



Weekly Economic Highlights

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Week Ending
5th November 2015

1. INTEREST RATES

Deposit Rates

During the week ending 6th November 2015, average deposit rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged at 3.00%, 7.47% and 7.97%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
09-Oct	3.00	8.14	9.14
16-Oct	3.00	8.14	9.14
23-Oct	3.00	7.89	8.72
30-Oct	3.00	7.47	7.97
06-Nov	3.00	7.47	7.97

Source: Banking Institutions, 2015

Lending Rates

Commercial bank weighted lending rates for corporate clients declined from 7.28% in the previous week to 7.27%, during the week under review. Weighted lending rates for individuals, however, remained unchanged, closing the week at 10.98%.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
09-Oct	10.97	7.73
16-Oct	11.04	7.26
23-Oct	11.01	7.27
30-Oct	10.98	7.28
06-Nov	10.98	7.27

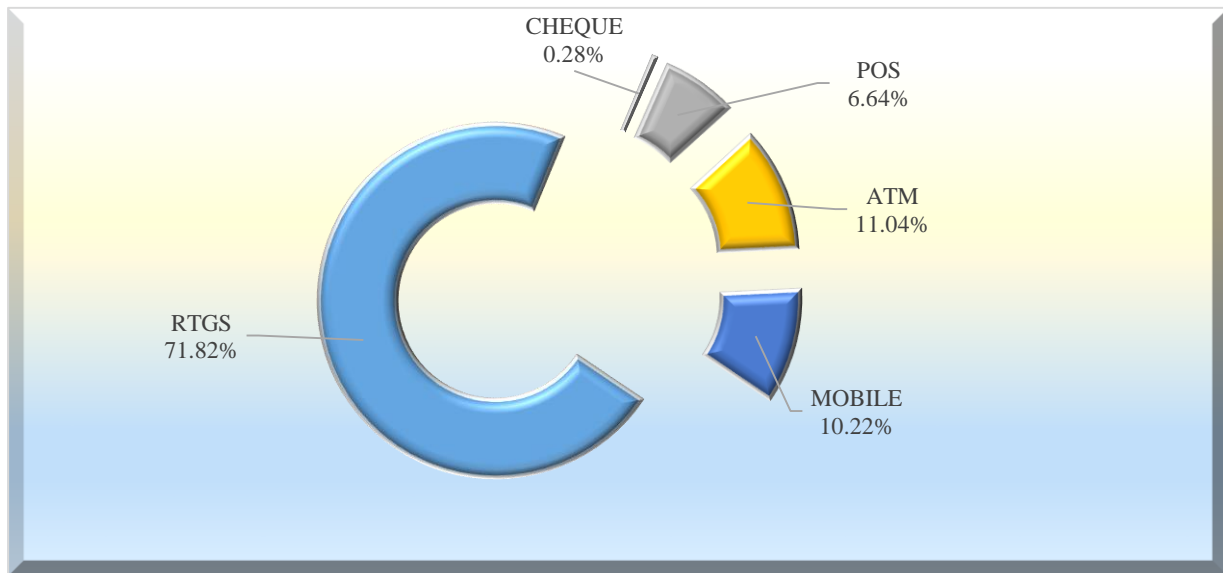
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS), decreased from US\$1 247.21 million in the previous week, to close the week under review at US\$ 1 115.31 million. Transactions processed through the Real Time Gross Settlement (RTGS) system stood at US\$800.88 million a 23% decline from the US\$1 035.50 million recorded in the previous week.

In value terms, RTGS payments accounted for 71.82% of the total value of transactions processed through the NPS. Automated Teller Machines (ATMs), Mobile, POS and Cheque transactions accounted for 11.04%, 10.22%, 26.64% and 0.28% of the total value of transactions processed through the NPS, respectively

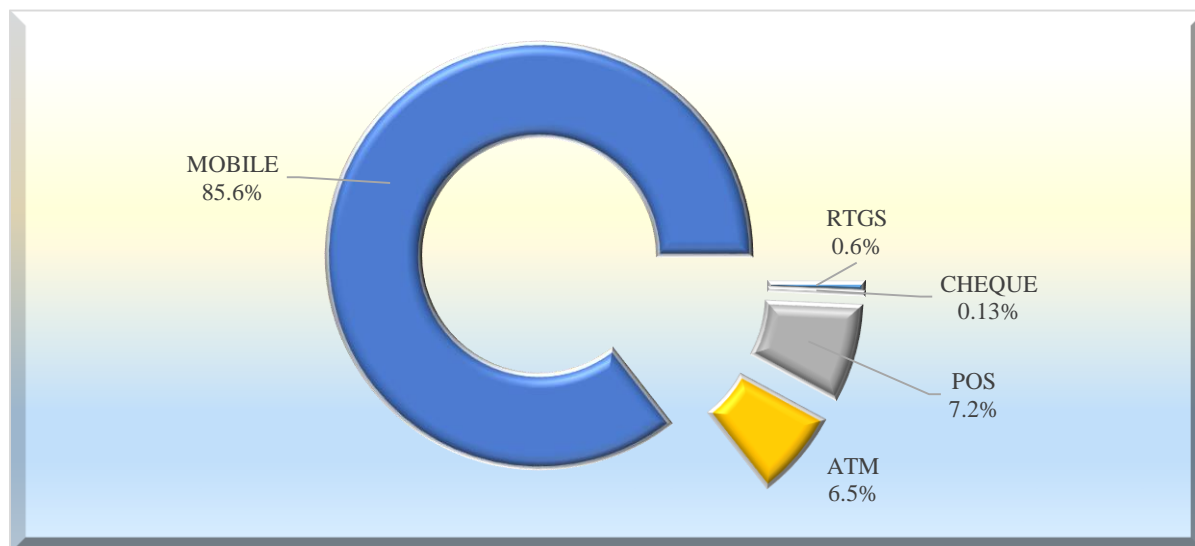
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, Mobile-Based transactions accounted for 85.57% of total transactions, followed by Point of Sale (POS), 7.19%; Automated Teller Machines (ATMs), 6.53%; RTGS, 0.58%; 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 30 Oct 2015	WEEK ENDING 06 Nov 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,035.50	800.88	-23%	71.81%
CHEQUE	2.16	3.17	47%	0.28%
POS	30.08	74.07	146%	6.64%
ATMS	73.39	123.18	68%	11.04%
MOBILE	106.09	114.01	7%	10.22%
TOTAL	1,247.21	1,115.31		100%
VOLUMES				
RTGS	37,958	35,471	-7%	0.58%
CHEQUE	6,177	7,946	29%	0.13%
POS	274,274	439,765	60%	7.19%
ATMs	266,279	399,452	50%	6.53%
MOBILE	5,028,060	5,233,156	4%	85.57%
TOTAL	5,612,748	6,115,790		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and nickel declined during the week ending 6th November 2015. Crude oil prices, however, firmed during the same period.

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 (30 Oct)	1,161.56	993.00	5,185.00	10,458.00	48.32
2-Nov	1,134.90	973.50	5,137.00	10,045.00	49.32
3-Nov	1,125.45	965.50	5,155.00	10,040.00	49.78
4-Nov	1,116.35	966.00	5,165.00	10,045.00	50.12
5-Nov	1,106.80	953.00	5,165.00	9,680.00	48.35
6-Nov	1,098.30	939.00	5,165.00	9,725.00	47.37
Weekly Average (6 Nov)	1,116.36	959.40	5,157.40	9,907.00	48.99
Weekly Change (%)	(3.9)	(3.4)	(0.5)	(5.3)	1.4

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on a downward trend, declining by 3.9% from a weekly average of US\$1,161.56/oz in the previous week, to close the week under review at US\$1,116.36/oz. The price of the precious metal remained depressed due to heightened expectations of an interest rate hike by the U.S Federal Reserve.

Platinum

Platinum prices retreated by 3.4%, from a weekly average of US\$993.00/oz to close the week under analysis at US\$959.40/oz. The negative outlook for the metal persisted, following the Volkswagen emissions scandal, which contributed to depressed prices. In addition, market analysts projected a scale down in production for the German automotive giant, culminating in concomitant declines in the demand for platinum. The metal is a key input in the automotive industry.

Copper

Copper prices closed the week under review at an average of US\$5,157.40/ton, representing a 0.5% decline from an average of US\$5,185.00/ton recorded in the previous week. Reduced copper demand in Germany, the third largest consumer of the metal, coupled with a weaker than expected economic outlook for Europe, weighed down copper prices.

Nickel

Nickel prices declined by 5.3%, from an average of US\$10,458.00/ton in the previous week, to US\$9,907.00/ton during the week under review. This was on the back of waning global demand that has precipitated a build-up in the metal inventories.

Crude Oil

Brent crude oil prices rebounded by 1.4% from an average of US\$48.32/barrel in the previous week, to close the week under review at an average of US\$48.99/barrel. A reduction in output in the US, coupled with production cuts by Petroleo Brasileiro, a Brazilian State-run oil company supported the rebound.

4. EQUITY MARKETS

During the week ending 6th November 2015, trading on the Zimbabwe Stock Exchange was bearish. As a result, industrial and mining indices declined by 1.05% and 5.26%, to close the week under review at 129.45 points and 22.33 points, respectively.

The decline in the industrial index was largely attributed to losses in Star Africa Corporation (20.00%), ZB Financial Holdings Limited (15.71%), Padenga Holdings (9.50%), Econet Wireless (6.54%), Dawn Properties (3.95%), Innscor Africa (1.57%), Afdis (1.28%) and Delta Corporation (1.22%). The losses were on the back of sell off pressure that characterized the market during the period under review.

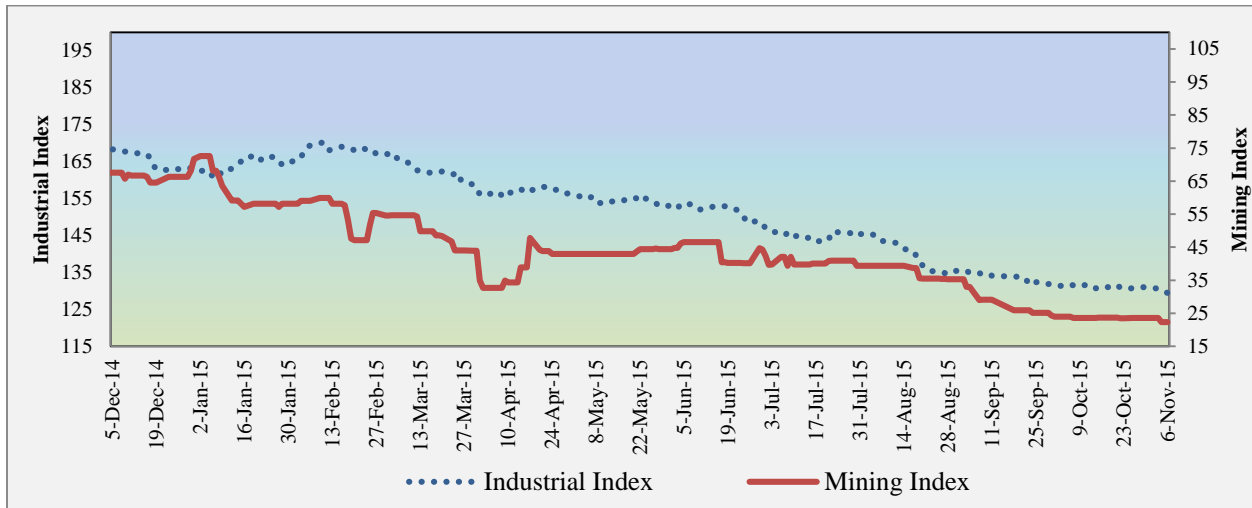
The loss in the resources index was driven by a decline of 13.33% in the Rio Zim counter, following the announcement of a temporary suspension of operations at Murowa Diamonds. Rio Zim has a 22% controlling stake in Murowa Diamonds.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
09-Oct-15	131.45	23.57	3,431,931,253	4,782,272	22,376,346
16-Oct-15	131.08	23.68	3,422,760,886	789,703	6,781,535
23-Oct-15	130.56	23.49	3,408,982,366	2,041,195	11,472,158
30-Oct-15	130.83	23.57	3,416,105,219	4,540,639	15,119,157
06-Nov-15	129.45	22.33	3,455,784,357	2,348,419	20,002,447
Weekly Change (%)	(1.05)	(5.26)	1.16	(48.28)	32.30

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

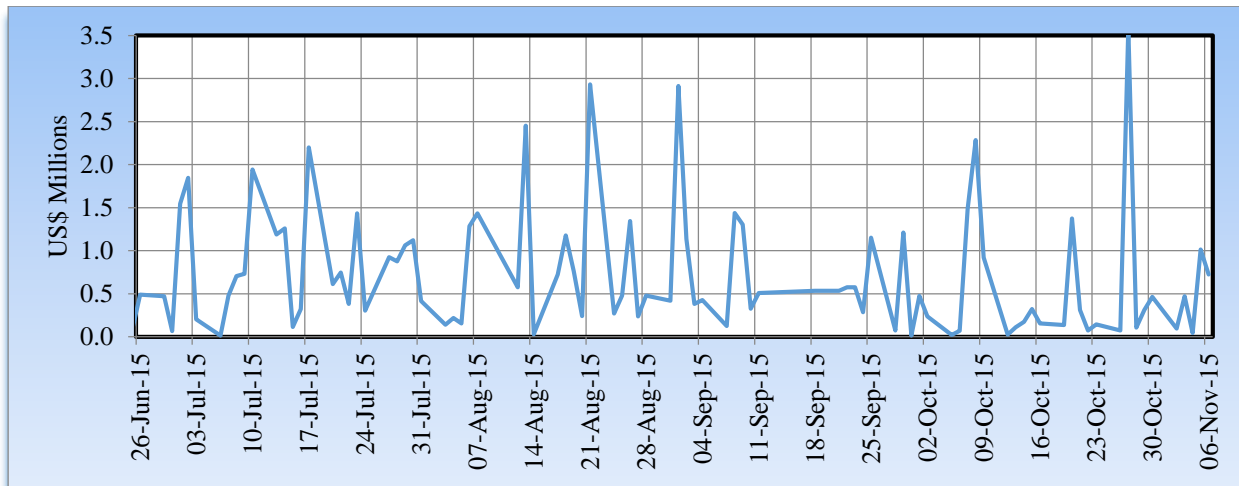


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

The local bourse was characterized by low activity, as investors continued to shy away from it. Consequently, the value of shares traded declined by 48.28%, from US\$4.54 million in the previous week, to US\$2.35 million during the week under review.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

Despite subdued trading on the local bourse, the ZSE market capitalisation increased by 1.16%, from US\$3.42 billion in the previous week, to US\$3.46 billion during the week ending 6th November 2015.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

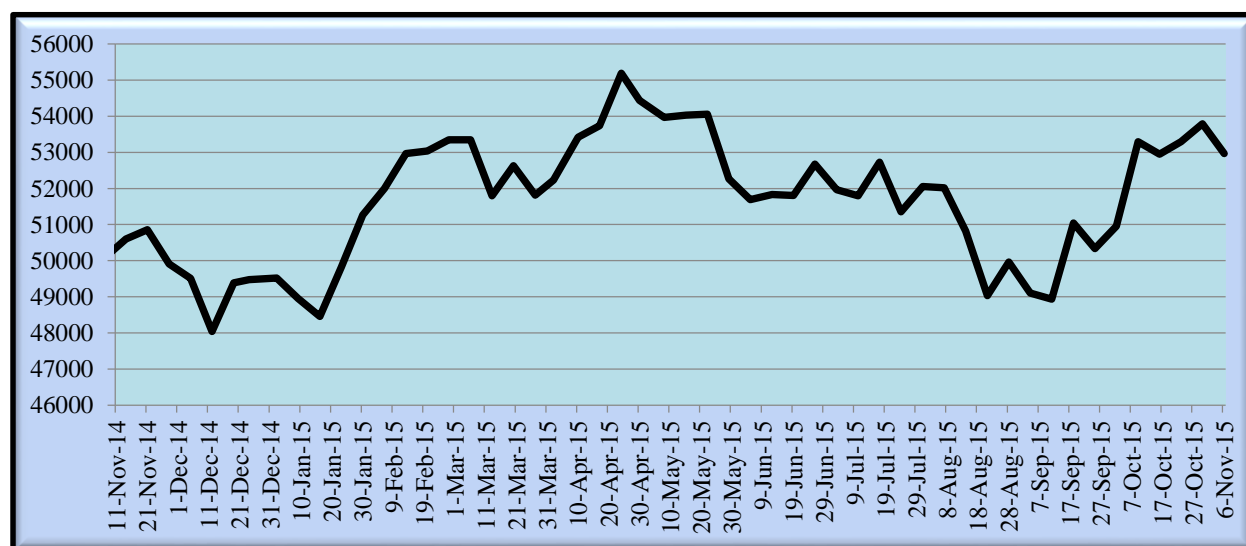
The JSE All Share index declined from 53 793.74 points in the previous week, to close the week ending 6th November 2015 at 52 964.07 points. Concomitantly, the JSE market capitalization stood at R12.02 trillion, down from R12.17 trillion recorded in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
09-Oct	53,295.65	12.12
16-Oct	52,945.11	12.07
23-Oct	53,298.41	12.36
30-Oct	53,793.74	12.17
06-Nov	52,964.07	12.02

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 NOVEMBER 2015