



Weekly Economic Highlights

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Week Ending
27th March 2015

1. INTEREST RATES

Deposit Rates

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 during the week ending 27th March 2015. This was, in large part, a result of low activity on the money market.

Table 1: Average Deposit Rates

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

Source: Banking Institutions, 2015

Lending Rates

During the week under review, weighted commercial bank lending rates for individuals stood at 13.24%, down from 13.33% in the previous week. Weighted lending rates for corporate clients, however, firmed to 8.75% during the same week.

Table 2: Lending Rates

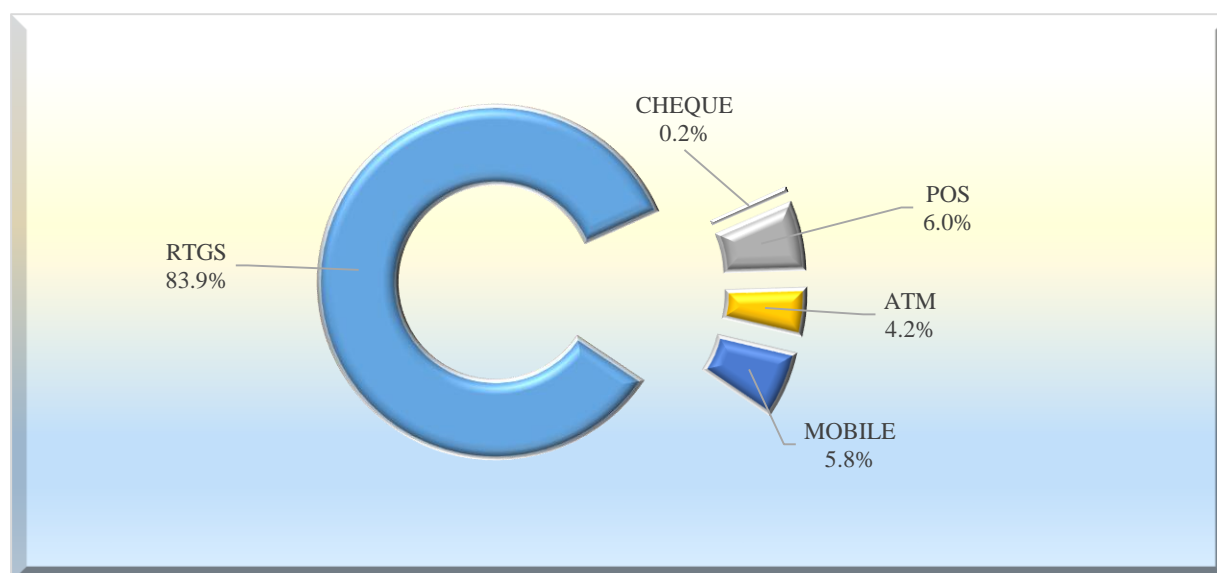
2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
27-Feb	14.00	9.73
06-Mar	13.89	9.72
13-Mar	13.01	8.84
20-Mar	13.33	8.71
27-Mar	13.24	8.75

Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 27th March 2015, the total value of transactions processed through the National Payment Systems (NPS) amounted to US\$1 320.12 million, up from US\$920.31 million processed during the previous week. This was on account of a US\$330.53 million increase in the value of transactions processed through the RTGS system, to US\$1 107.35 million during the week under analysis. Real Time Gross Settlement (RTGS) system payments continued to dominate the NPS, accounting for 83.9% of the total value of transactions.

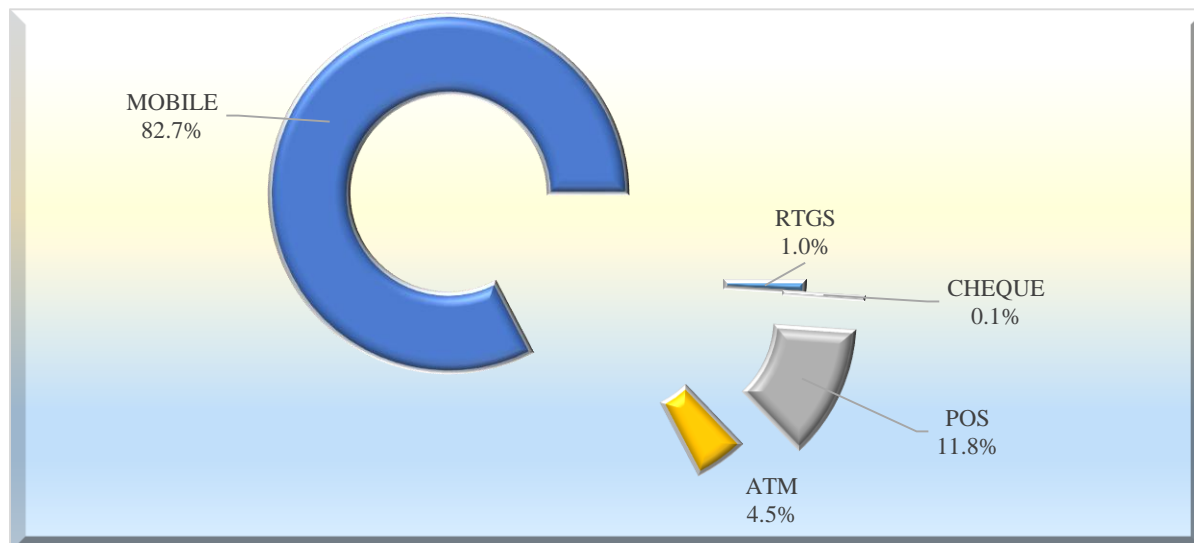
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, mobile-based transactions accounted for 82.7% of total transactions, followed by Point of Sale (POS), 11.8%; Automated Teller Machines (ATMs), 4.5%; Real Time Gross Settlement (RTGS), 1.0%; and Cheque, 0.1%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 20 MARCH 2015	WEEK ENDING 27 MARCH 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	776.82	1,107.35	43%	83.88%
MOBILE	68.34	76.16	11%	5.77%
ATMS	47.40	54.95	16%	4.16%
POS	25.43	78.76	210%	5.97%
CHEQUE	2.32	2.91	11%	0.22%
TOTAL	920.31	1,320.12		100%
VOLUMES				
RTGS	41,132	45,897	12%	0.95%
CHEQUE	6,679	6,631	-1%	0.14%
POS	235,236	567,143	141%	11.76%
ATMs	211,970	215,612	2%	4.47%
MOBILE	3,774,592	3,985,675	6%	82.67%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 27th March 2015 (day 18 of the 2015 tobacco selling season), a cumulative total of 14 365 549 kilograms of tobacco had been sold, reflecting a 19.5% decrease, compared to 17 837 468 kilograms sold during the same period in 2014.

Cumulative tobacco sales totalled US\$34.9 million-34.8% lower than the US\$53.55 million realized during the corresponding period in 2014. The golden leaf was sold at a lower average price of US\$2.43 per kg, compared to US\$3.00 per kg during the same period in 2014.

Table 4: Cumulative Tobacco Sales: Day 18 (27/03/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	17 837 468	14 365 549	-19,5%
Cumulative Average Price(US\$/kg)	3.00	2.43	-19.0%
Cumulative Value (US\$ million)	53 545 329	34 900 485	-34.8%

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 27th March 2015, international commodity prices for gold, platinum, copper and crude oil firmed, while nickel prices retreated.

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(20 Mar)	1,159.44	1,109.90	5,830.60	13,704.00	53.76
23-Mar	1,183.83	1,138.50	6,093.00	13,950.00	55.96
24-Mar	1,192.38	1,137.50	6,130.00	14,025.00	55.53
25-Mar	1,193.58	1,143.00	6,135.00	13,660.00	56.12
26-Mar	1,206.28	1,155.50	6,230.00	13,605.00	58.15
27-Mar	1,196.88	1,139.50	6,144.00	13,255.00	57.87
Weekly Average(27 Mar)	1,194.59	1,142.80	6,146.40	13,699.00	56.73
Weekly Change (%)	3.02	2.96	5.42	-0.04	5.52

Source: BBC, KITCO, Reuters and Bloomberg

Gold

During the week ending 27th March 2015, gold prices firmed by 3.02%, to close the week at US\$1,194.59/oz. The gain in gold prices was backed by expectations that the Fed Res may maintain interest rates low for a longer period than anticipated. Gold prices were also boosted by mounting geopolitical tensions in the Middle East after Saudi Arabia and its allies launched air strikes in Yemen. This raised the demand for the yellow metal as a safe haven for investment.



Platinum

In line with the rise in gold prices, platinum prices firmed from US\$1,109.90/oz in the previous week, to US\$1,142.80/oz during the week under analysis. This was also largely attributable to rising geopolitical tensions in the Middle East that drove investors into assets viewed as lower-risk, notably precious metals and bonds.

Copper

Copper prices increased by 5.42%, to US\$6,146.40/tonne during the week under review. The increase was on account of supply interruptions in Chile, the world's top copper producer. Mines in Chile flooded resulting in the suspension of operations, a development that negatively undermined copper production.

Nickel

Nickel prices declined by 0.04%, from a weekly average of US\$13,704.00/tonne recorded in the previous week, to US\$13,699.00/tonne during the week under review. The retreat in nickel prices was attributable to persistent slackening of demand for the metal in China. The Asian giant is showing signs of economic slowdown.

Crude Oil

During the week ending 27th March 2015, crude oil prices increased from US\$53.76/barrel in the previous week, to US\$56.73/barrel during the week under analysis. The surge in oil prices was, in large part, attributable to oil supply disruptions due to the recent intensification of political tensions in the oil rich Middle East. Saudi Arabia and its allies have intensified air strikes in Yemen to fight against terrorism.

5. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) remained, bearish during the week under analysis. Industrial and mining indices declined by 2.26 points and 4.41 points, to close the week under review at 160.10 points and 44.01 points, respectively. The industrial index was weighed down by losses in CFI (40%), ZPI (10%), Nicoz Diamond (7.14%), TSL (4.17%), Econet (1.92%) and Delta (0.91%).

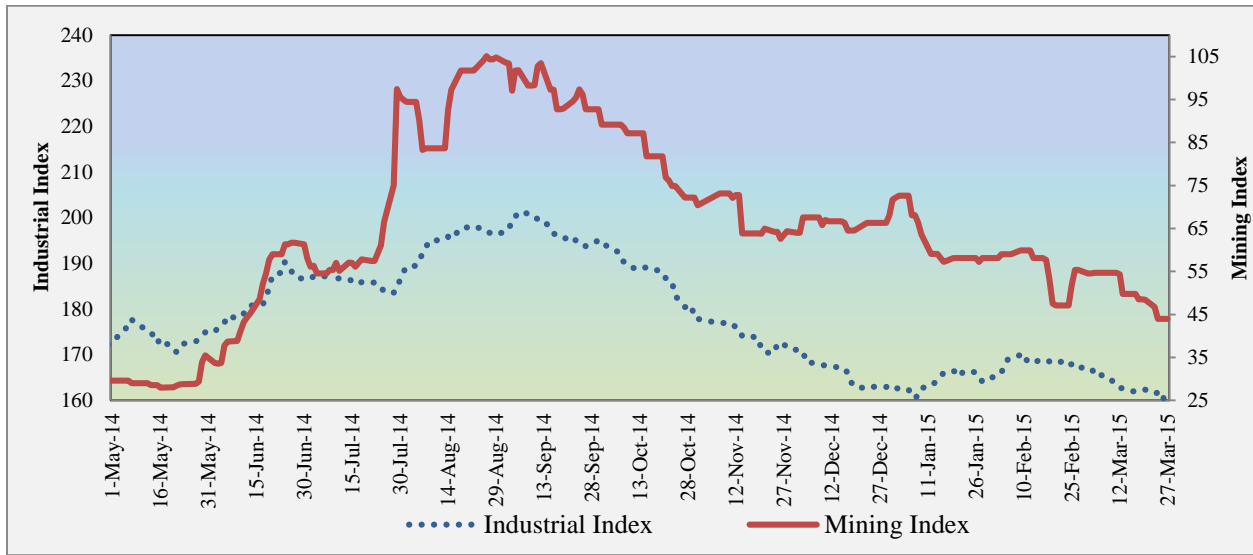
The fall in the mining index followed the 10.91% decline in Bindura, due to waning investor demand. Riozim traded unchanged and is expected to gain in the interim, after it recently announced that it is confident with the fulfillment of conditions precedent on the pending US\$15 million rights issue.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
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
27-Mar-15	160.10	44.01	4,165,182,467	1,636,641	6,940,987

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

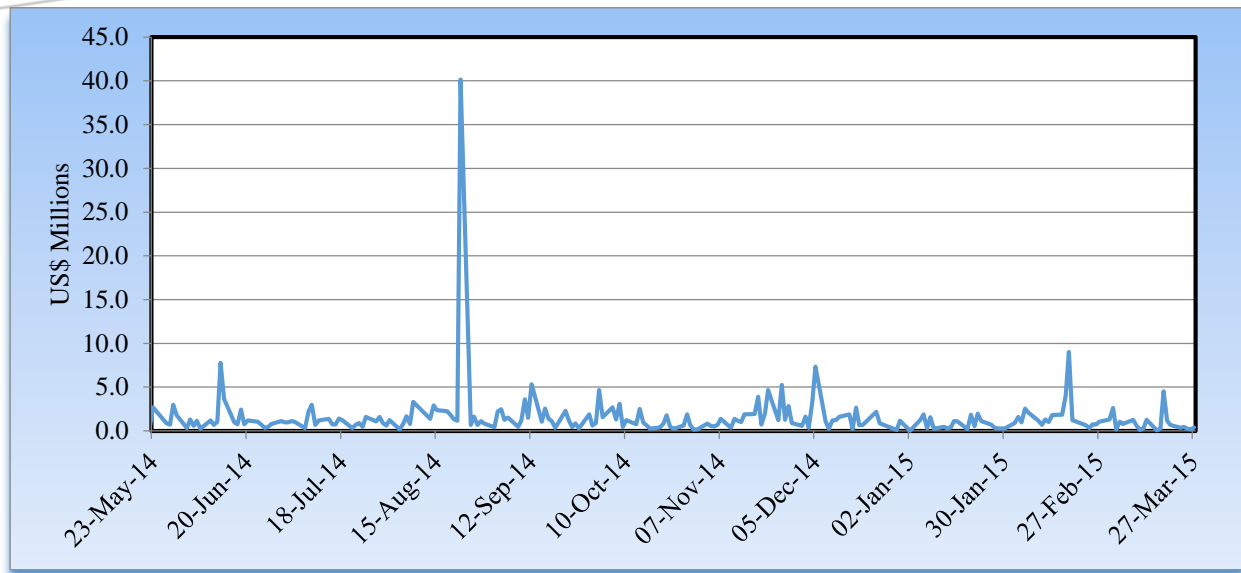


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Owing to thin trading, market turnover declined by 76.12%, to close the week at US\$1.6 million, down from US\$6.7 million realized in the previous week. In terms of volume, 6 940 987 shares were traded, down from 302 625 018 shares in the previous week.

Figure 4: Daily Market Turnover

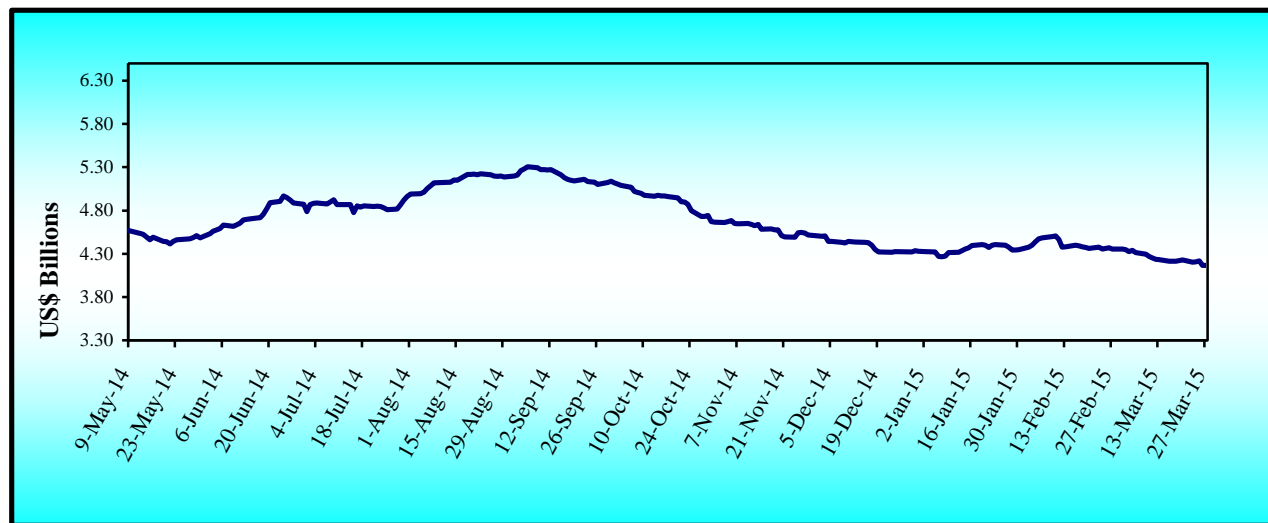


Source: Zimbabwe Stock Exchange, 2015

Market Capitalization

During the week under review, market capitalization declined by 1.51%, from US\$4.229 million in the previous week to US\$4.165 million. The decline was largely due to losses in heavily capitalized counters such as National Foods, Econet and Delta.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

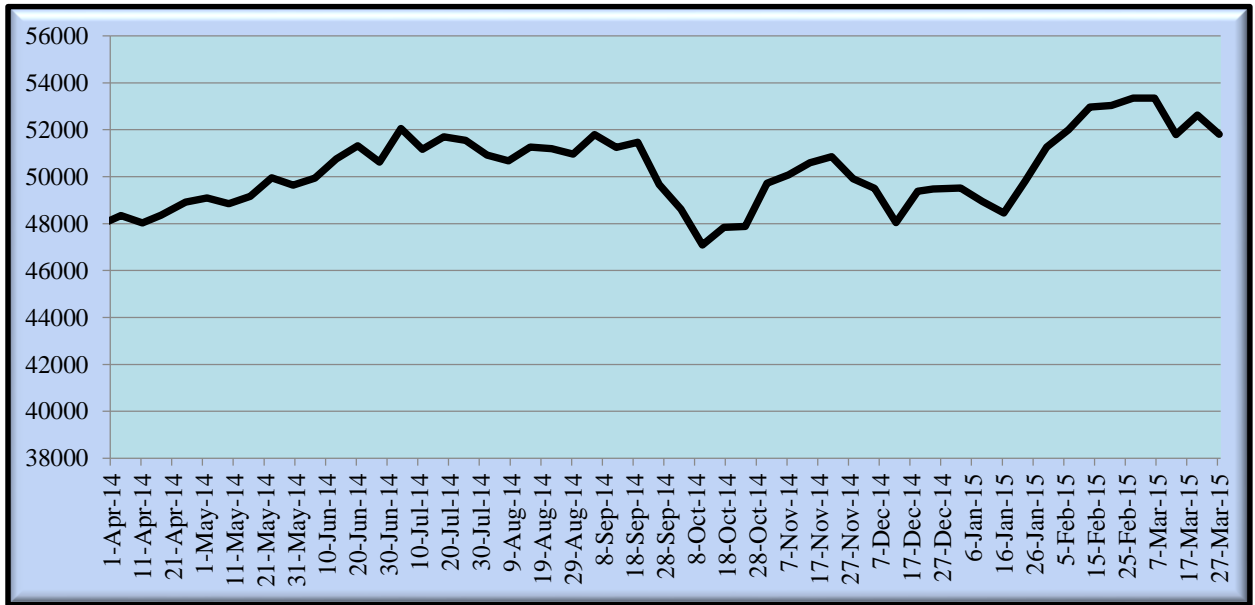
The JSE All Share index declined by 1.56%, to close the week under review at 51 810.16 points. Market capitalization also fell and closed week at R11 820.43 billion, from R12 012.83 billion during the week ending 27th March 2015.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
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
27-Mar	51,810.16	11,820.43

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

2ND APRIL 2015