



# Weekly Economic Highlights

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Week Ending  
4<sup>th</sup> September

## 1. INTEREST RATES

### Deposit Rates

Average deposit rates for savings accounts were unchanged at 3.00%, during the week ending 4<sup>th</sup> September 2015. Similarly, deposit rates for 1 month and 3 month tenors were unchanged for the third consecutive week at 8.11% and 9.11%, respectively. This partly reflected lack of activity in the money market.

**Table 1: Average Deposit Rates**

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
<b>31-July</b>	3.00	8.19	9.28
<b>07-Aug</b>	3.00	8.17	9.22
<b>14-Aug</b>	3.00	8.17	9.22
<b>21-Aug</b>	3.00	8.11	9.11
<b>28-Aug</b>	3.00	8.11	9.11
<b>04-Sept</b>	3.00	8.11	9.11

Source: Banking Institutions, 2015

### Lending Rates

Weighted lending rates for individuals and corporate clients at commercial banks registered declines from 11.96% and 8.51%; to 11.86% and 8.47%, respectively.

**Table 2: Lending Rates**

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
<b>31-July</b>	11.86	8.56
<b>07-Aug</b>	11.82	8.55
<b>14-Aug</b>	11.82	8.54
<b>21-Aug</b>	11.52	8.49
<b>28-Aug</b>	11.96	8.51
<b>04-Sept</b>	11.86	8.47

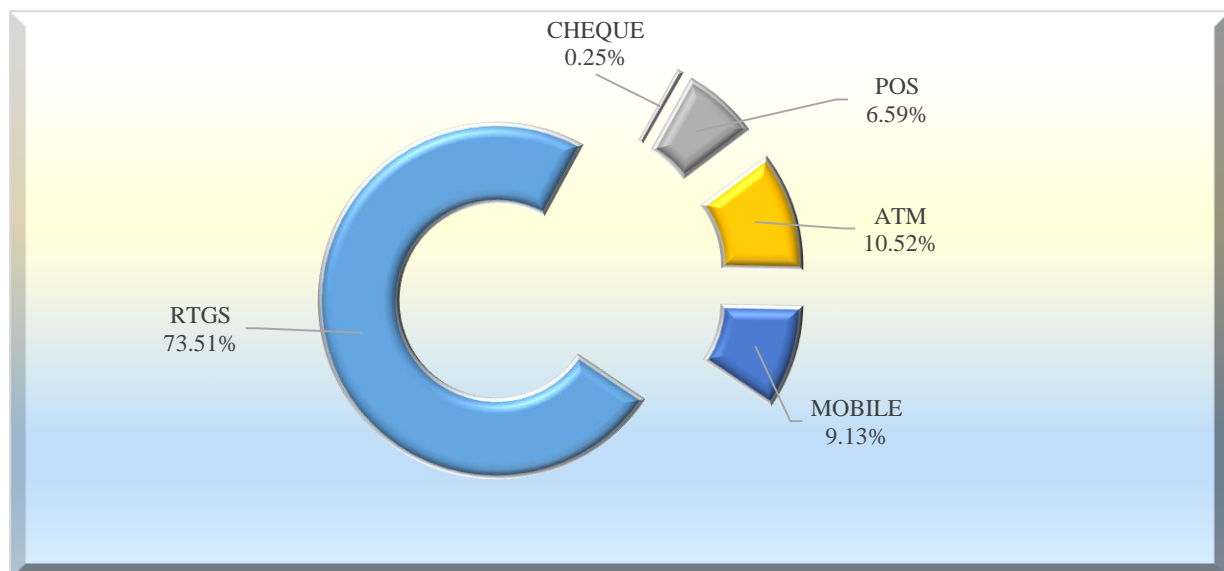
Source: Banking Institutions, 2015

## 2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) stood at US\$1 171.80 million, up from US\$1 073.28 million recorded in the previous week. Real Time Gross Settlement (RTGS) transactions declined from US\$882.98 million in the previous week, to US\$861.29 million during the week under review.

Proportionally, RTGS transactions accounted for 73.50% of the total value of transactions, followed by ATMs, 10.52%; Mobile, 9.13%; POS, 6.59% and cheque, 0.25%.

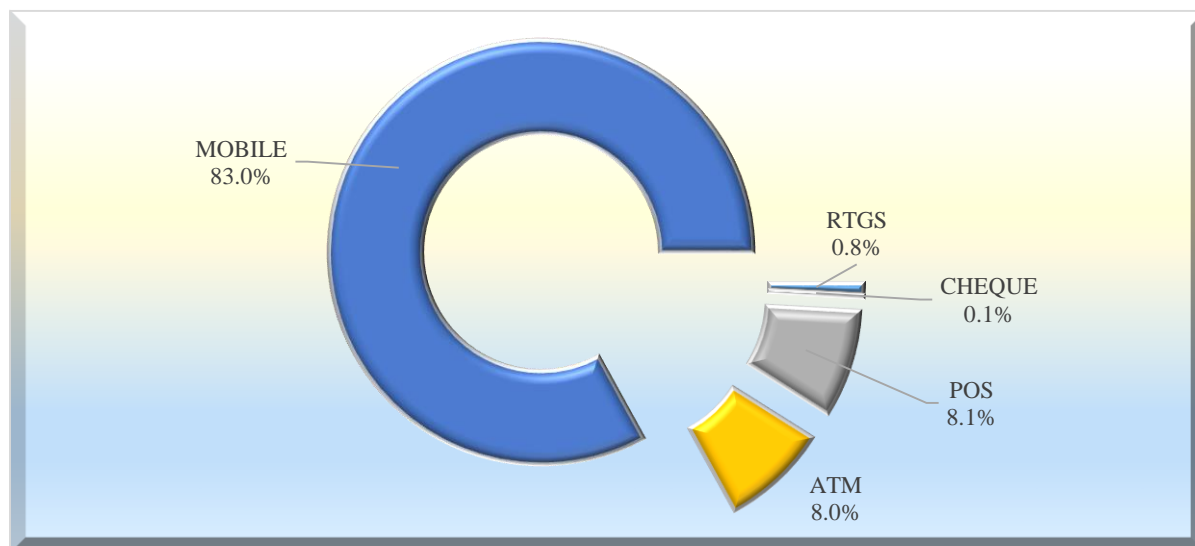
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

In volume terms, the proportions of NPS transactions were as follows; Mobile, 83.00%; POS, 8.09%; ATMs, 8.04%; RTGS, 0.75% and cheque 0.11%.

**Figure 2: Proportions of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 28 Aug 2015	WEEK ENDING 04 Sept 2015	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	882.98	861.29	-2%	73.50%
<b>CHEQUE</b>	3.03	2.93	-3%	0.25%
<b>POS</b>	31.57	77.26	145%	6.59%
<b>ATMS</b>	65.12	123.28	89%	10.52%
<b>MOBILE</b>	90.57	107.04	18%	9.13%
<b>TOTAL</b>	<b>1,073.28</b>	<b>1,171.80</b>		<b>100%</b>
<b>RTGS</b>	41,235	41,833	1%	0.75%
<b>CHEQUE</b>	7,002	6,198	-11%	0.11%
<b>POS</b>	279,879	449,249	61%	8.09%
<b>ATMs</b>	243,829	446,343	83%	8.04%
<b>MOBILE</b>	4,414,258	4,606,279	4%	83.00%
<b>TOTAL</b>	<b>4,986,203</b>	<b>5,549,902</b>		<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 4<sup>th</sup> September 2015, the international commodity prices for gold retreated, whilst those for platinum, copper, nickel and crude oil firmed as shown in Table 4 below:

**Table 4: Metals and Crude Oil Prices**

Period	Gold	Platinum	Copper	Nickel	Crude Oil
<b>2015</b>	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (28 Aug)</b>	<b>1,137.49</b>	<b>989.4</b>	<b>5,000.30</b>	<b>9,580.50</b>	<b>44.62</b>
<b>31-Aug</b>	1,130.25	1,001.00	5,095.00	9,730.00	47.74
<b>1-Sep</b>	1,142.10	1,006.50	5,095.00	9,940.00	51.82
<b>2-Sep</b>	1,138.88	1,007.00	5,090.00	9,940.00	50.27
<b>3-Sep</b>	1,129.03	1,007.00	5,090.00	9,740.00	51.19
<b>4-Sep</b>	1,121.63	998.50	5,155.00	9,740.00	50.07
<b>Weekly Average (4 Sept)</b>	<b>1,132.38</b>	<b>1,004.00</b>	<b>5,105.00</b>	<b>9,818.00</b>	<b>50.22</b>
Weekly Change (%)	(0.4)	1.5	2.1	2.5	12.5

Source: BBC, KITCO, Reuters and Bloomberg

#### Gold

Gold prices fell by 0.4% from a weekly average of US\$1 137.49/oz in the previous week, to US\$1 132.38/oz, during the week under analysis. The decline in gold prices was due to the continued strengthening of the US dollar against major currencies, following the release of positive employment data in the USA.

#### Platinum

Platinum prices firmed by 1.5%, from a weekly average of US\$989.40/oz to US\$1 004.00/oz, during the week ending 4th September 2015.

## **Copper**

Copper prices registered a 2.1% increase from US\$5 000.30/tonne recorded in the previous week, to US\$5 105.00/tonne during the week under review. The prices rose on fears of shortages, following reports that one of the largest copper producers, Glencore Private Limited, would cut production in Zambia and the DRC.

## **Nickel**

Nickel prices rose to close the week under review at US\$9 818.00/tonne, from US\$9 580.50/tonne in the previous week. This was on account of declining inventories of the base metal.

## **Crude Oil**

Crude oil prices surged from US\$44.62/barrel in the previous week, to US\$50.22/barrel during the week under review. Political conflicts in Yemen raised concerns of supply disruptions in the Middle East, while prospects of stronger demand from the USA supported the price.

## 4. EQUITY MARKETS

During the week ending 4<sup>th</sup> September 2015, trading on the Zimbabwe Stock Exchange declined for the sixth consecutive week, amid significant selling pressure in blue-chip counters. Resultantly, the mining and industrial indices fell by 6.71% and 0.50%, to close the week under review at 32.97 and 134.85 points, respectively.

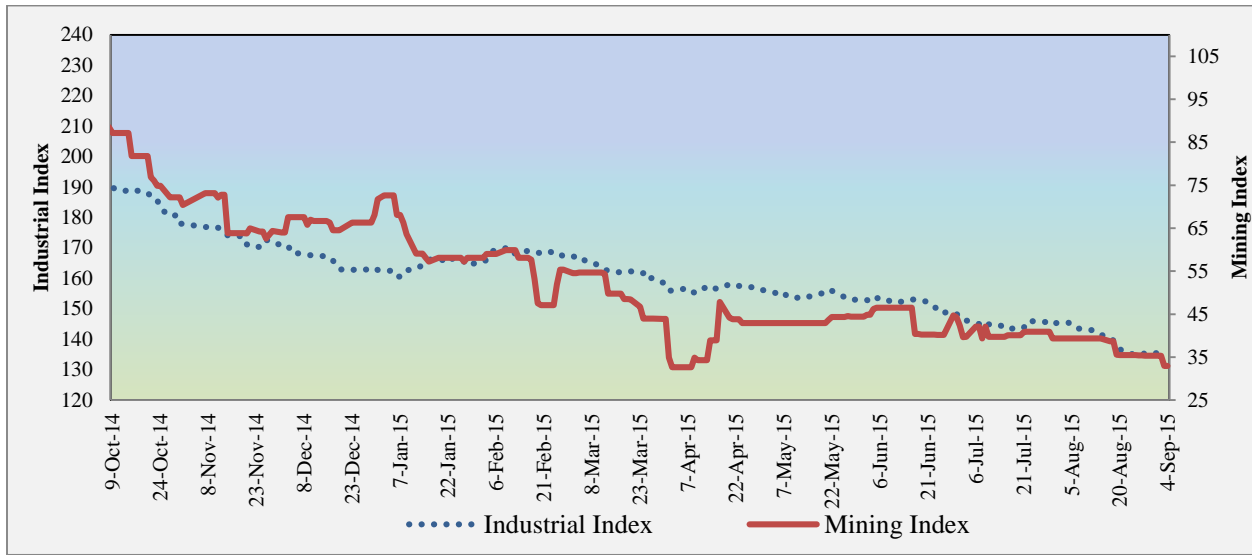
The decline in the industrial index was attributed to losses in Radar (17.33%), Zimplot (16.67%), Zimre (16.67%), Nicoz Diamonds (12.50%), Meikles (8.33%), OK Zimbabwe (6.42%) and CBZ (4.26%). The mining index declined due to the share price loss in Bindura of 10.71%.

**Table 5: Zimbabwe Stock Exchange (ZSE) Statistics**

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
31-July-15	145.35	39.36	3,812,648,666	4,395,587	26,625,959
7-Aug-15	143.58	39.36	3,766,983,066	3,227,108	14,657,065
14-Aug-15	141.38	39.36	3,710,230,886	3,058,771	16,382,255
21-Aug-15	135.82	35.52	3,562,323,411	5,834,289	18,589,275
28-Aug-15	135.53	35.34	3,554,514,836	2,806,244	24,991,562
04-Sept-15	134.85	32.97	3,533,366,289	5,269,656	19,050,964

Source: Zimbabwe Stock Exchange (ZSE), 2015

**Figure 3 : Zimbabwe Stock Exchange Indices**

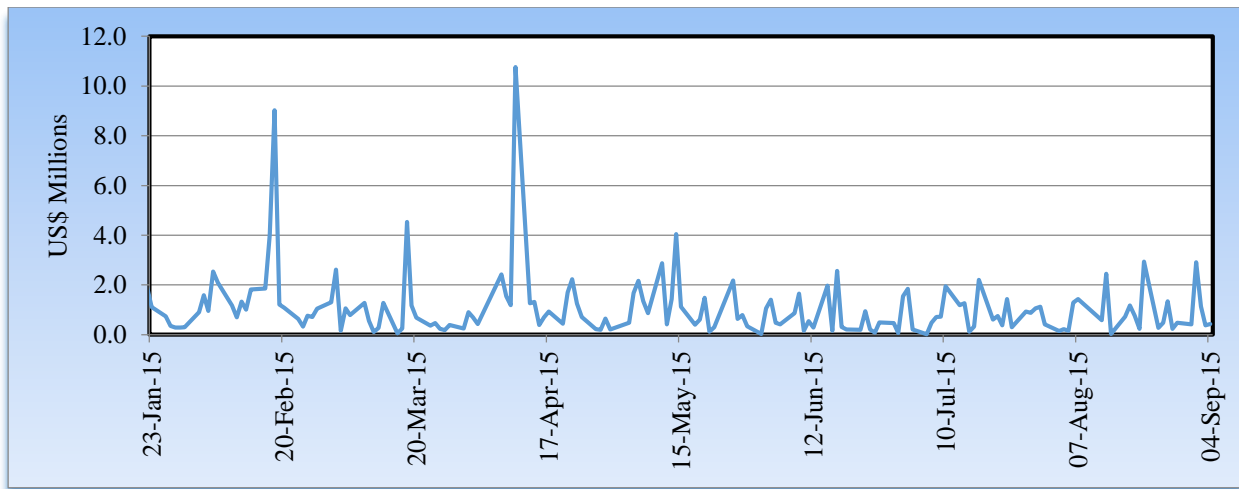


Source: Zimbabwe Stock Exchange, 2015

### Market Turnover and Volume

Despite activity remaining fairly subdued on the local bourse, decent volumes in the blue chip category saw market turnover increasing by 87.78%, from US\$2.81 million in the previous week, to US\$5.27 million. The volume of shares traded, however, slumped by 23.77% from 24 991 562 traded in the previous week, to 19 050 964 shares during the week under review.

**Figure 4: Daily Market Turnover**



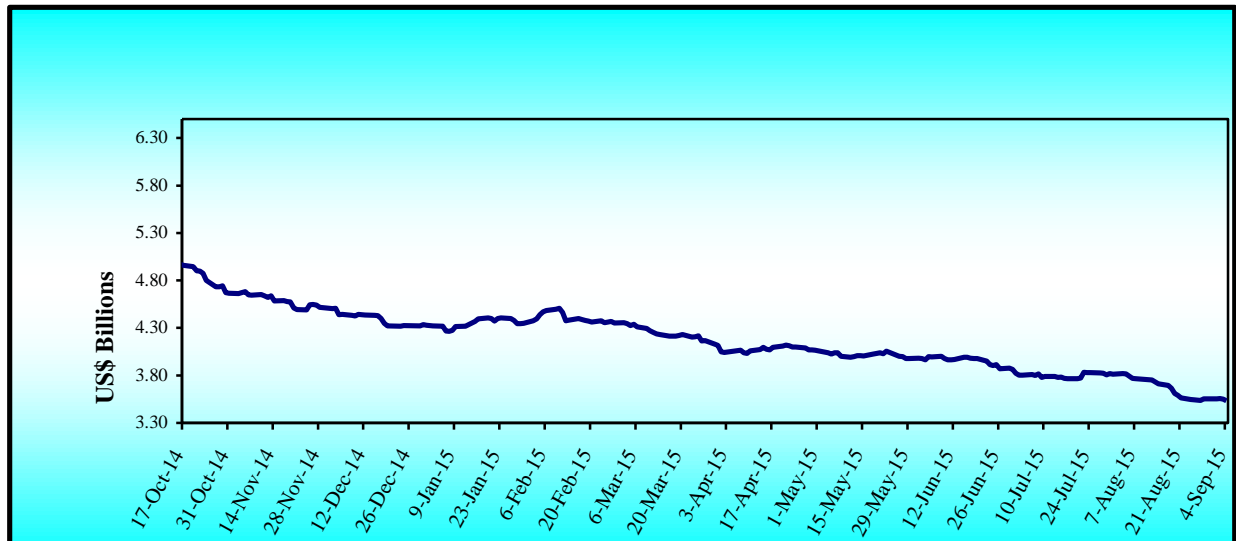
Source: Zimbabwe Stock Exchange, 2015



## Market Capitalisation

Market capitalisation declined by 0.59%, from US\$3.55 billion in the previous week, to US\$3.53 billion during the week under review. The decline was partly attributed to share price losses realized by heavyweight counters such as Econet, CBZ and OK Zimbabwe.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2015

## Johannesburg Stock Exchange (JSE) Developments

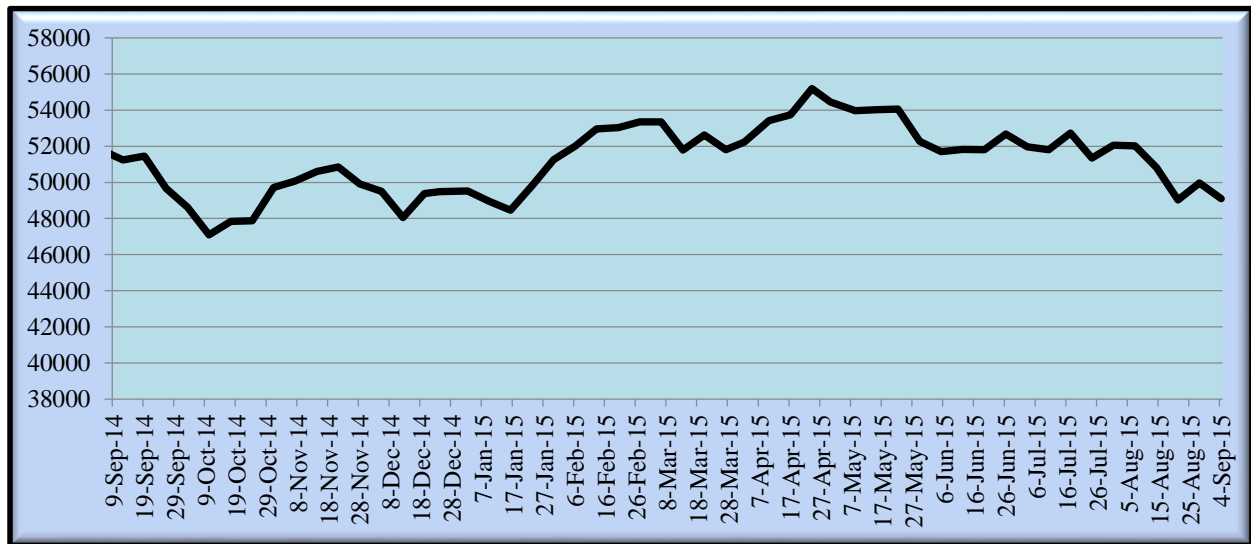
During the week under review, the JSE All Share index declined by 1.73% to 49 102.50 points. Concomitantly, market capitalisation registered a 1.75% decline from R11.40 trillion in the previous week, to close the week under review at R11.20 trillion.

**Table 6: Johannesburg Stock Exchange (JSE) Statistics**

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
<b>31-July</b>	52,053.27	12.03
<b>7-Aug</b>	52,014.96	12.00
<b>14-Aug</b>	50,821.18	11.67
<b>21-Aug</b>	49,028.36	11.26
<b>28-Aug</b>	49,966.80	11.40
<b>04-Sept</b>	49,102.50	11.20

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**

**14<sup>TH</sup> SEPTEMBER 2015**