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The Spark Cash Index

Release version: July 2011

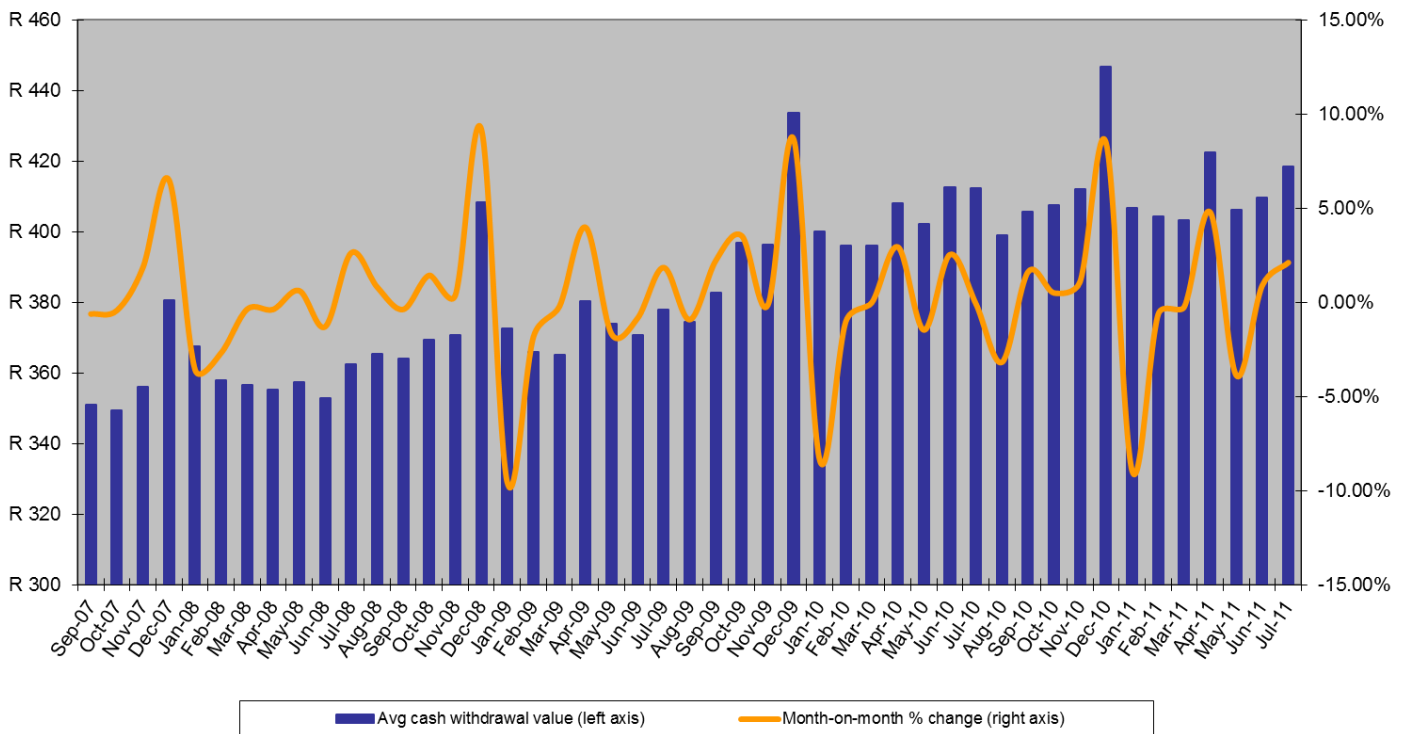
About Spark ATM Systems

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.

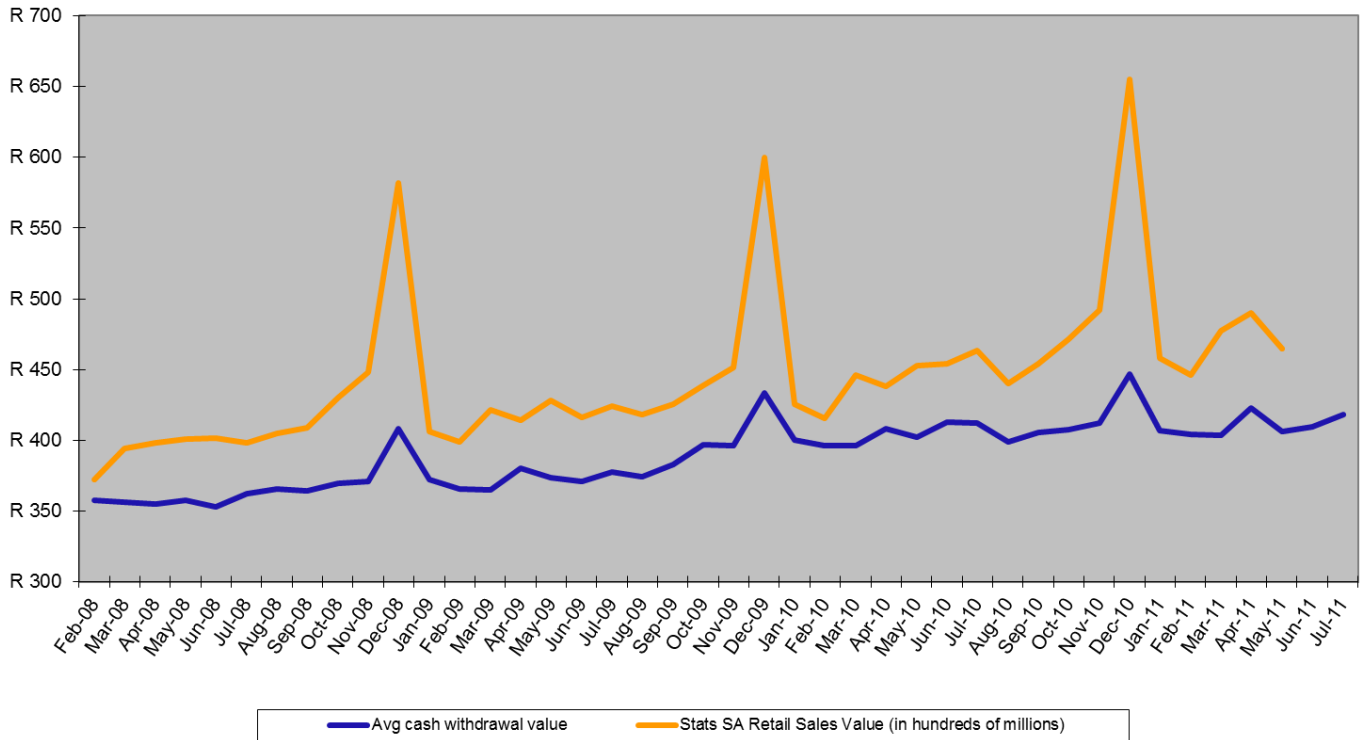
Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country.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.

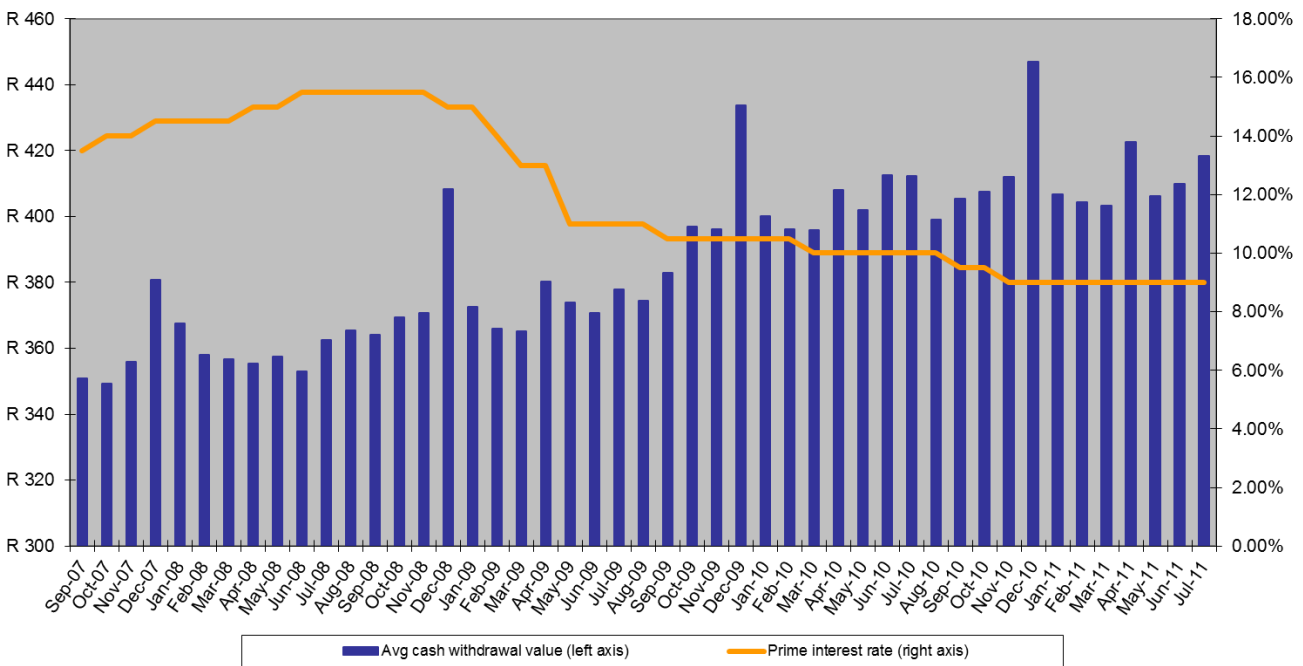
Graph A
Average cash withdrawal value



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	Stats SA Retails Trade Sales Value (In Rm)	Prime Interest Rate
Sep-07	R 351	-0.62%	37 041	13.50%
Oct-07	R 349	-0.43%	37 981	14.00%
Nov-07	R 356	1.86%	40 640	14.00%
Dec-07	R 381	6.49%	51 685	14.50%
Jan-08	R 368	-3.58%	36 141	14.50%
Feb-08	R 358	-2.69%	37 259	14.50%
Mar-08	R 357	-0.37%	39 395	14.50%
Apr-08	R 355	-0.38%	39 812	15.00%
May-08	R 357	0.62%	40 060	15.00%
Jun-08	R 353	-1.30%	40 161	15.50%
Jul-08	R 362	2.63%	39 843	15.50%
Aug-08	R 365	0.81%	40 503	15.50%
Sep-08	R 364	-0.37%	40 896	15.50%
Oct-08	R 369	1.43%	43 031	15.50%
Nov-08	R 371	0.38%	44 809	15.50%
Dec-08	R 408	9.19%	58 155	15.00%
Jan-09	R 373	-9.58%	40 611	15.00%
Feb-09	R 366	-1.83%	39 895	14.00%
Mar-09	R 365	-0.22%	42 165	13.00%
Apr-09	R 380	3.98%	41 443	13.00%
May-09	R 374	-1.68%	42 805	11.00%
Jun-09	R 371	-0.84%	41 626	11.00%
Jul-09	R 378	1.85%	42 416	11.00%
Aug-09	R 374	-0.92%	41 805	11.00%
Sep-09	R 383	2.21%	42 529	10.50%
Oct-09	R 397	3.53%	43 906	10.50%
Nov-09	R 396	-0.16%	45 152	10.50%
Dec-09	R 434	8.65%	59 999	10.50%
Jan-10	R 400	-8.40%	42 578	10.50%
Feb-10	R 396	-1.02%	41 574	10.50%
Mar-10	R 396	0.02%	44 614	10.00%
Apr-10	R 408	2.94%	43 824	10.00%
May-10	R 402	-1.47%	45 305	10.00%
Jun-10	R 413	2.54%	45 441	10.00%
July-10	R 412	-0.09%	46 356	10.00%
Aug-10	R 399	-3.18%	43 999	10.00%
Sept-10	R 406	1.62%	45 444	9.50%
Oct-10	R 408	0.50%	47 135	9.50%
Nov-10	R 412	1.10%	49 215	9.00%
Dec-10	R 447	8.45%	65 531	9.00%
Jan-11	R 407	-8.97%	45 818	9.00%
Feb-11	R 404	-0.63%	44 587	9.00%
Mar-11	R 403	-0.24%	47 759	9.00%
Apr-11	R 423	4.78%	49 015	9.00%
May-11	R 406	-3.88%	46 483	9.00%
June-11	R 410	0.90%		9.00%
July-11	R 418	2.11%		9.00%

Commentary

Highest July Cash Withdrawals in Five Years Economic Recovery Picks up Steam

Average cash withdrawal values across South Africa – as measured by the Spark Cash Index (SCI) – showed a positive increase from June to July of this year, and were the highest ever recorded for July since the launch of the Spark Cash Index in 2007.

The average cash withdrawal value across South Africa for July 2011 was R418, 2.11% up on June's average withdrawal of R410. Marc Sternberg, MD of Spark ATM Systems explains: "This increase was expected and is consistent with previous year's mid-year activity. The strong performance in July was mainly due to the winter holiday break and there being five full weekends in July, a fairly rare occurrence."

July 2011's average cash withdrawals are the highest recorded in July since the SCI was launched in 2007. This year's July cash withdrawal average is up 1.46% on July last year, 10.58% on July 2009 and 15.47% on July 2008. "This is positive news for the SA economy and a sure indicator that SA consumer confidence is steadily returning", says Sternberg. "What is especially positive is that this year's July average cash withdrawal is the third highest ever recorded since the launch of the Index and we expect this positive trend to continue for the remainder of 2011."

Stats SA measures consumer spending through the Retail Trade Sales Report (RTS), which is published approximately two months in arrears. The RTS values follow the same pattern as SA cash withdrawal values and, as the SCI is launched well before the RTS, the SCI acts as a very good predictor of the trend that the RTS will follow. The RTS can therefore be expected to be fairly flat in June with a slight increase into July.

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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