

## The Spark Cash Index

Release version: February 2010

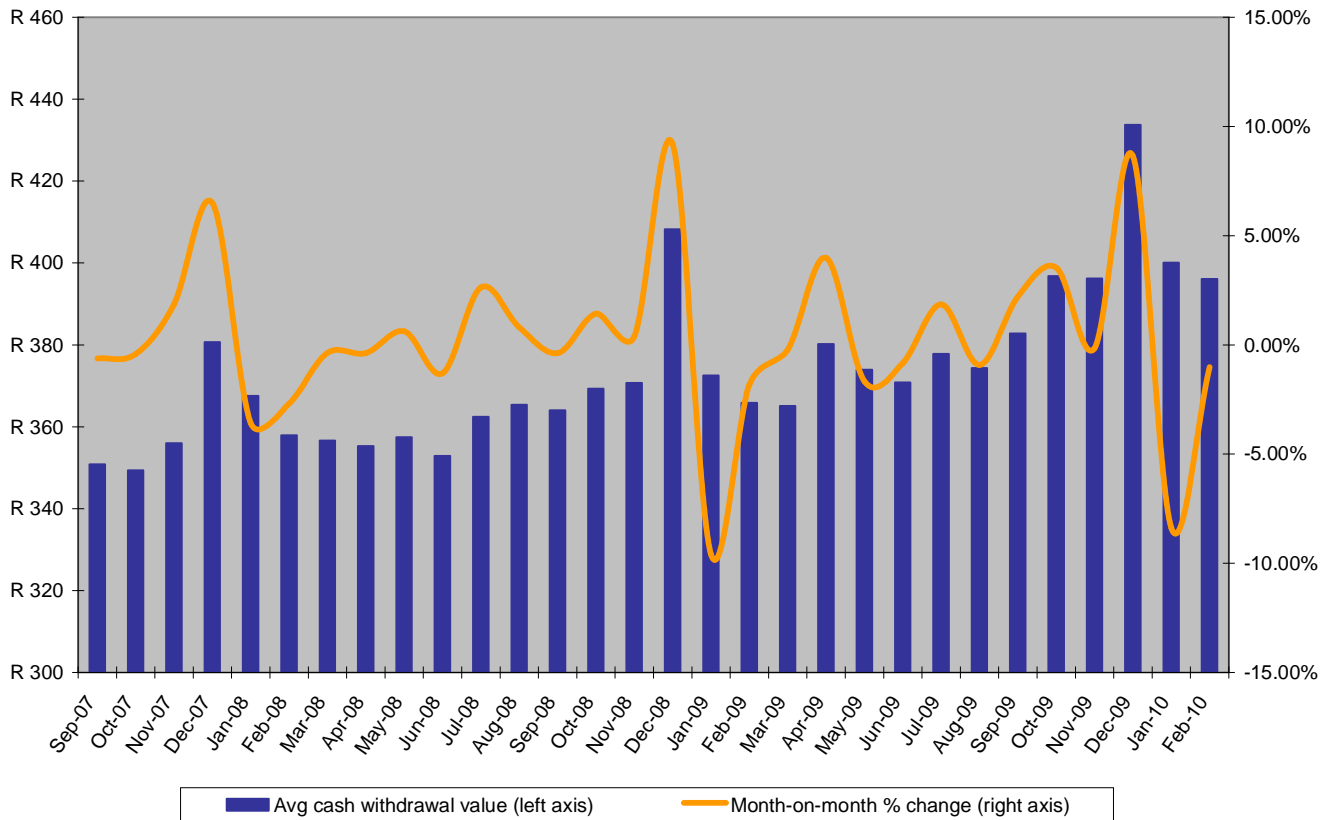
### About Spark ATM Systems

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.

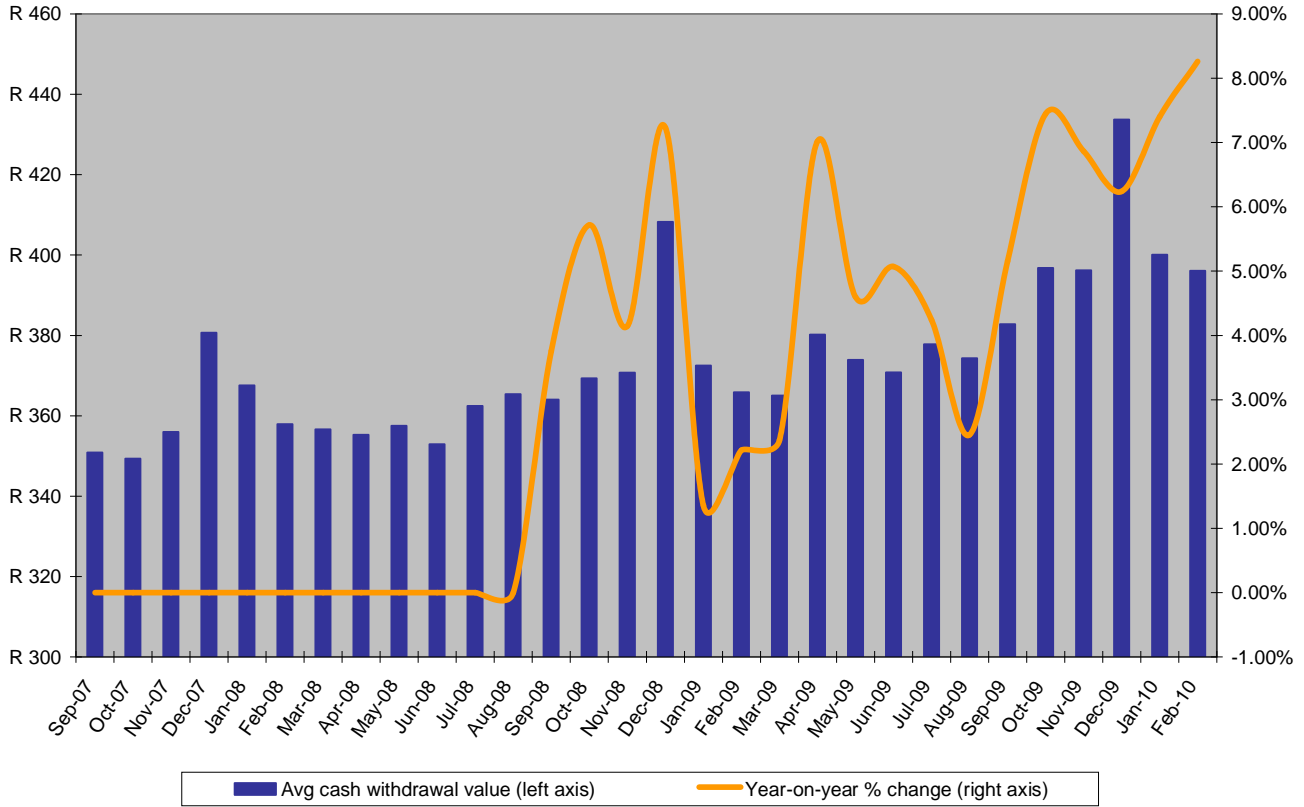
### Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and spend in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country and that consumers respond very quickly to changing economic conditions, particularly variations in the prime interest rate.

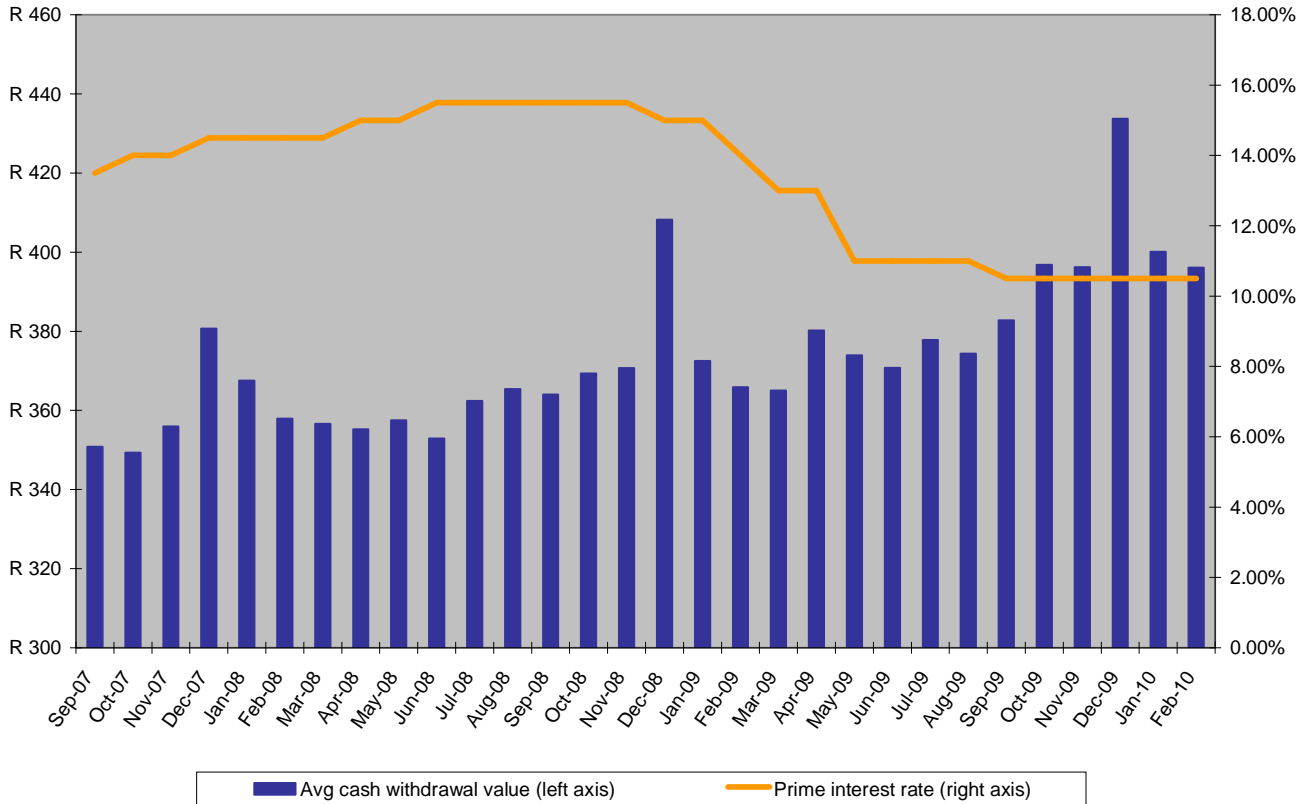
### Average cash withdrawal value



**Average cash withdrawal movement year-on-year**



**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%

## Commentary

The withdrawal average for February was R396, which is slightly down on January's average of R400 but in line with 2009 pre-Christmas levels of R397 and R396 for Oct and Nov 09. This is an annual trend seen over the past three years since the index's inception.

Notably, February 2010 delivered the largest year-on-year increase since the index's inception with an 8.26% increase over February 2009. Off the back of good increases over the past few months, this provides further evidence that consumers are resuming their spending habits, albeit at increased levels which augers well for continued positive economic growth into the rest of 2010.

We expect this trend to continue into the rest of 2010 as a result of a number of positive factors:

1. Renewed consumer confidence which results in higher withdrawals and therefore spending,
2. Increased retail sales across relevant retail segments that host our ATMs,
3. Higher inflation over the past 18 months resulting in an increased cost for the average basket of goods, and
4. Lower interest rates resulting in increased disposable income for the average South African household.

## Explanatory Notes

The value for the Spark Cash Index value is obtained using the following formula: Cash dispensed for the month divided by 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 the effects of inflation.

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