

South African consumers remain vulnerable

South African consumers are likely to remain financially vulnerable according to Professor Carel van Aardt of the University of South Africa Bureau of Market Research.

Business Live says that the consumer financial vulnerability is measured by income, expenditure, savings and debt servicing.

According to the BMR index, consumers are currently financially vulnerable across all the sub-indices. Van Aardt says that more than 3 000 consumers were interviewed for the survey.

The bureau released its Consumer Financial Vulnerability Index and it shows that consumers felt 1,6% more vulnerable this quarter than in the previous quarter. The index increased from 4,39 points to 4,46 points. An index point of zero indicates consumers feel financially secure.

The factors that contribute to financial vulnerability include bad financial planning, too much debt, not having sufficient savings, a drop in income and the loss of a job.

Van Aardt says that there are now an estimated 15-million people living on social grants while there were just 9-million in formal employment.

Read the [full article](https://www.businesslive.co.za) on www.businesslive.co.za.

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