



IN THIS ISSUE

<i>ACMA Forum 2024 Summary</i>	1
<i>Unfolding India's Consumption Story</i>	2
<i>ACMA Forum September 2024 Report</i>	4
<i>Members' Newsboard - Latest Stories from ACMA Members</i>	7

ACMA FORUM 2024 SUMMARY

ACMA

The first Asian Cash Management Association Summit was held in Jakarta over the 26th and 27th of September 2024. From the event feedback, it is clear that the Summit was a success and that all the attendees learnt and benefitted from the event. David Fagleman, who Facilitated the event, has written a report covering what was presented by the Speakers, and the feedback from questions that were asked by David and deliberated by the attendees at the round table sessions. The report will be circulated to all the attendees, ACMA members and interested parties. To give you an insight, the reports Key Themes are listed below. On receipt of our report, feel free to circulate it to your relevant contacts. The report will be available to all the attendees, ACMA members and interested parties, in ACMA webpage <https://acma-asia.org/>.

We are delighted to publish a summary of the first Asian Cash

Management Association Summit, which was held in Jakarta over the 26th and 27th of September 2024. The Summit was a great success with speakers from:

- The Indonesian Cash Management Association
- Bank Indonesia
- The Bank of Thailand
- Bank Negara Malaysia
- European Security Transportation Association (ESTA).
- Brink's Inc.
- CMS

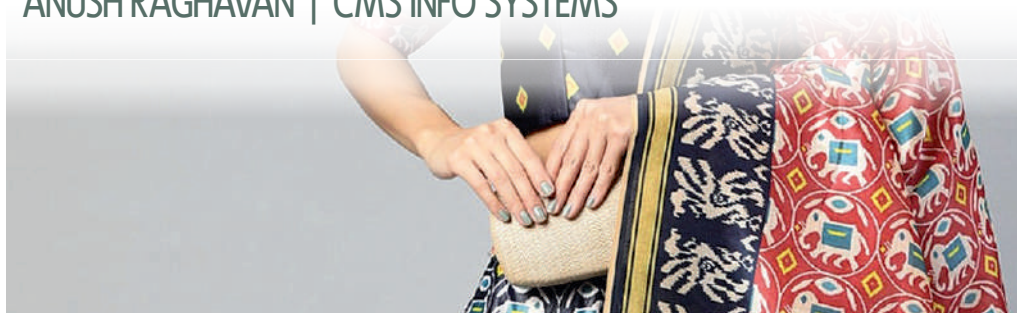
The summary covers the main discussion points:

- Making the cash cycle more efficient and cost effective.
- Cash recycling.
- Options to reduce note processing and cash movements.
- Strategies to keep cash relevant.
- The relationship between the Commercial Banks, Central Banks and the Cash Management Industry.



UNFOLDING INDIA'S CONSUMPTION STORY

ANUSH RAGHAVAN | CMS INFO SYSTEMS



“ FROM THE EVERYDAY ESSENTIALS OF FMCG AND THE DURABILITY OF CONSUMER DURABLES, TO AVIATION AND RAILWAY, FROM E-COMMERCE AND EDUCATION TO MEDIA AND ENTERTAINMENT, EACH SECTOR TELLS A STORY OF ITS OWN. ”



Smaller economies had much lower volumes of CiC compared to larger economies.

The India consumption story has emerged as a compelling saga, interwoven with modernity, and aspiration. Driving this narrative are evolving consumer preferences, propelled by the convergence of two key drivers: the formalization of the economy and the burgeoning consumption patterns, reflecting not just economic transactions but the behaviour of the Indian consumer across diverse sectors.

This is reflected in the HSBC India Composite PMI (HSBC ICPMI). Since April 2016, the proprietary CMS Cash Index™, a weighted index consisting of cash that goes into circulation through ATM channels as replenishment and the cash collected from the organized retail channels post-consumer purchases, and HSBC ICPMI have been exhibiting strong correlation thus highlighting the close linkage of cash usage with economic growth and consumption in the country. The CCI™ has consistently outperformed the HSBC ICPMI during FY 2024, with average outperformance of 5.1 basis points (bps) compared to average 6.7 bps outperformance during FY 2023. *Data from India's central regulatory body, the Reserve Bank of India shows that the total currency in circulation rose 0.90% on the week to stand at Rs 36.36 lakh crore as on February 7, 2025. Currency in circulation rose 5.3% on a year ago basis compared to 3.70% increase at the same time last year.*¹

The 8 major global economies, including the United States (US), China, Japan, Russia, India, United Kingdom (UK), Brazil, and South Africa, highlight a noteworthy picture of CiC as a percentage of their GDP.

Smaller economies like Brazil, South Africa, Russia, and the UK had much lower volumes of CiC, when compared to the larger economies like the US, China, Japan, and India, thereby indicating the direct correlation between CiC and the size of the economy.

In FY24, the contours of consumption painted a picture of dynamic change. From the everyday essentials of FMCG and the durability of Consumer Durables, to Aviation and Railway, from E-commerce and Education to Media & Entertainment, each sector tells a story of its own. It's a story of evolution, driven by changing lifestyles, aspirations, and economic realities.

As per Retail Consumption trends by CMS, average spending in the FMCG sector increased by a robust 16.76% in FY24 with a remarkable consumption recovery after witnessing a decline of 21.94% in FY23. Additionally, there was an increase in average spending on Consumer Durables too, with FY24 witnessing an increase of 3.74% in the wake of a 7.64% decline in spending in FY23.

In FY24, the aviation sector witnessed a commendable annual growth in average spending of 6.36%, while the railway sector followed closely with an 8.16% increase. This surge reflects the rise of the travel economy in India, propelled by the proliferation of millennials and the improving per capita incomes. Indians are increasingly prioritizing experiences over material possessions, embracing travel and leisure activities. Conversely, the e-commerce sector

..... Continued on next page

Continued from previous page

experienced a decline in average spending by 14.61% in FY24, marking a significant recovery from the steeper decline of 25.44% in FY23. Similarly, the education sector saw muted average spending in FY24 compared to a slight decline of 1.61% in FY23, indicating a tentative recovery in expenditure. On the other hand, media and entertainment recorded a remarkable annual growth in average spending of 29.30% in FY24. This growth trend signifies a paradigm shift, where entertainment is no longer perceived as a luxury but rather as an essential aspect of daily life. This surge in spending is attributed to Indians allocating a higher portion of their household budgets to media and entertainment, particularly in the wake of the COVID-19 pandemic, highlighting the sector's resilience and adaptability in meeting evolving consumer demands.

What is interesting to note is the prevailing consumption disparities between urban and rural India. While urban areas exhibit higher spending on discretionary goods and lifestyle products, rural consumers prioritize essentials. This divide presents a dual challenge and opportunity for businesses to tailor offerings to diverse consumer segments and bridge the geographic gap through targeted marketing strategies and localized initiatives. The geographical canvas of consumption is equally vibrant. While metros continue to wield significant influence, the hinterlands resonate with their own tales of consumption. Semi-



Media and entertainment recorded a remarkable annual growth in average spending of 29.30% in FY24.

urban and rural areas, often overlooked, are emerging as significant contributors, adding layers of complexity to India's consumption narrative.

ATM withdrawal trends analyzed by CMS reveal a notable trend: in FY24, average cash withdrawals surged by 10.37% in metropolitan areas, with similar upward trajectories seen in SURU regions (3.94% increase) and semi-metros (3.73% increase). This data underscores a broader narrative of economic expansion and inclusivity, where consumption spending is not confined to urban centers but extends to smaller towns and rural areas. As spending patterns diversify and economic opportunities proliferate beyond city limits, the significance of these emerging markets in shaping India's consumption landscape cannot be overstated.

Looking ahead, the forecasted 7% GDP growth in FY25 heralds a promising

era for India's consumption story. *India's gross domestic product (GDP) growth has accelerated to 6.2 per cent in the third quarter of FY25, up from 5.6 per cent in the previous quarter.*² Sectors like FMCG, Aviation, and E-commerce are expected to spearhead this growth surge, riding on the wings of digitization and changing consumer preferences.

As we navigate the complexities of India's consumption odyssey, modern aspirations, diverse consumption patterns, and strategic growth drivers will continue shaping the nation's consumption narrative. This trajectory propels India towards sustainable growth, prosperity, and inclusive development, firmly establishing its position as a global economic powerhouse. For in the end, it's not just about what we consume, but evolving consumption habits that defines our journey towards economic progress and inclusivity.

References

1. Business Standard (2025). Currency in circulation up 0.90% on weekly basis. [online]. Available at: https://www.business-standard.com/markets/capital-market-news/currency-in-circulation-up-0-90-on-weekly-basis-125021300663_1.html
2. Business Standard (2025). Datanomics: India needs to innovate, cut debt to become developed by 2047. [online]. Available at: https://www.business-standard.com/economy/news/datanomics-india-needs-to-innovate-cut-debt-to-become-developed-by-2047-125031000693_1.html

ACMA FORUM SEPTEMBER 2024 REPORT

DAVID SLATER | SPEARPOINT SECURITY GROUP



Returning recently from the inaugural Asia Cash Management Association Forum held in Jakarta I had a little 'time in traffic' to reflect on the event and plan my assault on journalistic licence. Traveling from Jakarta to Bangkok, those two well-known icons of smooth flowing traffic, generally provides enough time to contemplate the meaning of life. But, as my wife regularly informs me, I talk too much and take a long time to make my point. As an ex-police officer I am professionally predisposed to laziness, and brevity of facts and words does give fewer opportunities to incriminate yourself. Please forgive my stumbling attempts at journalism but creative writing was strongly encouraged in the police as it did have a very beneficial effect on conviction rates.

At the summit were representatives from the Central Banks of Indonesia, Thailand and Malaysia, suppliers of products to the industry, and many representatives, and therefore competitors, of the Asian cash management industry. Operating under Chatham House rules knowledge was shared freely and respect for other's opinions led to more informal chats during the round table discussions, and in the bar later. As an inaugural conference it met and exceeded the expectations of all present. Deepest thanks need to be expressed to Oscar Esteban and Ted Devereux of the industry who were instrumental in getting this project off the ground. For any who

don't know them, Oscar and Ted are two Jedi Grand Masters of the industry. The current belief is that they first became involved when several Micronesian Islanders from Yap thought that huge round stones with holes in the middle could make a viable currency. As archaeological exploration has not yet uncovered ATM's capable of spewing out stone doughnuts with a diameter of up to 3 metres I can only surmise that shopping must have been a challenge. Popping down the corner shop for a pint of milk and a bag of rice would have been physically demanding.

Consider this, the cash management industry is regulated, controlled, monitored and professional. R.C.M.P. - renowned as a very professional organisation that always got their man! But the industry is not perfect and there have been headline losses suffered to the bad guy. Research was therefore necessary to unearth some salient headline facts on these losses. Rather than a deep dive into the abyss of information known as the internet I chose to dip a couple of toes into the shallow pool of 'Google' first page results and Wikipedia; both are terms of endearment for my wife who apparently knows everything.

I made a short list –

1. For the armoured trucks the biggest loss recorded was 0.6 million USD when it fell out of the open back door of the armoured truck on a freeway in California in 2018.

2. The largest ever cash robbery from a vault is recorded to have been in 1972 where 30 million USD was stolen from a vault in California. At today's values, 30m USD in 1972 is equivalent to 225m USD.
3. The diamond and jewellery part of the industry lost 117 million USD from a vault in Antwerp in 2003. At today's values 117m USD in 2003 is equivalent to 199m USD.
4. For bullion the largest recorded loss was from a vault in Heathrow in 1983 where 26 million Sterling (approximately 35 million USD) was taken. At today's values 26m STG in 1983 is equivalent to 110m USD.

Discounting the first loss as basically 'loose' (in more ways than one) change, the total of the biggest single losses from the major areas of the cash management industry were 534 million USD at today's values; let's call it half a billion for easy reference.

Did national economies crash? Did the Global economy feel seismic tremors? Was there panic and disorder on the streets?

Which segues nicely into the Global financial industry where 'financial consultants' that can loosely be compared to Butch Cassidy and the Sundance Kid, have caused financial crashes and shock waves with monotonous regularity. Perhaps the acronym R.C.M.P. can be used

..... Continued on next page



Cybercrime results in losses on a scale that dwarfs those suffered by cash.

Continued from previous page

again.....let me think. Rapacious, Cunning, Moneygrabbing Predators are words that spring to mind. Perhaps I am being unfair, but many of these financial professionals think nothing of dropping more on a bottle of wine with a good lunch than a Cash in Transit company will risk in a cross the pavement ATM replenishment operation! Commissions and end of the year bonuses at the Hook, Gut and Fillet company of financial wizards often approach the levels of the single worst day of the various Cash Management sectors listed above.

Moving on to the monumental losses, let's risk a few toes in the shark tank that is cybercrime. There are zeroes here that make the largest Indonesian and Vietnamese currency notes seem like small fry with the same value as a postage stamp!

The sharks in this pool include nation state actors with their own organisations that in some instances can be viewed as the 223rd Cyber Warrior Battalion, or they outsource to the 'Gangsters r Us' financial crime consultants.

I discovered various research documents online; an absolute godsend for the

chronically indolent such as myself. In 2022 Statista estimated losses to online payment fraud alone was expected to reach \$20 billion USD for 2021, a 14% year on year growth from the previous year. That only forms part of the total picture as online payment fraud is included in total losses to cybercrime.

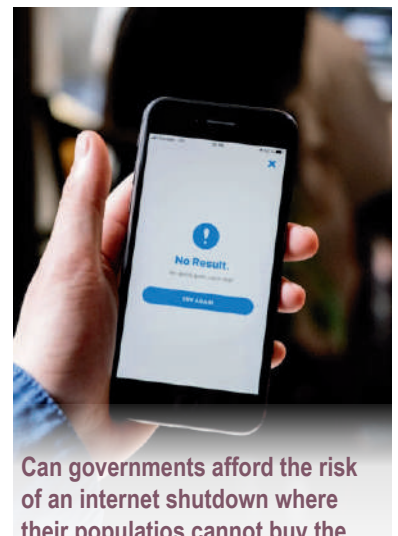
Now would be a good time to fasten your seatbelts and reach for the panic button. The World Economic Forum's 2019 Cybercrime Report puts economic losses from cybercrime, which includes online payment fraud, in 2020 at 3 trillion USD and projected this to double to 6 trillion USD in 2021! I was too frightened to research more up to date figures, or adjust to a 2024 equivalent value, as I needed to rush down to the bank to withdraw all my money and put it in my new mattress.

So, looking back, the Cash Management industry would have to suffer it's three worst historical events four times a month before it surpassed the annual losses to online payment fraud. But the damage done by Cyber Crime as a whole is much, much worse as it includes online payment fraud plus the financial losses caused by denial-of-service attacks to shut down critical infrastructure and commercial activity, the damage and potential losses caused by the theft of data; and every other way in which the internet impoverishes our lives. The three worst days for Cash Management listed above would have to occur 11,236 times a year to equal total annual cyber-crime losses. That's 30 times a day; even the Keystone Cops are not that incompetent!

Yet still we see cash being demonised and labelled out of date; soon to be replaced by online payment processing. Really?! Do governments want to remove the trusted and highly regulated industry that facilitates the daily financial and social activity of all its citizens, rich or poor? Can governments afford the risk of an internet shutdown where their populations cannot buy the pint of milk or bag of rice at the corner shop? When

..... *Continued on next page*

“
THE CASH MANAGEMENT INDUSTRY WOULD HAVE TO SUFFER ITS THREE WORST HISTORICAL EVENTS FOUR TIMES A MONTH BEFORE IT SURPASSED THE ANNUAL LOSSES TO ONLINE PAYMENT FRAUD.
”



Can governments afford the risk of an internet shutdown where their populations cannot buy the pint of milk or bag of rice at the corner shop?

Continued from previous page

people panic governments fall and some other governments high five and congratulate themselves on a job well done. Even more pertinent in Asia Pacific is to consider that it is the cash management industry that has the capability to respond quickly to natural disasters where they are the ones who can set up and support a rudimentary financial system that helps the victims buy basic necessities and kick start normality.

What does it all cost the man in the street? For the cash industry costs are transparent and freely available as efficient delivery of services is the industry mantra. Professional competition sets the mark. They cannot set their own charges based on a percentage of the value they move around; on a level playing field perhaps they should? For online processing of payments, we have fees for Interchange and Assessment; often combined with E-Wallet and Payment Processing fees. A seemingly random and inconsistent assortment of numbers across the markets and providers that put most lottery random number drawing machines to shame.

Where is the in-depth analysis of Capital Expenditure, Operational



Online processing fees for payments are highly random and inconsistent across the market.

Expenditure, Research & Development and Provisions for Alterations, Additions & Improvements? All of these, plus the cost of borrowing at rates set by the Central Banks, are factors in the cost of service for the cash management operators. Online payments providers are a competitor and a level playing field necessitates the Central Banks being able to fully assess the cost of the two systems.

Perhaps we should consider the black day if cash becomes obsolete and the man in the street has choice taken away from him and entire economies become more vulnerable? A huge increase in takings for the online payment providers!

Will they then reduce the percentages they charge for providing their service?

At the end of the day, to look after your hard-earned wealth and keep economies rolling, forget Gordon Gekko and Wall Street and save yourself from Anonymous Cyber Fraudsters. Cash must be kept relevant!

'Who are you gonna call?' – Cash Management!

(The above comments are the freely and irreverently expressed views of myself alone and should NOT be attributed to any of the trusted professionals present at the Forum.)

Spearpoint Security Group
Established in October 2012
is the holding company for the acquisition and start-up of security and aviation service related businesses operating in Asia Pacific. The Group's main objective is to understand our customers' business and threats resulting in the delivery of cost effective services tailored to their needs.

Our Services:

- 1 Manned Security Services
- 2 Events Security Services
- 3 Secure Solutions
- 4 Risk Mitigation
- 5 Cash Management Consultancy Services
- 6 Executive Protection
- 7 Bespoke Business Aviation Services

Contact Us :
ops@spearpointsecuritygroup.com
<http://www.spearpointsecuritygroup.com>

MEMBERS' NEWSBOARD - LATEST STORIES FROM ACMA MEMBERS

CASHPILOT GmbH WELCOME

CASHPILOT GmbH

Welcome to CashPilot GmbH.

CashPilot® is an AI-based modular End-2-End Cash Management Software Solution Suite to assist Banks, Retailers and Cash-In-Transit Companies to manage their physical cash processes and reporting challenges.

CashPilot stands for

- intelligent solutions for optimizing your cash logistics
- an investment that pays for itself in the shortest possible time
- manufacturer independence

Whether it is DEVICE cash management, cash cycle optimization for bank branches, vaults and cash centres, DEVICE monitoring and ticketing in the

event of malfunctions, cash reconciliation or account reconciliation, seamless tracking & tracing of safebags and valuables, documentation of services at the DEVICE and meaningful reports, one-time code lock solutions or smartsafe management, CashPilot unleashes all conceivable optimization potential that lead to cost minimization and maximum efficiency while ensuring highest cash availability.

Get to know the variety of our products on our website, from DEVICE management to cash cycle optimization, cash demand forecasting and cost optimization, cash and account reconciliation, monitoring, and ticketing and much more!

CashPilot is manufacturer-independent and can be used for a wide range of different cashpoints: for cash dispensers (ATMs), cash deposit devices (CDM), cash recyclers (CRS), smart safes, automatic teller cash recyclers (TCR), bank branches, cash centres, ticket machines, car park ticket machines, statement printers and more.

If you are a CIT company, a bank, an independent ATM deployer (IAD), a cash centre operator or a retailer and would like to save costs and increase efficiency, we would be happy to offer you a consultation and a proof of concept.

CashPilot GmbH
Koestlergasse 1
1060 Wien
www.cashpilot.com

CMS
Connecting Commerce

Prioritising consumer experiences, always

Helping banks transform self-service channels through automation

Transformation, uninterrupted

INDIA, UNINTERRUPTED

cms.com CMS Info Systems ConnectingCommerce systems_cms cmsinfosystems

CR *the* **Currency Conference**

BANGKOK, THAILAND
26-29 MAY 2025
CURRENCYCONFERENCE.COM
#CurrencyConference

ACMA members

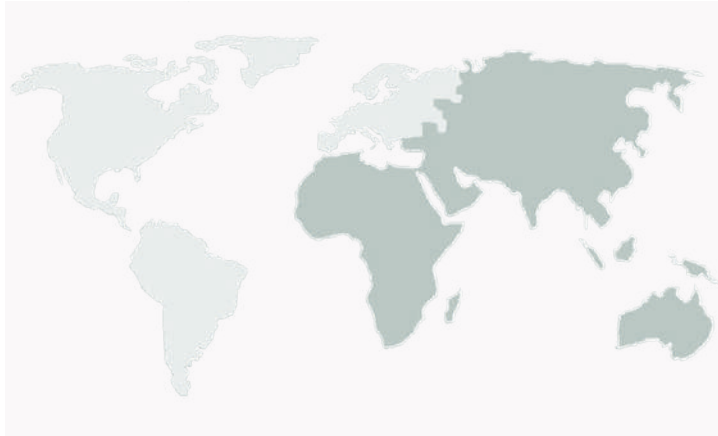
SPECIAL OFFER
get **15% off**

Please use code **ACMA15** during registration

ADVERTISE WITH US

ACMA CURRENCY NOTES is a quarterly industry newsletter read by over 3000 professionals in the cash handling industry globally.

Advertise with us to increase your presence across Asia, Africa, and Australia & Oceania.



Members pay

\$400 for a full-page advertisement;

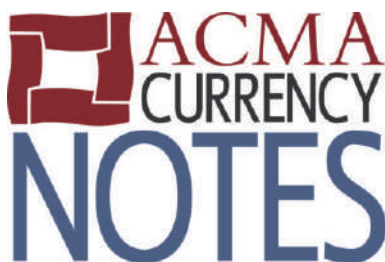
\$200 for a half page; and

\$100 for a quarter page.

Non-members pay double.

We also offer a **free quarter page advertisement space** to contributors who provide a **full-length article** for the main section.

Send enquiries to Eng Yi Qing at: yqeng@currency-research.com



SHARE YOUR INSIGHTS

If you would like to have an article published in the ACMA Currency Notes, please write to Eng Yi Qing at:
yqeng@currency-research.com

ABOUT ACMA

Mission

To provide a platform for Cash Management Companies (CMCs) in Asia, Africa and Australia & Oceania to raise their professional reputation and standing in the Cash Handling and Cash Management Industry, and to act as a representative with the appropriate authorities on issues of common interest.

Founding Members

AB Securitas
Currency Research
Linfox Armaguard
Spearpoint Group

Office Bearers

Chairman Óscar Esteban, Prosegur
Executive Director Ted Devereux, Spearpoint Security Group
Secretary Eng Yi Qing, Currency Research

Committee Members

Scott Forster, CPT International
Stephan Kazes, Loomis International
Baskaran Narayanan, Brink's
Kesavamani Narayanan, G+D Currency Technology
Phiroze Pestonjee, AB Securitas
Benjamin Thorpe, Glory
Óscar Esteban, Prosegur
Ted Devereux, Spearpoint
Matthew Lewis, Currency Research
Abdul Malek Sutan, MEPS Currency Management
Jorge Vega, Aegis Secure Solutions
Iman Sujudi, PT Nawakara Arta Kencana

www.acma-asia.org

To become a member, write to Eng Yi Qing at:
yqeng@currency-research.com

Contributors to this issue:

- Anush Raghavan
- David Slater