



# Weekly Economic Highlights

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Week Ending  
13<sup>th</sup> November 2015

## 1. INTEREST RATES

### Deposit Rates

Interest rates remained largely unchanged at most banking institutions during the week ending 13<sup>th</sup> November 2015. The deposit rates for deposits of 1 month tenor and savings deposits were unchanged at an average of 7.47%; and 3.00%, respectively. A 0.09 percentage points increase to 8.06% in the deposit rate was, however, recorded for deposits of 3 month tenor.

**Table 1: Average Deposit Rates**

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
16-Oct	3.00	8.14	9.14
23-Oct	3.00	7.89	8.72
30-Oct	3.00	7.47	7.97
06-Nov	3.00	7.47	7.97
13-Nov	3.00	7.47	8.06

Source: Banking Institutions, 2015

### Lending Rates

During the week under review commercial banks' weighted lending rates for individual and corporate clients closed the week at 10.91% and 7.31%, respectively.

**Table 2: Lending Rates**

2015	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
16-Oct	11.04	7.26
23-Oct	11.01	7.27
30-Oct	10.98	7.28
06-Nov	10.98	7.27
13-Nov	10.91	7.31

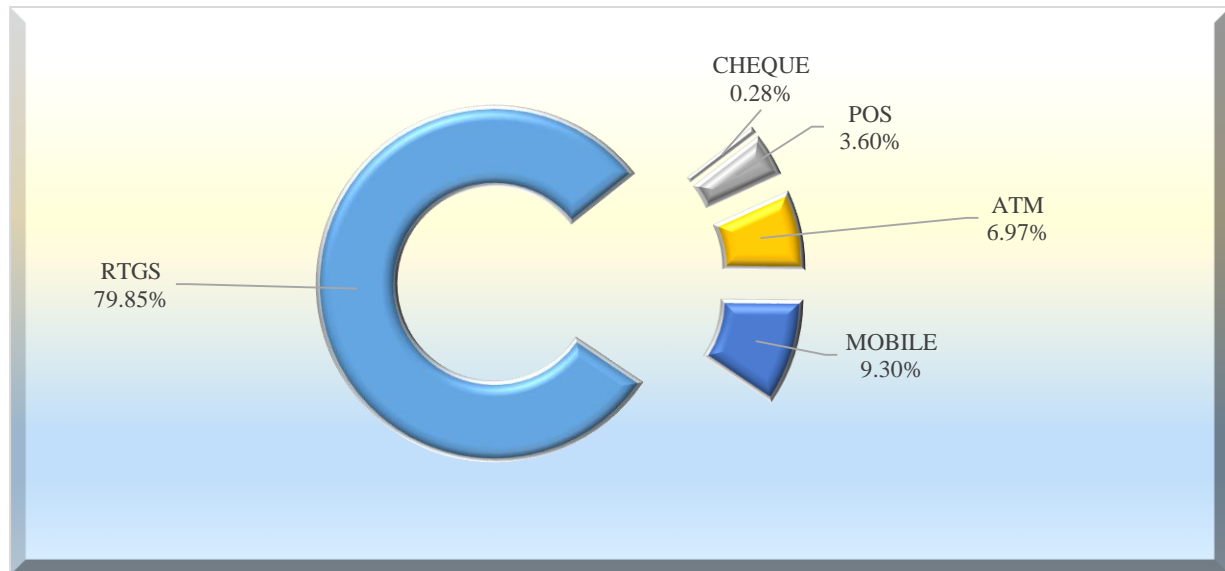
Source: Banking Institutions, 2015

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 13<sup>th</sup> November 2015, the total value of transactions processed through the National Payment Systems (NPS), stood at US\$1 013.37 million, down from US\$1 115.31 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system closed the week under review at US\$809.09 million, up from US\$800.88 million recorded during the previous week.

The RTGS system payments accounted for 79.85% of the total value of transactions processed through the NPS. Mobile, Automated Teller Machines (ATMs), Point of Sale (POS) and Cheque transactions accounted for 9.30%; 6.97%; 3.60%; and 0.28%, respectively.

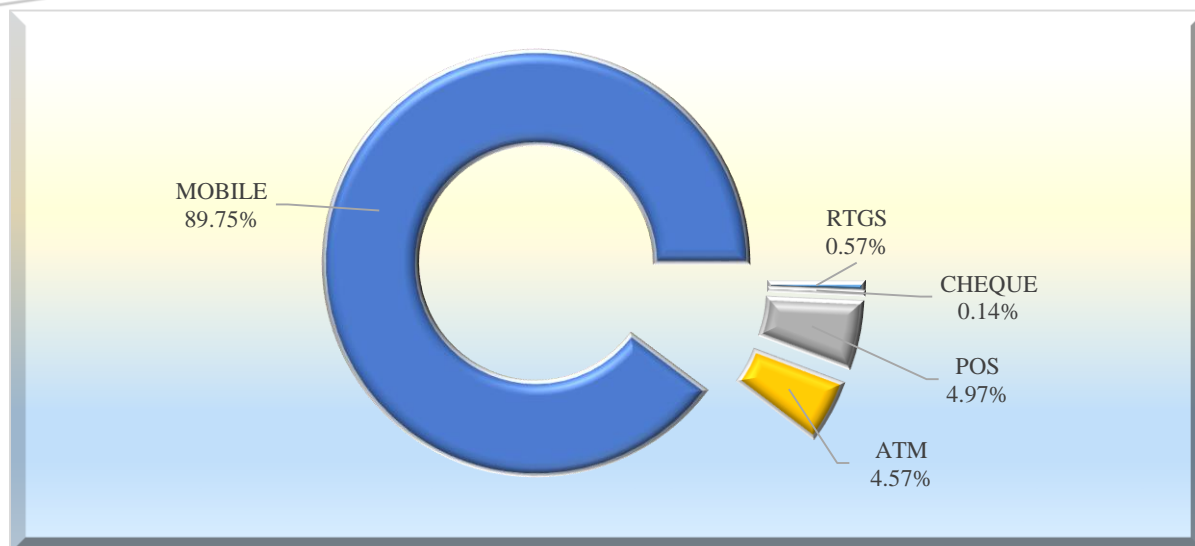
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

Mobile-Based transactions accounted for 89.75% of total transactions in volume terms; Point of Sale (POS), 4.97%; ATMs, 4.57%; RTGS, 0.57%; and Cheques, 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 06 Nov 2015	WEEK ENDING 13 Nov 2015	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	800.88	809.09	1%	79.85%
<b>CHEQUE</b>	3.17	2.88	-9%	0.28%
<b>POS</b>	74.07	36.50	-51%	3.60%
<b>ATMS</b>	123.18	70.66	-43%	6.97%
<b>MOBILE</b>	114.01	94.24	-17%	9.30%
<b>TOTAL</b>	1,115.31	1,013.37		100%
<b>VOLUMES</b>				
<b>RTGS</b>	35,471	32,849	-7%	0.57%
<b>CHEQUE</b>	7,946	8,120	2%	0.14%
<b>POS</b>	439,765	287,741	-35%	4.97%
<b>ATMs</b>	399,452	264,291	-34%	4.57%
<b>MOBILE</b>	5,233,156	5,192,379	-1%	89.75%
<b>TOTAL</b>	6,115,790	5,785,380		100%

Source: Reserve Bank of Zimbabwe

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of gold, platinum, copper, nickel and crude oil declined during the week ending 13<sup>th</sup> November 2015.

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

<b>Period</b>	<b>Gold</b>	<b>Platinum</b>	<b>Copper</b>	<b>Nickel</b>	<b>Crude Oil</b>
<b>2015</b>	<b>US\$/ounce</b>	<b>US\$/ounce</b>	<b>US\$/tonne</b>	<b>US\$/tonne</b>	<b>US\$/barrel</b>
<b>Weekly Average (6 Nov)</b>	<b>1,116.36</b>	<b>959.40</b>	<b>5,157.40</b>	<b>9,907.00</b>	<b>48.99</b>
<b>9-Nov</b>	1,092.60	927.00	4,988.00	9,590.00	47.20
<b>10-Nov</b>	1,089.80	907.00	4,651.00	9,490.00	47.47
<b>11-Nov</b>	1,087.25	894.50	4,931.00	9,425.00	46.88
<b>12-Nov</b>	1,087.50	881.50	4,872.00	9,370.00	45.26
<b>13-Nov</b>	1,082.63	871.50	4,823.00	9,370.00	43.74
<b>Weekly Average (13 Nov)</b>	<b>1,087.96</b>	<b>896.30</b>	<b>4,853.00</b>	<b>9,449.00</b>	<b>46.11</b>
<b>Weekly Change (%)</b>	(2.5)	(6.6)	(5.9)	(4.6)	(5.9)

Source: BBC, KITCO, Reuters and Bloomberg

#### **Gold**

Gold prices remained depressed during the week under analysis, declining by 2.5% to close the week at a weekly average of US\$1,087.96/oz, from US\$1,116.36/oz in the previous week. This was on account of heightened prospects that the U.S Federal Reserve is set to raise interest rates before the end of 2015.

#### **Platinum**

Platinum prices continued on a downward trend, further retreating by 6.6%, from a weekly average of US\$959.40/oz to US\$896.30/oz during the week under review. The Volkswagen emissions scandal and the US interest hike expectations continued to dampen the demand outlook for the metal, thereby weighing down on its prices.

## **Copper**

Copper prices declined by 5.9% to close the week of analysis at US\$4,853.00/ton, from a weekly average of US\$5,157.40/ton recorded in the previous week. This was on the back of the weak demand outlook in China, the largest consumer of the base metal.

## **Nickel**

Nickel prices retreated by 4.6%, from a weekly average of US\$9,907.00/ton in the previous week, to US\$9,449.00/ton during the week under review.

## **Crude Oil**

Brent crude oil prices slumped by 5.9%, to close the week under review at an average of US\$46.11/barrel, from US\$48.99/barrel in the previous trading week. The fall in price was mainly attributed to rising concerns of continued oversupply of the commodity on the global market.

## 4. EQUITY MARKETS

During the week ending 13<sup>th</sup> November 2015, the bearish sentiments characterising the Zimbabwe Stock Exchange (ZSE) persisted for the second consecutive week. Resultantly, the industrial index declined by 3.11%, from 129.45 points in the previous week to 125.43 points during the week under review. The mining index, however, remained static at 22.33 points as no activity was registered in the mining cluster.

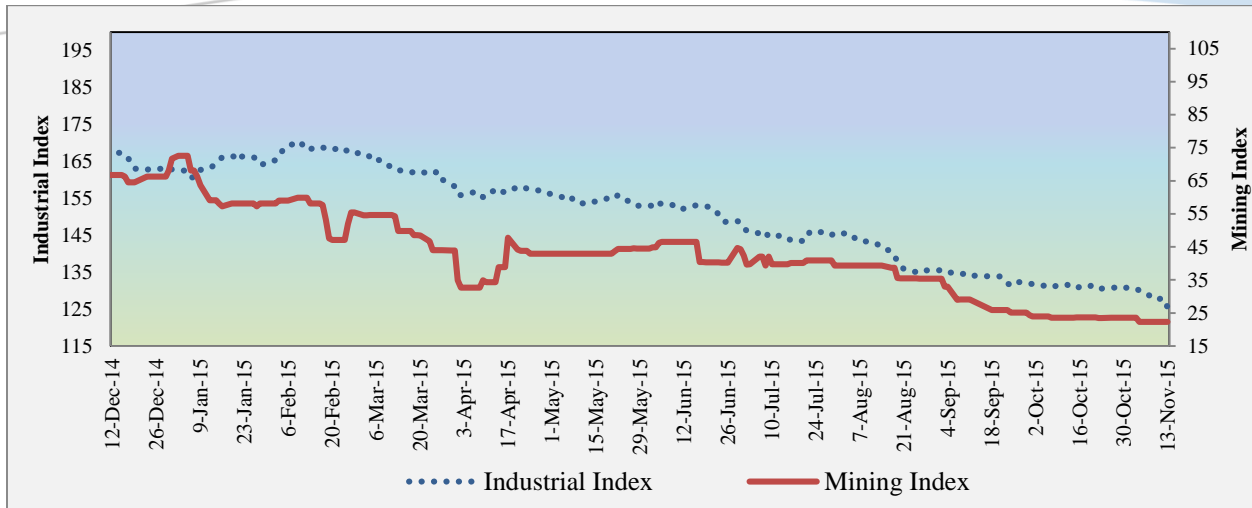
The industrial index was weighed down by losses in Inncor Africa (31.09%), CFI (10.88%), First Mutual (9.09%), OK Zimbabwe (6.67%), Padenga Holdings (6.25%), National Foods (2.52%), Seedco (1.02%), Econet Wireless (0.80%) and Delta Corporation (0.01%).

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

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
16-Oct-15	131.08	23.68	3,422,760,886	789,703	6,781,535
23-Oct-15	130.56	23.49	3,408,982,366	2,041,195	11,472,158
30-Oct-15	130.83	23.57	3,416,105,219	4,540,639	15,119,157
06-Nov-15	129.45	22.33	3,455,784,357	2,348,419	20,002,447
13-Nov-15	125.43	22.33	3,349,967,042	2,715,972	15,462,824
Weekly Change (%)	(3.11)	0	(3.06)	15.65	(22.70)

Source: Zimbabwe Stock Exchange (ZSE), 2015

**Figure 3 : Zimbabwe Stock Exchange Indices**

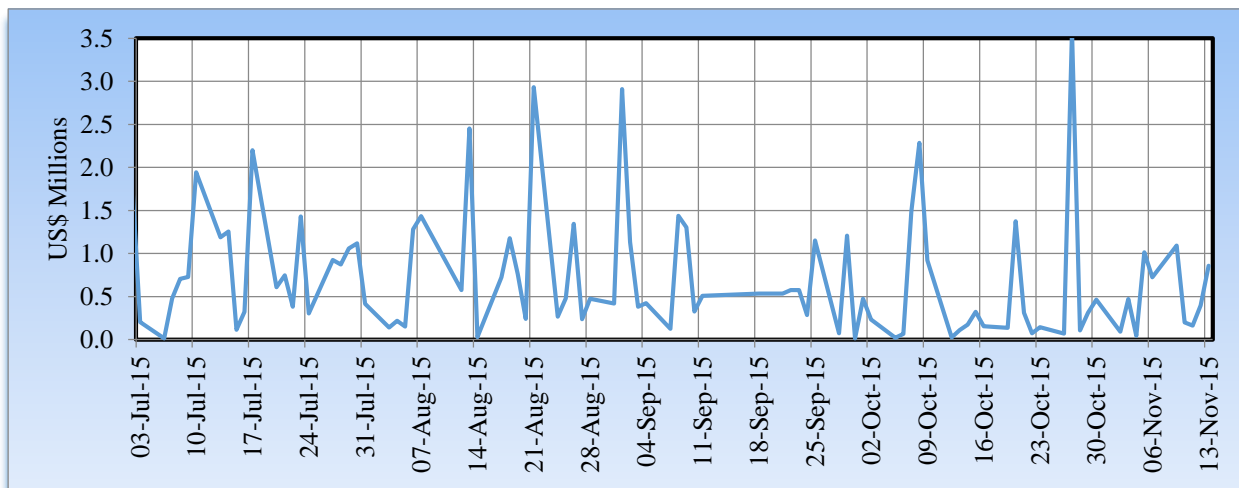


Source: Zimbabwe Stock Exchange, 2015

**Market Turnover and Volume**

The total value of shares traded increased by 15.65%, to close the week under analysis at US\$2.72 million, compared to US\$2.35 million registered in the previous week. This was on the back of a special bargain which saw 5 045 007 OK Zimbabwe shares exchanging hands at US\$0.06.

**Figure 4: Daily Market Turnover**



Source: Zimbabwe Stock Exchange, 2015



## Market Capitalisation

The ZSE market capitalisation declined by 3.06%, to close the week ending 13<sup>th</sup> November 2015 at US\$3.35 billion. This followed thin trading on the stock market, coupled with sell off pressure during the period under review.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2015

## Johannesburg Stock Exchange (JSE) Developments

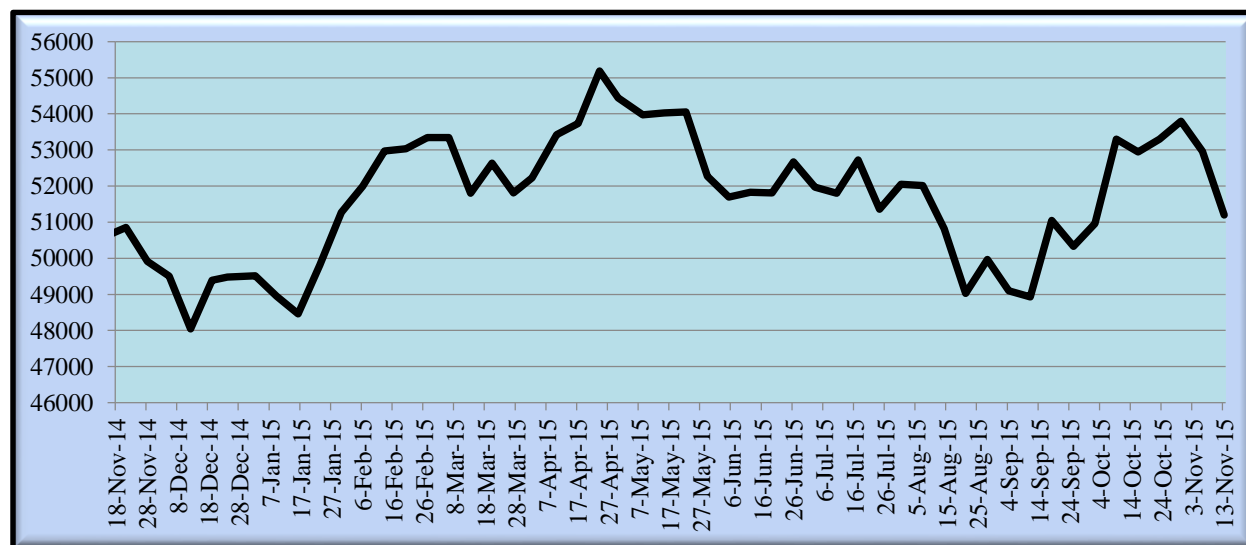
The JSE All Share index closed the week under review at 51 199.34 points, shedding 3.33% from the previous week. Market capitalization also declined by 3.16% to R11.64 trillion.

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

Period- 2015	All Share Index (points)	Market Capitalisation (R trillion)
16-Oct	52,945.11	12.07
23-Oct	53,298.41	12.36
30-Oct	53,793.74	12.17
06-Nov	52,964.07	12.02
13-Nov	51,199.34	11.64

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**

**20<sup>TH</sup> NOVEMBER 2015**