



Weekly Economic Highlights

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Week Ending
18th March 2016

1. INTEREST RATES

Deposit Rates

During the week ending 18th March 2016, average deposit rates remained largely unchanged from the previous week levels. The average deposit rates for savings and deposits of 1 month and 3 month tenor stood at 3.03%, 6.57%, and 7.36%, respectively.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
19-Feb-16	2.93	6.57	7.00
26-Feb-16	2.93	6.57	7.00
04-Mar-16	2.93	6.57	7.00
11-Mar-16	3.03	6.57	7.36
18-Mar-16	3.03	6.57	7.36

Source: Banking Institutions, 2016

Lending Rates

Commercial bank weighted lending rates for individual clients closed the week at 11.50%, up from 11.43% in the previous week. The weighted lending rates for corporate clients declined from 7.31% in the previous week, to 7.15% during the week under review.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
19-Feb 16	11.49	7.32
26-Feb-16	11.48	7.29
04-Mar-16	11.47	7.27
11-Mar-16	11.43	7.31
18-Mar-16	11.50	7.15

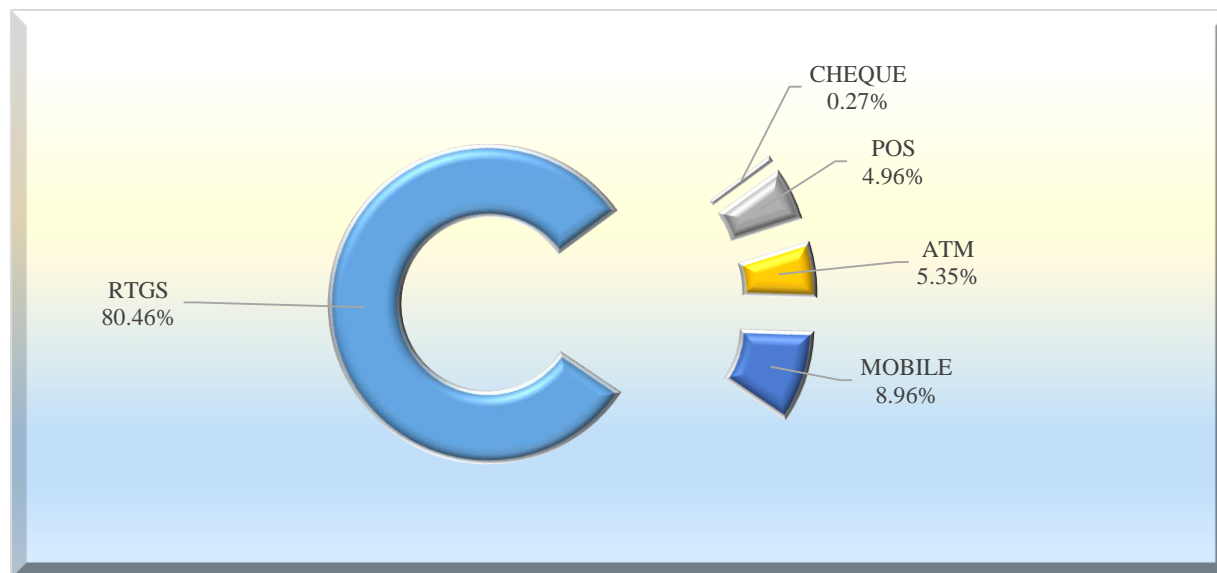
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS), registered a 3% decline from US\$946.38 million in the previous week, to US\$922.33 million during the week ending 18th March 2016. Transactions processed through the Real Time Gross Settlement (RTGS) system stood at US\$742.17 million in value terms, up from US\$728.67 million recorded in the previous week.

RTGS payments accounted for 80.46% of the total value of transactions processed through the National Payment System. Mobile, Automated Teller Machines (ATMs), Point of Sale (POS) and cheque transactions accounted for 8.96%, 5.35%, 4.96% and 0.27%, respectively, as shown in Figure 1 below.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

As at 18th March 2016, Mobile-Based transactions accounted for 88.11% of total transaction volumes; POS, 6.90%; ATMs, 4.22%; RTGS, 0.64% and cheques, 0.13%, as shown in Figure 2 below.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 11 Mar 2016	WEEK ENDING 18 Mar 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	728.67	742.17	2%	80.46%
CHEQUE	2.84	2.48	-13%	0.27%
POS	46.59	45.75	-2%	4.96%
ATMS	74.12	49.32	-33%	5.35%
MOBILE	94.16	82.61	-12%	8.96%
TOTAL	946.38	922.33	-3%	100%
VOLUMES				
RTGS	34,508	32,966	-4%	0.64%
CHEQUE	7,588	6,922	-8.80%	0.13%
POS	366,679	355,511	-3%	6.90%
ATMs	259,408	217,512	-16%	4.22%
MOBILE	4,837,046	4,537,604	-6%	88.11%
TOTAL	5,505,229	5,150,515	-6%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, nickel, and crude oil retreated, while copper prices firmed during the week ending 18th March 2016. Platinum prices, however, remained unchanged.

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
Weekly Average (7-11 Mar)	1,262.20	969.00	4,955.10	8,948.00	40.30
14-Mar	1,249.65	966.00	4,994.00	8,765.00	39.11
15-Mar	1,232.80	954.00	4,994.00	8,540.00	38.51
16-Mar	1,230.80	965.00	4,945.00	8,470.00	40.16
17-Mar	1,268.05	985.50	4,945.00	8,650.00	41.54
18-Mar	1,253.30	974.50	4,945.00	8,650.00	41.44
Weekly Average (14-18 Mar)	1,246.92	969.00	4,964.60	8,615.00	40.15
Weekly Change (%)	<i>(1.2)</i>	<i>0.0</i>	<i>0.2</i>	<i>(3.7)</i>	<i>(0.4)</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices declined by 1.21% from a weekly average of US\$1 262.20/oz in the previous week, to US\$1 246.92/oz during the week under analysis. The decline in gold prices was primarily underpinned by the strengthening of the US dollar, which undermined the metal's appeal as a safe haven asset.

Platinum

Platinum prices remained unchanged at a weekly average of US\$969.00/oz during the week under review. This was largely due to relative static market conditions for the industrial metal.

Copper

Copper prices continued on an upward trajectory firming by 0.2%, from a weekly average of US\$4 955.10/ton in the previous week, to close the week under analysis at an average of US\$4 964.60/ton. Gains realized in copper prices were attributed to speculation concerning the possible increase in demand for the metal.

Nickel

Nickel prices declined by 3.7%, from a weekly average of US\$8 948.00/ton to close the week under review at an average of US\$8 615.00/ton. The decline was mainly attributed to the rise in inventories.

Brent crude oil

Crude oil prices declined by 0.4%, from a weekly average of US\$40.30/barrel recorded in the previous week to US\$40.15/barrel recorded during the week under review. Prices retreated amid speculation that some major oil producers, including the Organization of the Petroleum Exporting Countries (OPEC) members were still reluctant to join a coalition to curtail output and shore up global oil prices.

4. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the second consecutive week. The industrial index gained 0.05%, from 99.81 points recorded in the week ending 11th March 2016 to 99.86 points during the week ending 18th March 2016. The mining index stood at 19.14 points, gaining by 0.42% from 19.22 points in the previous week.

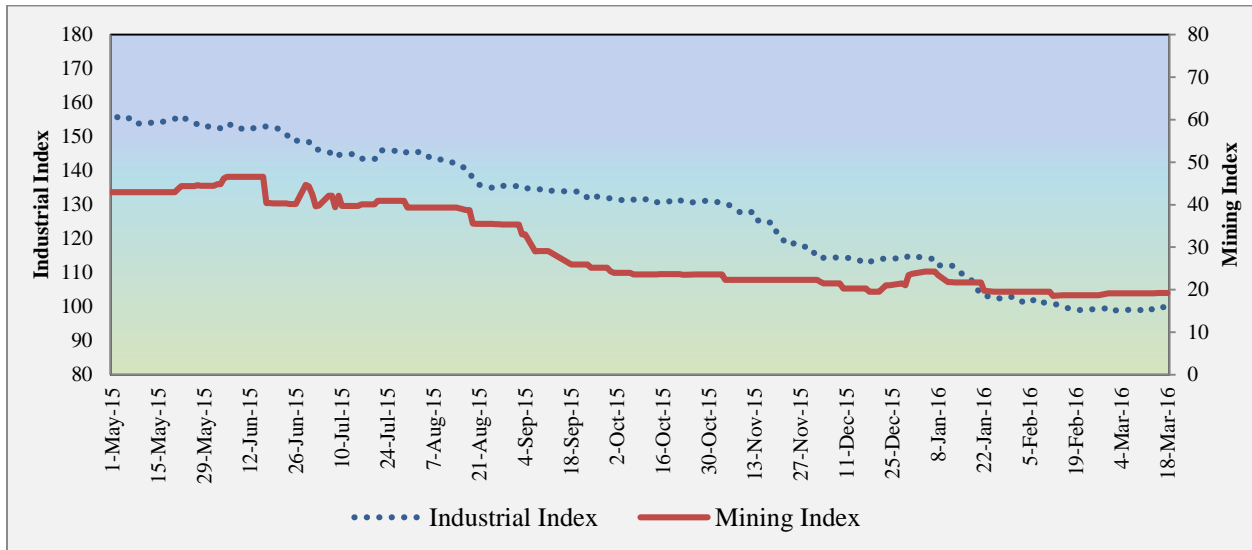
The mainstream index was driven by gains realized in ART (20%), OK Zimbabwe (10.93%), Old Mutual (8.60%), CBZ Holdings Limited (4.76%), Innscor Africa (1.39%) and Meikles (0.86%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
19-Feb-16	98.92	18.74	2,679,555,291	4,359,832	38,774,132
26-Feb-16	99.40	19.14	2,692,304,381	1,089,351	15,115,000
04-Mar	98.80	19.14	2,676,267,846	1,468,435	15,214,996
11-Mar	99.81	19.14	2,703,197,391	5,164,124	31,518,794
18-Mar	99.86	19.22	2,704,672,600	4,899,095	19,225,544
Weekly Change (%)	0.05	0.42	0.05	-5.13	-39.00

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

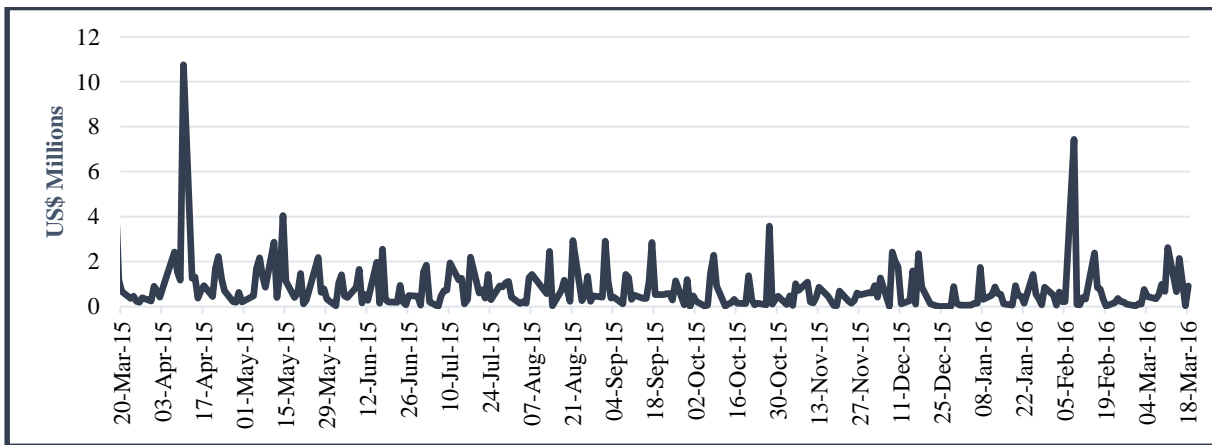


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

During the week under review, trading volumes declined by 39% to close the week at 19 225 544 shares. The value of shares also registered a 5.13% decline to US\$4.9 million. The local bourse also witnessed 3 block trades, which saw 2 million Delta Corporation shares; 2.5 million DZHL shares; and 5 million Innscor Africa shares exchanging hands during the week under review.

Figure 4: Daily Market Turnover

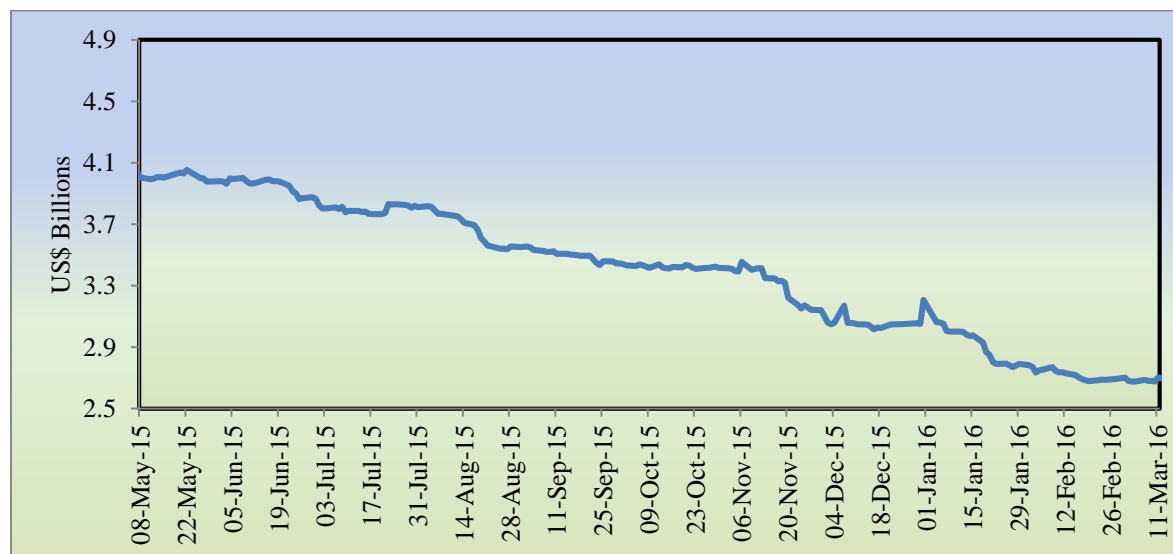


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The ZSE market capitalization stood at US\$2.7 billion during the week ending 18th March 2016, an increase of US\$1.5 million from the previous week.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

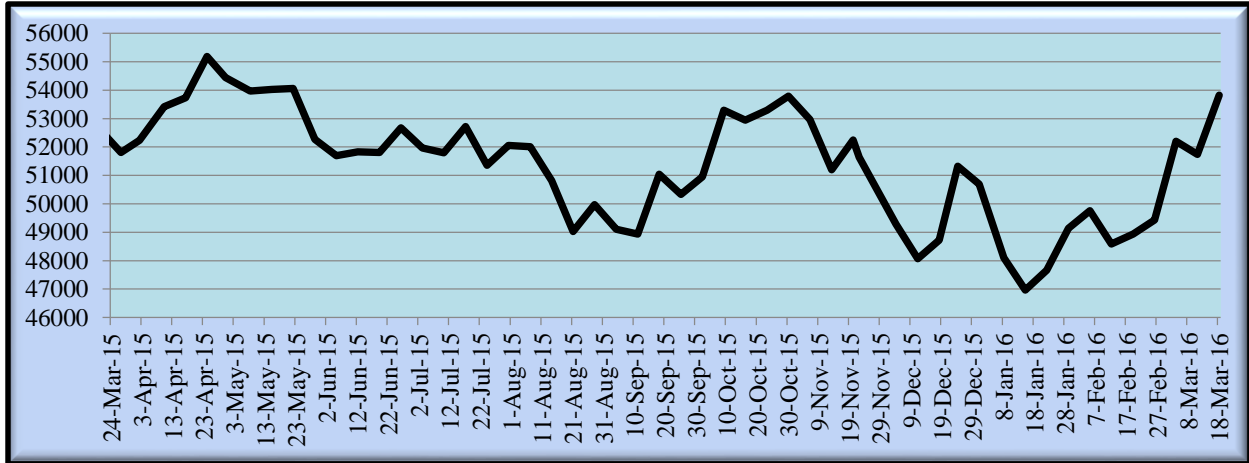
The JSE All Share index stood at 53 824.28 points during the week under review, 4.03% up from 51 739.83 points recorded in the previous week. Market capitalization increased by 3.65% to R15.63 trillion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
19-Feb-16	48,940.43	19.54
26-Feb-16	49,429.40	14.55
04-Mar-16	52,200.71	15.19
11-Mar-16	51,739.83	15.08
18-Mar-16	53,824.28	15.63

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

24TH MARCH 2016