



Weekly Economic Highlights

Table of Contents

| | |
|---|---|
| 1. INTEREST RATES | 1 |
| 2. CLEARING AND SETTLEMENT ACTIVITY | 2 |
| 3. TOBACCO SALES | 4 |
| 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS.. | 5 |
| 5. EQUITY MARKETS..... | 7 |

Week Ending
08th April 2016

1. INTEREST RATES

Deposit Rates

Interest rates remained largely unchanged at most banking institutions during the week ending 8th April 2016. Deposit rates for deposits of 3 month tenor, however, rose by 0.07 percentage points to 7.00%.

Table 1: Average Deposit Rates

| Date | Savings Deposits (%) | 1-Month Deposits (%) | 3-Months Deposits (%) |
|-----------|----------------------|----------------------|-----------------------|
| 11-Mar-16 | 3.03 | 6.57 | 6.93 |
| 18-Mar-16 | 3.03 | 6.57 | 6.93 |
| 24-Mar-16 | 3.03 | 6.57 | 6.93 |
| 01-Apr-16 | 3.03 | 6.57 | 6.93 |
| 08-Apr-16 | 3.03 | 6.57 | 7.00 |

Source: Banking Institutions, 2016

Lending Rates

During the week under review, commercial bank weighted lending rates for individual and corporate clients closed the week unchanged at 11.41% and 7.29%, respectively.

Table 2: Lending Rates

| Date | Lending Rates (%) Commercial Banks (weighted) | |
|-----------|--|-------------------|
| | Individuals | Corporate clients |
| 11-Mar-16 | 11.43 | 7.31 |
| 18-Mar-16 | 11.50 | 7.15 |
| 24-Mar-16 | 11.43 | 7.16 |
| 01-Apr-16 | 11.41 | 7.29 |
| 08-Apr-16 | 11.41 | 7.29 |

Source: Banking Institutions, 2016

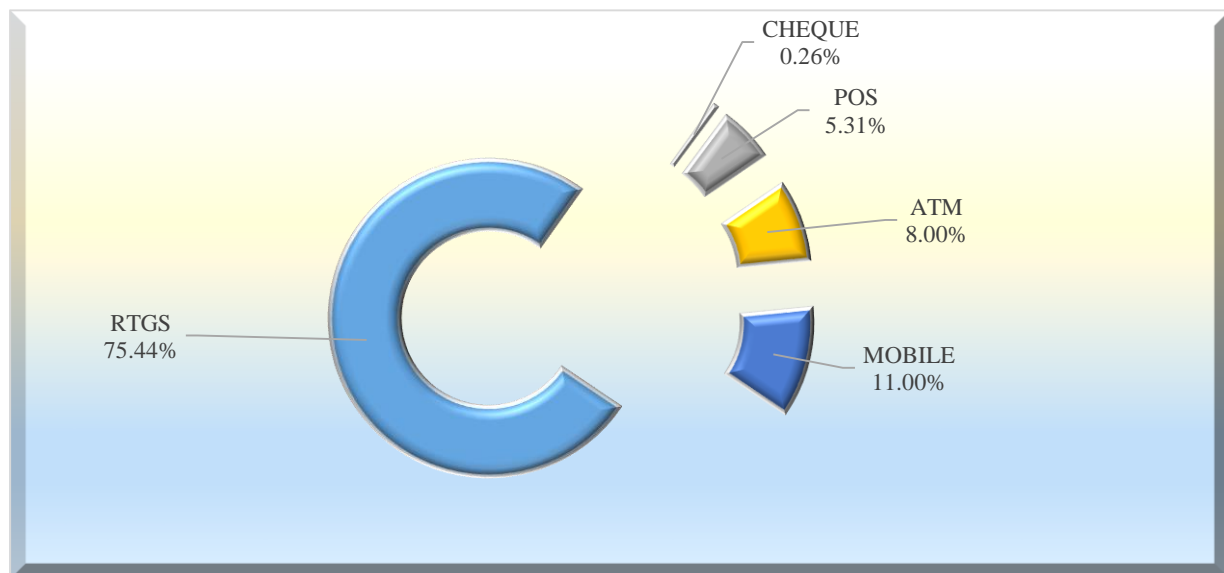
2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS), stood at US\$1 048.03 million for the week ending 8th April 2016, down from US\$1 080.07 million registered in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 8% to close the week under review at US\$790.61 million, from US\$857.74 million recorded during the previous week.

In terms of proportions, RTGS payments accounted for 75.44% of the total value of transactions processed through the NPS, followed by mobile transactions, 11.00%; ATMs, 8.00%; POS, 5.31%; and cheque, 0.26%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The distribution of NPS transactions in volume terms, was as follows; Mobile, 86.73%; POS, 7.84%; ATMs, 4.64%; RTGS, 0.67% and cheque 0.12%, 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 01 April 2016 | WEEK ENDING 08 April 2016 | CHANGE FROM LAST WEEK | PROPORTION |
|---------------------------------|---------------------------|---------------------------|-----------------------|------------|
| VALUES IN USD (millions) | | | | |
| RTGS | 857.74 | 790.61 | -8% | 75.44% |
| CHEQUE | 2.19 | 2.75 | 25% | 0.26% |
| POS | 47.81 | 55.63 | 16% | 5.31% |
| ATMS | 75.32 | 83.79 | 11% | 8.00% |
| MOBILE | 97.01 | 115.24 | 19% | 11.00% |
| TOTAL | 1,080.07 | 1,048.03 | -3% | 100% |
| VOLUMES | | | | |
| RTGS | 30,377 | 37,412 | 23% | 0.67% |
| CHEQUE | 5,222 | 6,454 | 24% | 0.12% |
| POS | 382,899 | 436,392 | 14% | 7.84% |
| ATMs | 247,347 | 258,396 | 4% | 4.64% |
| MOBILE | 4,756,566 | 4,828,877 | 2% | 86.73% |
| TOTAL | 5,422,411 | 5,567,531 | 3% | 100% |

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 8th April 2016 (8th day of the 2016 tobacco selling season), a cumulative total of 5 726 276 kilograms of tobacco had been sold, reflecting an increase of 8.64%, compared to 3 557 854 kilograms of tobacco sold during the same period in 2015.

The cumulative value of sales was US\$13.24 million, - 60.95% higher than US\$8.01 million realized during the corresponding period in 2015. The golden leaf was sold at a higher average price of US\$2.31/kg, compared to an average price of US\$2.25 during the same period in 2015.

Table 4: Cumulative Tobacco Sales: Day 8 (08/04/16)

| | 2015 | 2016 | Variance (%) |
|--|-----------|------------|--------------|
| Cumulative Quantity Sold (kgs) | 3,557,854 | 5,726,276 | 60.95% |
| Cumulative Average Price(US\$/kg) | 2.25 | 2.31 | 2.71% |
| Cumulative Value (US\$ million) | 8,010,826 | 13,242,716 | 65.00% |

Source: Tobacco Industry and Marketing Board

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of platinum, copper, nickel, and Brent crude oil retreated during the week ending 8th April 2016, while gold prices marginally firmed. Table 4 below shows commodity price developments during the period 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 (29 Mar-1 April) | 1,229.15 | 965.63 | 4,902.38 | 8,388.75 | 39.24 |
| 4-Apr | 1217.38 | 951.50 | 4,880.00 | 8,270.00 | 38.11 |
| 5-Apr | 1231.38 | 958.00 | 4,775.50 | 8,275.00 | 37.65 |
| 6-Apr | 1223.58 | 949.00 | 4,775.00 | 8,465.00 | 39.83 |
| 7-Apr | 1,239.80 | 950.00 | 4,710.00 | 8,460.00 | 38.93 |
| 8-Apr | 1237.25 | 956.50 | 4,564.00 | 8,440.00 | 40.89 |
| Weekly Average (4-8 April) | 1,229.88 | 953.00 | 4,740.90 | 8,382.00 | 39.08 |
| Weekly Change (%) | <i>0.1</i> | <i>(1.3)</i> | <i>(3.3)</i> | <i>(0.1)</i> | <i>(0.4)</i> |

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices closed the week under review at a weekly average price of US\$1 229.88/oz, gaining by 0.1% from a weekly average of US\$1 229.15/ in the previous week. This was occasioned by increased demand from Asia, coupled with the weakening of the US dollar.

Platinum

The weekly average price of platinum declined by 1.3%, from a weekly average of US\$965.63/oz recorded in the previous week, to close the period under review at US\$953.00/oz. The retreat in platinum prices was underpinned by slackening demand for the metal in the global automotive industry.

Copper

Copper prices declined by 3.3%, from a weekly average of US\$4 902.38/ton to close the week under analysis at an average of US\$4 740.90 /ton. This was on the back of rising global copper stockpiles, which exerted downward pressure on the base metal's price.

Nickel

Nickel prices declined by 0.1% to close the week under analysis at an average of US\$8 382.00/ton. Renewed concerns over slowing global demand outlook, particularly from China, the world's largest consumer of the base metals, largely explained the decline.

Brent crude oil

Brent crude oil prices declined by 0.4% from a weekly average of US\$39.24/barrel to close the week under analysis at US\$39.08/barrel. Prices declined on account of global oversupply concerns and reduced demand. Global glut concerns were exacerbated by increased output from Iraq, the second largest oil producer in the Organization of the Petroleum Exporting Countries (OPEC) grouping.

5. EQUITY MARKETS

During the week ending 8th April 2016, the local bourse showed signs of recovery as the industrial index increased by 0.12 points to close the week at 97.92 points. The resources index also gained by 0.63 points to close the week under analysis at 20.16 points.

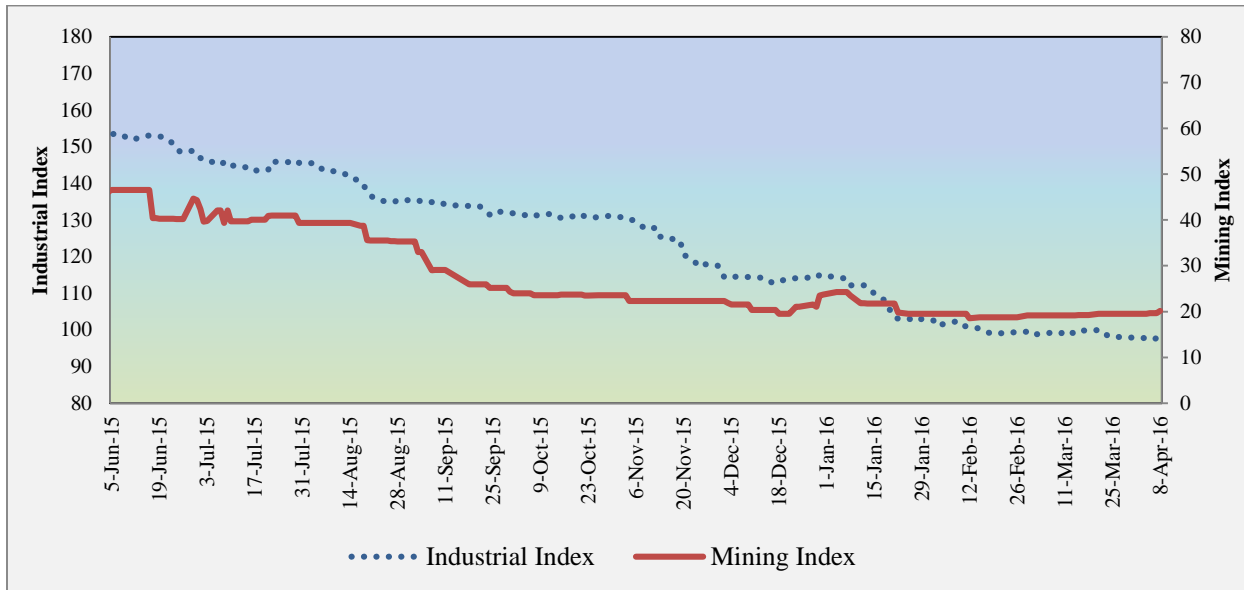
The increase in the industrial index was a result of gains in Fidelity Life Assurance Limited (14.44%), GetBucks Financial Services Limited (8.11%), FBCH (7.95%), Econet Wireless (2%) and Old Mutual Plc (0.45%). Bindura Nickel Corporation Limited and Rio Zim, the only active mining counters during the period under review, largely drove the resources cluster

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

| Period | Industrial Index (points) | Mining Index (points) | Grand Market Capitalization (US\$) | Market Turnover (US\$) | Volume of Shares |
|-------------------|---------------------------|-----------------------|------------------------------------|------------------------|------------------|
| 11-Mar | 99.81 | 19.14 | 2,703,197,391 | 5,164,124 | 31,518,794 |
| 18-Mar | 99.86 | 19.22 | 2,704,672,600 | 4,899,095 | 19,225,544 |
| 24-Mar | 98.18 | 19.53 | 2,660,399,955 | 3,045,468 | 12,430,036 |
| 01-Apr | 97.80 | 19.53 | 2,650,162,418 | 2,407,184 | 24,537,860 |
| 08-Apr | 97.92 | 20.16 | 2,654,448,635 | 3,167,025 | 57,414,464 |
| Weekly Change (%) | 0.12 | 3.23 | 0.16 | 31.57 | 133.98 |

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

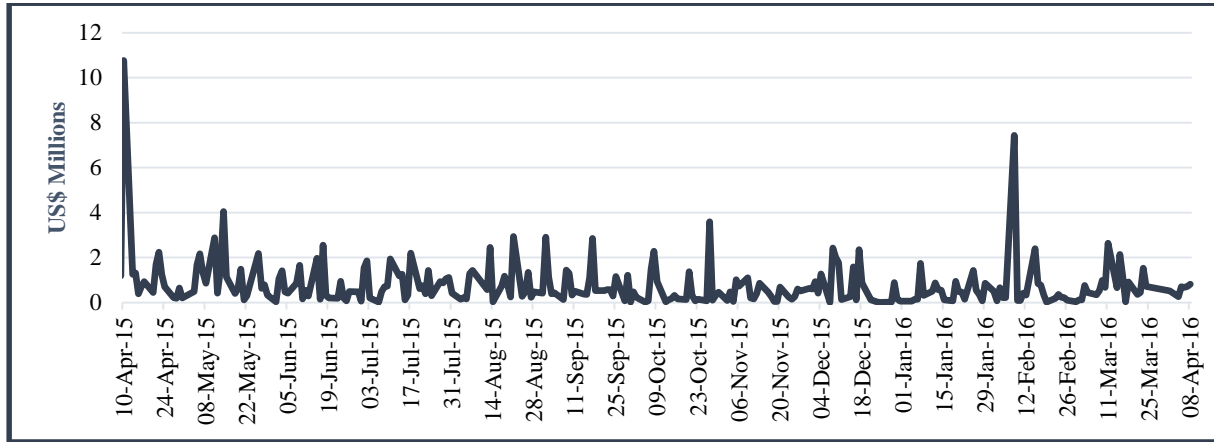


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

The ZSE market turnover increased by 31.57%, from US\$2.41 million in the previous week, to US\$3.17 million during the week ending 8th April 2016. This followed positive sentiments that characterized the week under review. A total of 57 414 464 shares were traded during the week under review, compared to 24 537 860 shares traded in the previous week.

Figure 4: Daily Market Turnover

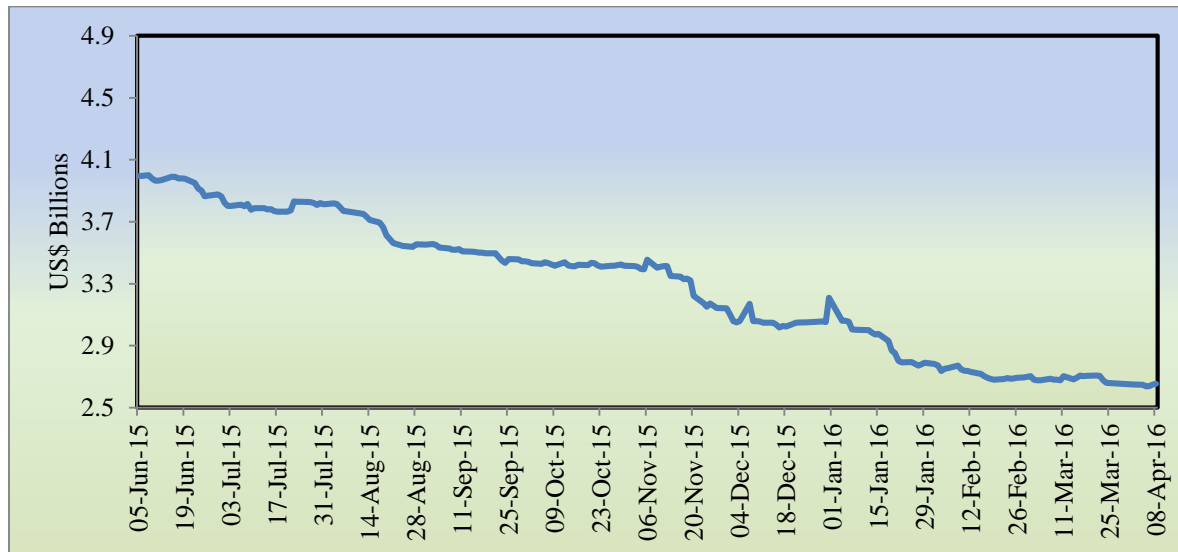


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

Owing to positive trading on the ZSE during the period under review, market capitalisation increased by 0.16% , to close the week at US\$2.65 billion.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

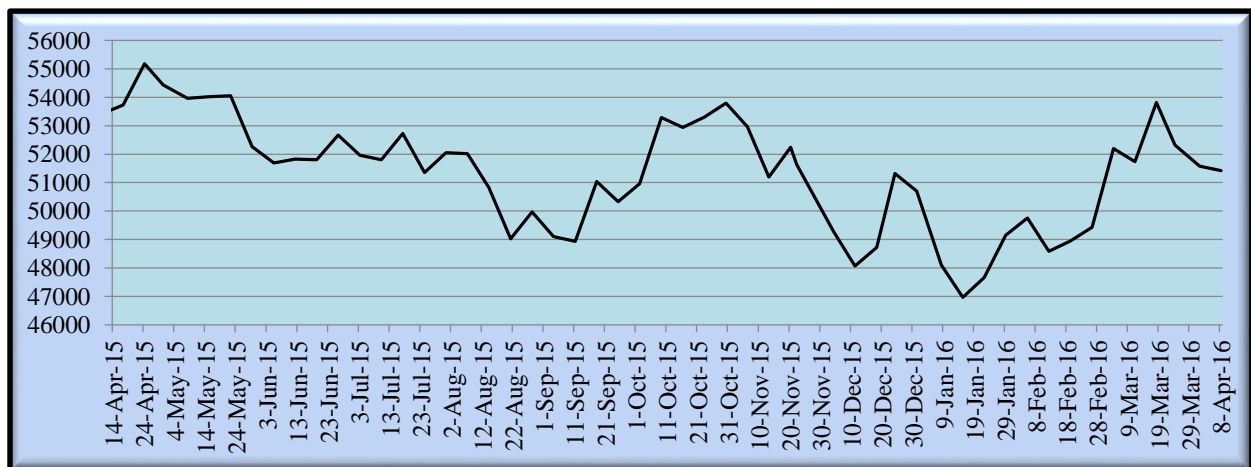
The JSE All Share index closed the week under review at 51 424.48 points, shedding 0.31% from the previous week. Market capitalization declined by 0.33% to R15.04 trillion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

| Period | All Share Index (points) | Market Capitalisation (R trillion) |
|-----------|--------------------------|------------------------------------|
| 11-Mar-16 | 51,739.83 | 15.08 |
| 18-Mar-16 | 53,824.28 | 15.63 |
| 24-Mar-16 | 52,323.78 | 15.34 |
| 01-Apr-16 | 51,584.13 | 15.09 |
| 08-Apr-16 | 51,424.48 | 15.04 |

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

13TH APRIL 2016

