



Weekly Economic Highlights

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Week Ending
11th March 2016

1. INTEREST RATES

Deposit Rates

During the week ending 11th March 2016, deposit rates on savings deposits and deposits of 1 month and 3 month tenors averaged 3.00%; 6.57%; and 6.93%, respectively.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
12-Feb-16	2.93	6.57	7.00
19-Feb-16	2.93	6.57	7.00
26-Feb-16	2.93	6.57	7.00
04-Mar-16	2.93	6.57	7.00
11-Mar-16	3.03	6.57	6.93

Source: Banking Institutions, 2016

Lending Rates

Commercial bank weighted lending rates for individual and corporate clients closed the week under review at 11.43% and 7.31%, respectively.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
12-Feb-16	11.62	7.23
19-Feb-16	11.49	7.32
26-Feb-16	11.48	7.29
04-Mar-16	11.47	7.27
11-Mar-16	11.43	7.31

Source: Banking Institutions, 2016

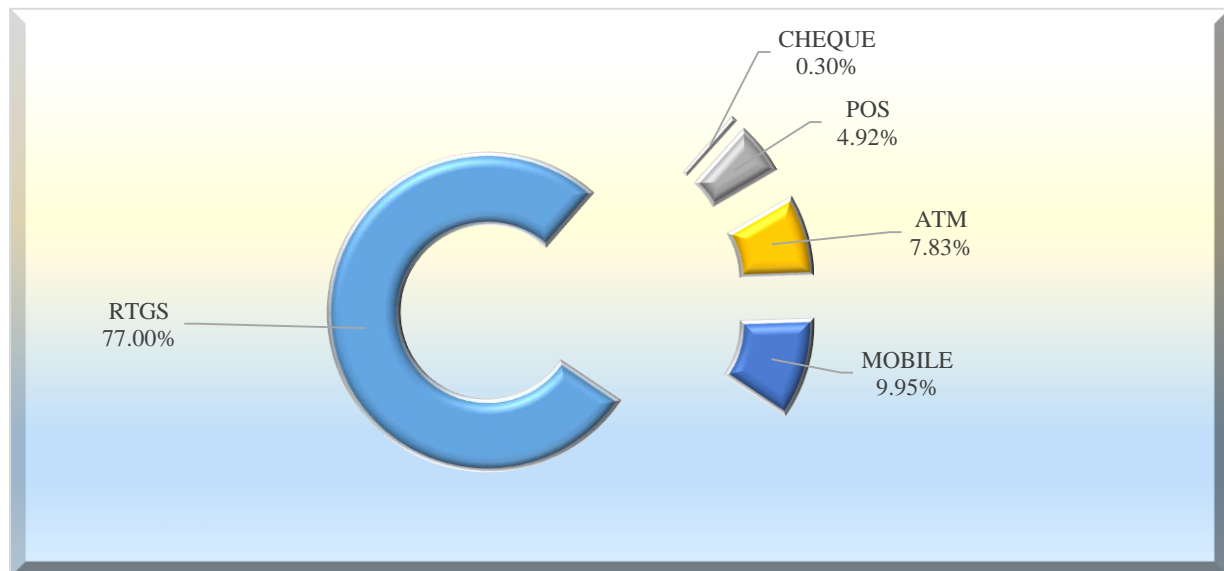
2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 11th March 2016, the total value of transactions processed through the National Payment Systems (NPS), stood at US\$946.38 million, down from US\$996.56 million registered in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 2% to close the week under review at US\$728.67 million, from US\$743.22 million recorded during the previous week.

RTGS payments accounted for 77% of the total value of transactions processed through the NPS. Mobile, Automated Teller Machines (ATMs), Point of Sale (POS) and cheque transactions, accounted for 9.95%; 7.83%; 4.92%; and 0.3%, respectively.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, Mobile-Based transactions accounted for 87.86% of total transactions, followed by Point of Sale (POS), 6.66%; Automated Teller Machines (ATMs), 4.71%; Real Time Gross Settlement (RTGS), 0.63% and cheques, 0.14%, 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 4 Mar 2016	WEEK ENDING 11 Mar 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	743.22	728.67	-2%	76.99%
CHEQUE	2.91	2.84	-2%	0.30%
POS	57.42	46.59	-19%	4.92%
ATMS	82.49	74.12	-10%	7.83%
MOBILE	110.52	94.16	-15%	9.95%
TOTAL	996.56	946.38	-5%	100%
VOLUMES				
RTGS	39,429	34,508	-12%	0.63%
CHEQUE	7,065	7,588	7.4%	0.14%
POS	427,505	366,679	-14%	6.66%
ATMs	304,523	259,408	-15%	4.71%
MOBILE	5,084,546	4,837,046	-5%	87.86%
TOTAL	5,863,068	5,505,229	-6%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper, nickel, and crude oil firmed during the week ending 11th March 2016, as shown in Table 4 below.

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 Feb-4 Mar)	1,245.43	940.40	4,786.70	8,664.00	37.03
7-Mar	1,267.75	999.50	5,000.00	9,375.00	40.18
8-Mar	1,270.55	1,003.50	4,980.00	9,035.00	39.99
9-Mar	1,252.33	979.00	4,935.00	8,785.00	41.05
10-Mar	1,256.88	888.00	4,920.50	8,780.00	39.78
11-Mar	1,263.50	975.00	4,940.00	8,765.00	40.49
Weekly Average (7-11 Mar)	1,262.20	969.00	4,955.10	8,948.00	40.30
Weekly Change (%)	<i>1.3</i>	<i>3.0</i>	<i>3.5</i>	<i>3.3</i>	<i>8.8</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on a positive trajectory, gaining 1.3% from a weekly average of US\$1 245.43/oz in the previous week, to US\$1 262.20/oz during the week under analysis. Gains in the gold price arose from strong demand for the mineral because of its safe haven asset status, on the back of speculation that the Federal Reserve will maintain interest rates at current levels in 2016.

Platinum

Platinum prices increased by 3.0%, from a weekly average of US\$940.40/oz recorded in the previous week, to US\$969.00/oz during the week under review. The rebound in platinum prices was underpinned by the brightening automotive demand outlook for the metal.

Copper

Copper prices firmed by 3.5% to close the week under review at an average of US\$4 955.10/ton. The increase was supported by optimism that a stabilizing global economy will shore-up demand for base metals. In particular, the Chinese government adopted measures to stimulate economic activity.

Nickel

Similarly, nickel prices rose by 3.3% from a weekly average of US\$8 664.00/ton in the previous week, to close the week at an average of US\$8 948.00/ton. This was also on the back of anticipation that the demand for the base metals would increase, following reports that the global economy was stabilizing.

Brent crude oil

Crude oil prices markedly increased by 8.8%, from an average of US\$37.03/barrel in the previous week, to close the week under analysis at an average of US\$40.30/barrel. The continued recovery in oil prices is underpinned by speculation that Iran is likely to join the Organization of the Petroleum Exporting Countries (OPEC) coalition, which would cap output and shore up global oil prices. In addition, the decline in oil supplies experienced outside OPEC somewhat moderated oil surpluses, a development that has exerted upward pressure on prices.

4. EQUITY MARKETS

The ZSE industrial index closed the week under review at 99.81 points, a 1.01 percentage point increase from 98.80 points recorded in the previous week. The mining index remained dormant at 19.14 points for the past three consecutive weeks.

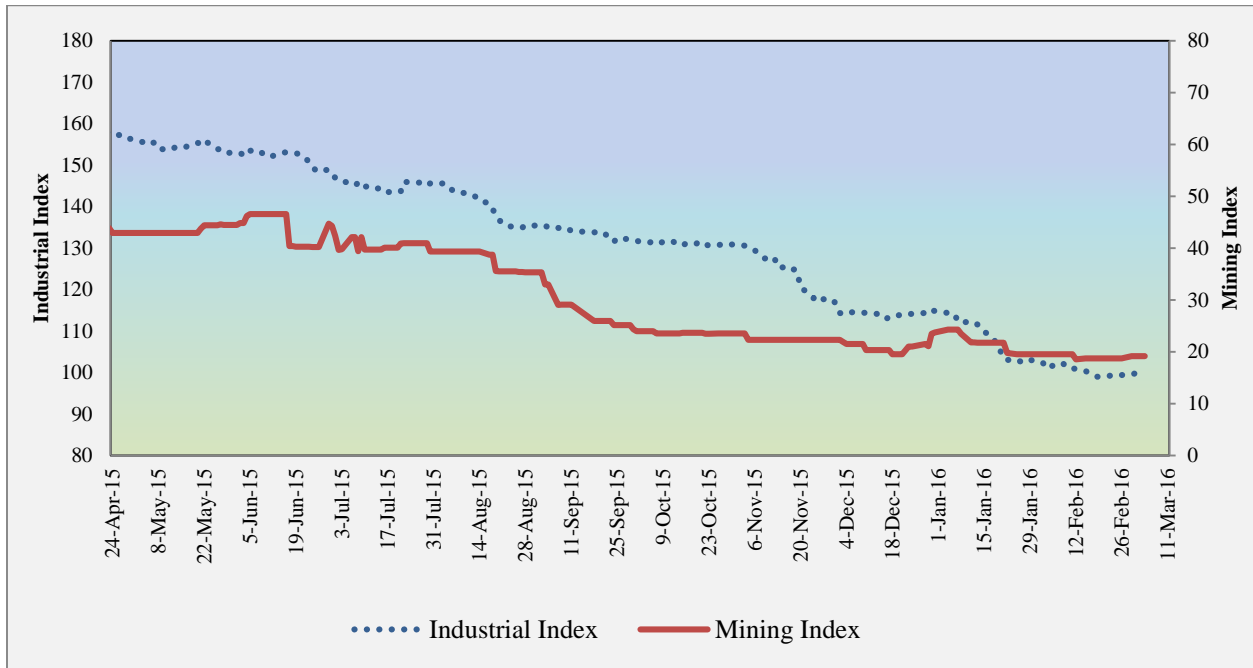
The increase in the benchmark index was largely attributed to gains realized in ZHL (20%), Econet Wireless (8.65%), CBZ Holdings Limited (5%), B.A.T. (1.34%) and Old Mutual (0.94%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
12-Feb-16	100.84	18.74	2,730,778,168	8,341,818	34,406,236
19-Feb-16	98.92	18.74	2,679,555,291	4,359,832	38,774,132
26-Feb-16	99.40	19.14	2,692,304,381	1,089,351	15,115,000
04-Mar	98.80	19.14	2,676,267,846	1,468,435	15,214,996
11-Mar	99.81	19.14	2,703,197,391	5,164,124	31,518,794
Weekly Change (%)	1.02	0.00	1.01	251.68	107.16

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

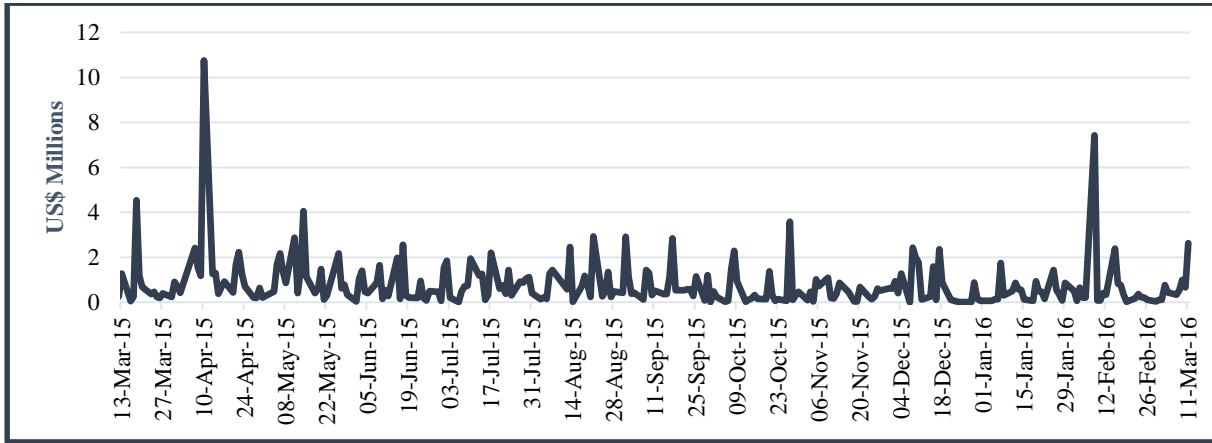


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

The local bourse witnessed four block trades, which saw 2.5 million Dairibord Zimbabwe Limited shares; 1.6 million Delta Corporation shares; 8.7 million Econet shares; and 1.03 million Innscor Africa shares exchanging hands. In tandem, ZSE market turnover increased by 251.68% to close the week under analysis at US\$5.16 million. The volume of shares traded also increased by 107.16% to 31.52 million during the week under review.

Figure 4: Daily Market Turnover

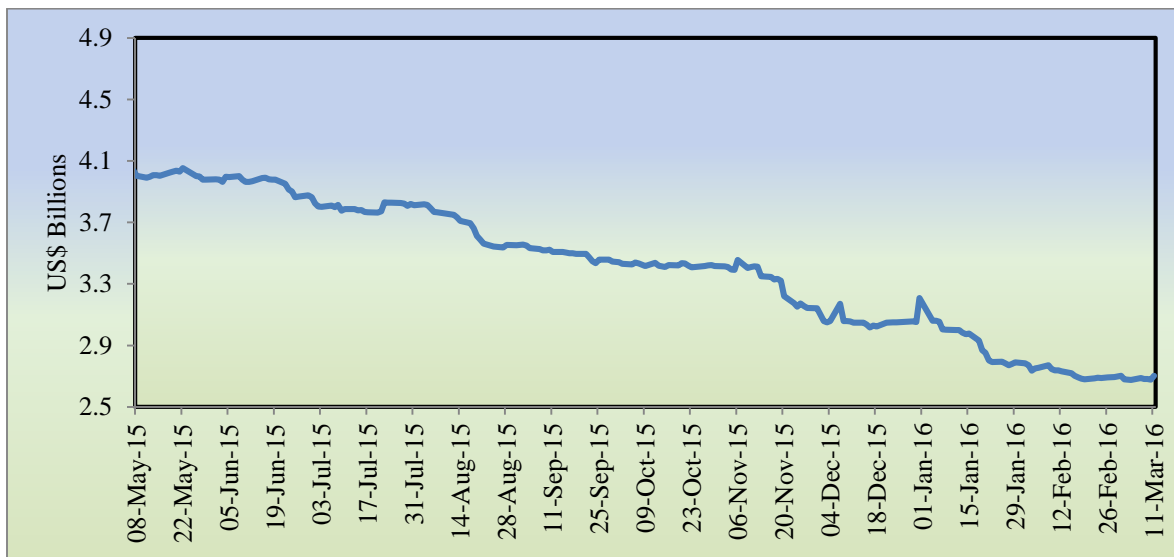


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The ZSE market capitalisation increased from US\$2.68 billion in the previous week, to US\$2.70 billion during the week ending 11th March 2016.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

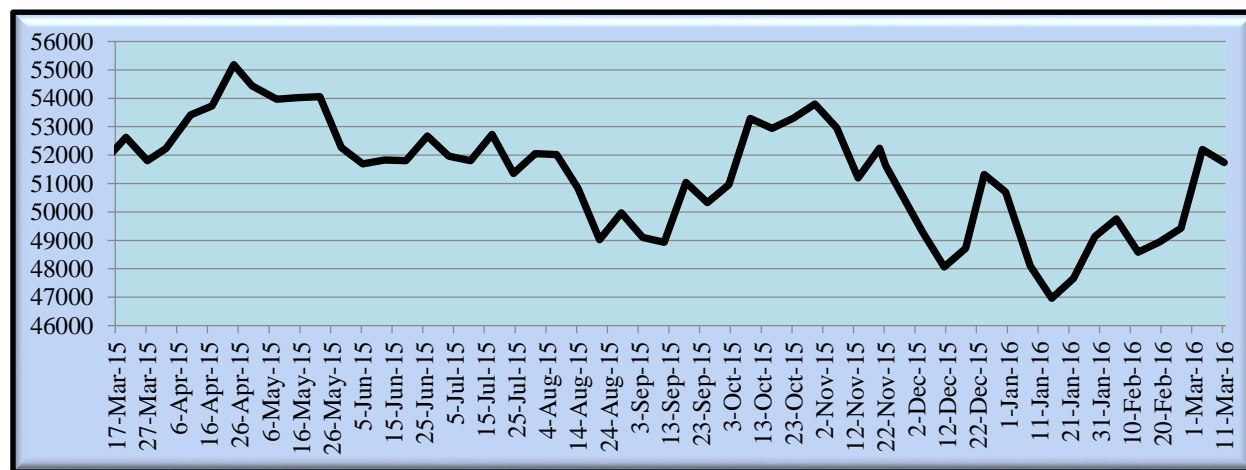
During the week ending 11th March 2016, the JSE All Share index decreased by 0.88%, to close the week at 51 739.83 points, from 52 200.71 points recorded in the previous week. Market capitalization also declined by 0.72%, to R15.08 trillion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
12-Feb-16	48,589.69	14.47
19-Feb-16	48,940.43	19.54
26-Feb-16	49,429.40	14.55
04-Mar-16	52,200.71	15.19
11-Mar-16	51,739.83	15.08

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 MARCH 2016