



**AN ANALYSIS OF
THE BAHAMAS FINANCIAL LITERACY SURVEY 2018**

**THE CENTRAL BANK
OF
THE BAHAMAS**

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1. Introduction

This report summarises the results of the Central Bank of The Bahamas' Financial Literacy Survey. It also establishes a framework for both promoting financial literacy in The Bahamas and benchmarking progress in this area going forward.

Overwhelmingly, the survey found that knowledge of financial products and concepts has not translated into the same level of positive changes in personal behaviour. There is particularly scope to educate Bahamian households about longer-term savings and investment instruments, such as: stocks, bonds and mutual fund products, thereby extending the knowledge base beyond the standard basic deposit and credit services provided by banks.

The population is almost evenly divided between persons who approach savings as a residual outcome—what is left over after spending decisions have been made—versus the more advisable practice of saving as an upfront priority. Put simply, approximately half of the population reportedly “spends now then saves later”; the other half saves *before* spending.

Although most households aspire to improve their financial state in the future, many expressed difficulty finding viable options to achieve their goals. In the meantime, financial security, as measured by the buffers that households currently maintain, varied; only 48% of respondents have the equivalent of at least 6 months of income saved for emergencies. Alternatively, about 13% of respondents could not manage for more than one month.

There was also a notable demographic divide in several areas. For example, it appeared that men generally performed better at basic numeracy skills, such as assessing the impact of interest rates and cost of living changes on either savings accumulation or purchasing power over time¹. However, women were more financially resilient, and were therefore more likely to save prior to spending and cut back on spending in order to “*make ends meet*”. Regarding awareness of the importance of planning for longer-term savings and retirement, a higher percentage of persons in the older grouping (55+ year-olds), were inclined to behave positively than persons who were either in the middle age grouping (35-54 year-olds) or younger (16-34 year-olds).

In an international context though, The Bahamas is not an outlier. Literacy performance falls within the ranges estimated for G20 countries in the 2017 G20/OECD Report on Adult Financial Literacy in G20 Countries.² These underscore the international importance of improving financial literacy.

From the survey results, this report focuses on three key aspects of financial literacy—as noted in the G20/OECD survey of its member countries—namely, financial knowledge, financial behavior, and attitudes towards longer-term financial planning. The OECD has the following definition of financial

¹ Higher income households also had better results relative to those with lower incomes.

² <http://www.oecd.org/finance/financial-education/measuringfinancialliteracy.htm>

literacy, “A combination of awareness, knowledge, skill, attitude and behaviour necessary to make sound financial decisions and ultimately achieve individual financial well-being.” The OECD noted that although more individuals worldwide have access to basic financial products, consumers have shown limited understanding of such products and concepts. This includes elements of both understanding and application of financial concepts and procedures.

2. Methodology

In July 2017, the Central Bank announced plans to implement a financial literacy programme, targeting key population segments such as: school-aged children, young adults, prospective homebuyers, homeowners, pre-retirees and retirees. The targeted outcomes of the programmes are to make financial services more accessible through “safe, cost effective channels”, ensure that consumers are better able to conduct their affairs in a prudent fashion, and are equipped to act in their best financial interests.

In October 2017, the Bank commissioned Public Domain, a local market research and strategy company, to execute a literacy survey on a representative sample of the population. This survey was administered randomly by telephone to 1,000 residents throughout The Bahamas, with each respondent being interviewed for an average of 18.4 minutes. The sample results were then weighted to reflect the demographic distribution of the latest population census. Persons were polled on their knowledge and use of financial products, and their familiarity with certain financial concepts. In line with international benchmarking, including features of the OECD’s approach, individuals were tested on their understanding of key concepts such as: the effect of interest rates and inflation on savings and the purchasing power of money.

3. Financial Knowledge

Six questions were used to test the respondents’ financial knowledge. These ranged from basic arithmetic skills, to knowledge and understanding of economic and financial concepts, such as inflation and return on investment (see Table A1, Appendix). The results reveal better basic numeracy skills for men and in most cases, higher competency for higher income households than lower income households. Overall, less than half (42.3%) of the respondents were able to provide answers to basic questions about financial computations and concepts around interest rates, including the compounding effects of interest rates. Respondents of a younger demographic generally scored higher than their older counterparts. In all but one case, questions did not require the respondents to provide an exact calculation of the answer, but to understand the concepts sufficiently to at least eliminate incorrect possibilities.

a) Knowledge of Financial Concepts and Terms

On basic computation, the majority of persons (74% across all subsets considered) knew how to divide a hypothetical sum of money equally between a set numbers of individuals. This question could be considered the easiest of the skill questions. By age grouping, 55+ year-olds had the lowest accuracy rate (68%), while 78% of 35-54 year-olds answered correctly.

For the more complex concepts, only a third of the respondents were able to offer an answer. Of those that responded, the following was evident:

- Roughly one-third (34%) of the respondents, were able to understand the compounding effect of interest rates on funds deposited in a bank account for multiple years. Some 44% of persons admitted not knowing the answer, and the remainder answered incorrectly. Meanwhile, individuals aged 16-34 years had the highest rate of correct responses (41%). On average, men scored 38% correct, compared to 30% of women.
- Respondents were asked if over the course of a year, an inflation rate of 10% would reduce the purchasing power of funds invested at an interest rate of 8%. This was designed to test whether they understood the cost of living effect on the real value of an investment. Only 45% of persons answered correctly: that the spending power of money would have been reduced. Again, the correct response rate was higher for men versus women (51% versus 40% respectively), and most of the correct responses (52%) were provided by 35-54 year-olds. The ability to answer correctly was also positively correlated with household income.
- The ability to assess the impact of the cost of living, or inflation, on purchasing power was also measured. Only 36% of respondents understood that their spending power would remain the same if their incomes increased at the same rate as inflation. A larger share of men (40%), versus women (33%) answered correctly; although younger age groups outperformed older persons and middle and higher income household were generally more discerning than lower income households.
- A final skills test was whether individuals could calculate the interest rate being charged on a loan if they were given the dollar amount of interest paid. Only 14% of the responses answered correctly; men were correct 18% of the time versus 10% for women. This time, the middle-age grouping had the most correct responses, while the highest income grouping fared best overall (25% correct).

b) Self-Assessed Levels of Financial Knowledge

As to knowledge of financial products, at least four out of five respondents had some knowledge of basic banking products (loans and credit cards, savings and checking accounts, debit cards) pension funds, 'asues' and insurance policies. There was less familiarity, though commonly above 60% recognition, with instruments such as stock and shares, mutual funds, bonds, and mobile banking.

Yet knowledge of products has not translated into higher rates of usage. Aside from savings accounts, debit cards and insurance policies, less than 1 in 3 persons disclosed that they consistently availed themselves of the products listed. Not surprisingly, respondents generally wanted to learn more about the products which currently have lesser average usage. Interest was highest for insurance and investment-related products, as Table 1 shows, the investment account drew attention from 41% of respondents. Others that generated substantial interest included: stocks and shares (39% of

respondents), equity funds (37%), pension funds (36%), bonds (35%), mutual funds (35%) and insurance policies (34%).

Among other subgroupings, a higher share of younger persons were open to learning more about the various products, when compared to older respondents. Alternatively, those in lower income brackets were more curious than those in higher income brackets.

Product or service	% of Respondent answering "Yes"		
	Heard of	& Own jointly or personally	Want to learn more
i. Savings Account	93	80	30
ii. Debit card	91	70	24
iii. Checking Account	85	37	25
iv. Insurance policy	87	59	34
v. Pension Fund	82	33	36
vi. Mortgage	88	31	29
vii. Credit card	89	48	21
viii. Mobile Phone banking	70	40	26
ix. "Asue"	89	33	20
x. "Numbers" Account	56	19	20
xi. Bonds	60	13	35
xii. Stocks and shares	71	24	39
xiii. Investment Account	62	22	41
xiv. Mutual Funds	60	15	35
xv. Equity Funds	51	13	37

Source: Public Domain

With regards to pension funds, the findings suggest that most households questioned were falling behind in their preparation for retirement. Although 82% had prior knowledge of pension funds, only 33% actually contributed to one; and only 36% were interested in learning more about them.

In terms of preferences to receive information about financial products, respondents still express a preference for direct information by non-electronic channels. More than a third indicated that they favoured receiving the information via direct mail (34%), while 22% preferred to receive the information in person from a financial institution's office. Each of the other methods included in the questionnaire was preferred by less than 10% of respondents, including email delivery (6% of persons) and via financial institutions' websites (6%).

4. Financial Behaviour

The OECD, in its report on financial literacy among residents of its member countries, grouped financial behaviors into two major categories, namely financial control and financial resilience. Financial control is gauged from behaviors such as: budgeting, responsibility for financial decisions, making considered

purchases, punctual payment of obligations and monitoring financial affairs. Behaviors indicative of financial resilience include: saving, ability to face external shocks, long-term goal setting, and making informed choices of financial products.

a) Financial Control

As it relates to either control or financial discipline, respondents were asked if their household had a budget. The majority (57%) responded “yes”, with a higher affirmative rate for men (62%) than women (53%). A breakdown by average age showed that 56% of respondents aged 16-34 years said “Yes”, while 58% of respondents in both higher age groups also replied in the affirmative. There was stronger variation by income, with two-thirds of persons in the two higher income groupings likely to have a household budget, compared to just above half of those in the lowest income group.

With regards those who had responsibility for day-to-day decisions about money in their households, 33% indicated that they were solely responsible for that decision, while 32% replied that this role was shared with their spouse/partner. The remaining proportion indicated that the decision was made by either another family member or the respondent’s partner/spouse.

When it came to making spending decisions, the majority of persons (78%), give consideration to whether they can afford something before purchasing it. About 5% of surveyed persons gave no thought to affordability, while for the remainder, other considerations mattered. A similar sentiment existed with regard to paying bills on time, with 68% of persons strongly agreeing that they did; 20% somewhat agreed, while 5% rarely, if ever, met their financial obligations on time.

b) Financial Resilience

Saving promotes financial security on many levels, such as helping households cover emergency needs, or cope with retirement or other periods of reduced income. The majority of those surveyed indicated that they did indeed save. While an approach that treats savings as an upfront priority is likely to be more effective than treating it as a “residual” outcome, i.e. spending first on everyday needs and saving the remainder, only 47% of respondents admitted to placing the decision to save ahead of the decision to spend. An almost equal amount (46%) took the opposite approach, spending on everyday needs first then saving what was left over, while about 5% of those surveyed admitted to not saving anything. Women indicated a stronger habit for up front savings (49%), as opposed to the residual approach (45%) while among males, the slightly larger fraction treated savings as the residual outcome (48%) versus the primary decision (45%). Meanwhile older respondents seemed to give more priority, than younger persons, to saving prior to spending.

Another notable result from the survey, was the fact that when respondents were asked to reflect on the last 12 months and indicate whether their income was generally sufficient to “*make ends meet*” each month, 47% stated that their earnings were usually insufficient to cover their living expenses. This reinforces the likelihood that a residual approach may not produce effective savings outcomes. An analysis by gender showed that this was the case for 41% of men and 52% of women. Viewed from the perspective of age, about half of all persons aged 16-54 years, and 39% of those aged 55 years and over

gave this response. When average earnings were considered instead, those with a household income of less than \$30k per year, felt that they fell short of what they needed to meet all their financial demands. This percentage declined to 44% for medium income households (\$30k-\$60k per annum), and to 35% for those in the highest income bracket (over \$60k per annum).

When income was insufficient to cover household expenses, 40% of respondents saw reducing spending as the solution to covering their expenditures, followed by working a second/third job (17%), and borrowing money from family and friends (10%). Each of the other means of coping garnered less than 10% of responses.

In terms of the amount of savings they had stored for a “rainy day”, the largest percentage of persons who responded (48%) stated that they would be able to cover costs for more than six months if they lost their main income. A smaller group (16%) indicated that their savings would cover three to six months of expenses; for 15% the coverage was one to three months, and 13% of individuals had less than a month’s coverage. Taking 6 months as a comfortable mark, men and women were evenly matched with this question. However, not surprisingly, a higher proportion of older respondents appeared to have greater financial security than younger ones (56% vs. 36%), and those with higher incomes were better off than lower income earners (59% vs. 37%).

5. Attitudes toward Longer-Term Financial Planning

Participants were asked several questions about their financial planning for the future. On average, about 3 out of every 4 persons surveyed affirmed that they had financially grounded objectives, such as: higher education, home ownership or becoming debt free. This was most commonly the case for subgroups, which singled out youth (16-34 year-olds) and the middle-income category of persons (the \$30k-\$60k per year), with 87% of both categories attesting to having financial goals. Approximately 82% of persons aged 35—54 years, and 55% of those over the age of 55, affirmed the same. In addition, some 78% of persons in lower income households and 83% of those in the higher income group, disclosed that they had financial goals.

Given the high level of arrears and non-performing loans in the banking system, it is not surprising that the most common financial goal among respondents was debt repayment (17%), followed by home ownership (13%) and college tuition (10%).

A smaller percentage of persons surveyed cited retirement as an important financial goal (7%).³ Instead, most respondents indicated that they planned to fund their retirement either via their National Insurance Board pension (26%) or from a workplace pension plan (25%).

With a view to gauging households’ approach to life and spending, respondents were also asked to indicate their level of agreement with the statement, “*I tend to live for today and let tomorrow take care of itself*”. The majority of participants (62% of men and 55% of women) either disagreed or strongly

³ Not surprisingly, the share of respondents aged 55 years and over who stated this as important was higher at 13%.

disagreed with this sentiment. It appears that sentiments toward the satisfaction derived from spending now as opposed to saving for the long-term were mixed, with some respondents indicating that they preferred to spend now, while others preferred to save for the long-term. By gender, 47% of males reported that they are more satisfied when they save money as opposed to spending it; while 25% indicated that they are more satisfied spending now than saving for the long-term. In terms of women, a higher 51% preferred to save for the long-term than spend money now, whereas 21% saw the reverse as more satisfying. By age group, persons in the 35-54 age range showed the most agreement with saving for the long-term instead of spending now (52%), while a lower percentage of persons in the 16-34 age range (28%), indicated that they preferred to spend now as opposed to saving for the long-term. An analysis by income revealed that higher earning households (>\$60k per annum) were generally more satisfied spending money than saving it for the long-term, when compared to those making less than \$60k.

6. Some Comparisons with G20 Countries

From the survey results, it appears that The Bahamas is neither an outlier nor a leader when it comes to the level of financial literacy within the global population. Selective comparison against the 2017 G20/OECD results, places this jurisdiction between the extremes that emerge across OECD members. That said, the promotion of increased literacy should remain a priority for The Bahamas. On literacy, skills involving numeracy and assessment against interest rates, and the effect of inflation on the cost of living,⁴ the results for The Bahamas rank below the best performing countries in the G20. However, the general pattern of males performing better on these questions is evident in both The Bahamas and the G20 survey. Tables A2 and A3 in the Appendix, provide these selective comparisons for The Bahamas against the G20 countries.

7. Conclusion

The results of the literacy survey generally affirm the need for a strategic campaign to improve financial literacy and increase financial empowerment among Bahamians. It is important to note that:

- For its member states, the OECD has a target rate of at least two-thirds (66%) of respondents indicating financially responsible behaviours. Only 58% of the respondents in this sample gave financially responsible responses to questions relating to such behaviors.
- Performance on the financial skills test points to the need for stronger numeracy skills and competency to assess the outcome of medium-term savings and investment decisions, when returns are expressed in interest rates, and when individuals have to plan for the effect of inflation on their spending power.

⁴ The Bahamas' survey did not dive as deeply into investment knowledge as those in other countries. This would have also required an assessment of participants' understanding of risk and diversification in investment decisions.

- While the responding households appeared to have some knowledge of the financial products and services available to them, their awareness did not seem to extend far beyond the traditional banking services, such as deposit taking and conventional loans.
- The limited electronic payments innovations that are available do not seem to be either widely understood or used.
- When it comes to financial prudence and responsibility, households generally have an idea of what they should be doing, but find it challenging to execute their plans.
- The demographic differences in terms of literacy and behaviour are also significant, with men showing higher numeracy competence, women displaying more financial resilience, and households of higher income being disposed to more positive behaviours.

8. Appendix of Tables and Charts

A1. Financial Knowledge Skills Test			
	Question	Purpose	Correct Response
Q1	Imagine for a moment that you have 5 brothers. If you have \$1,000 to split equally amongst the 5 brothers, how much does each brother get?	To test the respondents' ability to calculate basic arithmetic in a consumer mathematics context.	Divided five ways, each brother receives 1/5, or 20%, or \$200.
Q2	Let's assume that you deposited \$100 in a bank account for 2 years at an 8.0% interest rate. How much money will you have in your account in two (2) years, if you do not withdraw from or add to this account any money?	To test the ability to calculate simple interest & to recognize the compounding effect of interest rates.	More than \$108. The deposit would earn \$8 of interest the first year, plus another \$8 in the second year. In year two, you will start off with a total deposit of \$108. This will earn at least another \$8 of interest.
Q3	Let's assume that you deposited \$100 in a bank account for 5 years at 10% interest rate. The interest will be earned at the end of each year and will be added to the principal. How much money will you have in your account in 5 years if you do not withdraw the principal or the interest?	To test the ability to calculate compound interest and test whether there is an awareness of the benefits of compound interest.	The correct answer is more than \$150! At 10%, interest the initial deposit would earn \$10 each year for a total of \$50 over 5 years. However, the \$10 added to your account in the second year will also earn 10% interest each year for four years (at least an extra \$4). At least another \$3 is earned on the redeposited funds after year two, and so on. In fact, the formula to calculate the amount in your account after 5 years is $\$100 \times (1.10)^5 = \161.05 Subtracting the initial deposit from this amount leaves \$61.05 as the total interest earned.
Q4	Imagine that you deposited money in a bank account at an 8% interest rate, while the annual inflation rate was 10%. In one year's time, do you think the money from your account can buy more or less, or the same amount of goods and services on average as now?	To test respondents' ability to understand how inflation impacts purchases.	Your money will buy less. Although the interest will increase your deposit by 8% to \$108, the cost of what must be purchased increase by the rate of inflation (10%) to \$110. You would have \$2 less that you need to cover the expenses.

A1. Financial Knowledge Skills Test			
Q5	Let's assume that in 2018 your income is twice as much as now, and the consumer prices also rise two-fold. Do you think that in 2018 you will be able to buy more, less, or the same amount of goods and services as today?	To test the ability of the respondents to understand the general impact of inflation.	You would be able to buy the same amount. You need a two-fold (twice as much) income to pay for the same amount of good. Your income has increased by precisely this amount.
Q6	Let's assume that you took out a bank loan of \$1,000 to be paid back during a year in equal monthly payments. The credit charge is \$60. Can you give a rough estimate of the annual interest rate on your loan?	To test respondents' understanding of how to measure the rate of interest earned or charged.	The interest rate charged is 6%. Divide the credit charge by the amount borrowed and multiply by 100%: That is: $\frac{\$60}{\$1000} \times 100\% = 6\%$

Source: Public Domain

Table A2. Comparative Responses - Knowledge & Skills (The Bahamas and G20 Members)

Metric / (% of supplied responses)	Bahamas	G20 Countries	
		Avg ⁵	Range ⁶
i. Respondents' household uses a budget	57	60	35-85
ii. Able to understand the compounding effect of interest rates over 5 years	34	42	32-56
iii. Understood relationship between risk and return	81	78	67-90
iv. "An investment with a high return is likely to be high risk" (answered T/F question correctly)			
v. Understood the benefit of diversification	53	59	37-81
vi. "It is usually possible to reduce the risk of investing in the stock market by buying a wide range of stocks and shares" (answered T/F question correctly)			
vii. Able to estimate interest paid on loan	14	80	54-94
viii. Understood the meaning of the term inflation	93	77	61-92
ix. Able to assess the impact of the cost of living/inflation on purchasing power	36-45	53	14-74

Source: Public Domain

⁵ Average – G20 Countries' reports the mean of the country percentages for all G20 countries with comparable data (excluding the Netherlands and Norway).

⁶ Ranges are approximate, and represent the respective G20 country that scored lowest and highest on the metric used. In some cases, the data was not available for every country because of differences in the survey instrument.

Table A3. Comparative Responses - Attitude & Behaviours (The Bahamas and G20 Members)

Metric (% of supplied responses)	Bahamas	G20 Countries	
		Avg ⁷	Range ⁸
i. Agrees with the statement “I pay my bills on time”	88	75	48-95
ii. Agrees with the statement “Before I buy something, I carefully consider whether I can afford it”	91	76	63-93
iii. Agrees with the statement “I set long-term financial goals and strive to achieve them”	90	53	27-68
iv. Disagrees with the statement “money is there to be spent”	24	29	15-75
v. Agrees with the statement “I keep a close personal watch on my financial affairs”	92	68	43-89
vi. Does not find it more satisfying to spend than save	60	43	14-69
vii. Disagrees with the statement “I tend to live for today...”	69	48	17-77
viii. Borrowed to make ends meet in in the last 12 months	19 ⁹	22	5-43
ix. Income did not always cover living costs in the last 12 months	47	37	15-71

Source: Public Domain

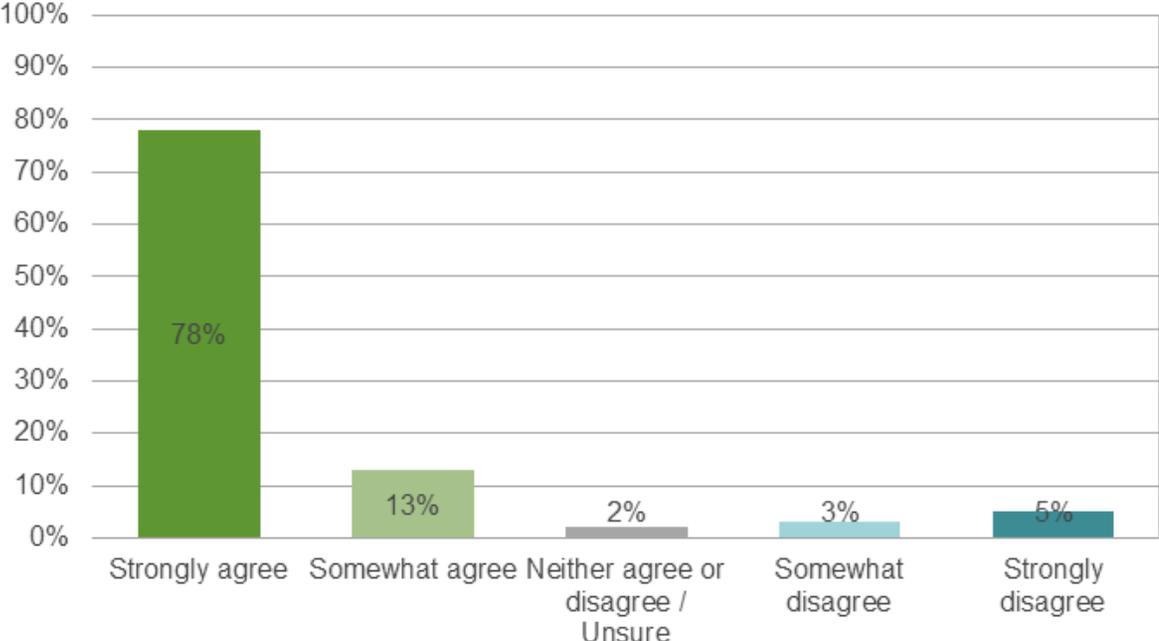
⁷ Average – G20 Countries’ reports the mean of the country percentages for all G20 countries with comparable data (excluding the Netherlands and Norway).

⁸ Ranges are approximate, and represent the respective G20 country that scored lowest and highest on the metric used. In some cases, the data was not available for every country because of differences in the survey instrument.

⁹ This includes informal and formal sources (e.g. friends/family, salary advances, other loans)

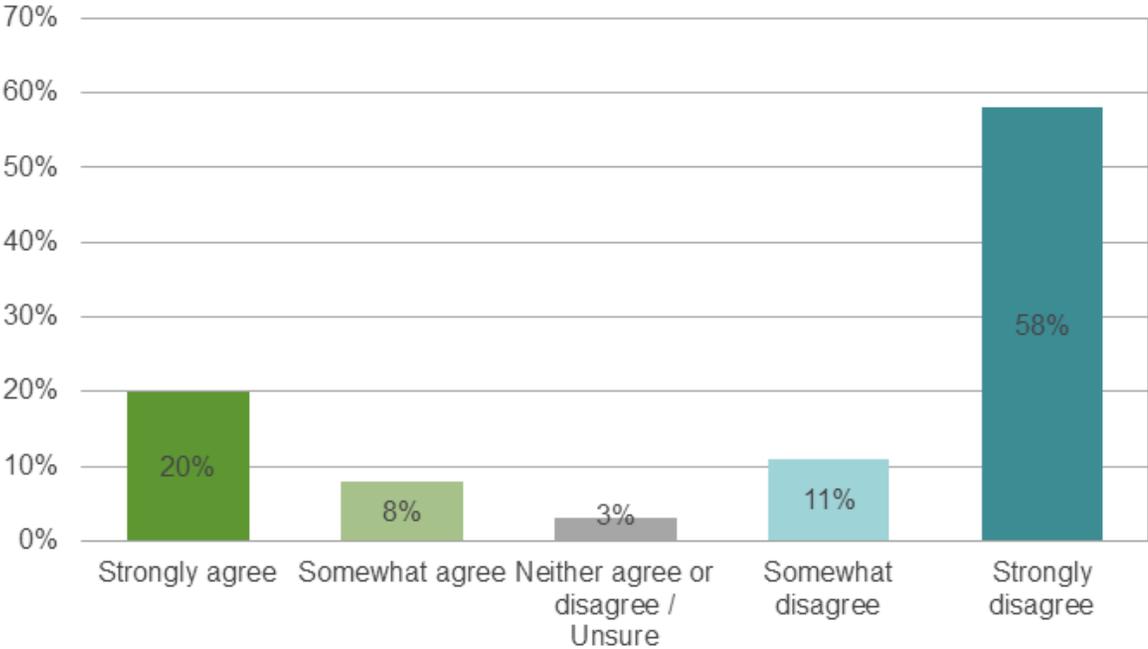
A4. Selected Responses: Attitudes & Behaviours

1.0 Agree/Disagree – Before I buy something I carefully consider whether I can afford it.



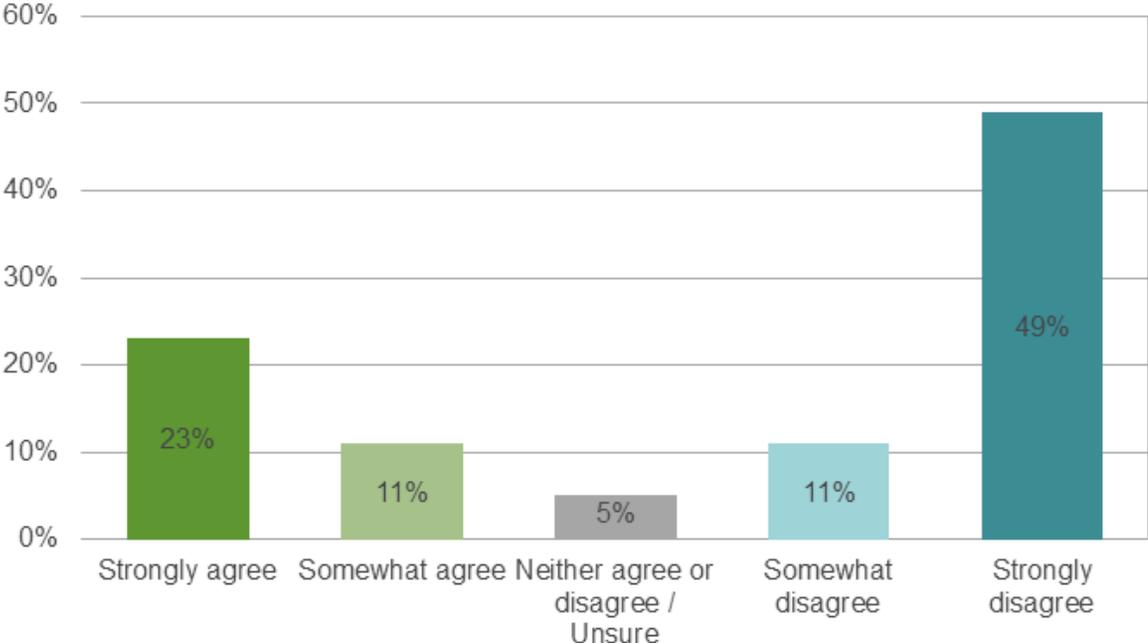
A4. Selected Responses: Attitudes & Behaviours

2.0 Agree/Disagree – I tend to live for today and let tomorrow take care of itself.



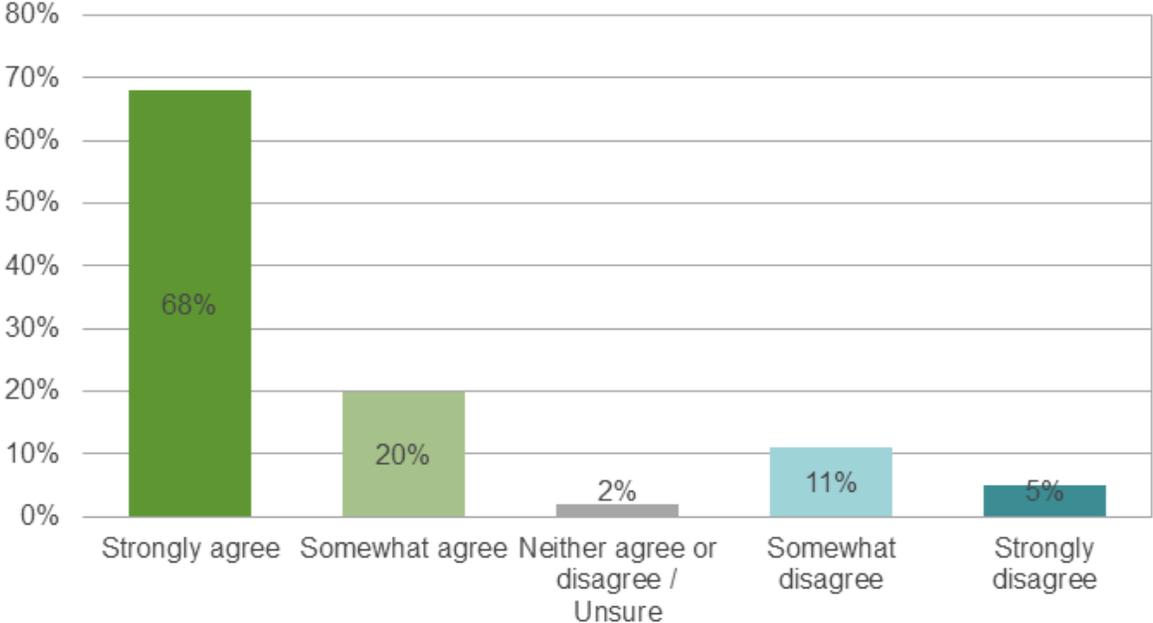
A4. Selected Responses: Attitudes & Behaviours

3.0 Agree/Disagree – I find it more satisfying to spend money than to save it for the long-term.



A4. Selected Responses: Attitudes & Behaviours

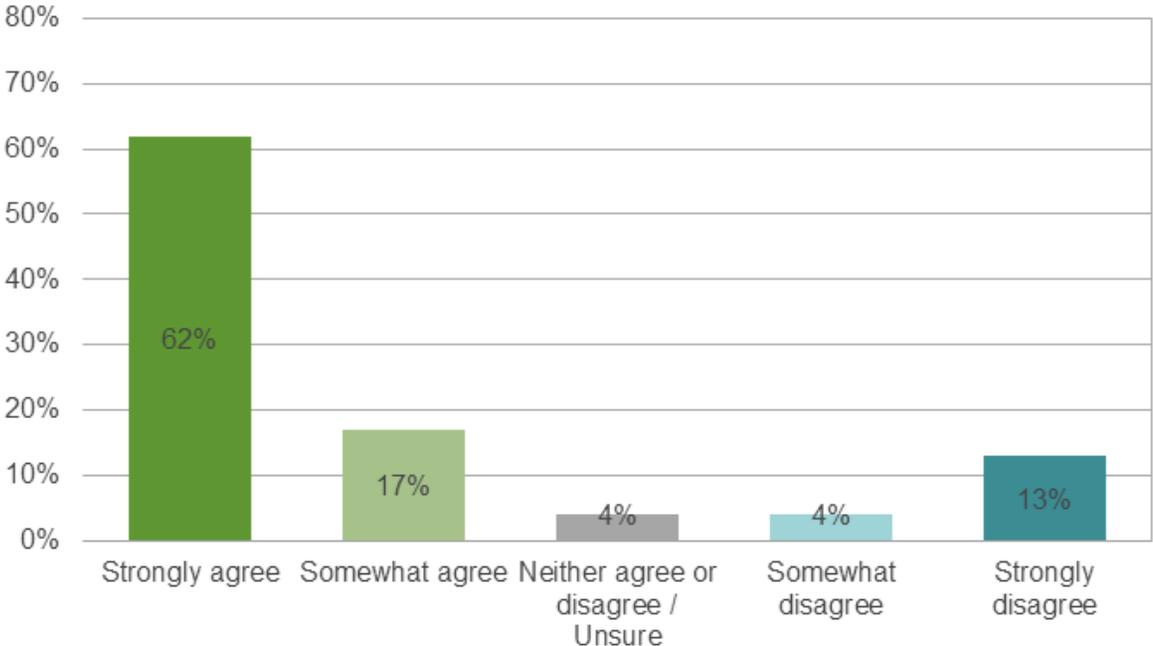
4.0 Agree/Disagree – I pay my bills on time.



4: I am going to read out some statements and I would like to know how much you agree or disagree that each of the statements applies to you personally.

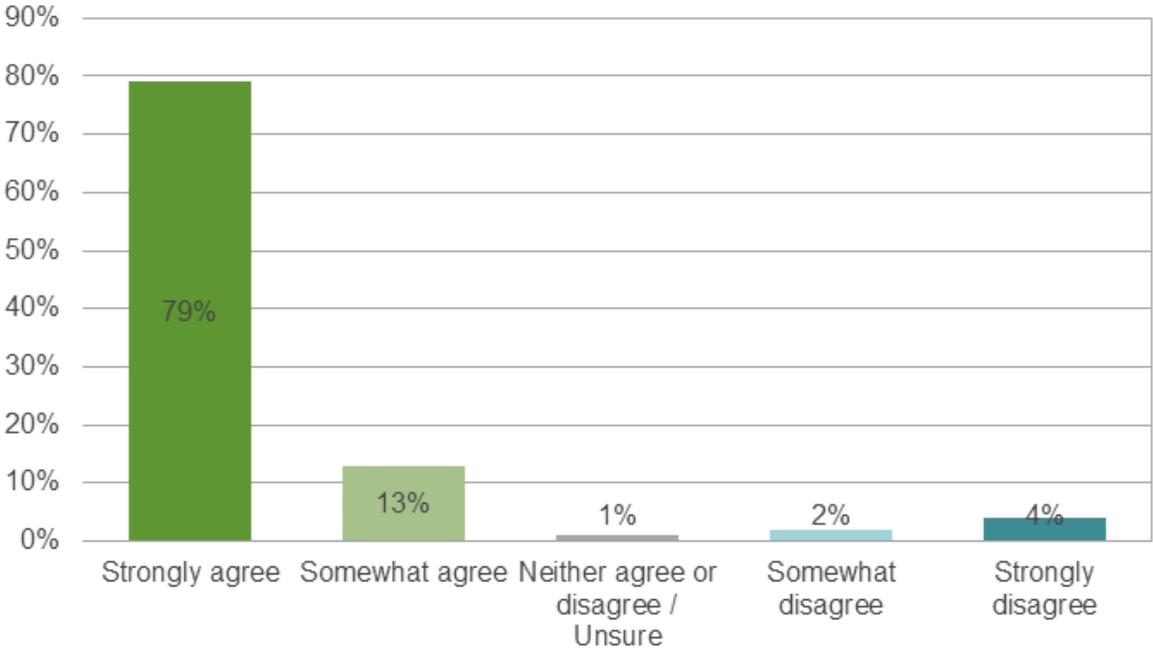
A4. Selected Responses: Attitudes & Behaviours

5.0 Agree/Disagree – I am prepared to risk some of my own money when saving or making an investment.



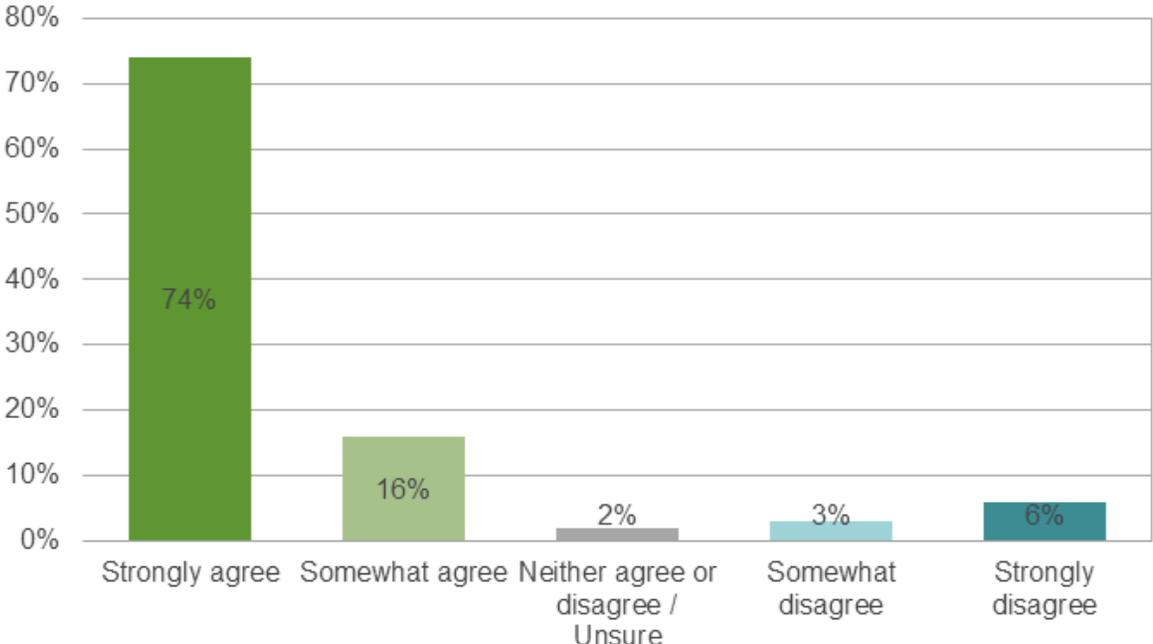
A4. Selected Responses: Attitudes & Behaviours

6.0 Agree/Disagree – I keep a close personal watch on my financial affairs.



A4. Selected Responses: Attitudes & Behaviours

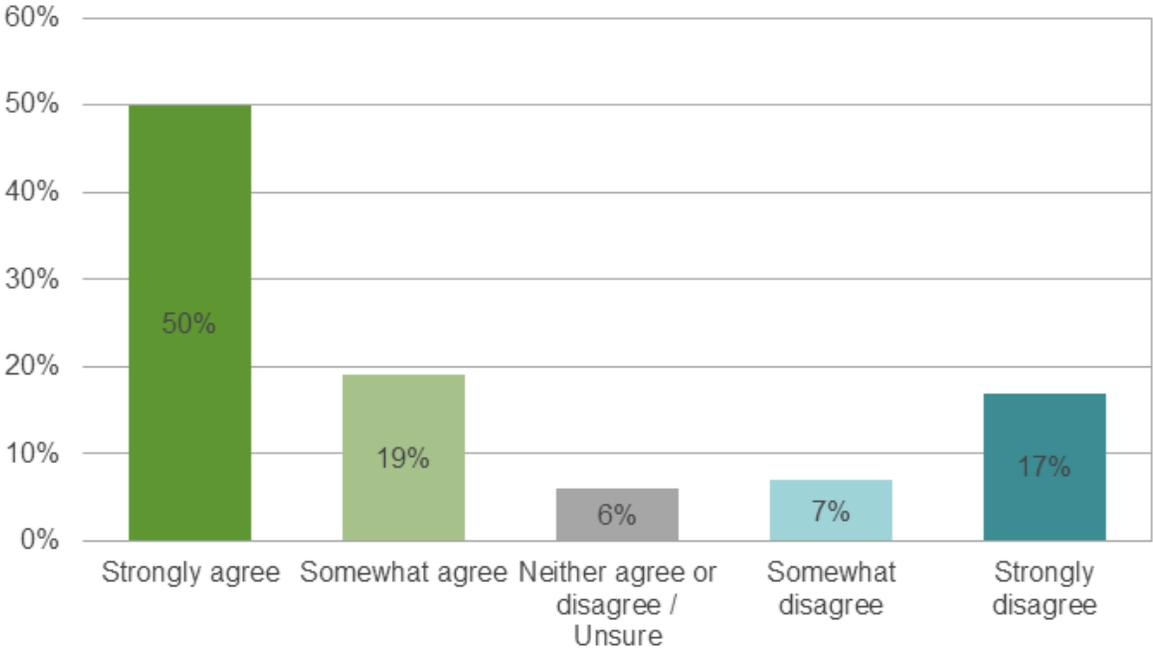
7.0 Agree/Disagree – I set long-term financial goals and strive to achieve them.



7: I am going to read out some statements and I would like to know how much you agree or disagree that each of the statements applies to you personally.

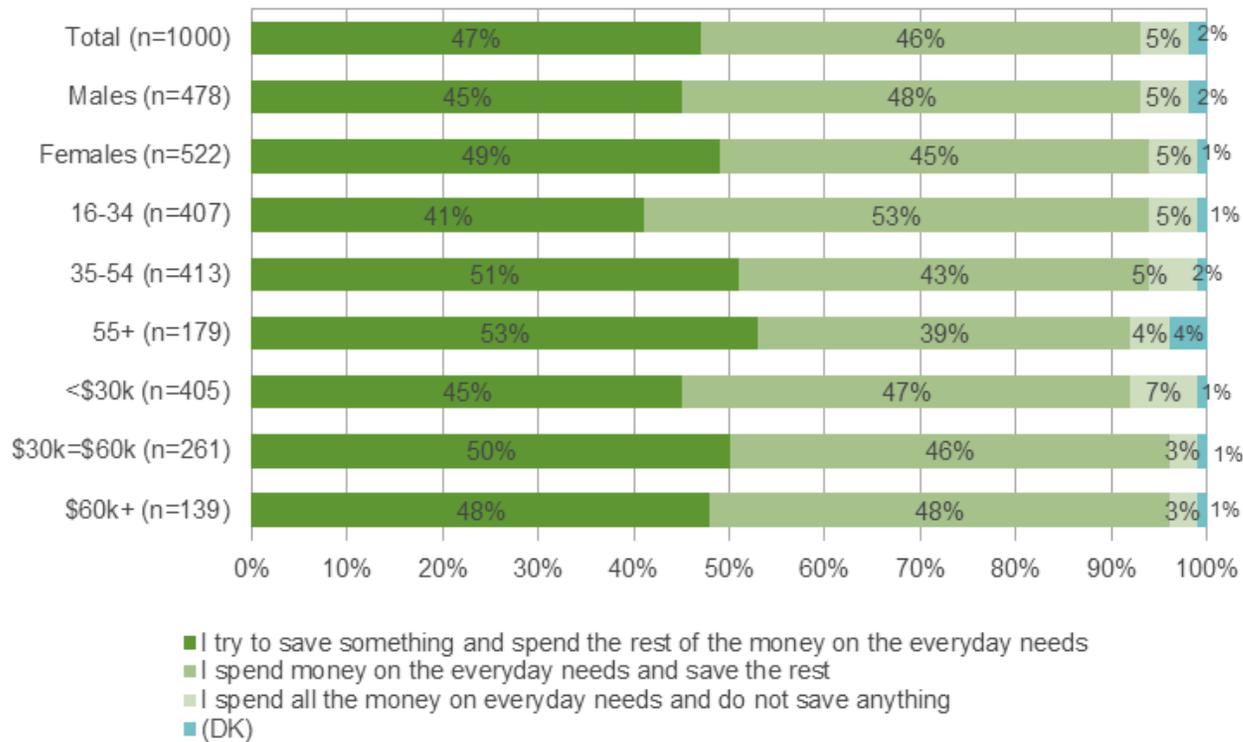
A4. Selected Responses: Attitudes & Behaviours

8.0 Agree/Disagree – Money is there to be spent.



A4. Selected Responses: Attitudes & Behaviours

9.0 Statement that best reflect how you usually manage your money...



A4. Selected Responses: Attitudes & Behaviours

10.0a Reasons for savings / investments.

10a: People save or invest for different reasons. What are your (your family's) personal reasons to have made savings or investments? (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
For a rainy day, for unexpected expenses	37%	33%	40%	32%	39%	40%	34%	38%	37%
For retirement	19%	21%	18%	7%	27%	30%	12%	24%	32%
To get income in the form of interest, increased market value of assets, etc.	4%	4%	3%	4%	4%	1%	4%	3%	4%
To leave something for children to inherit	7%	8%	6%	6%	10%	5%	8%	9%	6%
To increase my living standards in the future	20%	22%	18%	25%	20%	12%	22%	24%	19%
I like saving rather than spending money	2%	3%	2%	1%	2%	5%	3%	3%	2%
To be independent and be able to make choices	4%	4%	4%	3%	4%	4%	4%	6%	3%
To speculate on the stock exchange	1%	1%	0%	0%	1%	1%	1%	1%	0%

...Continued...

A4. Selected Responses: Attitudes & Behaviours

10.0b Reasons for savings / investments. (continued)

10b: People save or invest for different reasons. What are your (your family's) personal reasons to have made savings or investments? (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
To pay for my funeral	2%	2%	2%	1%	2%	1%	1%	3%	2%
No particular reason, this is a family tradition	1%	1%	1%	1%	2%	2%	2%	1%	1%
For my children's education	12%	12%	12%	10%	16%	7%	10%	15%	17%
For my university tuition / college / professional training	6%	5%	7%	9%	5%	3%	6%	4%	8%
For the future / For future endeavors	3%	2%	4%	3%	3%	4%	3%	2%	5%
To own a house / To invest in a home / Mortgage	4%	5%	4%	8%	2%	1%	6%	4%	1%
Own a car	1%	1%	1%	2%	0%	0%	1%	2%	0%
Start a business	2%	3%	1%	4%	2%	0%	2%	4%	1%
Vacations / Travel	0%	0%	0%	1%	0%	1%	1%	1%	0%

...Continued...

A4. Selected Responses: Attitudes & Behaviours

10.0c Reasons for savings / investments. (continued)

10c: People save or invest for different reasons. What are your (your family's) personal reasons to have made savings or investments? (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
My children / My kids / My grandkids	2%	2%	3%	3%	2%	2%	4%	1%	2%
For my future kids / To have kids	1%	1%	0%	1%	1%	0%	1%	1%	0%
Sickness / Medical / Health reasons	1%	0%	2%	1%	1%	2%	2%	0%	0%
To be debt free / Pay off my loan	1%	1%	0%	0%	1%	0%	0%	2%	0%
For my personal needs / For bills / So I wouldn't have to live pay cheque to pay cheque	0%	0%	1%	0%	1%	1%	1%	1%	0%
To invest / To invest in something / To save	1%	2%	0%	2%	0%	0%	1%	1%	3%
For a goal / Long term goal	1%	1%	1%	1%	1%	0%	0%	2%	1%

...Continued...

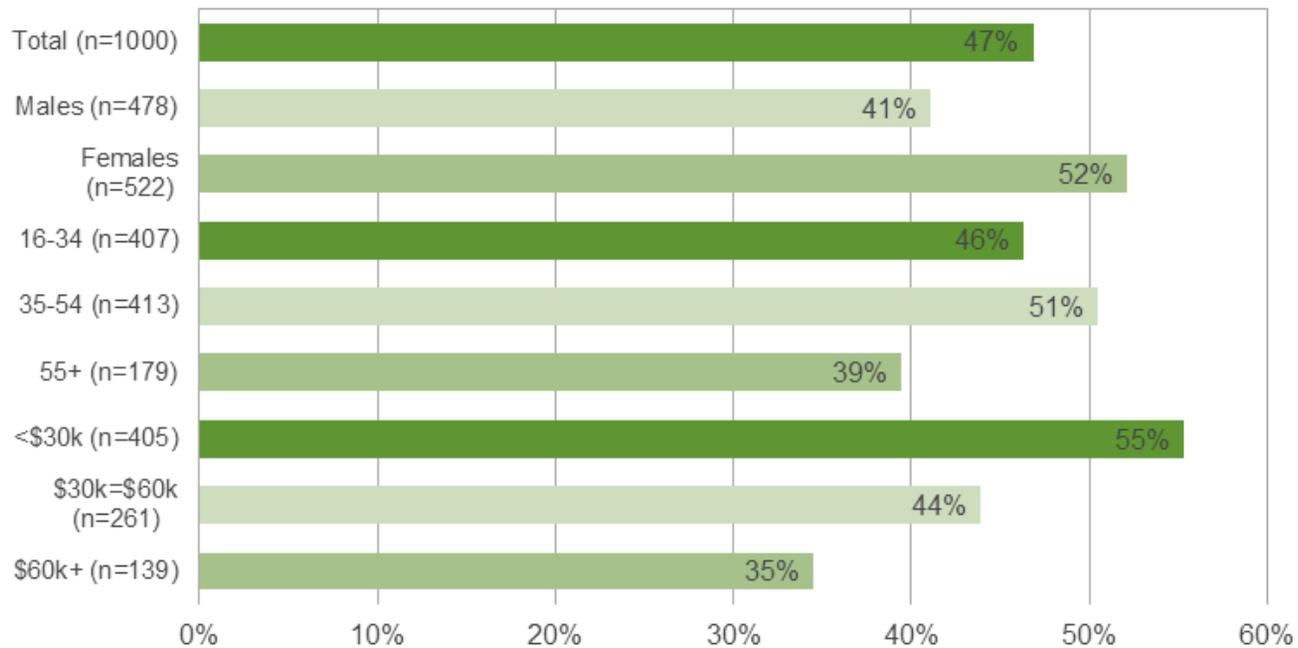
A4. Selected Responses: Attitudes & Behaviours

10.0d Reasons for savings / investments *(continued)*

10d: People save or invest for different reasons. What are your (your family's) personal reasons to have made savings or investments? (DO NOT READ LIST) (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
Other (Specify)	2%	3%	2%	3%	2%	3%	2%	3%	4%
(I/We don't really save anything - not enough money to save)	1%	0%	1%	0%	1%	2%	1%	0%	0%
(Don't know/No answer)	3%	4%	2%	3%	2%	5%	4%	1%	1%
(Prefer not to say)	1%	1%	1%	1%	2%	0%	2%	0%	0%

A4. Selected Responses: Attitudes & Behaviours

11.0 In last 12 months, income did not cover living costs. (% Yes)



11: Sometimes people find that their income does not quite cover their living costs. In the last 12 months, has this happened to you?

A4. Selected Responses: Attitudes & Behaviours

12.0a How you made ends meet when income didn't cover living costs.

12a: What did you do to make ends meet the last time your income didn't quite cover your living costs? (MULTIPLE RESPONSES) % based on Total Responses	Total n=469	Male n=196	Female n=272	16-34 n=189	35-54 n=209	55+ n=71	<\$30 k n=224	\$30k- \$60k n=114	\$60k + n=48
Draw money out of savings or transfer savings into current account	4%	5%	3%	4%	5%	2%	3%	10%	2%
Cut back on spending, spend less, do without	40%	31%	46%	34%	43%	45%	35%	40%	38%
Sell something that I own	1%	3%	0%	2%	1%	1%	1%	3%	0%
Work overtime, earn extra money	6%	10%	4%	8%	6%	3%	4%	8%	8%
Find a 2nd/3rd job to earn extra money	17%	22%	13%	20%	15%	16%	19%	17%	19%
Borrow food or money from family or friends	10%	5%	13%	11%	9%	11%	11%	9%	10%
Borrow from employer / salary advance	2%	1%	2%	0%	3%	2%	2%	1%	4%
Take a loan from my savings and loans clubs	3%	2%	3%	2%	3%	3%	3%	1%	2%
...Continued...									

A4. Selected Responses: Attitudes & Behaviours

12.0b How you made ends meet when income didn't cover living costs.

12b: What did you do to make ends meet the last time your income didn't quite cover your living costs? (MULTIPLE RESPONSES) % based on Total Responses	Total n=469	Male n=196	Female n=272	16-34 n=189	35-54 n=209	55+ n=71	<\$30 k n=224	\$30k- \$60k n=114	\$60k + n=48
Use credit card for a cash advance or to pay bills/buy food	2%	3%	1%	2%	2%	0%	1%	4%	0%
Take out a payday loan	2%	5%	1%	4%	1%	3%	2%	2%	3%
Pay my bills late; miss payments	1%	2%	1%	0%	2%	3%	2%	0%	2%
Pray / Trust in God	1%	2%	1%	0%	3%	1%	2%	2%	2%
Just waited / Bit the bullet and let the pieces fall where they may	3%	1%	4%	3%	4%	1%	5%	1%	0%
Started a business / Home business	2%	3%	1%	1%	2%	2%	0%	2%	7%
Relied on my spouse	1%	0%	2%	1%	1%	1%	2%	1%	0%
Asue	1%	2%	1%	1%	1%	1%	1%	1%	3%
Other (Specify)	3%	4%	3%	2%	4%	3%	4%	4%	0%
(Don't know/No answer)	5%	5%	5%	8%	3%	5%	6%	4%	2%
(Prefer not to say)	1%	2%	1%	1%	1%	1%	2%	1%	0%

A4. Selected Responses: Attitudes & Behaviours

13.0a Methods of saving money in last 12 months.

13a: In the past 12 months have you been personally saving money in any of the following ways, whether or not you still have the money? (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
Saving cash at home or in your wallet	27%	30%	25%	33%	27%	18%	30%	32%	25%
Building up a balance of money in your bank account	41%	44%	39%	40%	43%	38%	36%	57%	46%
Paying money into a savings account	43%	44%	43%	42%	47%	40%	36%	61%	38%
Giving money to family to save on your behalf	7%	8%	6%	9%	6%	4%	6%	7%	6%
Buying financial investment products, other than pension funds [e.g., such as bonds, investment trusts, stocks and shares]	8%	11%	5%	8%	8%	8%	5%	12%	15%
Invest in property	9%	13%	5%	8%	10%	8%	4%	14%	16%
Asue	2%	2%	3%	4%	2%	0%	3%	1%	1%

...Continued...

A4. Selected Responses: Attitudes & Behaviours

13.0b Methods of saving money in last 12 months. *(continued)*

13b: In the past 12 months have you been personally saving money in any of the following ways, whether or not you still have the money? (MULTIPLE RESPONSES) % based on Total Responses	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
No / Haven't saved	1%	1%	1%	0%	2%	1%	1%	1%	1%
Other (Specify)	1%	1%	0%	1%	1%	0%	0%	1%	1%
(Don't know/No answer)	9%	7%	11%	6%	9%	18%	11%	1%	7%
(Prefer not to say)	1%	1%	1%	1%	1%	2%	1%	1%	0%

A4. Selected Responses: Attitudes & Behaviours

14.0 If you lost main income, how long could you continue to cover living costs?

14: If you lost your main source of income, how long could you continue to cover living expenses, without borrowing any money or moving house?	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
Less than a week	4%	3%	6%	4%	4%	6%	7%	2%	4%
At least a week, but not one month	9%	8%	9%	11%	9%	2%	11%	7%	6%
At least one month, but not three months	15%	17%	14%	23%	10%	11%	21%	11%	8%
At least three months, but not six months	16%	16%	15%	20%	15%	8%	16%	20%	16%
More than six months	48%	48%	48%	36%	57%	55%	37%	55%	63%
(Don't know/No answer)	7%	7%	7%	5%	4%	16%	6%	5%	2%
(Prefer not to say)	1%	1%	2%	1%	1%	3%	1%	1%	2%

A4. Selected Responses: Attitudes & Behaviours

15.0 If money was still left right before the next paycheck arrives, what would be the most likely thing you would do with it?

15: If you (your family) have/has any money left right before the next paycheck arrives, what would be the most likely thing you would do with it? (ONE RESPONSE ONLY)	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
Spend it on consumer goods	7%	7%	8%	9%	6%	6%	8%	4%	2%
Keep it in cash	9%	10%	8%	11%	7%	6%	9%	10%	7%
Deposit it into savings account/ do not withdraw it from the account	56%	54%	58%	55%	57%	56%	53%	62%	63%
Invest it in the capital market	1%	2%	1%	1%	2%	1%	1%	1%	4%
Lend it to friends or relatives	2%	1%	2%	2%	1%	2%	2%	1%	2%
Invest it in our own business	13%	16%	10%	12%	14%	11%	12%	13%	16%
Invest it in gold and jewelry	1%	1%	0%	1%	0%	2%	1%	0%	1%
Invest it in an Asue	5%	5%	5%	6%	4%	3%	9%	2%	1%
Pay bills / Pay school fees	2%	1%	3%	2%	2%	1%	2%	2%	1%
Other (Specify)	1%	1%	0%	0%	0%	2%	0%	1%	0%
(Don't know/No answer)	5%	4%	5%	1%	5%	10%	3%	4%	3%

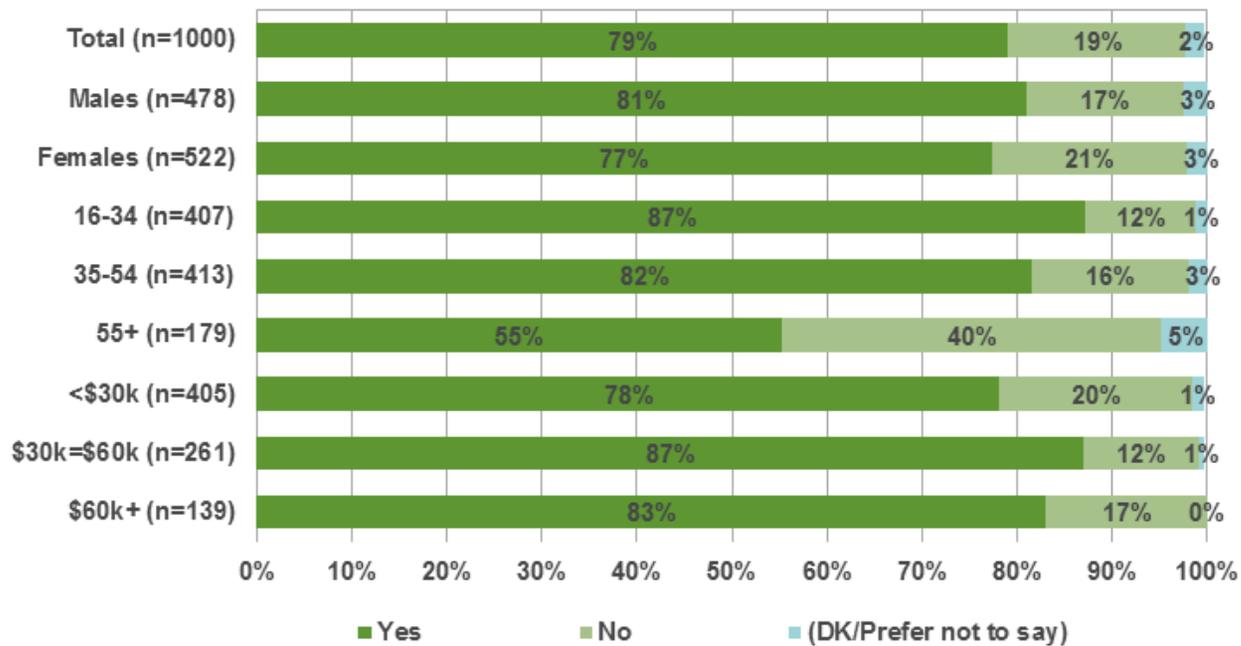
A4. Selected Responses: Attitudes & Behaviours

16.0 True or False (% True)

16: I would like to know whether you think the following statements are true or false:	Total n=1000	Male n=478	Female n=522	16-34 n=407	35-54 n=413	55+ n=179	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
An investment with a high return is likely to be high risk	81%	83%	80%	80%	85%	76%	76%	87%	88%
If someone offers you the chance to make a lot of money there is also a chance that you will lose a lot of money	82%	82%	82%	88%	81%	70%	82%	82%	85%
High inflation means that the cost of living is increasing rapidly	93%	92%	93%	90%	94%	96%	93%	92%	98%
It is usually possible to reduce the risk of investing in the stock market by buying a wide range of stocks and shares	53%	59%	46%	52%	55%	49%	48%	56%	62%
It is less likely that you will lose all of your money if you save it in more than one place	48%	50%	46%	45%	49%	50%	43%	55%	52%

A4. Selected Responses: Attitudes & Behaviours

17.0 Do you personally have financial goals?



17: Some people set themselves financial goals, such as paying university fees, buying a car or becoming debt free. Do you (personally, or with your partner) have any financial goals?

A4. Selected Responses: Attitudes & Behaviours

18.0a Your most important financial goal.

187a: Could you tell me, briefly, what is your most important financial goal? (ONE RESPONSE ONLY)	Total n=791	Male n=387	Female n=404	16-34 n=355	35-54 n=337	55+ n=99	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
To be debt free / Pay off my loan	17%	15%	20%	13%	19%	25%	17%	20%	17%
To own a house / To invest in a home / Mortgage	13%	11%	16%	17%	11%	6%	17%	10%	9%
For my university tuition / college / professional training	10%	7%	13%	17%	6%	0%	9%	9%	9%
To start a business	9%	12%	5%	9%	9%	3%	10%	7%	7%
To increase my living standards in the future	9%	11%	7%	11%	7%	10%	9%	8%	11%
For my children's education	8%	8%	8%	5%	12%	5%	6%	12%	11%
For retirement	7%	5%	8%	1%	10%	13%	4%	8%	8%
To get income in the form of interest, increased market value of assets, etc.	3%	3%	2%	1%	5%	0%	2%	4%	5%
To leave something for children to inherit	2%	2%	2%	2%	1%	3%	2%	2%	0%

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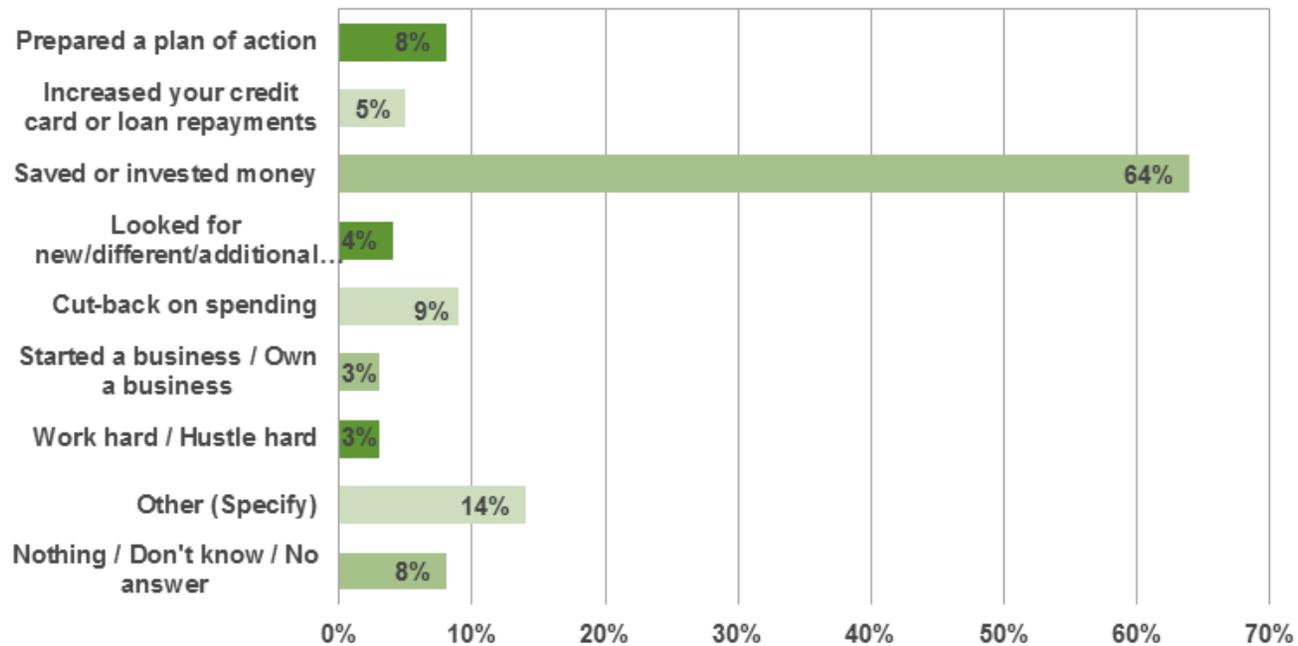
A4. Selected Responses: Attitudes & Behaviours

18.0b Most important financial goal. *(continued...)*

18b: Could you tell me, briefly, what is your most important financial goal? (ONE RESPONSE ONLY)	Total n=791	Male n=387	Female n=404	16-34 n=355	35-54 n=337	55+ n=99	<\$30 k n=405	\$30k- \$60k n=261	\$60k + n=139
To have more money / Get rich	3%	5%	2%	4%	2%	6%	4%	4%	1%
To be independent and be able to make choices	3%	3%	2%	2%	2%	4%	2%	2%	5%
For a rainy day, for unexpected expense	2%	2%	3%	1%	2%	5%	2%	2%	3%
Pay off my mortgage	2%	1%	2%	1%	3%	2%	1%	3%	2%
I like saving rather than spending money	2%	2%	1%	1%	1%	4%	1%	2%	3%
To pay for my funeral	1%	1%	0%	1%	0%	0%	0%	2%	0%
My children / My kids / My grandkids	1%	1%	0%	1%	0%	2%	1%	1%	2%
To own a car	1%	1%	0%	1%	1%	0%	2%	0%	0%
Other (Specify)	5%	6%	4%	5%	4%	7%	7%	2%	5%
(Don't save anything / Don't know / Prefer not to say)	4%	2%	4%	4%	3%	3%	3%	1%	2%

A4. Selected Responses: Attitudes & Behaviours

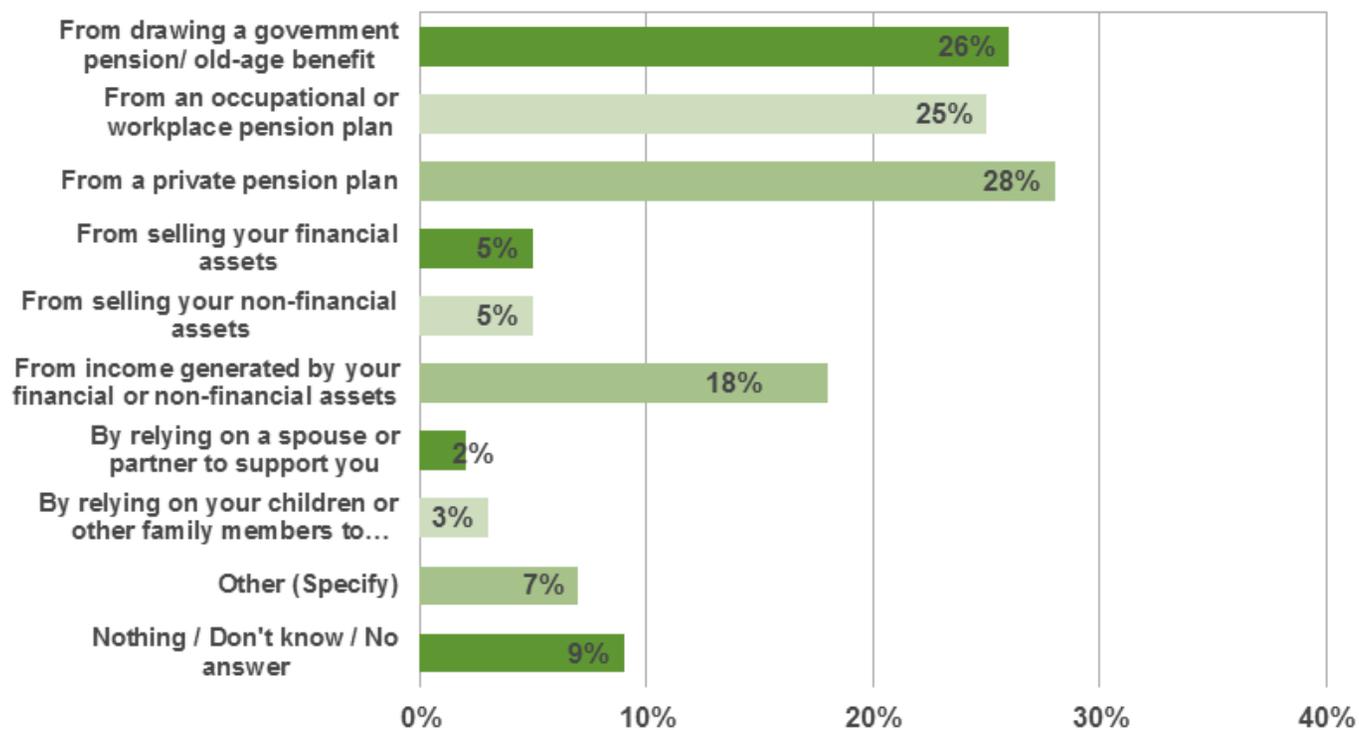
19.0 Actions taken to meet your financial goal. *(% based on Total Responses)*



19: What actions have you taken to meet this goal? (Multiple Responses)

A4. Selected Responses: Attitudes & Behaviours

20.0 How will you fund your retirement? (% based on Total Responses)



20: How will you – or do you – fund your retirement? Would you say... (Multiple Responses)