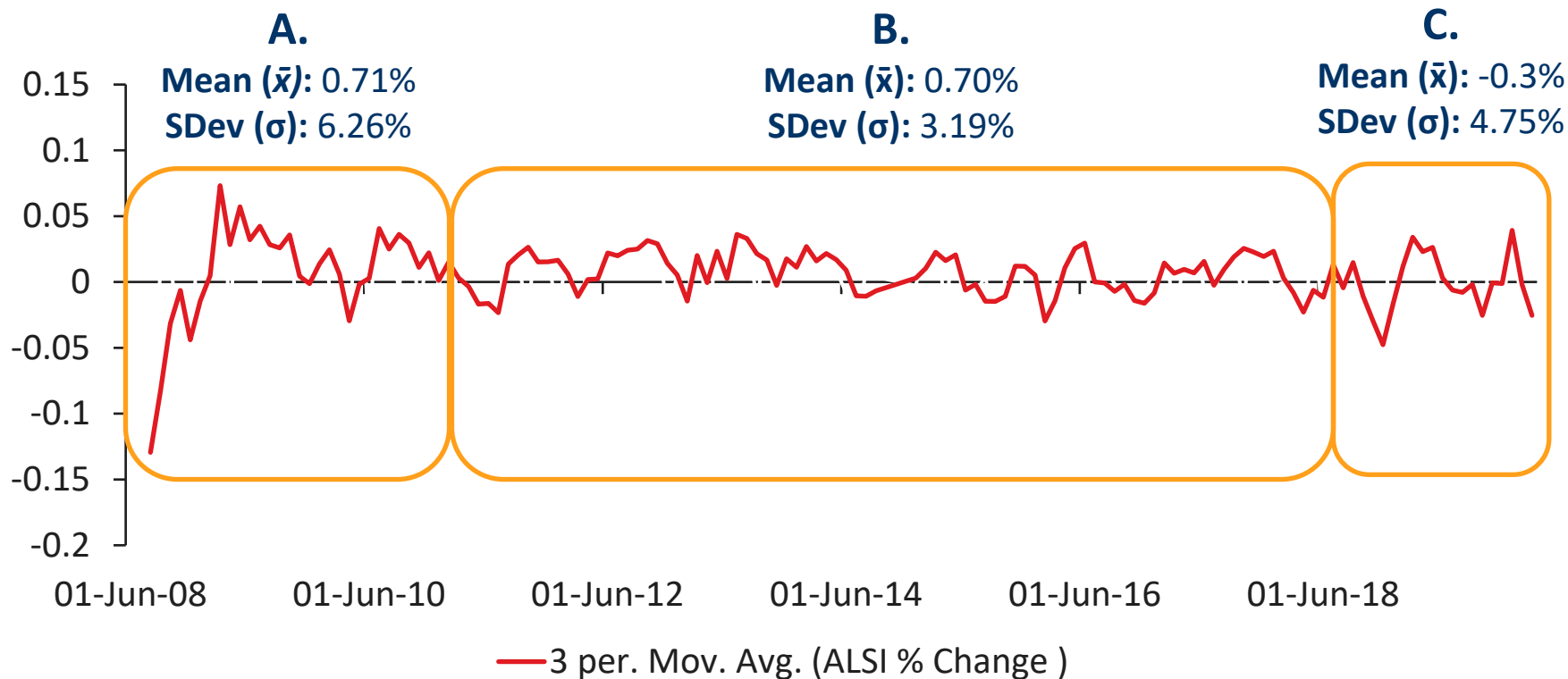
Financial circumstances,  
goals, cash flows, and  
time horizons

Key to ensure investors  
stay the journey



# What does our research show?

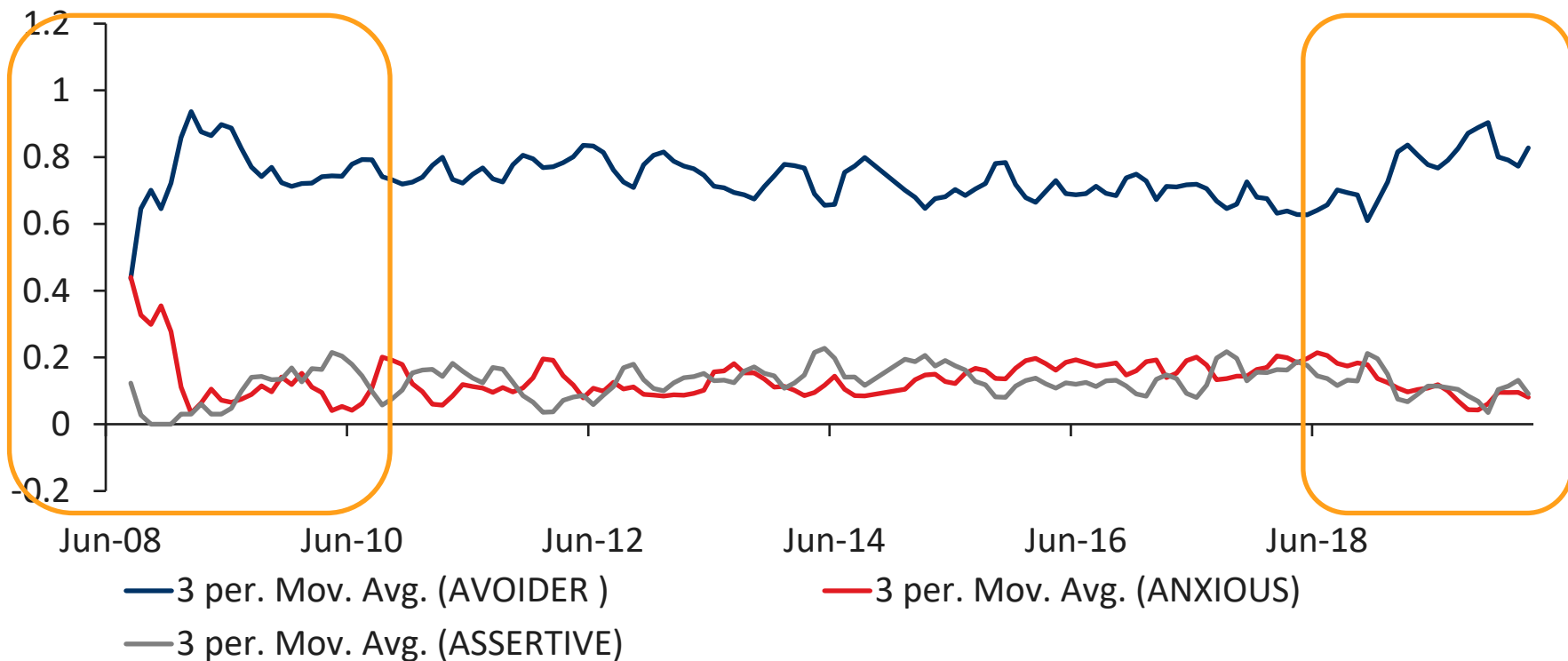
m



Source: Momentum Investments, 2021

# What does our research show?

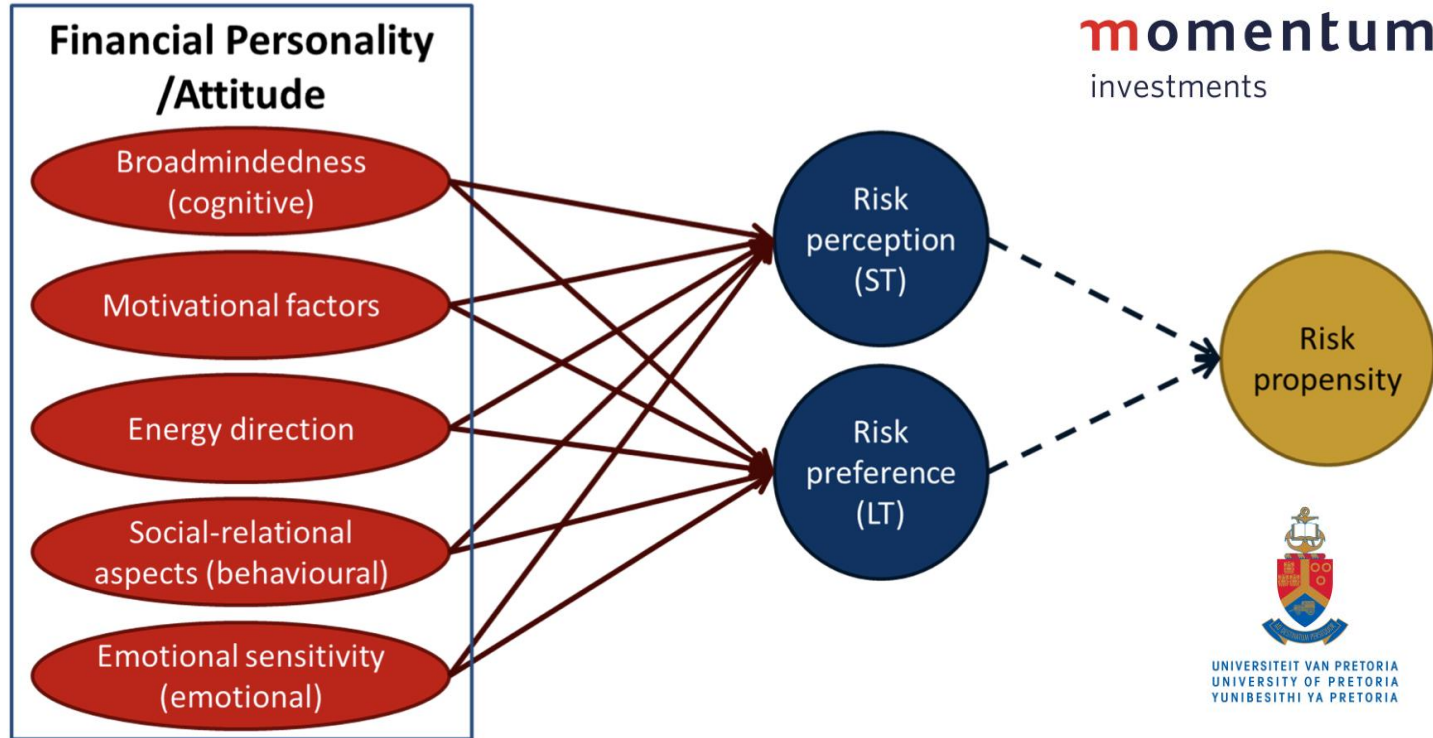
m



Source: Bloomberg

# SA's first financial personality assessment

m



Sources: Momentum Investments, 2021

This presentation is applicable to the following Momentum Investments authorised financial services providers in terms of the Financial Advisory and Intermediary Services Act, 2002 (FAIS) and registered entity:

- Momentum Asset Management (Pty) Ltd (FSP 623)
- Momentum Outcome-based Solutions (Pty) Ltd (FSP 19840)
- Momentum Investment Consulting (Pty) Ltd (FSP 32726)
- Momentum Alternative Investments (Pty) Ltd (FSP 34758)
- Momentum Collective Investments (RF) (Pty) Ltd (registration number: 1987/004287/07)

The information used to prepare this document includes information from third-party sources and is for information purposes only. Although reasonable steps have been taken to ensure the validity and accuracy of the information contained herein, Momentum Metropolitan Life Limited does not guarantee the accuracy, content, completeness, legality or reliability of the information contained herein and no warranties and/or representations of any kind, expressed or implied, are given to the nature, standard, accuracy or otherwise of the information provided.

Neither Momentum Metropolitan Life Limited, its affiliates, directors, officers, employees, representatives or agents (the Momentum Parties) have any liability to any persons or entities receiving the information made available herein for any claim, damages, loss or expense, including, without limitation, any direct, indirect, special, incidental, punitive or consequential cost, loss or damages, whether in contract or in delict, arising out of or in connection with information made available herein and you agree to indemnify the Momentum Parties accordingly. For further information, please visit us at [momentum.co.za](http://momentum.co.za). Momentum Investments is part of Momentum Metropolitan Life Limited, an authorised financial services and registered credit provider, and rated B-BBEE level 1.

**Sources:** Momentum Investments, IRESS



**m**omentum  
investments

**MFP**  
**OUTCOME MATTERS**

**Thank you**