



Weekly Economic Highlights

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Week Ending
27th February 2015

1. INTEREST RATES

Deposit Rates

Savings deposits rates remained unchanged at 3.31%, during the week ending 27th February 2015. Deposit rates for term deposits of 1 month rose to 9.45%, while those of 3 months tenor, declined marginally from 11.04%, to close the week under review at 11.03%.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
06-Feb	3.31	9.37	10.99
13-Feb	3.31	9.37	10.99
20-Feb	3.31	9.42	11.04
27-Feb	3.31	9.45	11.03

Source: Banking Institutions, 2015

Lending Rates

Commercial banks' weighted lending rates for individuals closed the week under review at 14%, while those for corporate clients closed at 9.73%.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
30-Jan	14.16	9.66
06-Feb	14.08	9.47
13-Feb	14.08	9.73
20-Feb	14.07	9.72
27-Feb	14.00	9.73

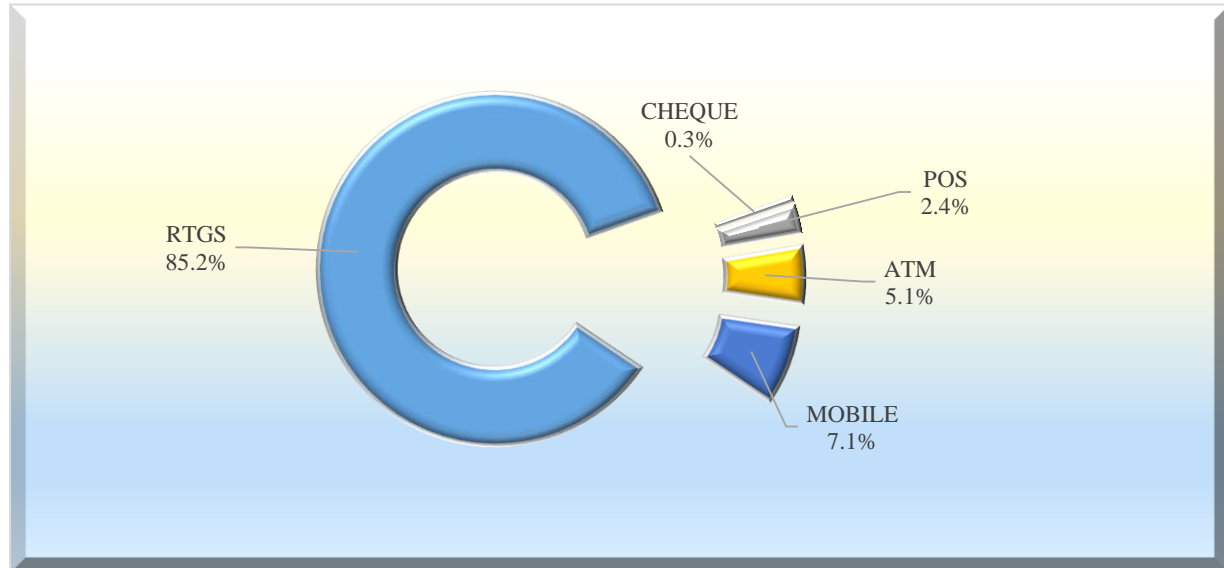
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) stood at US\$1 145.92 million, up from US\$848.83 million recorded in the previous week. This was mainly on account of an increase in the value of transactions processed through the Real Time Gross Settlement (RTGS) system from US\$703.75 million in the previous week to US\$976.03 million, during the week under analysis.

In terms of proportions, RTGS payments accounted for 85.17% of the total value of transactions processed through the NPS, followed by mobile transactions, 7.11%; ATMs, 5.08%; POS, 2.37%; and cheque, 0.27%.

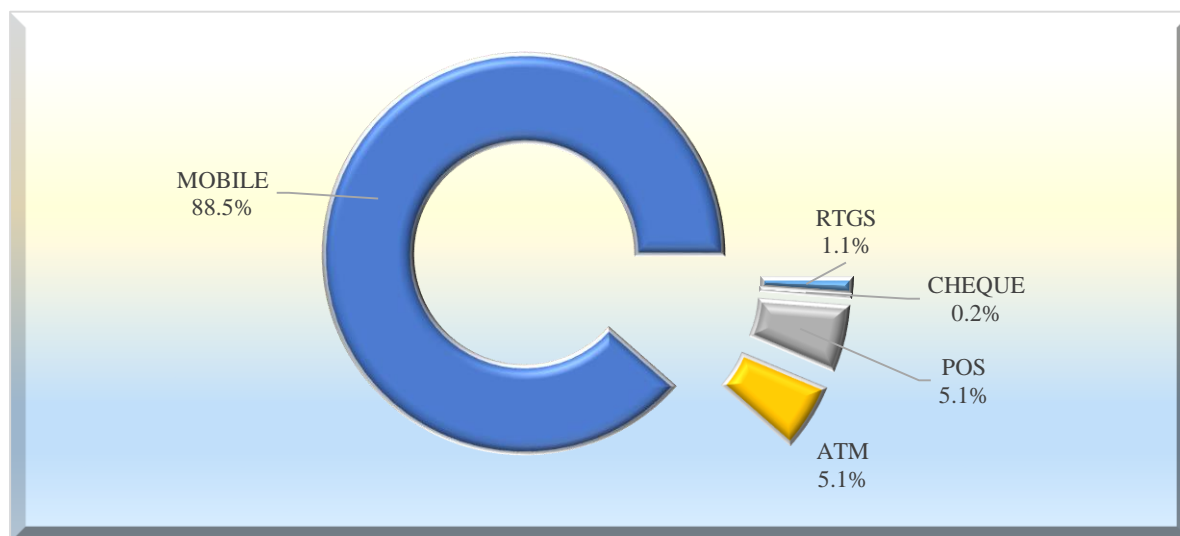
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In volume terms, the proportions of NPS transactions were as follows; Mobile (88.51%); POS (5.14%); ATMs (5.14%); RTGS (1.06%) and cheque (0.15%).

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 FEBRUARY 2015	WEEK ENDING 27 FEBRUARY 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	703.75	976.03	39%	85.17%
MOBILE	69.75	81.43	17%	7.11%
ATMS	49.53	58.16	17%	5.08%
POS	22.53	27.21	21%	2.37%
CHEQUE	3.29	3.09	-6%	0.27%
TOTAL	848.83	1,145.92		100%
VOLUMES				
RTGS	39,872	47,353	19%	1.06%
CHEQUE	8,319	6,781	-18%	0.15%
POS	237,590	229,587	-3%	5.14%
ATMs	210,387	229,834	9%	5.14%
MOBILE	3,655,896	3,956,057	8%	88.51%
TOTAL	4,152,064	4,469,612		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 27th February 2015, the weekly international commodity prices for copper, nickel and crude oil firmed, whilst those for gold and platinum 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 Feb)	1,214.55	1,182.30	5,693.10	14,119.50	60.51
23-Feb	1,199.00	1,160.50	5,657.00	13,920.00	59.05
24-Feb	1,194.00	1,160.00	5,657.00	14,250.00	59.93
25-Feb	1,205.63	1,168.50	5,804.50	14,305.00	61.94
26-Feb	1,214.13	1,185.00	5,935.00	14,400.00	61.00
27-Feb	1,209.50	1,175.00	5,880.00	14,045.00	61.23
Weekly Average (27 Feb)	1,204.45	1,169.80	5,786.70	14,184.00	60.63
Weekly Change (%)	<i>(0.8)</i>	<i>(1.1)</i>	<i>1.6</i>	<i>0.5</i>	<i>0.2</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices fell by 0.8%, from a weekly average of US\$1 214.55/oz in the previous week, to US\$1 204.45/oz during the week under analysis. The downward trend in gold prices was largely driven by the strengthening of the US dollar, which dampened the demand for the precious metal.

Platinum

Similarly, platinum prices declined by 1.1%, from US\$1 182.30/oz recorded in the previous week, to US\$1 182.30/oz, during the week under review. The decline in platinum prices was on account of a stronger US dollar, which offset the impact of emerging platinum supply side concerns in South Africa.



Copper

Copper prices firmed by 1.6% to US\$5 786.70/tonne during the week ending 27th February 2015. This was on account of an anticipated increase in demand for the metal in China, the world's largest consumer of the metal. The People's Bank of China cut the base lending rate to boost economic growth.

Nickel

Nickel prices rose from a weekly average of US\$14 119.50/ton in the previous week, to US\$14 184.00/ton during the week under review. The rise was backed by an increase in demand in China, amid dwindling ore supplies, following the continued ban on ore exports by Indonesia.

Crude Oil

Crude oil prices continued on an upward trend, registering a 0.2% increase, to close the week under review at an average of US\$60.63/barrel. The increase was largely attributed to anticipated supply disruptions in Libya and the Middle East.

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) experienced mixed trading during the week ending 27th February 2015, with the industrial index declining by 0.58% to close at 167.16 points. The decline in the industrial index was largely attributed to losses in Ariston, (30%); CFI, (22.08%); Mashonaland, (7.69%); Econet, (6.36%) and Delta, (0.43%). Losses in the industrial index were partially offset by gains in Pelhams, (200%); Turnall, (50%); Masimba, (33.33%); CBZ, (11.11%); Hippo, (8.89%) and BAT, (1.74%).

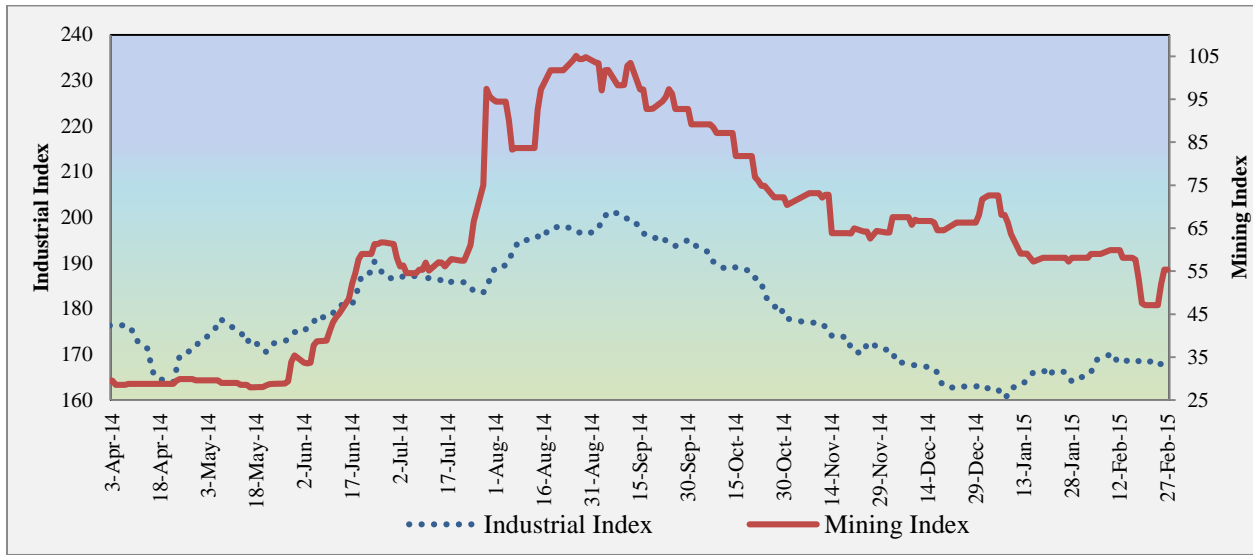
The mining index, however, maintained an upward momentum, increasing by 17.60% to close the week under review at 55.38 points. This followed gains in the Bindura counter, after closing a US\$20 million bond offer, earmarked to finance the Smelter Restart Project. Partially offsetting the gains was a 5.88% loss recorded by Hwange Colliery, which is currently experiencing serious viability problems. Riozim and Falgold traded unchanged, during the week under analysis.

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
30-Jan-15	164.90	58.13	4,347,569,893	1,942,127	10,399,733
06-Feb-15	169.37	59.03	4,482,179,535	8,067,238	18,181,447
13-Feb-15	168.36	58.13	4,381,524,714	6,021,874	43,405,137
20-Feb-15	168.13	47.09	4,360,544,228	17,207,739	36,116,628
27-Feb-15	167.16	55.38	4,353,375,154	3,478,765	21,620,902

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

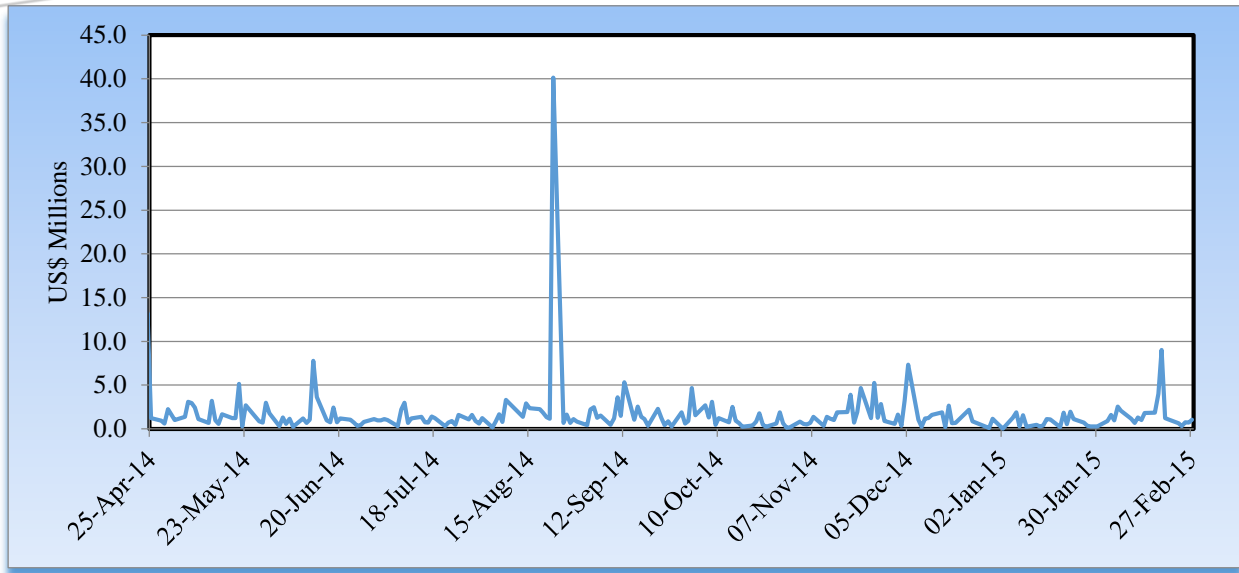


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Market turnover declined by 79.78% to close the week under review at US\$3.4 million, from US\$17.2 million recorded in the previous week. Foreign investors divested from the bourse as depicted by a net outflow of US\$0.37 million, compared to an inflow of US\$0.89 million in the previous week. A total of 21 620 902 shares were traded during the week under review, down from 36 116 628 shares traded in the previous week.

Figure 4: Daily Market Turnover

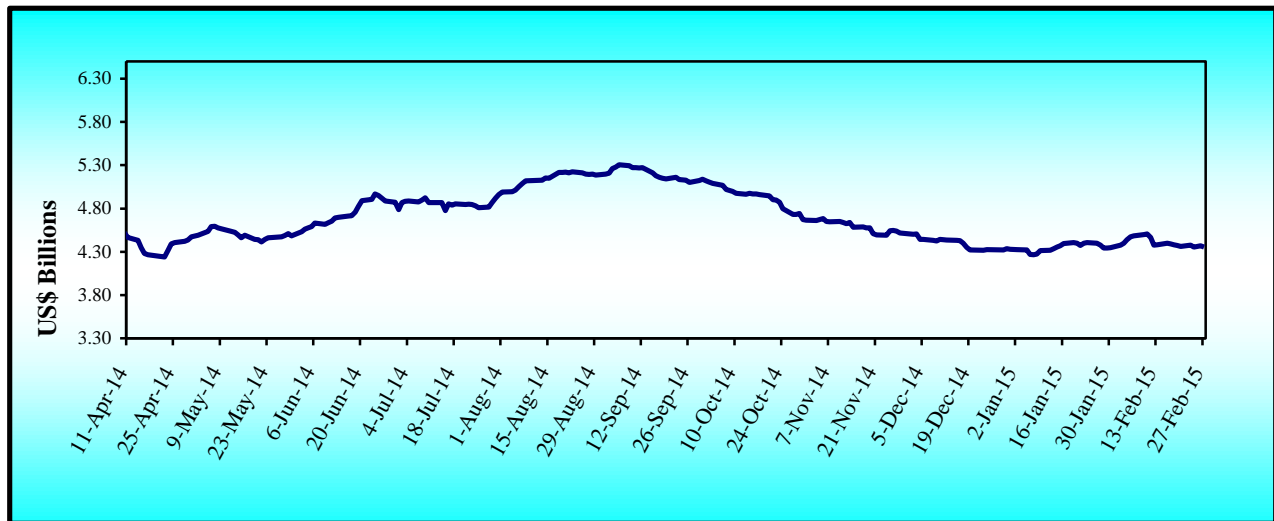


Source: Zimbabwe Stock Exchange, 2015

Market Capitalization

Trading developments during the week under review saw three heavily capitalized counters namely; Delta, Econet and Innscor, recording significant losses. This led to a 0.16 % decline in market capitalization to US\$4.353 billion.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

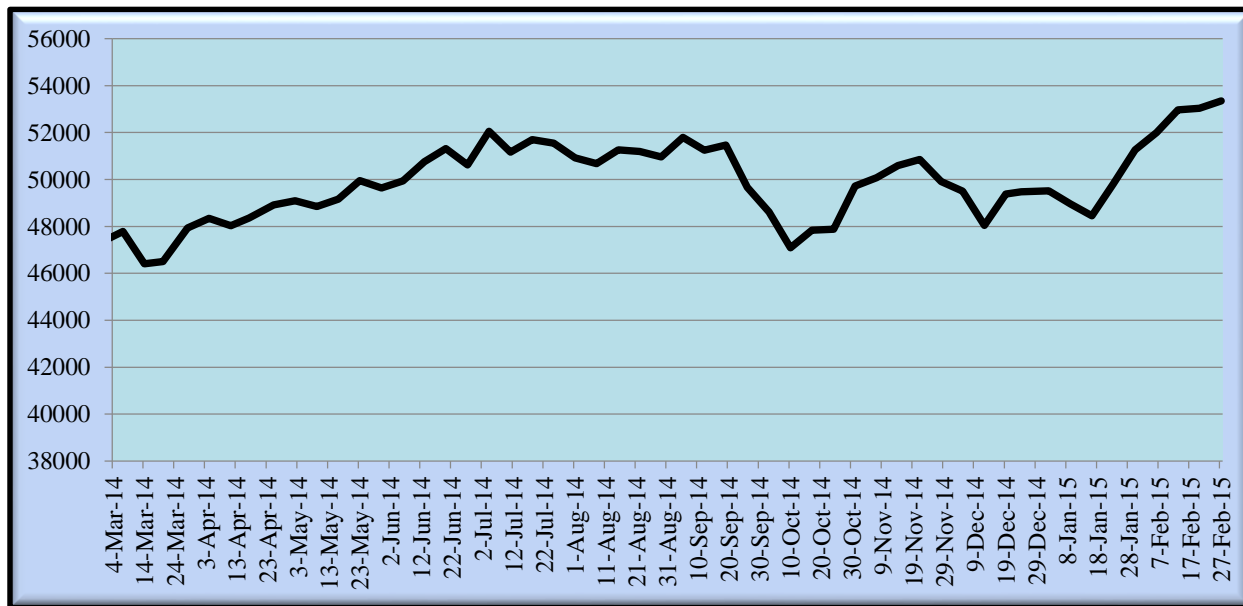
During the week under review, the JSE All Share index gained by 0.58% to close the week at 53 344.20 points. Concomitantly, market capitalization increased to R12 228.89 billion during the week under analysis.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
30-Jan	51,266.81	11,761.16
06-Feb	51,998.32	11,765.01
13-Feb	52,967.63	12,015.88
20-Feb	53,035.26	12,096.13
27-Feb	53,344.20	12,228.89

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

06TH MARCH 2015.