

The Spark Cash Index

Release version: March 2010

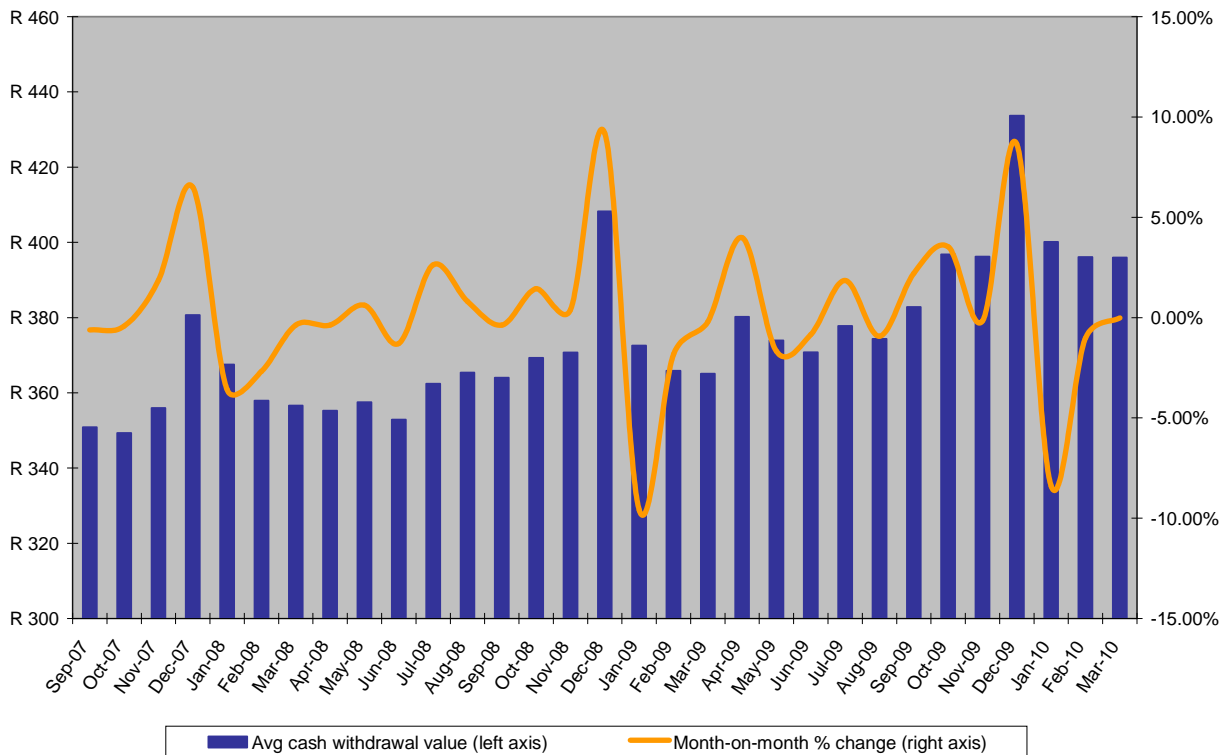
About Spark ATM Systems

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.

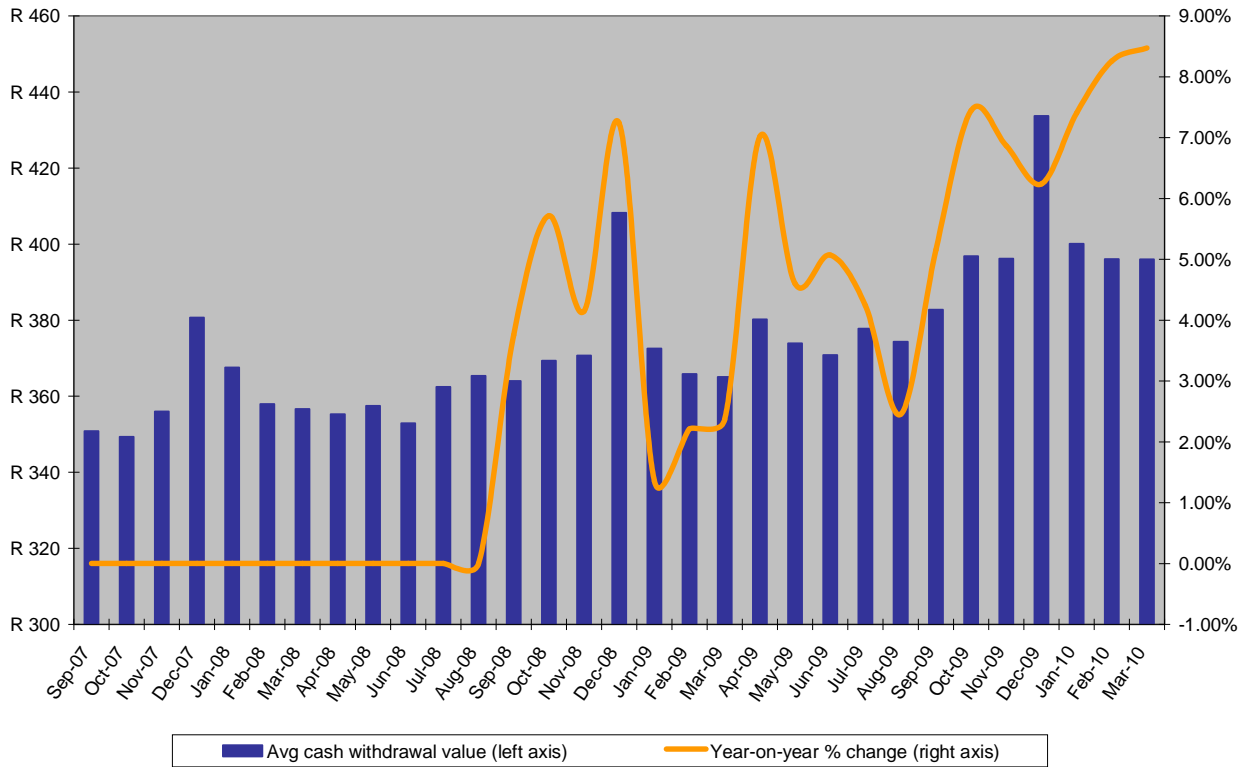
Introduction to the Spark Cash Index

The amount of cash withdrawn at ATMs is a real-time indicator of cash availability and consumer spending in the economy. From our records we have noticed that over time the average amount of cash withdrawn at our network of ATMs corresponds with general economic conditions in the country.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

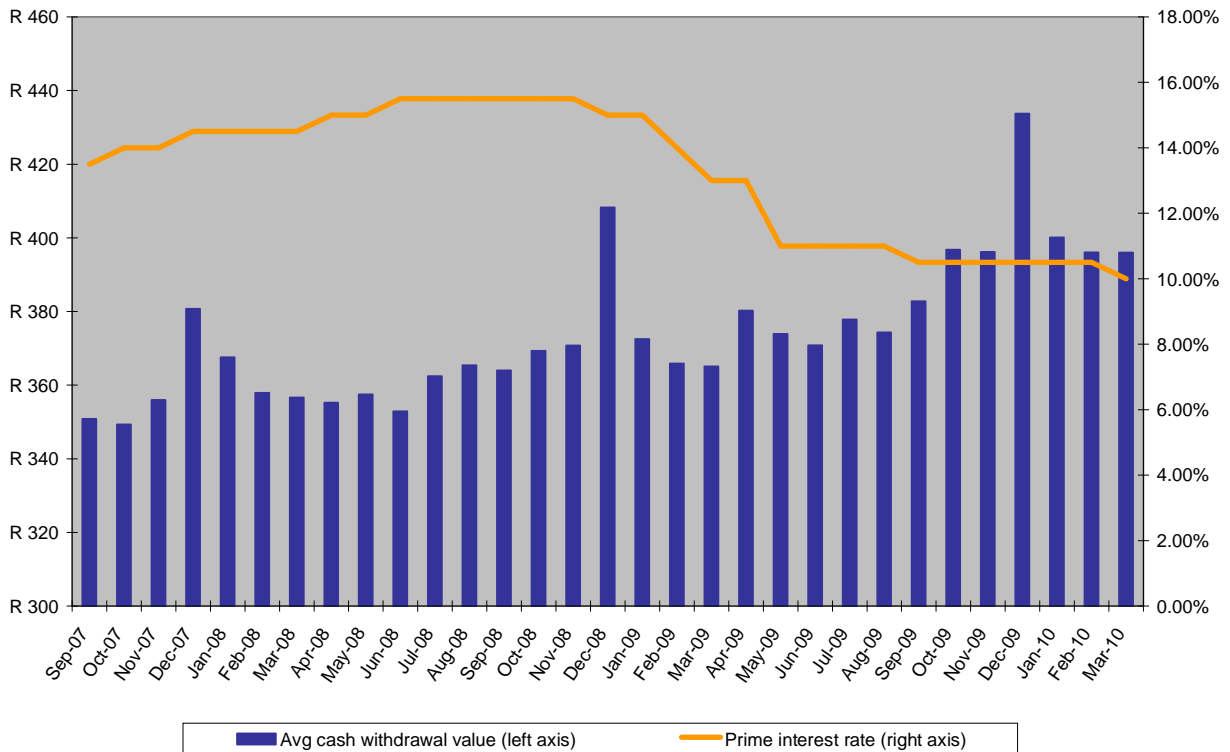
Graph A
Average cash withdrawal value



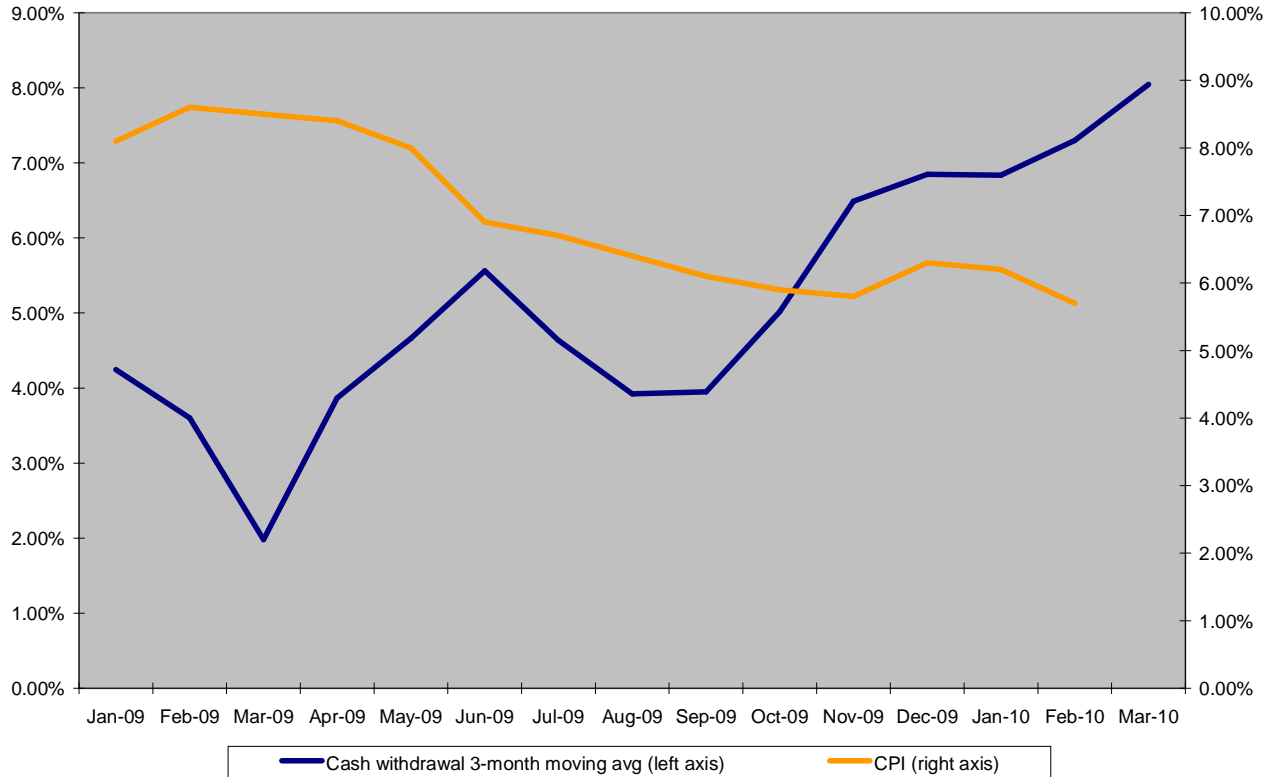
Graph B
Average cash withdrawal change year-on-year



Graph C
Avg cash withdrawal value vs Prime interest rate



Graph D
Cash withdrawal 3 month moving avg vs CPI



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%

Commentary

The average value of cash withdrawn for the month of March 2010 was a total of R396 per withdrawal, exactly the same Rand value that was reported for February 2010. This is consistent with the last three years – where there has been minimal difference reported between what was drawn in the months of February and March.

Following on February's record year-on-year increase of recorded ATM withdrawals of 8.26%, March 2010 has recorded another record annual increase of 8.47%. This is significant, as the strong annual increases that began in late-2009 have actually grown in strength and indicate a renewed appetite by consumers for higher withdrawal amounts.

A large element of these increases can be attributed to increases in CPI, which was 5.7% to February 2010, as the same basket of goods now costs more. March's CPI figures will only be released by Stats SA at the end of April. However, only a small portion of CPI relates to items that Spark ATM Systems' customers typically use their cash for, being in Stats SA's food and non-alcoholic beverages category of CPI, which only increased by 1.8% over the year to February 2010. As the Spark Cash Index increased by more than 4 times this at 8.26% in February, it is therefore clear that a large element of the Spark Cash Index increases relate to factors other than inflation, including improving consumer sentiment, increasing retail sales and lower interest rates.

Notably, Graph D illustrates the inverse relationship between cash withdrawal values and CPI over the past 13 months, commencing when CPI was rebased in January 2009. As CPI has steadily dropped, from over 8% to less than 6%, the cash withdrawal value annual increases have increased from around 4% to over 8%. The February 2010 difference between these two indexes of 2.56% is the biggest on record (with a CPI increase of 5.70% and a Spark Cash Index increase of 8.25%).

With the lowering of the prime interest rate by 50 basis points to 10% at the end of March, it will be interesting to see how cash withdrawal values respond in the coming months. It is expected that the average cash withdrawal value will continue its monthly and annual increases in the months ahead.

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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