



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
10th June 2016

1. INTEREST RATES

Deposit Rates

Average deposit rates for deposits of 1 month tenor and savings deposits remained unchanged at 5.93%, and 3.09%, respectively, during the week ending 10th June 2016. Deposit rates for deposits of 3 months tenor were, however, quoted lower at 6.44%.

Table 1: Average Deposit Rates (Yields in percent per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
13-May-16	3.03	6.18	7.06
20-May-16	3.03	6.21	6.74
27-May-16	3.03	6.15	6.74
03-Jun-16	3.09	5.93	6.49
10-June-16	3.09	5.93	6.44

Source: Banking Institutions, 2016

Lending Rates

The weighted commercial bank lending rates for individual clients increased from 11.38% in the previous week, to 11.40% during the week under review. Lending rates for corporate clients increased by 0.03 percentage points to close the week under analysis at 7.39%.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
13-May-16	11.49	7.36
20-May-16	11.45	7.36
27-May-16	11.43	7.35
03-June-16	11.38	7.36
10-June-16	11.40	7.39

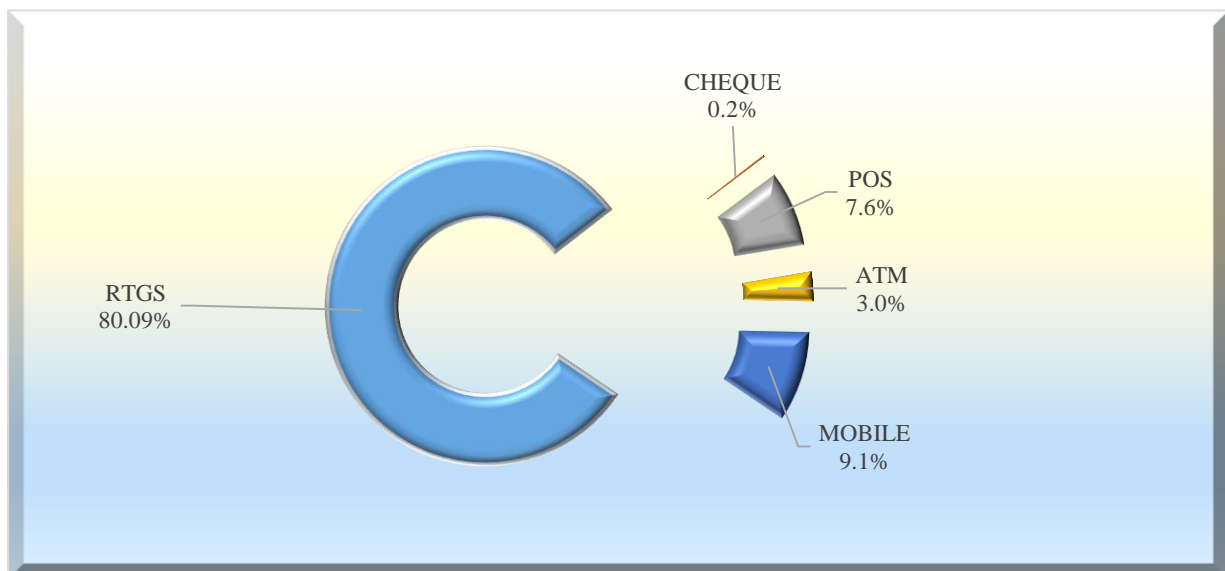
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) declined from US\$1 222.21 million in the previous week, to US\$1 150.56 million during the week ending 10th June 2016. Real Time Gross Settlement (RTGS) transactions registered a 7% decline, to close the week under review at US\$921.52 million.

The proportions of NPS transactions, in value terms, were as follows: RTGS, 80.09%; Mobile, 9.1%; Point of Sale (POS), 7.6%; Automated Teller Machines (ATMs), 3.0%; and cheque, 0.2%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The total number of NPS transactions increased by 1.18% to 6 552 224 during the week under review. In volume terms, NPS transactions were distributed as follows: Mobile, 80.25%; POS, 15.39%; ATM, 3.31%; RTGS, 0.93%; and Cheque, 0.11%, as shown in Figure 2.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 03 June 2016	WEEK ENDING 10 June 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	995.05	921.52	-7%	80.09%
CHEQUE	2.34	2.31	-1%	0.20%
POS	87.09	87.74	1%	7.63%
ATMS	46.69	34.09	-27%	2.96%
MOBILE	91.03	104.90	15%	9.12%
TOTAL	1,222.21	1,150.56	-6%	100%
VOLUMES				
RTGS	64,412	60,841	-6%	0.93%
CHEQUE	7,202	7,440	3%	0.11%
POS	916,808	1,008,598	10%	15.39%
ATMs	237,980	217,050	-9%	3.31%
MOBILE	4,314,332	5,258,295	22%	80.25%
TOTAL	5,540,734	6,552,224	-6%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 10th June 2016 or day 50 of the 2016 tobacco selling season, a cumulative total of 125.03 million kilograms of tobacco had been sold. This was an increase of 12.57%, compared to the cumulative total of 111.08 million kilograms of tobacco sold during the same period in 2015. In terms of value, cumulative tobacco sales amounted to US\$362.94 million, compared to US\$324.97 million realised as at day 50 of the 2015 tobacco selling season. The golden leaf, however, fetched a lower price of US\$2.90 per kg, as shown in Table 4.

Table 4: Cumulative Tobacco Sales: Day 50 (10/06/16)

	2015	2016	Variance (%)
Cumulative Quantity Sold (kgs)	111,075,771	125,034,022	12.57
Cumulative Average Price(US\$/kg)	2.93	2.90	(1.02)
Cumulative Value (US\$)	324,966,405	362,942,827	11.69

Source: Tobacco Industry and Marketing Board

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 10th June 2016, the international commodity prices of gold, platinum, nickel and crude oil firmed. The price of copper, however, retreated, as shown in Table 5.

Table 5: 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 (30May-3 June)	1,218.24	973.80	4,658.40	8,376.00	49.96
6-Jun	1,242.28	987.50	4,688.00	8,365.00	50.34
7-Jun	1,241.00	989.00	4,586.00	8,365.00	51.14
8-Jun	1,257.70	1,011.50	4,591.00	8,820.00	52.41
9-Jun	1,261.13	996.50	4,545.50	8,820.00	51.95
10-Jun	1,271.05	994.00	4,504.00	8,945.00	50.74
Weekly Average(6-10 June)	1,254.63	995.70	4,582.90	8,663.00	51.32
Weekly Change (%)	3.0	2.2	(1.6)	3.4	2.7

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices firmed marginally by 3.0%, from a weekly average price of US\$1,218.24/oz in the previous week, to US\$1,254.63/oz during the week under review. This was largely on the account of a weaker US dollar, coupled with diminishing expectations for a US Federal Reserve interest rate hike.

Platinum

Platinum prices increased by 2.2%, to close the week under analysis at an average of US\$995.70/oz. The price increase was partly supported by the weakening of the US dollar.

Copper

Copper prices fell by 1.6% to close the week under review at an average of US\$4 582.90/tonne, from US\$4 658.40/tonne in the previous week. The slackening global demand for the metal, in large part, accounted for the decline.

Nickel

Nickel prices recorded a 3.4% increase from US\$8 376.00/tonne in the previous week, to US\$8 663.00/tonne during the week ending 10th June 2016. This followed renewed reports of plans by the Philippines Government to indigenise the mining sector. The Philippines is one of the top global producers of the base metal.

Brent Crude Oil

Brent crude oil prices increased by 2.7% to US\$51.32/barrel during the week under review, from US\$49.96/barrel in the previous week. This was largely attributed to a fall in U.S crude inventories, on the back of rising global demand.

5. EQUITY MARKETS

The industrial index shed 7.79 percentage points to close the week ending 10th June 2016 at 96.51 points, as the Zimbabwe Stock Exchange (ZSE) continued on a bearish trend. The mining index, however, increased by 0.47 percentage points to 26.24 points in the same week.

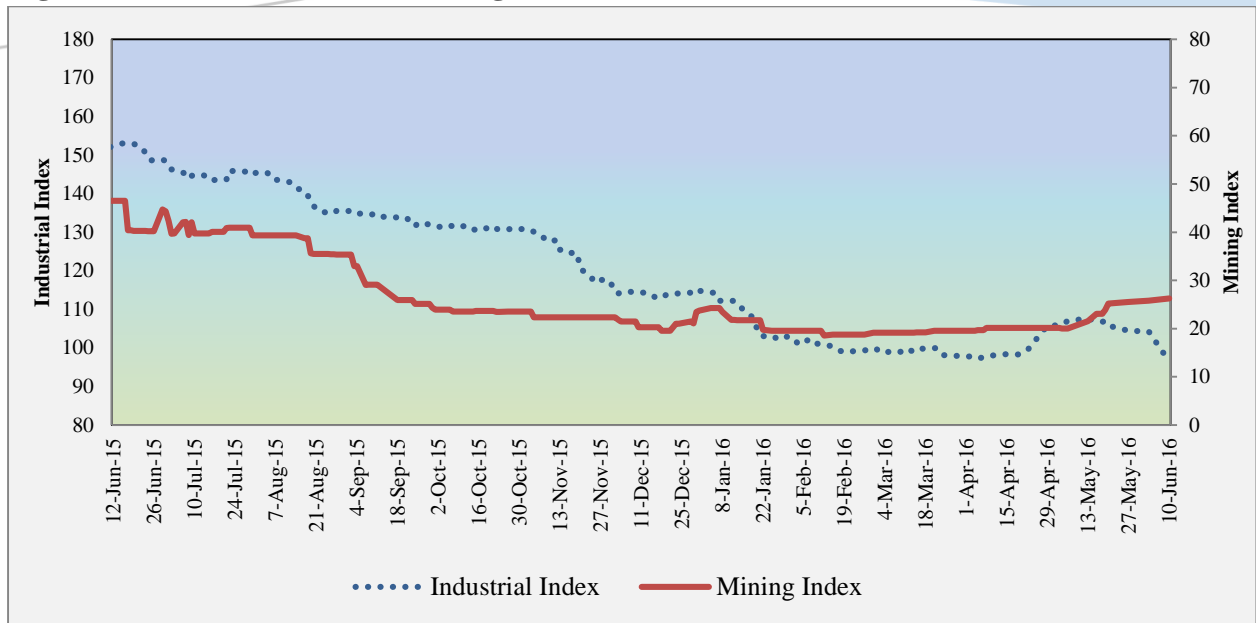
The decline in the industrial index was attributed to losses in OK Zimbabwe Limited (30.23%), Delta Corporation (20.40%), Inncor Africa Limited (11.01%), Dairibord Zimbabwe Holdings (9.09%) and Fidelity Life Assurance Limited (6.36%).

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
13-May	107.59	21.55	2,912,661,507	2,531,131	10,039,724
20-May	105.80	25.19	2,910,371,028	3,333,944	26,616,656
27-May	104.43	25.54	2,874,242,189	1,739,749	9,052,897
03- Jun	104.30	25.77	2,870,235,077	4,819,501	53,664,571
10-June	96.51	26.24	2,661,632,445	3,901,663	15,509,499
Weekly Change (%)	(7.47)	1.82	(7.27)	(19.04)	(71.10)

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

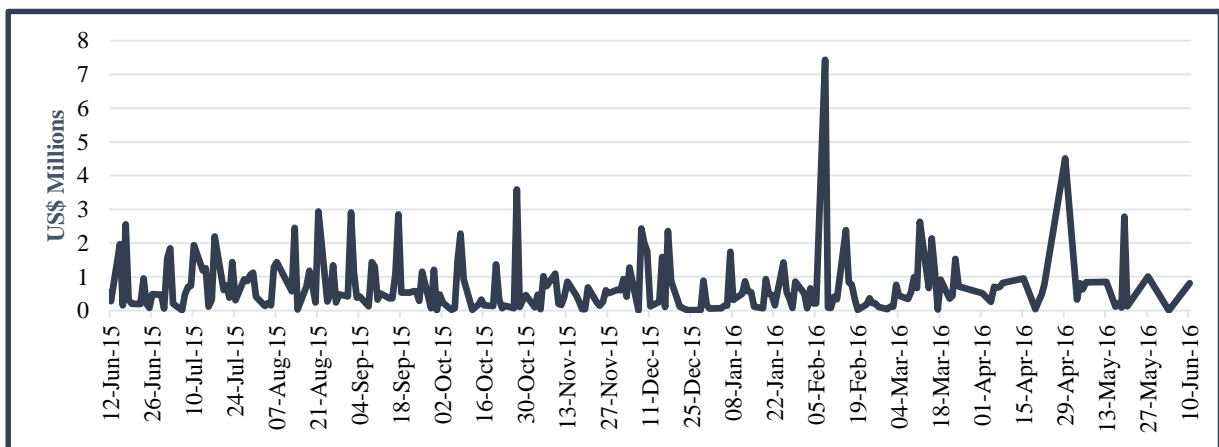


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

The ZSE turnover value declined by 19.04% to US\$3.90 million during the week under analysis. This followed a 71.10% decline in the volume of shares traded to 15 509 499 shares, in the same week.

Figure 4: Daily Market Turnover

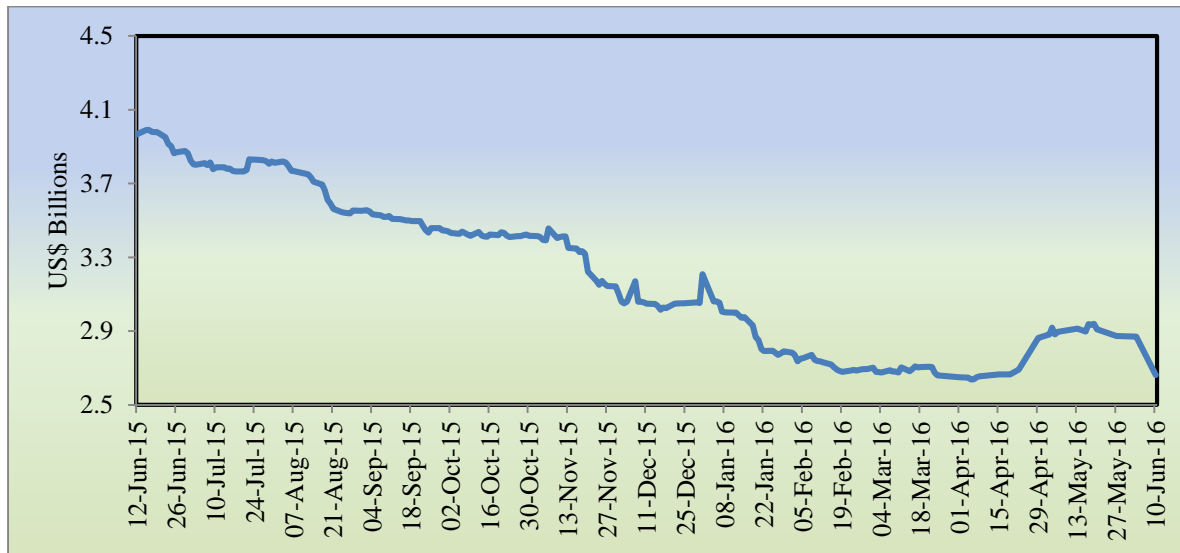


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The ZSE market capitalisation stood at US\$2 661.63 million during the week ending 10th June 2016, down from US\$2 870.24 million in the preceding week.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

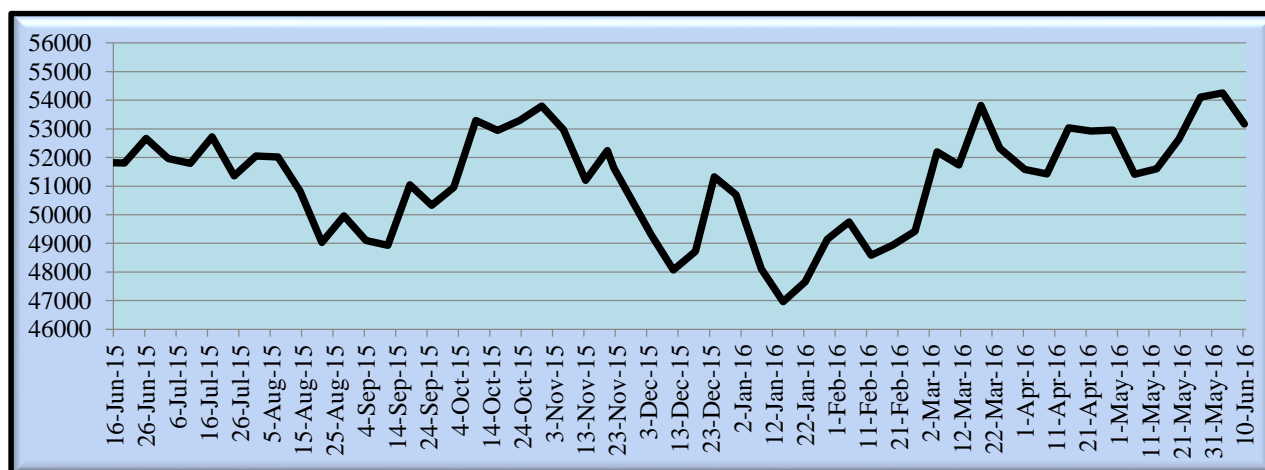
During the week under review, the JSE All Share Index decreased by 1.99%, from 54 259.36 points in the previous week to 53 175.15 points. In tandem, market capitalisation stood at R15.51 trillion, down from R15.85 trillion registered in the previous week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (R trillion)
13-May-16	51,602.55	15.24
20-May-16	52,638.25	15.50
27-May-16	54,105.37	15.90
03-Jun-16	54,259.36	15.85
10-June-16	53,175.15	15.51

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

20th JUNE 2016