

The Spark Cash Index

Release version: October 2010

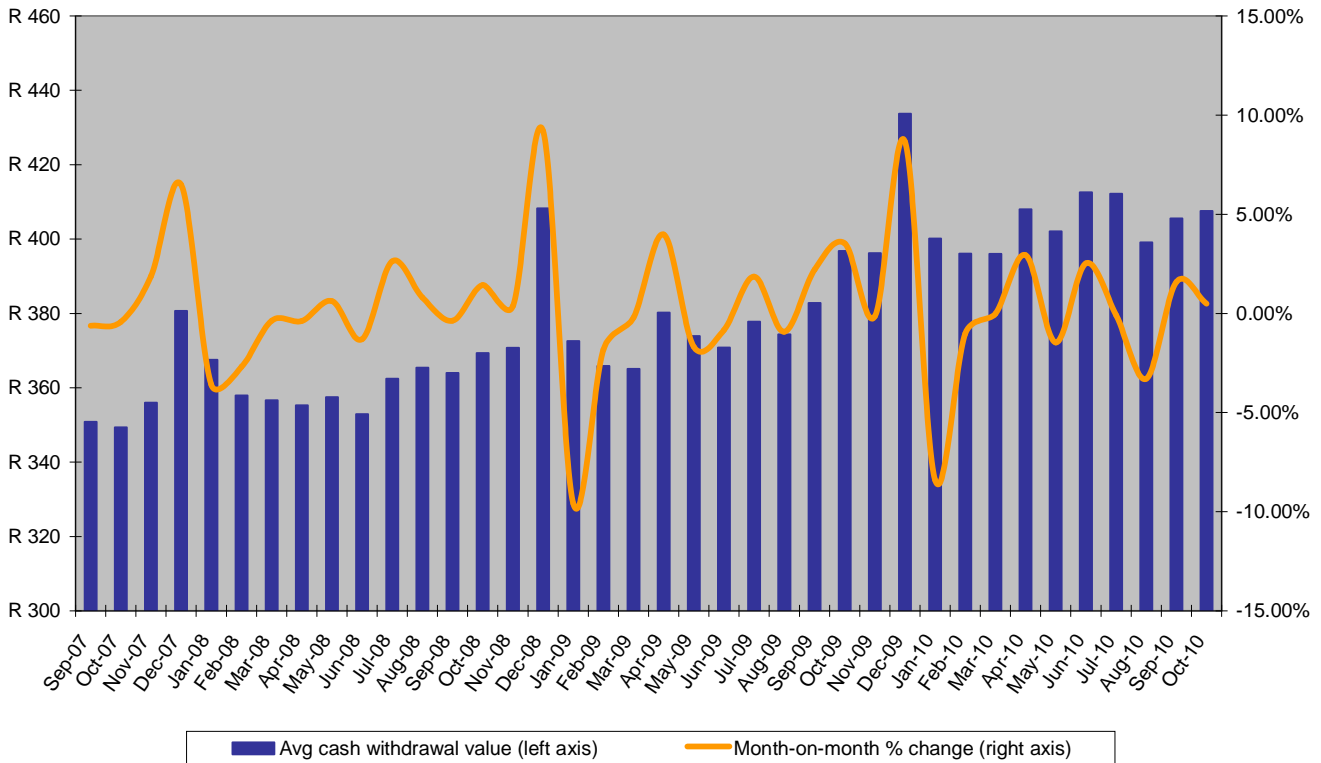
About Spark ATM Systems

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.

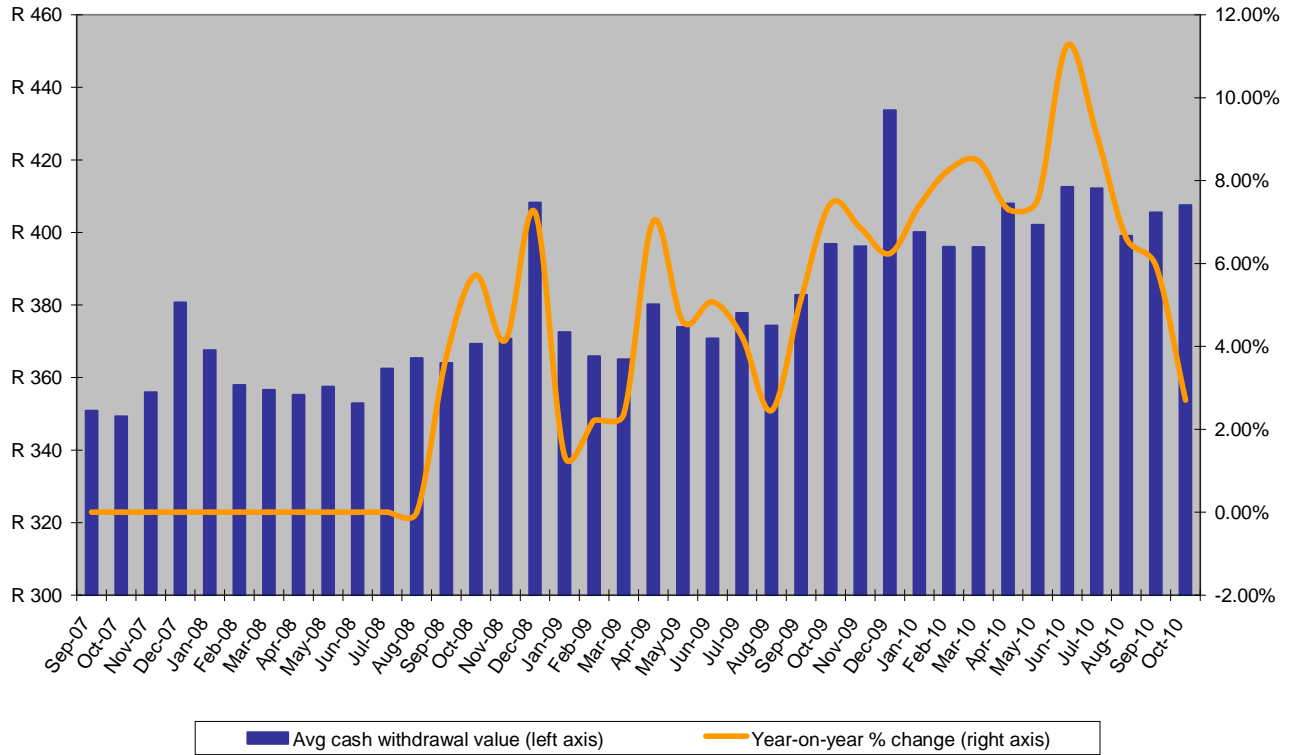
Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country.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

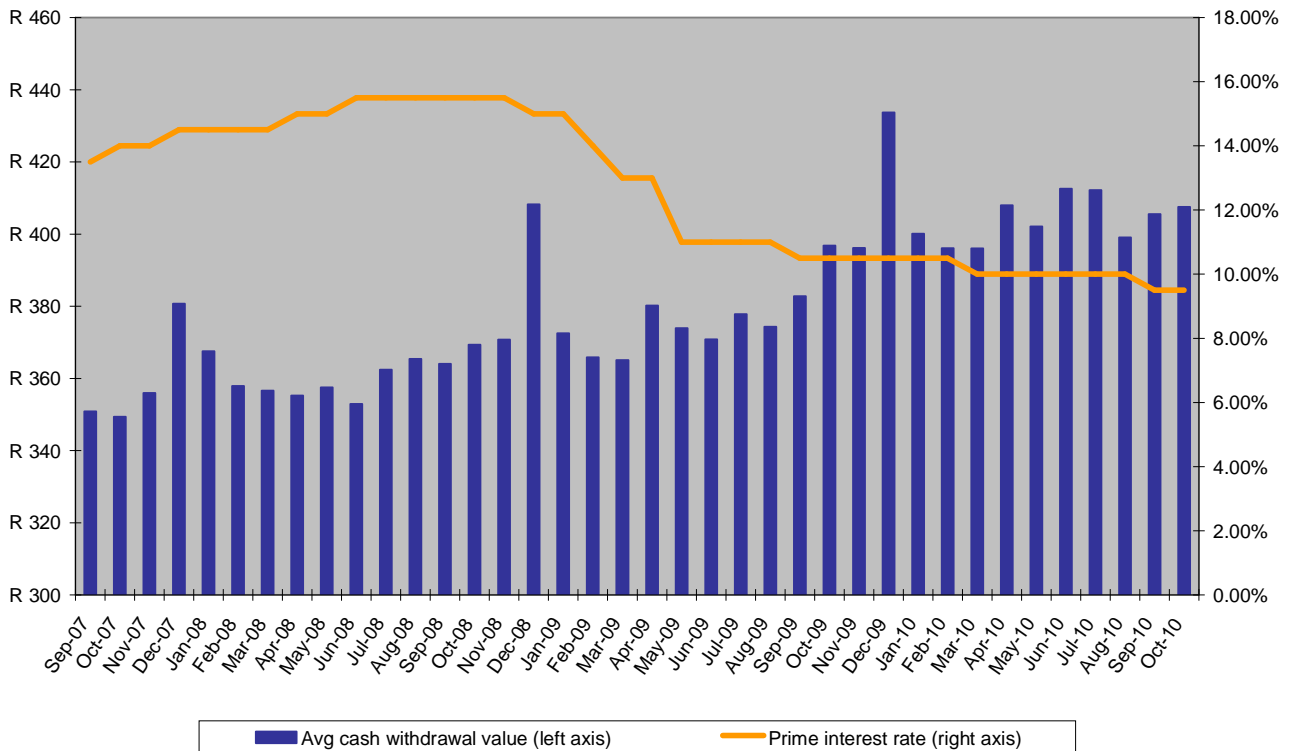
Graph A
Average cash withdrawal value



Graph B
Average cash withdrawal change year-on-year



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	0.00%	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	-3.29%	6.61%	10.00%
Sept-10	R 406	1.59%	5.94%	9.50%
Oct-10	R 408	0.49%	2.71%	9.50%

Commentary

The most recent Spark Cash Index shows that average cash withdrawals during October 2010 increased by 0.49% month-on-month and 2.71% year-on-year. The continued increase in average cash withdrawals is further evidence that consumers have recovered from the post World Cup hangover which we noticed in August 2010. Cash withdrawal levels have now returned to pre-World Cup levels. The Spark Cash Index shows that over the past two years, the average cash withdrawal value has increased from R369 in Oct 2008 to R408 in October 2010 and clearly reflects the trend towards an increased demand for cash.

The continued upward trend in cash withdrawal averages in South Africa, having peaked during the FIFA World Cup period, is testament to two main factors, namely continued relaxation of monetary policy by the SA Reserve Bank, affording consumers more disposable income, as well as the continued non-committal stance of the average consumer when it comes to credit transactions. With consumers moving further away from credit, the festive season almost upon us and the possibility of a further rate cut this month, we expect cash withdrawal values to increase even further over coming months.

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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