

FNB's Nicholas Riemer is passionate about financial education

 By [Nicci Botha](#)

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Sharing knowledge that helps people make better investment decisions is a huge reward factor for Nicholas Riemer. The 31-year-old heads the investment education space within FNB Wealth and Investments, and lectures on certain financial topics to UJ, Monash as well as the South African Institute of Chartered Accountants (Saica) board courses when time permits.



Nicholas Riemer, head of education, FNB Wealth and Investments

■ *South Africa has a poor savings culture, what would your top three tips for young people to start building a secure financial future?*

Instead of three I would like to include my top six tips as these points the full picture when looking to secure your financial future:

1. **Define your goals.** The first step would be setting your different goals. What are you saving or investing for?
2. **Defining a strategy.** What amount do you need to put away each month, and into which savings and investment vehicles? Becoming financially stable, does not happen overnight. Consistent savings and investments have to put aside each month to allow your long-term nest egg to build.
 - This step will require you to consider your monthly cash flow. Comb through your bank statement and identify what items you don't need on a monthly basis. Draw up a small cash budget, reduce non-essential expenses and leave yourself a set budget for entertainment purposes.
 - Build an element of emergency savings into your budget. One thing this pandemic has taught us is the importance of having accessible emergency savings put away. Having three months' salary put aside will mean not having to withdraw investments early in case of an emergency and allowing your goal-based strategy to play out.
3. **Reduce short term debt.** Short term debt like credit card expenses should be eliminated as soon as possible, as the high interest rates eat into monthly budgets which can be set aside for saving and investing. Look at ways to eliminate debt exposure by eliminating short term expensive debt first. In the long run this will mean more funds to put away into savings and investments.

4. **Find the correct savings and investment vehicles that suit your goals.** This will require some reading and research. Never be afraid to ask for help. Asking questions expands your knowledge and no one is going to know your goals better than you do.
5. **Set up automatic monthly contributions to your savings and investment accounts.** These amounts are calculated when drawing up the budget in step 2.
6. **Allow your money to grow over the time frame set from the start.** Do not jump in and out of long-term investments and savings. This will increase the fees paid and not allow your money to work over the long term and achieve long-term investment and savings yields. Reinvest as much of your savings and investments as possible to allow compounding to take effect.

■ **Similarly, financial literacy is a problem in this country, what would you like to see done to improve this?**

Online learning has to be made a reality in this country. Government has to provide learners with the ability to connect from remote locations. Education is moving away from physical face to face and venue-based learning. Remote learning allows for lower school fees due to no fixed space being needed as well as teachers and lecturers making recordings which can be used over and over again further reducing learning costs and making learning more accessible and feasible. Students need a smart device of some kind and an internet connection and learning can take place from all parts of South Africa.

I think moving education to more online with a blended approach will assist hugely in improving financial literacy. Lastly I think basic finance 101 should be made a compulsory subject for all high school learning, as this subject plays a key role into adulthood, and should not only be those students that study a finance degree post school, that has access to a financial foundation.

■ **If you could invite three people (living or dead) to dinner, who would they be and why?**

- Warren Buffet: I would want to talk to Warren Buffet about his early investing strategies and how he was able to spot the winners like Coca-Cola in the early days.
- Elon Musk: Just to pick his brain and be able to hear the way his brain works in person.
- Cathie Woode: The founder of the ARK ETF, I really enjoy some of her thinking towards disruptive technology, and would love to ask her about her thoughts on the increase use of technology as well as which disruptive players to keep an eye on.

■ **What is one thing you would change about your generation?**

Be more entrepreneurial. The country is at a point where local entrepreneurs are needed more than ever to increase GDP and employment opportunity. My generation must look harder for opportunities and not be so risk averse when it comes to trying new things. You never know where it could lead you as well as the country.

ABOUT NICCI BOTHA

Nicci Botha has been wordsmithing for more than 20 years, covering just about every subject under the sun and then some. She's strung together words on sustainable development, maritime matters, mining, marketing, medical, lifestyle... and that elixir of life - chocolate. Nicci has worked for local and international media houses including Primedia, Caxton, Lloyd's and Reuters. Her new passion is digital media.

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