



Weekly Economic Highlights

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Week Ending
29th January 2016

1. INTEREST RATES

Deposit Rates

Savings deposit rates remained unchanged at 3.20% during the week ending 29th January 2016. Average rates for deposits of 1 month and 3 month tenors, however, decreased from 6.91% and 7.22% in the previous week, to close the week under review at 6.90% and 7.21%, respectively.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
24-Dec-15	3.00	7.69	7.90
31-Dec-15	3.00	7.53	7.74
8-Jan-16	3.20	7.09	7.48
15-Jan-16	3.20	7.32	7.48
22-Jan-16	3.20	6.91	7.22
29-Jan-16	3.20	6.90	7.21

Source: Banking Institutions, 2015

Lending Rates

During the week ending 29th January 2016, commercial banks' weighted lending rates for individuals and corporate clients declined marginally to 12.08% and 7.38%, respectively, as shown in Table 2 below.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
24-Dec-15	12.17	7.82
31-Dec-15	11.99	7.57
8-Jan 16	12.05	7.36
15-Jan 16	12.05	7.36
22-Jan-16	12.10	7.40
29-Jan-16	12.08	7.38

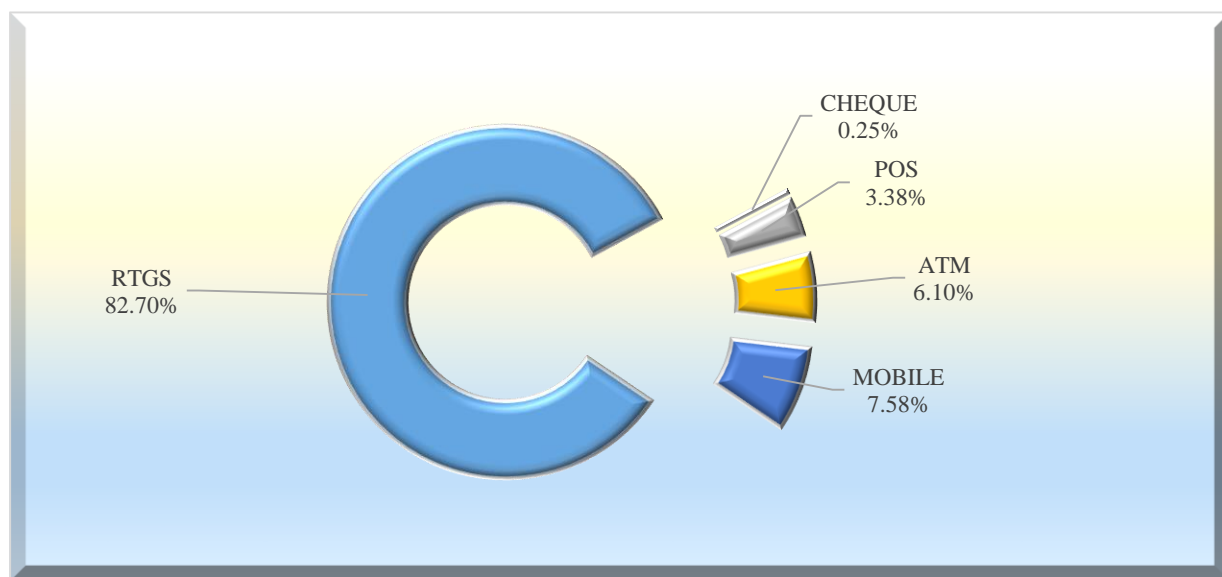
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) rose from US\$975.52 million in the previous week, to US\$1 171.43 million, during the period under analysis. Transactions processed through the RTGS system amounted to US\$968.73 million, up from US\$791.28 million registered in the previous week.

RTGS payments accounted for 82.70% of the total value of transactions processed through the NPS, followed by Mobile, 7.58%; Automated Teller Machines (ATMs), 6.10%; Point of Sale (POS), 3.38%; and cheques, 0.25%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, Mobile-based transactions accounted for 87.66% of total transactions; POS, 6.49%; ATMs, 4.96%; RTGS, 0.76%; and Cheque, 0.13%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 22 Jan 2016	WEEK ENDING 29 Jan 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	791.28	968.73	22%	82.70%
CHEQUE	3.08	2.89	-6%	0.25%
POS	48.13	39.64	-18%	3.38%
ATMS	58.06	71.43	23%	6.10%
MOBILE	74.96	88.75	18%	7.58%
TOTAL	975.52	1,171.43	20.10%	100%
VOLUMES				
RTGS	32,915	37,619	14%	0.76%
CHEQUE	6,729	6,267	-7%	0.13%
POS	382,284	319,547	-16%	6.49%
ATMs	232,591	244,143	5%	4.96%
MOBILE	4,176,340	4,315,568	3%	87.66%
TOTAL	4,797,944	4,923,144	3%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper, and crude oil firmed, while nickel prices retreated during the week ending 29th January, 2016.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2016	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (22 Jan)	1,093.63	823.60	4,397.60	8,572.00	29.22
25-Jan	1,105.20	851.50	4,453.00	8,560.00	30.88
26-Jan	1,114.15	864.50	4,500.00	8,540.00	31.69
27-Jan	1,116.38	874.50	4,507.00	8,650.00	32.68
28-Jan	1,116.50	883.50	4,553.00	8,570.00	34.00
29-Jan	1,112.35	865.00	4,541.00	8,545.00	34.04
Weekly Average (29 Jan)	1,112.92	879.30	4,592.60	8,462.00	35.74
Weekly Change (%)	1.8	6.8	4.4	(1.3)	22.3

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on a positive trajectory, increasing by 1.8% from an average of US\$1 093.63/oz in the previous week, to close the week ending 29th January 2016 at an average of US\$1 112.92/oz. Gold benefited from investor's risk-averse sentiment emanating from decelerating economic growth in China and signs of softening USA economic growth.

Platinum

Platinum prices gained by 6.8% from a weekly average of US\$823.60/oz during the week ending 22nd January 2016, to an average of US\$879.30/oz during the week under review. The price of the industrial metal firmed on concerns of a global deficit, following reports by the World Platinum Investment Council that predicted a 7.8% annual deficit, amid growing demand from the automotive industries.

Copper

During the week under review, copper prices rose by 4.4%, to close the week at an average of US\$4 592.60/ton. Copper prices firmed following speculation on the likelihood that central banks, particularly of Russia and China were contemplating introducing stimulus measures to ease the current global market turmoil and bolster economic growth.

Nickel

Nickel prices retreated by 1.3% from a weekly average of US\$8 572.00/ton in the previous week, to US\$8 462.00/ton during the week under review. Prices continued to be weighed down by excess supply, despite efforts to curtail production aimed at pushing up prices of the metal.

Brent crude oil

Crude oil prices firmed significantly by 22.3%, to close the week under review at an average of US\$35.74/barrel. The firming of crude oil prices was spurred by speculation over the possibility of a meeting being held between OPEC and Russia to discuss cut backs in crude oil production to bolster prices.

4. EQUITY MARKETS

During the week ending 29th January 2016, the Zimbabwe Stock Exchange registered losses in both indices. The industrial and mining indices registered declines of 0.01% and 1.21%, to close the week at 103.04 points and 19.53 points, respectively.

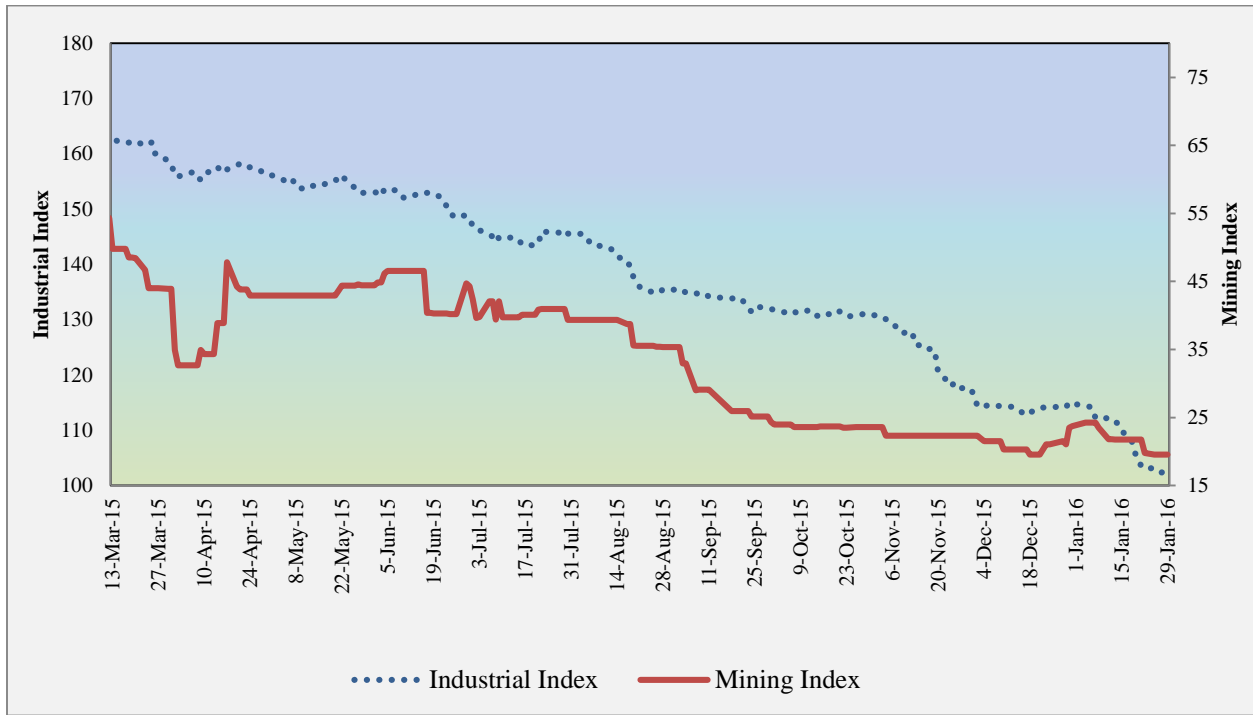
The mainstream index was largely weighed down by losses in Willdale (25.00%), Old Mutual (5.99%), Delta (3.71%), Hippo Valley (3.38%) and Fidelity Life (2.46%). The decline in the resource index partly resulted from a 2.91% value loss of the BNC share.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-Dec-15	114.11	21.03	3,049,698,454	161,009	2,456,457
31-Dec-15	114.85	23.72	3,073,408,931	1,115,802	13,480,408
8-Jan-16	112.16	23.48	3,002,326,842	2,415,801	16,058,701
15-Jan-16	109.88	21.74	2,976,279,469	2,612,798	15,882,768
22-Jan-16	103.05	19.77	2,791,211,190	2,112,445	13,882,308
29-Jan-16	103.04	19.52	2,790,443,132	3,258,860	16,058,980
Weekly Change (%)	(0.01)	(1.26)	(0.03)	54.27	15.68

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

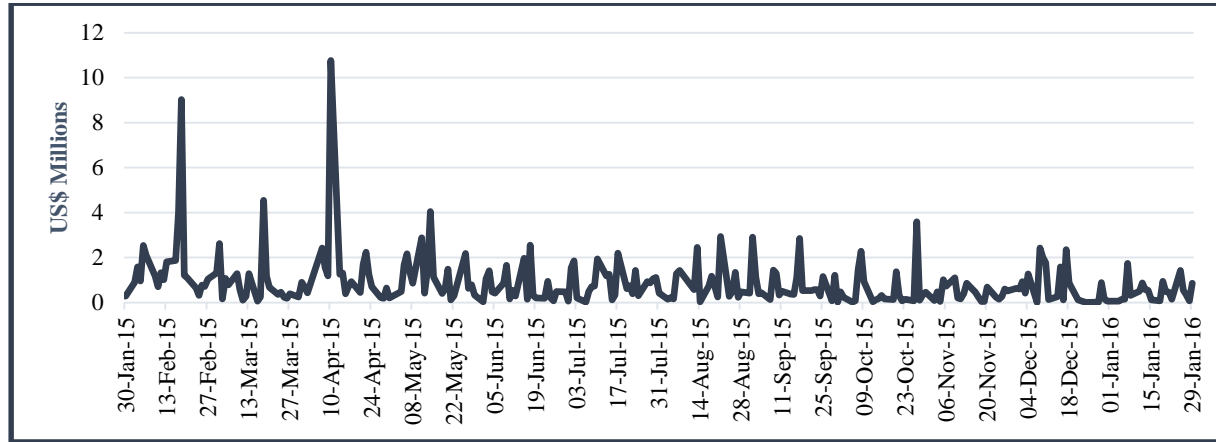


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

During the week under review, trading volumes significantly improved due to notable trades in blue chip counters. As a result, the volume of trade increased by 15.68% from 13 882 308 shares to 16 058 980 shares. Concomitantly, the turnover value increased by 54.27% to US\$3.26 million, from US\$2.61 million in the previous week.

Figure 4: Daily Market Turnover

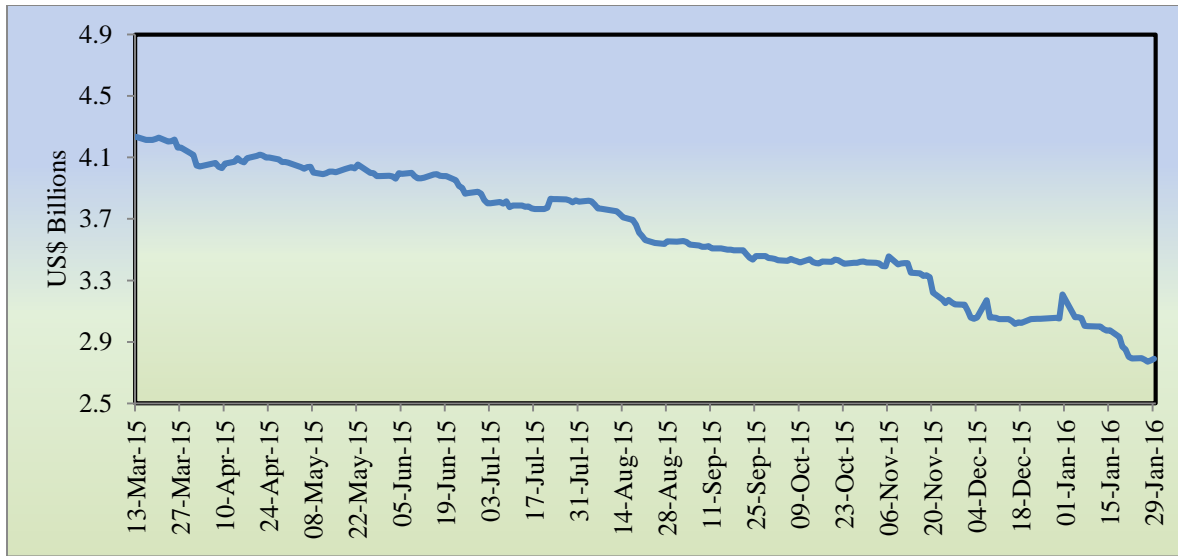


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

Market capitalisation marginally declined by 0.03%, from US\$2.791 billion as at 22nd January 2016 to US\$2.790 billion as at 29th January 2016, largely due to the general low share prices prevailing on the bourse.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

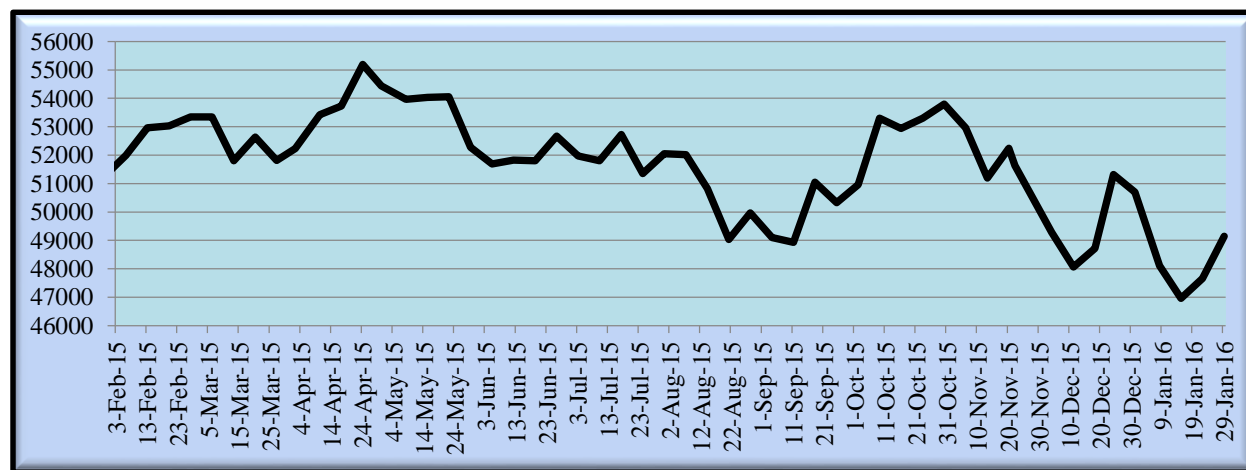
The JSE All Share index registered a 3.1% increase and stood at 49 141.94 points as at 29th January 2016. In tandem, JSE market capitalization increased by 2.4% from R14.30 trillion in the previous week, to R14.64 trillion during the week under analysis.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
24-Dec-15	51,324.01	11.80
31-Dec-15	50,696.73	11.73
8-Jan-16	48,104.68	11.19
15-Jan-16	46,960.37	14.10
22-Jan-16	47,661.87	14.30
29-Jan-16	49,141.94	14.64

Source: <https://www.jse.co.za/services/market-data/market-statistics>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics>

RESERVE BANK OF ZIMBABWE

4TH FEBRUARY 2016