



Weekly Economic Highlights

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Week Ending
26th February 2016

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged, to close the week ending 26th February 2016 at 2.93%; 6.57% and 7.00%, respectively.

Table 1: Average Deposit Rates

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

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individual and corporate clients declined from 11.49% and 7.32%, to 11.48% and 7.29%, respectively, during the week under review.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
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
26-Feb-16	11.48	7.29

Source: Banking Institutions, 2015

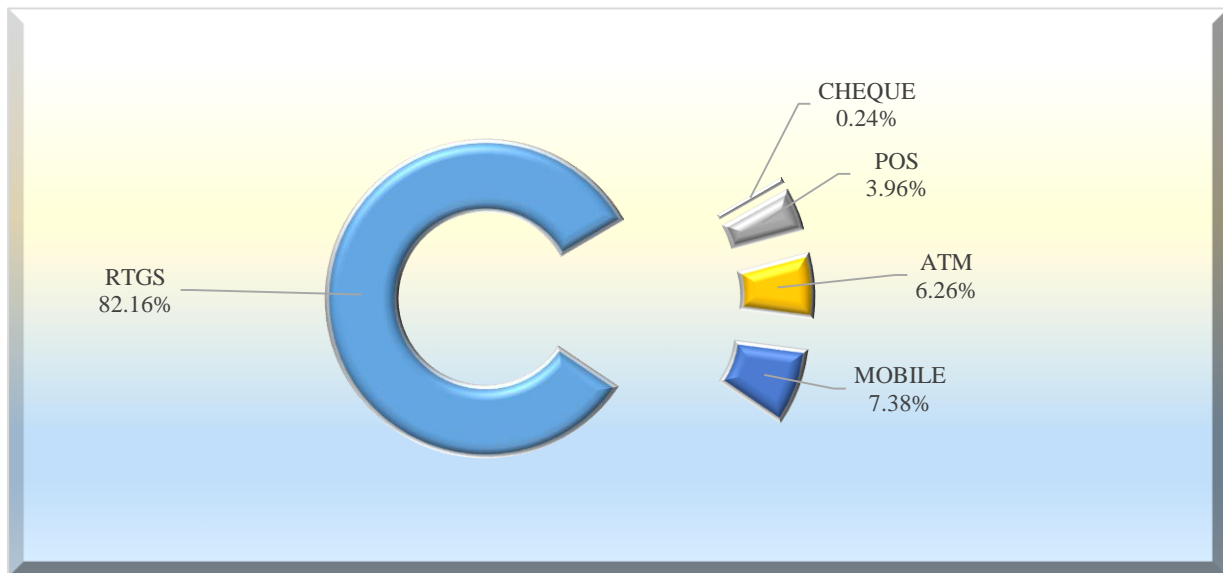
2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 26th February 2016, the total value of transactions processed through the National Payment Systems (NPS) was US\$1 174.33 million, a 22.27% increase from the previous

week. Real Time Gross Settlement (RTGS) system transactions stood at US\$882.92 million, up from US\$735.51 million registered in the previous week.

RTGS payments constituted 82.16% of the total value of transactions processed through the NPS, followed by mobile transactions, 7.38%; Automated Teller Machines (ATMs), 6.26%; Point of Sale (POS), 3.96%; and cheque, 0.24%.

Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, NPS transactions were distributed as follows; Mobile, 87.51%; POS, 6.71%; ATMs, 4.92%; RTGS, 0.72% and cheque 0.14%, as shown in Figure 2 below.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 19 Feb 2016	WEEK ENDING 26 Feb 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	788.63	964.77	22%	82.15%
CHEQUE	2.54	2.84	12%	0.24%
POS	32.24	46.50	44%	3.96%
ATMS	52.34	73.51	40%	6.26%
MOBILE	84.69	86.71	2%	7.38%
TOTAL	960.44	1,174.33	22.30%	100%
VOLUMES				
RTGS	32,112	37,219	16%	0.72%
CHEQUE	6,952	7,096	2%	0.14%
POS	338,112	345,388	2%	6.71%
ATMs	209,595	253,520	21%	4.92%
MOBILE	4,560,839	4,507,009	-1%	87.51%
TOTAL	5,147,610	5,150,232	0.1%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 26th February 2016, the international commodity prices of gold, copper, nickel, and Brent crude oil firmed. Platinum prices, however, retreated during the week under review 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 (15-19 Feb)	1,210.67	937.40	4,578.70	8,179.00	33.60
22-Feb	1,207.33	924.50	4,690.00	8,690.00	37.87
23-Feb	1,241.50	943.00	4,585.00	8,700.00	33.02
24-Feb	1,235.70	935.00	4,647.00	8,495.00	33.80
25-Feb	1,235.70	935.00	4,647.00	8,495.00	33.80
26-Feb	1,228.75	925.00	4,680.50	8,405.00	36.12
Weekly Average (22-26 Feb)	1,229.80	932.50	4,649.90	8,557.00	34.92
Weekly Change (%)	1.6	(0.5)	1.6	4.6	3.9

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on an upward trend, gaining by 1.6% from a weekly average of US\$1 210.67/oz during the previous week, to US\$1 229.80/oz, during the week under analysis. The price of the precious metal was supported by heightened expectations that the U.S. Federal Reserve would not raise interest rates in 2016.

Platinum

Platinum prices retreated by 0.5%, from a weekly average of US\$937.40/oz recorded in the previous week, to an average of US \$932.50/oz during the week under review. The price was impacted negatively by investor sentiment, pointing towards an uncertain global market outlook for the metal.

Copper

Copper prices gained by 1.6%, to close the week under review at an average of US\$4 649.90/ton, as concerns about economic growth prospects in China and the USA eased.

Nickel

Nickel price increased by 4.6% from a weekly average of US\$8 179.00/ton to close the week at an average of US\$8 557.00/ton. The prices were also supported by the easing of concerns about economic growth prospects in China and the U.S.A

Brent crude oil

Crude oil prices closed the week under analysis at an average of US\$34.92/barrel, representing a 3.9% increase from a weekly average of US\$33.60/barrel in the previous week. This followed a recent preliminary agreement between Saudi Arabia, Russia, Venezuela and Qatar, to maintain oil production at the January 2016 levels.

4. EQUITY MARKETS

During the week ending 26th February 2016, the local bourse recorded marginal gains. The mainstream index increased by 0.49 percentage points, from 98.92 points in the previous week to 99.40 points during the week under review. Similarly, the mining index also gained by 2.13 percentage points to close the week at 19.14 points, with Bindura Nickel Corporation Limited the only active counter during the period under review.

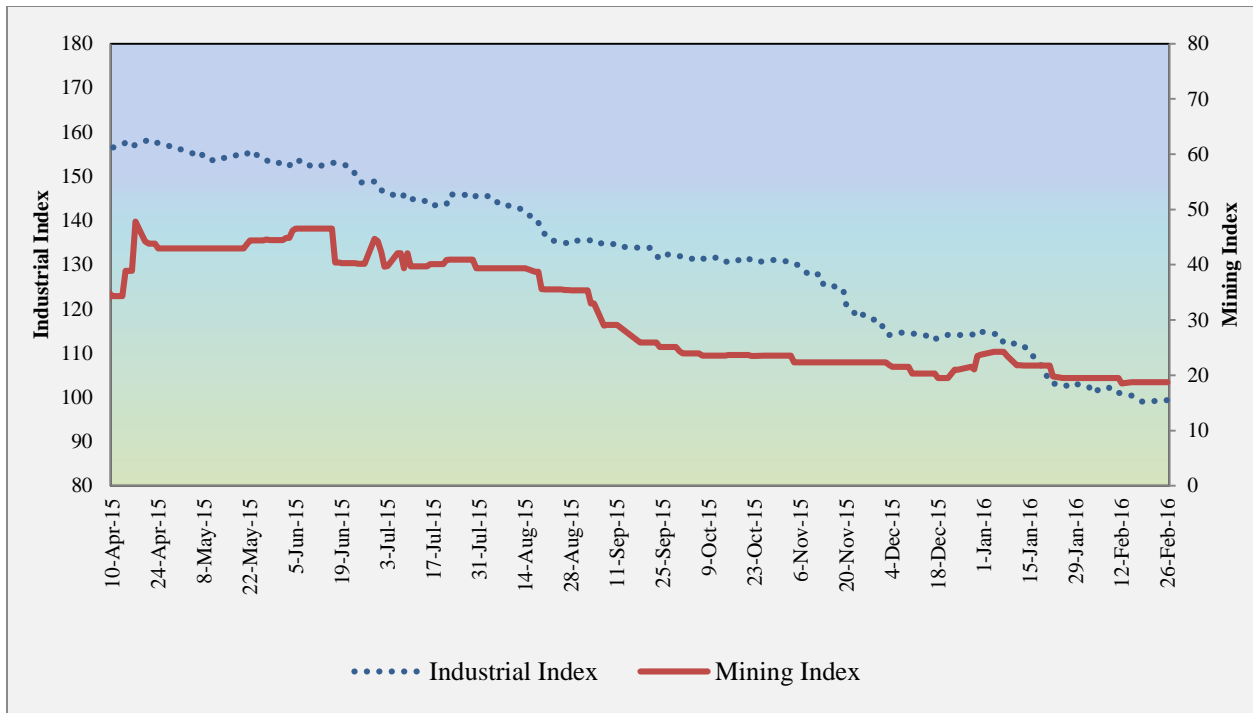
The mainstream index was largely driven by gains recorded in Delta (54.00%), Econet (22.56%) and General Beltings (0.02%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
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
26-Feb-16	99.40	19.14	2,692,304,381	1,089,351	15,115,000
Weekly Change (%)	0.49	2.13	0.48	(75.01)	(61.02)

Source: Zimbabwe Stock Exchange (ZSE), 2016

Figure 3 : Zimbabwe Stock Exchange Indices

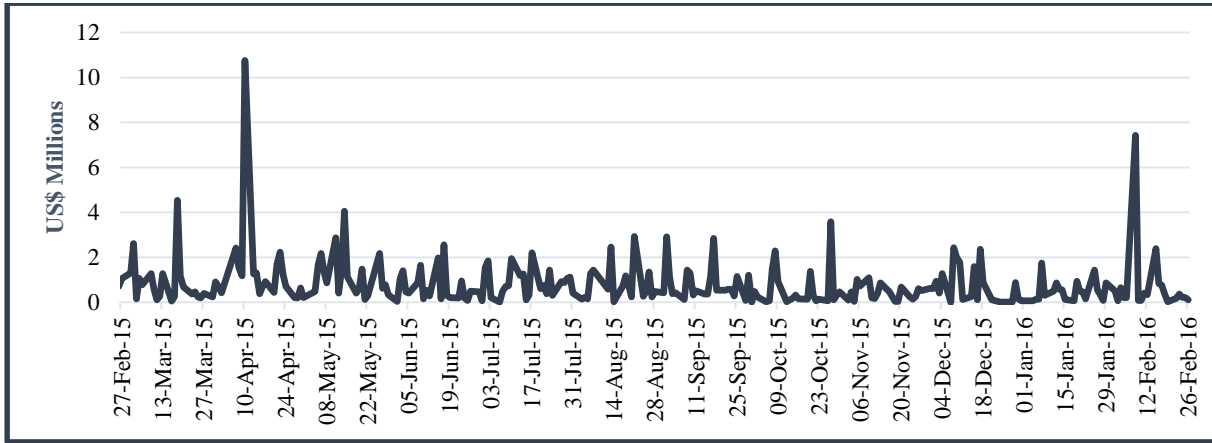


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

Despite the increase in both manufacturing and mining indices, trading volumes declined by 61.02%, to close the week under review at 15.11 million shares. The ZSE turnover stood at US\$1.09 million, down from US\$4.36 million recorded in the previous week.

Figure 4: Daily Market Turnover

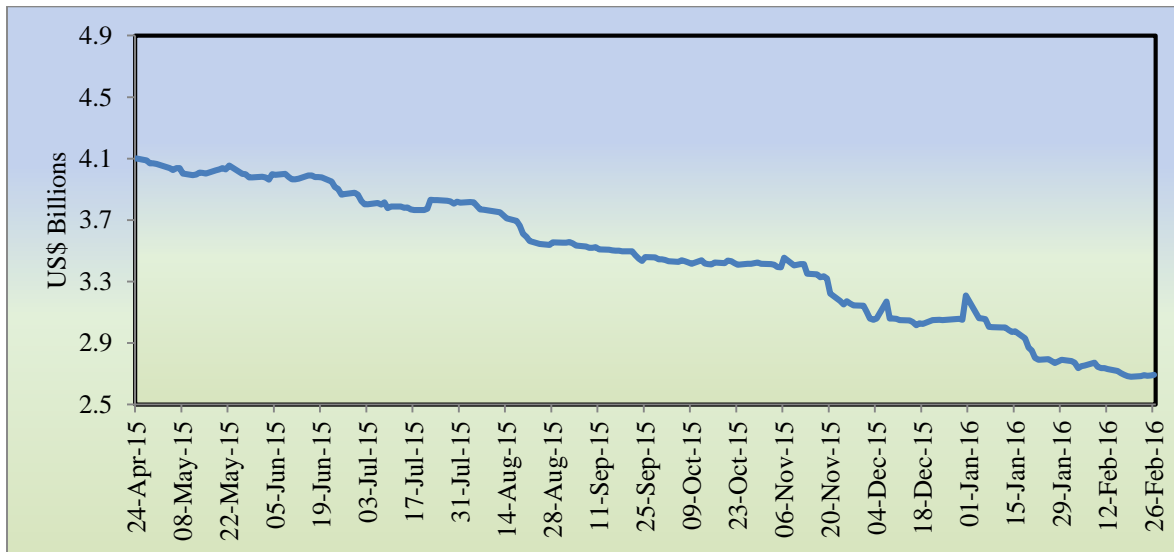


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

The ZSE market capitalisation registered a 0.48% increase, to close the week under review at US\$2.69 billion. This was on the back of gains recorded in some heavily capitalised counters.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

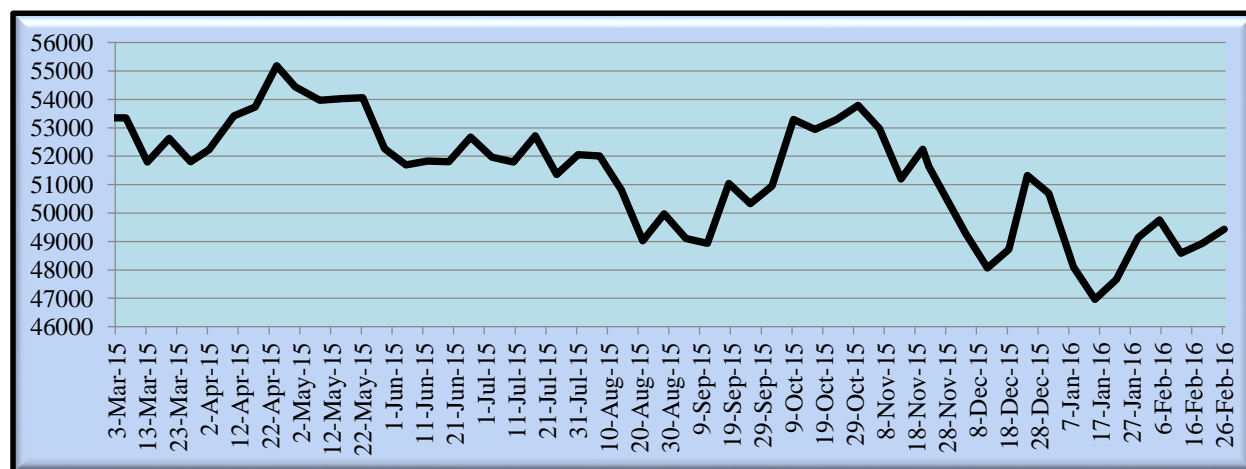
The JSE All Share Index gained 1.4%, from 48 940.43 points in the previous week, to close the week ending 26th June 2016 at 49 429.40 points. Market capitalization stood at R14.55 trillion, down from R19.54 trillion recorded in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (R trillion)
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
26-Feb-16	49,429.40	14.55

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

4TH MARCH 2016