



# Weekly Economic Highlights

## Table of Contents

1. INTEREST RATES .....	1
2. CLEARING AND SETTLEMENT ACTIVITY .....	2
3. TOBACCO SALES .....	4
4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS .	5
5. EQUITY MARKETS.....	7

Week Ending  
15<sup>th</sup> May 2015

## 1. INTEREST RATES

### Deposit Rates

During the week ending 15<sup>th</sup> May 2015, average deposit rates for savings accounts remained unchanged closing the week at 3.43%. The average deposit rates for fixed deposits of 1 month and 3 months tenors, maintained a downward trend to close the week under review at 8.60% and 10.28%, respectively.

**Table 1: Average Deposit Rates**

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
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
15-May	3.43	8.60	10.28

Source: Banking Institutions, 2015

### Lending Rates

The weighted lending rates for individuals and corporate clients at commercial banks declined to 12.78% and 8.83%, respectively, during the week under review.

**Table 2: Lending Rates**

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
17-Apr	12.59	8.90
24-Apr	12.69	8.85
30-Apr	12.71	8.84
08-May	13.02	8.91
15-May	12.78	8.83

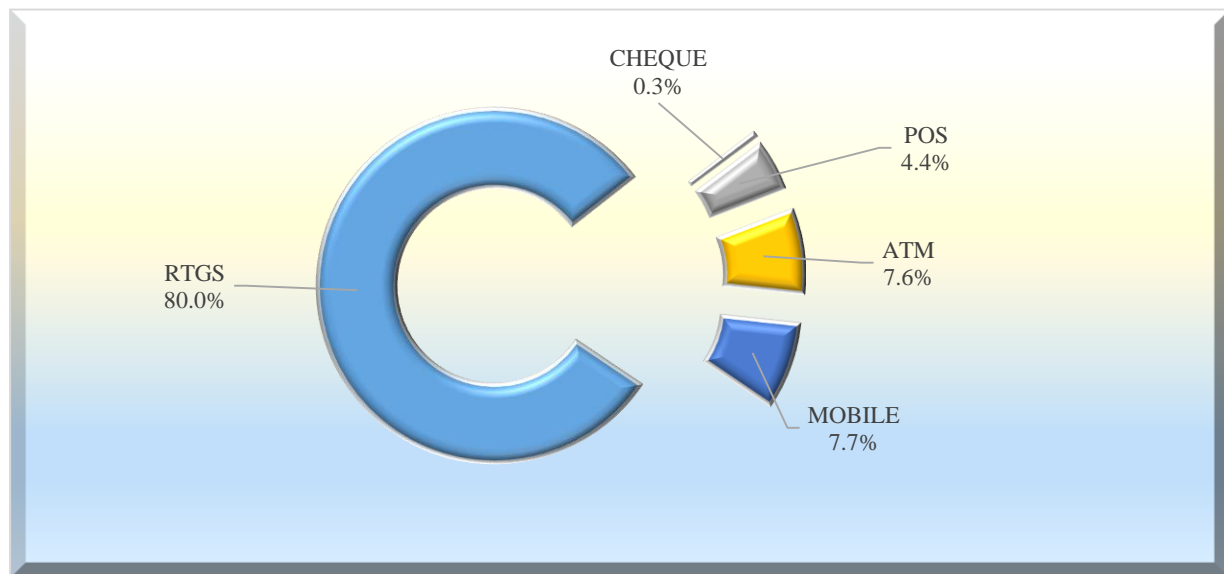
Source: Banking Institutions, 2015

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) stood at US\$1 042.64 million, down from US\$1 141.43 million recorded in the week ending 8<sup>th</sup> May 2015. This was largely attributable to a 2% decline in transactions processed through the Real Time Gross Settlement (RTGS) system. The value of transactions processed through RTGs declined from US\$849.93 million registered during the week ending 8<sup>th</sup> May 2015 to US\$834.09 during the week under review.

RTGS payments accounted for 80% of the total value of transactions processed through the NPS, followed by, ATM, 7.58%; Mobile, 7.74%; POS, 4.41% and Cheque transactions, 0.28%.

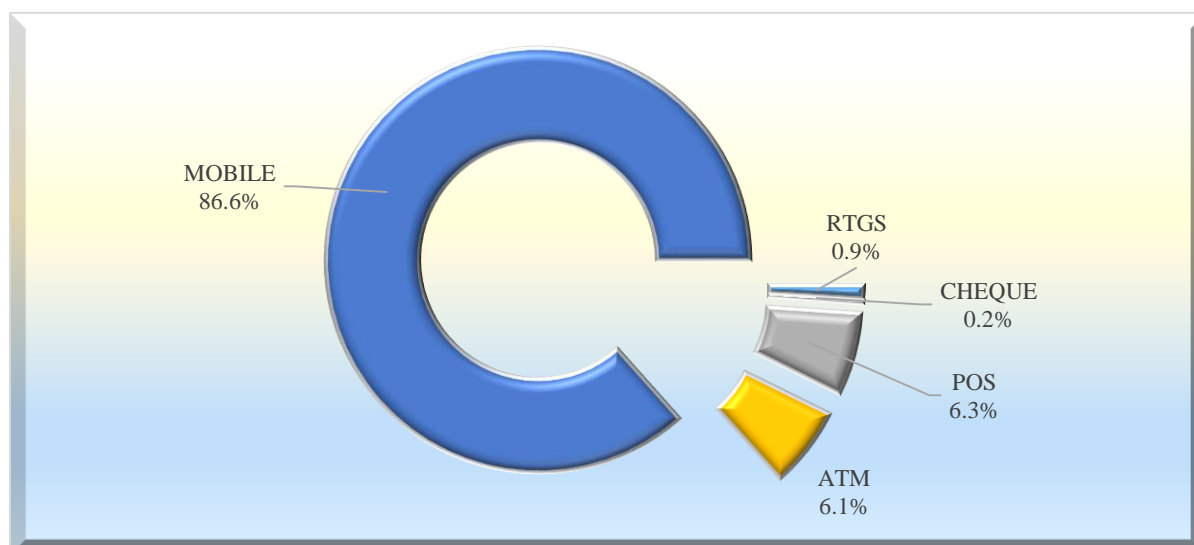
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

In volume terms, the transactions processed through the NPS were distributed as follows: Mobile, (86.58%); POS, (6.25%); ATM's, (6.08%); RTGS, (0.92%) and cheque transactions, (0.16%).

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



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 08 MAY 2015	WEEK ENDING 15 MAY 2015	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	849.93	834.09	-2%	80.00%
<b>CHEQUE</b>	3.38	2.92	-14%	0.28%
<b>POS</b>	68.18	45.96	-33%	4.41%
<b>ATMS</b>	115.93	78.99	-32%	7.58%
<b>MOBILE</b>	104.00	80.69	-22%	7.74%
<b>TOTAL</b>	<b>1,141.43</b>	<b>1,042.64</b>		<b>100%</b>
<b>VOLUMES</b>				
<b>RTGS</b>	49,697	42,877	-14%	0.92%
<b>CHEQUE</b>	6,962	7,647	10%	0.16%
<b>POS</b>	406,133	292,049	-28%	6.25%
<b>ATMs</b>	419,141	284,020	-32%	6.08%
<b>MOBILE</b>	4,349,079	4,044,161	7%	86.58%
<b>TOTAL</b>	<b>5,231,012</b>	<b>4,670,754</b>		<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. TOBACCO SALES

As at 15<sup>th</sup> May 2015 (day 49 of the 2015 tobacco selling season) a cumulative total of 108 281 139 kilograms of tobacco had been sold. This reflected a 3% decline, compared to the 111 633 552 kilograms sold during the same period in 2014.

Cumulative tobacco sales amounted to US\$316.60 million, down from the US\$358.13 million realized during the corresponding period in 2014. The golden leaf was sold at a lower average price of US\$2.92, compared to US\$3.21 during the same period in 2014.

**Table 4: Cumulative Tobacco Sales: Day 49 (15/05/15)**

	2014	2015	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	111,633,552	108,281,139	-3.00%
<b>Cumulative Average Price(US\$/kg)</b>	3.21	2.92	-8.86%
<b>Cumulative Value (US\$ million)</b>	358,126,930	316,597,337	-11.60%

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

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 15<sup>th</sup> May 2015, the weekly average international commodity prices for gold, platinum, copper and nickel firmed, whilst crude oil prices softened, as shown in Table 4 below.

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

Period	Gold	Platinum	Copper	Nickel	Crude Oil
<b>2015</b>	<i>US\$/ounce</i>	<i>US\$/ounce</i>	<i>US\$/tonne</i>	<i>US\$/tonne</i>	<i>US\$/barrel</i>
<b>Weekly Average (8 May)</b>	<b>1,186.61</b>	<b>1,140.10</b>	<b>6,282.20</b>	<b>14,019.00</b>	<b>67.13</b>
<b>11-May</b>	1,187.00	1,130.50	6,363.00	14,290.00	64.91
<b>12-May</b>	1,187.98	1,133.50	6,445.00	14,290.00	67.43
<b>13-May</b>	1,189.50	1,151.50	6,415.00	14,140.00	66.93
<b>14-May</b>	1,219.88	1,158.50	6,398.00	14,050.00	66.47
<b>15-May</b>	1,218.40	1,168.50	6,355.55	13,950.00	66.94
<b>Weekly Average (11 May)</b>	<b>1,200.55</b>	<b>1,148.50</b>	<b>6,395.31</b>	<b>14,144.00</b>	<b>66.54</b>
<b>Weekly Change (%)</b>	<b>1.2</b>	<b>0.7</b>	<b>1.8</b>	<b>0.9</b>	<b>(0.9)</b>

Source: BBC, KITCO, Reuters and Bloomberg

### Gold

Gold prices recovered from previous week's losses, firming by 1.2% to close the week under review at US\$1 200.55/oz. The increase was largely on account of a slowdown in US economic growth and a weaker US dollar.

### Platinum

Similarly, platinum prices marginally increased from US\$1 140.10 /oz recorded in the previous week, to US\$1 148.50/oz during the week ending 15<sup>th</sup> May 2015. Prices firmed on the back of possible supply cuts after news filtered that South Africa's Lonmin, scaled back capital spending plans due to an anticipated international platinum price slump.

## **Copper**

Copper prices increased by 1.8% from a weekly average of US\$6 282.20/tonne, to US\$6 935.31/tonne during the week under analysis. The increase was on account of tightening international copper supplies and speculation that the metal's demand would rebound in China after the Government proposed new stimulus measures to shore up the economy.

## **Nickel**

During the week ending 15<sup>th</sup> May 2015, average nickel prices increased to US\$14 144.00/tonne from US\$14 019/tonne of the previous week. This was on account of a boost in global demand outlook for nickel following additional stimulus measures by China.

## **Crude Oil**

Crude oil prices retreated by 0.9% from a weekly average of US\$67.13/barrel in the previous week, to US\$66.54/barrel during the week under review. The prices were negatively affected by concerns that the recent price rally would spur producers to resume drilling, thus prolonging the oversupply glut.

## 5. EQUITY MARKETS

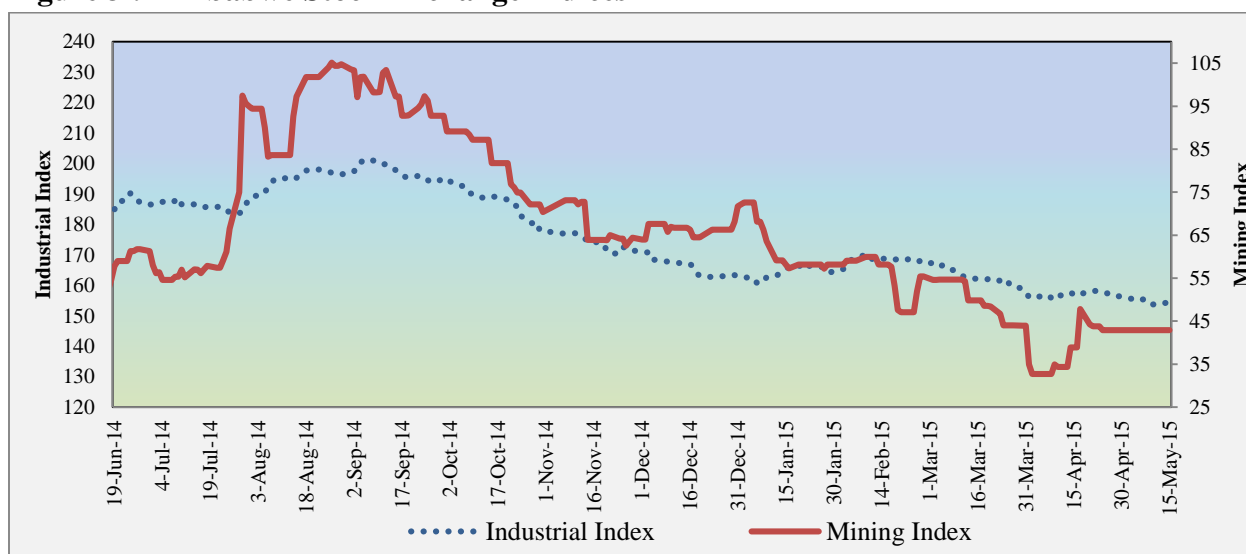
During the period ending 15<sup>th</sup> May 2015, the Zimbabwe Stock Exchange (ZSE) recorded a marginal gain, following losses that were recorded in the previous week. The industrial index increased from 154.0 points to 154.03 points, whilst the resource index remained unchanged at 42.93 points. The increase in the industrial index was, largely, attributed to gains in ZPI (37.50%), Mashonaland Holdings (25%), Masimba (5%) and Innscor (1.69%).

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

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
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
15-May-15	154.03	42.93	4,003,415,014	9,898,069	183,656,168

Source: Zimbabwe Stock Exchange (ZSE), 2015

**Figure 3 : Zimbabwe Stock Exchange Indices**



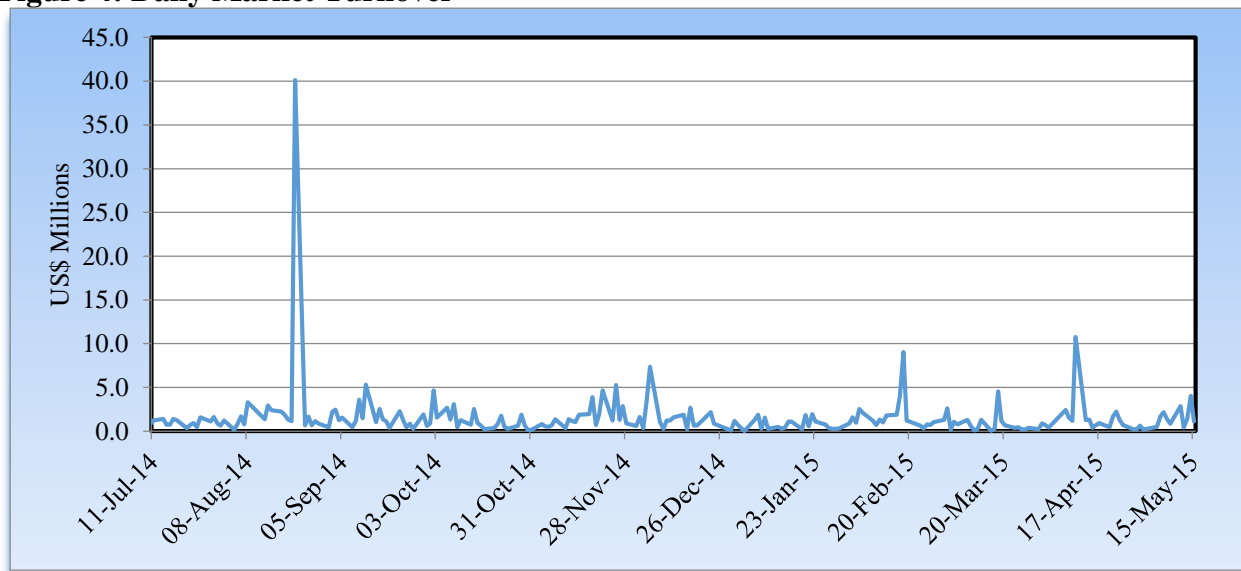
Source: Zimbabwe Stock Exchange, 2015



## Market Turnover and Volume

During the period under review, market turnover rose by 51.16%, to US\$9.90 million. This was on the back of significant trading in Delta and Econet, coupled with two special bargains which saw 99 570 802 African Sun shares and 5 000 000 Meikles shares exchanging hands at 3 cents and 7 cents each, respectively. In terms of volume, 183 656 168 shares were traded, up from 67 419 257 shares, recorded in the previous week.

**Figure 4: Daily Market Turnover**

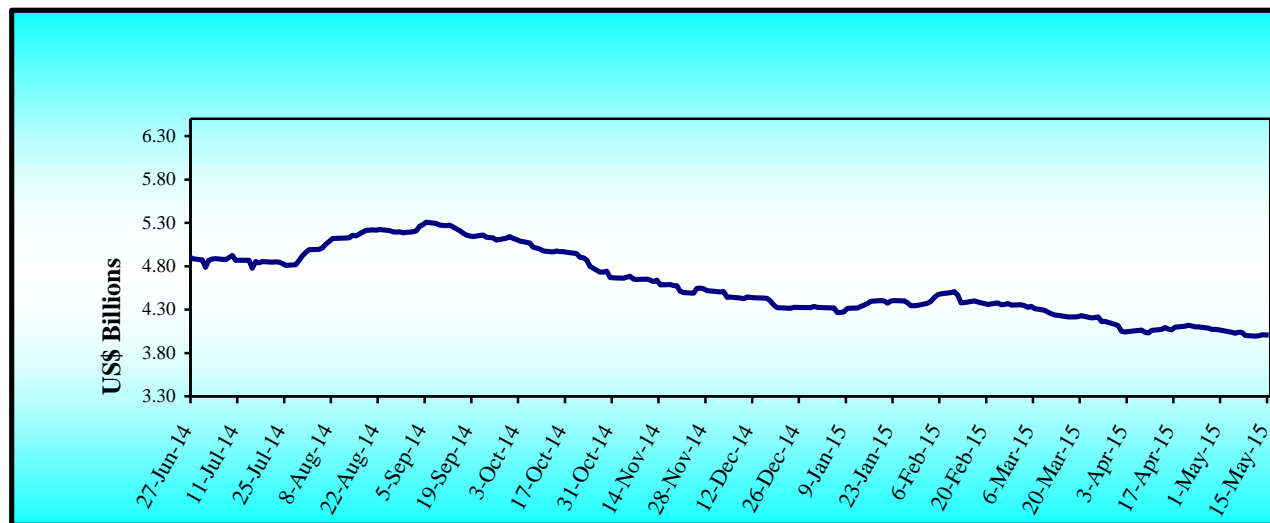


Source: Zimbabwe Stock Exchange, 2015

## Market Capitalisation

The ZSE market capitalization marginally increased by 0.02%, from US\$4.0 billion to US\$4.02 billion.

**Figure 5 : Market Capitalization**



Source: Zimbabwe Stock Exchange, 2015

### Johannesburg Stock Exchange (JSE) Developments

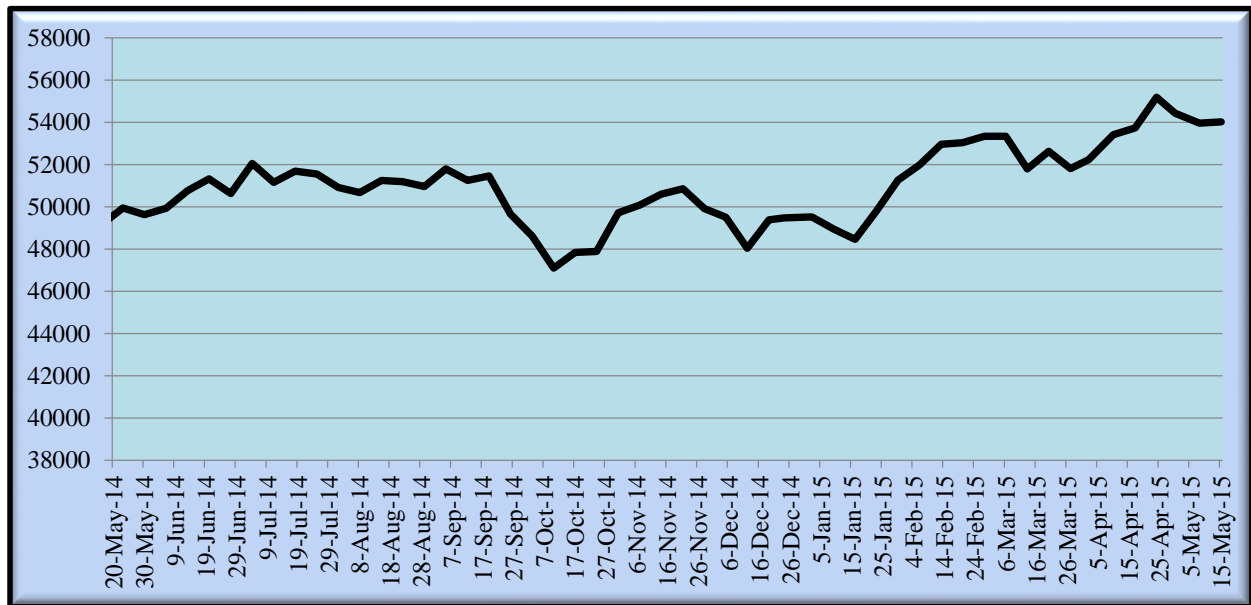
The JSE All Share index closed the week under review at 54 028.17 points, up from 53 790.57 points recorded in the previous week. Market capitalization also increased to R12 345.27 billion, from 12 328.56 billion during the week ending 15<sup>th</sup> March 2015.

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

Period- 2015	All Share Index (points)	Market Capitalization (R billion)
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
15-May	54 028.17	12,345.27

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**

**22<sup>TH</sup> MAY 2015**