



Weekly Economic Highlights

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Week Ending
20th March 2015

1. INTEREST RATES

Deposit Rates

During the week ending 20th March 2015, average deposit rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged at 3.54%, 9.29% and 10.96%, respectively. This was mainly due to subdued activity in the money market.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
27-Feb	3.31	9.45	11.03
06-Mar	3.54	9.36	10.97
13-Mar	3.54	9.29	10.96
20- Mar	3.54	9.29	10.96

Source: Banking Institutions, 2015

Lending Rates

At commercial banks, weighted lending rates for individuals stood at 13.33%, up from 13.01% recorded in the previous week. Weighted lending rates for commercial bank's corporate clients, however, declined to 8.71% during the week ending 20th March 2015.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
20-Feb	14.07	9.72
27-Feb	14.00	9.73
06-Mar	13.89	9.72
13-Mar	13.01	8.84
20-Mar	13.33	8.71

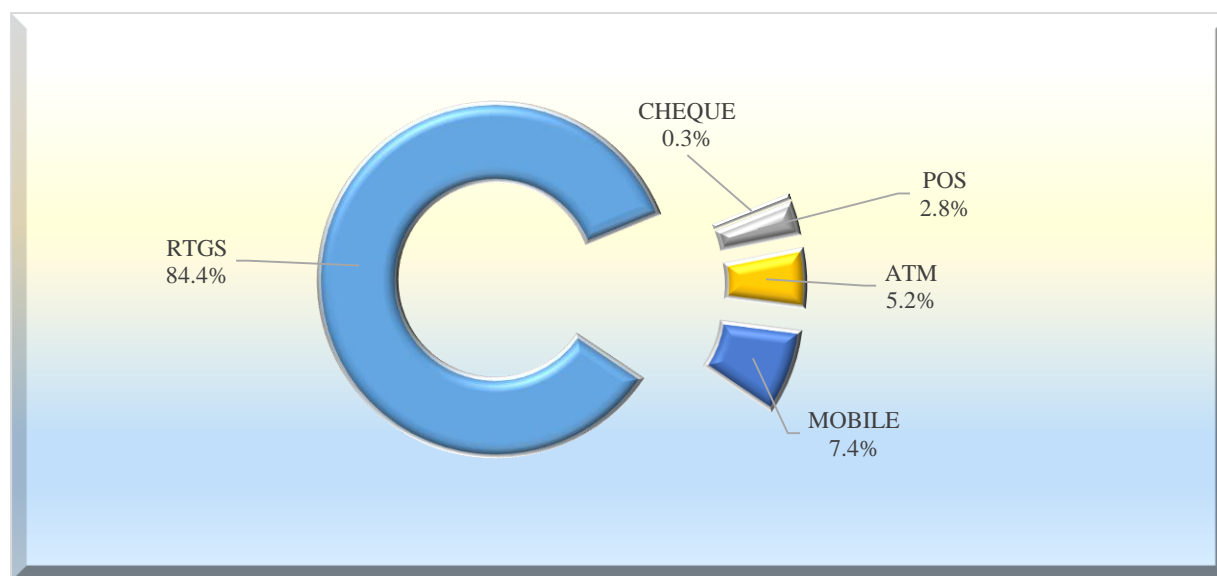
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 20th March 2015, transactions processed through the National Payment Systems (NPS) stood at US\$920.31 million, down from US\$928.55 million recorded in the previous week.

Transactions processed through the Real Time Gross Settlement (RTGS) system increased to US\$776.82 million, from US\$744.22 million recorded in the previous week. RTGS payments accounted for 84.4% of the total value of transactions processed through the NPS, followed by Mobile, 7.4%; Automated Teller Machines (ATMs), 5.2%; Point of Sale (POS), 2.8%; and cheques, 0.3%, respectively.

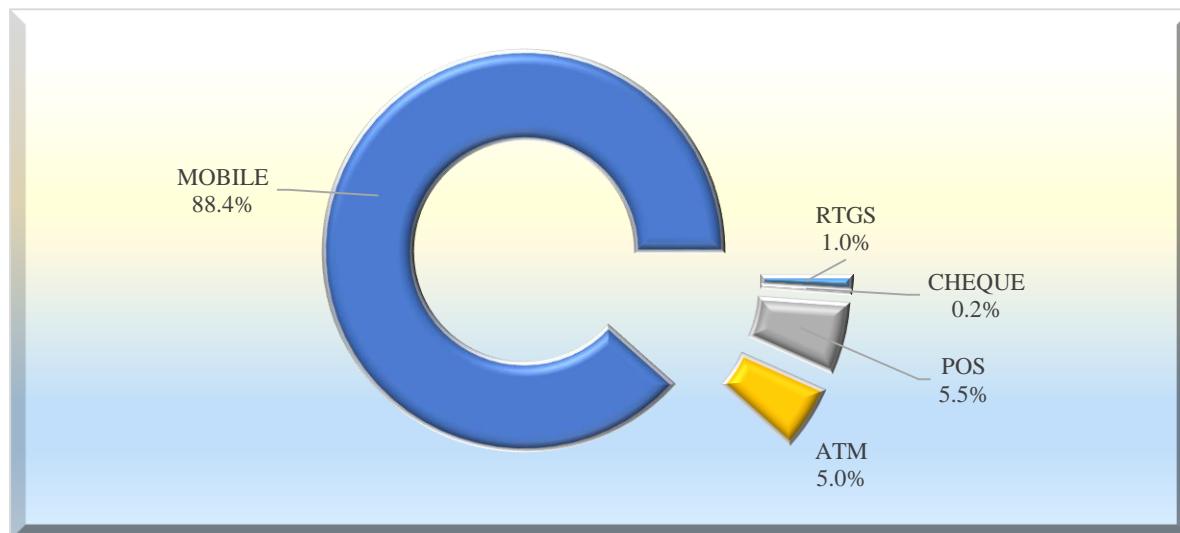
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

Mobile-based transactions accounted for 88.4% of total transactions in volume terms, followed by POS, 5.5%; ATMs, 5.0%; RTGS, 1.0%; 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	WEEK ENDING 13 MARCH 2015	WEEK ENDING 20 MARCH 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	744.22	776.82	4%	84.41%
MOBILE	78.62	68.34	-13%	7.43%
ATMS	69.78	47.40	-32%	5.15%
POS	33.54	25.43	-24%	2.76%
CHEQUE	2.38	2.32	-3%	0.25%
TOTAL	928.55	920.31		100%
VOLUMES				
RTGS	40,790	41,132	1%	0.96%
CHEQUE	7,316	6,679	-9%	0.16%
POS	272,248	235,236	-14%	5.51%
ATMs	236,362	211,970	-10%	4.96%
MOBILE	3,999,871	3,774,592	-6%	88.41%
TOTAL	4,556,587	4,269,609		100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 20th March 2015 (day 12 of the 2015 tobacco selling season), a cumulative total of 7 299 948 kilograms of tobacco had been sold. This was a 21.5% decline from 9 293 695 kilograms sold during the same period in 2014. The average selling price for the golden leaf at US\$2.23 per kg, was 21.9% lower than the average price of US\$2.85 per kg during the same period in 2014.

Cumulative tobacco sales amounted to US\$16.3 million, compared to US\$26.5 million realized during the corresponding period in 2014.

Table 4: Cumulative Tobacco Sales: Day 8 (13/03/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	9,293,695	7,299,948	-21,5%
Cumulative Average Price(US\$/kg)	2.85	2.23	-21.9%
Cumulative Value (US\$ million)	26,511,884	16,272,333	-38.6%

Source: Tobacco Industry and Marketing Board (TIMB), 2015

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, platinum, nickel, and crude oil declined during the week ending 20th March 2015. Copper prices, however, firmed during the same week.

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 Mar)	1,159.60	1,131.00	5,819.10	13,960.00	57.43
16-Mar	1,153.88	1,114.00	5,853.00	13,800.00	53.27
17-Mar	1,152.75	1,102.50	5,853.00	13,555.00	52.81
18-Mar	1,148.13	1,090.50	5,692.00	13,575.00	53.07
19-Mar	1,165.00	1,117.00	5,835.00	13,640.00	54.53
20-Mar	1,177.43	1,125.50	5,920.00	13,950.00	55.14
Weekly Average(20 Mar)	1,159.44	1,109.90	5,830.60	13,704.00	53.76
Weekly Change (%)	(0.01)	(1.87)	0.20	(1.83)	(6.39)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

The price of gold marginally declined from a weekly average of US\$1 159.60/oz, to US\$1 159.44/oz during the week under review. The decline was underpinned by the continued strengthening of the US dollar, backed by improving U.S. economic prospects. This development weakened the demand for the precious metal.



Platinum

Likewise, platinum prices weakened by 1.87%, to close the week under review at an average of US\$1 109.90/oz. The decline was on the back of the slowdown in demand in China, coupled with improved global supplies owing to recovery in South African output.

Copper

Copper prices increased by 0.2%, from a weekly average of US\$5 819.10/tonne to an average of US\$5 830.60/tonne during the week under review. The rebound was against the background of significant scaling down of production in Indonesia, largely due to industrial disputes at one of the major mines.

Nickel

Nickel prices declined by 1.8% during the week under review, to an average of US\$13 704.00/tonne. The retreat was supported by reports of weak property prices and the accompanying deceleration in industrial activity in China, the world's largest consumer of the metal.

Crude Oil

Crude oil prices continued on a downward trend, registering a 6.4% decrease, from an average of US\$57.43/barrel in the previous week, to an average of US\$53.76/barrel. The price of oil remained depressed on account of huge inventories in the United States, coupled with OPEC countries' decision not to cut output, which fuelled concerns of an oversupply on a global scale and in the U.S, in particular.

5. EQUITY MARKETS

During the week ending 20th March 2015, trading on the Zimbabwe Stock Exchange (ZSE) continued on a negative trajectory. The industrial index declined by 0.34 points, from 162.70 points recorded in the previous week, to 162.36 points. Similarly, the mining index also shed 1.37 points to close the week under review at 48.42 points. The decline in the industrial index was largely attributed to losses in Unifreight (46.67%), Border Timbers (30%), Dawn (13.64%), NMB (12.50%), Mash (13.04%), PPC (5, 56%), National Foods (1.56%) and Innscor (0.86%). Partially offsetting these losses were notable gains in First Mutual (20%), Colcom (15.38%), Delta (0.92%), Lafarge (12.50%), CAFCA (25%).

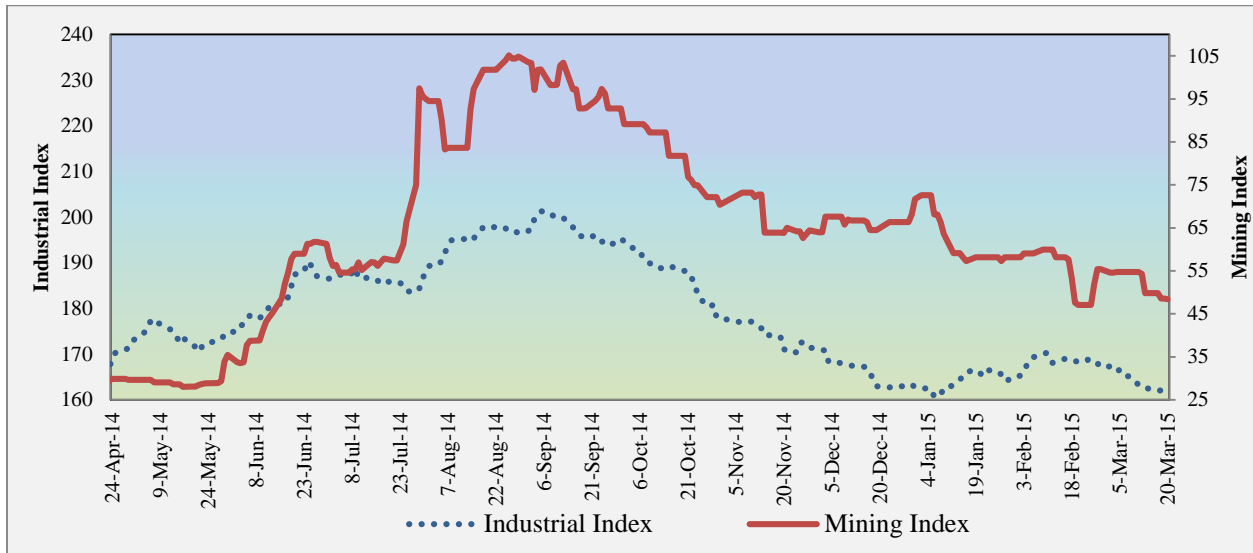
The mining index maintained a downward trend throughout the week, due to losses in Riozim (30%), Hwange (2.44%) and Bindura (0.22%). Falgold remained untraded amid reports that the gold mining entity could close operations because of poor commodity prices.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
20-Feb-15	168.13	47.09	4,360,544,228	17,207,739	36,116,628
27-Feb-15	167.16	55.38	4,353,375,154	3,478,765	21,620,902
06-Mar-15	165.59	54.70	4,312,564,910	5,936,189	66,655,446
13-Mar-15	162.70	49.79	4,231,994,331	3,494,168	15,707,724
20-Mar-15	162.36	48.42	4,229,143,000	6,691,927	302,625,018

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

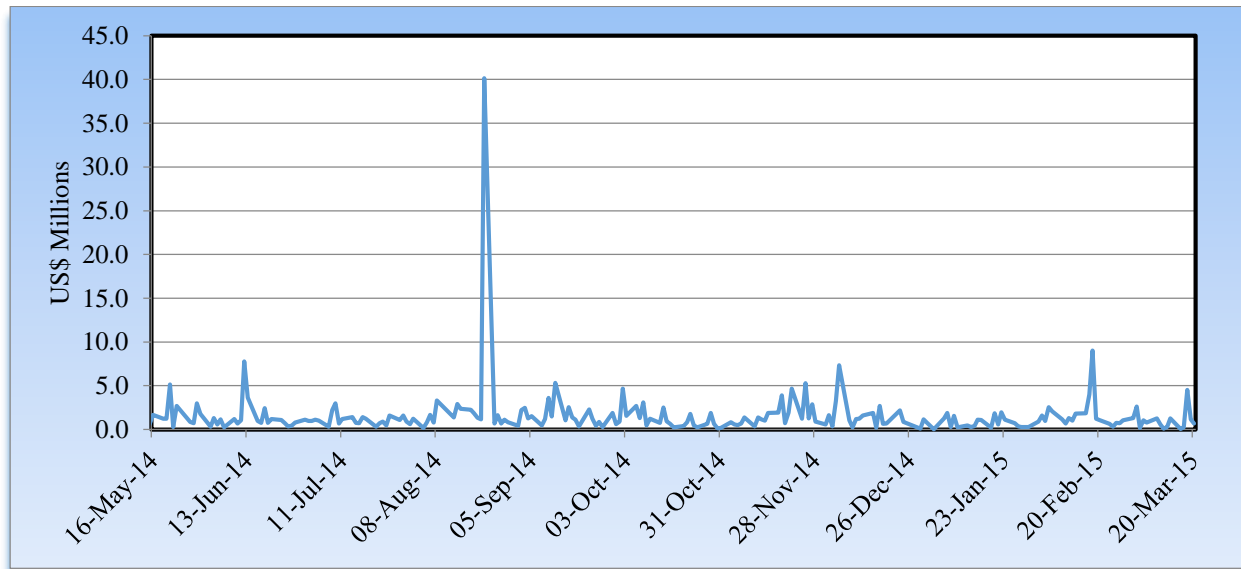


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

During the week ending 20th March 2015, market turnover rose by 91.43% to close the week at US\$6.7 million, up from US\$3.5 million in the previous week. The increase followed a special bargain in Dawn Properties, which saw 294 868 056 shares exchanging hands at US\$1.47 per share. In volume terms, 302 625 018 shares were traded, up from 15 707 724 shares in the previous week.

Figure 4: Daily Market Turnover

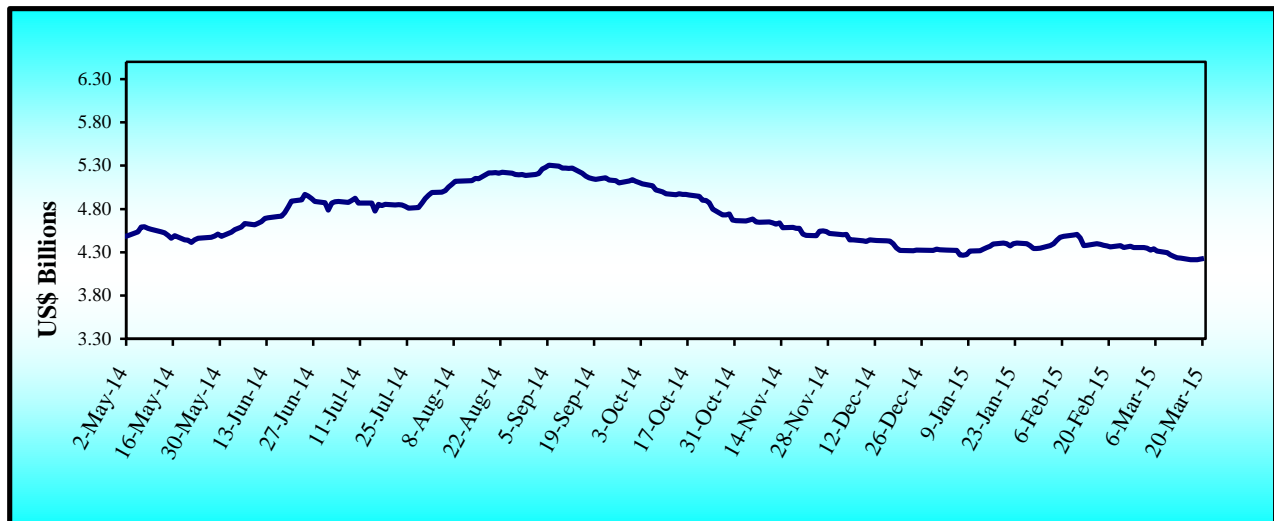


Source: Zimbabwe Stock Exchange, 2015

Market Capitalization

In tandem with the negative trading on the ZSE, market capitalization declined by 0.07%, to US\$4.229 billion during the week under analysis. The decline was supported by the fall in active stocks, low activity in high value stocks and reduced foreign participation.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

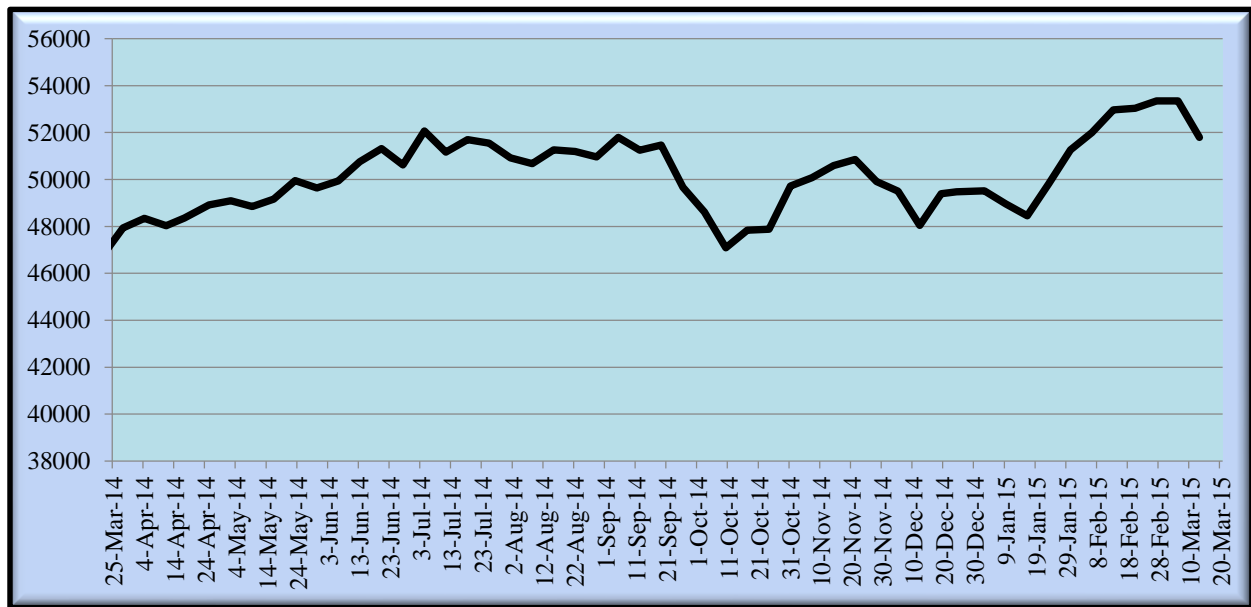
During the week ending 20th March 2015, the JSE All Share index firmed by 1.61%, to close the week at 52 631.78 points. Market capitalization also rose by 1.22%, to close the week at R12 012.83 billion, from R11 868.03 billion in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
20-Feb	53,035.26	12,096.13
27-Feb	53,344.20	12,228.89
06-Mar	53,346.99	12,243.68
13-Mar	51,798.74	11,868.03
20-Mar	52,631.78	12,012.83

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 MARCH 2015