

# No laughing matter: South Africans are losing 40% of retirement savings to high fees

Issued by [M&C Saatchi Abel](#)

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## **10X Investments and Nik Rabinowitz partner on campaign to #StopDaylightRobbery in the SA Retirement Fund Industry**

In an environment fraught with both political and economic uncertainty, South Africans are doing all they can to protect their hard-won savings. Sadly, the egregiously high fees that traditional retirement fund managers are charging erode these savings. To highlight what amounts to daylight robbery, local fund manager 10X Investments has partnered with beloved comedian Nik Rabinowitz and ad agency M&C Saatchi Abel Cape Town to create a tragic-comic demonstration of how this ongoing robbery truly impacts hard working South Africans.

"We wanted to show people exactly what is happening to their investments, in a way that is both light hearted and brutally honest," explains Steven Nathan, CEO, 10X Investments. "As a society, we appreciate humour- and we also appreciate the truth - and this campaign has both elements by the bucket load."

So far, the desired impact has indeed been felt. Rabinowitz was stationed at a Spar till on a busy Friday morning, when South African families were out doing their big shop for the week. When unsuspecting customers arrived at the till to pay for their groceries, Rabinowitz hurriedly started taking away what amounted to around 40% of each of their items before they were put through the till. People watched aghast as Rabinowitz gleefully glugged down 40% of their fresh milk, dropped eggs on the floor, dumped chocolate cake into the dustbins and chomped down lettuce intended for Sunday lunch...

"The 40% figure is really key, and we wanted to create a visually powerful way of underscoring this number," adds Nathan. "We believe that we have achieved this goal – not only through the Spar activation – but also through the various other communication pieces associated with **#StopDaylightRobbery**."

As Nathan explains, understanding the impact of fees on our investments is difficult, given that this impact will only be evident 20, 30, or 40 years down the line. But it is critical to understand the compounding effect – and to take action now to prevent the erosion from happening.

By way of example: If you saved R3000 a month, every month, for 40 years, without ever increasing that R3000, paying 3% in fees with an assumed return of 6.5% after inflation, your final total would be a little over R3 million. However, if you took that same example and paid just 1% in fees, your final total would be a little over R5 million. So in daily deal terms, at a 3% fee, you would be paying more money and getting 40% less.

"It's incredibly concerning that South African's don't understand that for the identical amount paid to one financial institution versus another, you can end up with 40% less. This has massive consequences for their retirement. And it is also simply solved by 10X whose entire purpose is to ensure people receive the most for their contributions at retirement. Nik's video is a fun and light hearted way of dramatising this critical issue and getting consumers, be they employers, employees or even



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policy makers, to actively engage in this conversation and have this profound realisation. Mike Abel, Chief Executive, M&C Saatchi Abel.

For more information on the campaign and to find out how to **#StopDaylightRobbery**, visit <https://www.10x.co.za/stopdaylightrobbery/> and don't forget to watch the video clip to the end to get the full story!

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