



Weekly Economic Highlights

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Week Ending
25th September 2015

1. INTEREST RATES

Deposit Rates

Interest rates remained unchanged at banking institutions, during the week ending 25th September 2015. Average deposit rates for savings, 1 month and 3 month tenors closed the week at 3%; 8.1% and 9.1%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
28-Aug	3.00	8.11	9.11
04-Sep	3.00	8.11	9.11
11-Sep	3.00	8.14	9.14
18-Sep	3.00	8.14	9.14
25-Sep	3.00	8.14	9.14

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individuals and corporate clients closed the week under review at 11.8% and 8.5%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
28-Aug	11.96	8.51
04-Sep	11.86	8.47
11-Sep	11.81	8.46
18-Sep	11.77	8.44
25-Sep	11.81	8.47

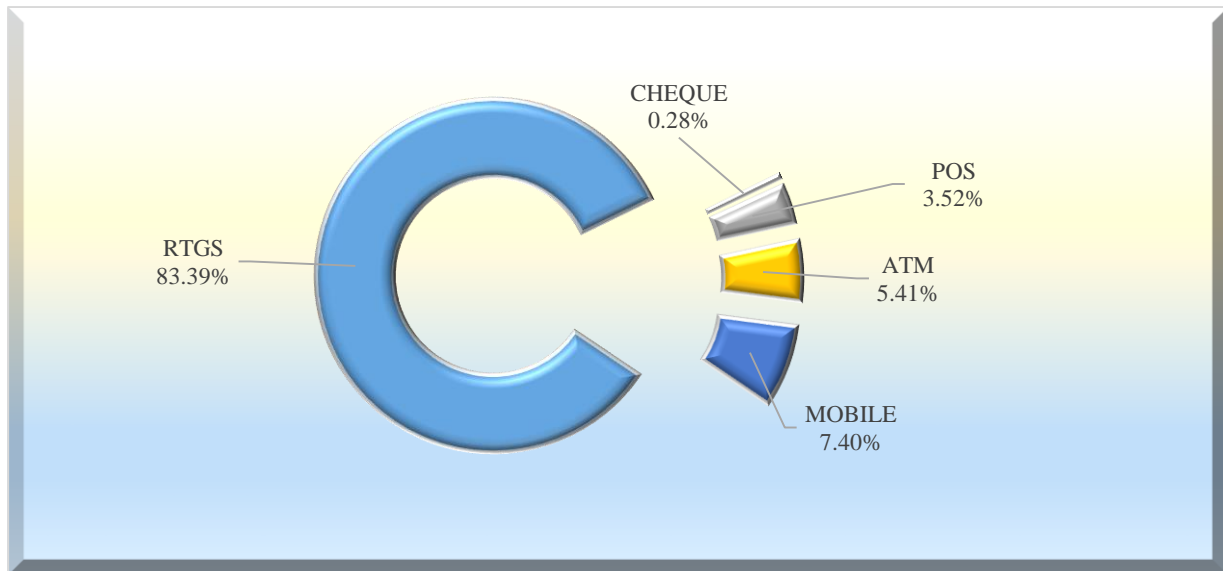
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 25th September 2015, the total value of transactions processed through the National Payment Systems (NPS) was US\$1 058.79 million, a 15.33% increase from the previous week. Real Time Gross Settlement (RTGS) system transactions stood at S\$882.92 million, from US\$735.51 million registered in the previous week.

RTGS payments constituted 83.4% of the total value of transactions processed through the NPS, followed by mobile transactions, 7.4%; ATMs, 5.4%; POS, 3.5%; and cheque, 0.3%.

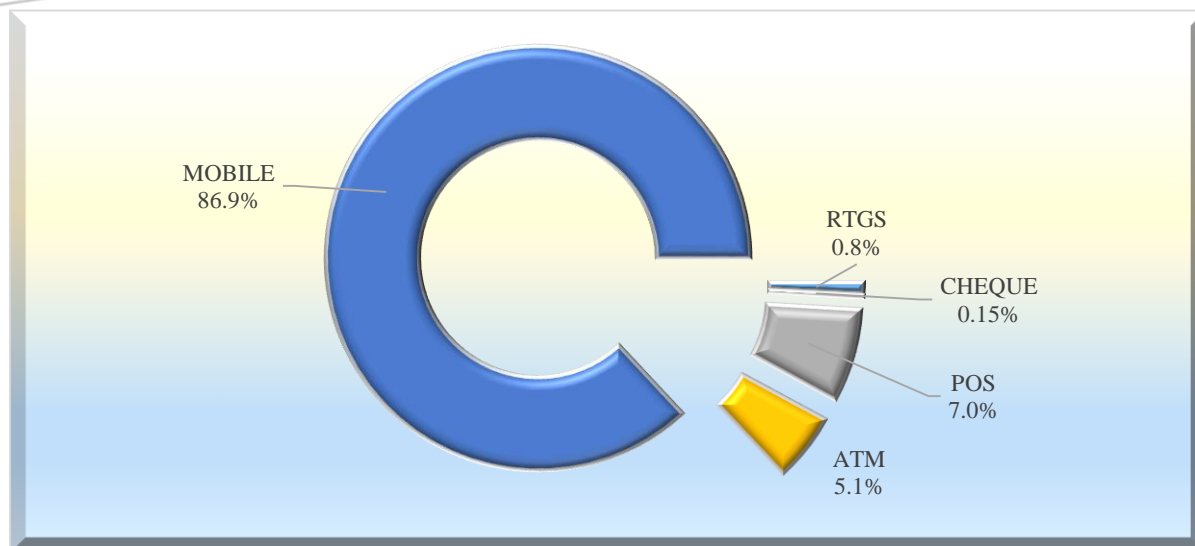
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, NPS transactions were distributed as follows; Mobile, 86.9%; POS, 7.0%; ATMs, 5.1%; RTGS, 0.8% 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 18 Sept 2015	WEEK ENDING 25 Sept 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	735.51	882.92	20%	83.39%
CHEQUE	2.80	2.98	7%	0.28%
POS	39.00	37.23	-5%	3.52%
ATMS	59.89	57.28	-4%	5.41%
MOBILE	80.86	78.38	-3%	7.40%
TOTAL	918.05	1,058.79		100%
VOLUMES				
RTGS	33,577	36,195	8%	0.77%
CHEQUE	7,401	7,183	-3%	0.15%
POS	333,714	331,030	-1%	7.03%
ATMs	251,650	241,355	-4%	5.12%
MOBILE	4,224,385	4,094,346	-3%	86.93%
TOTAL	4,850,727	4,710,109		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices for platinum, copper and nickel retreated, whilst those for gold and crude oil firmed during the week ending 25th September 2015.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2015	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (18 Sept)	1,107.43	963.40	5,333.20	10,028.00	48.37
21-Sep	1,135.05	976.00	5,130.00	9,680.00	48.08
22-Sep	1,126.10	955.00	5,130.00	9,680.00	49.31
23-Sep	1,127.98	939.50	5,130.00	9,715.00	47.81
24-Sep	1,144.48	935.00	5,095.00	9,815.00	49.00
25-Sep	1,146.08	944.50	5,356.00	10,150.00	49.26
Weekly Average (25 Sept)	1,135.94	950.00	5,168.20	9,808.00	48.69
Weekly Change (%)	2.6	(1.4)	(3.1)	(2.2)	0.7

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices registered at a weekly average of US\$1 135.94/oz, during the week under analysis, representing a 2.6% increase from US\$1 107.43/oz recorded in the previous week. This was on the back of increased demand by central banks of Russia, Belarus and Kazakhstan as they shored up their gold reserve buffers. In addition, the recent decision by the Federal Reserve Bank of America not to hike interest rates as previously expected helped restore the precious metal's international appeal as a safe haven asset and hence contributed to the strengthening of gold prices.

Platinum

Platinum prices retreated by 1.4% from US\$963.40/oz in the previous week, to close the week under review at US\$950.00/oz. This followed an economic slowdown in China.



Copper

Copper prices maintained a downward trend, declining by 3.1% from a weekly average of US\$5 333.20/ton in the previous week to US\$5 168.20/ton during the week under review. The slackening of demand for the metal by China continued to depress copper prices.

Nickel

Nickel prices declined from US\$10 028.00/ton in the previous week, to US\$9 808.00/ton during the week ending 25th September 2015. This followed an economic slowdown in China, the biggest user of the base metal, coupled with excess supply of the metal on the global market.

Crude Oil

Crude oil prices increased by 0.7% from US\$48.37/barrel in the previous week, to US\$48.69/barrel during the week under review. Prices firmed over concerns that oil production in Iraq would be negatively affected by the onset of the winter season. Iraq, the second-largest crude oil producer in the Organization of the Petroleum Exporting Countries (OPEC), normally scales down oil output by between 300 000 and 500 000 barrels of crude oil a day, on account of adverse weather conditions typical of the winter season.

4. EQUITY MARKETS

Bearish sentiment persisted on the Zimbabwe Stock Exchange during the week ending 25th September 2015. Resultantly, the industrial and mining indices registered declines of 11.1% and 3.1%, from to 132.43 points and 25.15 points, respectively.

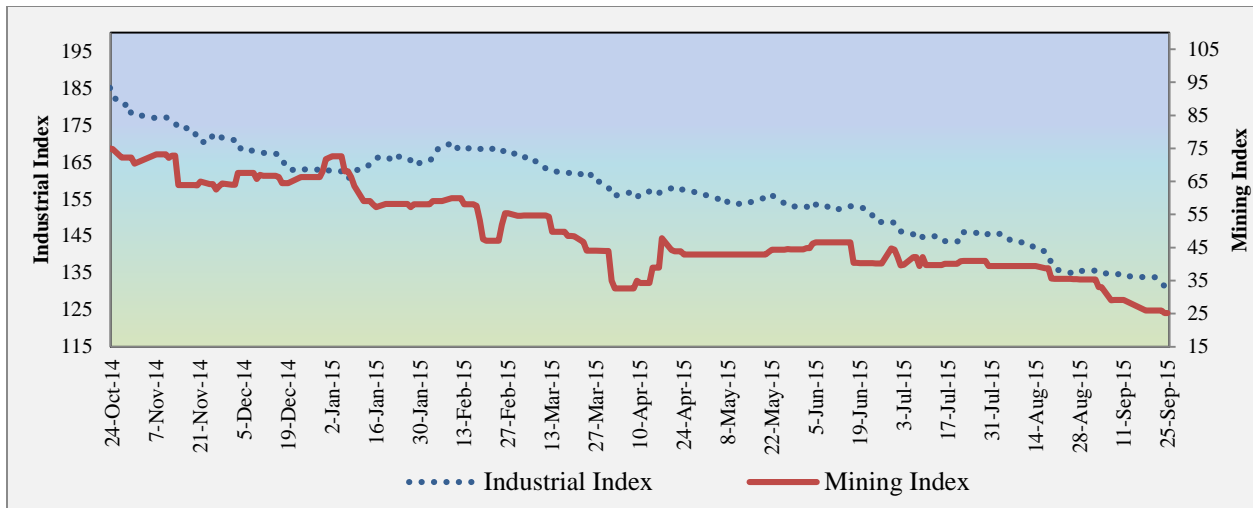
The decline in the benchmark index was driven, largely by losses realized in Proplastics (7.7%), Padenga Holdings (5.6%), Econet (2.9%), OK Zimbabwe (2.5%), Delta Corporation (1.8%), National Foods (1.7%), FBC (1.4%) and Barclays (0.2%). The decline in the mining index was attributable to a 6.3% loss in the Bindura stock.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
04-Sep-15	134.85	32.97	3,533,366,289	5,269,656	19,050,964
11-Sep-15	134.11	29.10	3,508,185,248	3,702,451	24,982,029
18-Sep-15	133.83	25.94	3,496,042,127	5,230,473	29,987,310
25-Sep-15	132.43	25.15	3,458,710,131	3,121,322	17,744,200
Weekly Change (%)	(1.05)	(3.05)	(1.06)	(40.32)	(40.82)

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

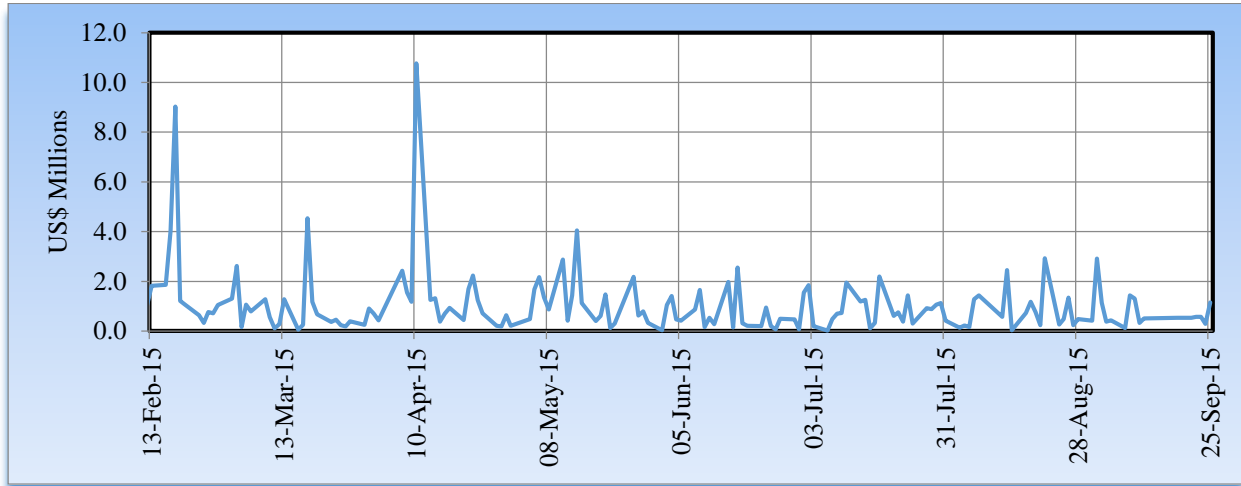


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

The volume of shares traded on the local bourse declined by 40.8% to close the week under analysis at 17 744 200 shares, from 29 987 310 shares in the previous week. Likewise, market turnover declined by 40.3%, from US\$5.2 million in the previous week to US\$3.1 million during the period under review. Activity on the market is anticipated to remain low during the period that the financial results of listed firms are being reported.

Figure 4: Daily Market Turnover

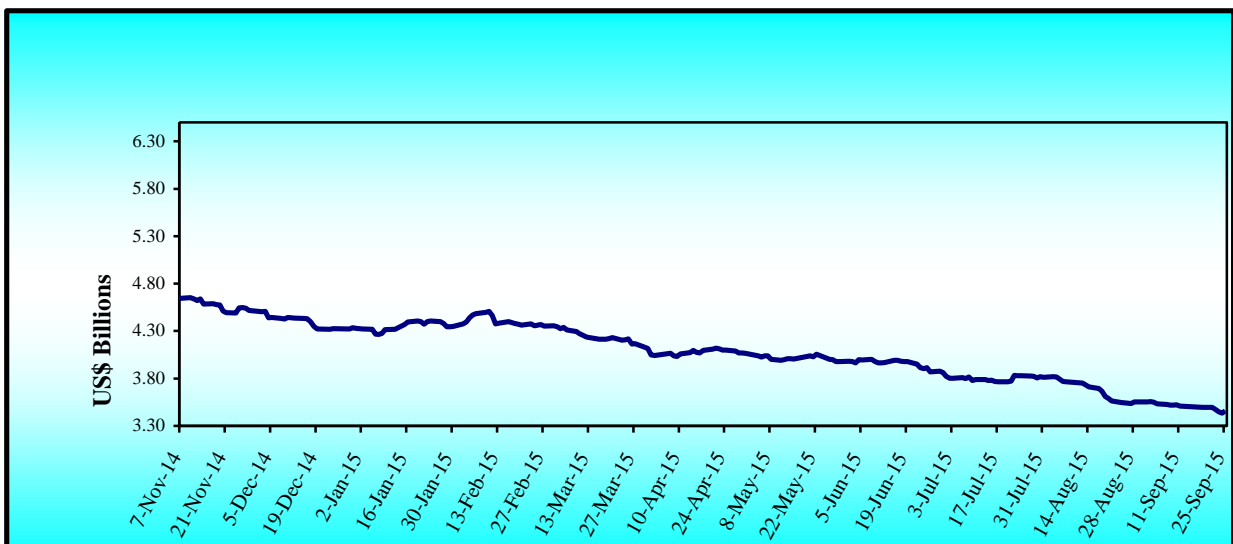


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

Market capitalization declined by 1.1%, to close the week under review at US\$3.46 billion, largely reflecting subdued activity on the local bourse.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

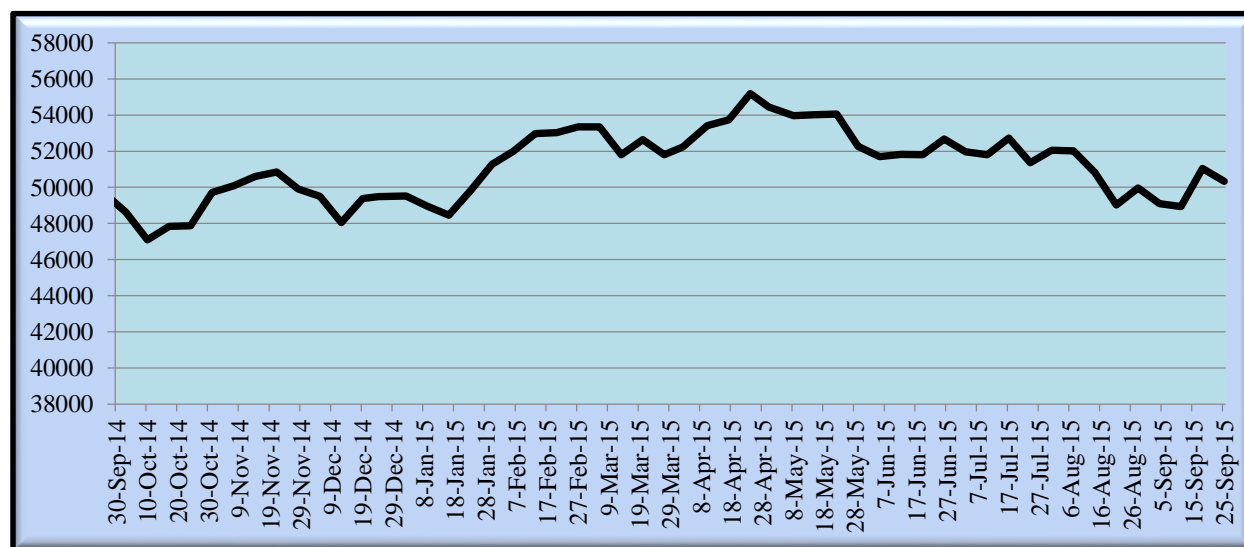
The JSE All Share Index declined by 1.4%, from 51 044.58 points in the previous week, to close at 50 331.12 points during the week ending 25th September 2015. Market capitalization stood at R11.50 trillion, down from R11.64 trillion recorded in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
21-Aug	49,028.36	11.26
28-Aug	49,966.80	11.40
04-Sep	49,102.50	11.20
11-Sep	48,930.64	11.21
18-Sep	51,044.58	11.64
25-Sep	50,331.12	11.50

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

01 OCTOBER 2015