

Live with confidence

The 2025 Sanlam Financial Confidence Index

How financially confident
are South Africans?



Introduction

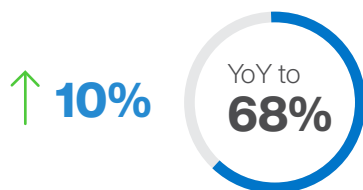
South Africans' financial confidence has hit its highest level in three years.

We may be making strides in terms of how we feel about money – but does this confidence translate into behavioural shifts?

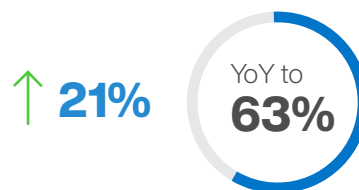


Our third Sanlam Financial Confidence Index (FCI) shows confidence grew from 47 in 2023 as well as 2024, to 53 in 2025 (on a scale where 100 is completely confident). Contributing to this is that financial self-determination, financial resilience and financial wellbeing all reached new highs.

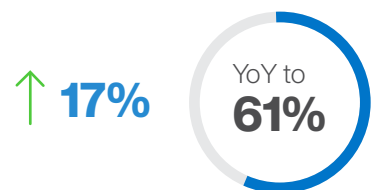
More people say they have the courage to live within their means.



More people believe they're on track to pay off debt.



More people feel in control of their daily and monthly finances.



And **58%** of people believe they have the financial freedom to make choices they enjoy in life



– that's a **38%** YoY increase.

All scores for financial resilience rose by at least 10%, creating the impression of more financial autonomy.

South Africans seem to be adapting mentally and emotionally, with increasing awareness of financial beliefs, needs and knowledge gaps, possibly due to increased digital fluency and a proliferation of online financial education. In 2024 alone, Sanlam reached over 413 000 beneficiaries through focused financial education programmes, backed by R39.7 million in investment. These efforts are helping more people feel capable, prepared and confident as they navigate their financial lives. Optimism may also be fuelled by rate cuts and softer inflation, wage growth, the cancellation of tax hikes, and increased property and local share price valuations. The question remains whether rosier money mindsets change behaviours for the long term. We argue that the confidence-action gap continues – people believe more in their abilities, but need to build the habits that change outcomes.

Financial Confidence Index

The FCI is a barometer measuring how confidently everyday South Africans manage their finances. It analyses:



Financial self-determination

Commitment to financial goals



Financial resilience

Capacity to come back from curveballs



Financial wellbeing

Ability to meet current and future needs



The study surveyed 1 512 South Africans, aged 20 to 70, across a broad spectrum of income levels. Confidence is up, but **just over a third of people still have a below-average or lower FCI. Almost a quarter (24%) showed a very low to low FCI:** lower-income earners, part-time workers, homemakers, retirees and unemployed individuals all under-index for financial confidence, along with those with matric or a lower level of education. **Gen Zs rule the 'leaderboard', 'winning' across financial outcomes.** What makes this generation so optimistic and self-starting?

Generally, agency and apathy seem to be two forces at odds; growing awareness doesn't always mean action. This index serves as an indicator of our nation's improved mood – but also, where real interventions could make meaningful differences today. We need to move to living financial systems that learn from behaviour, and nudge when they need to, as goals dynamically evolve.

We have tracked trends over three years and built a robust body of research to benchmark confidence and give people the power to make informed financial decisions.

We hope this index continues to kick-start critical conversations around our finances, encouraging all stakeholders to come together to amplify access and education. Like last year, **67% of people feel uncomfortable with money talk; we must make this less of a taboo as talking about money has been proven to improve relationships and outcomes.** This is exactly what Sanlam's *F for Finances* campaign aims to do, for example, we 'hid' a 'fin lit' course in our F-Show comedy show, which got South Africans talking about money through our shared language of laughter.

What do we mean by financial confidence?

We define financial confidence as:

The belief in one's ability to manage and navigate one's financial life effectively.

It comprises:



Financial self-determination (FSD):

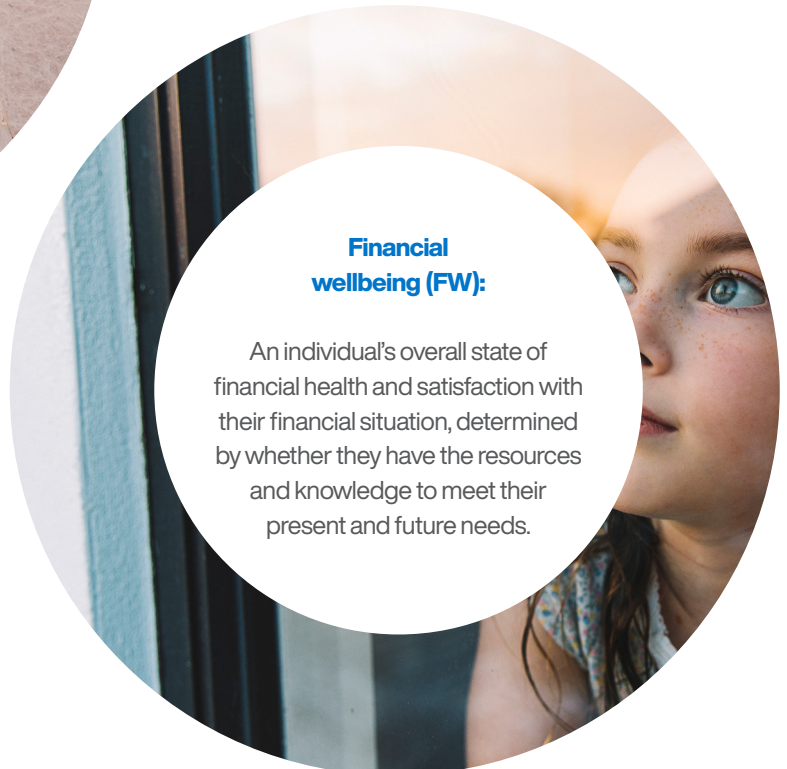
A person's proactivity and commitment to achieving financial goals through defining and tracking progress.



Financial resilience (FR):

One's capacity to come back from financial curveballs and adapt to changing circumstances, while keeping a sense of stability.

A higher level of financial confidence usually means a bigger capacity to overcome financial challenges, pursue goals, and build long-term security.



Financial wellbeing (FW):

An individual's overall state of financial health and satisfaction with their financial situation, determined by whether they have the resources and knowledge to meet their present and future needs.

How we define the generations



Generation Z (Gen Z):

Born between **1997 and 2010**,
aged **15 to 28**



Millennials:

Born between **1981 and 1996**,
aged **29 to 44**



Generation X (Gen X):

Born between **1965 and 1980**,
aged **45 to 60**



Baby boomers:

Born between **1946 and 1964**,
aged **61 to 79**

Our experts



Lee Hancox

Lee Hancox has over 28 years of experience in financial services, with a career spanning diverse roles across the industry – from policy clerk and broker consultant to product specialist and trainer. Now Head of Channel and Segment Marketing at SanlamConnect, a position held since 2018, she combines deep technical expertise with a passion for empowering South Africans through authentic financial storytelling. A two-time international convention qualifier and recipient of Sanlam's Training Programme of the Year award, Lee holds both a Postgraduate Diploma and an Advanced Postgraduate Diploma in Financial Planning (Estate Planning) from the University of the Free State.



Kele Boakgomo

Kele Boakgomo is a behavioural scientist and the CEO of Yugrow, a pioneering platform that helps organisations unlock the potential of diverse talent through personalised development and embedded learning. She obtained her Executive Master's in Behavioural Science from the London School of Economics (LSE), along with an MBA from the Gordon Institute of Business Science (GIBS). Kele also serves as a Non-Executive Director of Tyme Bank and is passionate about leveraging technology to drive inclusion.



Tshepo Mogotsi

Tshepo Mogotsi is an experienced marketer with over 14 years in brand strategy and integrated campaign development. Holding a BA (Hons) in Brand Leadership from Vega, he has led award-winning campaigns and crafted well-loved brands across African and international markets. His strategic insight, leadership, and passion for brand building have delivered measurable impact in the financial services and FMCG industries.

The study and the sample

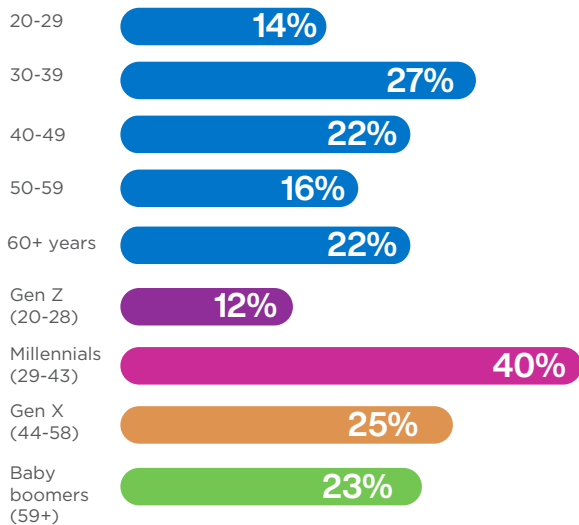
We worked with acclaimed market research company African Response to survey 1 512 South Africans, representative of the population, aged 20 to 70, with a personal income of at least R1 000 pm. Most participants were from metro and urban areas, across all provinces. Results were weighted according to population proportions to ensure accurate representation, based on the Bureau of Market Research's estimates.

The study employed meticulous statistical procedures.

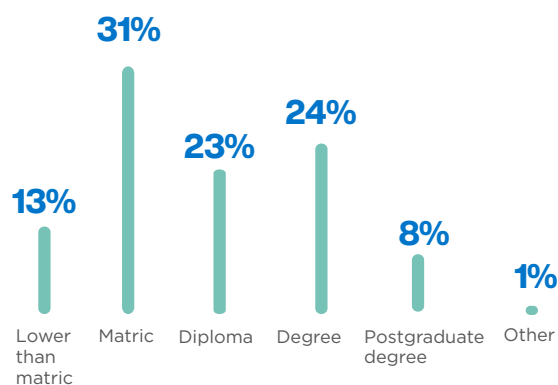


Age:

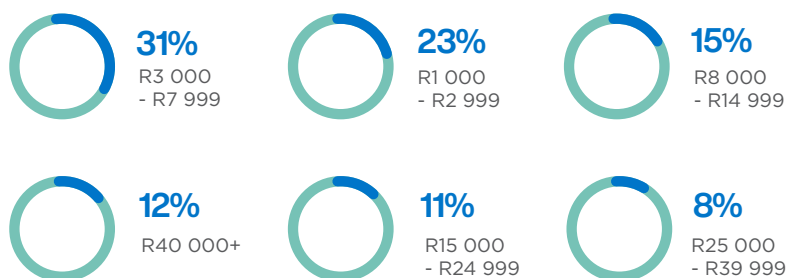
● Gen Z ● Millennials ● Gen X ● Baby boomers



Education level:



Personal monthly income:



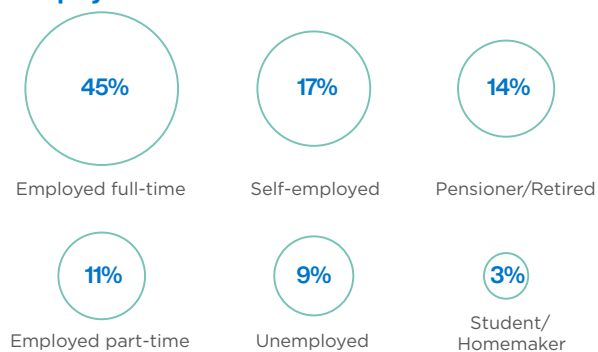
Financial dependants



Gender:



Employment status:



Executive summary

2025 Financial Confidence Index:

53

2024 Financial Confidence Index:

47

2023 Financial Confidence Index:

47



Confidence is up, with financial self-determination, resilience and wellbeing all rising.

This year (2025), **2 in 5 people** have a high or very high FCI vs **27% in 2024**.

39%

A third have a below-average or lower FCI vs **47% in 2024**.

36%

A quarter have a very low or low FCI vs **32% (1 in 3) in 2024**.

26%

Financial Resilience (FR) Index:

2025:

58

2024:

50

2023:

49

The most confident: Gen Zs (64 in 2025 vs 60 in 2024) show the strongest resilience, with millennials (59), Gen Xers (54) and baby boomers (59) mostly on a par with the total sample. Resilience rises alongside income, with those earning R40 000+ reaching as high as 78. Gen Zs are the generation with the highest familial support.

What South Africans are doing well: All results were more positive in 2025, suggesting people feel more in control of the basics. A higher number of people purported to have the courage to live within their means, while being in control of their daily and monthly finances. There is also a significant increase in the use of financial planners. Additionally, half of the sample said they could cope with a financial setback – up 11% from 2024. Possibly, post the pandemic, people are more aware of getting their finances in order; the massive increase in interest rates may also have made us warier of taking on debt. Additionally, the two-pot system could have amplified education and focus on retirement savings.

What we need to work on: People continue to mistrust their financial abilities, suggesting a gap between knowing what they want and their current capabilities.

Financial Self-Determination (FSD) Index:

2025:

61

2024:

56

2023:

59

The most confident: Like last year, Gen Zs (70 in 2025 vs 66 in 2024) and millennials (66 in 2025 vs 63 in 2024) took the title for top self-determination. Gen Xers sat at 59, with baby boomers at 52.

What South Africans are doing well: Overall, self-determination results are stronger, driven by more awareness of financial goals, beliefs and knowledge gaps.

What we need to work on: Goal-tracking systems ranked 'last' in the FSD Index. There's a need to make financial goals specific, with time frames and tracking mechanisms.

Financial Wellbeing (FW) Index

2025:

32

2024:

29

2023:

27

The most confident: Once again, Gen Z is above average (36 vs 28 in 2024), along with the baby boomers (34 vs 33 in 2024). Millennials (30) and Gen Xers (29) are slightly below average (32). Wellbeing is more strongly associated with higher earners (R25 000+ pm) and fully employed individuals.

Positive mindset shifts: Individuals are now less likely to feel shame about debt and their financial situation growing up.

What keeps us up at night: People are most concerned about their current financial situation. They worry about their financial futures in terms of investments.

Experts weigh in



Lee

Several factors appear to be driving higher levels of confidence. Since September last year, **four interest rate cuts, amounting to 1.25%, have offered consumers some debt repayment relief, likely boosting confidence in their ability to service debt. Business sentiment has also improved over the period. At the same time, Gen Zs are showing higher levels of financial confidence, fuelled by their ability to leverage technology and their openness to learning and upskilling.** Collectively, these dynamics mean we're seeing something of a shift in the South African context.



Kele

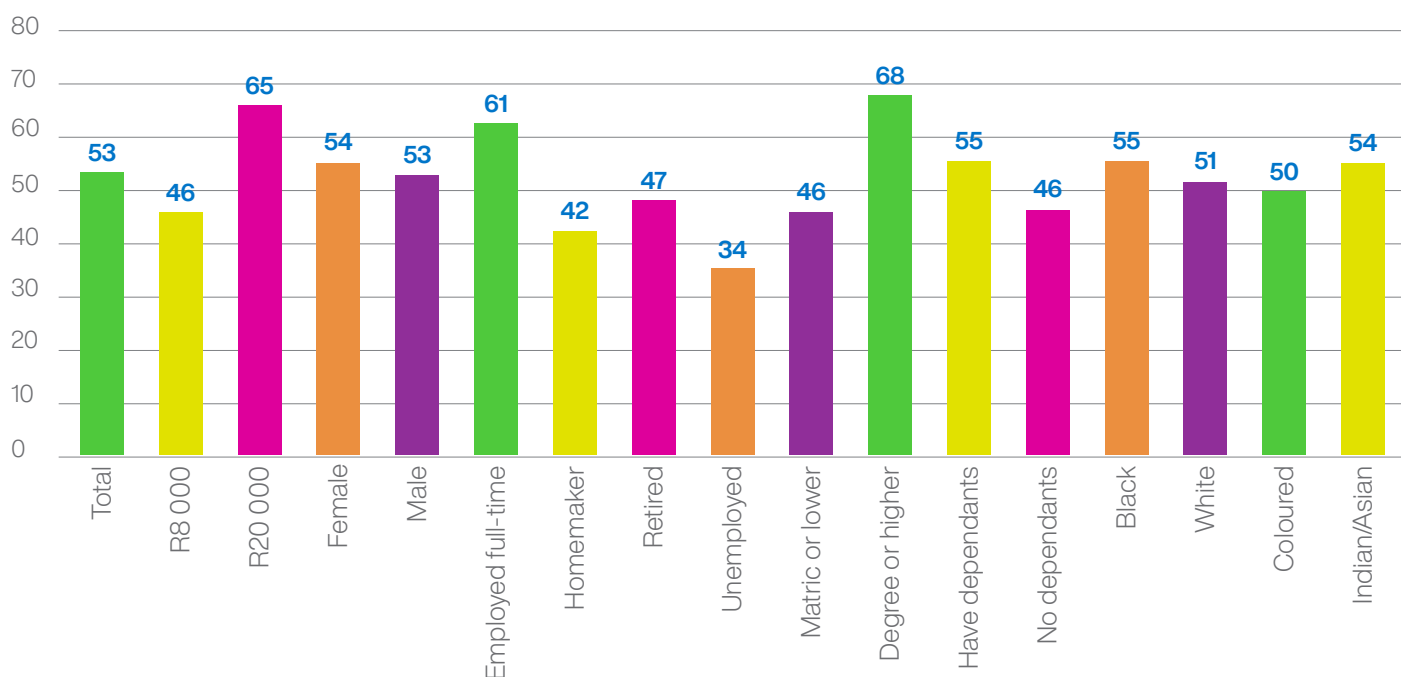
The 2025 Financial Confidence Index shows meaningful gains in self-determination, resilience, and wellbeing. More people believe they're on track to pay off debt (63%) and have the courage to live within their means (68%) – both powerful mindset shifts. **However, confidence is only the first mile of change. The data suggests that while optimism is growing, behaviour hasn't yet fully caught up.** Goal-tracking systems ranked last in the Self-Determination Index, and many still mistrust their own financial abilities. This reveals what we call a confidence–action gap; people believe more in their financial potential but still struggle to build the habits and systems that translate their confidence into positive financial outcomes. **The next evolution in financial wellbeing will come from tools and platforms that make it easier to convert confidence into habit.** When we combine behavioural design into financial products with real personalisation, we can help South Africans turn today's wave of confidence into tomorrow's lasting financial security.



Tshepo

Sanlam's mission is to make South Africa the most financially confident nation in the world. This report shows the country is making meaningful gains, but we need to keep finding creative, relevant ways to push the golden thread for change: Financial literacy. We must deliver purpose-fit tools and communication that meet people where they're at – like our Sanlam F for Finance campaign, which hid a 'fin lit' course in a comedy show to get people talking – and laughing – about money. **We know people are hungry to learn; Zillennials (Gen Zs and millennials) are fuelled by progress. It's about creating these opportunities and amplifying them.**

Other FCI key insights



Income: People who earn under R8 000 per month under-index, compared to those earning R20 000 or more.

Gender: There are no differences between the genders; both are on a par with the population.

Employment: Full-time employees have a higher FCI than people who are employed part-time, retirees, homemakers, and unemployed individuals.

Qualification: Those with matric or a lower level of education under-index; individuals with a degree or higher qualification have a higher FCI.

Dependants: South Africans with financial dependants have a higher FCI than those without, indicating that increased responsibility may motivate better financial planning.

Race: There are no major differences between the race groups; they align with the total sample.



Insight: Consistency plays a major role: full-time employment and a higher level of education lead to higher incomes, which means these individuals are aware of and able to contribute regularly to savings and investments, which leads to higher financial confidence.

Experts



Lee

We know that in South Africa, talking about finances is still a taboo topic in some families. However, by educating our children, we can help them to understand money and make smart decisions when it comes to saving, spending and borrowing later in life. I also believe that **financial education should be included in our school curriculum**. Knowledge is power.



Kele

On education: We must design education that lives inside people's financial lives. That means embedding bite-sized, contextual learning into the platforms where people already transact to make it real and relevant – their banking apps, savings groups, and even employer channels. Every financial moment becomes an educational moment. **Education should also be personalised and adaptive.** A first-time saver needs different nudges and stories to someone preparing for retirement. Micro-learning and visible feedback loops make financial concepts emotionally resonant and easier to apply. Most importantly, we need to connect financial knowledge to people's sense of identity and progress. When individuals can see how each decision – saving R50, avoiding a debt trap, protecting income – directly builds their future confidence, education becomes self-reinforcing.

On people with dependants having a higher FCI: At first glance, it seems counterintuitive; after all, more mouths to feed usually means more financial pressure. But from a behavioural science perspective, **this finding reflects the power of prosocial motivation**, the drive to act in ways that benefit others. **When people are accountable to someone else – a child, a parent, or a partner – it activates a deeper sense of purpose and planning and gives financial decisions greater emotional weight.** It shifts focus from 'getting by' to building security for others, which can strengthen discipline and goal orientation. Dependants create social anchors as reasons to act, save, and persist, even in uncertainty. This aligns with broader research showing that when financial behaviour is tied to values like care, protection, and legacy, people are more likely to engage and stay committed.



Tshepo

Another key dimension of financial education is self-understanding. **When people understand their own financial tendencies, they are better equipped to make decisions that support long-term wellbeing.** Our Sanlam Money Personalities tool demonstrates this in practice. People interact with a specially trained AI coach to find their money personality match – gaining a report with deep insights into their money mindsets and behaviours. Knowing yourself is the first step to designing your financial future. Providing tools for this kind of introspection not only builds confidence, it also sparks more open, informed conversations about money.

SECTION THREE

Financial self-determination

We are best at:

- Knowing our knowledge gaps (74% this year; a **1% decrease** from last year and **3% decrease** from 2023)
- Knowing our financial needs from a needs survey (71% this year; a **9% increase** from last year and **6% increase** from 2023)
- Knowing our financial beliefs (70% this year; a **1% decrease** from 2024)

We are doing better than in 2024, but fewer of us:

Have written down short-term (1-5 years) financial goals (56% this year; a **10% increase** from 2024)

Have written down long-term (5+ years) financial goals (50% this year; a **14% increase** from 2024)

Have a financial goal-tracking system (44% in 2025; a **22% increase** from 2024, and a 13% increase from 2023)



| | 0 | 20 | 40 | 60 | 80 | 100 | Diff |
|--|---|----|----|----|----|-----|------|
| I am aware of my financial knowledge gaps | | | | 74 | | | -1 |
| I am aware of my financial needs from doing a needs survey | | | | 65 | 71 | | 6 |
| I am aware of my financial beliefs | | | | | 70 | | -1 |
| I have written down my financial goals based on what my needs are | | | 57 | 65 | | | 8 |
| I have written down my financial goals | | | 55 | 63 | | | 8 |
| I have written down my financial learning goals | | | 50 | 63 | | | 13 |
| I review my financial goals at least every 3 years | | | 54 | 58 | | | 4 |
| I have written down my short-term (1-5 years) financial goals | | | 51 | 56 | | | 5 |
| I have written down my long-term (more than 5 years) financial goals | | | 44 | 50 | | | 6 |
| I have a financial goal-tracking system | | 36 | 44 | | | | 8 |

2024 2025



Overall, FSD results are stronger this year, with people generally more aware of their gaps, goals and needs. However, consistent specific goal setting (determining short- versus long-term goals, for example) and tracking still come in at the bottom of the list. To change this, we need to build living financial systems that help people break down goals into achievable time frames, with real-time rewards and feedback loops.

Experts



Kele

To move people toward long-term thinking and sustained goal pursuit, we need to make goals feel alive, adaptive, and emotionally rewarding. When goals are abstract – like ‘save

for retirement’ – motivation fades. But when goals are visible, broken into smaller timeframes, and celebrated through progress feedback – such as ‘you’re 40% to your emergency target’ – they become part of daily life.

The key is to shift from once-off financial planning to living financial systems – platforms that learn from behaviour, adjust goals dynamically, and nudge people at the right moments. People rarely fail at saving because they lack intention; they fail because their environment isn’t designed for follow-through.

Long-term thinking grows when we build the infrastructure for micro-success. Automation, real-time progress tracking, and community accountability transform goals from distant ideals into daily habits.

In many ways, building financial discipline is like training for a marathon. Both require a clear goal, coaching, discipline, structure, feedback, and community. You don’t run 42 kilometres on motivation alone – you run it because you’ve broken the big goal into smaller, measurable steps, tracked your progress, and had support along the way.

The 2025 FCI data shows strong awareness of financial goals, but the weakest scores remain in goal specificity and tracking. This mirrors what we see in behavioural

science – awareness creates intention, but structure creates consistency and habits.

To build that discipline, we need to help people train financially the way athletes train physically, by using:



Commitment devices: Making a public or social pledge, or automating savings, so that intentions are backed by pre-commitment.



Micro goals: Breaking long-term financial goals into smaller, achievable milestones, weekly savings, short-term debt targets, or progress “laps.”



Feedback loops: Providing real-time progress tracking; seeing how each contribution moves you closer to the goal increases motivation.



Rewards: Occasional boosts or surprises (fee waivers, small bonuses, recognition) sustain engagement over time.



Social accountability: Just as runners train in groups, financial tribes or peer circles create belonging, encouragement, and shared discipline.



Identity reinforcement: Framing saving and goal tracking as part of who you are builds long-term behavioural resilience.

Just as every training session builds stamina, every small saving or debt repayment should build visible momentum.

Financial tools that show progress, reward streaks, and connect people to supportive communities can transform discipline into a habit. Ultimately, the goal is to make financial wellbeing feel trainable.



Tshepo

We do need to celebrate the wins – we’re seeing positive yoy increases in the number of people writing down short- and long-term goals and tracking these – but there’s a lot more ground to cover. There are so many credible online tools you can use to see where you’re at and build a roadmap for next moves. **Sanlam has a page of tools and calculators, including our Financial Check, which does a ‘fit check’ on your finances, while creating a holistic plan for the future.**

SECTION FOUR

Financial resilience

FR: Being in control:



In 2025, South Africans seem in control and more feel they are on track to pay back debt. This also leads to more South Africans believing they are better equipped to handle a setback and have the financial freedom to enjoy their lives, not just survive. This could be due to rate cuts, softer inflation, average 2024/25 salary increases of up to 6%, property and domestic share price value increases, among other factors. Additionally, perhaps South Africans are a bit removed from Trump, trade wars, tariffs and other global headlines, which could dampen confidence.

More people said they have the courage to live within their means (68%; a 10% increase from 2024)

More said they're on track to pay off debt within their stipulated time (63%; a 21% increase)

More said they feel in control of their day-to-day, month-to-month finances (61%; a 17% increase)

Half the sample said they could recover from a financial setback – up 11% from 2024. Positively, more people also feel they have the financial freedom to make choices they enjoy in life – now 58%, a 38% increase.

| | 0 | 20 | 40 | 60 | 80 | 100 | Diff |
|--|---|----|----|----|----|-----|------|
| I have the courage to live within my income | | | | 62 | 68 | | 6 |
| I feel I am on track to pay off my debt within the stipulated time | | | 52 | 63 | | | 11 |
| I feel that I am in control of my day-to-day, month-to-month finances | | | 52 | 61 | | | 9 |
| I feel that I have the financial freedom to make choices I enjoy in life | | | 42 | 58 | | | 16 |
| I feel I can handle or manage a financial setback or shock | | 39 | 50 | | | | 11 |
| I know which financial products I need | | | | 71 | 75 | | 3 |
| I continually build my skills to increase my earning power | | | | 69 | 75 | | 6 |
| I have the courage to negotiate prices, and/or repayment terms | | | | 64 | 71 | | 7 |
| I trust my financial abilities | | 34 | 42 | | | | 8 |

2024 2025

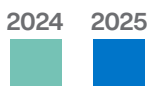


FR: Financial management:

More South Africans are taking control of their finances and feeling more secure as a result – up from 56% last year to 67% this year, a 20% increase.

A growing number are making money decisions that reflect their personal values (**7% YoY increase**) and focusing on building long-term wealth rather than simply paying off debt (**26% increase**). Encouragingly, more people believe they're on track to reach their financial goals (**30% increase**), and significantly more are reviewing their finances with a financial adviser each year (**now 50%, a 47% increase**). Economic indicators such as flat inflation, the strong rand and strong JSE may well be fuelling optimism and encouraging positive behaviours.

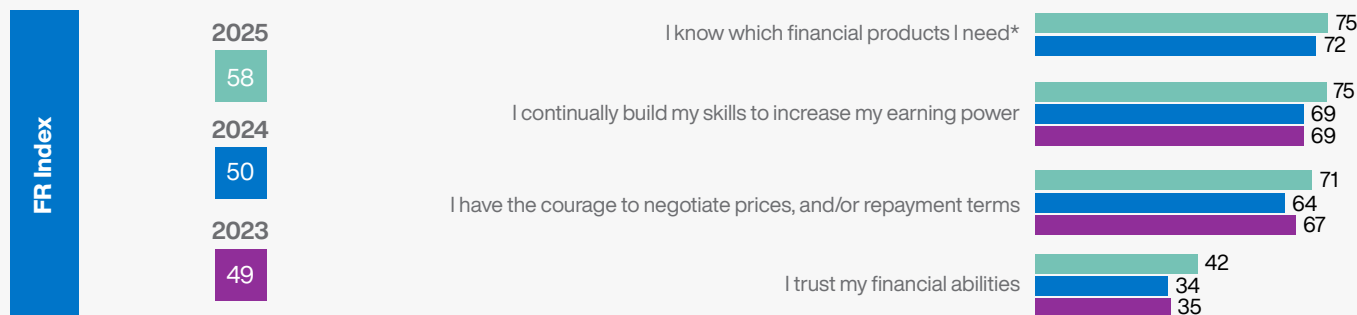
| | 0 | 20 | 40 | 60 | 80 | 100 | Diff |
|--|---|----|----|----|----|-----|------|
| I manage my personal finances in a way that makes me feel financially secure/comfortable | | | 56 | 67 | | | 11 |
| My financial decisions are aligned to my financial beliefs | | | 59 | 63 | | | 4 |
| I am building my wealth, not just paying off debts | | | 50 | 63 | | | 13 |
| I feel that I am on track to meet my financial goals | | | 46 | 60 | | | 14 |
| I review my finances with a financial planner/adviser/broker every year | | 34 | 50 | | | | 16 |
| I have a good credit record so I can have access to affordable credit should I need it | | | 54 | 62 | | | 8 |
| I have friends and/or family that can help in times of financial emergency | | | 51 | 58 | | | 7 |
| I can rely on my friends and family to gain financial knowledge | | | 40 | 47 | | | 7 |
| I have insurance that adequately covers my financial risks | | 34 | 47 | | | | 13 |
| I have adequately prepared or have insurance cover for estate duty | | | 40 | | | | 1 |



FR: Confidence and skills:

Positively, **75% of people (9% increase from 2024)** say they continually build their skills to increase their earning power, and **71% (up 11%)** have the courage to negotiate prices and terms. This suggests a growing sense of agency.

Interestingly, people's trust in their financial abilities remains low (**sitting at 42%, up 24% YoY**), still suggesting a capability gap.

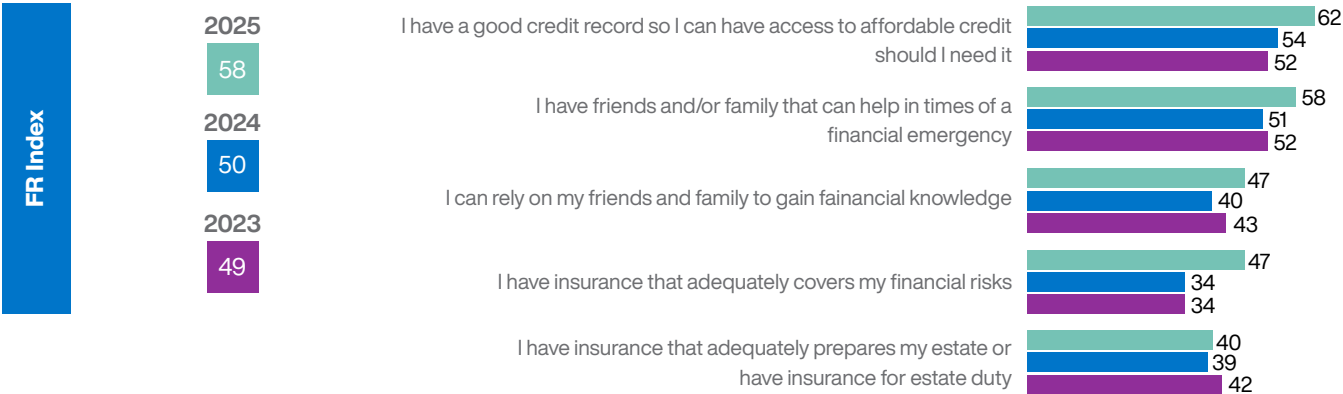


*Not comparable to 2023.

FR: Support structures:

Again, this was up, mostly across the board. There was an increase in people agreeing they have a good credit record (**up 15% YoY**), having friends and/or family to help in an emergency (**14% increase**), being able to rely on friends and family for financial knowledge (**18% increase**), and having adequate insurance to

cover financial risks (**a significant 38% increase**). Individuals having adequately prepared for or having insurance to cover estate duty (tax on the transfer of wealth when someone passes away) is now at 40%; up **3% from 2024**, but down about **5% from 2023**.



*Not comparable to 2023



Experts



Lee

As confidence grows, so does curiosity. The more people feel confident in their financial decisions, the more open they may be open to learning, talking about money within their families, and sharing

that knowledge more broadly. For a country where money talk has traditionally been taboo, this shift could help normalise healthy financial conversations. Critically, we need to encourage one another to seek professional advice to get the right foundations in place.

We're also seeing greater appreciation for life insurance. Consumers increasingly understand that it protects them and their loved ones when the unexpected happens. People are understanding the benefits of holistic financial planning. We are seeing this trend throughout the industry.



Tshepo

Our report shows massive gains, which are contextualised by other recent research, such as the FNB/BER Consumer Confidence Survey, which saw consumer confidence rise, with household finances notably climbing from -1 to 9 in Q2 2025.

This rebound is pegged primarily to the cancellation of tax hikes, among other factors. The Bureau for Market Research also forecast a 2% rise in retail sales for 2025, again showing cautious optimism among consumers, supported by wage growth and softer inflation. We also cannot underplay the role South Africa's financial services sector is playing in amplifying financial literacy. Our partner, the ASISA Foundation, for example, has deployed close to R300 million to benefit almost 150 000 individuals with financial education and support since its inception.

The more people we empower, the more confidence grows and the nation's story starts to shift.

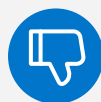


Kele

On more people living within their means, feeling in control, and being on track to pay off debt: After several years of economic uncertainty, many South Africans appear to be recalibrating their

relationship with money. Behaviourally, this looks like a collective shift from survival mode to recovery and control. When people experience prolonged instability, they often adapt by becoming more deliberate and disciplined – they learn to control what they can. The increase in people living within their means (up 10%), feeling on track to pay off debt (up 21%), and feeling in control of monthly finances (up 17%) suggests that financial stresses of the past years may have forced financial discipline.

What could be driving this momentum:



Loss aversion: After years of economic shocks, people may have become more protective of what they have. Behaviourally, this means they'd rather avoid another loss than risk chasing uncertain gains, even when opportunity is present.



Anchoring on security: After years of financial volatility and rising costs, people have anchored their sense of success to stability. Being debt-free or in control may feel more valuable than chasing growth or higher returns.



Behavioural adaptation: Scarcity and constraint can sometimes sharpen discipline; people find structure and routine to restore a sense of agency.

South Africans are doing the hardest part: regaining control. **The next step is helping them turn control into capability, and capability into long-term security.**

On people valuing community for financial advice yet still feeling reluctant to talk money:

Money is emotional, not mathematical, and that's at the heart of why so many South Africans still struggle to talk about it.

When people share their money stories, they replace stigma and silence with connection and confidence, which becomes contagious. Morgan Housel reminds us in *The Psychology of Money* that people don't make financial decisions based on spreadsheets; they make them based on their life experiences – what they've seen, feared, and survived. For many, money may still carry memories of instability, scarcity, or shame. That history makes silence feel safer than vulnerability.

The 2025 FCI data shows that while more people are turning to friends and family for financial guidance, 67% still feel uncomfortable talking about money. Behaviourally, this is rooted in fear of judgment and the belief that our financial choices reflect our self-worth. To change this, we must make money conversations human again.

Financial institutions can play a vital role here by creating safe, inclusive spaces, both physical and digital, where conversations about money are facilitated rather than avoided. Group challenges, financial storytelling sharing sessions with focused learning outcomes, or peer learning circles can help transform money talk from a source of anxiety into a source of belonging. Ultimately, the goal isn't just to talk about money more, it's to talk about it meaningfully. When money becomes a topic of shared learning rather than quiet judgment, confidence spreads through community. That's when true financial wellbeing can begin, and we can break down the notion that financial wellbeing is meant only for certain segments in society.

Financial wellbeing

Wellbeing is still quite low – most of us still feel embarrassed by our financial situations growing up, insecurities around our ability to earn, unhappiness around our current financial situations, worry over unsecured assets, and stress around daily and monthly finances. We continue to be uncomfortable with money talk too – a situation unlikely to change while the stigma around debt remains. Considering the momentum on financial self-determination and financial resilience, financial wellbeing remains concerning, despite improvements.



What has changed?

36%

do not feel embarrassed or upset by their financial situations growing up: 13% increase from 2024

36%

do not feel their assets are unprotected/unsecured: 13% increase from 2024. **Insight:** There have been slight increases in insurance uptake across sectors, but the gap between what people need in terms of life and disability cover has broadened.

30%

do not feel insecure about their ability to earn an income in the future: 20% increase from 2024. **Insight:** This increase may possibly be attributed to Gen Z's hustle mentality and the underreported growth of the informal sector.

28%

do not feel unhappy with their current financial situation: up 33% from 2024, and 65% from 2023

26%

do not feel stressed when dealing with their daily and monthly personal finances: up 24% from 2024, and 37% from 2023

25% (1 in 4)

do not feel anxious because they don't have enough investments for the future: improvement from 1 in 5 (20%) in 2024

What stayed the same?

33% (only about a third)

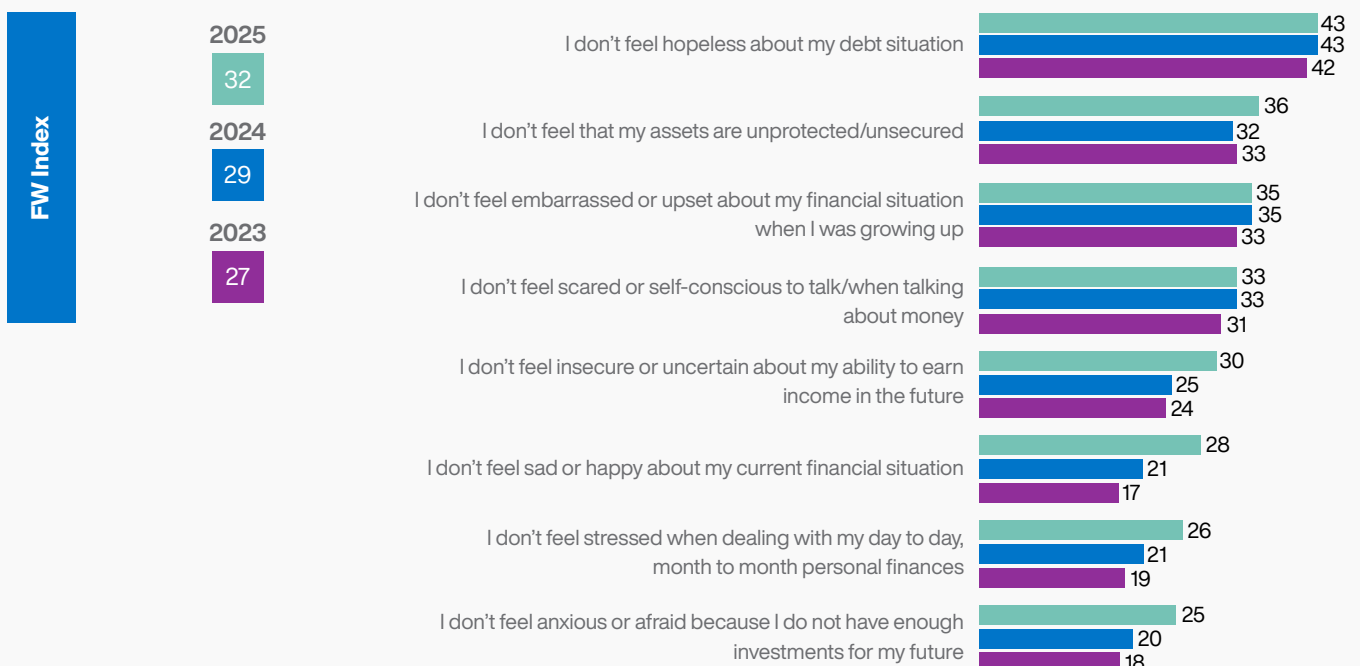
of individuals were comfortable with money talk – same as 2024

43%

of people do not feel hopeless about their debt – same as 2024

What keeps us up at night:

Most of us are concerned about insufficient investments. Only a quarter of people do not worry about this.



Experts



Lee

We generally don't like talking about money. Our family backgrounds and circumstances shape deep-seated beliefs

about how to handle it – beliefs that often linger long after our situations change. **Many of us still carry the fear or anxiety we grew up with, and if we don't address these patterns, we risk passing them on to the next generation.** Becoming aware of our Money Personality and the biases that drive our financial decisions is the first step. Working with a financial adviser can help us challenge old narratives, build healthier habits, and develop a more positive relationship with money. It doesn't require a dramatic overhaul – just small, consistent steps in the right direction.



Tshepo

We just conducted another Sanlam F Factor survey drilling into behavioural finance further, and 44% of participants said they feel embarrassed by their situations, so find it hard to speak about money. We must stop these generational shame

spirals by leaning on and learning from each other. There's real strength that comes from the realisation you are not going through this alone. We also must continue to address the deep, systemic divides in our society.

Sanlam has a multi-faceted approach to empowerment, from cradle to career. Our theory of change is based on strategic interventions to socio-economic challenges in our communities – inequality, unemployment, poverty, and climate change. Real people, real lives, real change that lasts. **Our Consumer Financial Education, for example, reached 66 394 people in 2024, nearly 7000 of whom were young people aged 18 to 35. Imagine if each of them starts saving and investing to capitalise on compound interest?** Imagine what that means for them, their families and future children.



Kele

The biggest gaps in financial wellbeing sit between short-term survival and long-term security. With a wellbeing score of just 32, the data shows that people are mentally adapting faster

than they may be materially progressing.

This gap reflects a **lag effect between mindset and material progress**. South Africans are becoming more financially self-aware, determined, and resilient, but emotional scars from financial instability run deep – **the emotional residue of years of volatility, inequality and scarcity still shapes experience. Confidence is rising faster than lived financial realities are changing.** People are rebuilding habits and awareness, yet they haven't consistently felt the tangible rewards of that progress – savings buffers, stable assets, or sustained safety. Until their environment mirrors their effort, wellbeing will remain low.

To help people feel less concerned about their futures, financial wellbeing needs to be made as practical as possible. When financial stress is constant, minds narrow to the present, a concept known as tunnelling – when urgent needs crowd out long-term thinking. It's not a lack of willpower that limits long-term planning; it's a lack of mental bandwidth. Research on scarcity by Sendhil Mullainathan and Eldar Shafir shows that financial strain reduces our ability to plan and make trade-offs. The brain prioritises relief over reward, survival today over

security tomorrow. To free capacity for the future, systems must lighten the load: automate savings and investments, simplify choices, and make progress visible.

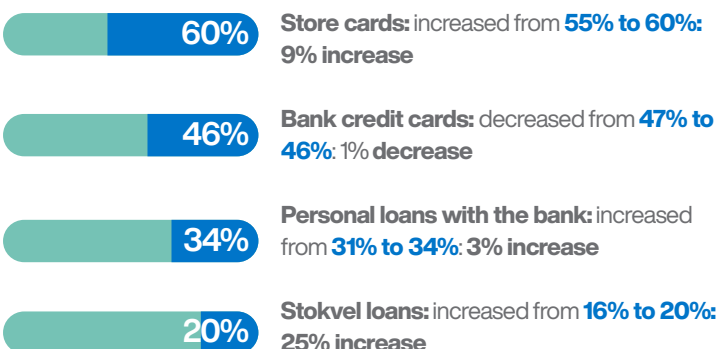
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Women, especially, remain deeply worried about their financial futures. Data shows that, on average, women are 21% behind men in reaching their retirement goals, withdraw 30% more during their careers, and invest 25% more cautiously after age 55. By combining accessible financial products with behavioural design – automation, feedback, rewards, and community reinforcement – we can help South Africans move from financial anxiety to agency. The goal is not only to make people feel confident, but to make that confidence translatable into outcomes, grounded in habits that create genuine, lasting financial wellbeing. Ultimately, financial wellbeing begins with relief. Once people feel a sense of control and predictability in the present, the psychological bandwidth for hope, planning, and future-building naturally returns.

Financial products

CREDIT: All credit products rank highly for financial self-determination and financial resilience, with overdraft and home loans standing out. For financial wellbeing, bank credit cards have a higher prevalence.

South Africans' top credit products are:

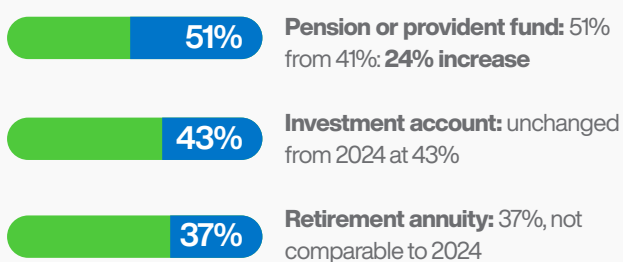


Investments:

One in two consumers has a pension or provident fund, while just over a third (34%) have a retirement annuity or other type of retirement plan.

For financial self-determination, all investment products are high, with stocks and shares (now 27%, down from 28% in 2024) key. For financial resilience, stocks and shares and other provisions for retirement are critical. In terms of financial wellbeing, the retirement annuity stands out.

South Africans' top investment products:

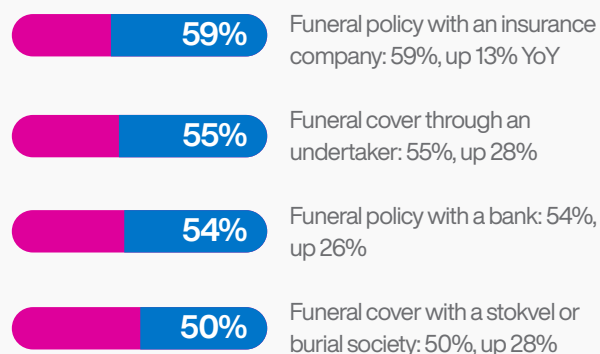


Insurance:

Funeral cover is up (60%, **up 7% YoY**), while car insurance (38%, **down 14%**) and medical aid (36%, **down 12%**) have declined. Despite this, car insurance, medical aid, a will and life cover all contribute to financial self-determination, financial resilience and financial wellbeing.

South Africans' top insurance products:

Funeral cover



Life insurance or life cover: **53%**, up 8%

Will: **44%**, down 2%

Experts



Lee:

Very few South Africans retire with financial independence, which makes early planning essential. While we are seeing pleasing uptake of pension and provident funds, retirement annuities, and investments, there's still much to do to ensure South Africans can retire with confidence. **Because every journey is different, it's vital to work with a financial adviser to create a personalised plan that supports long-term security.**

Healthcare is a key part of that plan. Many South Africans view medical aid as expensive, and younger, healthier people often postpone joining, thinking it's something they can worry about later. However, unexpected illness or accidents can be financially devastating without cover. Many South Africans rely on the public healthcare system, which is often under-resourced and/or overcrowded. It is therefore critical that medical aid and additional benefits such as gap cover form part of a holistic financial plan.



Tshepo:

We know that medical aid, a will and life cover all build FSD, FR and FW. While life cover uptake is up, medical aid is down, along with having a will. In fact, our Sanlam Legacy survey recently showed 66% of South Africans have no will at all. That's hugely concerning in a country where estates can take years to wind up, leaving families financially bereft. **Life cover and a will work hand-in-hand; the will directs how your assets are distributed, while life cover provides immediate funds to support your loved ones and help settle expenses.** This can be a lifeline when it's needed most.

Our Sanlam Legacy survey recently showed 66% of South Africans have no will at all. That's hugely concerning in a country where estates can take years to wind up, leaving families financially bereft. Life cover and a will work hand-in-hand; the will directs how your assets are distributed, while life cover provides immediate funds to support your loved ones and help settle expenses. This can be a lifeline when it's needed most.

When it comes to funeral cover, it's important to understand what is covered, who is covered, and any waiting periods before claims can be paid. Check whether your premiums will increase over time and what happens if a payment is missed, so the policy doesn't lapse when it matters most. Also be cautious about taking out multiple funeral policies – more policies don't necessarily mean better protection, they may just mean more premiums. One well-structured policy that meets your family's needs is usually enough. Sanlam's funeral cover is designed to be simple, flexible and reliable, with options that allow families to get cover that fits their needs and pays out quickly when support is needed most.

Financial outcomes

Do more positive mindsets translate into more positive behaviours?

Growth outcomes

Across the board, these have increased, with people:



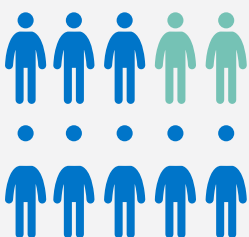
More satisfied with their overall standard of living: 57%: up 33% from 2024 and 39% from 2023. Gen Z leads at 65%, followed by baby boomers at 63%.



Seeing their earnings increase annually: 59%: up 28% from 2024 and 43% from 2023. Gen Zs take the title at 69%.



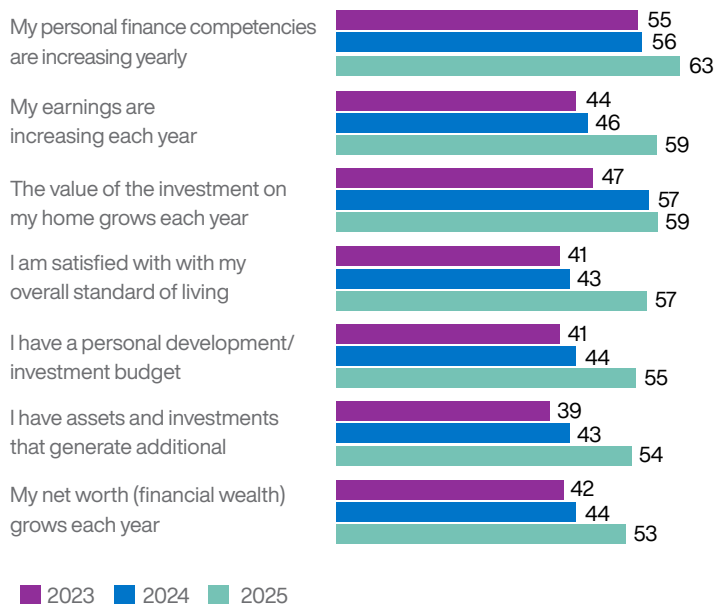
Growing their net wealth: 53%: a 20% increase from 2024 and 26% increase from 2023. Again, Gen Zs come in first at 61%.



More individuals, especially Gen Zs (65%) and baby boomers (63%), agree the value of the investment on their homes is increasing annually (a 4% YoY increase from 2024 and a 21% increase from 2023) and that they have assets and investments generating additional income (up 26% from 2024). Again, more Gen Zs (69%) agree with this than any other generation; just 47% of Gen Xers agree. According to Youth Dynamix research, asset ownership is aspirational for younger generations.

More people than ever before have a personal development/investment budget (25% increase from 2024, led by Gen Zs at 70%, with Gen Xers at the lowest at 48%), and more people say their personal finance competencies are increasing annually (up 12.5%, championed by Gen Zs at 73%, with Gen Xers last at 56%).

Growth



| GENERATIONS | | | |
|-------------|-------------|-------|--------------|
| Gen Z | Millennials | Gen X | Baby boomers |
| 73 | 67 | 56 | 57 |
| 69 | 59 | 54 | 58 |
| 65 | 58 | 55 | 63 |
| 65 | 54 | 54 | 63 |
| 70 | 59 | 48 | 48 |
| 69 | 54 | 47 | 52 |
| 61 | 56 | 48 | 46 |



95% statistically significant difference (overall 2024)

For financial self-determination (FSD): Tracking net worth and having a development plan are key.

For financial resilience (FR): Satisfaction with one's standard of living and investment, income and personal development growth make the difference.

For financial wellbeing (FW): It's all about a positive perception of current lifestyle.

Growth outcomes through a generational lens: Gen Zs show the strongest improvements, due to their growing belief in their financial competencies and developments. Millennials are also more positive about these growth factors, plus their growing net worths. Gen Xers have lower self-belief in their competencies and development. Baby boomers are stable and on a par with the sample.

Experts



Lee

Over half the population is seeing their earnings and net wealth grow annually. **The average salary increase in South Africa for 2024/ 2025 is around 5.5 to 6%, so people are seeing a rise in their salaries, together with interest rates coming down over the last year.** Property values have increased, as well as domestic share prices. The FTSE/ JSE All-share index outperformed share price indices in developed markets in the first quarter of 2025 (Reserve Bank Quarterly Bulletin June 2025).



Kele

A word on Gen Zs' optimism: Gen Zs operate from a possibility mindset; global research from Deloitte and McKinsey shows that this generation believes strongly in their ability to influence outcomes, which could be the driver for their optimism and positive financial outcomes.

A word on Gen X – why is this generation less confident? Gen X, often called South Africa's "sandwich generation," faces the dual pressure of supporting both parents and children – leaving little time or energy for personal development, which can erode financial confidence. Many also feel left behind by the rapid evolution of digital finance, where instruments like crypto, ETFs, and CFDs can seem confusing rather than empowering. **To rebuild confidence, Gen X needs to engage with simple, human-centred financial learning platforms that make it easier to understand opportunities that build long-term financial wellbeing.**



Tshepo

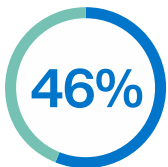
More people have personal development and investment budgets than ever before, possibly due to digital fluency and a proliferation of online financial education. For example, **Fin Tok, Tik Tok's financial content, has gained phenomenal legs, with the hash tag #personalfinance alone gleaming 5.1 billion views. 39% of Gen Zs in South Africa follow finfluencers – financial influencers – for financial advice; financial education has moved from formal institutions into social, digital and peer-led spaces.** This creates immense opportunity, but also danger, when uncredited sources gain traction while sharing false information. In terms of opportunity, the abundance of content proves there's appetite. More accessible information is changing behaviours for the better, but we need credible professionals like financial advisers to take up these channels to meet younger generations where they are at. Then it's about directing people to the living platforms that'll guide their financial habits and goals as they grow into different life stages. We can see people want to progress and learn, so we need to make this as easy as possible.

Protection:

Protection outcomes are also up across the spectrum, with funeral cover keeping its podium position as the most popular protection product. About 50% of consumers have broader protection. What younger generations define as adequate for their needs now may change as their lives evolve and families potentially grow. That is why financial planning is pivotal.

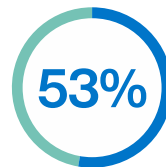


More people say they have:



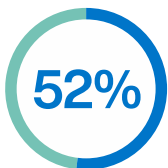
Emergency funds/financial reserves:

Up 35% from 2024 and 35% from 2023. Gen Zs lead emergency fund uptake at 61%. This is incredible for the country – a more protected generation means a more resilient nation.



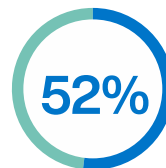
An up-to-date will:

Up 8% from 2024 and 18% from 2023. Gen Zs take podium position for will drafting at 63%.



Adequate medical cover:

Up 11% from 2024 and 18% from 2023. This is interesting as uptake of medical aid is down by 12% YoY. Gen Zs have the most medical cover at 66%.



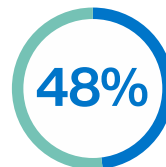
An education policy or savings for their children's education:

Up 30% from 2024 and 2023. Interestingly, Gen Zs also rank highest for this, at 66%.



Adequate life cover:

Up 2% from 2024 and 8% from 2023.



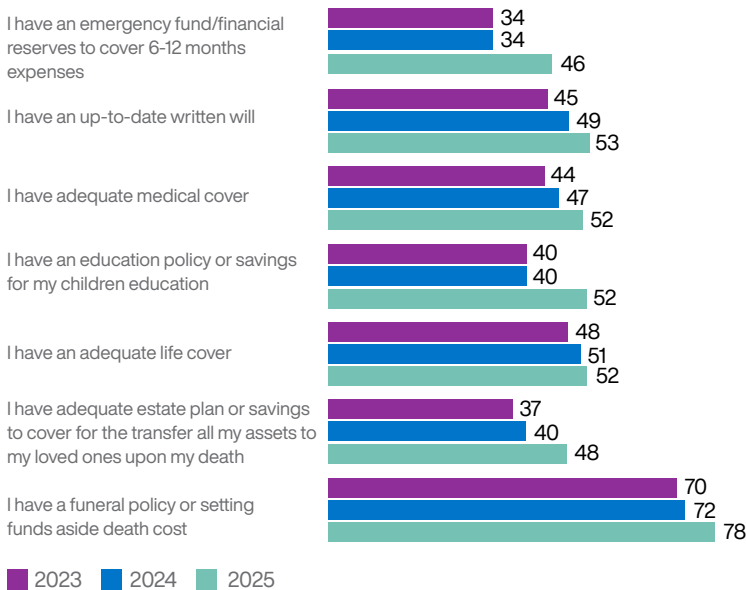
An adequate estate plan or savings:

Up 20% from 2024 and 30% from 2023. Gen Zs also come first here at 63%. This may be a result of asset ownership, which requires a will to be in place.



Funeral policies or funds for death costs:

A significant 78%, up 8% YoY and 11% from 2023. Gen Xers score highest at 82%.



| FSD Index | FR Index | FW Index |
|-----------|----------|----------|
| 76 | 77 | 41 |
| 75 | 74 | 41 |
| 74 | 73 | 39 |
| 76 | 75 | 40 |
| 71 | 70 | 38 |
| 77 | 76 | 41 |
| 67 | 64 | 34 |

Index of those who agree with the statements (Top 2 box)

For FSD and FR: Emergency funds, education savings and estate planning seem to matter most.

For FW: The same products apply, along with a will.

Protection outcomes through a generational lens: Gen Z has the greatest uptake of protection products, with strong savings, life and medical cover. Millennials are more likely to have life and education policies – possibly due to having young families. Gen Xers leans to policies that cover death costs, and baby boomers seem to prioritise funeral policies and having an updated will. Product uptake may align with the life phases each generation is in.

Experts



Lee

Protection outcomes are much improved this year and there's been a 30% increase in people with education policies or savings. **I think younger generations are far more digitally savvy and informed about the importance of life insurance and financial planning.** This may also be due to the lifestage they're in: when we're younger, the focus is often on protecting ourselves and our ability to earn an income. As we get older – getting married, having children, or taking on new responsibilities – our priorities naturally shift to securing our families' futures, planning for education, and caring for our dependants, as part of a financial plan.

Gen Zs, in particular, are more optimistic than previous generations and don't see money as a taboo topic. They understand that financial planning goes beyond budgeting – it's about continuous learning, being involved in their financial futures, and engaging with advisers to make changes as life evolves. They also understand how vital education is and want to ensure their children have access to quality education.



Tshepo

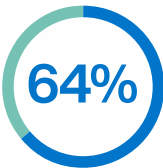
Gen Zs, currently between 15 and 28 years old, are leading in protection product uptake – a fascinating insight. We asked respondents whether they felt they had 'adequate amounts of each type of cover', which raises an interesting question about how each generation defines adequacy – Gen Zs may define this differently. Many Gen Zs are also still living at home, which means they could be benefiting from parental influence and support, enabling them to prioritise cover earlier. Whatever the reason behind it, this is an extremely positive trend. **We also urge young people to invest in income protection - your ability to earn is your greatest asset, especially when you have years of working still ahead of you.**

Money management:

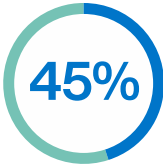
Debit orders and repayment plans have increased, but budgeting has dropped (now 58%, down 8% YoY from 2024).



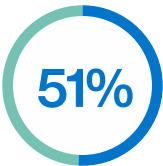
Everything else has increased:



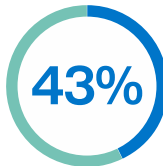
Automatic payment and savings deductions:
Up 16% from 2024 and 2023.



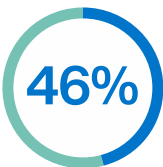
Accelerated home loan repayments:
Up 29% from 2024 and 13% from 2023.



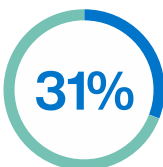
Debt repayment plans that are reducing debt:
Up 16% from 2024 and 21% from 2023. Led by Gen Zs at 60%, with Gen Xers last at 46%.



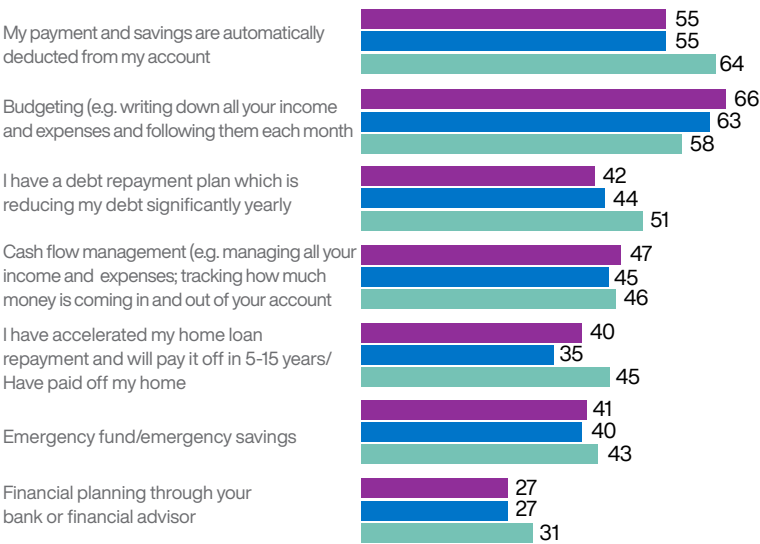
Emergency fund/savings:
8% increase from 2024 and 5% from 2023, with Gen Zs at the top at 63% and baby boomers at the bottom at 26%



Cash flow management:
Up 2% from 2024, but down 2% from 2023. Led by Gen Zs at 56%, with Gen Xers at just 29%.



Financial planning through a bank or financial adviser:
Up 15% from 2024 and 2023, and headed by Gen Zs at 45%, with Gen Xers at 27% and baby boomers at 24%



2023 2024 2025

| FSD Index | FR Index | FW Index |
|-----------|----------|----------|
| 70 | 69 | 39 |
| 70 | 63 | 35 |
| 74 | 73 | 36 |
| 73 | 66 | 36 |
| 76 | 76 | 38 |
| 73 | 69 | 42 |
| 78 | 75 | 44 |

Index of those who agree with the statements (Top 2 box)

For FSD: Paying back home loans faster and using a financial adviser stand out.

For FR: The same apply, along with having a debt repayment plan.

For FW: Emergency savings and having an adviser matter most.

Management outcomes through a generational lens: Gen Z continues to be the generation most open to financial management tools – and professional financial planning advice. Millennials perform best at budgeting, saving and cash flow management. Fewer Gen Xers have debit repayment plans or a financial adviser, and baby boomers seem less focused on the management of their finances, with fewer emergency funds and less financial planning – possibly due to the life phase they’re in.

Experts



Lee

Many Gen Xers are sandwiched between looking after their children and caring for elderly parents, so may be feeling the pinch financially. **Gen X is also a generation that doesn't like asking for help, so may be more resistant to opening up. It's important, therefore, to engage a financial adviser who can assist with putting a plan together that balances their needs and the needs of their dependants.**



Kele

On Gen X: The financial strain and mental load of caring for parents and children can lead to short-term decision-making for Gen X, prioritising immediate obligations over long-term planning. This means that money could be constantly redirected, leaving little room for structured saving or predictable budgeting. Cash flow management may suffer, not from a lack of discipline, but from competing priorities and limited bandwidth. Similarly, debt challenges often stem from financial juggling and could lead to debt diffusion – spreading repayments across multiple obligations without a clear plan to close them out. **To change this, Gen X should consolidate and automate: focus on paying off one debt at a time, set up automatic repayments, and track progress. Even small wins, closing one account or reducing a balance can go a long way to rebuild momentum and confidence.** The key is shifting from managing debt reactively to proactively reducing it.

On Gen Z: Gen Zs are digital natives who naturally seek guidance through technology platforms, from podcasts and fintech apps to non-fintech apps (TikTok) and online communities. **They see financial advice as part of learning, not a once-off event.** Their openness comes from growing up in an information-rich world where advice is immediate, social, and accessible. **Their advantage is that they engage early and often, viewing advice as a practical way of life to build confidence and capability rather than something reserved for later in life.**

More on FCI for the generations

Gen Z remains the most confident generation, with a slight YoY increase in FCI, from 55 in 2024 to 58 in 2025.



This is driven by:



Increased FSD (from 66 to 70), due to a heightened sense of awareness of financial goals and gaps.



Increased FR (from 60 to 64), based on living within their means, support from friends and knowing the products they need.



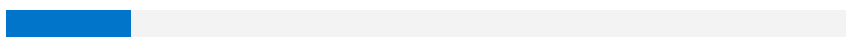
FW remains much the same.

Gen Zs lead in terms of outcomes for growth, protection and management. They also remain the most optimistic generation.

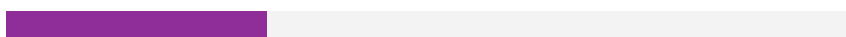
51% have above-average, high or very high FCI.



14% have average FCI.



34% have below-average, low or very low FCI.



Experts: On Gen Z



Lee

Gen Zs are digital natives who are willing to engage with financial planning tools and products and are wanting to upskill themselves. They are also more optimistic than other generations.



Tshepo

Gen Zs' optimism is such an incredible opportunity. We need to nurture this generation and meet their curiosity and conscientiousness with the consideration, creativity and care they deserve.



Millennials are also making progress: their FCI is up from 50 to 54, driven by:



Increased FSD (63 to 66), from awareness of their financial gaps and goals.



Increased FR (54 to 59), from living within their means and keeping up with debt repayments.

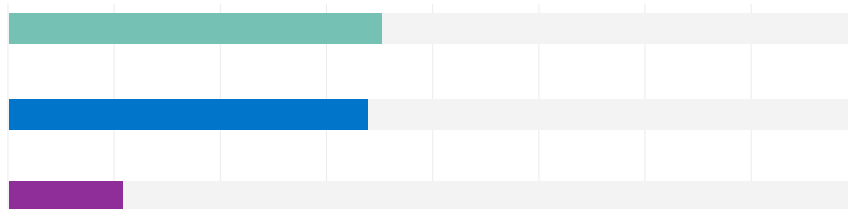


Increased FW (27 to 30), from more contentment with their current financial situations and less worry about debt.

44% of millennials have below-average, low or very low FCI.

43% have above-average, high or very high FCI.

13% have average FCI.



Experts: On millennials



Lee

Millennials have a desire for long-term financial stability and home ownership. They are motivated by FIRE (the Financial Independence, Retire Early) movement, which is about spending wisely and saving aggressively. They're also quite conscious about what they spend on, and value experience over products.



Tshepo

Millennials are also making positive progress, which we need to amplify through access to tools, learning resources, and timely interventions. Stats SA found millennials make up a third of South Africa's workforce; there's a massive opportunity for employers to help set their people up for success through robust benefits, counselling, and healthcare interventions across the care continuum - and avoid the high costs of absenteeism, presenteeism and low productivity in doing so. Sanlam Corporate showed that South Africa's real retirement age is 80; we must take care of our workforce.



Gen X's FCI is up to, from 45 to 51 – a solid leap. This comes from:



A rise in FSD, from 55 to 59, due to increased awareness of needs, beliefs and knowledge gaps.



Increased FR, from 47 to 54, driven by product knowledge and the desire to live within their means and pay off debt.

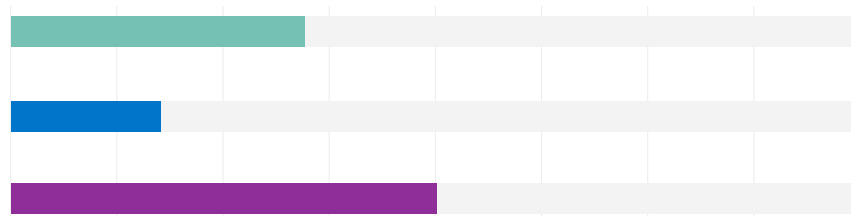


Increased FW, from 28 to 36, due to people feeling less hopeless about debt and more willing to speak about money.

34% have above-average, high or very high FCI.

15% have average FCI.

50% have below-average, low or very low FCI.



Experts: On Gen X



Lee

Xers are probably in their peak earning years but are caught up in the sandwich of looking after children and ageing parents, which may put their own retirement planning at risk. They tend to be aware of their needs and want to live within their means.



Tshepo

Gen Xers are the quiet backbone of South Africa's economy and households. Their resilience and sense of responsibility run deep, but this often means prioritising others over their own goals. Re-engaging them means turning that conscientiousness into structure – using modern, simplified tools to move from merely coping in the present to creating the stability and security they deserve.



Baby boomers have the ‘winning’ leap in confidence, increasing more than any other generation, from 39 to 51.

We saw a significant jump in FSD, from 39 to 52:
Driven by awareness of financial beliefs and knowledge gaps.

FR leapt from 41 to 59, due to product knowledge, good credit records and having the courage to live within their means. FW stayed much the same, going from 33 to 34.

What else are baby boomers doing differently? Qualitative interviews revealed:



Boomers don't dwell on the past – 'it is what it is'.



Years of retirement planning and working with financial advisers have helped them feel more secure at this stage in life – plus given them greater confidence in their money management.



They have strong self-awareness, spotting the gaps in their knowledge, while regularly reviewing their goals.

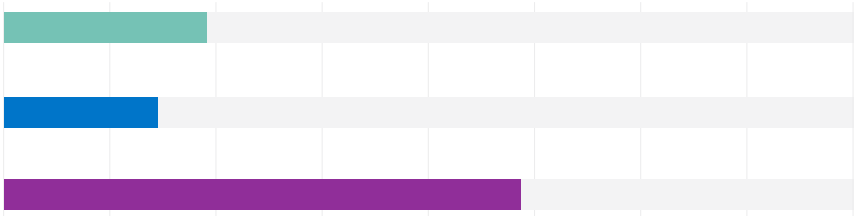
Despite the ‘leap’, two-thirds of Boomers still have a below-average, low or very low FCI.

To have a stronger FCI, they need to increase disposable income to make financial planning feel worthwhile, in a way that feels less stressful.

34% have above-average, high or very high FCI.

15% have average FCI.

50% have below-average, low or very low FCI.



Experts: On baby boomers



Lee

They may be approaching or in retirement already, so should be focused on preserving their wealth, making sure they have a sustainable income stream, and can cover their healthcare needs (in terms of medical aid and emergency savings). Some may have underestimated their retirement needs.



Tshepo

Boomers have made the biggest leap in confidence of any generation, a reflection of decades of discipline, planning, and perspective. Yet sustaining that confidence in the face of rising costs and longer lifespans requires action. Boomers should revisit their plans regularly with advisers to adjust for longevity, inflation, and healthcare needs; simplify portfolios to cut complexity and fees; and prioritise liquidity to cover unexpected costs without derailing long-term goals. Most importantly, translating confidence into action through estate planning, wills, and open family financial conversations will ensure their hard-earned stability can help to support generations to come.

Through the gender lens

FCI is mostly the same for men and women, with the most notable difference seen in FSD. Women appear slightly more optimistic about feeling in control of their daily finances, paying off their debt and having short-term and learning goals in mind. However, they worry more than men about their future investments, suggesting preoccupation with the present and what they can control right now.



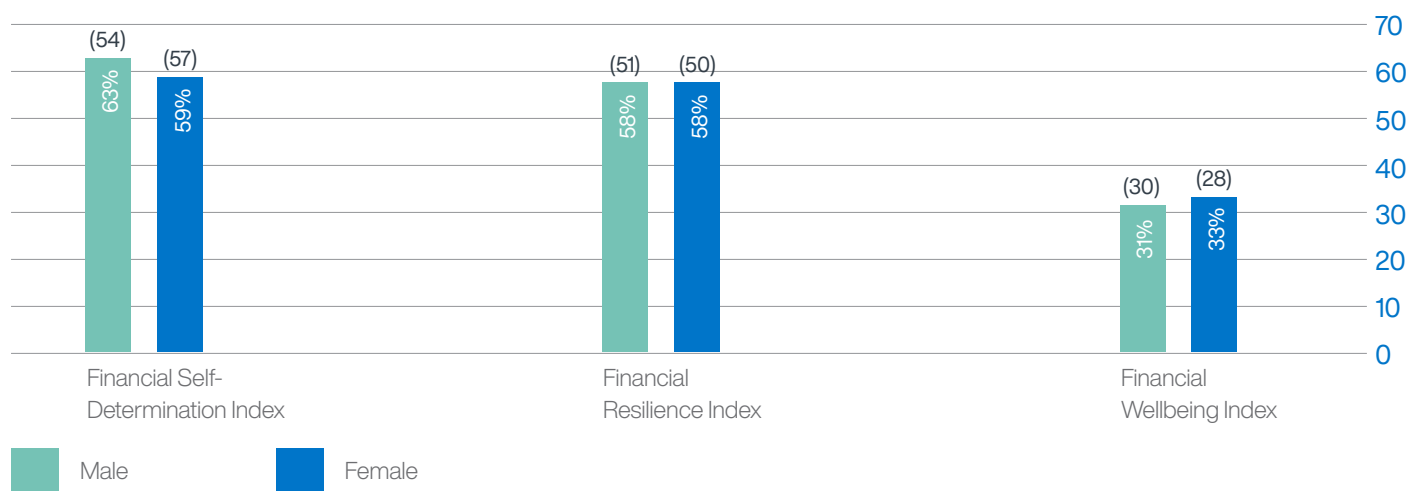
In terms of:

FSD: Women are more likely to write down their short-term and learning goals.

FR: Slightly more female respondents feel they are on track to pay off their debt, and slightly more believe they're building wealth while paying down debt.

FW: Women are more satisfied with their current standard of living and feel less stressed about their daily finances. However, they are more worried about their future investments.

FCI



Expert:



Kele

Women's present focus and fear for their futures could be a rational response to a financial system that hasn't served their needs and realities. When women are 21% behind men in achieving retirement goals and withdrawing 30% more from our savings - notwithstanding the pay gap - the future can feel uncertain because, structurally, it is. The shift to a future focus starts with restoring confidence for women. That means greater transparency on what financial outcomes could look like, tools that project realistic futures based on women's current realities, and products designed for women's financial rhythms, career breaks, caregiving breaks, and non-linear earnings at times.



Contextualising our results

Confidence and cautious optimism are on the rise:

FNB/BER Consumer Confidence Summary:

Consumer confidence improved in Q2 2025, with the index rising from -20 to -10. While still below the long-term average, this marks a clear recovery and easing of pessimism. All sub-indices strengthened, notably household finances, which climbed from -1 to 9. The rebound is attributed to the cancellation of tax hikes and the resolution of a government budget impasse, boosting economic sentiment.

Cautious Optimism Summary:

The Bureau for Market Research (BMR) reports cautious optimism among consumers, supported by wage growth and softer inflation but tempered by high household debt. A projected 2% rise in retail sales for 2025 indicates consumers feel slightly more positive about their finances and are willing to spend, though with caution.

GNU Developments Summary:

The formation of a centrist government of national unity after the national elections has reduced downside economic risks, fostering a more positive business and consumer climate. The probability of favourable economic outcomes has risen significantly, from 3% before the elections to 14% afterwards.

A word from our experts

Where are the biggest gaps?

- A third of South Africans have **a below-average or lower FCI vs 47% in 2024.**
- Only **half** have written down long-term goals.
- Just **under half** have goal-tracking systems.
- Just **half** feel they could come back from a financial curveball.
- **Less than half** trust in their financial abilities.
- Most **(64%)** feel embarrassed or upset by their financial situations growing up.
- Most **(64%)** feel their assets are unsecured.
- Most **(70%)** feel insecure about their ability to earn an income.
- Most **(72%)** feel unhappy with their current financial situation.
- Most **(74%)** feel stressed when dealing with their daily and monthly finances.
- Only about **a third** are comfortable talking about the F-word (finances).
- **Less than half** have a will.
- And over half **(57)** still feel hopeless about debt.

Confidence is on the rise, but behaviour is lagging.

This is the highest FCI we have seen in three years. People are more comfortable with their financial situations and feel a greater sense of control. However, long-term planning, goal tracking and product uptake remain limited, therefore progress may be more emotional than material.

Resilience is growing, but support is needed.

Across the generations, we're seeing more resilience and agency, with individuals living within their means and knowing which financial products they need. However, confidence in one's financial capabilities is still low, and many still depend on friends and family for support.

A shift in mindset is underway.

People seem to be thinking more strategically; there is growing awareness of financial goals, and a desire to build wealth and develop skills. Gen Z is more open than previous generations to taking up financial protection and seeking advice. We need to nurture all the proactive traits we are seeing emerge in this generation.



Experts: A final comment



Kele

We must bridge the gap between feeling confident and acting consistently. The data shows South Africans are optimistic about their financial futures, but

optimism without structure fades. Behaviour is enabled by design, not intention. Embedding behavioural cues, automation, visible feedback loops into financial systems helps good habits happen by default. When saving, tracking, or repaying debt becomes automatic and rewarded, consistency replaces willpower. The key is to turn emotion into evidence: show people, in real time, how their actions compound into progress. Confidence grows from emotion; capability grows from evidence. **The next leap in financial wellbeing will come when we design for solutions embedded inside people's financial lives.**

Most people haven't lost trust in themselves; they've lost trust in a system that made money feel complicated and sometimes exclusive, especially when looking at investments and wealth

generation. **We build trust not by telling people to "do better," but by designing experiences that make them feel seen, capable, and in control.** That may mean plain language instead of jargon, progress shown in human terms, and products that meet people where they are - not where we assume they should be.

Shame, fear, and money stress still quietly erode South Africa's collective confidence. They stop people from asking questions, sharing experiences, or seeking help – the very actions that build capability. **Silence becomes self-reinforcing; when money feels private and painful, learning stalls and progress slows.**

The data shows confidence is rising, but lasting change depends on what we do with that confidence. To shift from anxiety to agency, we need to be comfortable talking about money. **Money isn't managed in spreadsheets – it's lived in families, friendships, and workplaces, where emotion and experience shape every choice. The more openly we talk about it, the more confident we all become.**



Tshepo

Over the years, Sanlam has invested in creative ways to make financial education more accessible and relatable. Campaigns like the R1 Man, UK'shona Kwelanga, the Sanlam

Savings Jar app, and Moola Money were all designed with a simple intention: to help people feel more comfortable learning about money in the spaces where they already live, connect and play. This reflects our north star: to empower generations to be financially confident, secure and prosperous.

Confidence is not only about information. It's about feeling seen, capable and in control. The Financial Confidence Index shows encouraging momentum, particularly among younger South Africans, but **there is still a gap between optimism and action. To close that gap, we need to meet people where they are: with plain language, relatable experiences, and products that support progress at a realistic pace.**

We also know that shame, stress and silence still hold many people back. When talking about money feels difficult or private, it becomes harder to ask questions or seek help, and confidence stalls. But when money becomes something we can talk about openly, in households, workplaces and friendships, it becomes something we can learn together.

We need to help people to plan, decide and act. Gen Z, in particular, has the curiosity and digital fluency to shape a different financial future. Our role is to support that potential with care, clarity and tools that build real capability.

Sanlam remains committed to empowering people to feel more confident about their financial lives. The Index is one way we hold ourselves - and the sector - accountable to that mission.

Ultimately, conversations lead to confidence, and confidence leads to better futures.

