



# Weekly Economic Highlights

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Week Ending  
11<sup>th</sup> September 2015

## 1. INTEREST RATES

### Deposit Rates

During the week ending 11<sup>th</sup> September 2015, average savings deposit rates remained unchanged, closing the week at 3%. Average deposit rates for 1 month and 3 month tenors closed the week under review up by 0.03 percentage points each at 8.14% and 9.14%, respectively.

**Table 1: Average Deposit Rates**

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
14-Aug	3.00	8.17	9.22
21-Aug	3.00	8.11	9.11
28-Aug	3.00	8.11	9.11
04-Sep	3.00	8.11	9.11
11-Sep	3.00	8.14	9.14

Source: Banking Institutions, 2015

### Lending Rates

Weighted lending rates for individual and corporate borrowers at commercial banks declined for the third consecutive week to 11.81% and 8.46%, respectively.

**Table 2: Lending Rates**

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
14-Aug	11.82	8.54
21-Aug	11.52	8.49
28-Aug	11.96	8.51
04-Sep	11.86	8.47
11-Sep	11.81	8.46

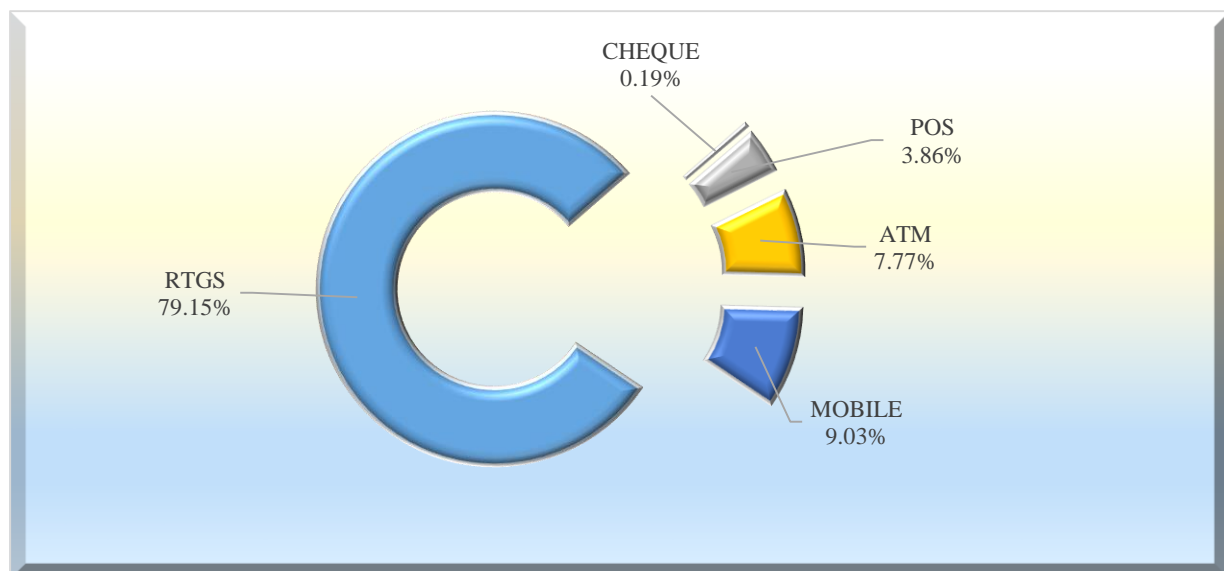
Source: Banking Institutions, 2015

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) stood at US\$1 066.05 million during the week under review, a 9% decrease from the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) declined from US\$861.29 million in the previous week, to US\$843.75 million during the week under analysis.

RTGS transactions continued to dominate the NPS, accounting for 79.15% of the total value of transactions, followed by Mobile, 9.03%; ATMs, 7.77%; POS, 3.86% and cheque, 0.19%.

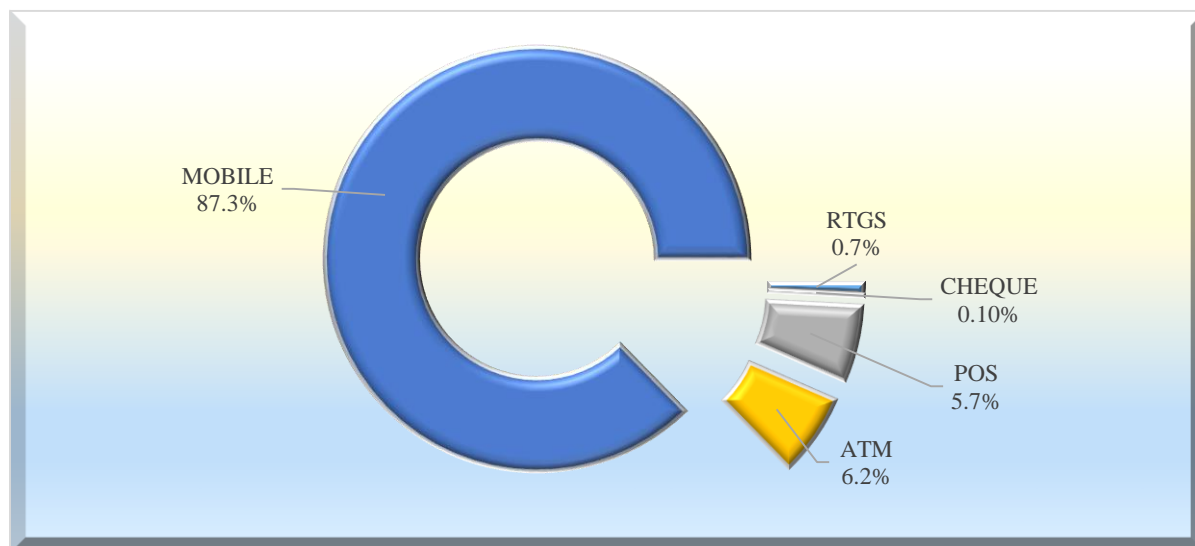
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

In volume terms, NPS transactions were distributed as follows; Mobile, 87.30%; POS, 5.70%; ATMs, 6.16%; RTGS, 0.73% and cheque 0.10%.

**Figure 2: Proportions of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 04 Sept 2015	WEEK ENDING 11 Sept 2015	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	861.29	843.75	-2%	79.15%
<b>CHEQUE</b>	2.93	2.03	-31%	0.19%
<b>POS</b>	77.26	41.15	-47%	3.86%
<b>ATMS</b>	123.28	82.85	-33%	7.77%
<b>MOBILE</b>	107.04	96.27	-10%	9.03%
<b>TOTAL</b>	1,171.80	1,066.05		100%
<b>RTGS</b>	41,833	37,097	-11%	0.73%
<b>CHEQUE</b>	6,198	5,272	-15%	0.10%
<b>POS</b>	449,249	289,396	-36%	5.70%
<b>ATMs</b>	446,343	312,699	-30%	6.16%
<b>MOBILE</b>	4,606,279	4,429,394	-4%	87.30%
<b>TOTAL</b>	5,549,902	5,073,858		100%

Source: Reserve Bank of Zimbabwe

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of copper and nickel firmed, whilst gold platinum and crude oil prices retreated during the week ending 11<sup>th</sup> September 2015, as shown in Table 4 below.

**Table 4: Metals and Crude Oil Prices**

Period	Gold	Platinum	Copper	Nickel	Crude Oil
<b>2015</b>	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (4 Sept)</b>	<b>1,132.38</b>	<b>1,004.00</b>	<b>5,105.00</b>	<b>9,818.00</b>	<b>50.22</b>
<b>7-Sep</b>	1,120.25	988.00	5,175.00	9,810.00	48.61
<b>8-Sep</b>	1,121.00	995.50	5,280.00	9,850.00	48.26
<b>9-Sep</b>	1,115.08	997.00	5,366.00	10,060.00	48.68
<b>10-Sep</b>	1,108.63	987.50	5,366.00	10,060.00	47.53
<b>11-Sep</b>	1,104.13	973.50	5,351.00	10,200.00	47.70
<b>Weekly Average (11 Sept)</b>	<b>1,113.82</b>	<b>988.30</b>	<b>5,307.60</b>	<b>9,996.00</b>	<b>48.16</b>
Weekly Change (%)	(1.6)	(1.6)	4.0	1.8	(4.1)

Source: BBC, KITCO, Reuters and Bloomberg

#### Gold

Gold prices retreated by 1.6%, from a weekly average of US\$1,132.38/oz in the previous week, to close the week under review at US\$1,113.82/oz. The decline was due to heightened speculations on the possibility of a hike in the US Federal Funds rate.

#### Platinum

Platinum prices declined by 1.6%, from a weekly average of US\$1,004.00/oz in the previous week, to US\$988.30/oz during the week under review. This was largely on account of subdued platinum demand by automobile manufacturers. Global automobile production contracted by 3.4% in August 2015.

## **Copper**

Copper prices firmed by 4%, to close the week ending 11<sup>th</sup> September 2015 at a weekly average of US\$5,307.60/ton. The metal's price increased on speculation that copper output cuts in major global miners, such as Glencore Private Limited would persist in the short to medium term.

## **Nickel**

Nickel prices increased to US\$9,996.00/ton during the week under review, up from a weekly average of US\$9,818.00/ton recorded in the previous week. This followed signs of a rebound in demand from China, the world's biggest consumer of the base metal.

## **Crude Oil**

Crude oil prices retreated by 4.1% from US\$50.22/barrel in the previous week, to US\$48.16/barrel during the week under analysis. This followed reports that the global supply glut is likely to be worse than previously predicted.

## 4. EQUITY MARKETS

Bearish sentiment persisted on the Zimbabwe Stock Exchange (ZSE) for the seventh consecutive week. The market was dominated by selling pressures in blue-chip counters. Mining and industrial indices registered declines of 11.74% and 0.55%, to close the week under analysis at 29.10 points and 134.11 points, respectively.

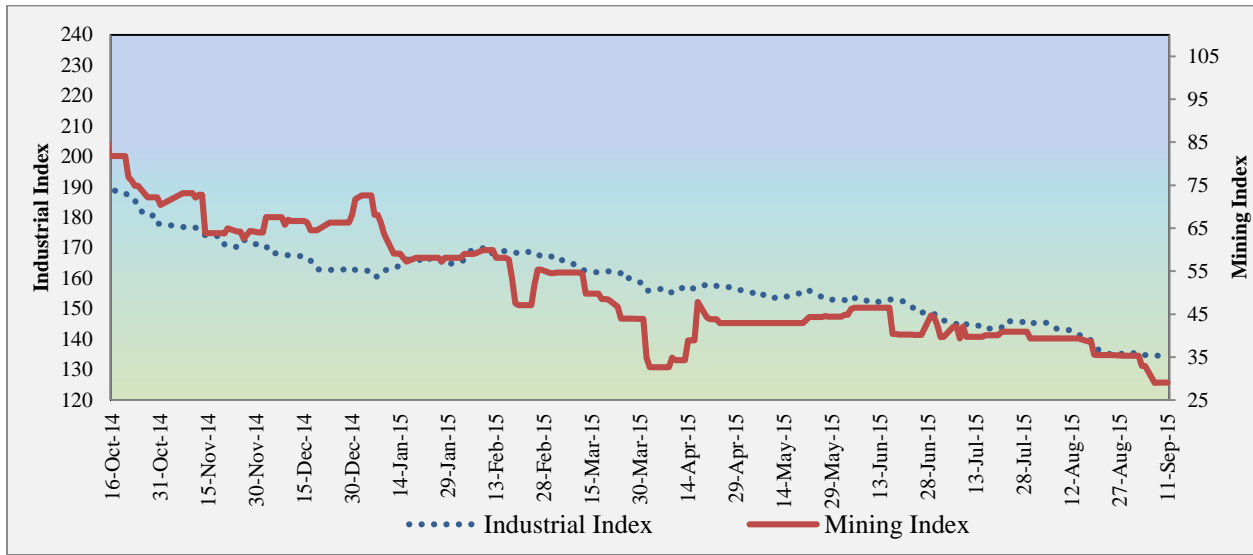
The mainstream index was weighed down by losses in Turnall (30%), Nampak (26.43%), Zimplot (20%), Old Mutual (8.93%), Padenga (6.17%), Pearl Properties (4%), Innscor (0.84%) and NMBZ (0.28%). The slump in the mining index was on account of a 20% decline in Bindura.

**Table 5: Zimbabwe Stock Exchange (ZSE) Statistics**

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
7-Aug-15	143.58	39.36	3,766,983,066	3,227,108	14,657,065
14-Aug-15	141.38	39.36	3,710,230,886	3,058,771	16,382,255
21-Aug-15	135.82	35.52	3,562,323,411	5,834,289	18,589,275
28-Aug-15	135.53	35.34	3,554,514,836	2,806,244	24,991,562
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

Source: Zimbabwe Stock Exchange (ZSE), 2015

**Figure 3 : Zimbabwe Stock Exchange Indices**

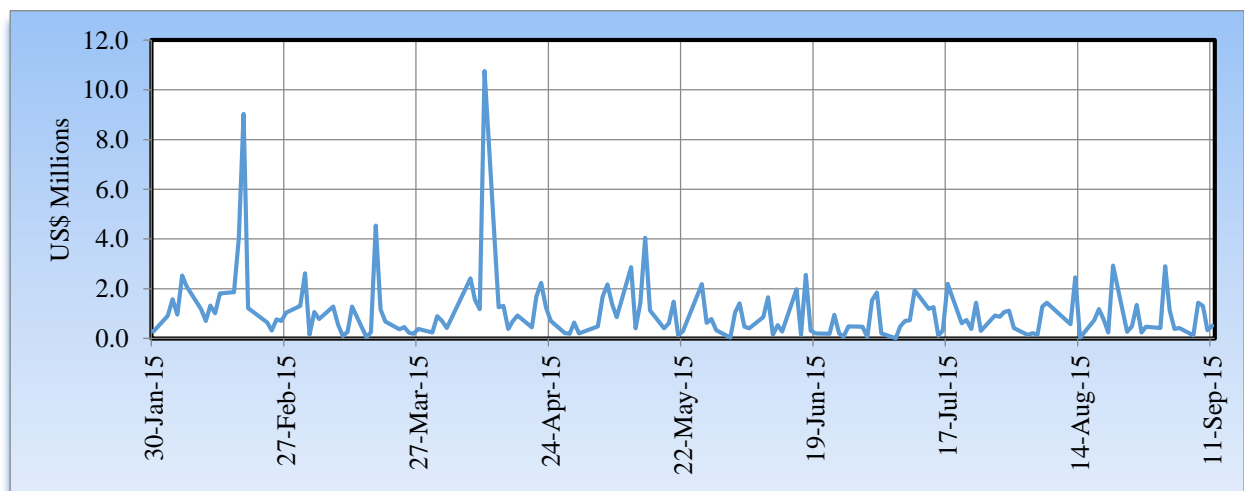


Source: Zimbabwe Stock Exchange, 2015

**Market Turnover and Volume**

Market turnover declined by 29.74% from US\$5.27 million in the previous week, to US\$3.70 million during the week ending 11<sup>th</sup> September 2015. The volume of shares traded stood at 18 589 275 shares, down from 16 382 255 shares in the previous week.

**Figure 4: Daily Market Turnover**



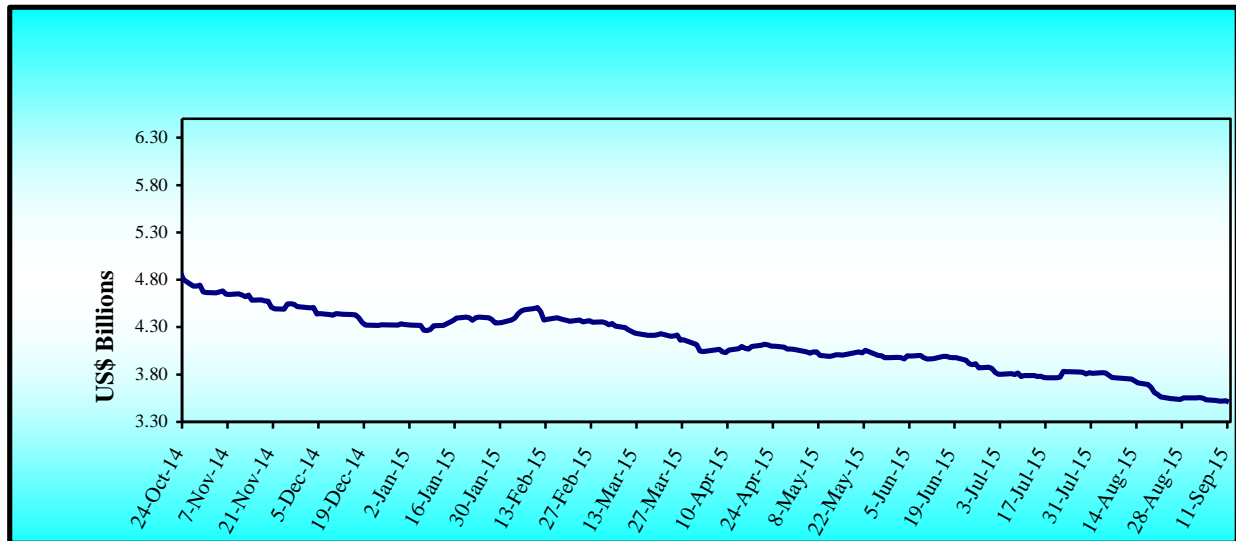
Source: Zimbabwe Stock Exchange, 2015



## Market Capitalisation

Market capitalisation declined by 0.71%, to US\$3.51 billion during the week under review. This was due to sell-off pressure in blue chip counters. On a yearly basis, the market has lost about 33.4%, from US\$5.27 billion as at 11<sup>th</sup> September 2014.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2015

## Johannesburg Stock Exchange (JSE) Developments

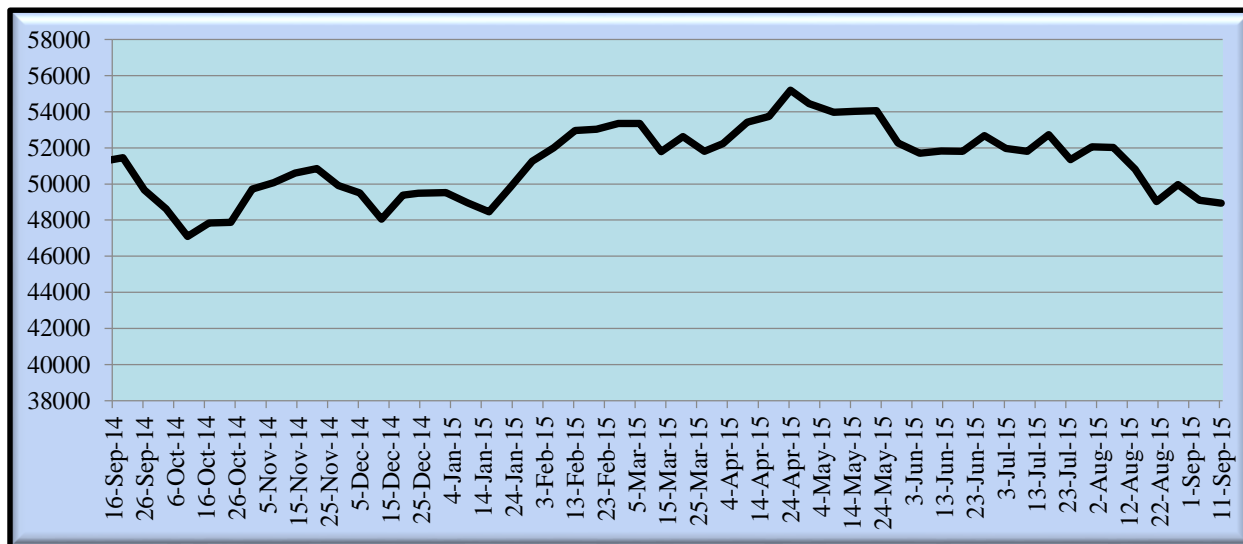
The JSE All Share index declined by 0.35% from the previous week's 48 102.50 points, to close the week under review at 49 102.50 points. Market capitalization stood at R11.21 trillion, up from R11.20 trillion in the previous week.

**Table 6: Johannesburg Stock Exchange (JSE) Statistics**

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
7-Aug	52,014.96	12.00
14-Aug	50,821.18	11.67
21-Aug	49,028.36	11.26
28-Aug	49,966.80	11.40
04-Sep	49,102.50	11.20
11-Sep	48,930.64	11.21

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**

**17<sup>TH</sup> SEPTEMBER 2015**