



# Weekly Economic Highlights

## Table of Contents

1. INTEREST RATES .....	1
2. CLEARING AND SETTLEMENT ACTIVITY .....	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS .	4
4. EQUITY MARKETS.....	6

Week Ending  
12<sup>th</sup> February 2016

## 1. INTEREST RATES

### Deposit Rates

Average deposit rates for savings deposits and deposits of 1 month and 3 months tenors remained unchanged at 2.93%, 6.57% and 7.00%, respectively, during the week ending 12<sup>th</sup> February 2016,

**Table 1: Average Deposit Rates**

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
8-Jan-16	3.20	7.09	7.48
15-Jan-16	3.20	7.32	7.48
22-Jan-16	3.20	6.91	7.22
29-Jan-16	3.20	6.90	7.21
5-Feb-16	2.93	6.57	7.00
12-Feb-16	2.93	6.57	7.00

Source: Banking Institutions, 2015

### Lending Rates

During the week ending 12<sup>th</sup> February 2016, commercial bank weighted lending rates for individual clients stood at 11.62%, down from 11.64% as at 5<sup>th</sup> February 2016. Commercial bank weighted lending rates for corporate clients also declined from 7.30% in the previous week, to 7.23% during the week under review, as shown in table 2 below.

**Table 2: Lending Rates**

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
8-Jan 16	12.05	7.36
15-Jan 16	12.05	7.36
22-Jan-16	12.10	7.40
29-Jan-16	12.08	7.38
5-Feb-16	11.64	7.30
12-Feb-16	11.62	7.23

Source: Banking Institutions, 2015

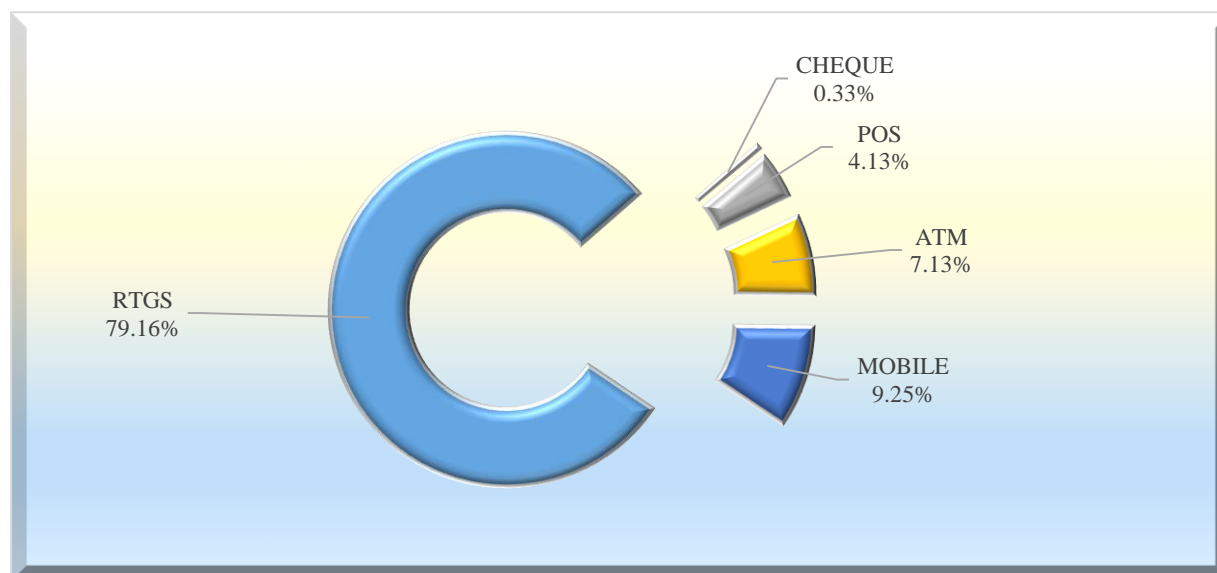
## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) amounted to US\$ 958.13 million during the week ending 12<sup>th</sup> February 2016, a further decline from the US\$1 036.60 million recorded in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system registered a 1% increase to close the week under review at US\$758.51 million, from US\$748.36 million recorded during the previous week.

RTGS payments dominated the NPS, accounting for 79.16% of the total value of transactions processed through the system. The other payments processed through the NPS were distributed as follows: Mobile, 9.25%; Automated Teller Machines (ATMs), 7.13%; Point of Sale (POS), 4.13% and Cheque, 0.33% as shown in figure 1 below.

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



*Source: Reserve Bank of Zimbabwe*

In volume terms, Mobile-Based transactions accounted for 88.17% of the total transactions; POS, 6.11%; ATMs, 4.90%; RTGS, 0.67%; and Cheques, 0.15%.

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



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 05 Feb 2016	WEEK ENDING 12 Feb 2016	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
RTGS	748.36	758,51	1%	79.17%
CHEQUE	2.25	3,141	40%	0.33%
POS	59.38	39,52	-33%	4.13%
ATMS	103.29	68,32	-34%	7.13%
MOBILE	123.33	88,64	-28%	9.25%
<b>TOTAL</b>	<b>1,036.60</b>	<b>958,13</b>	<b>-8%</b>	<b>100%</b>
<b>VOLUMES</b>				
RTGS	36,387	34,481	-5%	0.67%
CHEQUE	6,163	7,809	27%	0.15%
POS	427,177	316,440	-26%	6.11%
ATMs	361,356	254,022	-30%	4.90%
MOBILE	4,918,086	4,568,577	-6%	88.17%
<b>TOTAL</b>	<b>5,749,169</b>	<b>5,181,329</b>	<b>-9%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold and platinum firmed during the week ending 12<sup>th</sup> February, 2016. Copper, nickel and crude oil prices, however, retreated during the same period.

**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
<b>Weekly Average (5 Feb)</b>	<b>1,136.41</b>	<b>884.50</b>	<b>4,609.20</b>	<b>8,473.00</b>	<b>34.42</b>
<b>8-Feb</b>	1,183.33	909.50	4,670.00	8,055.00	33.77
<b>9-Feb</b>	1,189.95	928.50	4,670.00	8,055.00	31.95
<b>10-Feb</b>	1,186.70	924.00	4,502.00	8,035.00	30.66
<b>11-Feb</b>	1,232.13	943.50	4,470.00	7,700.00	30.22
<b>12-Feb</b>	1,239.63	954.50	4,470.00	7,720.00	32.85
<b>Weekly Average (12 Feb)</b>	<b>1,206.35</b>	<b>932.00</b>	<b>4,556.40</b>	<b>7,913.00</b>	<b>31.89</b>
<b>Weekly Change (%)</b>	6.2	5.4	(1.1)	(6.6)	(7.4)

*Source: BBC, KITCO, Reuters and Bloomberg*

#### **Gold**

The weekly average price of gold firmed by 6.20% to US\$1 206.35/oz, from US\$1 136.41/oz registered during the previous week. This was attributed to expectations of US interest rates remaining low in the medium term.

#### **Platinum**

During the week under review, platinum prices increased by 5.40% from a weekly average of US\$884.50/oz in the previous week, to an average of US\$932.00/oz. This was on account of a weaker US dollar.



## **Copper**

Copper prices declined by 1.10% from a weekly average of US\$4 609.20/tonne in the previous week, to close the week under review at an average of US\$4 556.40/tonne. This was on the back of concerns that the resumption of nickel exports from Indonesia would result in an increase in supply.

## **Nickel**

Nickel prices fell by 6.60% from a weekly average of US\$8 473/tonne, to US\$7 913/tonne during the week ending 12<sup>th</sup> February 2016. This was due to slackening demand, against oversupply of the metal.

## **Brent crude oil**

Crude oil prices recorded a decline of 7.4% from a weekly average of US\$34.42/barrel in the previous week, to US\$31.89/barrel during the week under review. Prices were weighed down by the increase in oil exports from Iran.

## 4. EQUITY MARKETS

The ZSE registered losses in some mid-ap and heavyweight counters during the week ending 12<sup>th</sup> February 2016. Concomitantly, the industrial index shed 0.93 points from 101.67 points in the previous week, to 100.84 points during the week under review. The mining index also declined from 19.53 points recorded for the past two consecutive weeks, to close at 18.74 points.

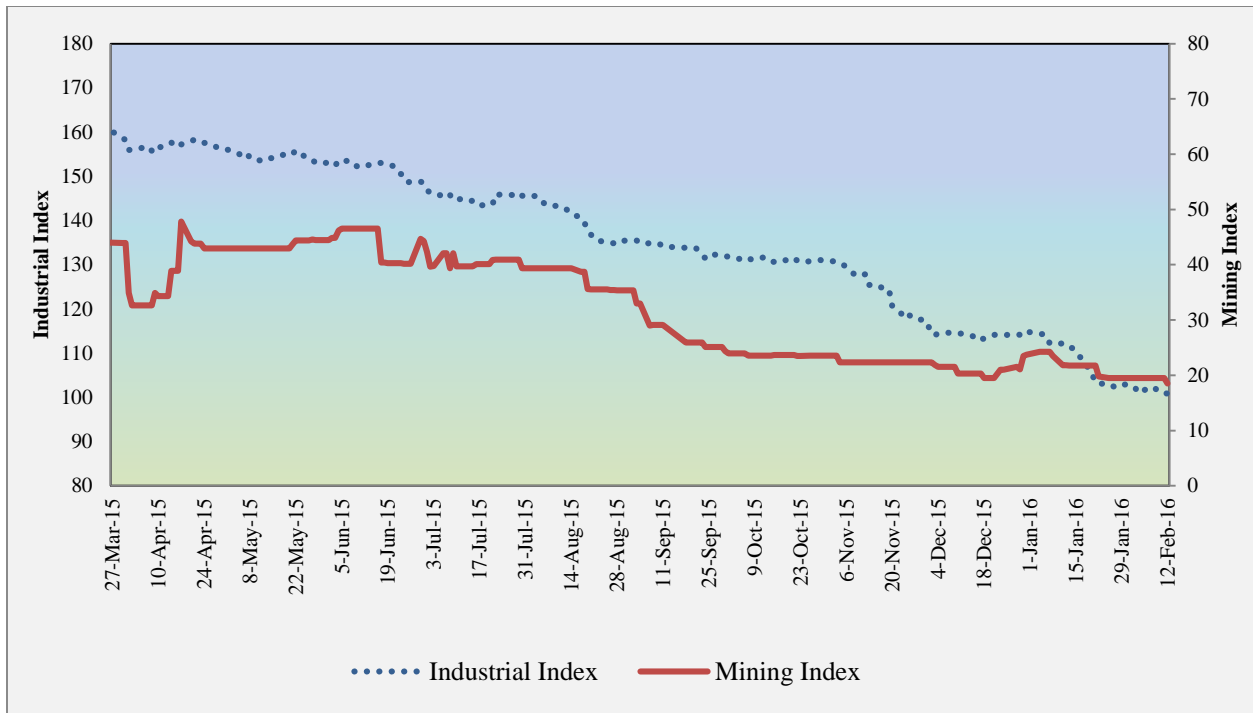
The mainstream index was weighed down by losses in Afdis Limited (13.79%), OK Zimbabwe (6.25%), Econet Wireless (4.01%) and Seedco Limited (0.30%).

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

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
8-Jan-16	112.16	23.48	3,002,326,842	2,415,801	16,058,701
15-Jan-16	109.88	21.74	2,976,279,469	2,612,798	15,882,768
22-Jan-16	103.05	19.77	2,791,211,190	2,112,445	13,882,308
29-Jan-16	103.04	19.53	2,790,443,132	3,258,860	16,058,980
5-Feb-16	101.67	19.53	2,753,937,334	1,728,089	6,481,406
12-Feb-16	100.84	18.74	2,730,778,168	8,341,818	34,406,236
Weekly Change (%)	(0.82)	(4.05)	(0.84)	(382.72)	(430.85)

Source: Zimbabwe Stock Exchange (ZSE), 2015

**Figure 3 : Zimbabwe Stock Exchange Indices**



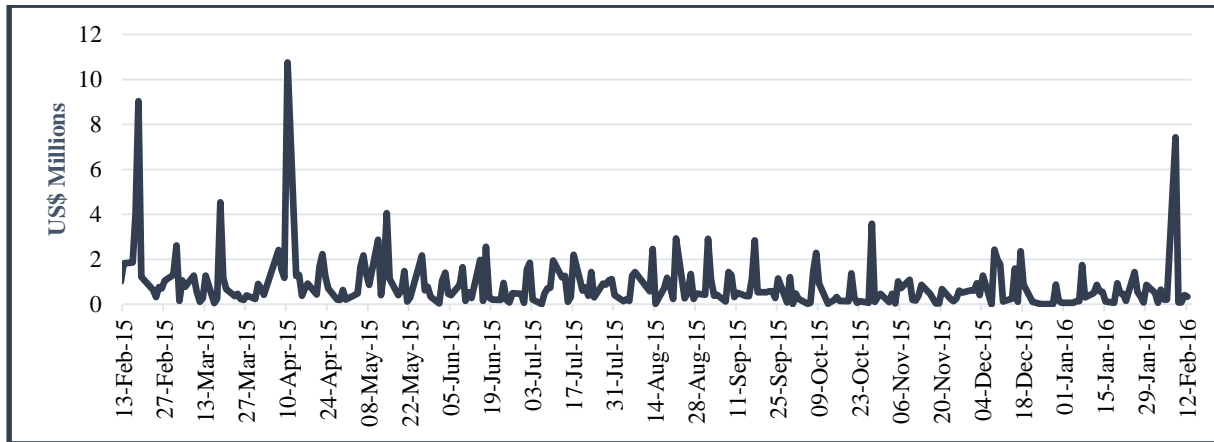
Source: Zimbabwe Stock Exchange, 2015

**Market Turnover and Volume**

Traded volumes increased by 430.85%, from 6.5 million shares in the previous week to 34.4 million shares, due to the high demand for Econet shares during the week under review. Consequently, the turnover value firmed by 382.72% to US\$8.34 million, from US\$1.73 million recorded as at 5<sup>th</sup> February 2016.



**Figure 4: Daily Market Turnover**

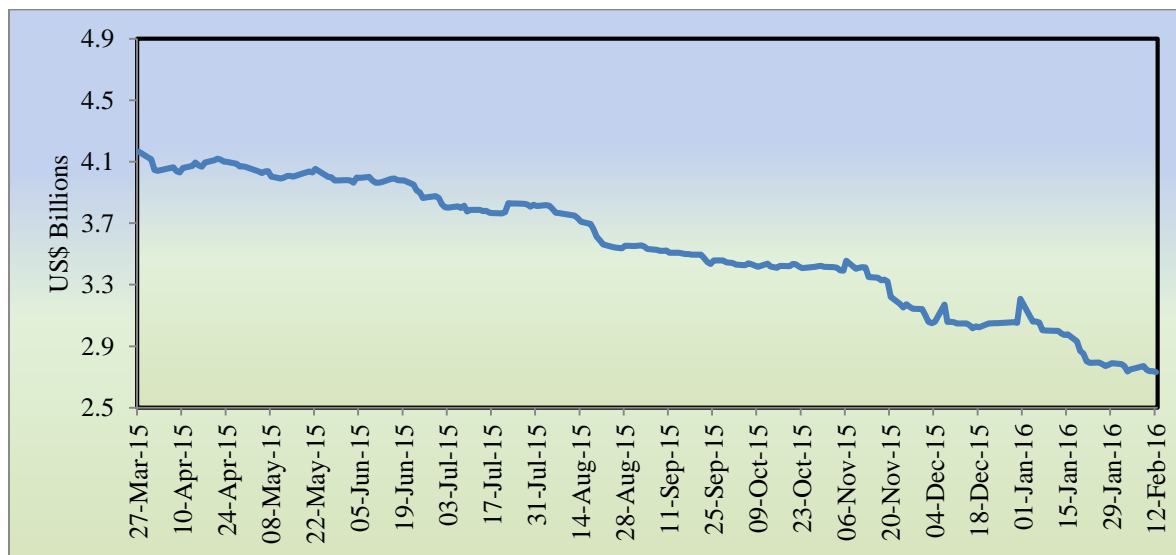


Source: Zimbabwe Stock Exchange, 2016

### Market Capitalisation

Market capitalization closed the week ending 12<sup>th</sup> February 2016 at US\$2.73 billion, down from US\$2.75 billion registered in the previous week. This represented a US\$23.2 million loss of share value.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2015

## Johannesburg Stock Exchange (JSE) Developments

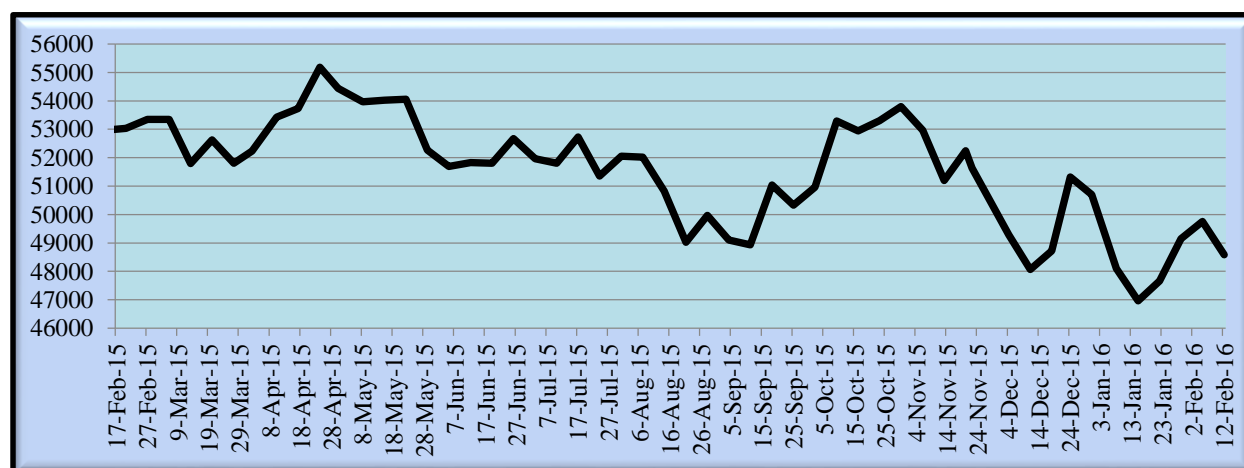
The week ending 12<sup>th</sup> February 2016 saw the JSE All Share Index close at 48589.69 points - a 2.34% decrease from the previous week. Market capitalization also declined by 1.83% to R14.47 trillion.

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

Period	All Share Index (points)	Market Capitalisation (R trillion)
8-Jan-16	48,104.68	11.19
15-Jan-16	46,960.37	14.10
22-Jan-16	47,661.87	14.30
29-Jan-16	49,141.94	14.64
5-Feb-16	49,753.29	14.74
12-Feb-16	48,589.69	14.47

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

18<sup>TH</sup> FEBRUARY 2016