



Weekly Economic Highlights

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Week Ending
22nd May 2015

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings accounts and for fixed deposits of 3 months tenor remained unchanged during the week ending 22nd May 2015. The average rates on 1 month deposits, declined from 8.60% in the previous week, to 8.56% during the week under review.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
24-Apr	3.54	9.21	10.81
30-Apr	3.43	8.68	10.37
08-May	3.43	8.67	10.35
15-May	3.43	8.60	10.28
22-May	3.43	8.56	10.28

Source: Banking Institutions, 2015

Lending Rates

During the week under analysis, commercial banks' weighted lending rates for individual and corporate clients declined marginally; to 12.76% and 8.81%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
24-Apr	12.69	8.85
30-Apr	12.71	8.84
08-May	13.02	8.91
15-May	12.78	8.83
22-May	12.76	8.81

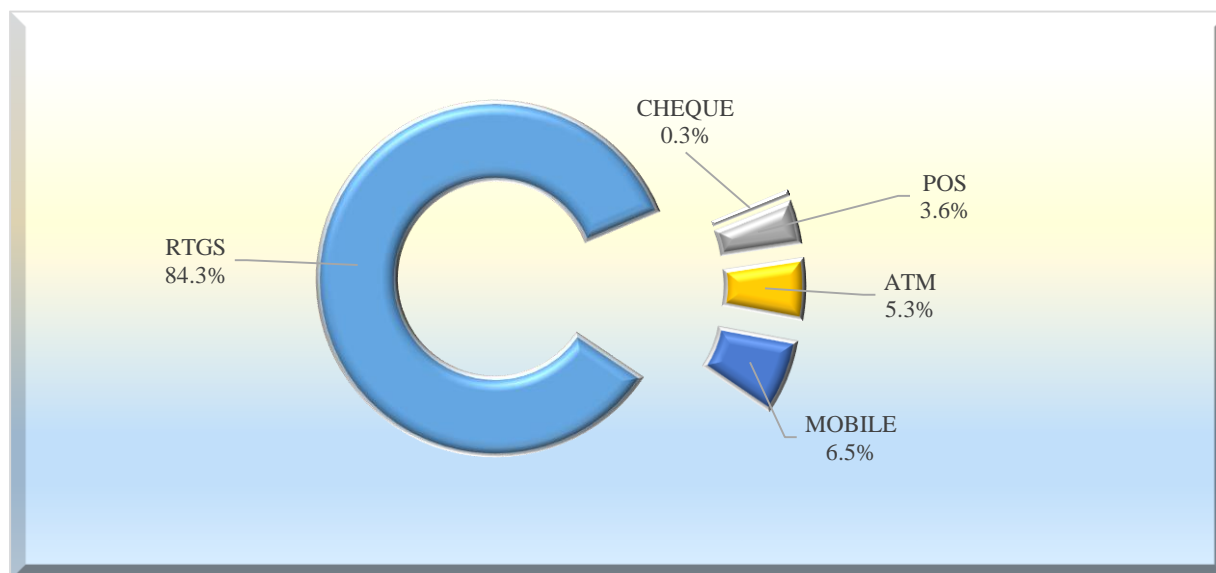
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) increased to US\$1 151.40 million, during the week ending 22nd May 2015, from US\$1 042.64 million processed during the previous week. The value of transactions processed through the Real Time Gross Settlement (RTGS) system increased by 16.30% to US\$970.08 million, during the week under review.

RTGS transactions continued to dominate the NPS, accounting for 84.25% of the total value of transactions processed through the system followed by Mobile, 6.53%; Automated Teller Machines (ATMs), 5.28%; Point of Sale (POS), 3.64% and Cheque, 0.29%.

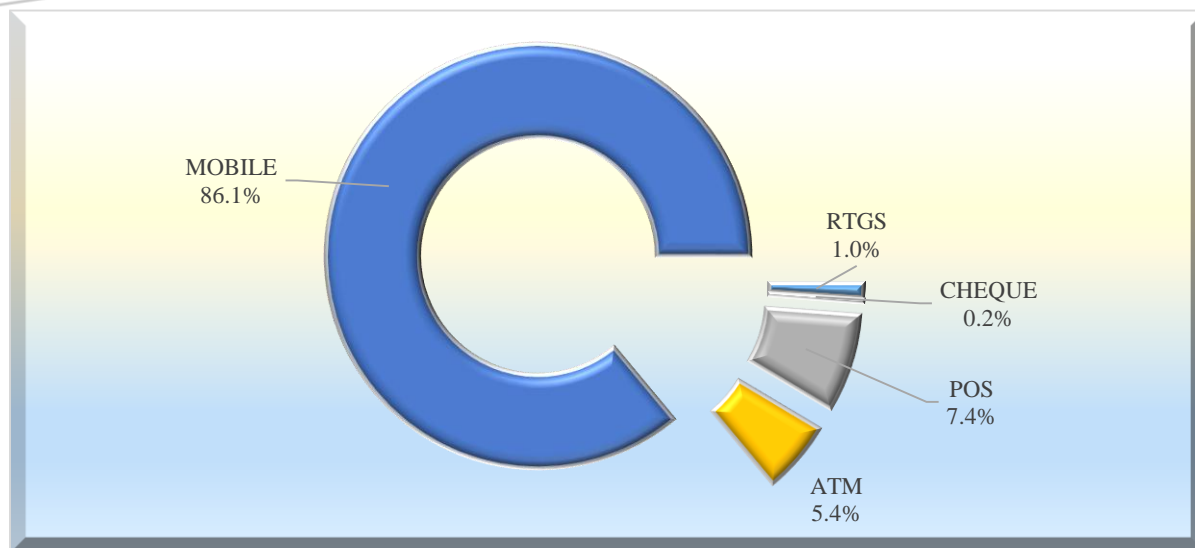
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, however, Mobile-Based transactions accounted for 86.05% of total transactions, followed by POS, 7.37%; ATMs, 5.39%; RTGS 1.02% and Cheque 0.17%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 15 MAY 2015	WEEK ENDING 22 MAY 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	834.09	970.08	16%	84.25%
CHEQUE	2.92	3.37	15%	0.29%
POS	45.96	41.95	-9%	3.64%
ATMS	78.99	60.82	-23%	5.28%
MOBILE	80.69	75.19	-7%	6.53%
TOTAL	1,042.64	1,151.40		100%
VOLUMES				
RTGS	42,877	45,335	6%	1.02%
CHEQUE	7,647	7,401	-3%	0.17%
POS	292,049	329,214	13%	7.37%
ATMs	284,020	240,755	-15%	5.39%
MOBILE	4,044,161	3,842,088	-5%	86.05%
TOTAL	4,670,754	4,464,793		100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 22nd May 2015 (day 55 of the 2015 tobacco selling season), a cumulative total of 126 011 962 kilograms of tobacco had been sold. This represented a 7.06% decline on the total cumulative quantity sold for the same period in 2014.

The golden leaf fetched a lower average price of US\$2.94, compared to US\$3.19 during the same period in 2014. In value terms, total sales amounted to US\$370.41 million, 14% lower than the US\$433.05 million realised during the corresponding period in 2014.

Table 4: Cumulative Tobacco Sales: Day 55 (22/05/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	135,577,752	126,011,962	-7.06%
Cumulative Average Price(US\$/kg)	3.19	2.94	-7.97%
Cumulative Value (US\$ million)	433,048,141	370,411,339	- 14%

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 22nd May 2015, international commodity prices for gold, platinum and copper firmed. Crude oil and nickel prices, however, retreated during the week under review. Table 4 below show commodity price developments during the period under analysis.

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 (15 May)	1,200.55	1,148.50	6,395.31	14,144.00	66.54
18-May	1,223.58	1,177.50	6,382.50	13,680.00	66.30
19-May	1,216.98	1,150.50	6,270.00	13,380.00	64.89
20-May	1,208.63	1,157.00	6,270.00	13,380.00	64.93
21-May	1,207.30	1,155.50	6,240.00	13,380.00	66.14
22-May	1,207.55	1,148.50	6,197.50	13,380.00	65.65
Weekly Average (22 May)	1,212.81	1,157.80	6,727.00	13,440.00	65.60
Weekly Change (%)	1.0	0.8	5.19	(4.98)	(1.4)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices rose by 1.0% to a weekly average of US\$ 1 212.81/oz during the week ending 22nd May 2015. The increase in gold prices is largely supported by a weaker US dollar following the Fed's decision to delay the interest rate hike.

Platinum

Consistent with gold price developments, platinum prices firmed marginally to US\$1 157.80/oz, during the week under review, up from US\$1 148.50 /oz registered in the previous week. Platinum prices firmed due to the weakening of the US dollar.

Copper

During the week ending 22nd May 2015, copper prices firmed by 5.2% to US\$6 727.00/tonne, from the previous week's average of US\$6 395.31/tonne. The prices increased on account of rising demand in China, the world's largest consumer of the base metal.

Nickel

Nickel prices fell by 5.0% from a weekly average of US\$14 144.00/tonne recorded in the previous week, to US\$13 440.00/tonne during the week under review. The fall in nickel prices was, largely, due to rising stockpiles of the base metal in China.

Crude Oil

Crude oil prices declined by 1.4% during the week under analysis, from US\$66.54/barrel recorded during the previous week, to US\$65.60/barrel. The retreat in crude oil prices was on the back of oversupply concerns. There were indications that Iraq plans to boost crude oil exports by about 26% to a record 3.75 million barrels a day, signaling an escalation of OPEC strategy to undercut U.S. Shale drillers.

5. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the week ending 22nd May 2015. The industrial and mining indices increased marginally to 155.94 points and 44.38 points, respectively.

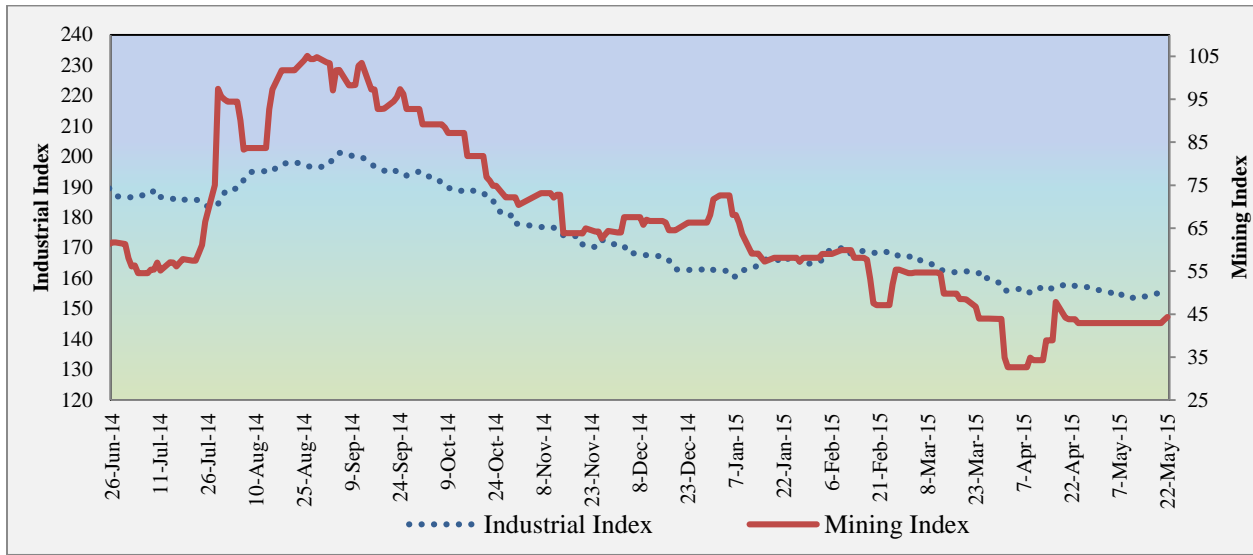
Significant gains in Meikles (25.71%), CFI (18.57%), Econet (6.29%), Masimba Holdings (4.76%) and PPC (4.17%) pulled the mainstream index into the positive territory. The resources index was driven mainly by gains in RioZim (41.67%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-Apr-15	157.57	42.93	4,099,520,155	6,322,747	23,693,933
30-Apr-15	156.26	42.93	4,066,067,417	1,251,685	10,900,084
08-May-15	154.0	42.93	4,002,667,140	6,548,246	67,419,257
15-May-15	154.03	42.93	4,003,415,014	9,898,069	183,656,168
22-May-15	155.94	44.38	4,054,076,256	2,912,266	25,121,118

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

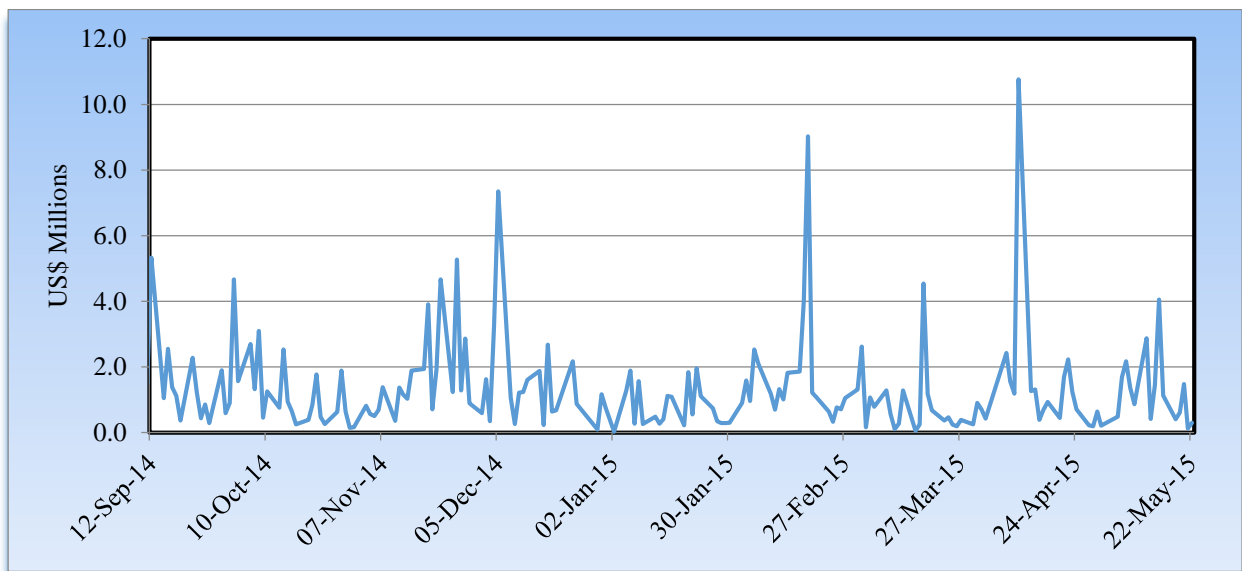


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Market turnover declined by 70.58% to US\$2.91 million, during the week under analysis, from US\$9.90 million, largely due to thin trading on the bourse. In volume terms, 25 121 118 shares were traded, down from 183 656 168 shares recorded in the week ending 15th May 2015.

Figure 4: Daily Market Turnover

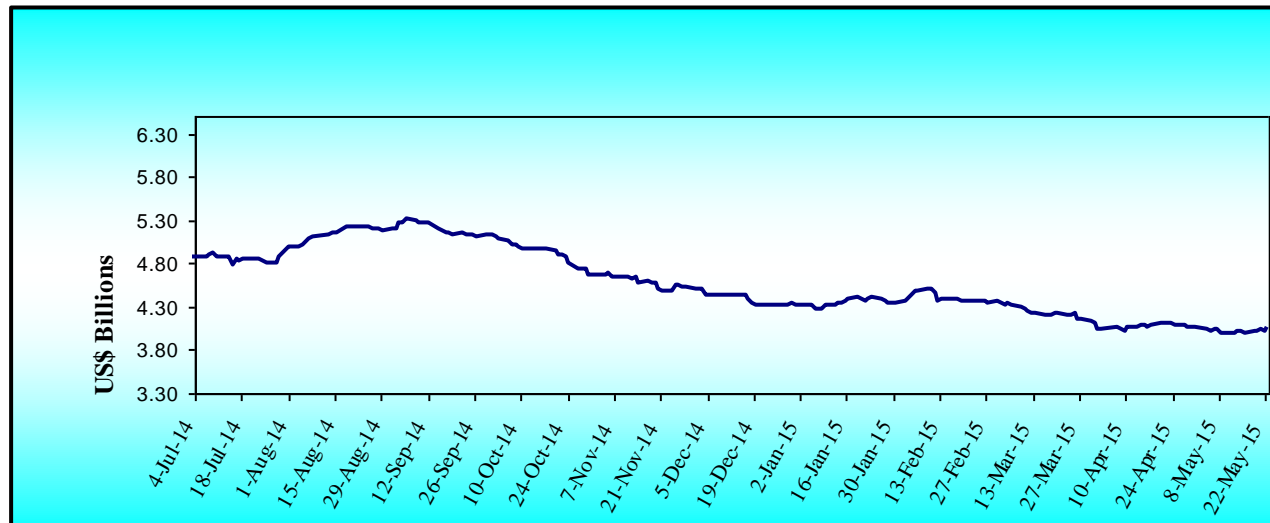


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

During the week under review, market capitalization increased to US\$4.05 billion, from US\$4.0 billion in the previous week. This was on account of positive trading on the local bourse.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

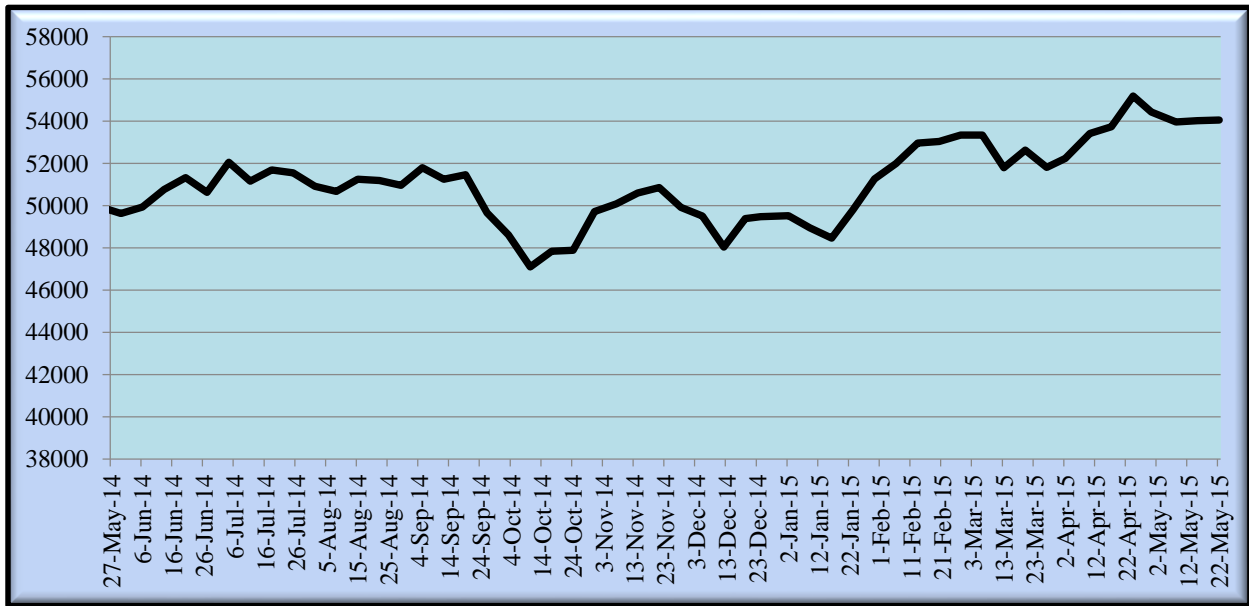
The JSE All Share index marginally rose from 54 028.17 points in the previous week, to 54 055.38 points during the week under analysis. Market capitalization stood at R12,43 trillion, up from R12,35 trillion in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R trillion)
24-Apr	55,188.34	12,65
30-Apr	54,440.43	12,44
08-May	53,790.57	12,33
15-May	54,028.17	12,35
22-May	54,055.38	12,43

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

29TH MAY 2015