



Weekly Economic Highlights

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Week Ending
03rd June 2016

1. INTEREST RATES

Deposit Rates

During the week ending 3rd June 2016, average deposit rates for savings deposits increased to 3.09%, from 3.03% in the previous week. Average deposit rates for deposits of 1 month and 3 month tenors, however, declined to close the week under analysis at 5.93% and 6.49%, respectively.

Table 1: Average Deposit Rates (Yields in percent per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
06-May-16	3.03	6.59	7.06
13-May-16	3.03	6.18	7.06
20-May-16	3.03	6.21	6.74
27-May-16	3.03	6.15	6.74
03-Jun-16	3.09	5.93	6.49

Source: Banking Institutions, 2016

Lending Rates

Commercial bank weighted lending rates for individual clients stood at 11.38%, as at 3rd June 2016, down from 11.43% in the previous week. Lending rates for corporate clients, however, increased by 0.01 percentage points to close the week under analysis at 7.36%.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
06-May-16	11.50	7.35
13-May-16	11.49	7.36
20-May-16	11.45	7.36
27-May-16	11.43	7.35
03-June-16	11.38	7.36

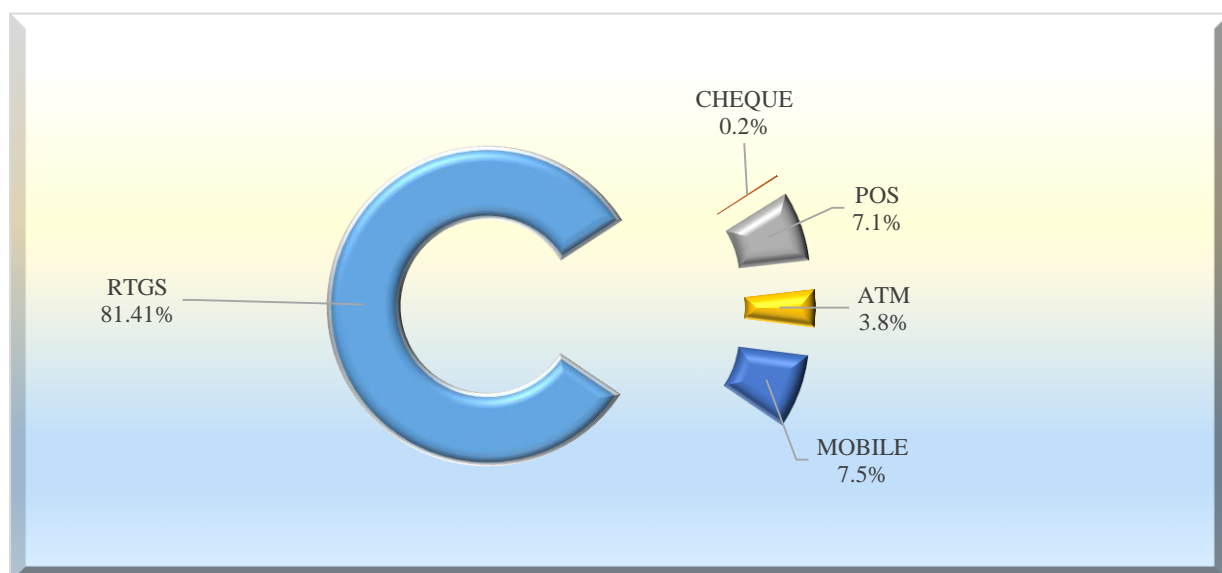
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 3rd June 2016, the total value of transactions processed through National Payment Systems (NPS) was US\$1 222.20 million. This was, in large part, attributable to a 7% increase in Real Time Gross Settlement (RTGS) system transactions, to US\$995.05 million.

The distribution of transaction processed through the NPS was as follows: RTGS, 81.4%; Mobile, 7.5%; Point of Sale (POS), 7.1%; Automated Teller Machines (ATMs), 3.8%; and cheque, 0.2%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The total number of NPS transactions declined by 0.4% to 5 540 734, during the week under analysis. The proportions of NPS transactions, by volume, were as follows: Mobile, 77.87%; POS, 16.55%; ATM, 4.30%; RTGS, 1.16%; and Cheque, 0.13%, as shown in Figure 2.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 27 May 2016	WEEK ENDING 03 June 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	929.23	995.05	7%	81.41%
CHEQUE	2.32	2.34	1%	0.19%
POS	64.72	87.09	35%	7.13%
ATMS	42.51	46.69	10%	3.82%
MOBILE	90.74	91.03	0.30%	7.45%
TOTAL	1,129.51	1,222.21	8%	100%
VOLUMES				
RTGS	42,594	64,412	51%	1.16%
CHEQUE	6,139	7,202	17%	0.13%
POS	632,544	916,808	45%	16.55%
ATMs	172,808	237,980	38%	4.30%
MOBILE	4,709,014	4,314,332	-8%	77.87%
TOTAL	5,563,099	5,540,734	-0.4%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

A cumulative total of 110.79 million kilograms of tobacco had been sold as at 3rd June 2016 or day 45 of the 2016 tobacco selling season. This reflected an increase of 19.26%, compared to the cumulative total of 92.9 million kilograms of tobacco sold during the same period in 2015. In terms of value, cumulative tobacco sales amounted to US\$321.36 million, compared to US\$269.75 million realised as at day 45 of the 2015 tobacco selling season. The golden leaf fetched the same price of US\$2.90 per kg for the comparable periods.

Table 4: Cumulative Tobacco Sales: Day 45 (03/06/16)

	2015	2016	Variance (%)
Cumulative Quantity Sold (kgs)	92,898,424	110,790,066	19.26
Cumulative Average Price(US\$/kg)	2.90	2.90	0
Cumulative Value (US\$)	269,754,898	321,364,047	19.13

Source: Tobacco Industry and Marketing Board

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of copper, nickel and crude oil firmed, while gold and platinum prices retreated during the week ending 3rd June 2016, as shown in Table 5.

Table 5: 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 (23-27 May)	1,228.21	993.88	4,654.00	8,344.25	49.20
30-May	1,218.75	979.50	4,705.00	8,425.00	50.09
31-May	1,217.38	979.00	4,700.00	8,405.00	49.95
1-Jun	1,215.38	964.50	4,600.00	8,320.00	49.78
2-Jun	1,213.95	976.50	4,599.00	8,365.00	50.13
3-Jun	1,225.75	969.50	4,688.00	8,365.00	49.86
Weekly Average(30 May-3June)	1,218.24	973.80	4,658.40	8,376.00	49.96
Weekly Change (%)	<i>(0.8)</i>	<i>(2.0)</i>	<i>0.1</i>	<i>0.4</i>	<i>1.6</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices declined by a marginal 0.8% from a weekly average price of US\$1,228.21/oz in the previous week, to US\$1,218.24/oz during the week under review. Prices of the precious metal continued to be weighed down by a stronger US dollar.

Platinum

Platinum prices shed 2.0%, from a weekly average of US\$993.88/oz recorded in the previous week, to close the week under review at US\$973.80/oz. This was largely on account of the strengthening of the US dollar.

Copper

The weekly average copper price firmed by 0.1% to US\$4,658.40/tonne, during the week under review. A boost in the demand outlook for copper, following reports of improved US housing market data, largely explained the increase.

Nickel

Nickel prices firmed by 0.4%, from a weekly average of US\$8,344.25/tonne during the week ending 27th May 2016, to an average of US\$8,376.00/tonne during the week under review. This was on account of a positive demand outlook for the metal.

Brent Crude Oil

Brent crude oil prices firmed by 1.6% from a weekly average of US\$49.20/barrel, to US\$49.96/barrel during the week under analysis. The prices were supported by growing demand, against a background of diminishing excess global oil supply.

5. EQUITY MARKETS

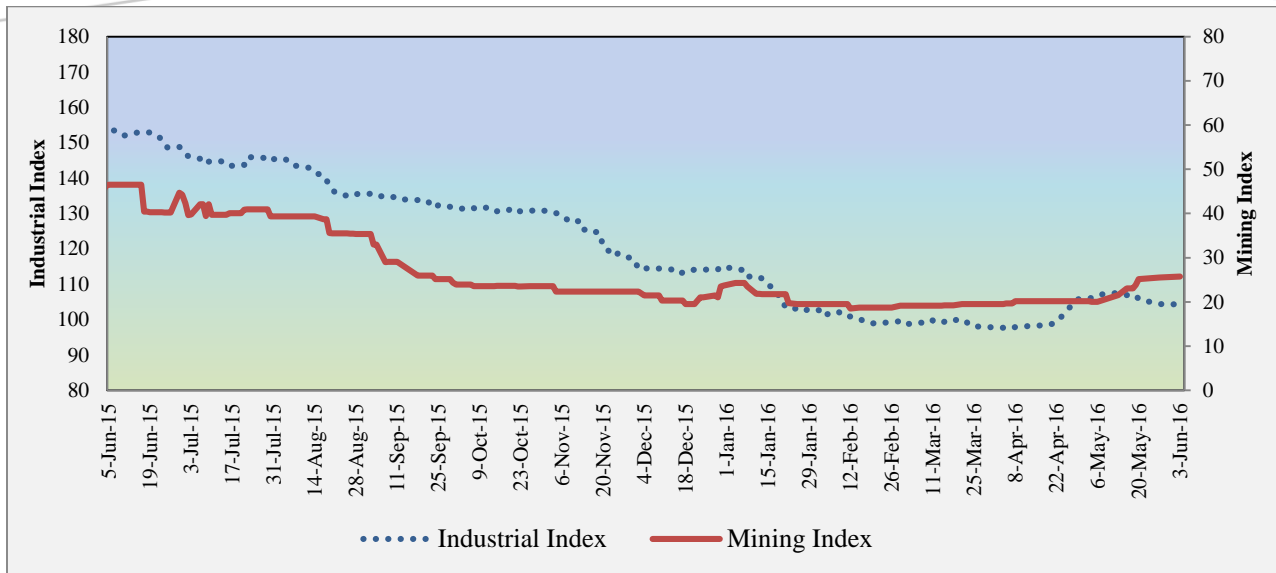
During the week ending 3rd June 2016, the Zimbabwe Stock Exchange (ZSE) continued on a bearish trend for the third consecutive week, on account of sell-off pressure in some mid-tier and blue chip stocks. Consequently, the industrial index declined by 0.13 percentage points to close the week at 104.30 points. The mining index, however, increased by 0.23 points to close the week under review at 25.77 points.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
06-May	107.03	20.00	2,895,277,393	2,609,274	8,131,364
13-May	107.59	21.55	2,912,661,507	2,531,131	10,039,724
20-May	105.80	25.19	2,910,371,028	3,333,944	26,616,656
27-May	104.43	25.54	2,874,242,189	1,739,749	9,052,897
03- Jun	104.30	25.77	2,870,235,077	4,819,501	53,664,571
Weekly Change (%)	(0.12)	0.90	(0.14)	177.02	492.79

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

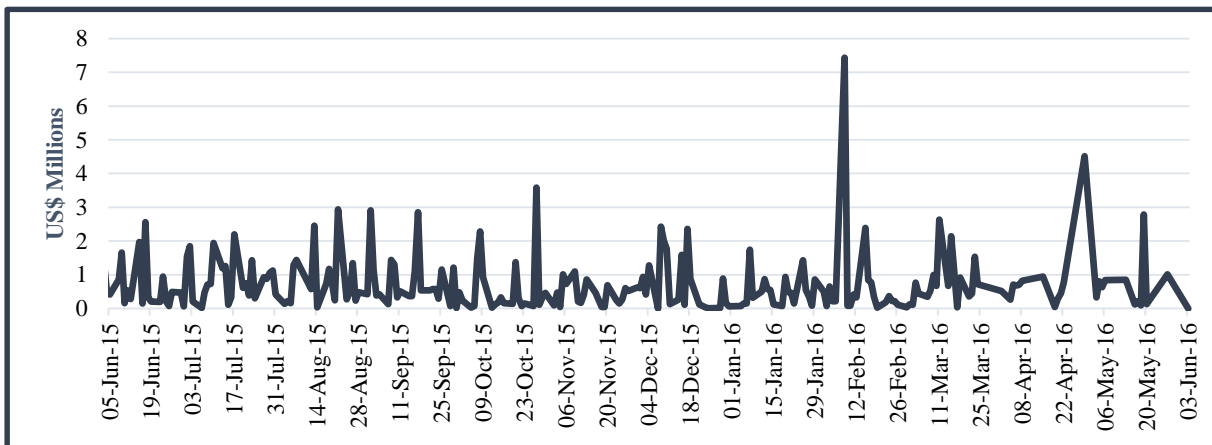


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

During the week under review, persistent sell-off pressures in some high value counters such as Barclays, Delta, FBC, SeedCo and Simbisa Brands Limited, led to a 177.02% increase in turnover to US\$4.82 million. The volume of shares traded also increased to 53.7 million, up from 9.1 million shares in the previous week.

Figure 4: Daily Market Turnover

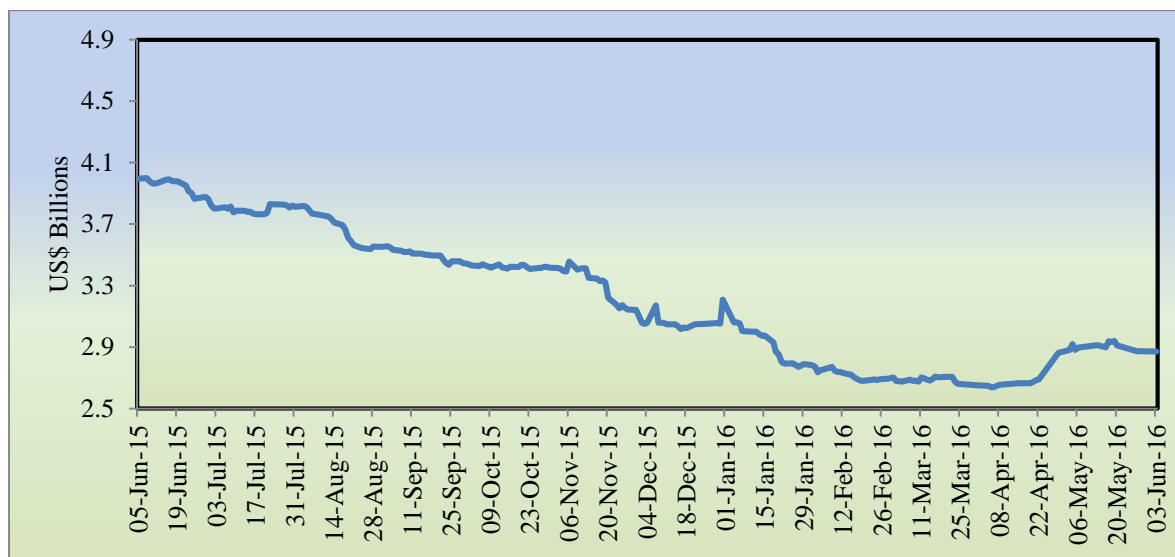


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The ZSE market capitalisation stood at US\$2.874 billion during the week ending 3rd June 2016, down from US\$2.870 billion recorded in the preceding week.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

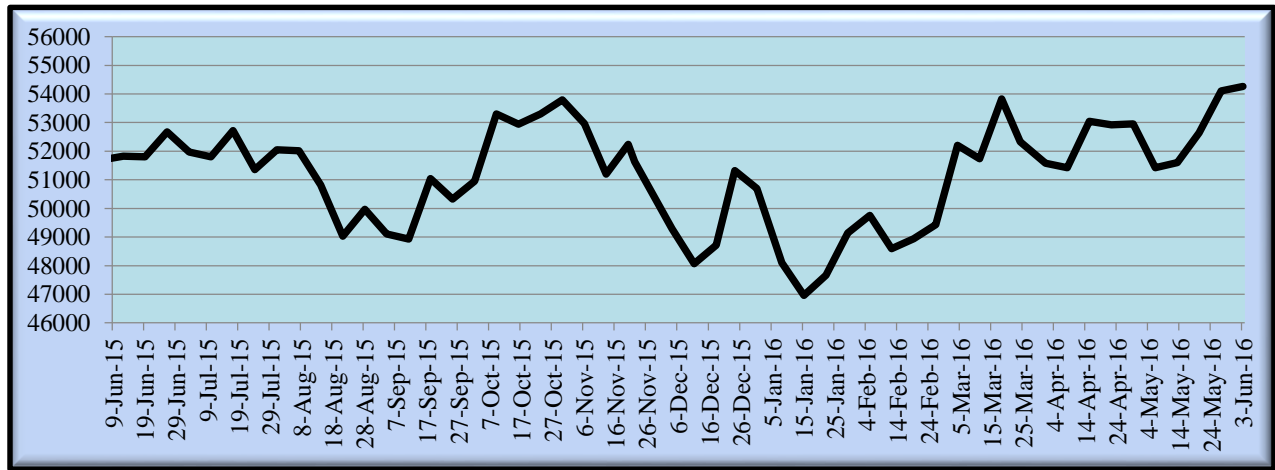
The JSE All Share index increased by 0.28%, to close the week under review at 54 259.36 points. Market capitalization of the JSE, however, decreased by 3.2%, to close the week at R15.85 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
6-May-16	51,417.38	15.13
13-May-16	51,602.55	15.24
20-May-16	52,638.25	15.50
27-May-16	54,105.37	15.90
03-Jun-16	54,259.36	15.85

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

10th JUNE 2016