



Weekly Economic Highlights

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Week Ending
23rd October 2015

1. INTEREST RATES

Deposit Rates

Average savings deposits remained unchanged at 3.00%, during the week ending 23rd October 2015. Deposit rates for 3 month and 1 month tenors, however, retreated to 8.72% and 7.89%, respectively.

Table 1: Average Deposit Rates

| 2015 | Savings Deposits (%) | 1-Month Deposits (%) | 3-Months Deposits (%) |
|--------|----------------------|----------------------|-----------------------|
| 02-Oct | 3.00 | 8.14 | 9.14 |
| 09-Oct | 3.00 | 8.14 | 9.14 |
| 16-Oct | 3.00 | 8.14 | 9.14 |
| 23-Oct | 3.00 | 7.89 | 8.72 |

Source: Banking Institutions, 2015

Lending Rates

Weighted lending rates for individuals decreased marginally from 11.04% to 11.01% at commercial banks, while those for corporate clients increased from 7.26% to 7.27%.

Table 2: Lending Rates

| 2015 | Lending Rates (%) | |
|--------|-----------------------------|-------------------|
| | Commercial Banks (weighted) | |
| | Individuals | Corporate clients |
| 02-Oct | 11.56 | 8.39 |
| 09-Oct | 10.97 | 7.73 |
| 16-Oct | 11.04 | 7.26 |
| 23-Oct | 11.01 | 7.27 |

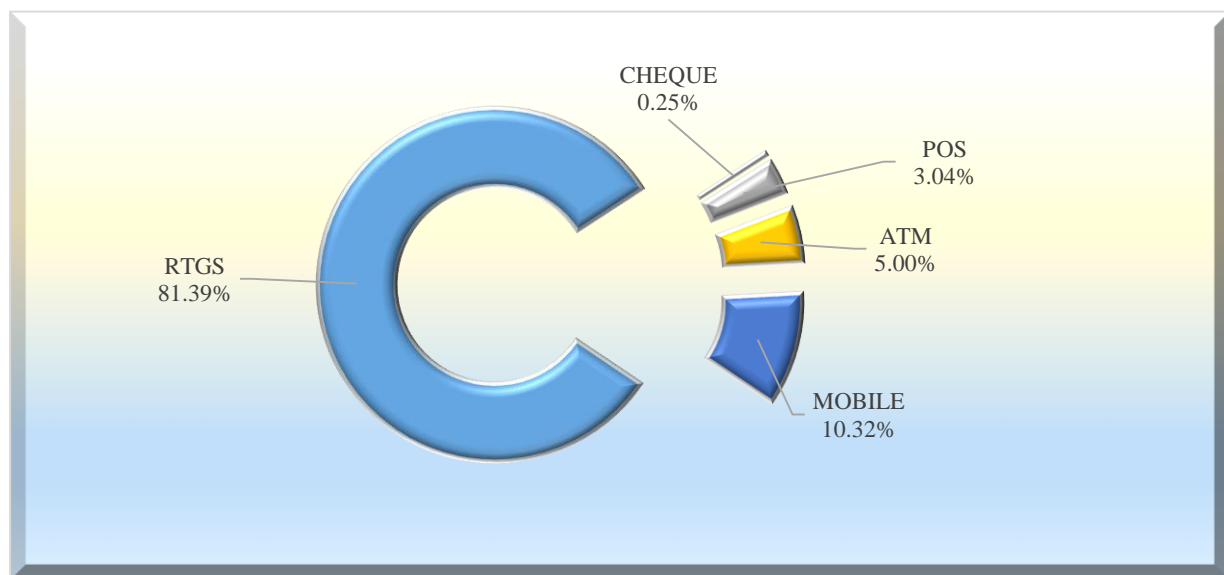
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) closed the week ending 23rd October 2015 at US\$1 102.88 million, up from US\$1 030.19 million recorded in the previous week. A 7 % increase was recorded for transactions processed through the RTGS, from US\$840.68 million in the previous week, to US\$897.65 million during the week under review.

The proportion of NPS transactions in value terms was as follows: RTGS, 81.39%; Mobile, 10.32%; ATM, 5.00%; POS, 3.04% and Cheque, 0.25%.

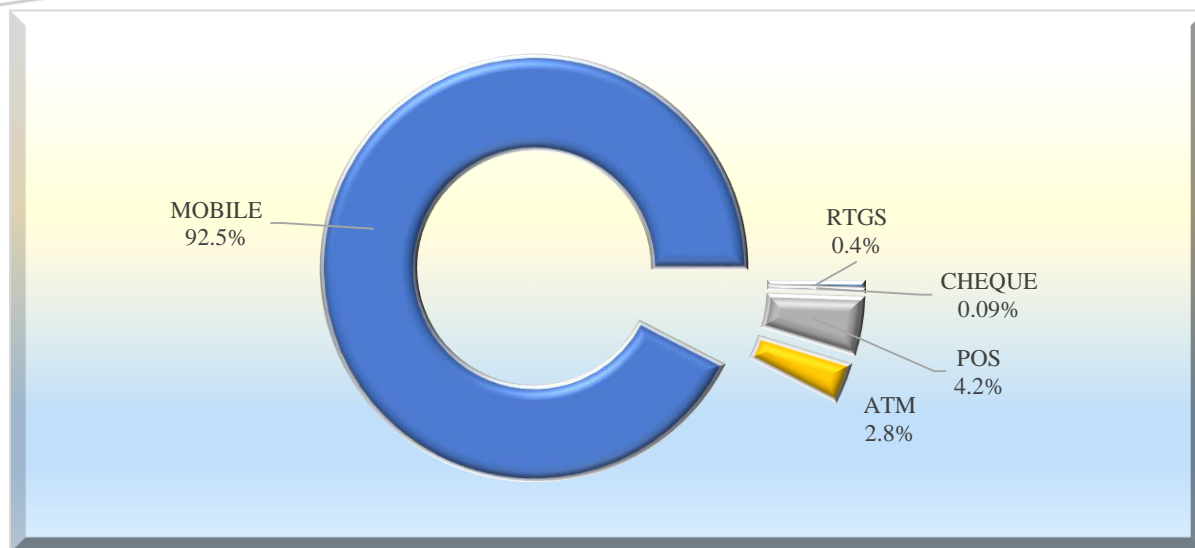
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

In terms of volume, Mobile-Based transactions accounted for 92.47% of total transactions, followed by Point of Sale (POS), 4.18%; Automated Teller Machines (ATMs), 2.83%; RTGS, 0.44%; and Cheque 0.09%.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

| PAYMENT STREAM | WEEK ENDING 16 Oct 2015 | WEEK ENDING 23 Oct 2015 | CHANGE FROM LAST WEEK | PROPORTION |
|---------------------------------|----------------------------|----------------------------|-----------------------------|------------|
| VALUES IN USD (millions) | | | | |
| RTGS | 840.68 | 897.65 | 7% | 81.39% |
| CHEQUE | 3.03 | 2.75 | -9% | 0.25% |
| POS | 36.32 | 33.48 | -8% | 3.04% |
| ATMS | 65.44 | 55.17 | -16% | 5.00% |
| MOBILE | 84.71 | 113.83 | 34% | 10.32% |
| TOTAL | 1,030.19 | 1,102.88 | | 100% |
| VOLUMES | | | | |
| RTGS | 33,032 | 34,331 | 4% | 0.44% |
| CHEQUE | 7,878 | 7,117 | -10% | 0.09% |
| POS | 310,506 | 329,218 | 6% | 4.18% |
| ATMs | 274,380 | 223,108 | -19% | 2.83% |
| MOBILE | 4,664,813 | 7,288,599 | 56% | 92.47% |
| TOTAL | 5,290,609 | 7,882,373 | | 100% |

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 23rd October 2015, the international commodity prices of platinum firmed, while copper, nickel and crude oil prices retreated.

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 (16 Oct) | 1,170.91 | 992.00 | 5301.20 | 10,489.00 | 50.23 |
| 19-Oct | 1173.53 | 1012.50 | 5240.00 | 10455.00 | 49.39 |
| 20-Oct | 1175.73 | 1011.00 | 5188.00 | 10290.00 | 48.51 |
| 21-Oct | 1170.75 | 1010.00 | 5188.00 | 10320.00 | 47.85 |
| 22-Oct | 1166.73 | 1000.00 | 5274.00 | 10410.00 | 48.57 |
| 23-Oct | 1166.40 | 1008.50 | 5,274.00 | 10,600.00 | 47.54 |
| Weekly Average (23 Oct) | 1,170.63 | 1,008.40 | 5,232.80 | 10,415.00 | 48.37 |
| Weekly Change (%) | (0.0) | 1.7 | (1.3) | (0.7) | (3.7) |

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices remained unchanged at a weekly average of US\$1 171/oz during the week under review. This was on the back of the US Federal Reserve's deliberations on the interest rate policy, which led to investors adopting a wait and see approach.

Platinum

Platinum prices continued on an upward trend, increasing by 1.7% to close the week under review at a weekly average price of US\$1 008.40/oz, from US\$992.00/oz in the previous week. The increase was partially attributed to output constraints in South Africa. This followed reports of the closure of a mine at Glencore's Eland Platinum Unit and the scaling down of operations at Lonmin and Anglo American Platinum mining companies.

Copper

Copper prices declined by 1.3% to a weekly average of US\$5 232.80/ton during the week under review, from US\$5 301.20/ton in the previous week. Weak demand from China, which accounts for almost half of global demand for the metal, contributed to the depressed prices.

Nickel

Nickel prices retreated by 0.7%, from US\$10 489.00/ton in the previous week to US\$10 415.00/ton during the week under analysis. The strengthening of the US dollar exacerbated the fall in the global demand for the metal resulting in the price decline.

Crude Oil

Crude Oil prices maintained a downward trend, registering a 3.7% decline from a weekly average of US\$50.23/barrel, to close the week under analysis at US\$48.37/barrel. This was attributable to depressed demand for the commodity due to the strengthening of the US dollar.

4. EQUITY MARKETS

Trading on the local bourse continue to be affected by bearish sentiments during the week ending 23rd October 2015. As a result, industrial and mining indices lost 0.52 points and 0.19 points, to close the week under review at 130.56 points and 23.49 points, respectively.

The decline in the benchmark index was largely attributed to losses realized in Zimpapers (20%), Hippo Valley Estates (8.50%), Colcom Holdings (8.33%), TSL (7.25%), National Foods Limited (5.17%), Delta Corporation (0.30%) and Econet Wireless (0.04%).

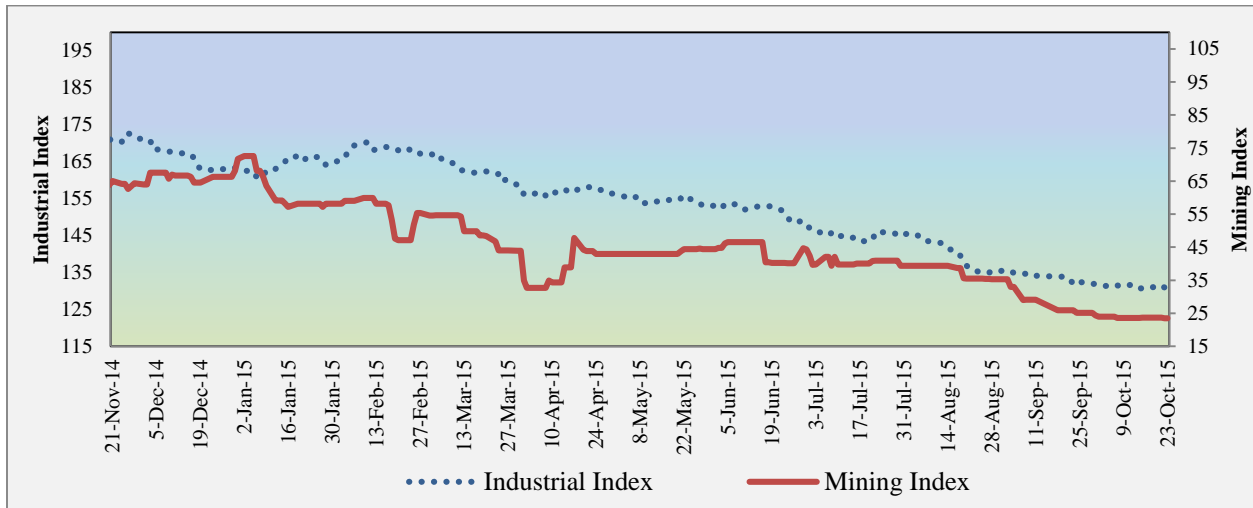
The mining index declined on the back of losses realized in Hwange Colliery Company (HCC), (2.86%) and Bindura Nickel Corporation (BNC), (0.77%).

Table 5: Zimbabwe Stock Exchange (ZSE) Statistics

| Period | Industrial Index (points) | Mining Index (points) | Grand Market Capitalization (US\$) | Market Turnover (US\$) | Volume of Shares |
|-------------------|---------------------------|-----------------------|------------------------------------|------------------------|------------------|
| 02-Oct-15 | 131.45 | 23.97 | 3,431,677,735 | 2,006,444 | 23,490,669 |
| 09-Oct-15 | 131.45 | 23.57 | 3,431,931,253 | 4,782,272 | 22,376,346 |
| 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 |
| Weekly Change (%) | (0.40) | (0.80) | (0.40) | 158.48 | 69.17 |

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

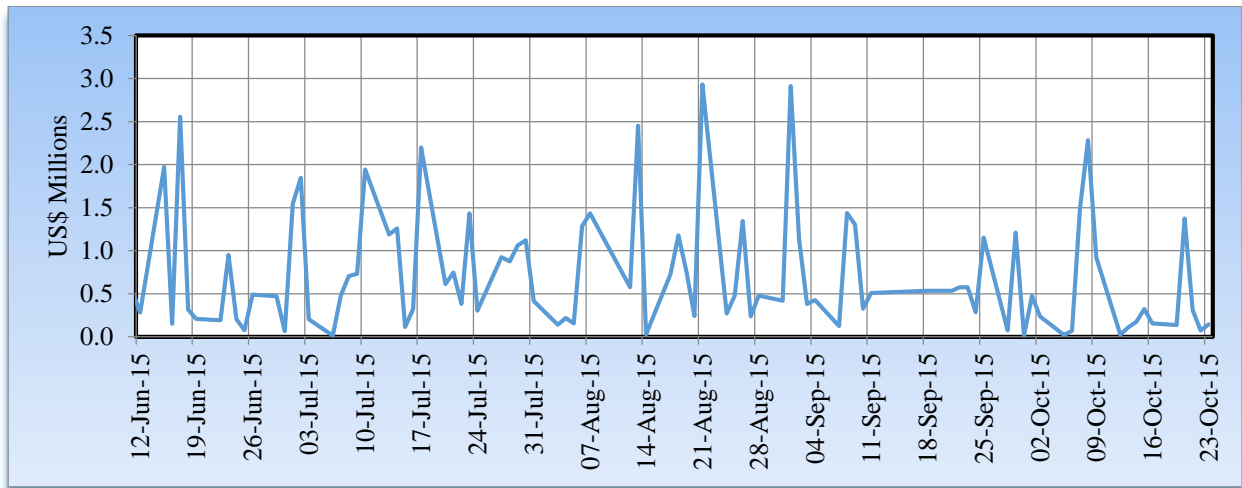


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

During the period under review, market turnover increased by 158.48% to US\$2.04 million, from US\$0.79 million in the previous week. The volume of shares traded increased by 69.17% to close the week under review at 11 472 158 shares.

Figure 4: Daily Market Turnover

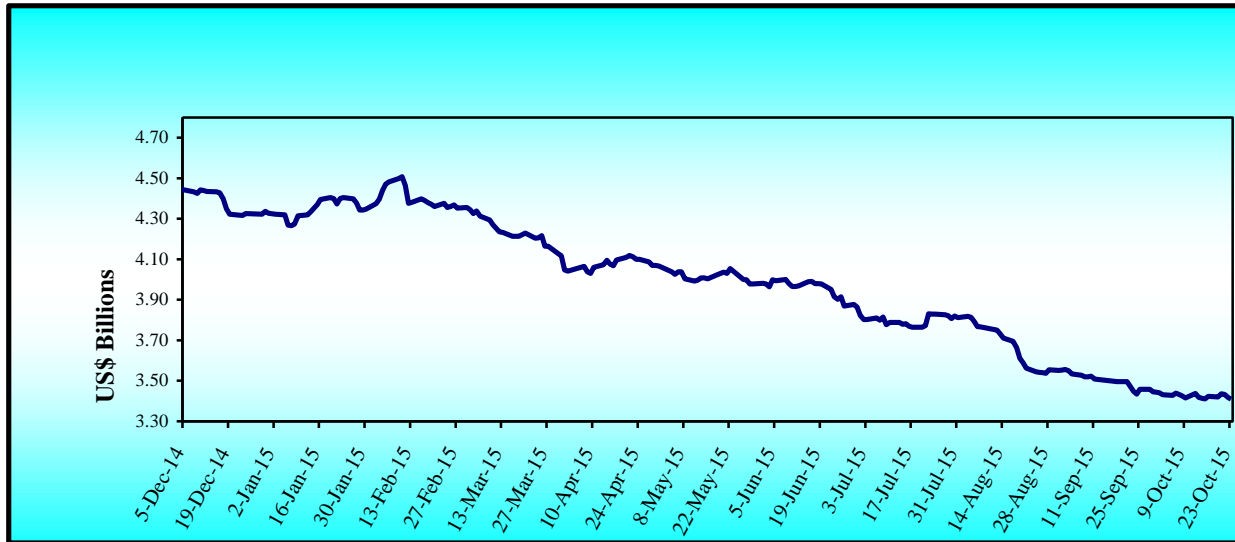


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

Market capitalization declined by 0.40%, to US\$3 408 982 366 during the week under review. This was, in large part, on account of losses realised in heavily capitalised counters such as Delta Corporation, Econet, National Foods, Hippo Valley and TSL.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

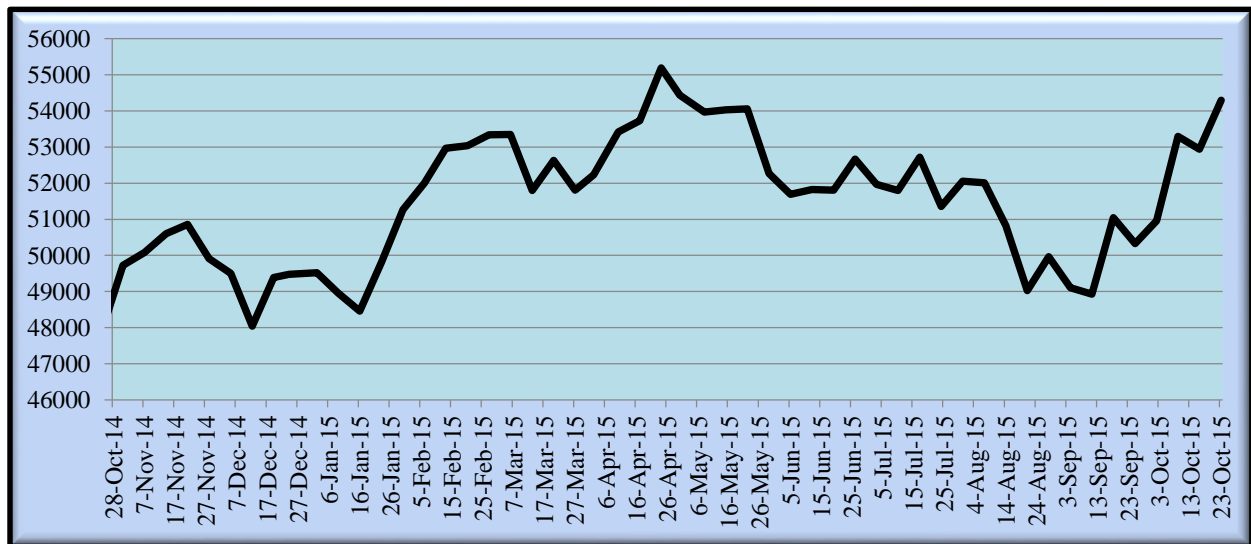
The JSE market capitalization increased by 2.4%, from R12.07 trillion recorded in the previous week to R12.36 trillion recorded during the week ending 23rd October 2015. Concomitantly, the JSE All Share index firmed from 52 945.11 points in the previous week, to 53 298.41 points during the week under review.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

| Period- 2015 | All Share Index (points) | Market Capitalisation (R trillion) |
|--------------|--------------------------|------------------------------------|
| 02-Oct | 50,955.89 | 11.60 |
| 09-Oct | 53,295.65 | 12.12 |
| 16-Oct | 52,945.11 | 12.07 |
| 23-Oct | 53,298.41 | 12.36 |

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

28TH OCTOBER 2015