



Weekly Economic Highlights

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Week Ending
2nd October 2015

1. INTEREST RATES

Deposit Rates

During the week ending 2 October 2015, average deposit rates for savings, 1 month and 3 month tenors remained unchanged at 3%; 8.14% and 9.14% per annum, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
04-Sep	3.00	8.11	9.11
11-Sep	3.00	8.14	9.14
18-Sep	3.00	8.14	9.14
25-Sep	3.00	8.14	9.14
02-Oct	3.00	8.14	9.14

Source: Banking Institutions, 2015

Lending Rates

Weighted lending rates for individuals and corporate clients at commercial banks closed at 11.56% and 8.39% per annum, respectively during the week under review.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
04-Sep	11.86	8.47
11-Sep	11.81	8.46
18-Sep	11.77	8.44
25-Sep	11.81	8.47
02-Oct	11.56	8.39

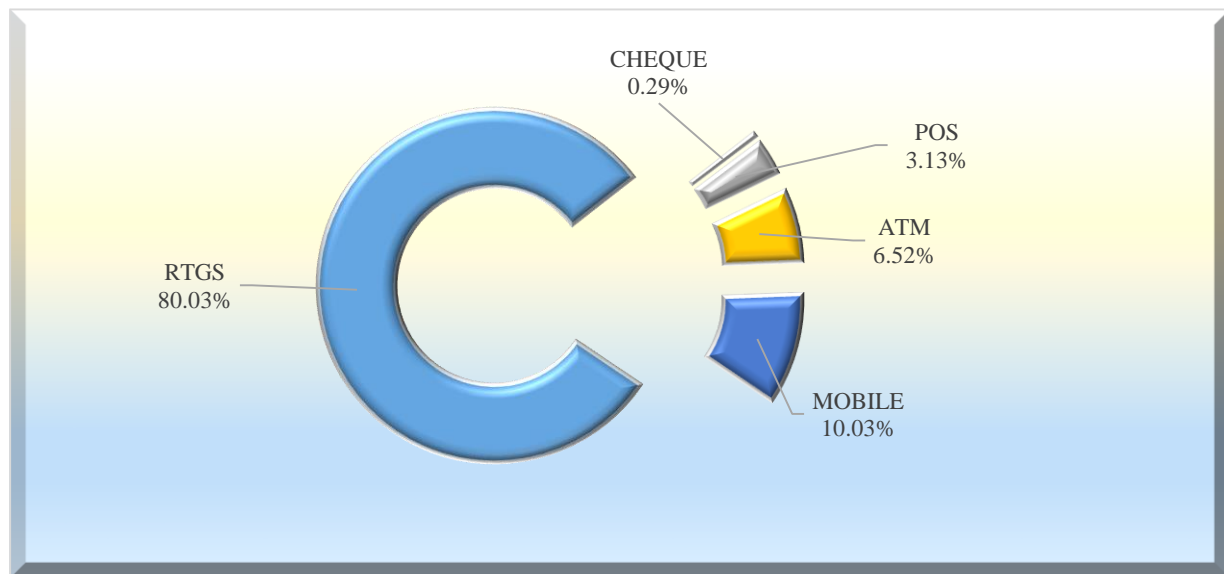
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 2nd October 2015, transactions processed through the National Payment Systems (NPS) amounted to US\$1 122.43 million, a 6% increase from the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system increased from US\$882.92 million in the previous week, to US\$898.28 million during the week under review.

In terms of proportions, RTGS payments accounted for 80.03% of the total value of transactions processed through the NPS, followed by Mobile transactions, 10.03%; Automated Teller Machines (ATMs), 6.52%; Point of Sale (POS), 3.13%; and cheque transactions, 0.29%.

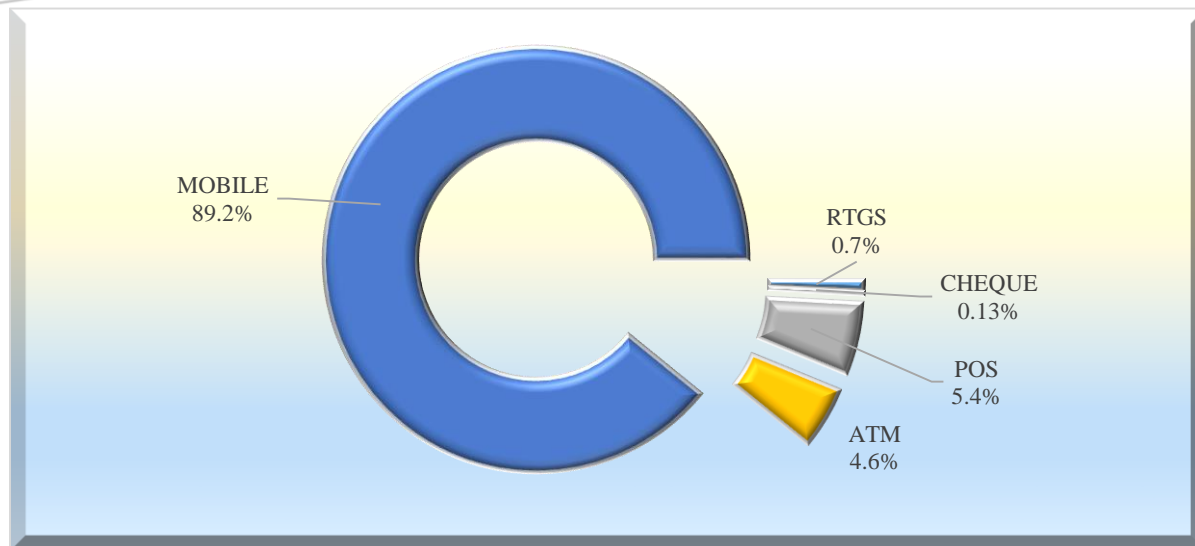
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

Mobile-based transactions accounted for 89.16% of total transactions, in volume terms, followed by POS, 5.39%; ATMs, 4.63%; RTGS, 0.70%; 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 25 Sep 2015	WEEK ENDING 2 Oct 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	882.92	898.28	2%	80.03%
CHEQUE	2.98	3.20	7%	0.29%
POS	37.23	35.12	-6%	3.13%
ATMS	57.28	73.22	28%	6.52%
MOBILE	78.38	112.62	44%	10.03%
TOTAL	1,058.79	1,122.43		100%
VOLUMES				
RTGS	36,195	39,813	10%	0.70%
CHEQUE	7,183	7,211	0.4%	0.13%
POS	331,030	306,646	-7%	5.39%
ATMs	241,355	263,544	9%	4.63%
MOBILE	4,094,346	5,074,832	24%	89.16%
TOTAL	4,710,109	5,692,046		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 2nd October, 2015, the international commodity prices for gold, platinum, copper and crude oil registered declines, while the price of nickel firmed.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2015	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (25 Sept)	1,135.94	950.00	5,168.20	9,808.00	48.69
28-Sep	1,134.33	924.00	5,095.00	9,840.00	47.61
29-Sep	1,128.35	907.50	5,010.00	9,870.00	48.11
30-Sep	1,118.25	916.00	5,093.00	10,065.00	48.60
1-Oct	1,116.60	912.00	5,177.00	10,400.00	49.69
2-Oct	1,123.53	905.50	5,080.50	10,400.00	47.21
Weekly Average (2 Oct)	1,124.21	913.00	5,091.10	10,115.00	48.24
Weekly Change (%)	(1.0)	(3.9)	(1.5)	3.1	(0.9)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices declined by 1% from a weekly average of US\$1 135.94/oz in the previous week, to close the week under review at US\$1 124.21/oz. The decline in gold prices was largely due to selling pressures by traders.

Platinum

Platinum prices registered a 3.90% decline from US\$950.00/oz in the previous week, to a weekly average of US\$913.00/oz during the week ended 2nd October 2015. This was attributable to a reduction in production of diesel automobiles, following reports that Volkswagen had altered diesel engines to artificially generate low emissions during testing. As a result, this raised environmental pollution concerns associated with diesel cars.

Copper

Copper prices continued on a downward trend during the week under review, declining by 1.50% to close at a weekly average of US\$5 091.10/ton. The strengthening of the US dollar, coupled with faltering global demand, particularly in China, contributed to the downward pressure on copper prices.

Nickel

Nickel prices registered a 3.10% increase from a weekly average of US\$9 808.00/ton in the previous week to close the week under review at US\$10 115.00/ton. The decline in nickel prices was attributed to supply constraints, after Russia's largest mining company announced plans to scale down production on account of attendant viability challenges.

Crude Oil

Crude oil prices retreated by 0.92% from a weekly average of US\$48.69/barrel recorded in the previous week, to US\$48.24/barrel during the period under review. Prices weakened following news that Saudi Arabia is planning to cut prices for November 2015 oil sales to Asia and the U.S.A, in a bid to boost its competitiveness with rival suppliers on the back of subdued global oil demand.

4. EQUITY MARKETS

The Zimbabwe Stock Exchange continued to experience bearish sentiment during the week ending 2nd October 2014, as investors remained skeptical about the economic outlook of the country. Consequently, both the mining and industrial indices declined by 1.18 points and 0.98 points, from 25.15 points and 132.43 points to 23.97 points and 131.45 points, respectively.

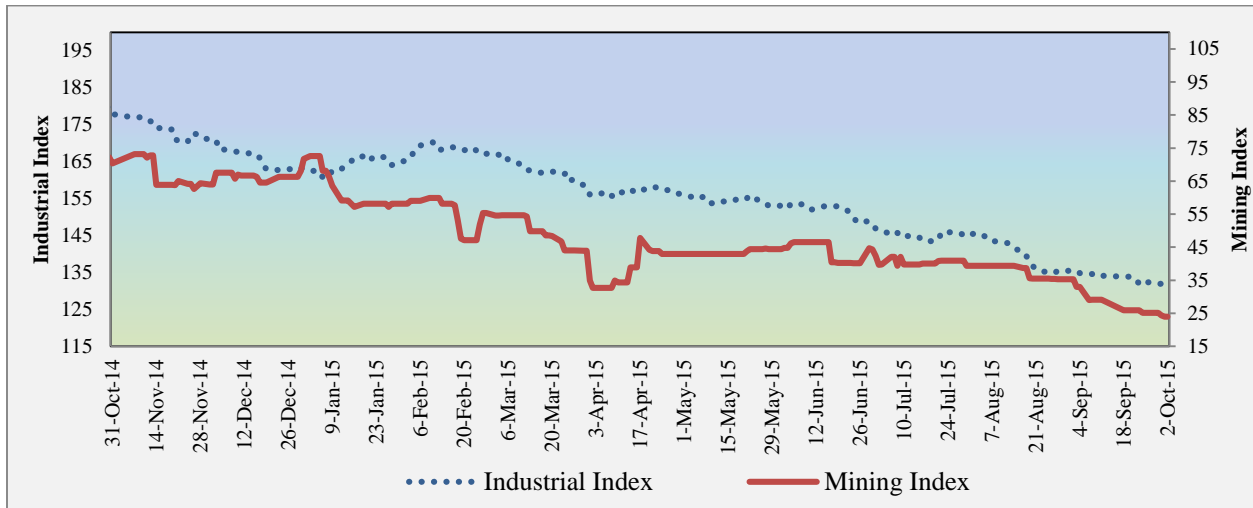
The decline in the benchmark index was largely attributed to losses realized in African Sun (20.80%), Meikles (10.00%), PPC (9.09%), ART (8.33%), Fidelity (7.60%) and Edgars (7.20%). Poor performance in some heavily capitalized counters such as Delta, Old Mutual, Padenga and Seedco also weighed down the industrial index. Bindura, which contributes more than 30% of the mining capitalization continued to weigh down the mining index, as it registered a 10% decline in its share price.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
04-Sep-15	134.85	32.97	3,533,366,289	5,269,656	19,050,964
11-Sep-15	134.11	29.10	3,508,185,248	3,702,451	24,982,029
18-Sep-15	133.83	25.94	3,496,042,127	5,230,473	29,987,310
25-Sep-15	132.43	25.15	3,458,710,131	3,121,322	17,744,200
02-Oct-15	131.45	23.97	3,431,677,735	2,006,444	23,490,669
Weekly Change (%)	(0.74)	(4.69)	(0.78)	(35.72)	32.39

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

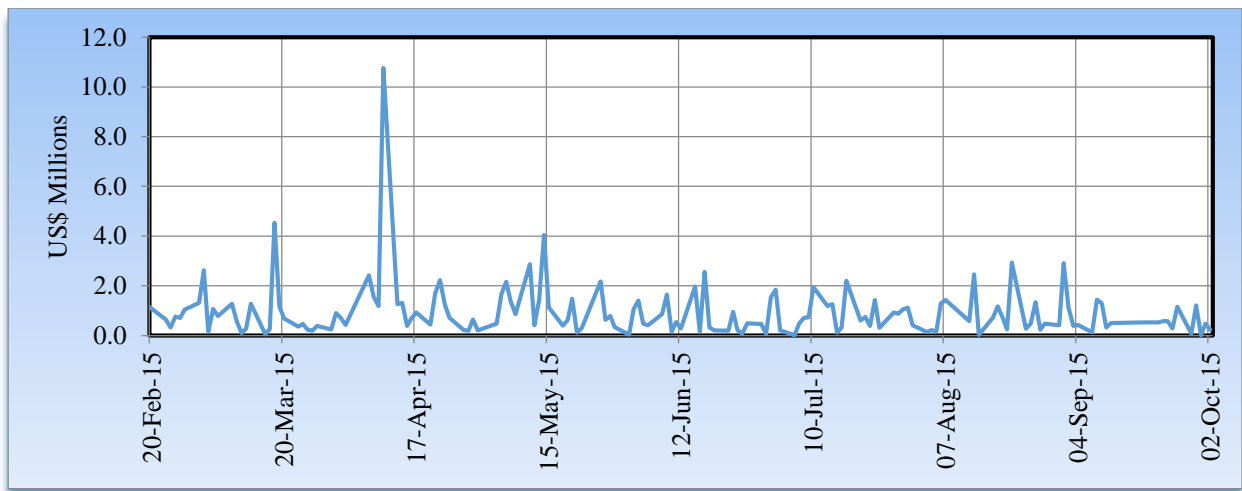


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Subdued activity that characterized the bourse saw market turnover decrease by 35.72% from US\$3.12 million in the previous week, to US\$2.01 million during period under review. The volume of shares traded, however, increased by 32.39% to close the week under review at 23 490 669 shares.

Figure 4: Daily Market Turnover

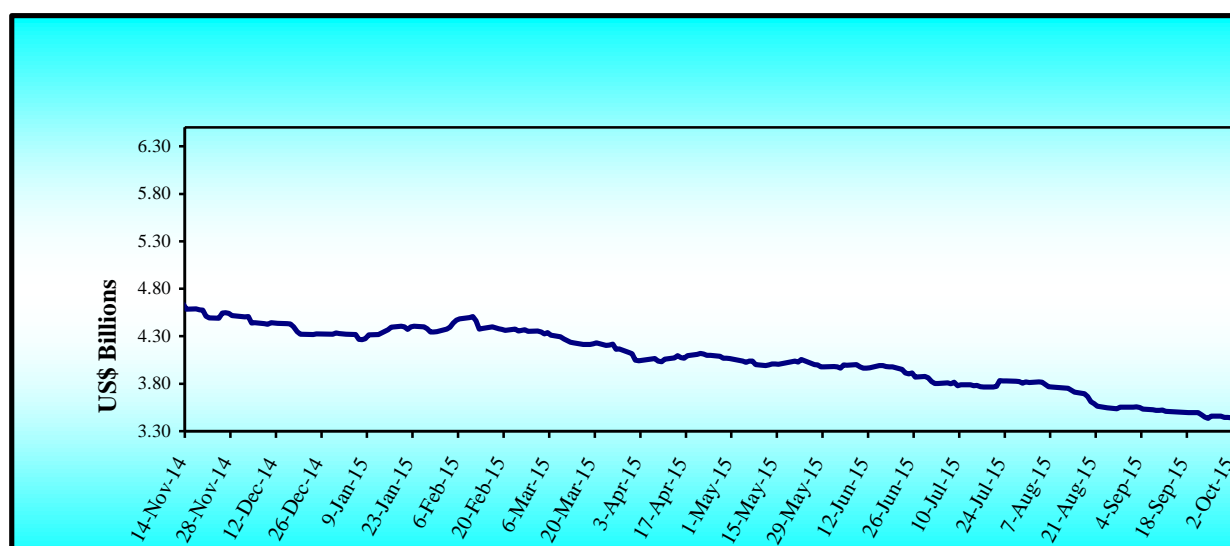


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

As a consequence of negative trading on the ZSE and the losses recorded in some blue chip counters, the market lost \$27.03 million worth of capitalization, from US\$3.46 billion in the previous week to US\$3.43 billion during the week under review.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

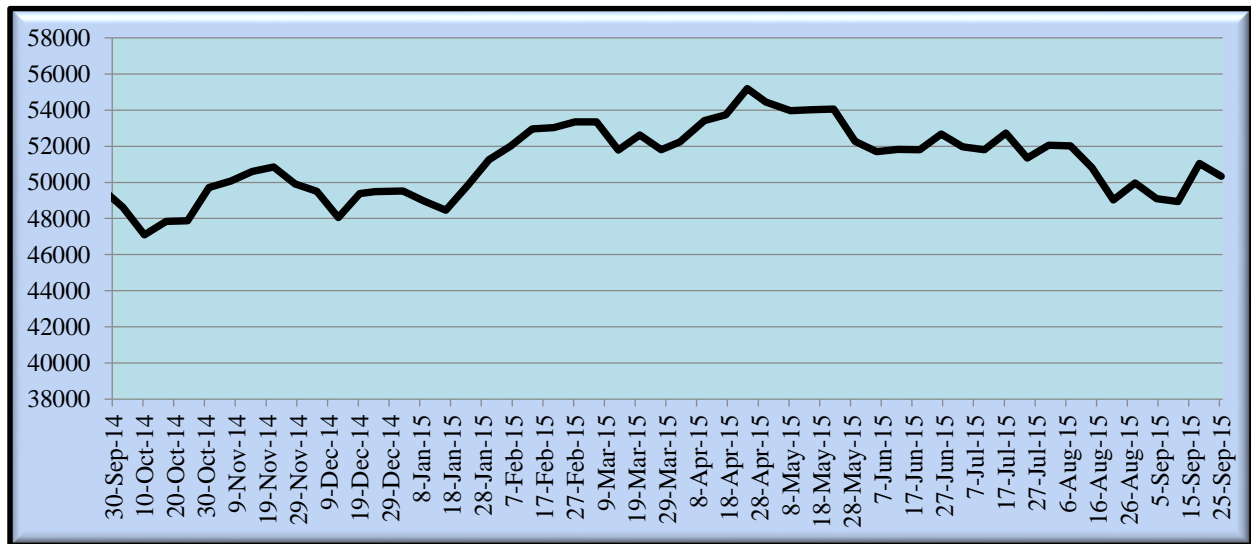
The JSE All Share Index increased by 1.24% to close the week under review at 50 955.89 points during the week ending 2 October 2015. Market capitalization registered a 0.87% increase to close the week under review at R11.60 trillion, from R11.50 trillion recorded in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
04-Sep	49,102.50	11.20
11-Sep	48,930.64	11.21
18-Sep	51,044.58	11.64
25-Sep	50,331.12	11.50
02-Oct	50,955.89	11.60

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

07 OCTOBER 2015