



Weekly Economic Highlights

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Week Ending
8th May 2015

1. INTEREST RATES

Deposit Rates

During the week ending 8th May 2015, average deposit rates for savings accounts remained unchanged. The average deposit rates for fixed deposits of 1 month and 3 months tenors, however, declined to close the week under review at 8.67% and 10.35%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-Apr	3.54	9.24	10.84
17-Apr	3.54	9.22	10.82
24-Apr	3.54	9.21	10.81
30-Apr	3.43	8.68	10.37
08-May	3.43	8.67	10.35

Source: Banking Institutions, 2015

Lending Rates

Weighted lending rates for both individuals and corporate clients at commercial banks registered increases to close the week under review at 13.02% and 8.91%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
10-Apr	12.59	8.88
17-Apr	12.59	8.90
24-Apr	12.69	8.85
30-Apr	12.71	8.84
08-May	13.02	8.91

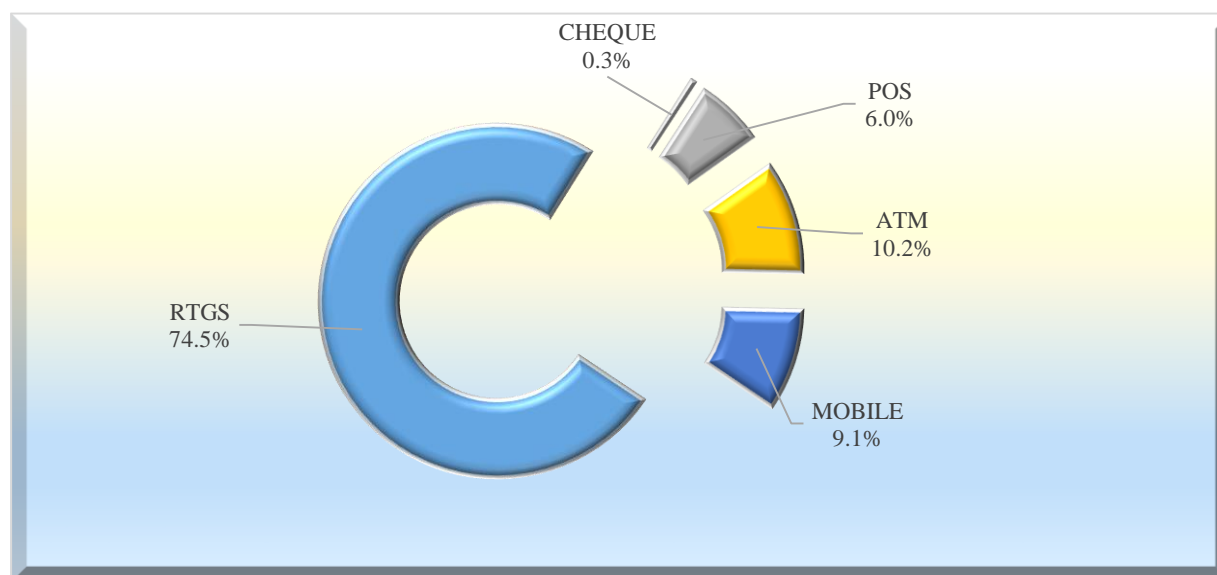
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 8th May 2015, the value of transactions processed through the National Payment System (NPS) increased from US\$1 026.97 million in the previous week, to close the week at US\$1 141.43 million. Transactions processed through the Real Time Gross Settlement (RTGS) system totalled US\$849.93 million, up from US\$826.70 million recorded in the previous week.

Transactions processed through the NPS were distributed as follows: RTGS, 74.46%; Automated Teller Machines (ATMs), 10.16%; Mobile, 9.11%; Point of Sale (POS), 5.97%; and Cheque, 0.30%.

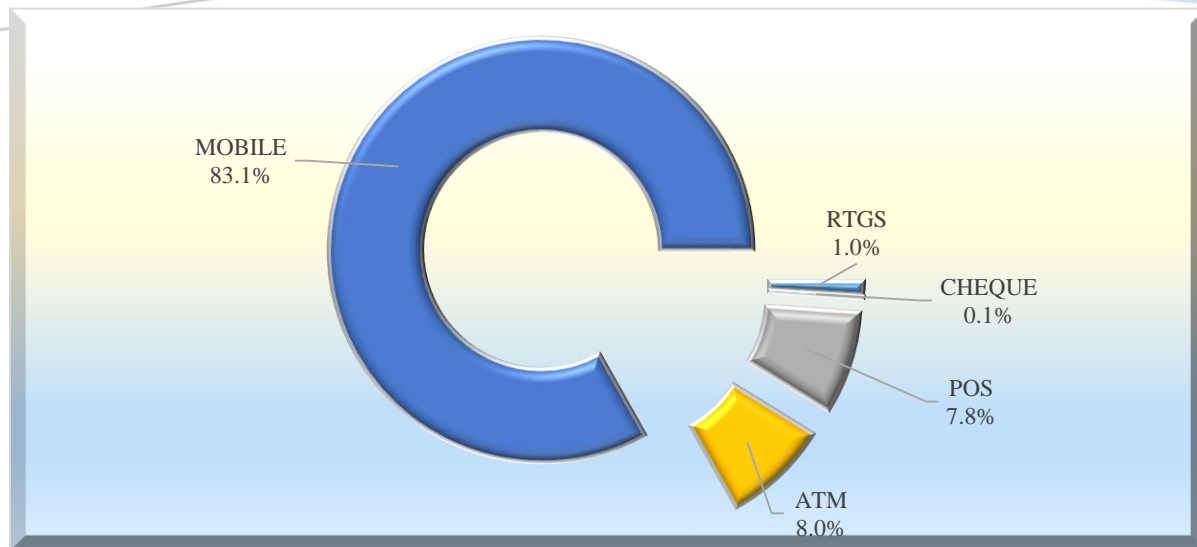
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

Mobile-based transactions accounted for 83.14% of total NPS transactions, in volume terms. This was followed by ATM's, 8.01%, POS, 7.76%, RTGS, 0.95% and cheque transactions, 0.13%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 30 APRIL 2015	WEEK ENDING 08 MAY 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	826.70	849.93	3%	74.46%
CHEQUE	1.89	3.38	79%	0.30%
POS	30.99	68.18	120%	5.97%
ATMS	73.34	115.93	58%	10.16%
MOBILE	94.05	104.00	11%	9.11%
TOTAL	1,026.97	1,141.43		100%
VOLUMES				
RTGS	41,064	49,697	21%	0.95%
CHEQUE	4,692	6,962	48%	0.13%
POS	262,024	406,133	55%	7.76%
ATMs	266,082	419,141	58%	8.01%
MOBILE	4,218,214	4,349,079	3%	83.14%
TOTAL	4,792,076	5,231,012		100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

A cumulative total of 92 266 292 kilograms of tobacco as at 8th May 2015 (day 45 of the 2015 tobacco selling season) had been sold. This translates to a 3.99% decline, compared to the 99 162 296 kilograms sold during the same period in 2014.

The golden leaf fetched a lower average price of US\$2.90/kg, compared to US\$3.21/kg during the same period in 2014. Cumulative tobacco sales yielded US\$267.68 million - 13% lower than the US\$308.74 million realised during the corresponding period in 2014.

Table 4: Cumulative Tobacco Sales: Day 45 (08/05/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	96 096 332	92 266 292	-3.99%
Cumulative Average Price(US\$/kg)	3.21	2.90	-9.70%
Cumulative Value (US\$ million)	308 742 158	267 681 074	-13.0%

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices for copper, nickel and crude oil firmed during the week ending 8th May, 2015. Gold prices, however, retreated during the week under analysis, as shown in table 4 below.

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 (30 April)	1,195.24	1,137.88	6,089.00	13,452.50	65.37
4-May	1,177.48	1,133.00	6,103.00	13,755.00	66.24
5-May	1,192.20	1,149.50	6,103.00	14,130.00	67.75
6-May	1,192.75	1,143.50	6,404.50	14,410.00	69.20
7-May	1,185.00	1,133.00	6,404.50	13,900.00	67.01
8-May	1,185.63	1,141.50	6,396.00	13,900.00	65.43
Weekly Average (8 May)	1,186.61	1,140.10	6,282.20	14,019.00	67.13
Weekly Change (%)	-0.72	0.2	3.17	4.21	2.69

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices at US\$ 1 186.62/oz were 0.72% lower than the US\$1 195.24/oz recorded in the previous week. The decline was, in large part, on account of the loss of the safe haven status of the yellow metal due to the strengthening of the US dollar.

Platinum

Platinum prices increased by 0.2% from US\$1 1137.88 /oz recorded in the previous week, to US\$1 140.10/oz during the week under review.



Copper

Copper prices continued on an upward trend, firming by 3.17% from a weekly average of US\$6 089.00/ton to US\$6 282.20/ton during the period under analysis. This followed reports on an improvement in China's manufacturing sector, which signalled a positive demand outlook for the industrial metal.

Nickel

Nickel prices rose by 4.21% from a weekly average of US\$13 425.50/ton in the previous week, to US\$14 019.00/ton during the week under review. Prices increased on high demand growth prospects, following additional stimulus measures by China. The Asian giant, a top consumer of base metals, recently cut borrowing costs to spur economic growth.

Crude Oil

Crude oil prices firmed by 2.69%, from a weekly average of US\$65.37/barrel in the previous week to US\$65.37/barrel during the week under review. This was on the back of declining oil inventories in the US, the world's largest crude oil consumer.

5. EQUITY MARKETS

The negative sentiments that have characterized the Zimbabwe Stock Exchange (ZSE) persisted during the week ending 8th May 2015. The industrial index dropped 2.26 points to 154.0 points, while the mining index remained unchanged at 42.93 points. The decline in the mainstream index is attributable to losses in RTG (26.67%); Fidelity (23.91%); ZPI (20%); Ariston (20%); Dawn (6.25%); Meikles (5.56%) and Econet (5.12%).

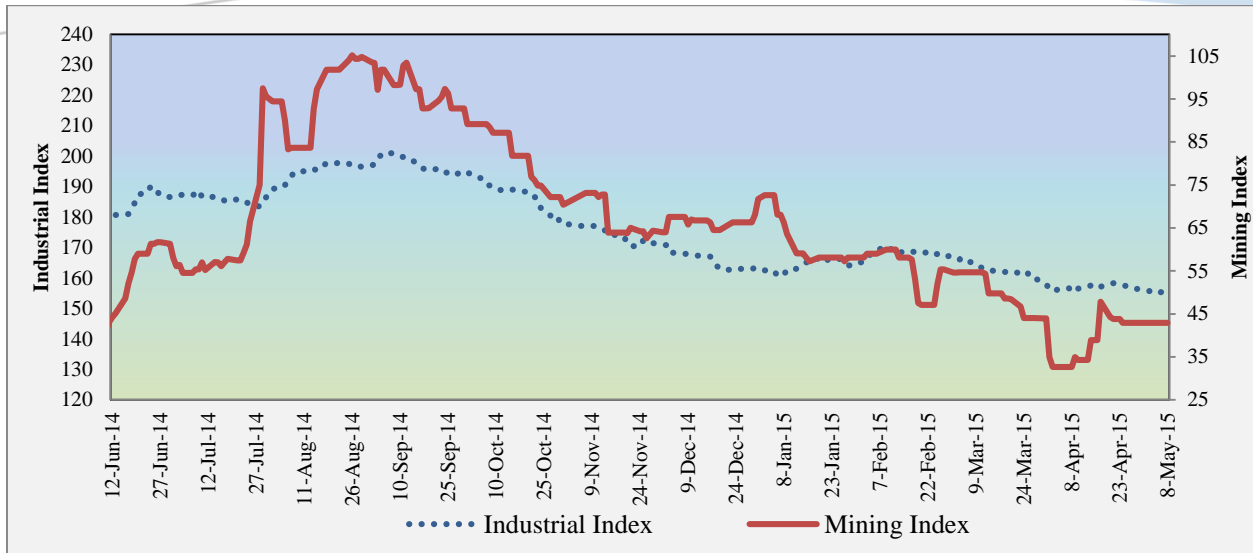
The resource cluster remained static as Bindura and Rio Zim were the only active mining counters that traded unchanged and on thin volumes. The rest of the resource counters did not register any trades during the period under review.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
10-Apr-15	156.51	34.31	4,059,987,899	15,910,953	495,108,011
17-Apr-15	157.19	47.82	4,096,028,252	4,567,268	14,768,000
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

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

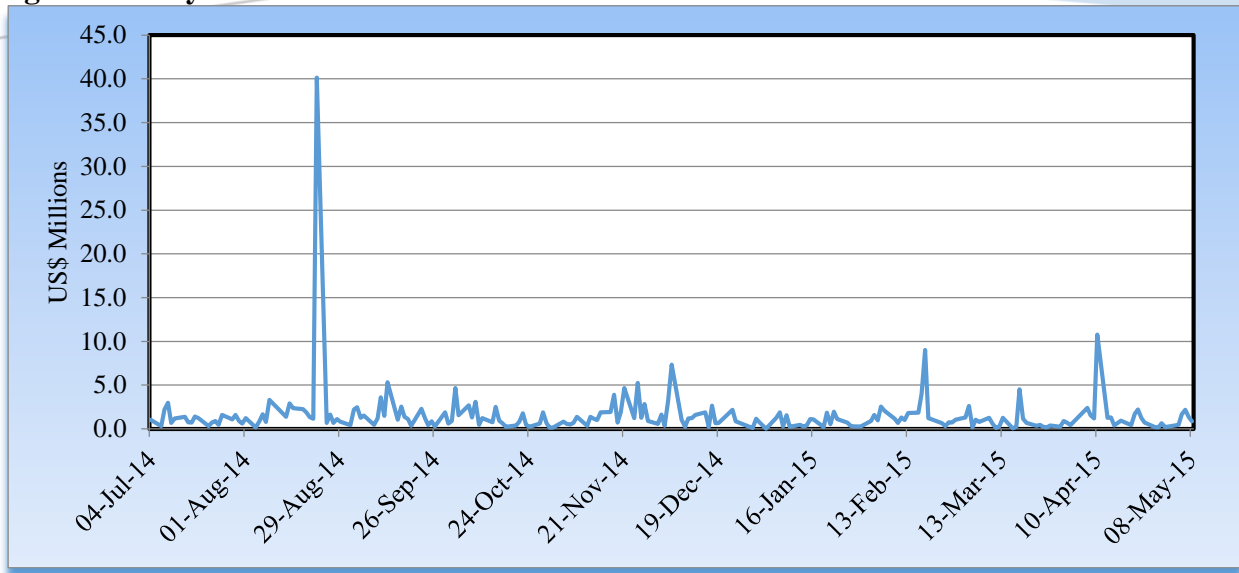


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

The ZSE market turnover increased from US\$1.25 million to US\$6.55 million, mainly due to significant trading activity in blue chip counters, such as Afdis, Delta, Econet and OK Zimbabwe. Share volumes traded amounted to 67.42 million during the week under review, compared to 10.90 million shares in the previous week. This was on the back of bargains amounting to 39.19 million shares traded on the ART stock at 0.6 US cents per share.

Figure 4: Daily Market Turnover

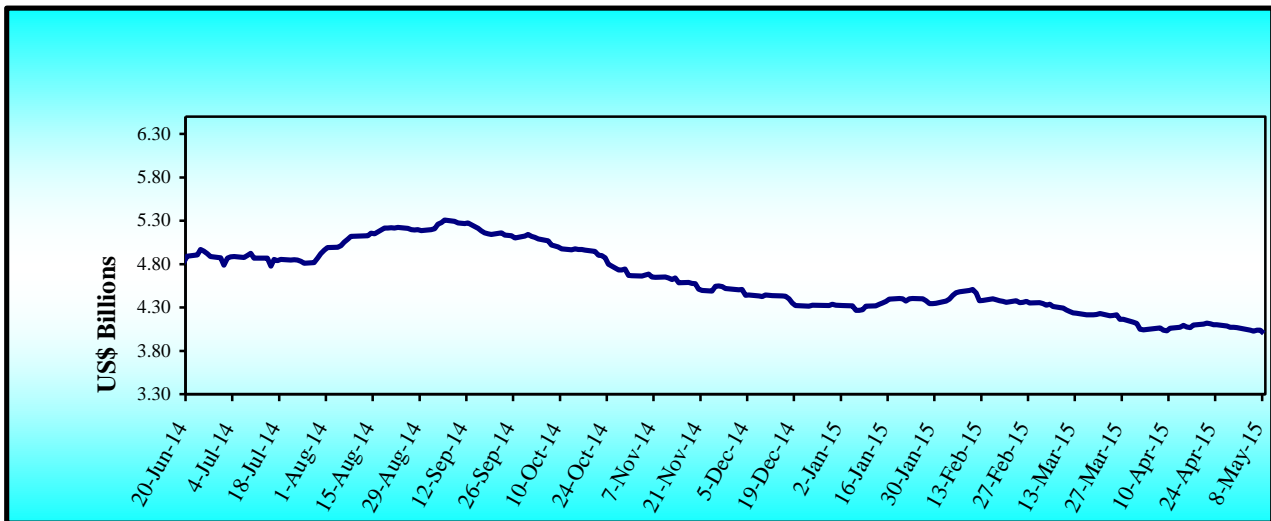


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

During the week under review, the ZSE market capitalisation declined by 1.56%, to US\$4.07 billion, from US\$4.0 billion in the previous week.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

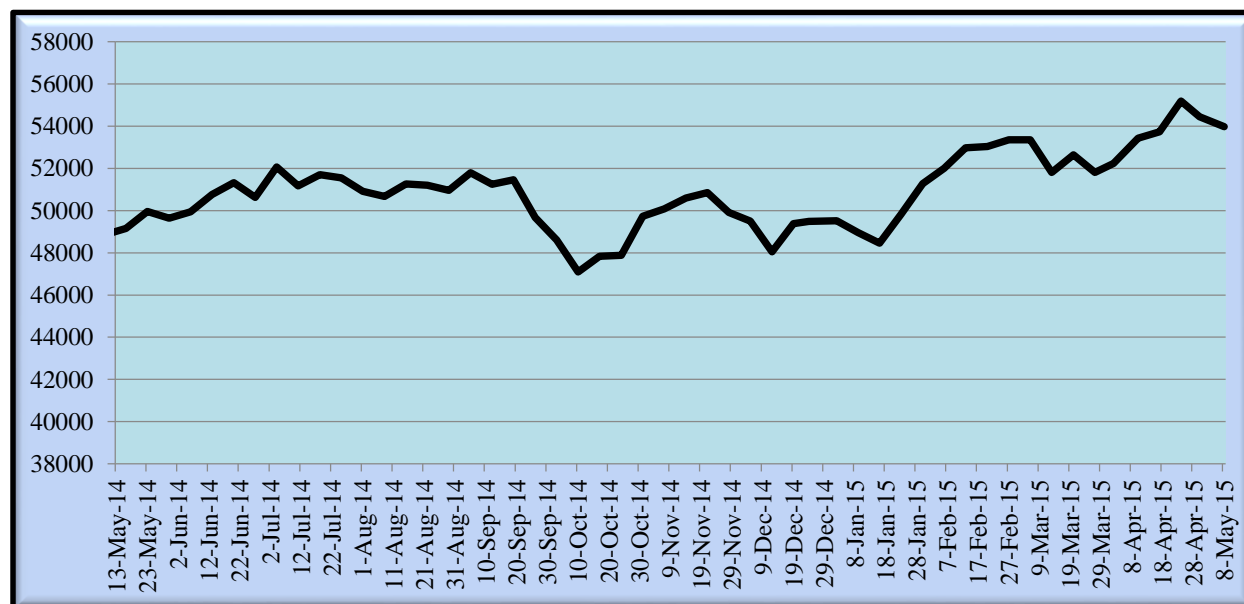
During the week ending 8th May 2015, the JSE All Share index declined by 1.19% to close the week at 53 790.57 points. The JSE Market capitalization closed the week at R12 328.56 billion - a 0.92% decline from the R12 443.60 billion recorded in the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
10-Apr	53,420.78	12,207.70
17-Apr	53,734.04	12,437.81
24-Apr	55,188.34	12,651.03
30-Apr	54,440.43	12,443.60
08-May	53,790.57	12,328.56

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

15TH MAY 2015