

## EXECUTIVE SUMMARY

Although latest cash withdrawal statistics released by Spark ATM Systems, South Africa's premier independent ATM deployer, indicate that the national average cash withdrawal values remained static during the month of May, ATM activity recorded at farming locations, however, revealed the highest month-to-month increase across all locations.

The Spark Cash Index (SCI)\*, which measures the average value of cash withdrawals across more than 2 000 Spark ATM's throughout the country, revealed a month-on-month increase of 7.30% to R439.68 at farming locations in SA.

According to Ryan Tzamtzis, Operations Manager of Spark ATM Systems, farming locations also continued to record the highest year-on-year growth of 23.53%. "The month-on-month increase and consistent year-on-year increases recorded at farming locations can be attributed to the recent 52% wage increases in the agricultural sector, which went into effect in March 2013.

## AVERAGE CASH WITHDRAWAL VALUE

**AVERAGE CASH WITHDRAWN**  
MAY 2013

R464.52

**MONTH-ON-MONTH CHANGE**  
APRIL 2013 VS MAY 2013



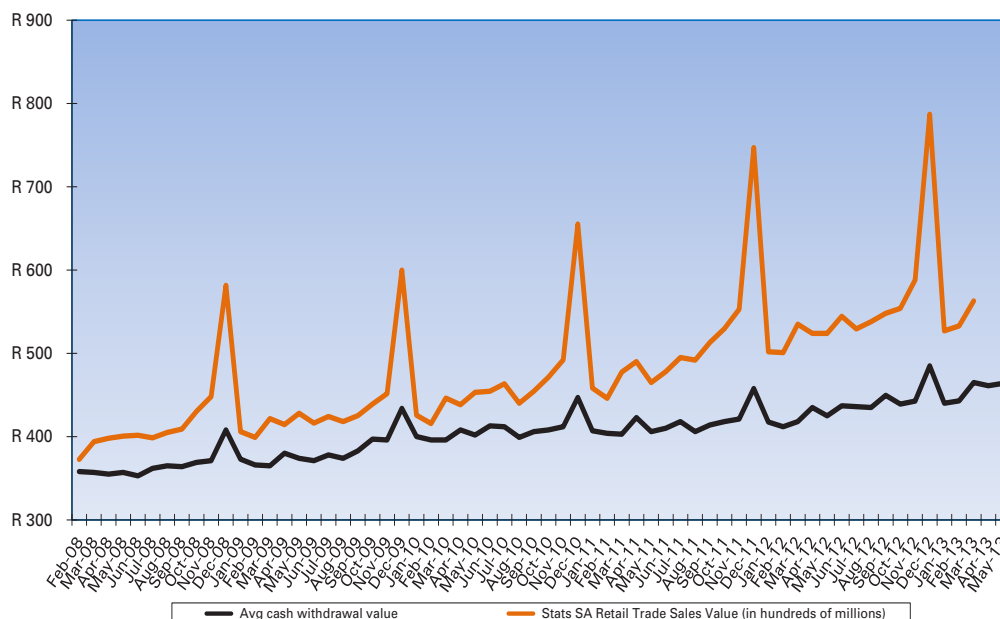
0.62%

**YEAR-ON-YEAR CHANGE**  
MAY 2012 VS MAY 2013



9.06%

## AVERAGE CASH WITHDRAWAL VALUE VS STATS SA RETAIL TRADE SALES VALUE



"The agricultural sector has also recently had its harvesting season, which often results in additional farm workers being employed to compensate for the increased workload or current employees being paid overtime providing them with more cash flow."

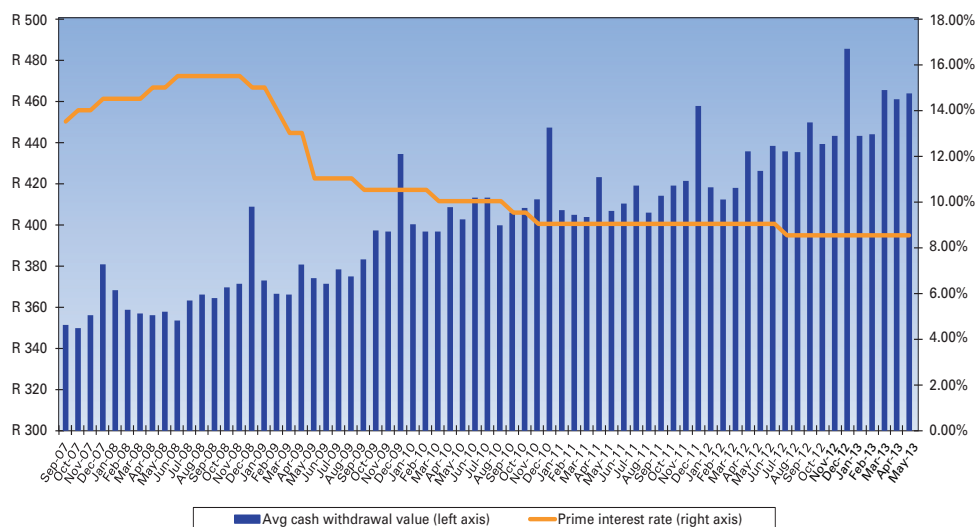
With regard to the national month-on-month ATM activity, which increased slightly by 0.62% to record an average cash withdrawal value of R464.52, Ronel Oberholzer, Principal Economist: Sub-Saharan Economics at IHS Global Insight, says that this small increase is in line with the ATM withdrawal activity trend identified after April's decline which revealed a month-on-month decrease of 0.73%. "A decrease one month is typically followed by an increase in the following month."

However, she says that on average, consumer spending and cash withdrawals remains at the same level. "What has been encouraging for the economy though is the year-on-year trend staying positive and in an upward direction."

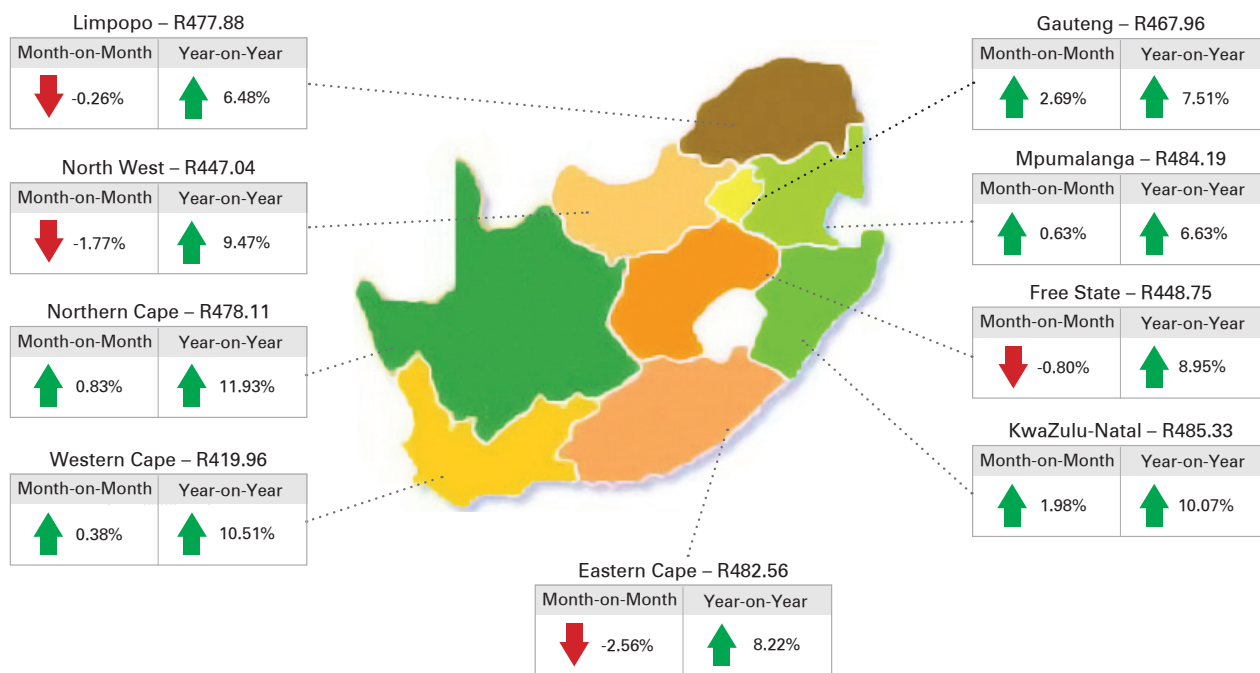
Tzamtzis predicts that the remaining SCI results for 2013 should continue to stay in the lower digits as consumers hold off on excess spending in anticipation of tough financial times ahead. "Consumers are facing increases in food, electricity, and transport costs with recent reports indicating that the petrol price could pass the R13 a litre mark, which will put added strain on the consumer."

With regard to the national month-to-month average being slightly up in May, he says that some consumers across various sectors may have also received wage increases towards the end of the month, which may have marginally increased their spending power. "This could contribute to positive cash withdrawal averages going into June, however, the effects of a weak rand remain to be seen."

## AVERAGE CASH WITHDRAWAL VS PRIME INTEREST RATE



## AVERAGE CASH WITHDRAWAL BY REGION



\*Month-on-Month = April 2013 vs. May 2013. Year-on-Year = May 2012 vs. May 2013

Kwa-Zulu Natal reported the biggest provincial average cash withdrawal value of R485.33 for May 2013, followed closely by Mpumalanga (R484.19) and the Eastern Cape (R482.56).

Gauteng province recorded the largest month-to-month withdrawal growth of 2.69%, while Kwa-Zulu Natal revealed the second highest month-to-month increase of 1.98% and the third highest year-on-year increase of 10.07%. "Both Gauteng and Kwa-Zulu Natal both have a large metropolis, and both have a steady stream of jobseekers flocking from various areas of South Africa. The high increases in both provinces are leading to the increased average withdrawals nationally," says Oberholzer.

Tzamtzis adds, "When retail sales increase, the data is usually reflected in average cash withdrawals in Gauteng, Kwa-Zulu Natal and the Western Cape. However, Mpumalanga recorded the second highest cash withdrawal average, and actually has the highest average withdrawal over the last two years, which is an indication that some structural developments are occurring in that province."

"Mpumalanga is both a rural province - to which remittance income is sent - and a mining province, where labourers have a high propensity to spend cash, so the province should continue to produce high withdrawal rates," adds Oberholzer.

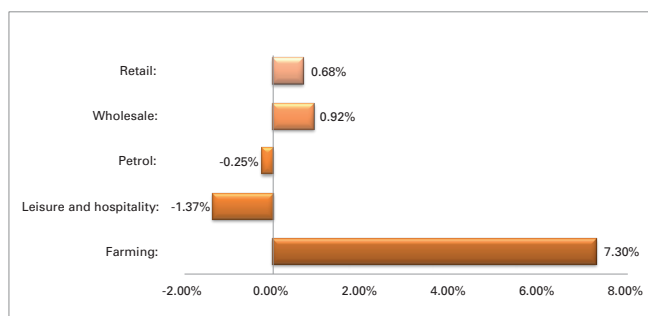
## REGIONAL AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Eastern Cape	Free State	Gauteng	KwaZulu-Natal	Limpopo	Mpumalanga	Northern Cape	North West	Western Cape	National
May-12	R 445.90	R 411.90	R 435.26	R 440.94	R 448.81	R 454.08	R 427.15	R 408.37	R 380.01	R 425.94
Jun-12	R 456.31	R 420.15	R 445.17	R 451.26	R 452.99	R 457.16	R 429.82	R 418.00	R 387.99	R 437.71
Jul-12	R 468.85	R 421.34	R 443.43	R 447.57	R 455.88	R 470.04	R 433.13	R 422.83	R 383.20	R 435.54
Aug-12	R 461.41	R 415.02	R 443.57	R 450.32	R 456.83	R 475.72	R 430.00	R 424.17	R 383.38	R 434.93
Sep-12	R 472.15	R 438.48	R 457.95	R 462.15	R 477.25	R 503.48	R 446.78	R 440.25	R 389.30	R 449.47
Oct-12	R 464.91	R 416.41	R 454.51	R 450.50	R 458.14	R 477.96	R 447.03	R 430.36	R 387.52	R 439.27
Nov-12	R 465.11	R 417.88	R 453.51	R 460.30	R 454.29	R 475.75	R 456.47	R 431.59	R 391.48	R 442.71
Dec-12	R 520.71	R 439.39	R 491.90	R 508.87	R 491.16	R 512.61	R 482.24	R 468.25	R 428.13	R 485.07
Jan-13	R 475.59	R 412.06	R 450.69	R 451.59	R 446.55	R 459.36	R 434.16	R 432.79	R 405.73	R 440.53
Feb-13	R 467.44	R 429.57	R 456.93	R 458.60	R 457.25	R 459.89	R 435.09	R 434.77	R 406.32	R 443.56
Mar-13	R 487.94	R 457.77	R 453.40	R 484.50	R 484.44	R 488.44	R 470.51	R 458.40	R 424.16	R 465.04
Apr-13	R 495.24	R 452.35	R 455.72	R 475.90	R 479.13	R 481.14	R 474.17	R 455.10	R 418.37	R 461.65
May-13	R 482.56	R 448.75	R 467.96	R 485.33	R 477.88	R 484.19	R 478.11	R 447.04	R 419.96	R 464.52

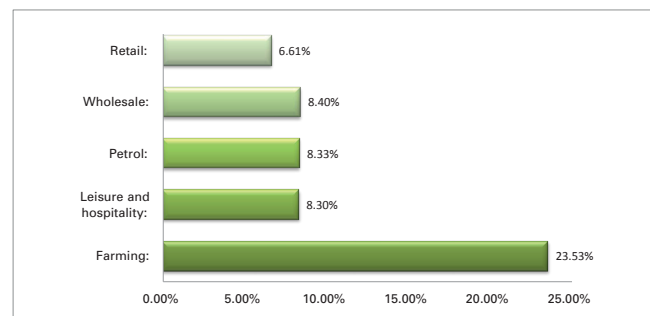
## AVERAGE CASH WITHDRAWAL BY SITE CATEGORY

Retail	Wholesale	Petrol	Leisure & hospitality	Farming
R 447.18	R 476.57	R 470.87	R 418.63	R 439.68

### MONTH-ON-MONTH CHANGE APRIL 2013 – MAY 2013



### YEAR-ON-YEAR CHANGE MAY 2012 – MAY 2013



According to the May 2013 SCI statistics, wholesale locations recorded the highest average cash withdrawal value for the fourth month in a row at R476.57, while petrol stations recorded the second highest cash withdrawal value of R470.87. "The decrease in cash withdrawals at fuel sites could be attributed to a decrease in fuel prices, but remains high due to convenient shopping facilities at some of these sites," says Tzamtzis.

The locations that recorded the highest month-to-month increases after farming (7.30%) were wholesale (0.92%) and retail (0.68%) sites. "The slight increase in these other sectors is attributed to increasing costs, which has staved off significant cash withdrawals and consumer spending. This is indicative in leisure and petrol sites which recorded month-to-month decreases of -1.37% and -0.25% respectively," he says.

\*\*Retail sites includes supermarkets, convenience stores, fast food outlets, pharmacies, hardware stores, liquor stores and butcheries.

## SITE CATEGORY AVERAGE CASH WITHDRAWAL DATA TABLE

Month	Retail	Wholesale	Petrol	Leisure & hospitality	Farming
May-12	R 419.45	R 439.65	R 434.65	R 386.55	R 355.93
Jun-12	R 428.95	R 446.41	R 442.79	R 391.91	R 396.81
Jul-12	R 426.95	R 451.66	R 439.81	R 393.77	R 401.95
Aug-12	R 430.82	R 449.47	R 435.25	R 393.52	R 343.61
Sep-12	R 445.66	R 468.46	R 448.54	R 395.41	R 401.90
Oct-12	R 432.95	R 450.16	R 440.05	R 401.28	R 454.68
Nov-12	R 434.28	R 456.30	R 439.38	R 402.21	R 442.39
Dec-12	R 476.78	R 509.51	R 476.52	R 427.70	R 455.99
Jan-13	R 427.44	R 445.77	R 448.11	R 429.40	R 410.91
Feb-13	R 432.20	R 451.79	R 445.31	R 423.82	R 375.51
Mar-13	R 455.12	R 479.75	R 468.75	R 415.39	R 415.92
Apr-13	R 444.14	R 472.23	R 472.04	R 424.43	R 409.77
May-13	R 447.18	R 476.57	R 470.87	R 418.63	R 439.68

## DATA TABLE

Below is the data table including all relevant statistics from May 2010 to May 2013. The table demonstrates the average cash withdrawal value across South Africa, the changes in withdrawal values from month-to-month and year-to-year as well as the Stats SA retail trade sales value.

Month	Average Cash Withdrawal	Month-on-Month Change	Year-on-Year Change	Stats SA retail TradeSales Value
May-10	R 402.33	-1.36%	7.53%	R 453
Jun-10	R 411.04	2.16%	10.84%	R 454
Jul-10	R 411.92	0.21%	9.12%	R 464
Aug-10	R 401.46	-2.54%	7.2%	R 440
Sep-10	R 405.47	1.00%	5.93%	R 454
Oct-10	R 407.58	0.52%	2.78%	R 471
Nov-10	R 411.98	1.08%	3.96%	R 492
Dec-10	R 446.56	8.39%	3.04%	R 655
Jan-11	R 407.06	-8.85%	1.66%	R 458
Feb-11	R 404.28	-0.68%	2.08%	R 446
Mar-11	R 403.11	-0.29%	1.76%	R 478
Apr-11	R 422.30	4.76%	3.54%	R 490
May-11	R 406.41	-3.76%	1.01%	R 465
Jun-11	R 409.95	0.87%	-0.26%	R 478
Jul-11	R 418.40	2.06%	1.57%	R 495
Aug-11	R 405.69	-3.04%	1.05%	R 492
Sep-11	R 413.88	2.02%	2.07%	R 513
Oct-11	R 418.79	1.19%	2.75%	R 530
Nov-11	R 420.84	0.49%	2.15%	R 553
Dec-11	R 457.67	8.75%	2.49%	R 747
Jan-12	R 417.85	-8.70%	2.65%	R 502
Feb-12	R 411.82	-1.44%	1.87%	R 503
Mar-12	R 417.92	1.48%	3.67%	R 535
Apr-12	R 435.47	4.20%	3.12%	R 524
May-12	R 425.94	-2.19%	4.81%	R 524
Jun-12	R 437.71	2.76%	6.77%	R 544
Jul-12	R 435.54	-0.50%	4.10%	R 529
Aug-12	R 434.93	-0.14%	7.21%	R 538
Sep-12	R 449.47	3.34%	8.60%	R 548
Oct-12	R 439.27	-2.27%	4.89%	R 554
Nov-12	R 442.71	0.78%	5.20%	R 588
Dec-12	R 485.07	9.57%	5.99%	R 787
Jan-13	R 440.53	-9.18%	5.43%	R 527
Feb-13	R 443.56	0.69%	7.71%	R 533
Mar-13	R 465.64	4.84%	11.28%	R 563
Apr-13	R 461.65	-0.73%	6.01%	Not yet released
May-13	R 464.52	0.62%	9.06%	Not yet released

## ABOUT THE SPARK CASH INDEX (SCI)

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From Spark ATM Systems' records the company has noticed that over time the average amount of cash withdrawn at its network of ATMs corresponds with general economic conditions in South Africa. The SCI also points to consumer trends such as the variations in cash withdrawn based on prevailing economic conditions, particularly variations in the prime interest rate and seasonal peaks and dips.

## EXPLANATORY NOTES

The value for the Spark Cash Index is obtained using the following formula: Cash dispensed for the month divided by the number of cash withdrawals for the month across a selection of our ATM network. The sample size is very large and spans urban and rural areas across all nine provinces of South Africa, therefore representing a very good cross section of South African consumers. The data presented is raw data and has not been adjusted for seasonality or for the effects of inflation.

## ABOUT SPARK ATM SYSTEMS

Spark ATM Systems is the premier independent ATM deployer in South Africa importing, installing and maintaining world-leading Automated Teller Machines (ATMs) for the South African convenience ATM market.

Convenience ATMs have taken the world and South Africa by storm and today are found in every conceivable type of retail, hospitality, leisure and convenience location for one simple reason - consumers expect them wherever they need cash and merchants recognise their many benefits.

Established in 2005, Spark ATM Systems has grown into a national organisation with sales and technical capabilities across South Africa. From our headquarters in Cape Town, our Head Office team coordinates the sales, installation, maintenance, processing, settlement, reconciliation, monitoring, reporting, customer relationship and contact centre requirements for our ever-growing national network of ATMs. We boast a national list of independent and corporate customers across all major retail, convenience, wholesale, leisure and hospitality operators. Visit [www.sparkatm.co.za](http://www.sparkatm.co.za) for more information.

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