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The Spark Cash Index

Release version: August 2011

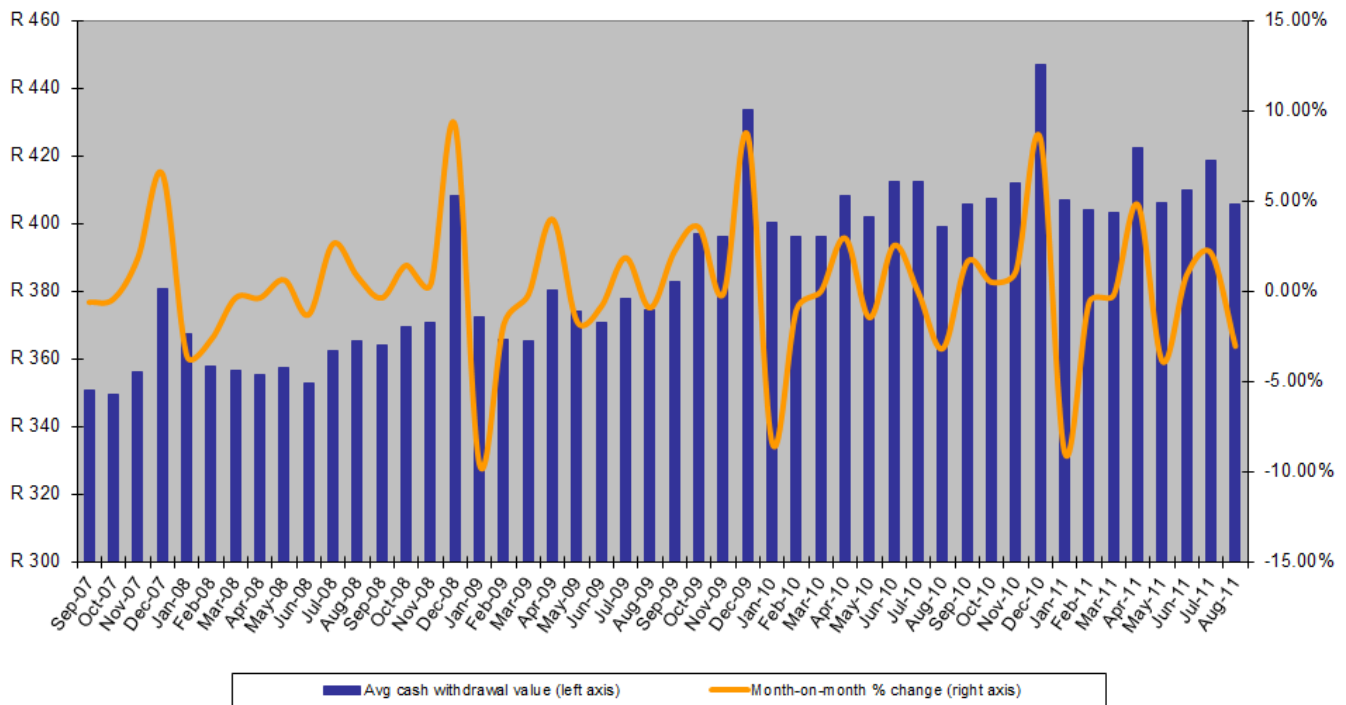
About Spark ATM Systems

Spark ATM Systems is South Africa's leading independent ATM provider, deploying convenience Automated Teller Machines ('ATMs') in retail, convenience and hospitality locations across South Africa.

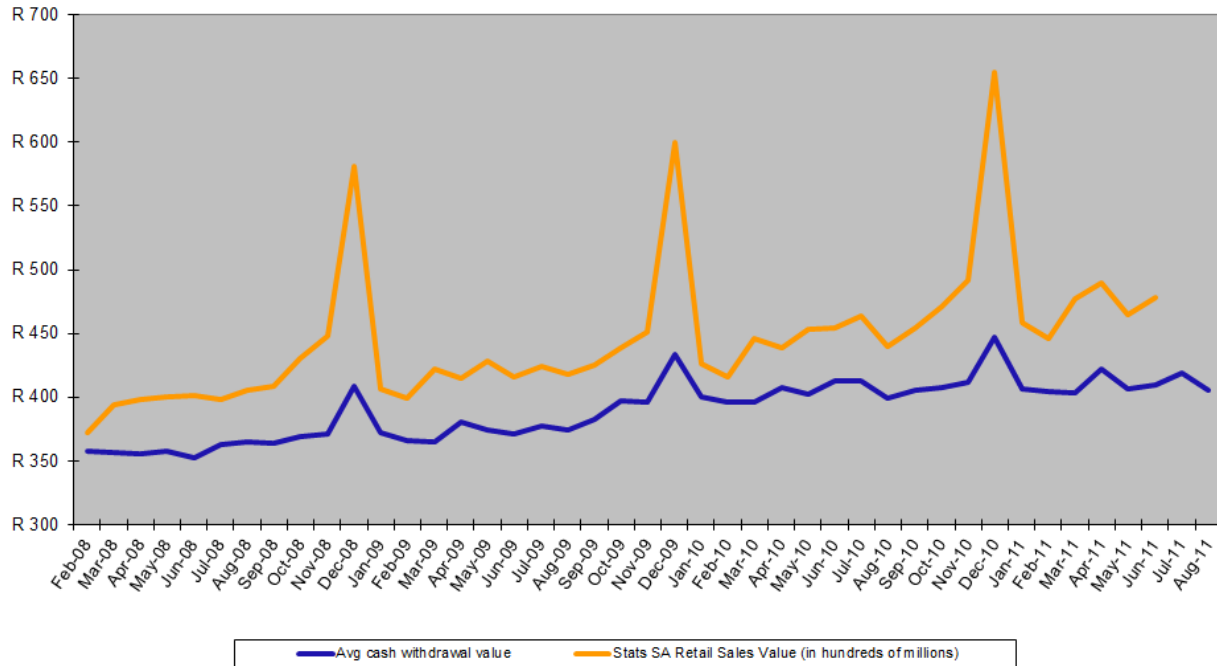
Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country. We have also seen that consumers vary the amount of cash they withdraw based on prevailing economic conditions, particularly consumer confidence, variations in the prime interest rate and recurring seasonal trends.

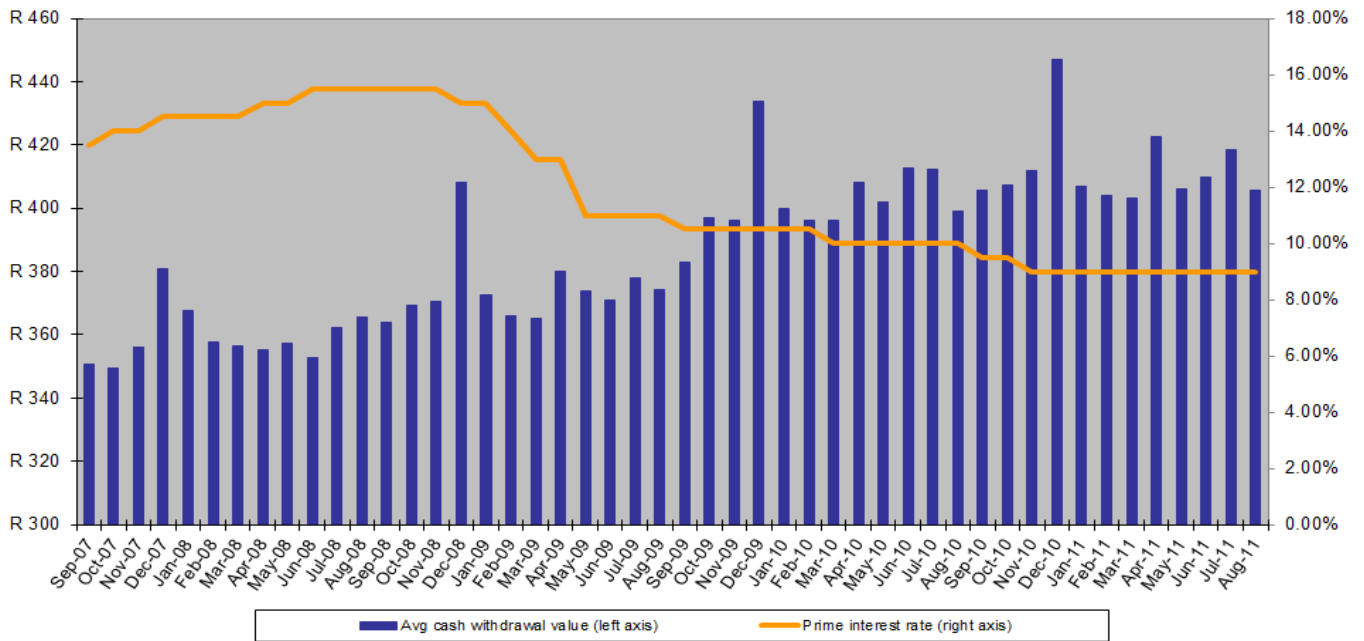
Graph A
Average cash withdrawal value



Graph B
Avg cash withdrawal value vs Stats SA Retail Sales Value



Graph C
Avg cash withdrawal value vs Prime interest rate



Data Table

Month	Avg Cash Withdrawal	Month on Month Change	Year on Year Change	Prime Interest Rate
Sep-07	R 351	-0.62%	N/A	13.50%
Oct-07	R 349	-0.43%	N/A	14.00%
Nov-07	R 356	1.86%	N/A	14.00%
Dec-07	R 381	6.49%	N/A	14.50%
Jan-08	R 368	-3.58%	N/A	14.50%
Feb-08	R 358	-2.69%	N/A	14.50%
Mar-08	R 357	-0.37%	N/A	14.50%
Apr-08	R 355	-0.38%	N/A	15.00%
May-08	R 357	0.62%	N/A	15.00%
Jun-08	R 353	-1.30%	N/A	15.50%
Jul-08	R 362	2.63%	N/A	15.50%
Aug-08	R 365	0.81%	N/A	15.50%
Sep-08	R 364	-0.37%	3.76%	15.50%
Oct-08	R 369	1.43%	5.72%	15.50%
Nov-08	R 371	0.38%	4.15%	15.50%
Dec-08	R 408	9.19%	7.23%	15.00%
Jan-09	R 373	-9.58%	1.36%	15.00%
Feb-09	R 366	-1.83%	2.22%	14.00%
Mar-09	R 365	-0.22%	2.37%	13.00%
Apr-09	R 380	3.98%	7.02%	13.00%
May-09	R 374	-1.68%	4.60%	11.00%
Jun-09	R 371	-0.84%	5.07%	11.00%
Jul-09	R 378	1.85%	4.24%	11.00%
Aug-09	R 374	-0.92%	2.45%	11.00%
Sep-09	R 383	2.21%	5.16%	10.50%
Oct-09	R 397	3.53%	7.44%	10.50%
Nov-09	R 396	-0.16%	6.87%	10.50%
Dec-09	R 434	8.65%	6.24%	10.50%
Jan-10	R 400	-8.40%	7.40%	10.50%
Feb-10	R 396	-1.02%	8.26%	10.50%
Mar-10	R 396	0.02%	8.47%	10.00%
Apr-10	R 408	2.94%	7.31%	10.00%
May-10	R 402	-1.47%	7.53%	10.00%
Jun-10	R 413	2.54%	11.26%	10.00%
July-10	R 412	-0.09%	9.10%	10.00%
Aug-10	R 399	-3.18%	6.61%	10.00%
Sept-10	R 406	1.62%	5.94%	9.50%
Oct-10	R 408	0.50%	2.71%	9.50%
Nov-10	R 412	1.10%	4.00%	9.00%
Dec-10	R 447	8.45%	3.03%	9.00%
Jan-11	R 407	-8.97%	1.67%	9.00%
Feb-11	R 404	-0.63%	2.06%	9.00%
Mar-11	R 403	-0.24%	1.83%	9.00%
Apr-11	R 423	4.78%	3.56%	9.00%
May-11	R 406	-3.88%	1.00%	9.00%
June-11	R 410	0.90%	-0.67%	9.00%
July-11	R 418	2.11%	1.51%	9.00%
Aug-11	R 406	-3.05%	1.65%	9.00%

Commentary

August Cash Withdrawals take Sharp Dip

Average cash withdrawal values across South Africa – as measured by the Spark Cash Index (SCI) – took a sharp dip from July to August this year.

The average cash withdrawal value across South Africa for August 2011 was R406, 3.05% down on July's average withdrawal of R418, the third highest ever recorded by the Spark Cash Index. "This dip in August was to be expected", says Marc Sternberg, MD of Spark ATM Systems. "July's strong performance was due to the winter holiday break, and this year there were five full weekends in July, causing a big boost to cash withdrawals. With South Africans returning to the routine of work and studies after the July holiday, it was expected that cash withdrawal values would decrease somewhat."

Positive news is that this year's August value is 1.65% up on the value for August 2010 of R399. This is consistent with the general positive trend that the Index is showing, with most months in 2011 up on the corresponding month in 2010. "Consumer positivity is on the increase", says Sternberg. "The CSI has shown this positive trend for most months of this year. It is positive to note that August's value is still one of the highest since the launch of the SCI in 2007."

Stats SA's Retail Trade Sales (RTS) values follow the same pattern as SA cash withdrawal values. The SCI figures are released two months ahead of the RTS and act as a very good predictor of the trend that the RTS will follow. SA's RTS can therefore be expected to take a sharp dip from July to August this year.

The Spark Cash Index is a useful 'real-time' gauge of consumer spending, utilising Spark ATM Systems' network of over 1,400 ATMs located countrywide to reflect accurate, broad and timely cash demand and utilisation data. Spark ATMs are typically located in convenience stores, petroleum stations, specialist retail nodes and leisure & hospitality venues.

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Explanatory Notes

The value for the Spark Cash Index value 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 Spark ATM's network of ATMs. The sample size is hundreds of thousands of transactions in both 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.

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