

The Spark Cash Index
Release version: January 2010

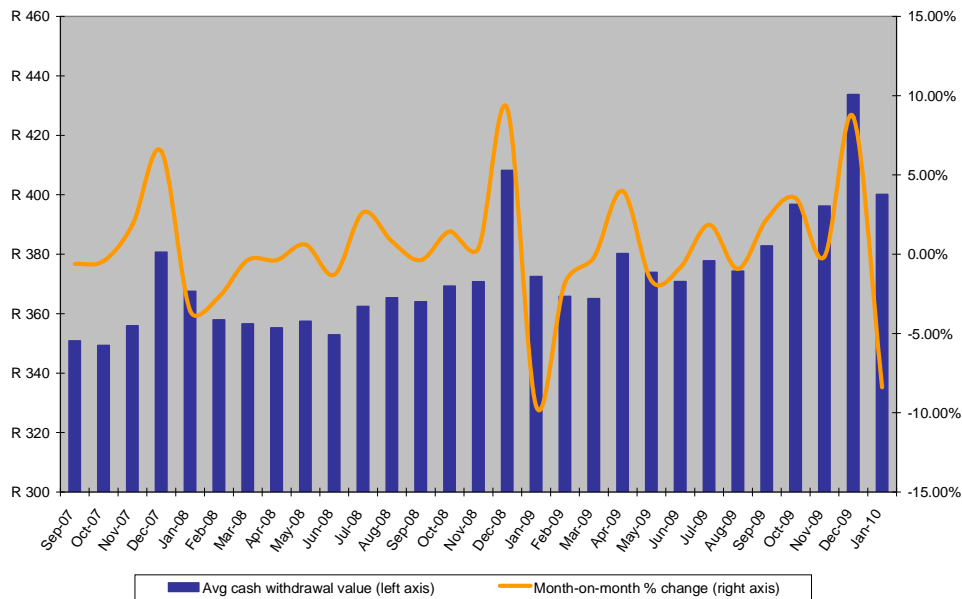
About Spark ATM Systems

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.

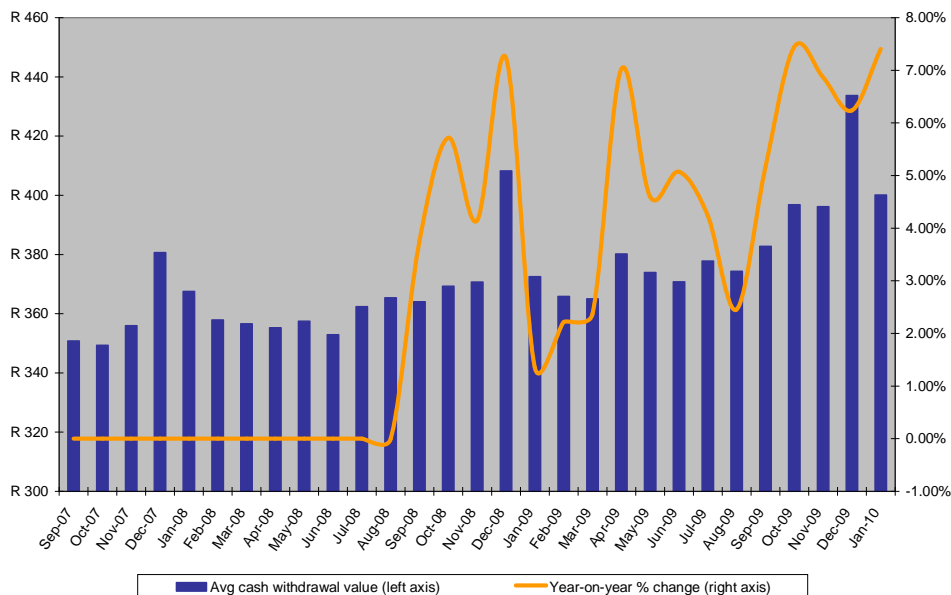
Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and spend in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country and that consumers respond very quickly to changing economic conditions,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

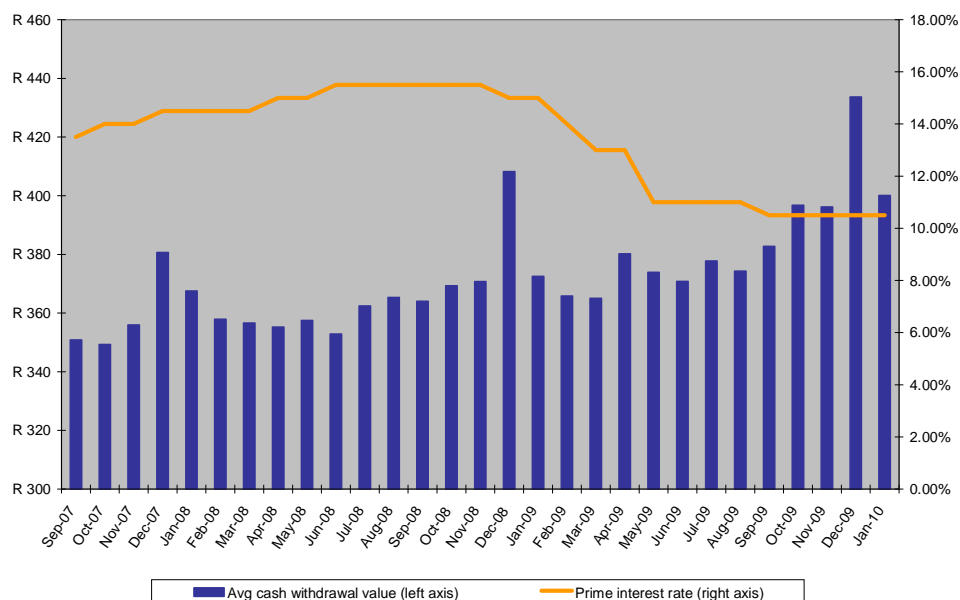
Average cash withdrawal value



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%

Commentary

January 2010 displayed its consistent seasonal month on month decrease of 8.40% as compared to December 2009, which is consistent with previous year's patterns. Seasonal consumer binge spending in December is followed by this large reduction in January as South African consumers come to terms with the resulting bills owing.

However, the year on year data shows that January 2010 displayed a solid increase over January 2009 of 7.40%, partly as a result of inflation over the past 12 months but partly due to increased spending across the board. January 2010's average withdrawal value of R400 is the 3rd highest on record since The Spark Cash Index was launched in Sept 2007 (with positions 1 and 2 being held by the seasonally high 08 and 09 December peaks.)

With Q3 GDP figures of 0.9%, the economy is firmly out of its recent recession. Spending on both durable and semi-durable goods (excluding clothing and footwear) rose quarter on quarter suggesting that the interest rate cuts of 2009 have finally filtered through to household consumption expenditure. Household debt servicing levels as a % of disposable income have dropped from highs of over 100% to around 15%, levels last seen in 2006. This combined with increased consumer confidence levels have led consumers to withdraw on average, higher cash to meet their growing spending needs.

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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