



Weekly Economic Highlights

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Week Ending
9th October 2015

1. INTEREST RATES

Deposit Rates

During the week ending 9th October 2015, interest rates remained unchanged from the previous week levels. Average deposit rates for savings and deposits of 1 month and 3 month tenor stood at 3%, 8.14%, and 9.14% per annum, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
04-Sep	3.00	8.11	9.11
11-Sep	3.00	8.14	9.14
18-Sep	3.00	8.14	9.14
25-Sep	3.00	8.14	9.14
02-Oct	3.00	8.14	9.14
09-Oct	3.00	8.14	9.14

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individual and corporate clients closed the week under review at 10.97% and 7.73% per annum, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
04-Sep	11.86	8.47
11-Sep	11.81	8.46
18-Sep	11.77	8.44
25-Sep	11.81	8.47
02-Oct	11.56	8.39
09-Oct	10.97	7.73

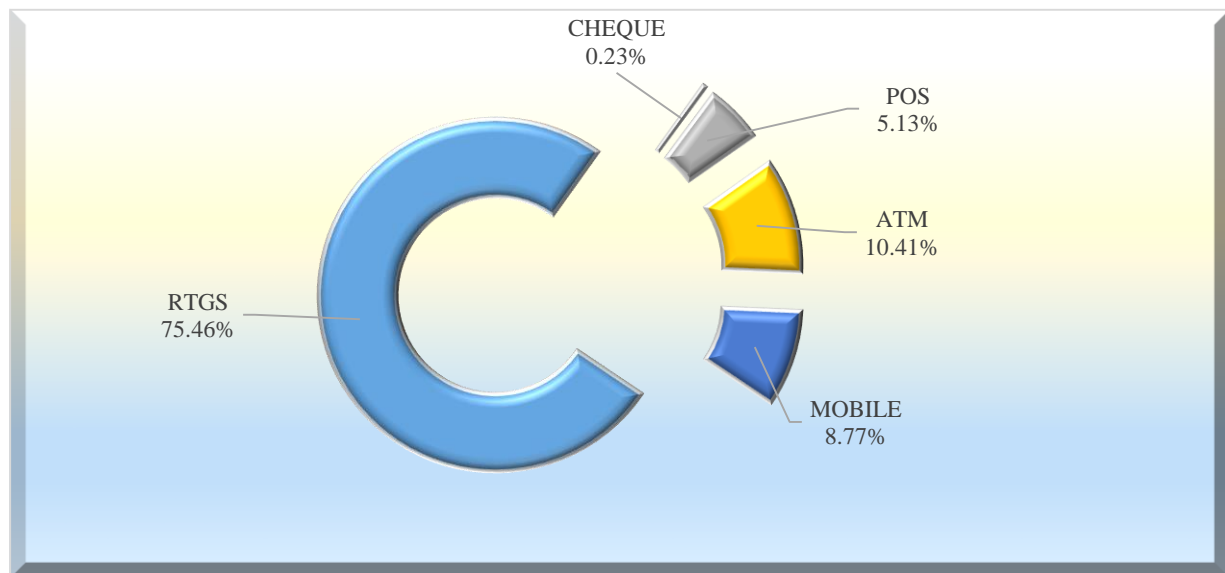
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) stood at US\$1 178.48 million during the week ending 9th October 2015, up from US\$1 122.43 million registered in the previous week. Transactions processed through the Real Time Gross Settlement System (RTGS) closed the week under review at US\$889.23 million, up from US\$882.92 million in the previous week.

RTGS system payments accounted for 75.46% of the total value of transactions processed through the NPS, followed by Automated Teller Machines (ATMs), 10.41%; Mobile, 8.77%; Point of Sale (POS), 5.13%; and cheque, 0.23%.

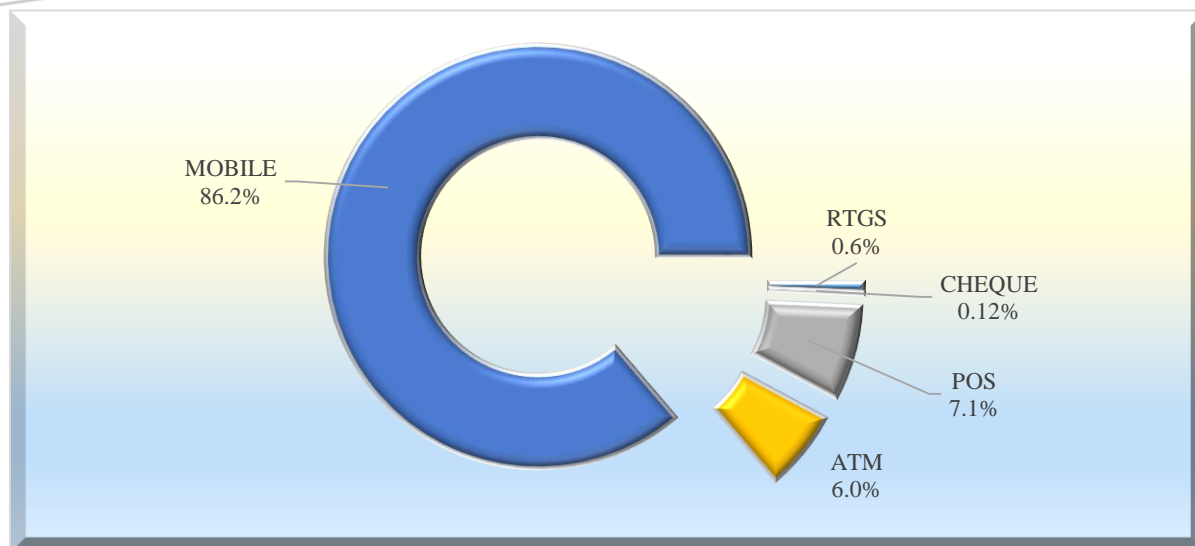
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, Mobile-Based transactions accounted for 86.24% of total transactions, followed by Point of Sale (POS), 7.09%; Automated Teller Machines (ATMs), 5.95%; RTGS, 0.60%; and cheque, 0.12%

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 2 Oct 2015	WEEK ENDING 9 Oct 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	898.28	889.23	-1%	75.46%
CHEQUE	3.20	2.70	-16%	0.23%
POS	35.12	60.48	72%	5.13%
ATMS	73.22	122.72	68%	10.41%
MOBILE	112.62	103.36	-8%	8.77%
TOTAL	1122.43	1178.48		100%
VOLUMES				
RTGS	39,813	35,125	-12%	0.60%
CHEQUE	7,211	6,760	-6%	0.12%
POS	306,646	414,304	35%	7.09%
ATMs	263,544	347,519	32%	5.95%
MOBILE	5,074,832	5,037,314	-1%	86.24%
TOTAL	5,692,046	5,841,022		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and crude oil firmed, whilst nickel prices declined, during the week ending 9th October 2015.

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 (2 Oct)	1,124.21	913.00	5,091.10	10,115.00	48.24
5-Oct	1,137.05	918.50	5,144.00	9,930.00	49.33
6-Oct	1,142.20	925.00	5,144.00	9,930.00	50.33
7-Oct	1,146.25	942.00	5,144.00	9,930.00	52.90
8-Oct	1,141.65	933.50	5,144.00	10,065.00	52.08
9-Oct	1,151.53	975.50	5,318.00	10,705.00	53.13
Weekly Average (9 Oct)	1,143.74	938.90	5,178.80	10,112.00	51.55
Weekly Change (%)	1.7	2.8	1.7	(0.03)	6.9

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices gained by 1.7%, from a weekly average of US\$1,124.21/oz recorded in the previous week, to US\$1 143.74/oz during the week under review. The increase was triggered by expectations that the Federal Reserve Bank of America would delay increasing interest rates until 2016. This development boosted the demand for gold as a safe haven asset, exerting upward pressure on the price of the yellow metal during the week under analysis.

Platinum

During the week under review, platinum prices strengthened by 2.8%, from US\$913/oz recorded in the previous week to US\$938.9/oz during the week under analysis. This was partly on the back of supply disruptions in Zimbabwe, as a result of electricity shortages which induced production cuts. Zimbabwe is the world's third-largest producer of the metal and is currently experiencing acute electricity shortages.

Copper

Copper prices posted gains of 1.7% from US\$5 091.10/ton recorded in the previous week, to US\$5 178.80/ton during the week under review. The increase in copper prices occurred on the back of fears of supply shortages, following a decision to scale down production of the metal by Russia's Glencore (Private) Limited, one of the largest copper producers.

Nickel

Nickel prices remained relatively stable, declining marginally by 0.03%, from an average of US\$10 115.00/ton recorded in the previous week, to US\$10 112.00/ton during the week under review.

Crude Oil

Despite declining in the previous week of trading, crude oil prices rebounded markedly by 6.9%, from US\$48.24/barrel in the previous week to US\$51.55/barrel, during the week under review. This was attributable to a decline in U.S. production as well as indications that major oil producers in the Organization of the Petroleum Exporting Countries are ready to jointly tackle the prolonged low prices.

4. EQUITY MARKETS

During the week ending 9th October 2015, trading on the Zimbabwe Stock Exchange was generally flat, with the mainstream index remaining stagnant at 131.45 points, despite having peaked to 131.72 points during the mid-week trading sessions. The mining index, however, declined by 1.67% from 23.97 points in the previous week, to close the week under analysis at 23.57 points.

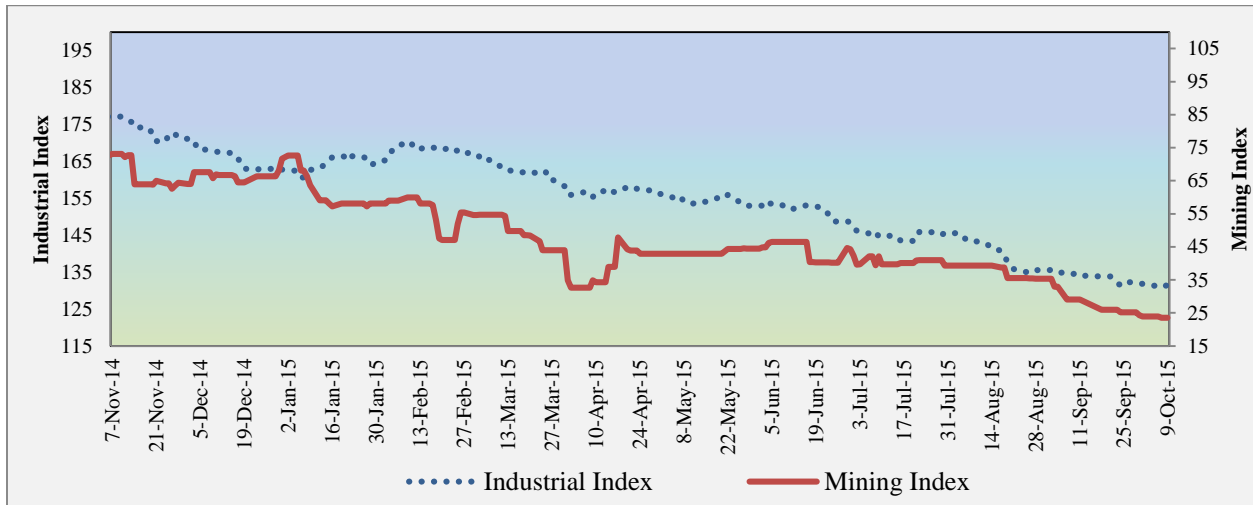
Despite the industrial index being stagnant, some counters realized gains on the stock market as follows: CBZ (11.11%), Padenga Holdings (8.70%), ART (3.64%), Zimre Holdings (0.91%), Edgars Stores (0.57%), B.A.T. (0.50%) and SeedCo (0.20%). The abovementioned gains were, however, offset by losses in Willdale Limited (88.89%), First Mutual Holdings (4.76%), Old Mutual (2.04%), TSL (1.43%), Hippo Valley (1.28%), Delta Beverages (0.31%) and Econet (0.04%). The mining index declined due to a 3.70% loss in the Bindura Nickel share price. Bindura Nickel continued to perform poorly since management and Board changes were effected in August 2015.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
04-Sep-15	134.85	32.97	3,533,366,289	5,269,656	19,050,964
11-Sep-15	134.11	29.10	3,508,185,248	3,702,451	24,982,029
18-Sep-15	133.83	25.94	3,496,042,127	5,230,473	29,987,310
25-Sep-15	132.43	25.15	3,458,710,131	3,121,322	17,744,200
02-Oct-15	131.45	23.97	3,431,677,735	2,006,444	23,490,669
09-Oct-15	131.45	23.57	3,431,931,253	4,782,272	22,376,346
Weekly Change (%)	0	(1.67)	(0.01)	138.35	4.74

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

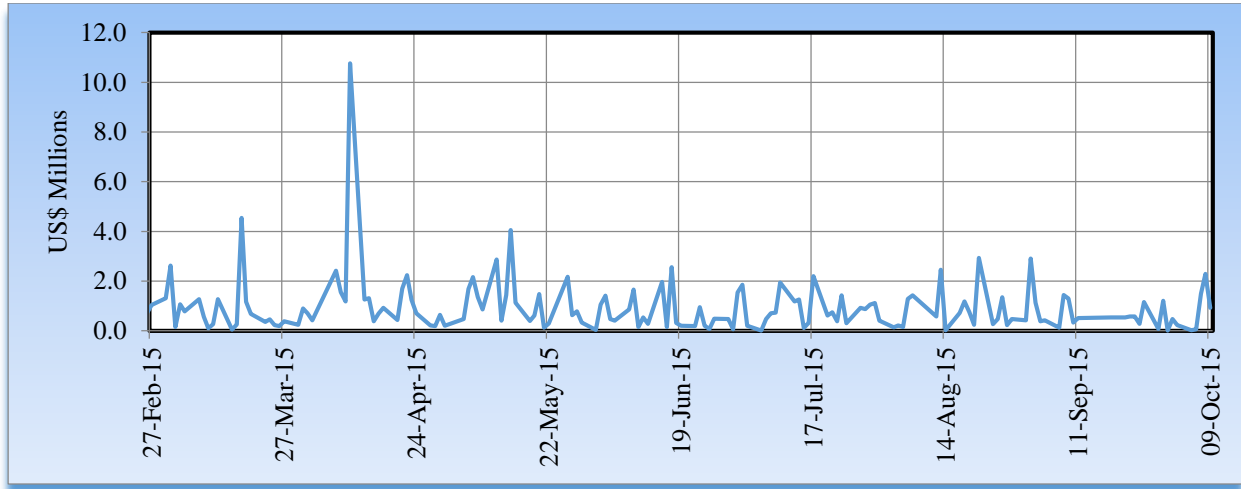


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

The trading week saw a 138.35% increase in turnover, from US\$2.01 million to US\$4.78 million. A total of 22 376 346 shares were traded during the week under review, compared to 23 490 669 shares traded in the previous week. Activity on the local bourse is anticipated to improve as investors start buying stocks perceived to be undervalued.

Figure 4: Daily Market Turnover

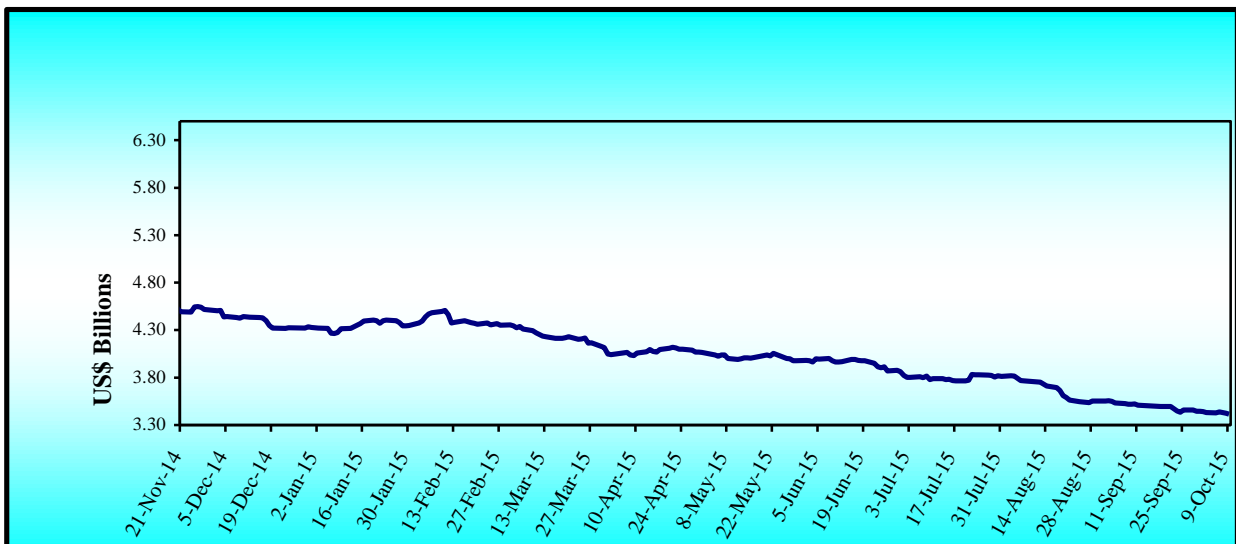


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

In line with developments on the local bourse, the market gained \$0.25 million worth of capitalization, from US\$3 431 677 735 in the previous week, to US\$3 431 931 253 during the period under review.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

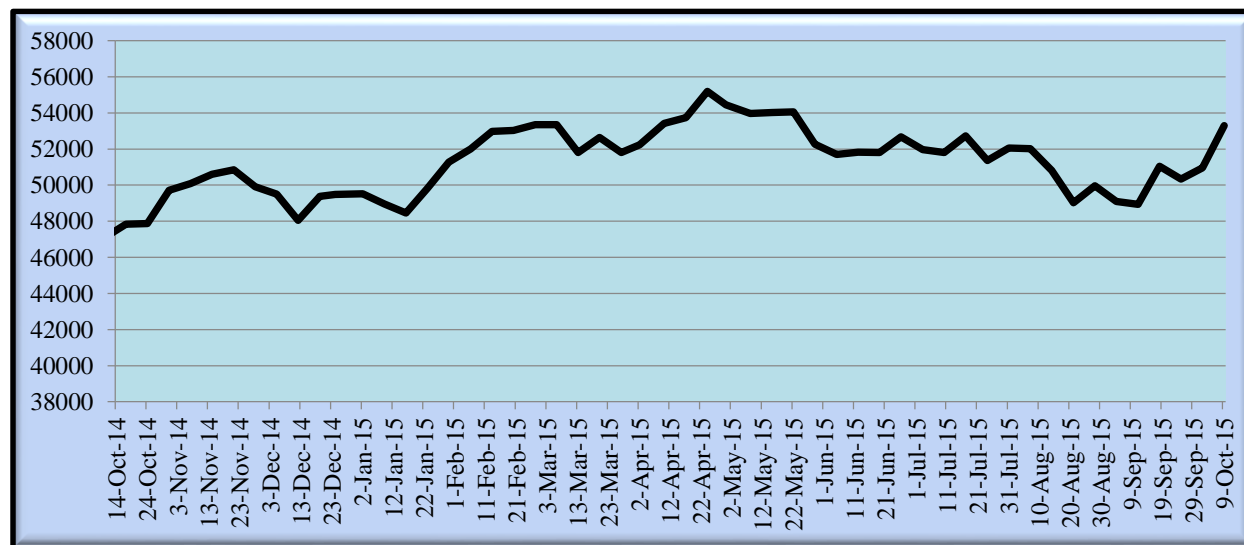
The JSE All Share index registered a 4.59% increase to close the week under review at 53 295.65 points. Concomitantly, market capitalization increased by 4.48%, from R11.50 trillion recorded the previous week to R12.12 trillion, during the week under analysis.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
04-Sep	49,102.50	11.20
11-Sep	48,930.64	11.21
18-Sep	51,044.58	11.64
25-Sep	50,331.12	11.50
02-Oct	50,955.89	11.60
09-Oct	53,295.65	12.12

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

15TH OCTOBER 2015