



Weekly Economic Highlights

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Week Ending
19th February 2016

1. INTEREST RATES

Deposit Rates

The average deposit rates for savings deposits and deposits of 3 months and 1 month tenors increased remained unchanged at to 2.93%, 6.57% and 7.00%, respectively, during the week ending 19th February 2016.

Table 1: Average Deposit Rates

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
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
19-Feb-16	2.93	6.57	7.00

Source: Banking Institutions, 2015

Lending Rates

Commercial bank weighted lending rates for individual clients registered a decline, to close the week under review at 11.49%, down from 11.62% recorded in the previous week. Conversely, the weighted lending rates for corporate clients increased from 7.23% to 7.32%, as shown in Table 2 below.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
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
19-Feb 16	11.49	7.32

Source: Banking Institutions, 2015

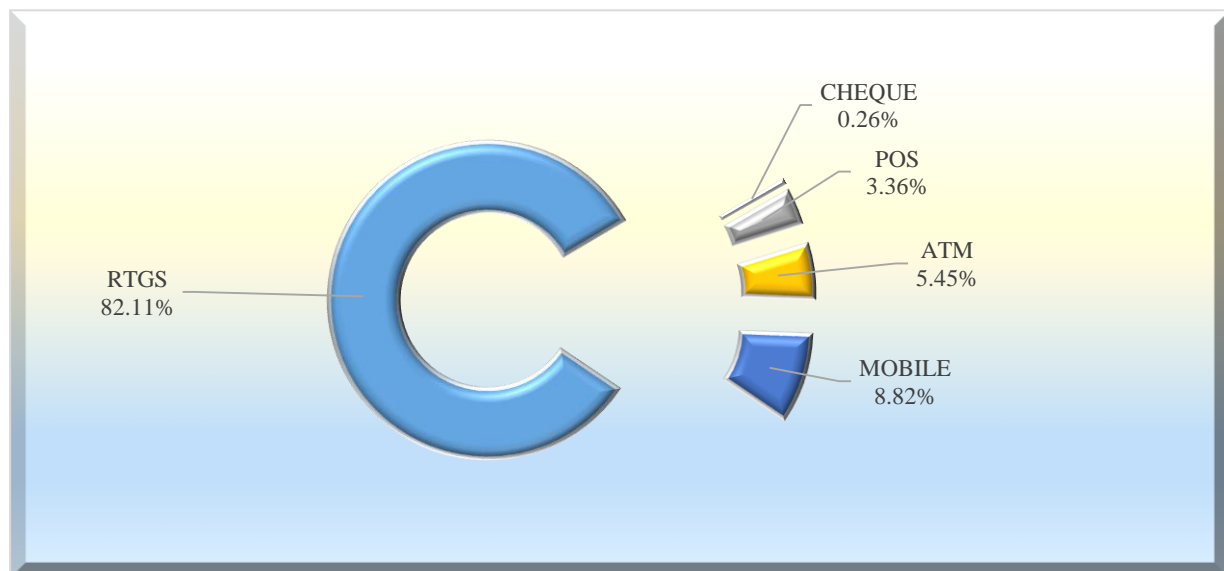
2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 19th February 2016, the total value of transactions processed through the National Payment Systems (NPS) amounted to US\$960.44 million - a 0.20% increase from the US\$958.13 million recorded during the previous week.

The Real Time Gross Settlement (RTGS) system registered a 4% increase in the value of transactions processed, to close the week under analysis at US\$788.62 million, from US\$758.51 million in the previous week.

RTGS payments accounted for 82.11% of the total value of transactions processed through the NPS. As shown in Figure 1 below, other payments processed through the NPS during the week under analysis accounted for the following proportions: Mobile, 8.82%; Automated Teller Machines (ATMs), 5.45%; Point of Sale (POS), 3.36% and Cheque, 0.26%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

Mobile-Based transactions continued to dominate the NPS in terms of volumes, accounting for 88.60% of the total transactions, up from 82.11% recorded in the previous week; POS, 6.11%;

ATMs, 4.90%; RTGS, 0.67%; and Cheques, 0.15%. Figure 2 below shows the proportions of NPS transactions in volume terms.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 12 Feb 2016	WEEK ENDING 19 Feb 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	758,51	788,63	4%	82.11%
CHEQUE	3,141	2,540	-19%	0.26%
POS	39,52	32,241	-18%	3.36%
ATMS	68,32	52,343	-23%	5.45%
MOBILE	88,64	84,685	-5%	8.82%
TOTAL	958,13	960,436	0.2%	100%
VOLUMES				
RTGS	34,481	32,112	-7%	0.62%
CHEQUE	7,809	6,952	-11%	0.14%
POS	316,440	338,112	7%	6.57%
ATMs	254,022	209,595	-17%	4.07%
MOBILE	4,568,577	4,560,839	-1%	88.60%
TOTAL	5,181,329	5,147,610	-2%	100%

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 19th February 2016, the international commodity prices of gold, platinum, copper, nickel and crude oil firmed up, as shown in Table 4 below.

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 (12 Feb)	1,206.35	932.00	4,556.40	7,913.00	31.89
15-Feb	1,208.33	937.00	4,561.50	7,720.00	33.61
16-Feb	1,210.75	935.00	4,583.00	8,270.00	32.29
17-Feb	1,206.20	937.50	4,583.00	8,270.00	34.63
18-Feb	1,207.25	937.50	4,575.00	8,300.00	34.24
19-Feb	1,220.83	940.00	4,591.00	8,335.00	33.22
Weekly Average (19 Feb)	1,210.67	937.40	4,578.70	8,179.00	33.60
Weekly Change (%)	<i>0.42</i>	<i>0.60</i>	<i>0.50</i>	<i>3.40</i>	<i>5.40</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on an upward trend, gaining 0.40%, from a weekly average of US\$1 206.35/oz recorded in the previous week, to US\$ 1 210.67/oz during the week under review. This was on account of a weaker United States of America dollar, which boosted the demand for the precious metal.

Platinum

Similarly, platinum prices firmed by 0.60% from a weekly average of US\$932.00/oz to an average of US\$937.40/oz during the week under review. A weaker United States of America dollar, weighed down by speculation concerning low interest rates in the medium term, boosted the prices during the period under analysis.



Copper

Copper prices gained by 0.50% from a weekly average of US\$4 556.40/tonne recorded in the previous week, to US\$4 578.70/tonne during the week ending 19th February 2016. This was on account of improved industrial demand for the metal in China, following measures by the Chinese Central Bank to restore stability in the economy.

Nickel

Nickel prices firmed by 3.40%, from a weekly average of US\$7 913.00/tonne, to close the week under review at US\$8 179.00/tonne. This was also attributed to the efforts by the Chinese Central Bank to restore stability in their economy.

Brent crude oil

Crude oil prices recorded an increase of 5.40%, from a weekly average of US\$31.89/barrel to US\$33.60/barrel. A preliminary agreement to freeze oil production by Saudi Arabia, Russia, Venezuela and Qatar in order to curb output, in large part, explained the increase in prices.

4. EQUITY MARKETS

During the week ending 19th February 2016, the industrial index declined from 100.84 points in the previous week to 98.02 points. The mining index, however, remained unchanged at 18.74 points.

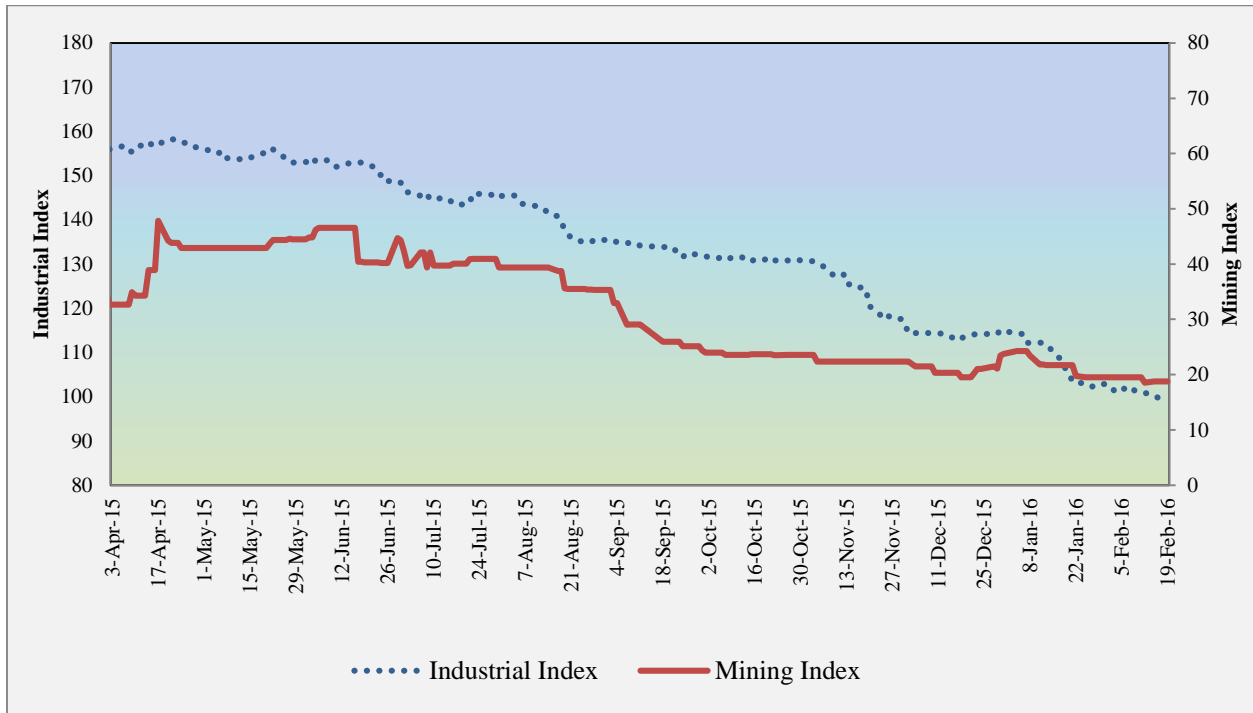
The mainstream index was weighed down by losses in Cafca Limited of (30.13%), Masimba Holdings (22.22%), Barclays Bank (7.89%), B.A.T. (4.17%) and Hippo Valley (0.85%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
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
19-Feb-16	98.92	18.74	2,679,555,291	4,359,832	38,774,132
Weekly Change (%)	(1.81)	0.00	(1.81)	(47.74)	12.70

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

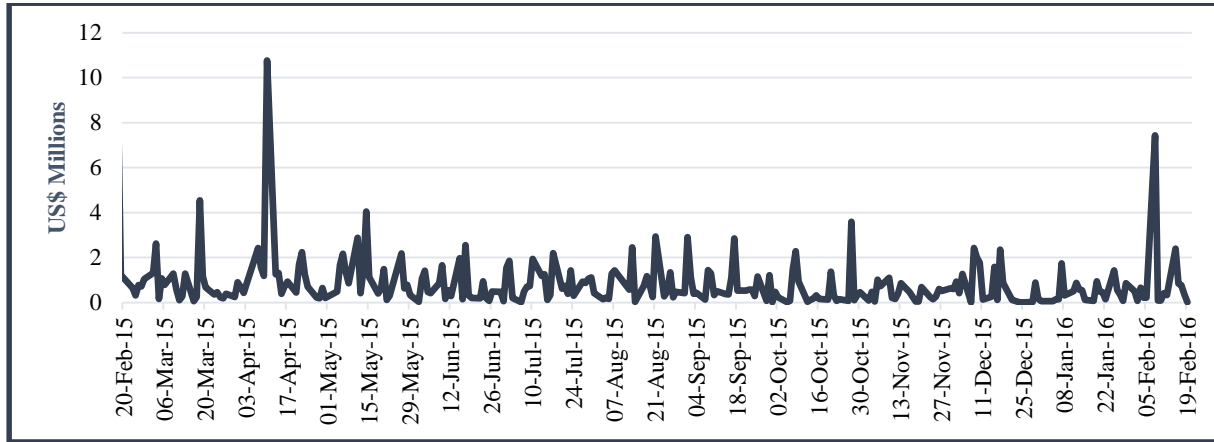


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

The volume of shares traded during the week ending 19th February 2016 increased by 12.70%, from 34.40 million shares in the previous week to 38.80 million shares. This was on account of structured transactions in mid and heavy weight counters. The value of traded shares, however, declined by 47.74%, from US\$8.34 million to US\$4.36 million, largely due to depressed share prices during the week under review.

Figure 4: Daily Market Turnover

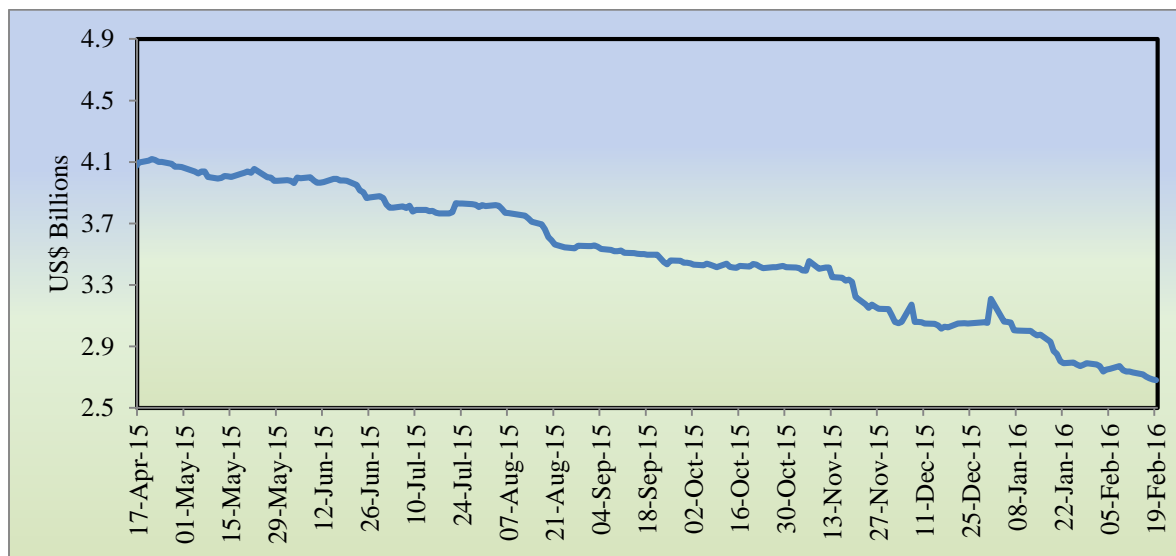


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

Market capitalization registered a decline of 1.88%, closing the week ending 19th February 2016 at US\$2.60 billion, from US\$2.73 billion recorded in the previous week. This largely reflected losses in the industrial index.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

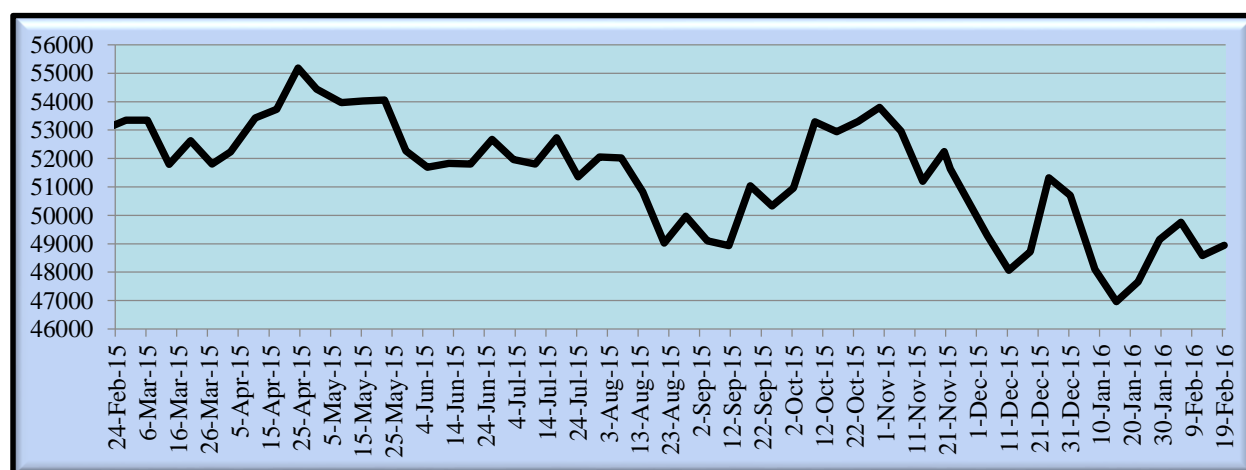
The JSE All Share Index increased by 0.72% to close the week ending 19th February 2016 at 48 940.43 points. Market capitalization gained by 1.83%, from R14.47 trillion recorded in the previous week, to close the week under review at R19.54 trillion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
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
19-Feb-16	48,940.43	19.54

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

26TH FEBRUARY 2016