

SA crypto buyers in for the long run

South Africans who own crypto are saving more regularly, have longer term goals and are more financially savvy proving that the stereotypes around cryptocurrency investors as extreme risk-takers seeking only short-term gains may not hold true.



Source: ©ronniechua [123rf](#)

“Just 14% of Luno's South African customers say they plan to day-trade for short-term profit for the rest of the year. On average, existing South African customers are holding their crypto for eight months before cashing in,” says Marius Reitz, Luno's GM for Africa

“In addition, we are seeing more South African customers planning how to invest their money,” he adds.

This is according to the latest sentiment survey that surveyed over 1,000 Luno customers in South Africa in August 2021 along with customers in the UK, Indonesia and Malaysia.

Luno's South African data also correlates with online global research by YouGov among 6,642 respondents across six countries.

A diversified portfolio

It reveals that, contrary to popular misconception, not all people view crypto as a short term get rich quick opportunity and increasingly more investors hold it as part of a diversified portfolio.

“The national picture shows that the importance of having money is focused on long term goals,” says Reitz.

The survey found that long -term goals most commonly are to fund their family’s wellbeing (64% of SA respondents), for greater flexibility in life generally (55% of SA respondents) and save for their retirement (39% of SA respondents).

Optimistic about Bitcoin

South Africans are most optimistic about Bitcoin and Ethereum.

Of South Africans who hold cryptocurrency on the Luno platform, 82% expect the Bitcoin price to rise significantly, some believe as high as \$100,000. Bitcoin reached \$50,000 at the end of August.

“The overall sentiment is extremely positive, with 61% of SA customers indicating their intention to hold their investment (hodl in crypto-speak) or buy any price dips over the next six months,” says Reitz.

Luno has seen an increase in active customers in South Africa, with the number of users who have bought or sold crypto on the platform up 140% over the past 12 months.

Total bitcoin trading volume across several exchanges in South Africa was around \$25m traded in the past 24 hours, around 56% of which was on Luno.

On average South Africans are buying around R400 worth of crypto a month.

Although we operate in over 40 countries, Luno views Africa as one of, if not the most promising region for the adoption of cryptocurrencies due to its particular combination of economics and demographics,” says Reitz.

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