



Weekly Economic Highlights

Table of Contents

1.	INTEREST RATES	1
2.	CLEARING AND SETTLEMENT ACTIVITY	2
3.	TOBACCO SALES	4
4.	INTERNATIONAL COMMODITY PRICE DEVELOPMENTS..	5
6.	EXCHANGE RATES	7
6.	EQUITY MARKETS	8

Week Ending
15th July 2016

1. INTEREST RATES

Deposit Rates

During the week ending 15th July 2016, average interest rates for savings deposits and deposits of 1 month tenor stood at 3.03% and 5.55% respectively. Deposit rates on deposits of 3 month tenor, however, remained unchanged at 6.04%.

Table 1: Average Deposit Rates (Yields in percent per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
17-June-16	3.17	5.93	6.44
24-June-16	3.17	5.68	6.16
01-July-16	3.10	5.67	6.14
8-July-16	3.10	5.49	6.04
15-July-16	3.03	5.55	6.04

Source: Banking Institutions, 2016

Lending Rates

At commercial banks, weighted lending rates for individual clients declined from 11.38% in the previous week to 10.72% during the week under review. Commercial bank weighted lending rates for corporate clients declined by 0.57 percentage points to 6.80%, during the week ending 15th July 2016.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
17-June-16	11.39	7.46
24-June-16	11.40	7.48
01-July-16	11.38	7.36
8-July-16	11.38	7.37
15-July-16	10.72	6.80

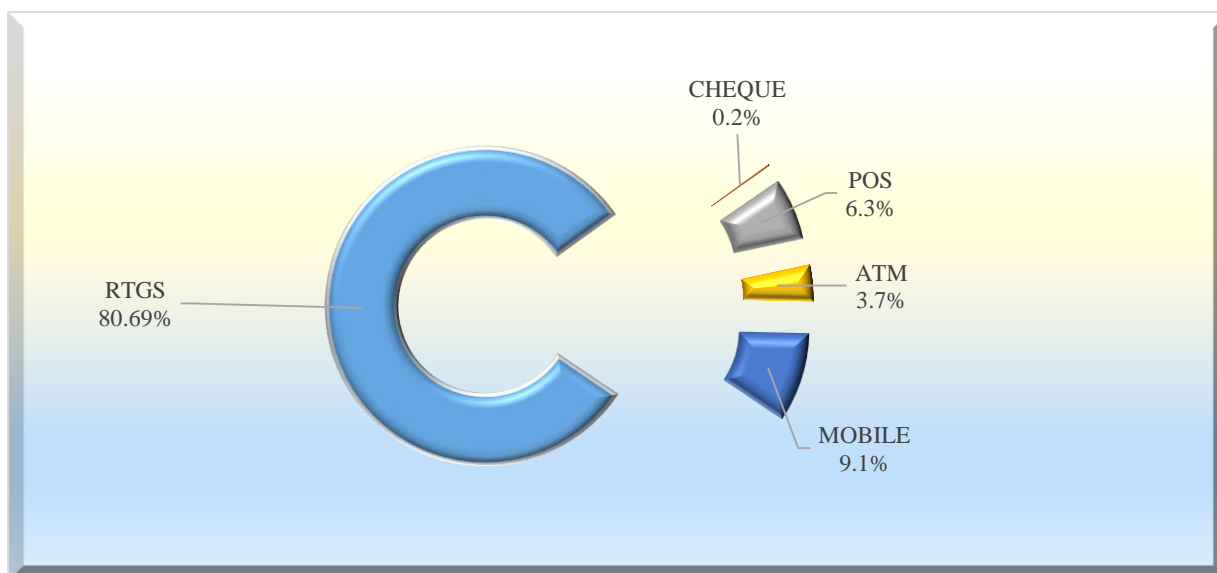
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 15th July 2016, the value of transactions processed through the National Payment System (NPS) rose by 4% to US\$1 091.08 million. This was attributable to an 8.5% increase in transactions processed through the Real Time Gross Settlement (RTGS) system, which closed the week under review at US\$880.42 million.

In terms of value, NPS transactions, were distributed as follows: RTGS, 80.69%; Mobile, 9.10%; POS, 6.32%; ATMs, 3.68% and cheque, 0.20%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The volume of NPS transactions fell by 7.4% to close the week under analysis at 6 469 018. Transaction volumes were distributed as follows: Mobile, 78.89%; POS, 14.87%; ATM, 5.15%; RTGS, 0.97% and Cheque 0.12%, as shown in Figure 2.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 8 July 2016	WEEK ENDING 15 July 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	811.20	880.42	9%	80.69%
CHEQUE	1.80	2.22	24%	0.20%
POS	85.15	69.00	-19%	6.32%
ATMS	44.17	40.15	-9%	3.68%
MOBILE	110.47	99.28	-10%	9.10%
TOTAL	1,052.79	1,091.08	4%	100%
VOLUMES				
RTGS	57,112	62,500	9%	0.97%
CHEQUE	6,35	7,792	23%	0.12%
POS	1,179,957	962,151	-18%	14.87%
ATMs	363,645	333,203	-8%	5.15%
MOBILE	5,378,650	5,103,372	-5%	78.89%
TOTAL	6,985,715	6,469,018	-7.40%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 15th July 2016 or day 75 of the 2016 tobacco selling season, a cumulative total of 177.64 million kilograms of tobacco worth US\$521.49 million had been sold . This was 5.90% higher than the cumulative total of 167.74 million kilograms, valued at US\$496.65 million, that was sold during the same period in 2015. The golden leaf was, however, sold at a lower price of US\$2.94/kg.

Table 4: Cumulative Tobacco Sales: Day 75 (15/07/16)

	2015	2016	Variance (%)
Cumulative Quantity Sold (kgs)	167,740,581	177,642,923	5.90
Cumulative Average Price(US\$/kg)	2.96	2.94	(0.85)
Cumulative Value (US\$)	496,646,002	521,494,921	5.00

Source: Tobacco Industry and Marketing Board, 2016

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of platinum, copper and nickel firmed during the week under review. Prices of gold and crude oil, however, retreated, as shown in Table 5.

Table 5: 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 (4-8 July)	1,357.51	1,074.1	4,753.40	9,917.50	48.19
11-Jul	1,357.68	1,090.00	4,746.00	10,085.00	46.25
12-Jul	1,347.63	1,096.00	4,811.00	10,305.00	48.36
13-Jul	1,341.50	1,081.50	4,918.00	10,285.00	46.54
14-Jul	1,324.65	1,083.00	4,911.50	10,360.00	47.13
15-Jul	1,328.75	1,094.00	4,945.50	10,360.00	47.56
Weekly Average (11-15 July)	1,340.04	1,088.90	4,866.40	10,279.00	47.17
Weekly Change (%)	<i>(1.3)</i>	<i>1.4</i>	<i>2.4</i>	<i>3.6</i>	<i>(2.1)</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices declined by 1.3%, from a weekly average of US\$1 357.51/oz recorded in the previous week, to close the week under analysis at a weekly average of US\$1 340.04/oz. The decline was attributable to a stronger US dollar, following reports that there had been increased in the non-farming employment in the USA.

Platinum

Platinum prices increased by 1.4%, from a weekly average of US\$1,074.10/oz in the previous week, to an average of US\$1,088.90/oz during the week under review. The increase was supported by increased global demand for the industrial metal.



Copper

Copper prices registered a 2.4% increase, from a weekly average of US\$4 753.40/tonne to close the week under review at a weekly average of US\$4 866.40/tonne. The increase was underpinned by expectations that the economic stimulus measures in Japan would boost demand for base metals.

Nickel

Nickel prices increased from US\$9 917.50/tonne in the previous week, to US\$10,279.00/tonne during the week ending 15th July 2016. This followed reports of a positive global demand outlook for base metals.

Brent Crude Oil

Brent crude oil prices shed 2.1% from a weekly average of US\$48.19/barrel, to US\$47.17/barrel during the week under review. The decline was on account of rising inventories in the US, the world's largest crude oil consumer.

5. EXCHANGE RATES

Table 6: International Exchange Rates per US\$

	GBP (£)	EURO (€)	Rand (ZAR)
2016			
Weekly Average (4-8 July)	0.76	0.90	14.67
11-Jul	0.77	0.91	14.59
12-Jul	0.76	0.90	14.39
13-Jul	0.75	0.90	14.39
14-Jul	0.76	0.90	14.46
15-Jul	0.75	0.90	14.29
Weekly Average (11-15 July)	0.76	0.90	14.42
<i>Appr(-)/Depr(+)</i>	<i>0</i>	<i>0</i>	<i>(1.7)</i>

Source: Reuters

During the week ending 15th July 2016, the euro and the British pound remained unchanged at weekly averages of €0.90/US\$1 and £0.76/US\$1, respectively. The South African rand, however, appreciated by 1.7% to a weekly average of ZAR14.42/US\$1 in the same period.

6. EQUITY MARKETS

During the week ending 15th July 2016, the Zimbabwe Stock Exchange (ZSE) was bearish, resulting in a 2.09% decline in the industrial index, to close at 99.63 points. The mining index, however, remained unchanged at 24.70 points.

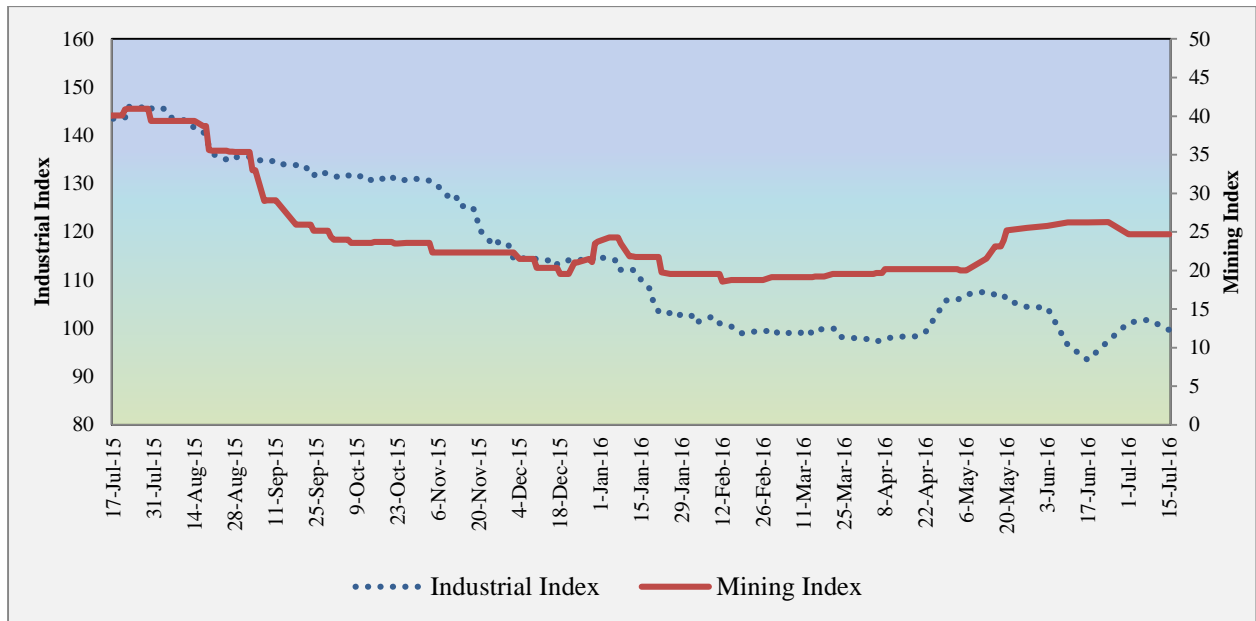
The mainstream index was weighed down by losses realized in Meikles Limited, 7.48%; Delta Corporation Limited, 5.68%; CBZ Holdings Limited, 3.67%; National Foods Limited, 2.33%; and SeedCo Limited, 0.49%.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
17-June	93.39	26.24	2,577,210,314	6,679,874	15,875,910
24-June	97.40	26.27	2,685,412,879	5,153,228	39,745,025
1-July	101.17	24.70	2,784,402,428	1,536,291	9,305,576
8-July	101.76	24.70	2,799,539,303	2,797,891	12,528,360
15-July	99.63	24.70	2,742,190,136	1,241,921	12,659,687
Weekly Change (%)	(2.09)	0	(2.05)	(55.61)	1.05

Source: Zimbabwe Stock Exchange (ZSE), 2016.

Figure 3 : Zimbabwe Stock Exchange Indices

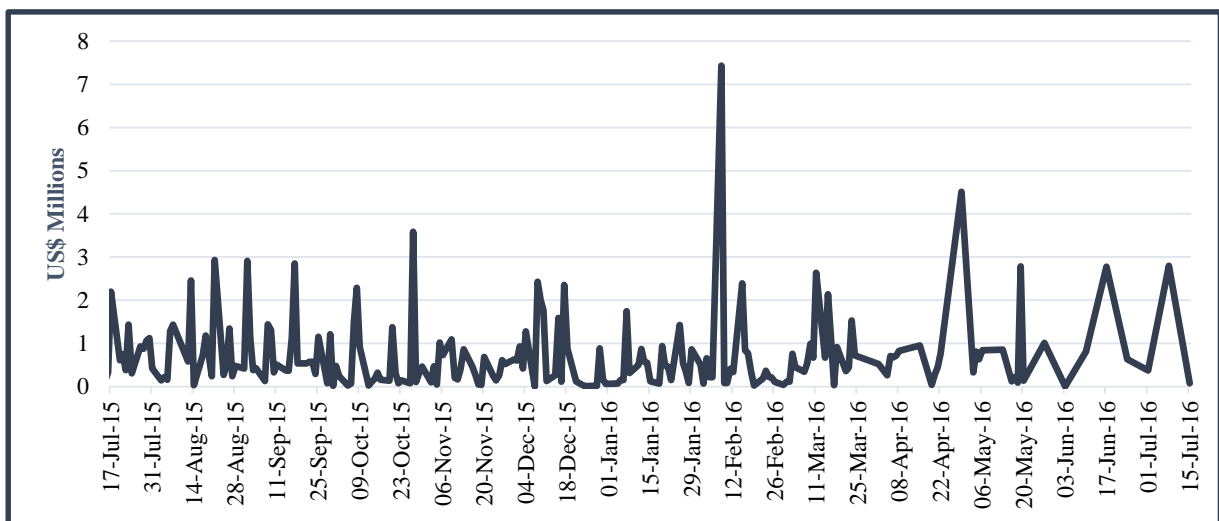


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

During the week ending 15th July 2016, the value of shares traded on the ZSE declined by 55.6% to close at US\$1.24 million. The volume of shares traded, however, increased from 12 528 360 shares in the previous week, to 12 659 687 shares during the week under analysis.

Figure 4: Daily Market Turnover

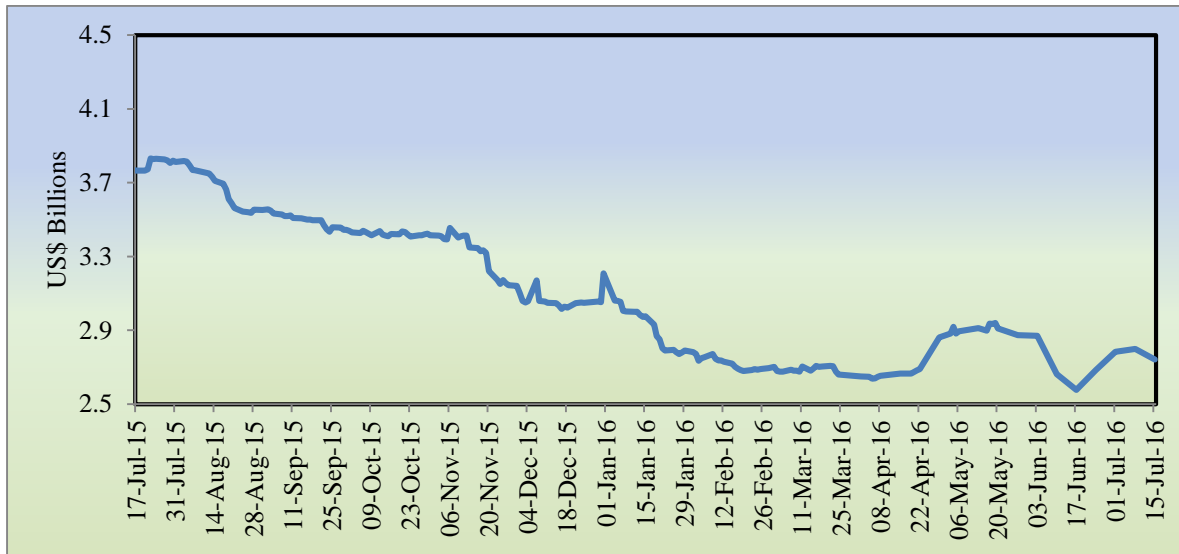


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

ZSE market capitalisation fell by 2.05% to US\$2.74 billion, from US\$2.80 billion in the previous week. This was on account of declines in heavy weight stocks.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

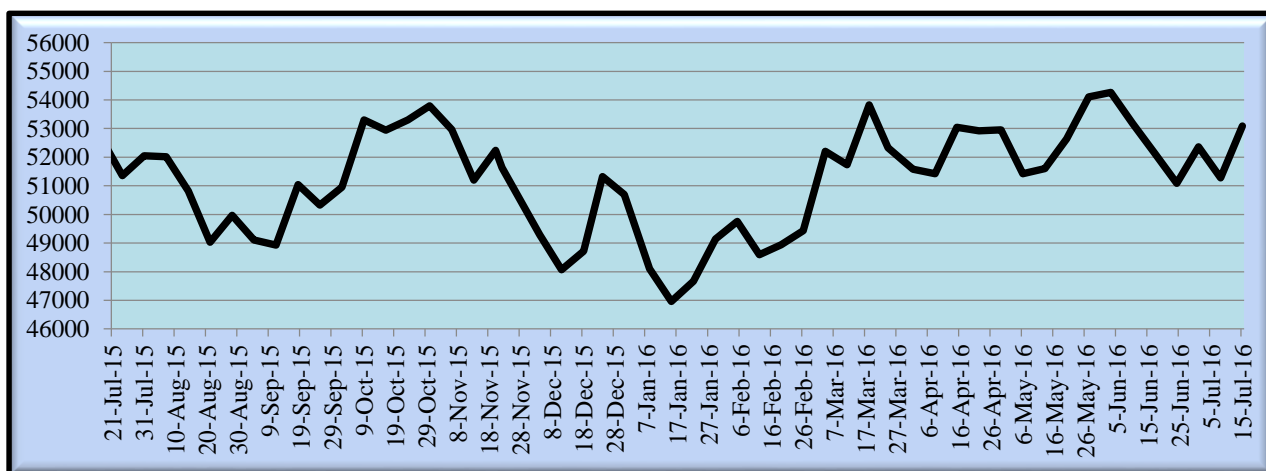
The JSE All Share index stood at 53 088.46 points during the week under review, up from 51 276.40 points in the previous week. JSE market capitalisation also posted a 1.6% increase to ZAR15.36 trillion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (ZAR trillion)
17-June-16	52,140.61	15.26
24-June-16	51,092.05	15.09
1-July-16	52,357.50	15.39
8-July-16	51,276.40	15.12
15-July-16	53,088.46	15.36

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 JULY 2016