



Weekly Economic Highlights

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Week Ending
20th February 2015

1. INTEREST RATES

Deposit Rates

During the week ending 20th February 2015, deposit rates on savings deposits and deposits of 1 month and 3 months tenors averaged 3.31%, 9.42% and 11.04%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
30-Jan	3.31	9.37	11.00
06-Feb	3.31	9.37	10.99
13-Feb	3.31	9.37	10.99
20-Feb	3.31	9.42	11.04

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individual and corporate clients fell marginally to close the week under review at 14.07% and 9.72%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
30-Jan	14.16	9.66
06-Feb	14.08	9.47
13-Feb	14.08	9.73
20-Feb	14.07	9.72

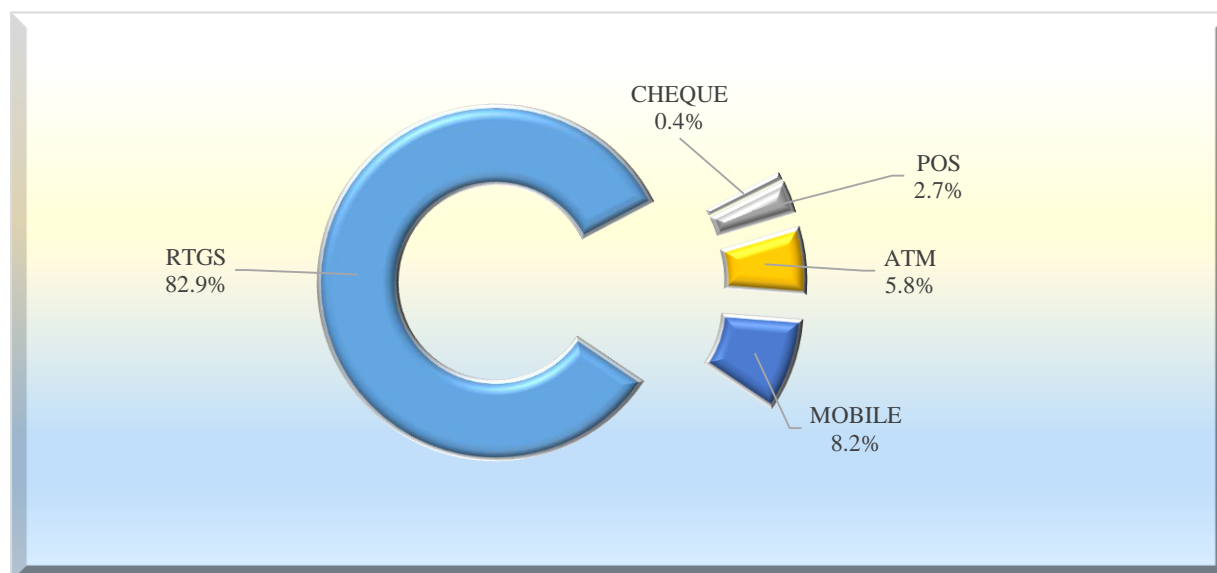
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 20th February 2015, the total value of transactions processed through the National Payment Systems (NPS), fell by 11.69%, to close at US\$848.83 million, down from US\$948.04 million registered in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 10%, to close the week under review at US\$703.75 million. RTGS system payments accounted for 82.91% of the total value of transactions processed through the NPS, followed by Mobile, 8.22%; Automated Teller Machines (ATM's), 5.83%; Point of Sale (POS), 2.65%; and cheque transactions, 0.39%.

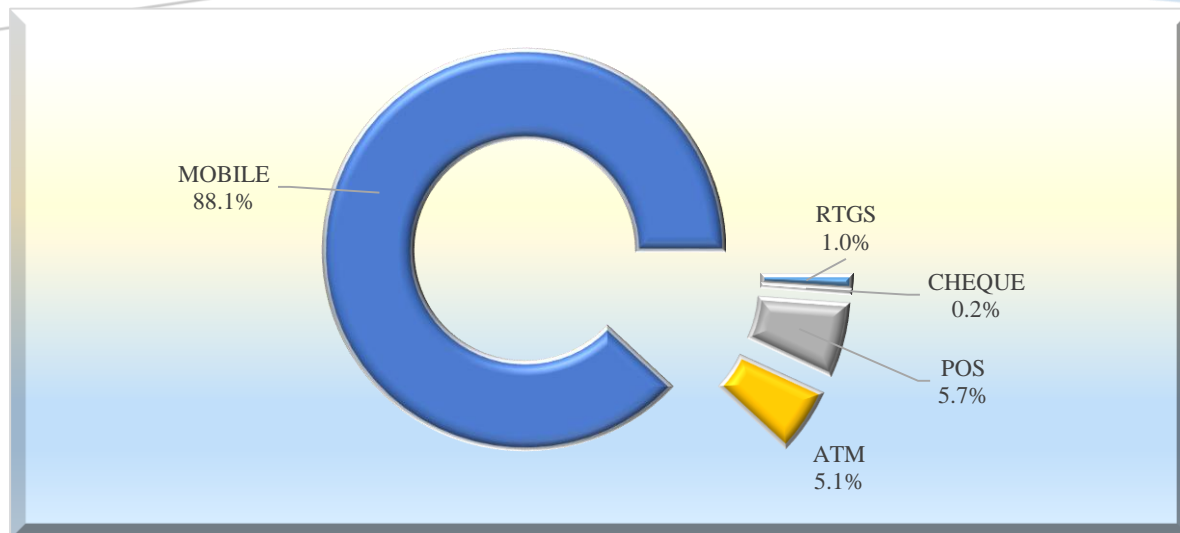
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, Mobile-based transactions accounted for 88.05% of total NPS transactions, POS, 5.72%; ATM's, 5.07%; RTGS, 0.96%; and cheque transactions, 0.20%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 13 FEBRUARY 2015	WEEK ENDING 20 FEBRUARY 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	779.97	703.75	-10%	82.91%
MOBILE	77.14	69.75	-10%	8.22%
ATMS	57.63	49.53	-14%	5.83%
POS	29.80	22.53	-24%	2.65%
CHEQUE	3.51	3.29	-6%	0.39%
TOTAL	948.04	848.83		100%
VOLUMES				
MOBILE	3,866,483	3,655,896	-5%	88.05%
POS	244,166	237,590	-3%	5.72%
ATMs	262,909	210,387	-20%	5.07%
RTGS	41,654	39,872	-4%	0.96%
CHEQUE	8,525	8,319	-2%	0.20%
TOTAL	4,423,737	4,152,064		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices for copper and crude oil firmed, whilst gold, platinum and nickel prices retreated during the week ending 20th February 2015.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2015	<i>US\$/ounce</i>	<i>US\$/ounce</i>	<i>US\$/tonne</i>	<i>US\$/tonne</i>	<i>US\$/barrel</i>
Weekly Average (13 Feb)	1,231.80	1,212.52	5,648.40	14,763.00	57.71
16-Feb	1,231.38	1,208.00	5,711.50	14,427.50	61.64
17-Feb	1,215.63	1,194.00	5,665.00	14,205.00	60.71
18-Feb	1,206.25	1,173.00	5,665.00	14,125.00	61.67
19-Feb	1,213.63	1,175.00	5,719.00	13,920.00	58.34
20-Feb	1,205.88	1,161.50	5,705.00	13,920.00	60.18
Weekly Average (20 Feb)	1,214.55	1,182.30	5,693.10	14,119.50	60.51
Weekly Change (%)	(1.4)	(2.5)	0.8	(4.4)	4.8

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Weekly average gold prices fell from US\$1,231.80/oz in the previous week, to an average of US\$1,214.55/oz during the week under review. This followed gains in US equities, a development that weakened gold's appeal as an investment alternative.

Platinum

Platinum prices retreated by 2.5%, from a weekly average of US\$1,212.52/oz realized in the previous week to US\$1,182.30/oz, during the week ending 20th February 2015. The decline was largely attributed to subdued demand from China, the world's largest consumer of the precious metal and the decline in demand for diesel vehicles in Europe. Platinum is used as a catalyst for reducing fuel emissions in diesel cars, in line with European Union environmental regulations.



Copper

Copper prices closed the week under review at US\$5,693.10/tonne, up from US\$5,648.40/tonne recorded in the previous week. The increase was on the back of anticipated scaling down of production by BHP, coupled with plans for investment cuts by other major miners. This development is expected to dent global supply of the metal in 2015.

Nickel

During the week ending 20th February 2015, nickel prices continued on a downward trend, declining from an average of US\$14,763.00/tonne in the previous week, to an average of US\$14,119.50/tonne. Subdued demand from China, the world's largest metal nickel consumer largely contributed to the price decline.

Crude Oil

During the week under review, crude oil prices increased by 4.8%, from an average of US\$57.71/barrel in the previous week, to an average of US\$60.51/barrel. The increase was on account of anticipated supply disruptions in some of the world's largest producers, particularly Libya and the Middle East, mainly due to geopolitical tensions.

4. EQUITY MARKETS

During the week ending 20th February 2015, bearish sentiments persisted on the Zimbabwe Stock Exchange as both the industrial and mining indices recorded losses. The industrial index marginally declined by 0.23 points, from 168.36 points to 168.13 points. The decrease in industrial index can be attributed to losses recorded in CBZ (16.70%), Turnall, (9.09%); PPC, (7.50%); OK, (5.71%); and TSL (5.66%). Partially offsetting these losses were gains in Zimplow, (15.38%); Powerspeed, (6.82%); Seedco, (2.94%); and Delta (0.43).

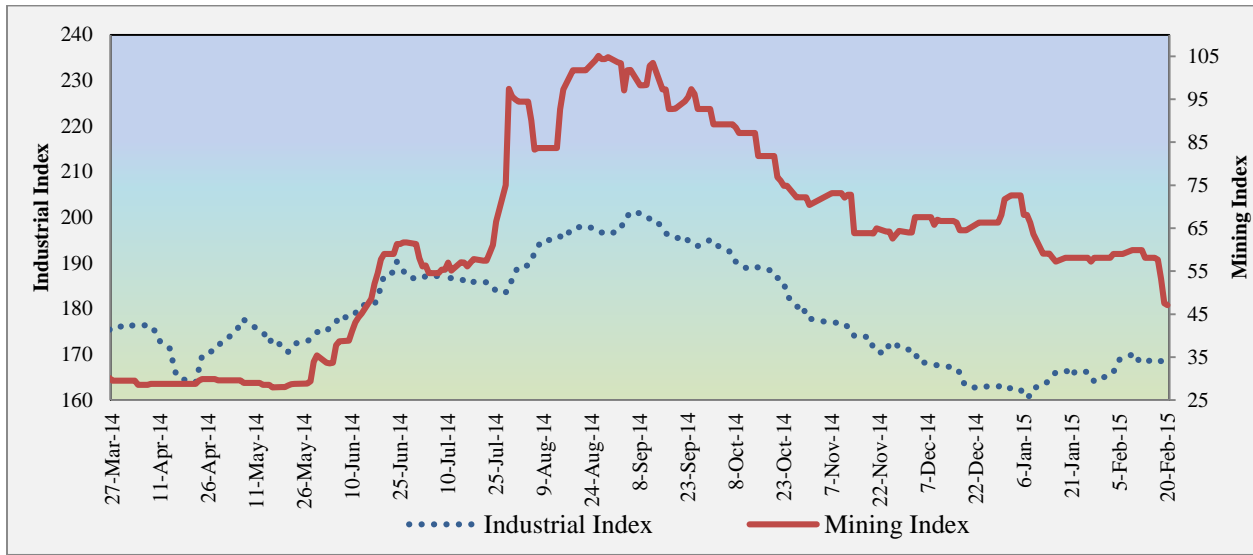
The mining index shed 11.04 points (18.99%) from 58.13 points to 47.09 points. The decline was on the back of losses in Riozim, (33.33%); Falgold, (16.67%); and Bindura (10%). Mitigating these losses, however, were gains in Hwange, which is set to benefit from the US\$18 million facility, arranged by the Reserve Bank of Zimbabwe, and earmarked for the purchase of equipment needed to enhance coal production at the colliery.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
23-Jan-15	166.46	58.14	4,405,177,051	5,668,477	12,709,045
30-Jan-15	164.90	58.13	4,347,569,893	1,942,127	10,399,733
06-Feb-15	169.37	59.03	4,482,179,535	8,067,238	18,181,447
13-Feb-15	168.36	58.13	4,381,524,714	6,021,874	43,405,137
20-Feb-15	168.13	47.09	4,360,544,228	17,207,739	36,116,628

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

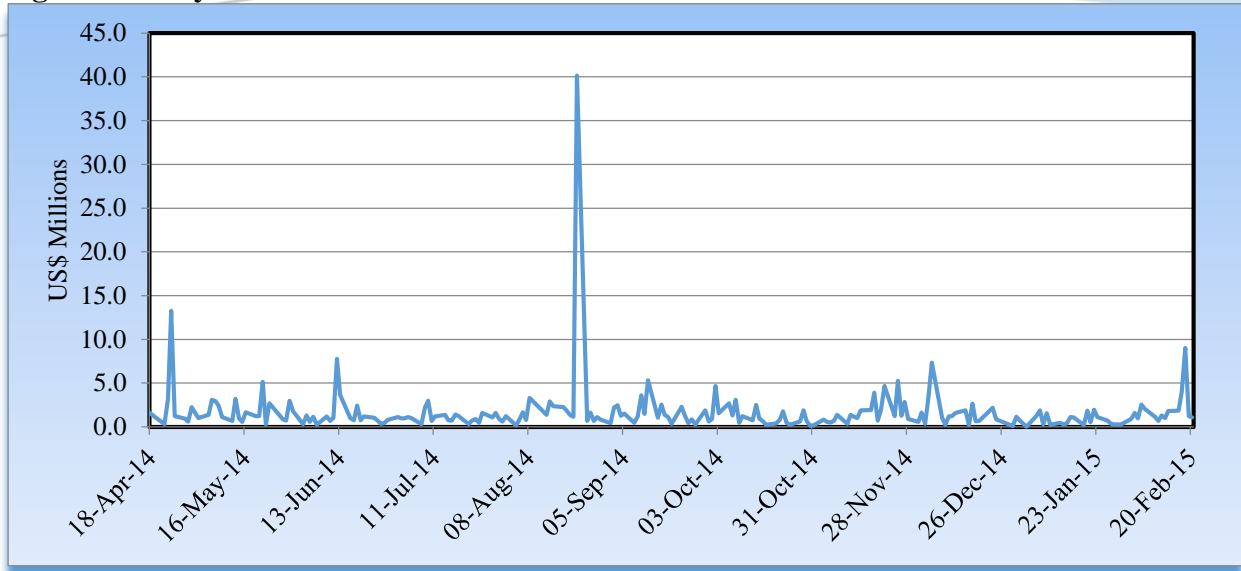


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

During the week under review, market turnover increased by 185.71%, from US\$6.02 million recorded in the previous week to US\$17.2 million. The increase was largely buoyed by two special bargains which saw 3.9 million and 4.9 million shares in Delta and Econet being traded at 116c and 54.5c, respectively. A total of 36 116 628 shares were traded during the week under review.

Figure 4: Daily Market Turnover

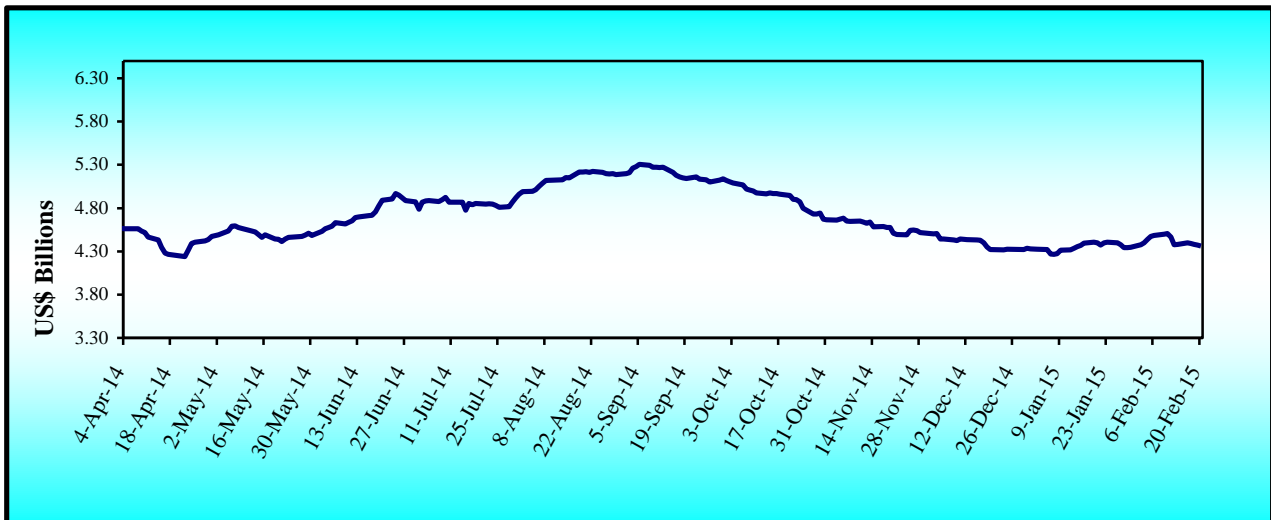


Source: Zimbabwe Stock Exchange, 2015

Market Capitalization

In line with the developments on the local bourse, market capitalization declined from US\$4.382 billion in the previous week, to US\$4.361 billion during the week under analysis.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

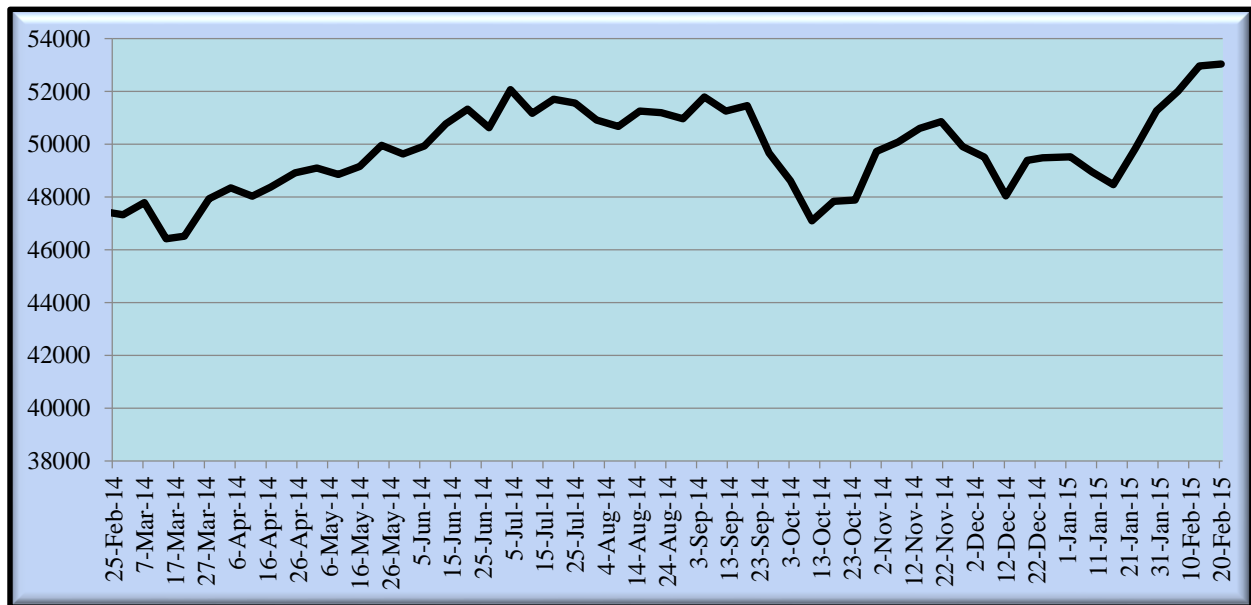
The JSE All Share index continued on an upward trend, registering an increase of 0.13%, to close the week under review at 53 035.26 points. Market capitalization also rose by 0.67%, to close the week at R12 096.13 billion.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
23-Jan	49,816.57	11,433.46
30-Jan	51,266.81	11,761.16
06-Feb	51,998.32	11,765.01
13-Feb	52,967.63	12,015.88
20-Feb	53,035.26	12,096.13

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 FEBRUARY 2015.