



Weekly Economic Highlights

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Week Ending
7th August 2015

1. INTEREST RATES

Deposit Rates

During the week ending 7th August 2015, average deposit rates for savings accounts remained unchanged at 3.00% for the fourth consecutive week. Deposit rates for 1 month and 3 month tenors, however, declined to 8.17% and 9.22%, respectively.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-July	3.43	8.31	10.01
17-July	3.00	8.28	9.46
24-July	3.00	8.22	9.40
31-July	3.00	8.19	9.28
07-Aug	3.00	8.17	9.22

Source: Banking Institutions, 2015

Lending Rates

Weighted lending rates for individuals and corporate clients at commercial banks registered declines from 11.86% and 8.56%; to 11.82% and 8.55%, respectively.

Table 2: Lending Rates

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
10-July	11.93	8.69
17-July	11.58	8.82
24-July	11.92	8.56
31-July	11.86	8.56
07-Aug	11.82	8.55

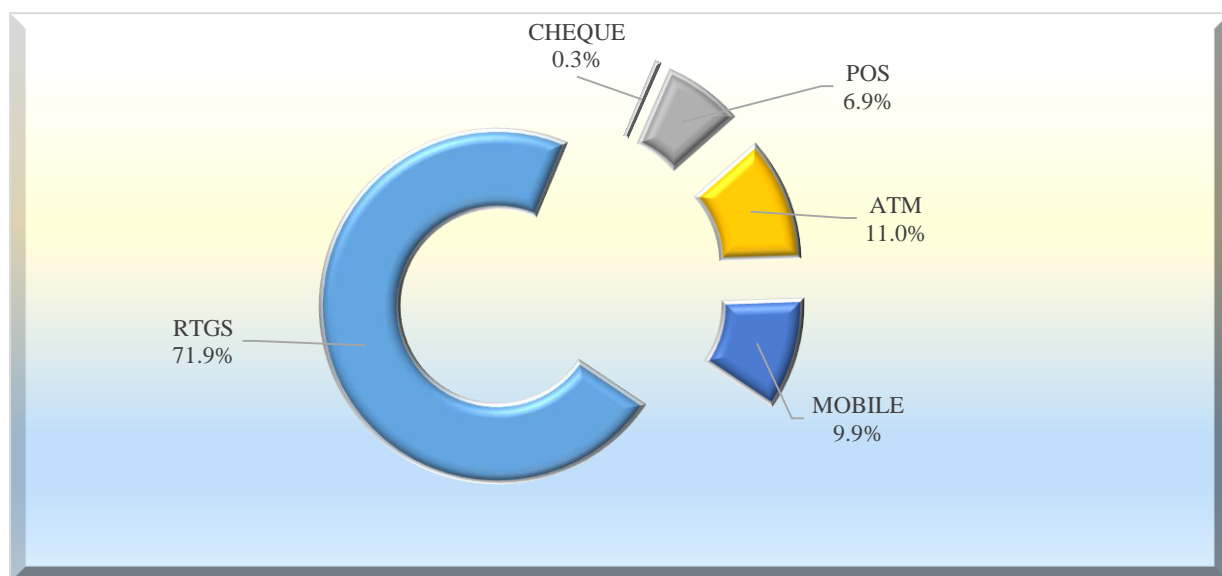
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 7th August 2015, transactions processed through the National Payment System (NPS) stood at US\$1 064.19 million, a 7.02% decline from US\$1 144.56 million, recorded in the previous week. In tandem, the value of transactions processed through the Real Time Gross Settlement (RTGS) declined by 18%, to close the week under review at US\$764.80 million.

In terms of contribution, RTGS system payments accounted for 71.87% of the total value of transactions processed through the NPS, followed by Automated Teller Machines (ATM's), 10.99%; Mobile, 9.95%; Point of Sale (POS), 6.92%; and Cheque transactions, 0.28%.

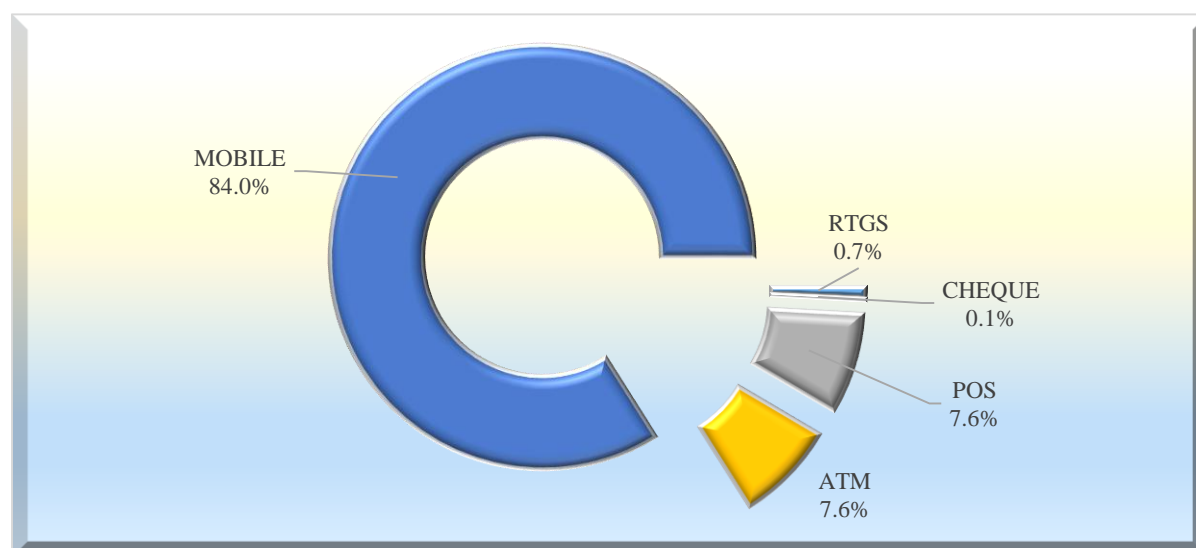
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The volume of transactions processed through the NPS was distributed as follows: Mobile-based transactions, 83.98%; POS, 7.60%; ATM's, 7.55%; RTGS, 0.74% and Cheque, 0.14%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 31 July 2015	WEEK ENDING 07 Aug 2015	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	934.86	764.80	-18%	71.87%
CHEQUE	3.00	2.96	-1%	0.28%
POS	36.75	73.66	100%	6.92%
ATMS	73.24	116.91	60%	10.99%
MOBILE	96.70	105.86	9%	9.95%
TOTAL	1,144.56	1,064.19		100%
RTGS	45,423	41,412	-9%	0.74%
CHEQUE	6,904	7,648	11%	0.14%
POS	348,025	425,030	22%	7.60%
ATMs	276,449	422,329	53%	7.55%
MOBILE	4,304,047	4,698,784	9%	83.98%
TOTAL	4,980,849	5,595,203		100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 7th August 2015, international commodity prices for platinum, copper, nickel and crude oil declined. Gold prices, however, gained marginally as shown in Table 5 below.

Table 4: Metals and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2015	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (31 July)	1,092.89	982.70	5,249.50	11,005.00	53.14
3-Aug	1,092.45	961.50	5,176.00	10,775.00	50.33
4-Aug	1,091.63	954.50	5,176.00	10,830.00	50.17
5-Aug	1,085.80	950.50	5,171.00	10,800.00	50.58
6-Aug	1,087.38	951.50	5,166.00	10,810.00	49.30
7-Aug	1,110.75	988.50	5,140.00	10,690.00	49.18
Weekly Average (7 August)	1,093.60	961.30	5,165.80	10,781.00	49.91
Weekly Change (%)	<i>0.1</i>	<i>(2.2)</i>	<i>(1.6)</i>	<i>(2.0)</i>	<i>(6.1)</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices increased during the ending 7th August 2015, to close at a weekly average of 1 093.60/oz, from a weekly average of US\$1 092.89/oz recorded in the previous week. This was attributable to the higher status of gold as a safe haven for investment as investors shunned equities.

Platinum

Platinum prices declined by 2.2%, from a weekly average of US\$987.20/oz to a weekly average of US\$961.30/oz, during the week under analysis. The slump in platinum prices was on account of oversupply concerns on the back of sluggish demand especially in China, the world's largest platinum consumer.

Copper

Copper prices retreated by 1.6%, to close the week under review at US\$5 165.80/tonne. This was, in large part, attributable to slackening global demand for the metal.

Nickel

The weekly average price of nickel stood at US\$10 781.00/tonne during the week under analysis. This reflected a 2.0% decline from a weekly average of US\$11 005.00/tonne recorded in the previous week. Nickel prices fell due to weak global demand, exacerbated by subdued demand from China's alloy makers.

Crude Oil

In line with the developments in the commodities market, crude oil prices retreated by 6.1%, from a weekly average of US\$53.14/barrel recorded in the previous week, to US\$49.91/barrel during the week under review. Prices declined largely due to expected increases in global oil supply as a result of an increase in oil drilling in the USA.

4. EQUITY MARKETS

Activity on the Zimbabwe Stock Exchange (ZSE) was characterised by bearish sentiments that persisted for the second consecutive week. The industrial index registered a 1.22% decline, from 145.35 points in the previous week to 143.58 points. The mining index remained unchanged at 39.36 points during the week under analysis.

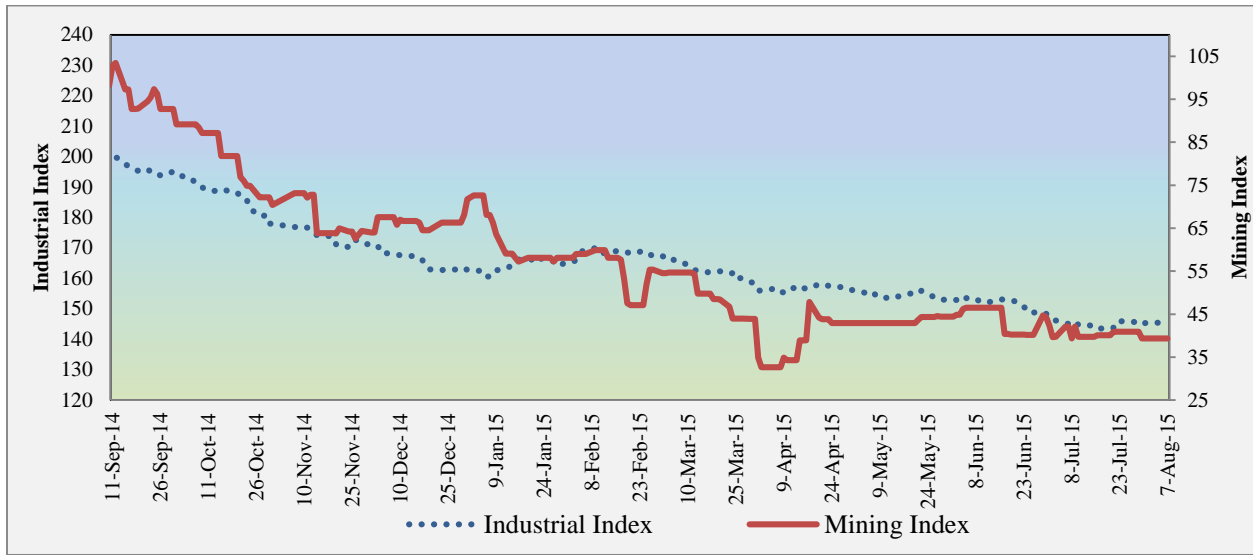
The decline in the industrial index was largely on account of share price losses in Ariston (60%), Turnall (7.41%), Econet (6.28%), First Mutual (3.18%), Delta (2.51%), Innscor (1.95%), Mashonaland (0.50%) and OK Zimbabwe (0.12%). The resources index remained static as Bindura was the only active counter which traded unchanged.

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-July-15	144.86	39.72	3,787,624,893	3,870,668	14,160,800
17-July-15	143.49	40.09	3,765,437,915	5,081,668	41,985,980
24-July-15	145.90	40.94	3,829,331,098	3,474,177	18,749,070
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

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

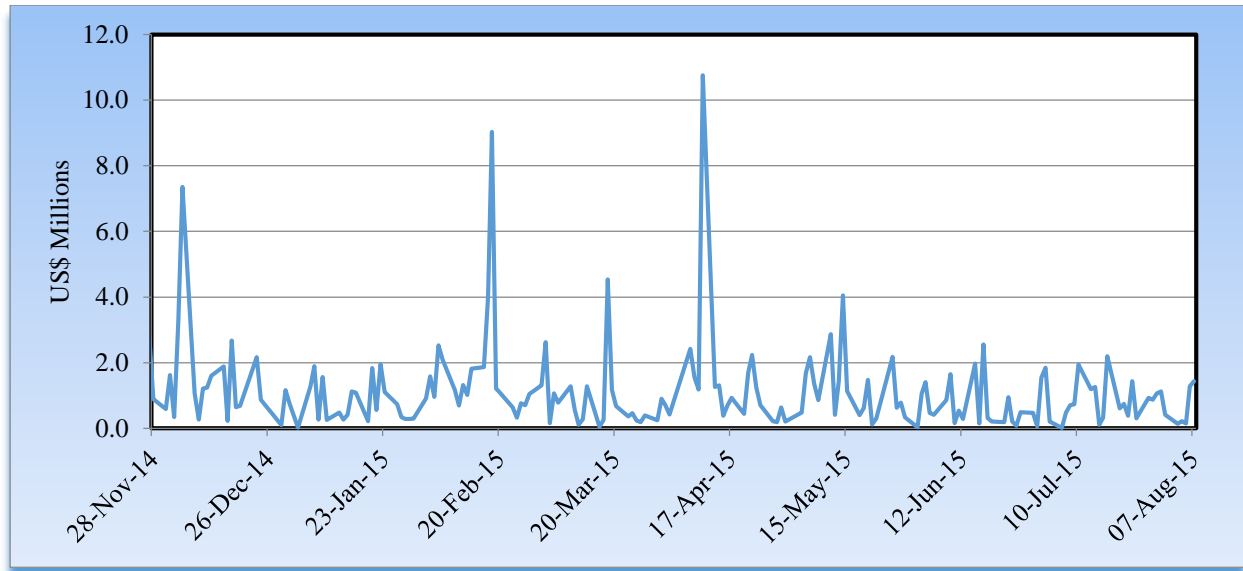


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

In line with bearish sentiment that characterised the Zimbabwe Stock Exchange, market turnover decreased by 26.58%, from US\$4.40 million in the previous week, to US\$3.23 million during the week under review. Likewise, the volume of shares traded declined from 26 625 959 shares to 14 657 065 shares.

Figure 4: Daily Market Turnover

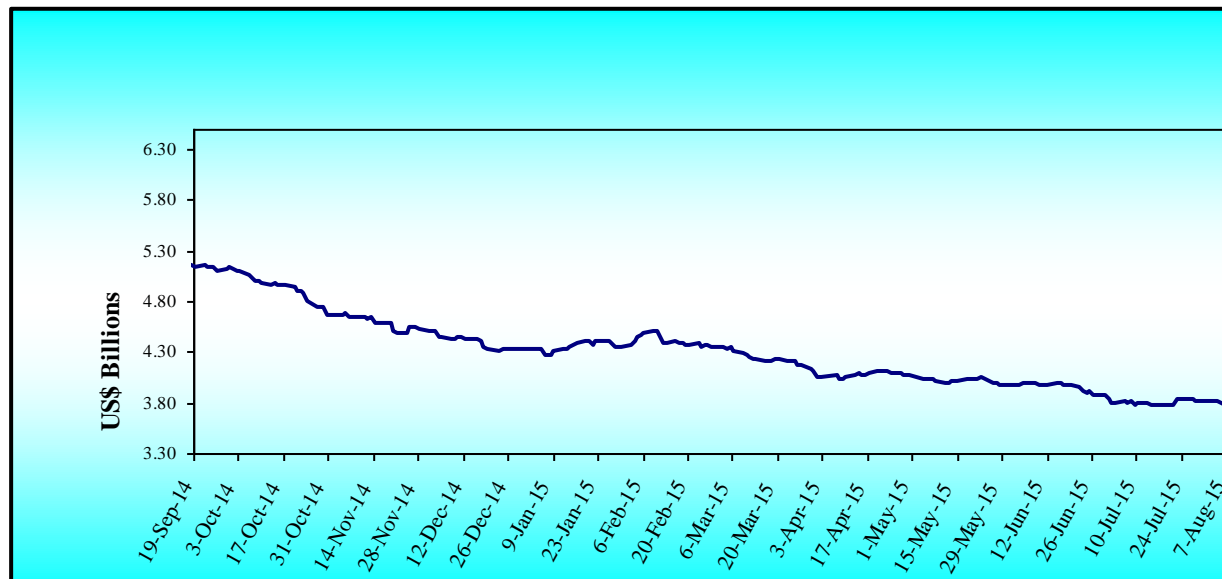


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

Market turnover retreated by 1.2% to close the week under review at US\$3.77 billion. This was, in large part, attributable to losses in industrial counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

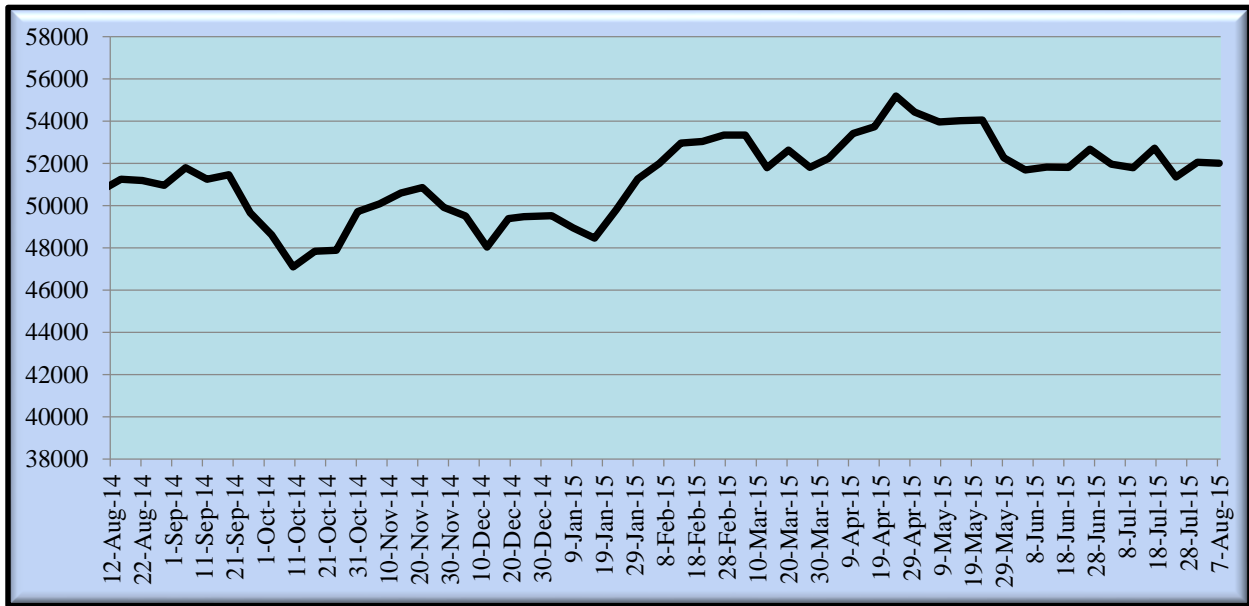
During the week under review, the JSE All Share index marginally declined by 0.07%, to close the week at 52 014.96 points. Market capitalization decreased from R12.03 trillion in the previous week to 12.00 trillion during the week under analysis.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R trillion)
10-July	51,800.70	11,97
17-July	52,723.72	12,15
24-July	51,356.08	11,81
31-July	52,053.27	12,03
7-Aug	52,014.96	12,00

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

24TH AUGUST 2015