



Weekly Economic Highlights

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Week Ending
5th February 2016

1. INTEREST RATES

Deposit Rates

During the week ending 5th February 2016, average deposit rates for savings deposits and deposits of 1 month and 3 months tenors closed the week lower than the previous week, at 2.93%, 6.57% and 7.00% respectively.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
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
5-Feb-16	2.93	6.57	7.00

Source: Banking Institutions, 2015

Lending Rates

During the week under review, commercial bank weighted lending rates for individual and corporate clients stood at 11.64% and 7.30%, respectively, as shown in Table 2 below.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
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
5-Feb-16	11.64	7.30

Source: Banking Institutions, 2015

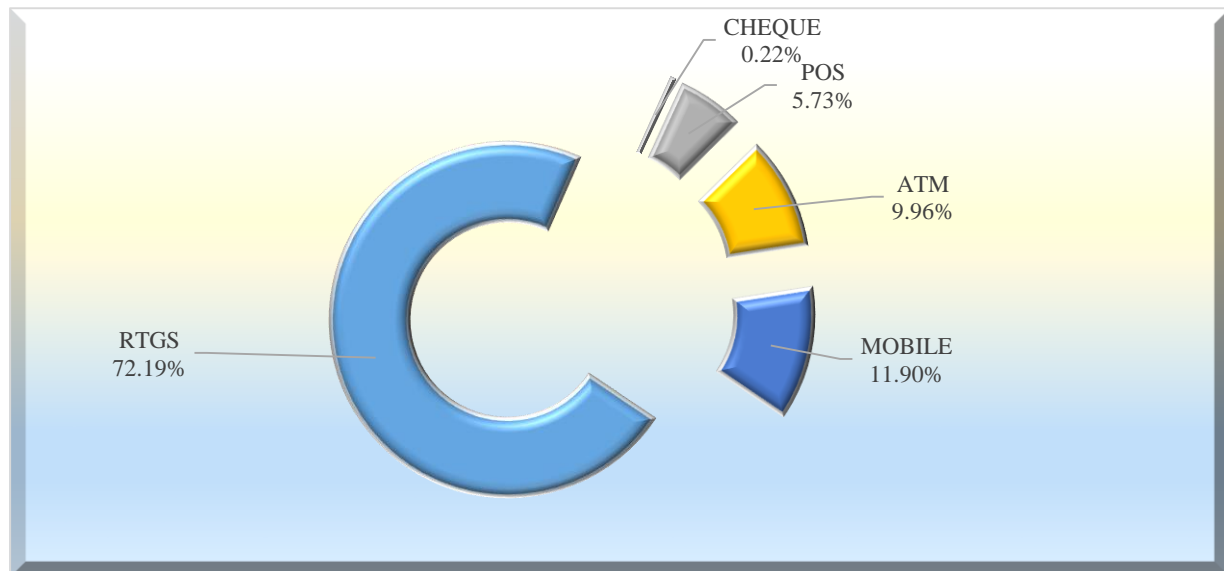
2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 5th February 2016, the total value of transactions processed through the National Payment Systems (NPS), amounted to US\$1 036.60 million, down from US\$1 171.43 million registered in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system posted a 23% decline to close the week under review at US\$748.36 million, from US\$968.73 million recorded during the previous week.

In value terms, RTGS payments continued to dominate the NPS, accounting for 72.19% of the total value of transactions processed through the system. Mobile, Automated Teller Machines (ATMs), POS and Cheque transactions accounted for the rest of the NPS transactions as shown in figure 1 below.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

Mobile-Based transactions accounted for 87.66% of total transactions in volume terms, followed by Point of Sale (POS), 6.49%; ATMs, 4.96%; RTGS, 0.76%; and Cheques, 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 29 Jan 2016	WEEK ENDING 05 Feb 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	968.73	748.36	-23%	72.19%
CHEQUE	2.89	2.25	-22%	0.22%
POS	39.64	59.38	50%	5.73%
ATMS	71.43	103.29	45%	9.96%
MOBILE	88.75	123.33	39%	11.90%
TOTAL	1,171.43	1,036.60	-12%	100%
VOLUMES				
RTGS	37,619	36,387	14%	0.76%
CHEQUE	6,267	6,163	-7%	0.13%
POS	319,547	427,177	-16%	6.49%
ATMs	244,143	361,356	5%	4.96%
MOBILE	4,315,568	4,918,086	3%	87.66%
TOTAL	4,923,144	5,749,169	3%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and nickel firmed during the week ending 5th February, 2016. Crude oil prices, however, retreated during the week under analysis.

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 (29 Jan)	1112.92	879.30	4592.60	8462.00	35.74
1-Feb	1,119.25	866.00	4513.00	8445.00	34.76
2-Feb	1,126.05	861.50	4605.00	8450.00	33.03
3-Feb	1,131.00	890.50	4578.00	8450.00	35.43
4-Feb	1,151.30	899.50	4680.00	8535.00	34.56
5-Feb	1,154.43	905.00	4670.00	8485.00	34.30
Weekly Average (5 Feb)	1,136.41	884.50	4,609.20	8,473.00	34.42
Weekly Change (%)	<i>2.1</i>	<i>0.6</i>	<i>0.4</i>	<i>0.1</i>	<i>(3.7)</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

The weekly average price of gold increased by 2.1% to US\$1 136.41, on the back of a weaker US dollar, amid dampened expectations of further US interest rate hikes in 2016.

Platinum

Platinum prices firmed by 0.6% from a weekly average of US\$879.30/oz in the previous week, to an average of US\$884.50/oz during the week of analysis. A weaker US dollar supported the firming of prices of the precious metal.

Copper

Copper prices increased by 0.4% from a weekly average of US\$4 592.60/ton in the previous week, to close the week under review at an average of US\$4 609.20/ton. This was on the back of concerns over weakening demand in China as well as anticipated production cuts in Chile, the largest producer.

Nickel

Nickel prices registered a 1.3% increase from the previous week, to a weekly average of US\$8 473.00/ton during the week ending 5th February 2016. This was largely on account of a weakening US dollar, coupled with efforts by major producers to curtail production in order to shore up prices of the metal.

Brent crude oil

Crude oil prices stood at a weekly average of US\$34.42/barrel during the week under review, down from US\$35.74/barrel recorded in the previous week. Prices were weighed down by the build-up in US inventories.

4. EQUITY MARKETS

During the week under review, the ZSE registered losses in some mid-cap and heavyweight counters. Consequently, the industrial index shed 1.37 points (1.33%), from 103.04 points in the previous week, to 101.67 points during the week under review. The mining index has, however, remained unchanged at 19.53 points for two consecutive weeks.

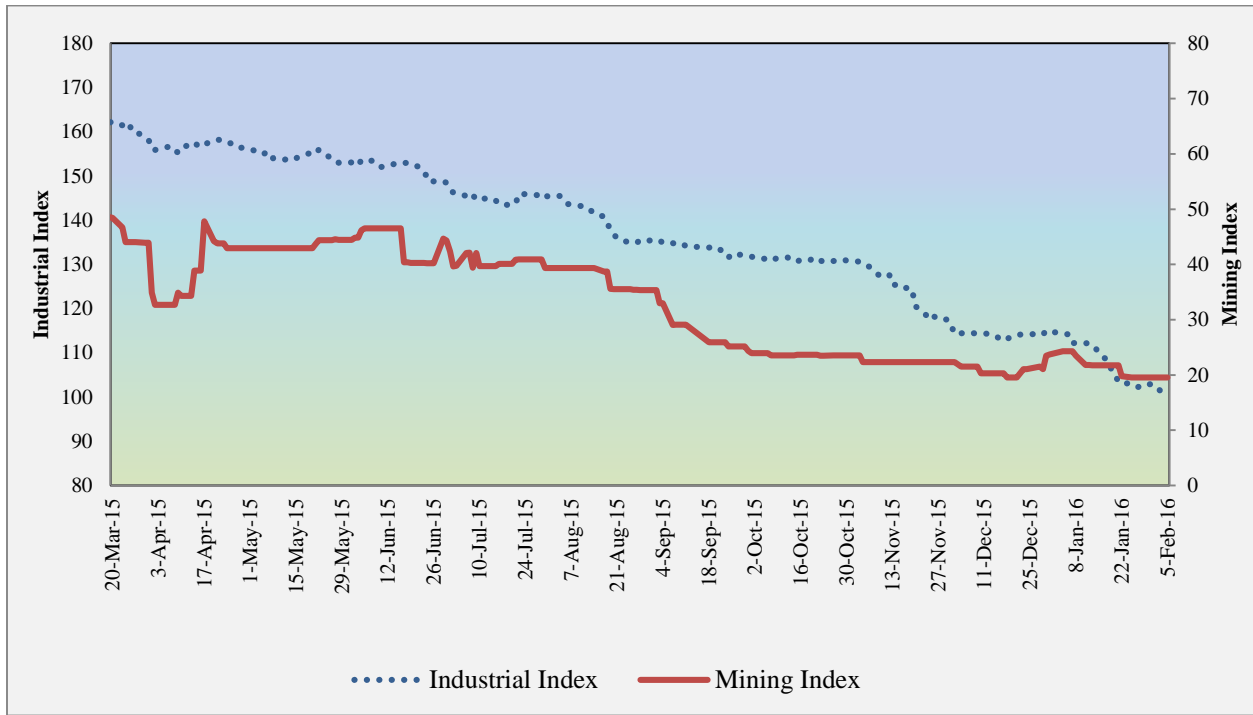
The mainstream index was dragged downwards by losses in Lafarge (19.86%), PPC (16.67%), Econet Wireless (4.01%), TSL (1.82%), Zimre Holdings (1.54%) and Delta Corporation (1.36%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
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	19.53	2,790,443,132	3,258,860	16,058,980
5-Feb-16	101.67	19.53	2,753,937,334	1,728,089	6,481,406
Weekly Change (%)	(1.33)	(0.00)	(1.31)	(46.97)	(59.64)

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

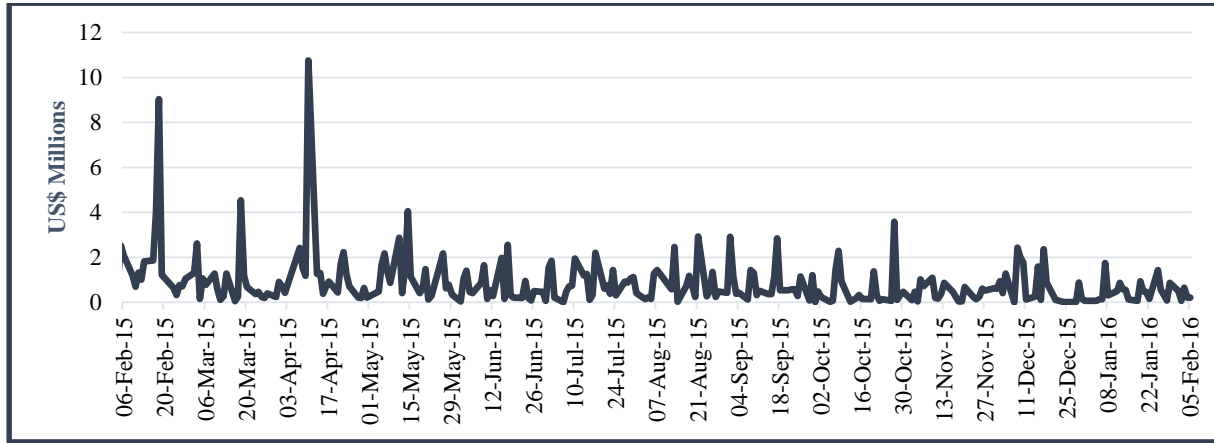


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Traded volumes declined by 59.64%, from 16.1 million shares in the previous week to 6.5 million shares, due to depressed demand during the week under review. In tandem, the turnover value declined by 46.97% to US\$1.73 million as at 5th February 2016.

Figure 4: Daily Market Turnover

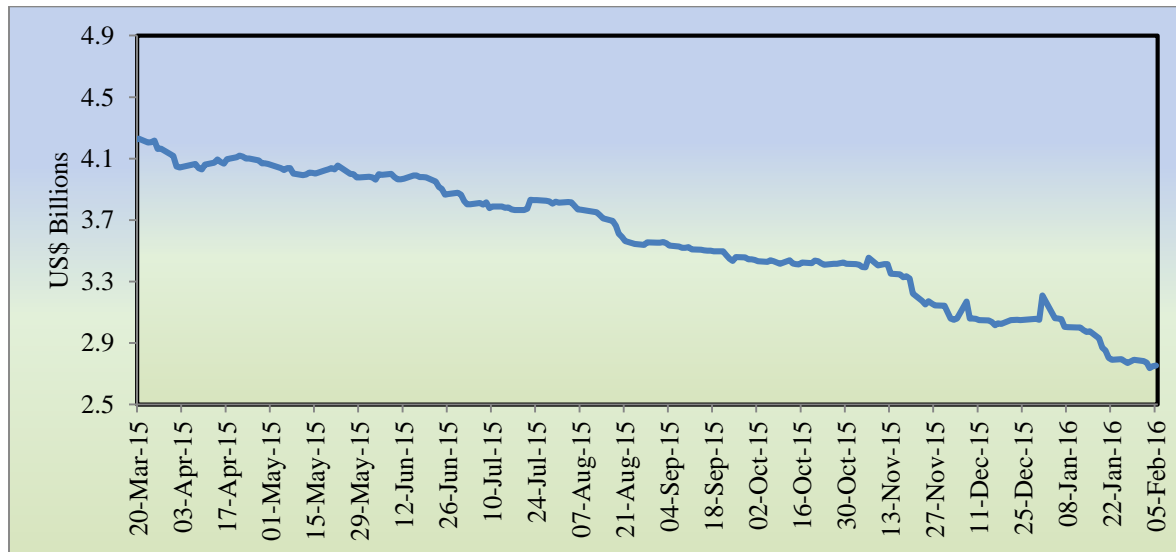


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The market lost US\$36.5 million worth of share value, reflecting a 1.31% decline in market capitalization, to close the week under review at US\$2 753.94 million.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

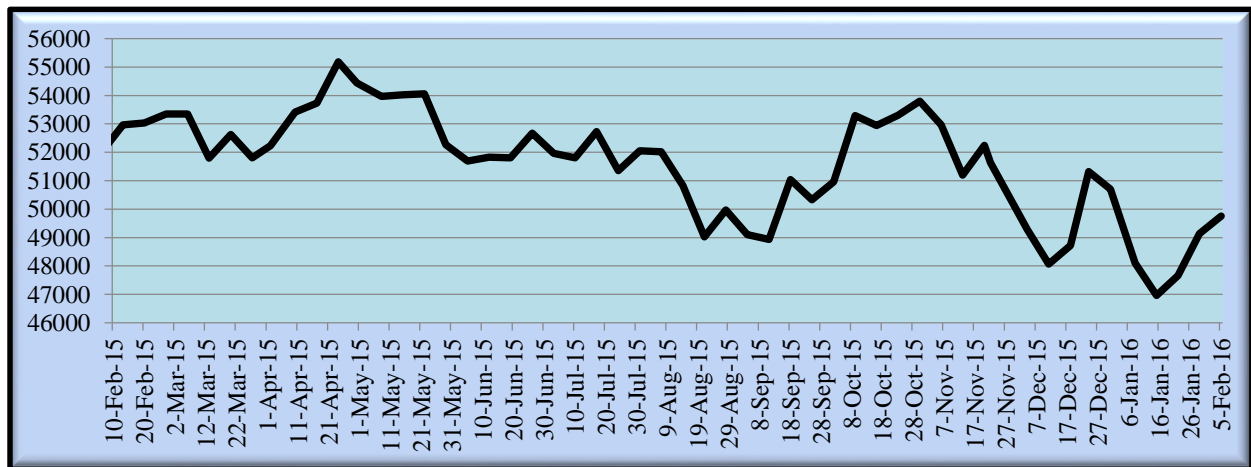
The JSE All Share index closed the week under review at 49 753.29 points, increasing by 1.24% from the previous week. Market capitalization also firmed by 0.68% to R14.74 trillion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
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
5-Feb-16	49,753.29	14.74

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 FEBRUARY 2016