



Weekly Economic Highlights

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Week Ending
04th March 2016

1. INTEREST RATES

Deposit Rates

During the week ending 4th March 2016, average deposit rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged at 2.93%, 6.57% and 7.00%, respectively.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
5-Feb-16	2.93	6.57	7.00
12-Feb-16	2.93	6.57	7.00
19-Feb-16	2.93	6.57	7.00
26-Feb-16	2.93	6.57	7.00
04-Mar-16	2.93	6.57	7.00

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individual clients declined to 11.47%, from 11.48% recorded in the previous week. Similarly, weighted lending rates for corporate clients also registered a 0.02 percentage points decline to 7.27% during the week under review.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
5-Feb-16	11.64	7.30
12-Feb-16	11.62	7.23
19-Feb 16	11.49	7.32
26-Feb-16	11.48	7.29
04-Mar-16	11.47	7.27

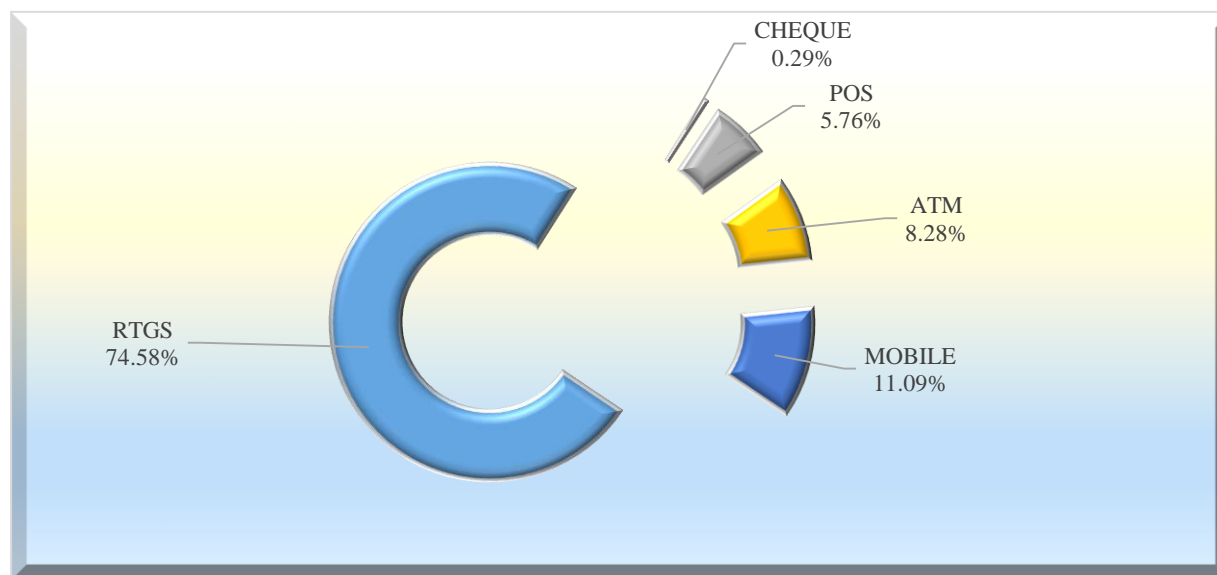
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) declined from US\$1 174 million in the previous week to US\$ 996.56 million during the week ending 4th March 2016. This was largely on account of a 23% decline in Real Time Gross Settlement (RTGS) transactions. RTGS transactions declined from US\$964.77 million in the previous week, to US\$743.22 million during the week under analysis.

RTGS transactions constituted 74.58% of the total value of NPS transactions. The proportions of the remaining payment streams were as follows: Mobile, 11.09%; ATM; 8.28%; POS; 5.76% and Cheque, 0.29%. Figure 1 below shows the proportions of NPS transactions, in value terms, for the period under review.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The volume of NPS transactions was dominated by Mobile transactions, which recorded 86.73% of the total transactions. The POS; ATM; RTGS; and Cheques accounted for 7.29%; 5.19%; 0.67% and 0.12% of the volume of NPS transactions, respectively, as shown in Figure 2 below.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 19 Feb 2016	WEEK ENDING 26 Feb 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	964.77	743.22	-23%	74.58%
CHEQUE	2.84	2.91	3%	0.29%
POS	46.50	57.42	23%	5.76%
ATMS	73.51	82.49	12%	8.28%
MOBILE	86.71	110.52	27%	11.09%
TOTAL	1,174.33	996.56	-15.1%	100%
VOLUMES				
RTGS	37,219	39,429	6%	0.67%
CHEQUE	7,096	7,065	-0.4%	0.12%
POS	345,388	427,505	24%	7.29%
ATMs	253,520	304,523	20%	5.19%
MOBILE	4,507,009	5,084,546	13%	86.73%
TOTAL	5,150,232	5,863,068	13.8%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper, nickel, and Brent crude oil firmed during the week ending 4th March 2016. Table 4 below shows the commodity price developments during the week under review.

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 (15-19 Feb)	1,210.67	937.40	4,578.70	8,179.00	33.60
23-Feb	1,241.50	943.00	4,585.00	8,700.00	33.02
24-Feb	1,235.70	935.00	4,647.00	8,495.00	33.80
25-Feb	1,235.70	935.00	4,647.00	8,495.00	33.80
26-Feb	1,228.75	925.00	4,680.50	8,405.00	36.12
4-Mar	1,274.50	959.40	4,918.00	9,045.00	38.36
Weekly Average (29-4 Feb)	1,245.43	940.40	4,786.70	8,664.00	37.03
Weekly Change (%)	<i>1.3</i>	<i>0.8</i>	<i>2.9</i>	<i>1.3</i>	<i>6.0</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices gained by 1.30% from a weekly average US\$1 229.80/oz in the previous week, to US\$1 245.43/oz, during the week ending 4th March 2016. Expectations that the U.S. Federal Reserve would not raise interest rates this year continued to support the price of gold.

Platinum

Platinum prices rose by 0.85%, from a weekly average of US\$932.40/oz recorded in the previous week, to an average of US \$940.40/oz during the week under analysis. The price was supported by a positive demand outlook for the industrial metal.

Copper

Copper prices gained by 2.90%, from a weekly average of US\$4649.90/tonne in the previous week, to close the week under review at an average of US\$4786.70/tonne. The increase was on account of improved economic prospects in China.

Nickel

Similarly, nickel prices also firmed by 4.60%, from a weekly average of US\$8557.00/tonne in the week ending 26th February 2016 to US\$8664.00/tonne during the week under analysis. The prices were also supported by economic growth prospects and accommodative monetary policy measures in China.

Brent crude oil

Crude oil recorded a 6% increase, from a weekly average of US\$34.92/barrel in the previous week, to close the week under review at \$37.03/barrel. The rise in oil prices followed a decline in production in the United States of America.

4. EQUITY MARKETS

The mainstream index recorded a loss of 0.60 points, from 99.40 points in the previous week to 98.80 points during the week under review. The mining index, however, remained unchanged at 19.14 points as Bindura Nickel Corporation Limited, the only active counter, traded at the same price.

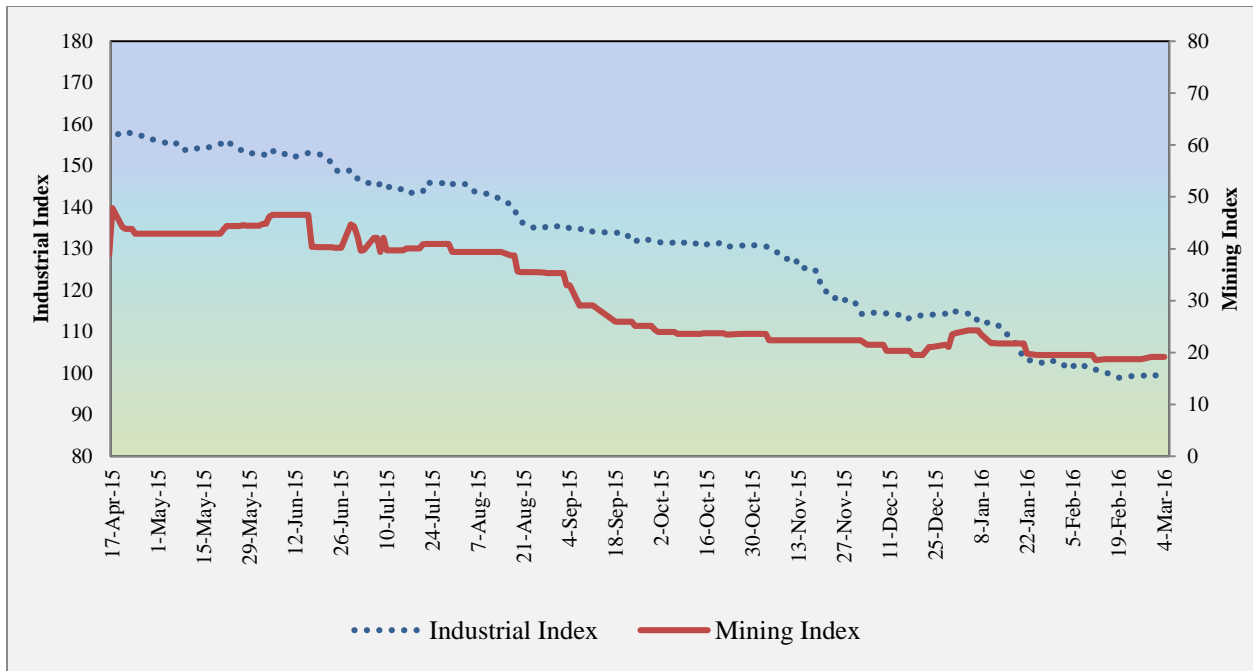
Losses in the mainstream index were partially offset by gains realized in Star Africa Corporation (16.25%), Delta Corporation Limited (3.76%), OK Zimbabwe Limited (0.86%), Old Mutual (0.17%) and Econet Wireless (0.04%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
5-Feb-16	101.67	19.53	2,753,937,334	1,728,089	6,481,406
12-Feb-16	100.84	18.74	2,730,778,168	8,341,818	34,406,236
19-Feb-16	98.92	18.74	2,679,555,291	4,359,832	38,774,132
26-Feb-16	99.40	19.14	2,692,304,381	1,089,351	15,115,000
04-March	98.80	19.14	2,676,267,846	1,468,435	15,214,996
Weekly Change (%)	-0.60	0	0.48	34.80	0.66

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

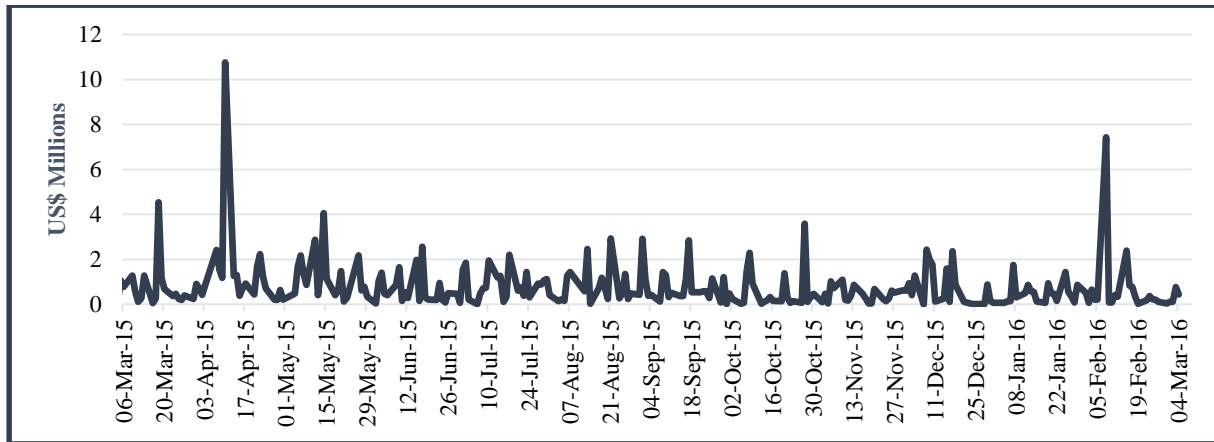


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

During the week ending 4th March 2016, the ZSE market turnover increased by 34.80%, from US\$1.09 million recorded in the previous week, to close the week under review at US\$1.47 million. Concomitantly, the volume of shares traded also increased by 0.66% to 15.21 million in the same week.

Figure 4: Daily Market Turnover

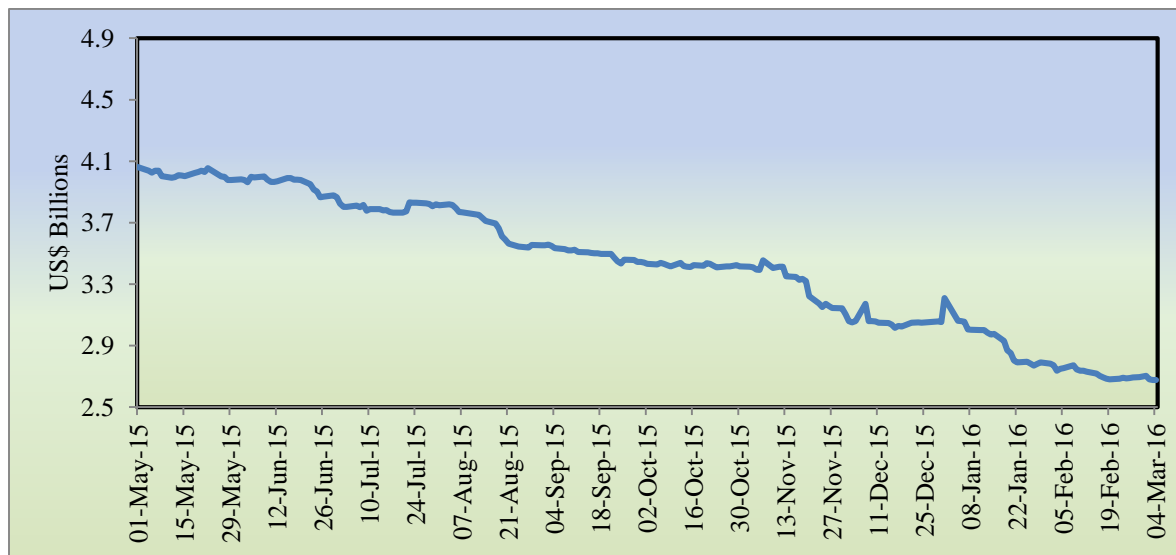


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The market lost US\$16 million worth of value, from US\$2.69 billion realised in the previous week, to close the week under analysis at US\$2.68 billion. The losses were largely due to negative trading on the local bourse.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

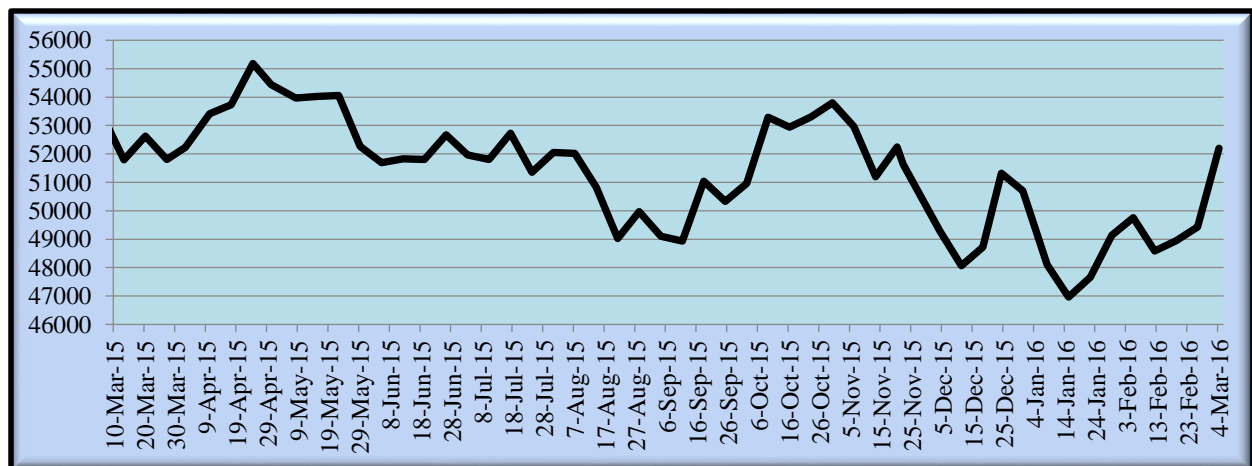
During the week under review, the JSE All Share Index increased by 5.31%, from 49 429.40 points in the previous week to 52 200.71 points. Market capitalization also realized a significant increase to R15.19 trillion, up from R14.55 trillion registered during the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
5-Feb-16	49,753.29	14.74
12-Feb-16	48,589.69	14.47
19-Feb-16	48,940.43	19.54
26-Feb-16	49,429.40	14.55
04-Mar-16	52,200.71	15.19

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

11TH MARCH 2016