



Weekly Economic Highlights

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Week Ending
14 November 2014

1. INTEREST RATES

Deposit Rates

During the week under review, average deposit rates for 1 month and 3 month tenors retreated to 9.68% and 11.45% respectively. Average savings deposits, however, remained unchanged at 3.42%.

Table 1: Average Deposit Rates

2014	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
24-Oct	3.42	9.70	11.47
31-Oct	3.42	9.70	11.47
07-Nov	3.42	9.70	11.47
14-Nov	3.42	9.68	11.45

Source: Banking Institutions, 2014

Lending Rates

Weighted lending rates at commercial banks for both individual and corporate clients increased from 14.37% to 14.39% and 9.86% to 9.88%, respectively, during the week ending 14th November 2014. At merchant banks, however, landing rates remained unchanged for both individuals and corporate clients.

Table 2: Lending Rates

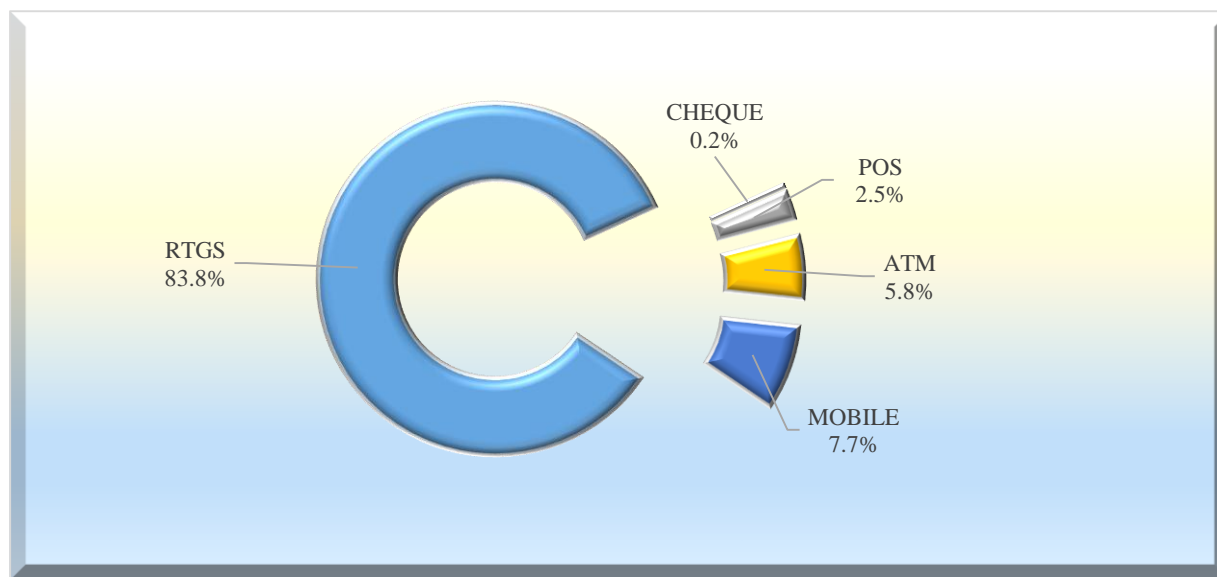
2014	Weighted Lending Rates (%)			
	Commercial Banks		Merchant Banks	
	Individuals	Corporate Clients	Individuals	Corporate Clients
24-Oct	14.38	9.89	19.00	18.00
31-Oct	14.36	9.90	19.00	18.00
07-Nov	14.37	9.86	19.00	18.00
14-Nov	14.39	9.88	19.00	18.00

Source: Banking Institutions, 2014

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 14th November 2014, transactions processed through the National Payment Systems (NPS) increased from US\$997.21 million to US\$1 026.51 million. Higher value of NPS transactions were recorded, largely attributed to an increase in the value of transactions processed through the Real Time Gross Settlement (RTGS), which rose to US\$860 million from US\$769 million recorded in the previous week. RTGS volumes, however, recorded a decrease of 5% from the previous week to 40 729 during the week under review.

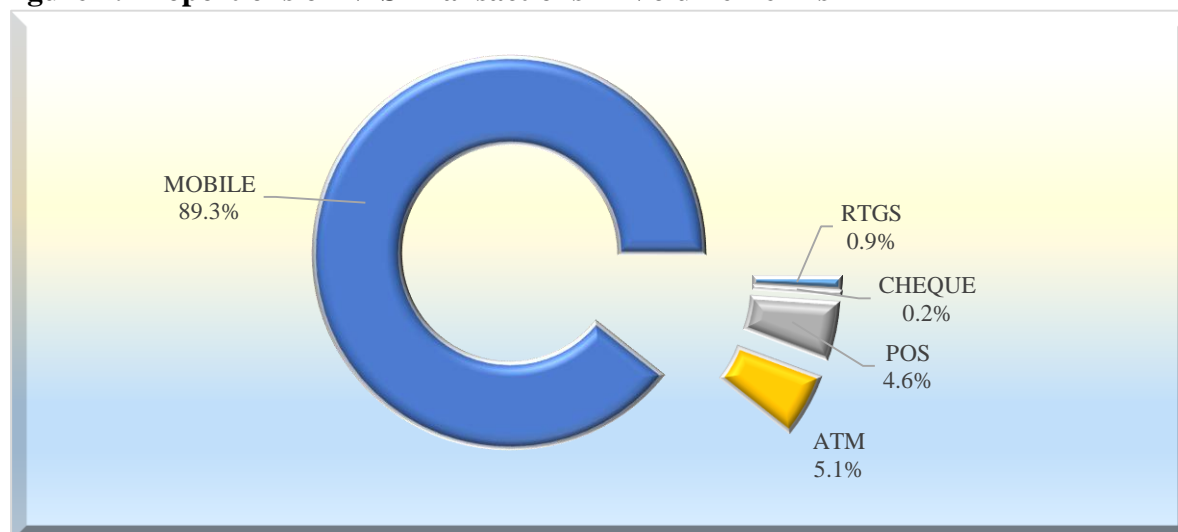
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

RTGS, Mobile, ATM, POS and Cheque transactions accounted for 83.8%, 7.7%, 5.8%, 2.5% and 0.2%, respectively, of the total value of transactions. In terms of volume, Mobile-Based transactions accounted for 89.3% of total transactions, followed by Automated Teller Machines (ATMs), 5.1%; Point of Sale (POS), 4.6%; RTGS, 0.9%; and Cheque 0.2%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	CURRENT WEEK ENDING 07 NOVEMBER 2014	CURRENT WEEK ENDING 14 NOVEMBER 2014	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD				
RTGS	769.48	859.98	12%	83.78%
CHEQUE	2.67	2.23	-17%	0.22%
POS	44.12	25.62	-42%	2.49%
ATMS	84.42	59.37	-30%	5.78%
MOBILE	96.52	79.33	-18%	7.73%
TOTAL	997.21	1,026.51	3%	100%
VOLUMES				
RTGS	43,038	40,729	-5%	0.91%
CHEQUE	7,204	7,294	1%	0.16%
POS	322,887	204,650	-37%	4.56%
ATMs	311,398	226,474	-27%	5.05%
MOBILE	4,151,127	4,008,480	-3%	89.32%
TOTAL	4,835,654	4,487,627	-7%	100%

Source: Reserve Bank of Zimbabwe.

3. INTERNATIONAL COMMODITY PRICES

During the week under review, the average international commodity prices for gold and nickel firmed from the previous week levels. Platinum, copper and crude oil prices, however, retreated during the same period.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2014	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (7 Nov)	1,159.34	1,211.00	6,748.40	15,195.00	83.54
10-Nov	1,167.00	1,210.00	6,735.25	15,067.50	82.01
11-Nov	1,153.88	1,195.50	6,735.50	15,080.00	81.62
12-Nov	1,163.88	1,203.00	6,750.00	15,525.00	81.17
13-Nov	1,161.38	1,201.50	6,755.00	15,525.00	78.95
14-Nov	1,161.50	1,185.50	6,755.00	15,315.00	79.43
Weekly Average (14 Nov)	1,161.53	1,199.10	6,746.15	15,302.50	80.64
Weekly Change (%)	<i>0.19</i>	<i>-0.98</i>	<i>-0.03</i>	<i>0.71</i>	<i>-3.47</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices rose from US\$1 159.34/oz in the previous week, to US\$1 161.53/oz during the week under review. The rise in the price of gold was partially attributed to the envisaged issuance of a gold-backed currency by ISIS. In addition, a dip in the US dollar also encouraged profit-taking and short-covering by investors.

Platinum

The strong US dollar, buoyed by an improving economy weighed down prices on industrial commodity markets. Consequently, platinum prices declined by 0.98%, from a weekly average of

US\$1 211.00/oz in the previous week, to US\$1 199.10/oz during the week ending 14th November 2014.

Copper

Copper prices marginally retreated by 0.03%, from US\$ 6 748.40/tonne recorded in the previous week to a weekly average of US\$6 746.15/tonne. The strengthening of the US dollar as well as weaker than expected Chinese investment data weighed down prices of the base metal.

Nickel

Nickel prices moved up from a weekly average of US\$15 195.00/tonne, to an average of US\$15 302.5/tonne, driven by positive sentiment about nickel demand in China.

Crude Oil

Crude oil prices declined from US\$83.54/barrel in the previous week, to close the week under review at US\$80.64/barrel. This was on account of combined increase in global oil supply.

4. EQUITY MARKETS

During the week ending 14th November 2014, the Zimbabwe Stock Exchange experienced bearish sentiments, coupled with thin trading across the board as investors maintained their cautious disposition. The industrial index shed 2.80 points to close at 174.10 points, due to losses in Pelhams (66.67%), Medtech (40.00%), Zimplow (25.00%), Truworths (20.00%), and Lafarge (20.00%).

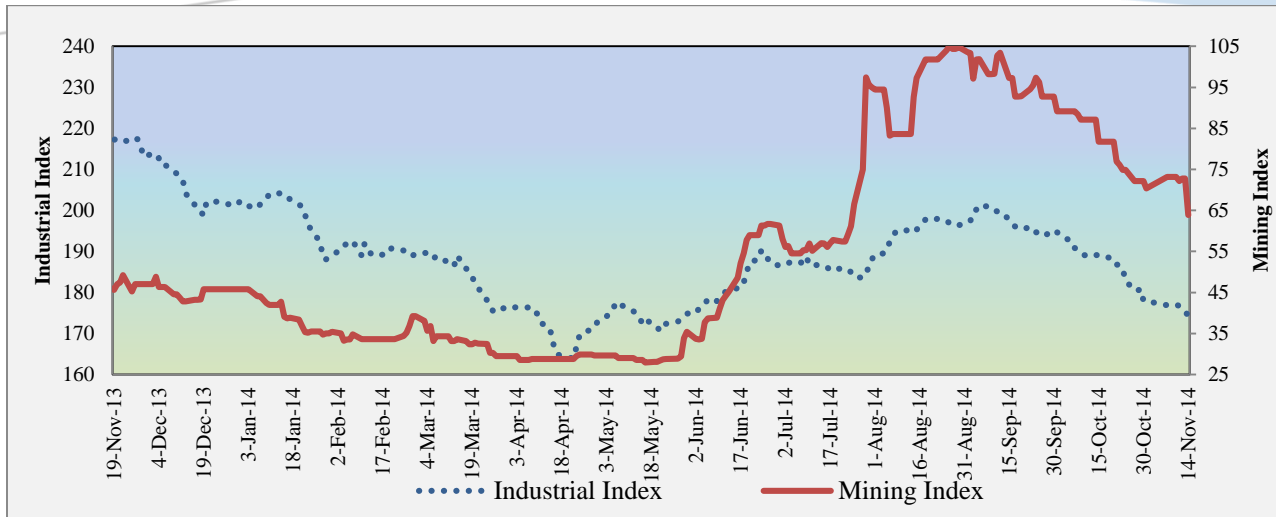
The resources cluster was characterised by thin trading with only Bindura and Hwange recording price changes. Resultantly, the mining index declined from 73.16 points in the previous week to 63.88 points during the week ending 14th November 2014. This was, in large part, driven by the 17.48% loss recorded by Bindura, during the week under review.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

2014	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-Oct	182.90	74.88	4,799,663,267	3,727,541	12,331,738
31-Oct	177.88	70.38	4,664,797,085	3,459,038	15,978,461
07-Nov	176.90	73.16	4,645,928,684	3,953,147	17,547,465
14-Nov	174.10	63.88	4,585,475,788	5,786,630	26,846,746

Source: Zimbabwe Stock Exchange (ZSE), 2014

Figure 3 : Zimbabwe Stock Exchange Indices

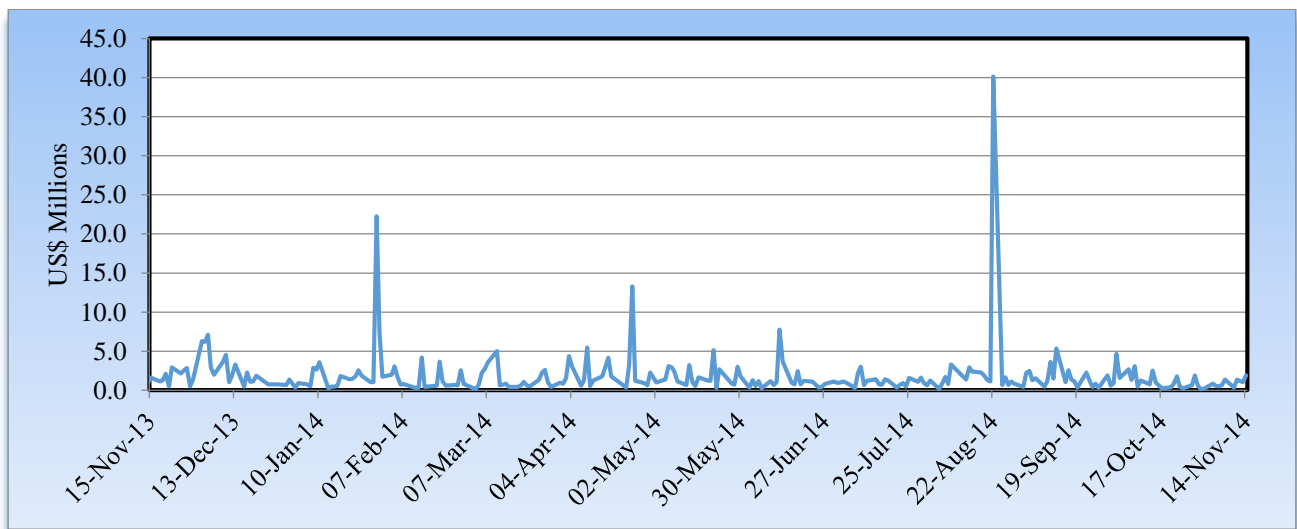


Source: Zimbabwe Stock Exchange, 2014

Market Turnover and Volume

While the market recorded an improvement in activity during the week under review, trade was concentrated in a few heavyweight counters. Market turnover stood at US\$5.79 million, up from US\$3.95 million. The total number of shares traded firmed from 17.5 million in the previous week, to 26.85 million during the week under review.

Figure 4: Daily Market Turnover

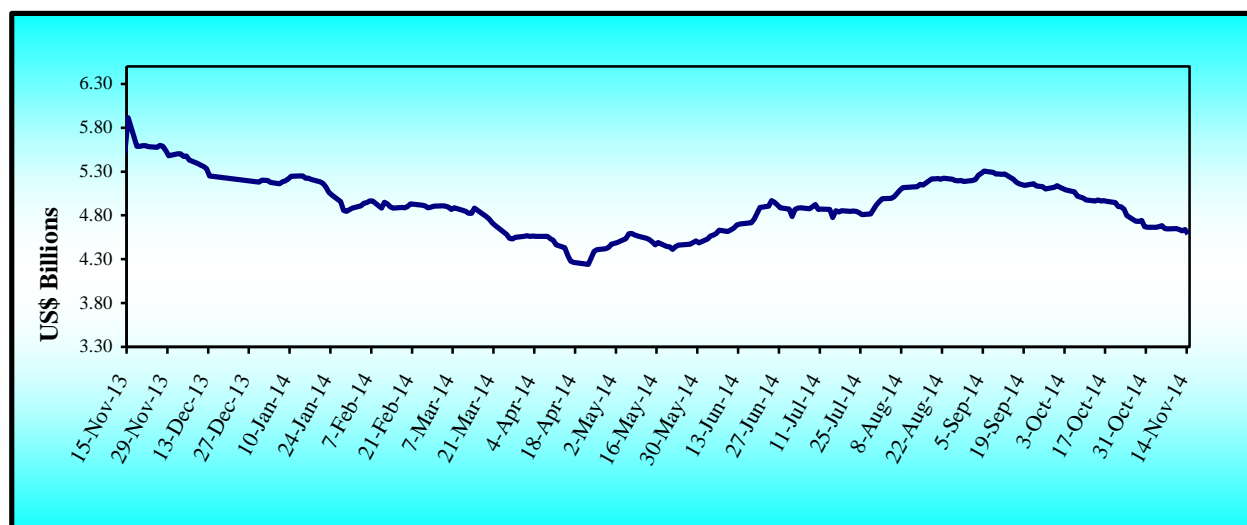


Source: Zimbabwe Stock Exchange, 2014

Market Capitalization

On the back of declines in both industrial and mining indices, market capitalization declined by 1.31%, from US\$4.646 billion realized in the previous week, to US\$4.585 billion during the week under review.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2014

Johannesburg Stock Exchange (JSE) Developments

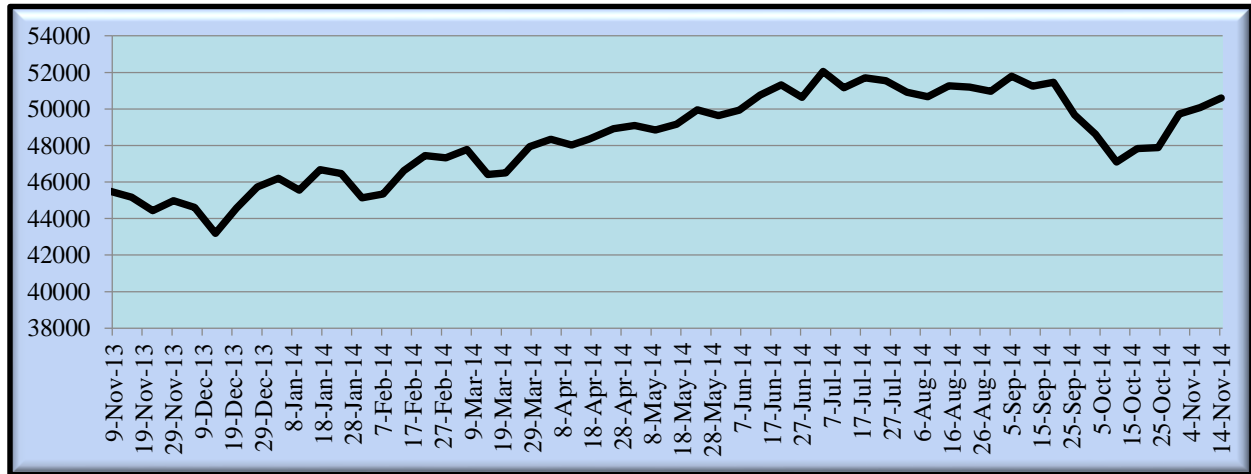
The JSE All Share index closed the week ending 14th November 2014 at 50 598.02 points, up 1.04% from 50 079.44 points recorded the previous. Concomitantly, the JSE market capitalization gained 0.68%, from R11 612.17 billion recorded in the previous week, to R11 691.51 billion recorded during the week under review.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

2014	All Share Index (points)	Market Capitalization (R billion)
24-Oct	47,879.45	11,281.22
31-Oct	49,722.88	11,522.68
07-Nov	50,079.44	11,612.17
14-Nov	50,598.02	11,691.51

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 NOVEMBER 2014