



Weekly Economic Highlights

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Week Ending
14th August 2015

1. INTEREST RATES

Deposit Rates

During the ending 14th August 2015, deposit rates for savings, 1 month and 3 month tenors remained unchanged at 3%, 8.17% and 9.22%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-July	3.43	8.31	10.01
17-July	3.00	8.28	9.46
24-July	3.00	8.22	9.40
31-July	3.00	8.19	9.28
07-Aug	3.00	8.17	9.22
14-Aug	3.00	8.17	9.22

Source: Banking Institutions, 2015

Lending Rates

Similarly, weighted lending rates for individuals remained unchanged at 11.82%, while weighted lending rates for corporate clients at commercial banks marginally declined from 8.55%, in the previous week to 8.54%, during the week under analysis.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
10-July	11.93	8.69
17-July	11.58	8.82
24-July	11.92	8.56
31-July	11.86	8.56
07-Aug	11.82	8.55
14-Aug	11.82	8.54

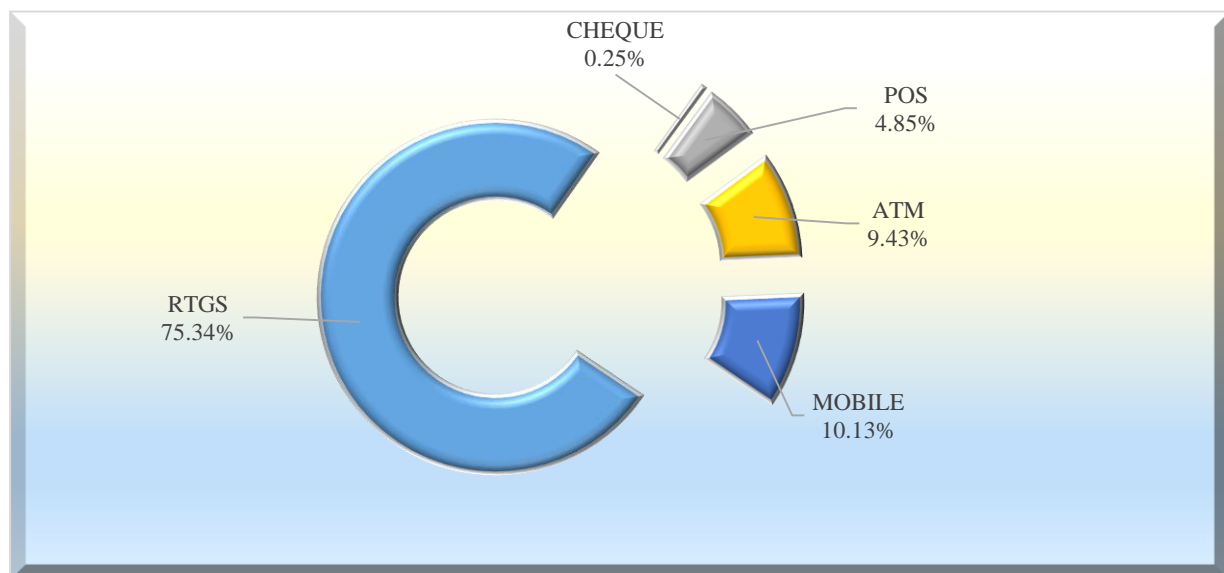
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 14th August 2015, the value of transactions processed through the National Payment Systems (NPS) decreased to US\$759.42 million, from US\$1 064.19 million in the previous week. The decline, however, reflects the effects of a shorter week which had a two day holiday. The Real Time Gross Settlement (RTGS) declined to US\$572 million, from US\$765 million, recorded in the previous week.

The distribution of transactions processed through the National Payment System (NPS) was as follows: RTGS, 75.34%; Mobile, 10.13%; Automated Teller Machines (ATM's), 9.43%; Point of Sale (POS), 4.85%; and Cheque, 0.25%.

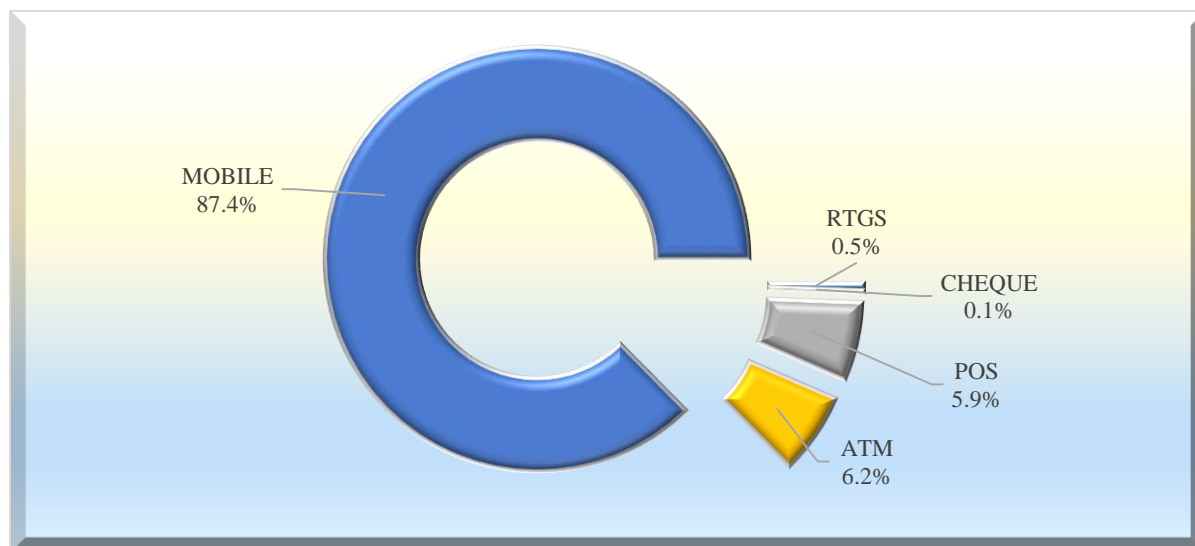
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, Mobile-based transactions accounted for 87.37% of total transactions followed by POS, 5.88%; ATM's, 6.15%; RTGS, 0.50% and Cheque, 0.14%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 07 Aug 2015	WEEK ENDING 14 Aug 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	764.80	572.11	-25%	75.34%
CHEQUE	2.96	1.90	-36%	0.25%
POS	73.66	36.84	-50%	4.85%
ATMS	116.91	71.62	-39%	9.43%
MOBILE	105.86	76.95	-27%	10.13%
TOTAL	1,064.19	759.42		100%
RTGS	41,412	23,812	-42%	0.50%
CHEQUE	7,648	4,929	-36%	0.10%
POS	425,030	282,810	-33%	5.88%
ATMs	422,329	296,009	-30%	6.15%
MOBILE	4,698,784	4,202,000	-11%	87.37%
TOTAL	5,595,203	4,809,560		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for copper, nickel and crude oil declined whilst gold and platinum prices increased during the week under review as shown in Table 4 below.

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 (7 Aug)	1,093.60	961.30	5,165.80	10,781.00	49.91
12-Aug	1,117.90	990.00	5,102.50	10,455.00	49.64
13-Aug	1,117.05	989.50	5,148.00	10,515.00	49.05
14-Aug	1,117.50	994.50	5,155.00	10,515.00	49.07
Weekly Average (14 Aug)	1,117.48	991.33	5,135.17	10,495.00	49.25
Weekly Change (%)	2.2	3.1	(0.6)	(2.7)	(1.3)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

During the week under review, gold prices increased by 2.2% to US\$1 117.48/oz, from US\$1 093.60/oz, in the previous week. The price increase was, largely, attributable to heightened speculation about possible delays in hiking of the Fed Funds Rate coupled with the weakening of the Chinese currency. This boosted safe haven investment status for gold.

Platinum

Similarly, platinum prices firmed by 3.1%, from a weekly average of US\$961.30/oz, to a weekly average of US\$991.33/oz. The slowdown in economic activity in China increased the demand for precious metals such as platinum that also act as investment alternatives.

Copper

Copper prices declined from a weekly average of US\$5 165.80/tonne, in the previous week, to US\$5 135.17/tonne, in the week under analysis. This was, in part, attributable to sluggish demand in China, the world's largest consumer of base metal.

Nickel

Similarly, nickel prices retreated by 2.7%, from US\$10 781/tonne to US\$10 495/tonne, during the week under review. The decline was attributed to subdued global demand and the accumulation of inventories.

Crude Oil

Crude oil prices, declined from a weekly average of US\$49.91/barrel in the previous week to US\$49.25/barrel in the week under analysis. Oil prices retreated on the back of oversupply concerns emanating from increased oil production in USA and Iran.

4. EQUITY MARKETS

During the week under analysis the mainstream index declined by 1.53% to 141.38 points due to selling-off pressure on blue chip stocks. The mining index, however, remained unchanged as a result of non-trading in the resource counters.

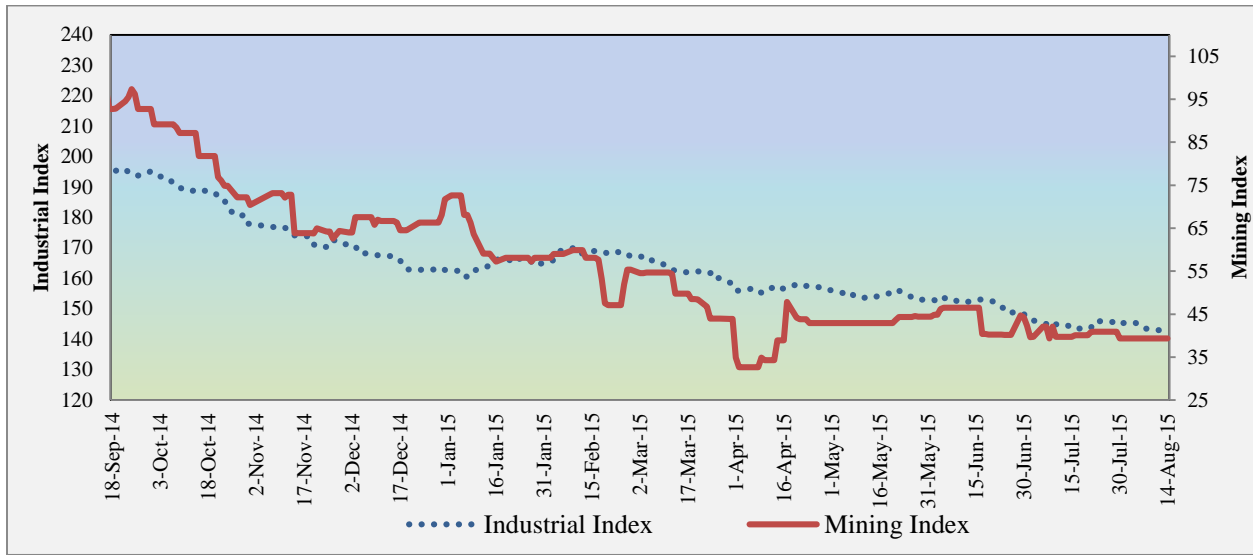
The decline in the industrial index was, largely underpinned by losses in Zimre Holdings (7.69%), Delta (4.12%), Econet (3.33%), OK Zimbabwe (2.32%), Fidelity Life (1.49%), CFI (1.28%) and Barclays (0.70%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
10-July-15	144.86	39.72	3,787,624,893	3,870,668	14,160,800
17-July-15	143.49	40.09	3,765,437,915	5,081,668	41,985,980
24-July-15	145.90	40.94	3,829,331,098	3,474,177	18,749,070
31-July-15	145.35	39.36	3,812,648,666	4,395,587	26,625,959
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

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

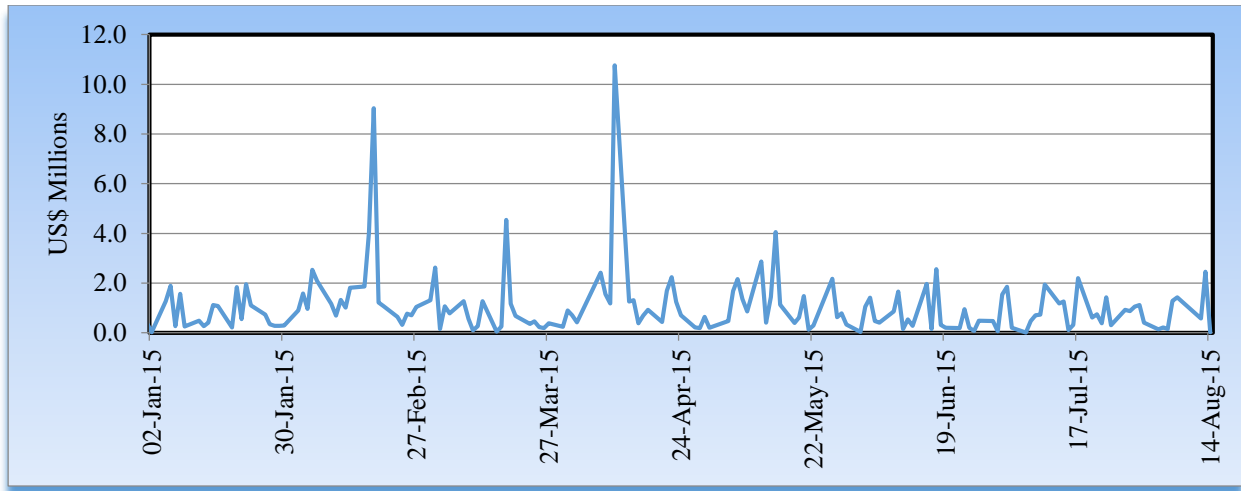


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

During the holiday shortened week, trading activity at the ZSE was subdued. Resultantly, market turnover declined from US\$3.23 million in the previous week to, US\$3.06 million during the week ending 14th August 2015. Volume of shares traded, however, increased by 11.77% to 16 382 255 shares in the week under analysis.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

During the period under review, market capitalisation declined by 1.51% to US\$3.71 billion, on account of price declines in heavy weight counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

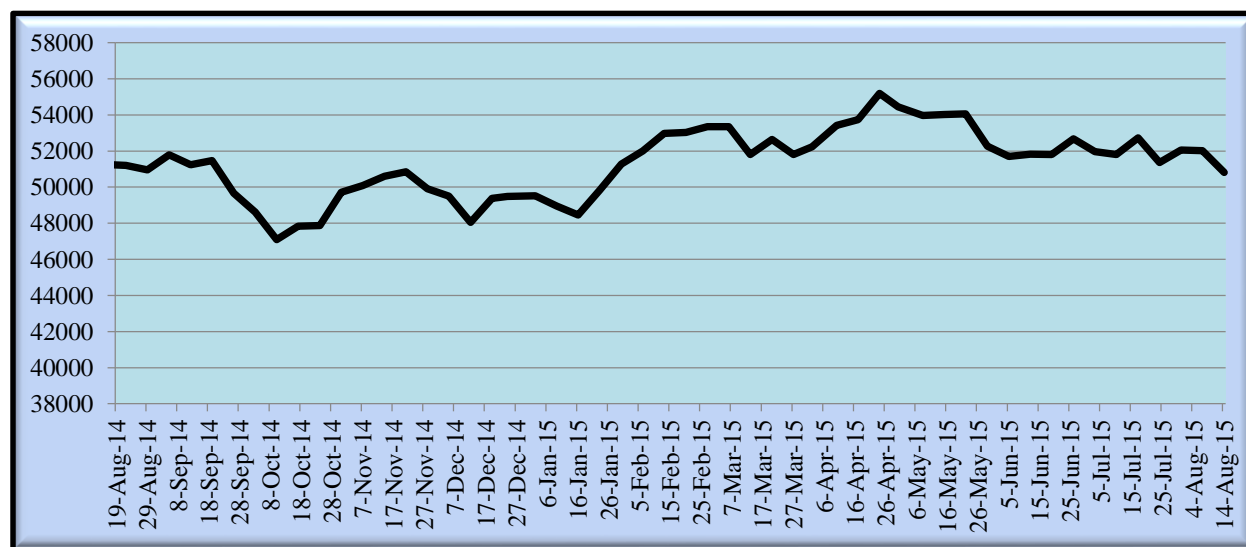
The JSE All Share index declined by 2.30%, to 50 821.18 points, during the week ending 14th August 2015. Market capitalization decreased from R12 trillion in the previous week to R11.67 trillion in the week under review.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R trillion)
10-July	51,800.70	11.97
17-July	52,723.72	12.15
24-July	51,356.08	11.81
31-July	52,053.27	12.03
7-Aug	52,014.96	12.00
14-Aug	50,821.18	11.67

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

25TH AUGUST 2015