

BUSINESS

Link-up between POS payments company and Vend to transform ecosystem

SIZWE DLAMINI

SOUTH African point of sale payments company Yoco this week announced it had expanded its POS integration offering to include Vend, which is expected to radically alter the local retail and hospitality ecosystem.

The Cape Town-based company – which recently achieved a milestone of 10 000 small and medium-sized enterprises (SMEs) in the country using its POS payments platform – said Vend was one of two integrated cloud-based POS solutions now available for Yoco merchants. The other is TabletPOS (powered by iKentoo), made for the hospitality industry.

It said the integration of the retail management software – which lets retailers run their business in-store, online, and via mobile – would enable South Africa-based retailers with multiple locations or more complex operations, which use Vend's sophisticated inventory and retail management, to process payments with Yoco.

Yoco co-founder and chief business officer Carl Wazen said: "The needs of an SME are always evolving and it's important that the systems and the people supporting them evolve with them."

SMEs are big business in South Africa, contributing close to 50% to gross domestic product and driving employ-

ment. However, due to their size, fragmented nature and general unpredictability, they remain overlooked by large financial institutions because it has not been economically viable to reach them from a cost and risk standpoint.

By expanding access to card payments in the SME segment, Yoco was contributing to the growth of underserved segments of the economy, at a time when it was urgently needed.

The fintech company said through the integration partnership, the seamless transaction flow between Vend's TabletPOS and Yoco's payment solution would give retailers the opportunity to provide a superior customer



Carl Wazen

experience at the point of purchase, in addition to performing automatic reconciliations between the POS and

the payment system, saving valuable time and allowing for more control.

Traditionally these capabilities have been accessible only to large, multilane retailers, which could afford to do a custom payment integration with their POS systems.

Offering extended POS integrations brings a change of pace to the hospitality and retail industries. The company said with more than 82% of its merchants coming from these industries as well as the health and beauty sector, the delivery of solutions for such merchants remained a priority.

"It is extremely important that we provide our merchants with an offering that

goes beyond just payments and transaction processing.

"Integrating payments and POS alleviates some of the biggest pain points that business owners and their staff face – things like cash-up time, the complexities around manual reconciliations, which are prone to human error, and payment fraud."

"We will continue to seek ways to further enhance our merchants' experience through these types of partnerships, and in doing that, strengthening the SME ecosystem as a whole."

This is the first time Vend has integrated with an African POS payments company. Director of payments at

Vend Chris Connelly said the company had been looking for a best-of-breed South African partner.

"We were quickly drawn to Yoco, not just because they are a fast-growing leader in the industry, but also because they share our values of innovation and helping businesses succeed and grow."

Any economic plan, whether published by the government, academic or private sector, makes it clear that a healthy SME sector is considered the cornerstone for reducing unemployment, increasing productivity and catalysing innovation.

The challenging economic environment in South Africa

creates a context for SMEs to play a meaningful role in an economy looking to reinvent itself. About 80% of consumer payments in South Africa are still made in cash.

Yoco – which employs more than 70 people in Cape Town and Johannesburg – earlier said by digitising payments it wanted to drive the formalisation of SMEs and move into offering complimentary services driven by software, ultimately becoming the operating system for the contemporary SME.

Its vision is to be the first real pan-African player serving the untapped SME segments.

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Springbok-All Black trade is also thriving

Countries have a good thing going

JOSEPH BOOYSEN

NOT only do South Africa and New Zealand enjoy a strong rugby relationship, trade between the countries is worth billions of rands, according to New Zealand High Commissioner Mike Burrell.

Together with Wesgro, Cape Town and the Western Cape's official tourism, trade and investment promotion agency, Burrell hosted a business meeting on the eve of today's All Blacks-Springbok clash in Cape Town.

The event gave South African companies based in the Western Cape an opportunity to engage with business people from New Zealand, using their mutual love for rugby as a strong foundation for business-to-business engagement.

Speakers included Cape Town Mayor Patricia De Lille, Wesgro chief executive Tim Harris, and president of New Zealand Rugby Brent Impey.

Burrell said: "When a New Zealander thinks of South Africa, he thinks Springboks

and when a South African thinks of New Zealand she thinks All Blacks. So South Africa is New Zealand's closest rival. The rugby field is a defining picture of the relationship between the two countries."

He said about 70 000 South Africans lived in New Zealand and the two-way trade between the two countries was worth about R3.2bn and South Africa was New Zealand's third biggest export market in Africa.

"In 2016 this was our third largest export country on the whole of the African continent. The total value of exports last year was R1.7bn and is also by far our most diverse trading relationship."

"New Zealand's growth is important to South African businesses. In fact New Zealanders buy more goods from South Africa than from the entire continent put together."

"Goods imported last year from South Africa totalled R1.5bn. So what you can see is that we've actually got very even trade, which says a lot about our trade relationship."

Burrell said that this story was incomplete if investment flows into each other's markets were not mentioned.

He said New Zealand accounting firm Zero had chosen to launch its latest office in South Africa, the sixth after opening offices in countries such as Australia, Singapore, the UK and US.

De Lille said the trade between South Africa and New Zealand was robust and the presence of Kiwi software and technology firms in Cape Town was recognition of the city's position as Africa's information technology hub.

"Cape Town is an opportunity that welcomes investment as we work to enable inclusive economic growth and job creation."

Harris said trade between New Zealand and the Western Cape had doubled since 2009 and was now worth R700 million. This had been matched by a booming tourism relationship, he said with some 16 000 New Zealand arrivals in 2016. joseph.booyesen@inl.co.za

September vehicle exports rose by 11%

HELMO PREUSS

THE August manufacturing and mining data will dominate the data calendar next week, but the SA Chamber of Commerce and Industry (Sacci) Trade Activity Index (TAI) will also give a broader-based read of private sector economic activity in September.

August manufacturing production data will be released on Tuesday, while the mining production data and the TAI are due out on Thursday.

Another data point that is due to be released next week is the monthly ports data, but the timing of that is uncertain.

Although manufacturing production has contracted on a year-on-year (y/y) basis for the past four months, some economists believe the August data could buck the trend as September vehicle exports rose by 11% y/y to a record high, meaning that vehicle manufacturers had to ramp up production to meet overseas demand. In addition, the record maize harvest is busy being processed, so the food and beverage sector should also see higher y/y production.

Mining production on the other hand could disappoint due to base effects as August 2016 saw high production and that may not be met in August 2017. Bulk export volumes for August showed that volumes out of Saldanha, which are mostly iron ore, plunged by 22.3% y/y, so this may be reflected in the production data as well. There is currently a global oversupply of iron ore so the September bulk export data will be scrutinised to see if there was a recovery in iron



South Africa's bulk export volumes are released by Transnet National Ports Authority.

PICTURE: REUTERS

ECONOMIC WEEK AHEAD

ore exports. Iron ore accounts for nearly 15% of mining production so its fortunes have a major impact on mining production. South Africa's bulk export volumes are released by Transnet National Ports Authority (TNPA). This is one of many non-Statistics South Africa data points that help flesh out what is happening with the economy.

Bulk export volumes fell by 7.2% y/y in August to 11.7 million tons (Mt) after surging by 34.55 y/y in July to 15.6 Mt. This brought the increase for the first eight months to

6.8% y/y, showing that mining and agricultural bulk exports are boosting the South African economy, as in addition to bulk mining products such as coal, iron ore and manganese ore, South African ports also handle bulk farming products such as maize and sugar. The last data point is the Sacci TAI.

This is a diffusion index similar to the Purchasing Manager's Index (PMI) that was released last week.

Both the Absa PMI and the Standard Bank PMI were below 50, which is the neutral level, in September and it remains to be seen whether the Sacci TAI will follow suit.

The seasonally adjusted TAI has been on a recovery recently before easing in August from 51 in July, 49 in June, 47 in May and 45 in April. Despite the poor perceptions about weak economic growth, the sales volumes index rose to 55 in

August from 54 in July, 55 in June, 52 in May and 44 in April, while the new orders index also improved and jumped to 49 in August from 43 in July, 46 in June, 49 in May and 40 in April.

Retailers cut back their inventory due to April's low sales volume, but there was a recovery in July to 51 before easing to 46 in August. The input price index eased to 62 in August from 64 in July, 63 in June, 63 in May and 62 in April. The employment sub-index remained steady at 43 in August and July from 47 in June, 49 in May and 48 in April.

JSE AT THE CLOSE

Security	Ruling price	Day's move	Security	Ruling price	Day's move	Security	Ruling price	Day's move
Oil & Gas Producers			Platinum & Precious Metals			Construction & Materials		
ENW	2560	-500	IMPRESAL	19480	-110	AB INEV	1445	16
MONTAUK	3200	10	AMEPLATS	35526	-574	ONELOXG	285	2
ONINDO	30	0	ATLATASA	33	0	SANTOVA	295	0
SACOL	19	-1	BAUBA	71	-4	SUPRGRP	4288	68
Chemicals			EMSPPLATS	225	0	TRENDR	399	0
ACCI	10450	-16	INPLC22	95900	0	VALUE	356	1
AFROX	2400	-39	INPLC30V	1014384	0	Support Services		
DELTA	97	0	IMPLATS	3250	-29	ADOCOR	1425	-15
OMINA	14550	-22	LONMIN	1515	315	CARTRACK	1412	-1
RUFLES	297	-8	NORTHAM	4841	-9	CSG	113	0
SASOL	38500	317	REP CON	1000000	0	ELDRGRUP	1915	0
SPANLEAD	370	0	RPLBLAT	3940	18	HELMCO	12590	-88
Forestry & Paper			WESIZE	54	-2	INTEWASTE	87	3
MONDILTO	37920	-260	Construction & Materials			MARSHALL	1800	0
MONDPCFL	37820	-391	AGE CON	720000	0	METROFILE	406	-1
SAPPY	9595	65	AFRIBAT	2830	0	MACROMEGA	890	0
YORK	290	-4	ARENG	270	-5	METTEL	526	0
Industrial Metals & Mining			BSRISAD	75	0	NETLIEPS	13200	0
AROMITL	469	1	CALGRD	1294	-26	NOVUS	688	15
FERRIM	1	-1	DAWN	102	-8	PRMESERV	51	1
HELMAN	662	2	ESOR	20	-1	TORRE	122	0
INSIMB	160	5	GRUP S	900	114	WRKHLG-S	122	0
KUMBA	23275	989	KAYDAV	100	0	Automobiles & Parts		
ZD-S	328	0	MAZOR	160	0	METAR	1789	-1
Coal			PPC	637	-8	Beverages		
BULDIMX	20	0	RALUBEX	1862	-18	AB INEV	166363	-2
COAL	45	-1	SEMPAKU	200	20	ASTRAL	17450	-359
EXORD	13800	55	STEFFOOD	290	0	CAPEWH	834	-2
FRESTONE-S	6	0	TRELLOK	541	-30	DIC-BRAND	59	0
FRESTONE OPT-S	4	0	WBHD	14938	107	DISTELL	12986	140
HWANNE	75	24	General Industrials			PICKPAY	58100	630
IRIXEX	230	-20	ARGENT	437	17	SHOPRIT	21216	244
WATERBERG-S	40	0	BARWORLD	12600	14	SPRIR	17115	465
WESCOAL	229	-1	BIDVEST	17991	-123	GENERAL RETAILERS		
Diamonds & Gemstones			BOWCALF	744	0	AF&ORP	1815	5
ROCKWELL-S	40	0	EXTRACT	5	1	FFB	390	-5
TREXEX	230	-20	ARGENT	437	17	FRIFOODS	11552	-182
General Mining			MGR-HLD	1600	19	QUANTUM	234	4
ANGLO	26411	134	IMPACT	2471	-29	RCL	1581	71
ARM	10927	-136	NAMPAP	1815	10	RFG	1871	14
ASSORE	30208	-87	REMORO	21900	155	SEAHARVST	1300	-12
BHPBILL	24660	85	TRIPGOD	2100	0	SOYFODD	1120	0
GLENCORE	6614	7	ELIUS	38	0	TSEBANDS	38250	-34
MEDAMOND-S	11	0	ALTRON	1290	1	TONGAT	11359	-40
MERAFE	159	-2	ARB	590	-7	LEWIS	2824	124
MIRANDA-S	4	0	CAFCIA	150	0	STERNOFF N.V.	6050	119
SOUTHSZ	3529	8	CL	1260	10	MORPICE	17620	0
TRAWNA	320	-5	ELLIES	38	0	NICTUS	75	0
THARSA	1900	0	REINERT	7087	-24	REX TRUE	2300	0
UNICORP	26	-2	S.INDIAN	32	0	RICHMONT	12454	-117
Gold Mining			Industrial Engineering			Tobacco		
ANGOLD	13652	122	BEL	1480	390	BATS	85387	1267
EROGOLD	523	6	ENKINGCO	1570	-30	HEALTHCARE EQUIPMENT & SERVICES		
GRIELOS	5800	-80	HOWDEN	3800	130	AFRO-C	640	5
HARMONY	2465	16	INWCTA	5030	-8	LIFEC	2545	65
OROMIN	24	0	MASTRILL	1320	0	MEDICLINIC	12280	418
PAN-AF	234	-4	Industrial Transportation			NETCARE	2403	63
RANGOLD	125	0	CARGO	1290	0	Pharmaceuticals & Biotechnology		

MARKET CLOSE

Shares hit new highs, rand weaker

DOMESTIC share indexes posted record high closes for the second consecutive day yesterday, helped by gains in market heavyweight Lonmin after lenders waived some of its debt covenants.

With the rand slipping after US jobs data, the benchmark JSE Top40 index gained 0.44 percent to 51 010.38 points. The all share index advanced 0.41 percent to the

session at 57 231.87 points. Lonmin's lenders have waived some of its debt covenants, allowing the platinum miner to vent the rest of its Pandora joint venture mine, the South African-focused producer said earlier on Friday.

Lonmin, also listed in London, jumped 16.9 percent to R15.15. Another market heavyweight, Naspers, also gained. The firm,

which has a one-third stake in Hong Kong-listed Tencent, hit a record high and closed 0.9 percent higher at R3 164.69.

On the currency market, the rand drifted lower as US jobs data reinforced the view that the Federal Reserve would raise interest rates before the end of the year. At 5pm on Friday, the rand was bid at R13.7399 to the dollar. – Reuters

Security	Ruling price	Day's move	Security	Ruling price	Day's move	Security	Ruling price	Day's move	Security	Ruling price	Day's move	Security	Ruling price	Day's move
ADOCX	5988	-13	CANTON	1529	-5	MMI HLDGS	1793	43	LIBERTYZD	825	-20	HCI	12400	-86
ASCENDS	2025	50	CANTON/PCPP	8900	0	OLBMINI	3550	29	ORIND	50	0	INLTG	9020	-24
ASPN	30600	173	E MEDIA	562	0	SANLAM	6820	16	REBOSS	1102	7	INPLC	10200	24
Food & Drug Retailers			E MEDIA-N	524	74	Industrial & Office REITS			REBOSSA	2450	0	JSE	12000	-300
BIDCORP	31246	630	NASPERS-N	316469	2819	ARROWA	830	0	REFINE	1090	15	LONFIN	800	0
CHOPRPS	300	-13	Travel & Leisure			DELPROP	721	2	RIFCL	688	4	LONGALFE	565	-15
CLDZS	15468	18	CITLGLG	13299	-151	EQUTES	2100	25	SA CORP	491	0	PENRIN	2905	30
DIC-BRAND	2900	47	COMAR	565	-2	IAPF	1340	0	SERE	1970	25	PHENIX	63	-1
DISTELL	12986	140	CULLINAN	115	0	Real Estate Holding & Development			SPPEARREIT	1050	25	PSG	24617	38
PICKPAY	58100	630	FAMBRANDS	11800	165	ACSION	800	40	TEX	700	0	PSG KST	895	20
SHOPRIT	21216	244	PHAMELELLA	1940	25	ADRENNA	95	0	TOWER	725	15	PURPLE	44	0
SPRIR	17115	465	SPRIR	17115	465	FREEDOM-S	7	0	FARVEST	20				