Vol. 17 No. 25

Weekly Economic Highlights

Table of Contents

Week Ending
19th June 2015

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and fixed deposits of 1 month and 3 month tenors remained unchanged at 3.43%, 8.31% and 10.03%, respectively, during the week ending 19th June 2015.

Table 1: Average Deposit Rates

2015	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
22-May	3.43	8.56	10.28
29-May	3.43	8.58	10.31
05-June	3.43	8.31	10.03
12-June	3.43	8.31	10.03
19-June	3.43	8.31	10.03

Source: Banking Institutions, 2015

Lending Rates

During the same week, weighted lending rates at commercial banks for individuals decreased from 12.07% in the previous week to 12.04%. Weighted lending rates for corporate clients, however, remained unchanged at 8.73%.

Table 2: Lending Rates

2015	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	**Corporate clients**
22-May	12.76	8.81
29-May	12.74	8.79
05-June	12.07	8.74
12-June	12.07	8.73
19-June	12.04	8.73

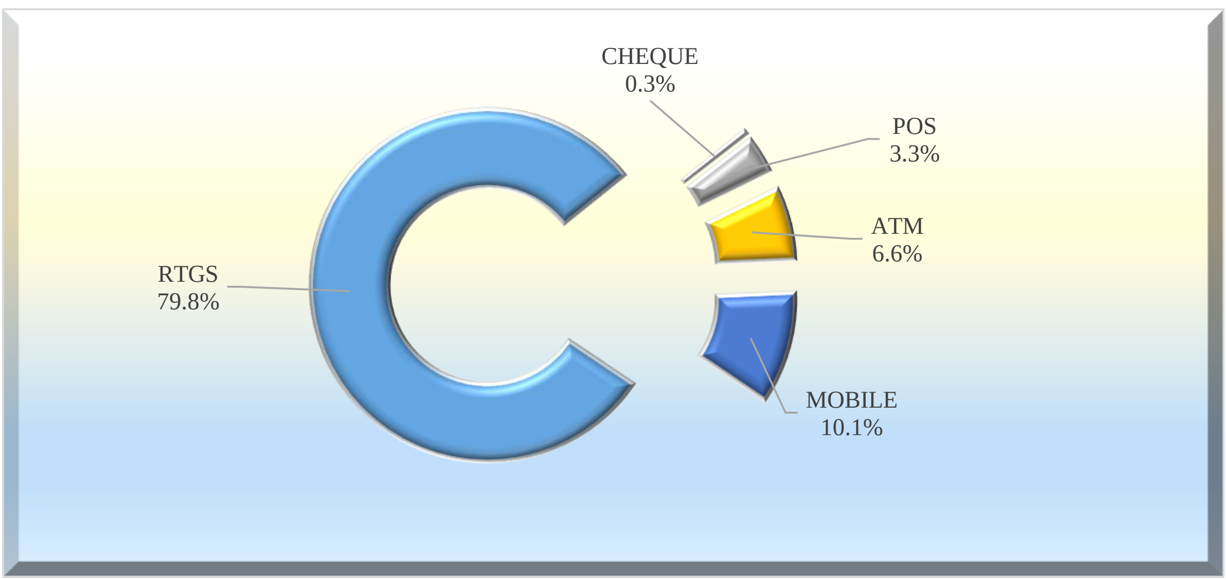
Source: Banking Institutions, 2015

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment System (NPS) decreased to US$925 million during the week under review, from US$1 116 million in the previous week. A 21% decrease to US$738.1 million, in transactions processed through the RTGS, was recorded during the week under review.

RTGS payments accounted for 79.77% of the total value of transactions processed through the NPS, followed by Mobile, 10.12%; Automated Teller Machines (ATMs), 6.55%; Point of Sale (POS); 3.25% and Cheque transactions, 0.30%.

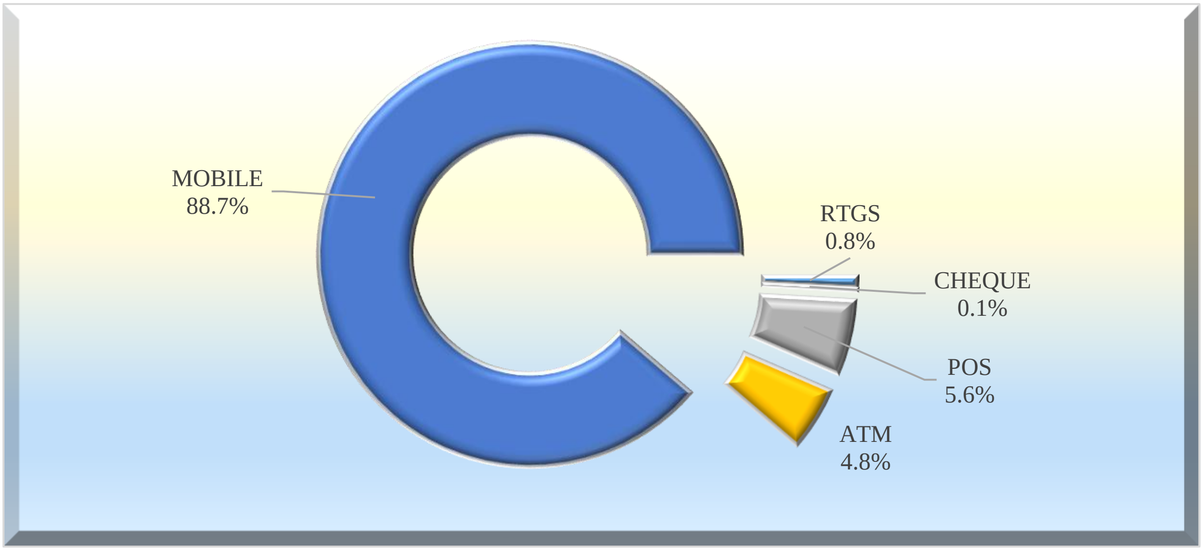
Figure 1: Proportions of NPS Transactions in Value Terms



Source:Reserve Bank of Zimbabwe

In volume terms, the transactions processed through the NPS were distributed as follows: Mobile, (88.72%); POS, (5.60%); ATM's, (4.77%); RTGS, (0.76%) 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 12 JUNE 2015	WEEK ENDING 19 JUNE 2015	CHANGE FROM LAST WEEK	PROPORTION
	VALUES IN USD (millions)			
RTGS	931.49	738.06	-21%	79.77%
CHEQUE	3.38	2.82	-17%	0.30%
POS	45.37	30.06	-34%	3.25%
ATMS	75.64	60.64	-20%	6.55%
MOBILE	60.11	93.61	56%	10.12%
TOTAL	**1115.99**	**925.19**		**100%**
	VOLUMES			
RTGS	43,082	41,866	-3%	0.76%
CHEQUE	8,561	7,503	-12%	0.14%
POS	327,155	306,960	-6%	5.60%
ATMs	287,264	261,447	-9%	4.77%
MOBILE	2,972,905	4,859,982	63%	88.72%
TOTAL	**3,638,967**	**5,477,758**		**100%**

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 19th June 2015 (day 74 of the 2015 tobacco selling season), a cumulative total of 165 894 646 kilograms of tobacco had been sold. This represented a 10.33% decline compared to 185 004 756 kilograms sold during the same period in 2014.

Cumulative tobacco sales amounted to US$490.66 million - 17% lower than the US$588.60 million realized during the corresponding period in 2014. The golden leaf fetched a lower average price of US$2.96/kg, compared to US$3.18/kg during the same period in 2014

Table 4: Cumulative Tobacco Sales: Day 74 (19/06/15)

	2014	2015	Variance (%)
Cumulative Quantity Sold (kgs)	185,004,756	165,894,646	-10.33%
Cumulative Average Price(US$/kg)	3.18	2.96	-7.04%
Cumulative Value (US$)	588,603,425	490,659,694	-17%

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices for platinum, copper, nickel and crude oil retreated, during the week ending 19th June 2015. Gold prices, however firmed as shown in Table 5 below.

Table 5: 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 (12 June)	1,179.97	1,105.80	5,947.50	13,350.00	64.62
15-Jun	1,179.83	1,087.50	5,760.00	12,730.00	62.49
16-Jun	1,179.93	1,080.50	5,751.00	12,770.00	63.88
17-Jun	1,178.50	1,081.50	5,749.00	12,770.00	64.87
18-Jun	1,199.93	1,083.50	5,749.00	12,855.00	64.04
19-Jun	1,200.78	1,083.00	5,662.00	12,600.00	63.15
Weekly Average (19 June)	1,187.79	1,083.20	5,734.20	12,745.00	63.69
Weekly Change (%)	0.7	(2.0)	(3.6)	(4.5)	(1.4)

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices increased from US$1 179.97/oz in the previous week, to US$ 1 187.79/oz during the week under analysis. This was largely on account of an increase in the demand for gold as a safe haven for investment.

Platinum

Platinum prices declined by 2%, to US$1 083.20/oz during the week under review. The decline was attributed to waning demand in Europe.

Copper

Similarly, copper prices declined by 3.6% to US$5 734.20/tonne, during the week ending 19th June 2015. This was on account of the general slackening global demand for the base metal.

Nickel

Nickel prices stood at US$12 745/tonne during the week under analysis, down from US$13 350.00/tonne in the previous week. The slowdown in the Chinese economy, the world largest consumer of the base metal, exerted downward pressure on global nickel prices.

Crude Oil

During the week under review, crude oil prices retreated by 1.4% to US$63.69/barrel. Crude Oil prices continued to be weighed down by persistent over supply concerns.

5. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) was mixed during the week ending 19th June 2015. The industrial index increased from 152.20 points in the previous week, to 152.90 points during the week under review. This was against a 13.45% decline to 40.28 points, in the mining index.

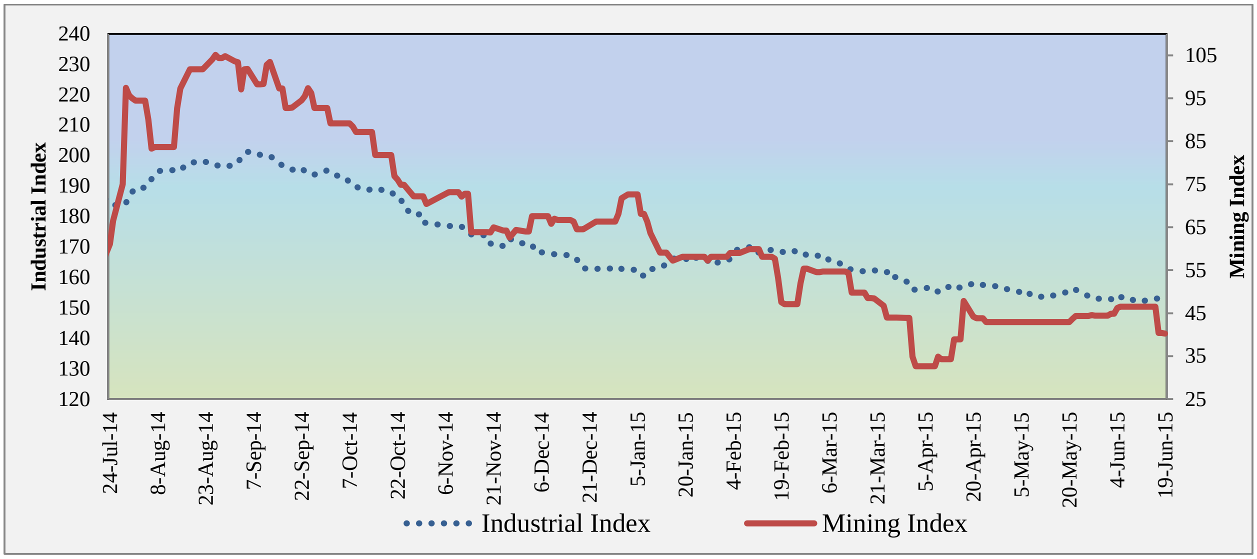
The industrial index increased on account of gains in the share prices of Masimba Holdings (66.67%), ZBFH (40%), Proplastics (33.33%), Ariston (25%), Cafca (13.96%), T.S.L. (11.11%), Dawn Properties (6.67%), Seedco (4.40%), Old Mutual (2.69%), Delta (0.96%) and BAT (0.88%). Losses in Bindura (19.75%) and Hwange (2.50%) weighed down the mining index.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US$)	Market Turnover (US$)	Volume of Shares
22-May-15	155.94	44.38	4,054,076,256	2,912,266	25,121,118
29-May-15	152.96	44.45	3,978,062,358	3,921,841	14,124,142
05-June-15	153.49	46.54	3,994,531,531	3,380,325	8,907,374
12-June-15	152.20	46.54	3,968,883,265	3,492,167	28,242,831
19-June-15	152.90	40.28	3,978,036,078	5,202,854	24,644,727

Source: Zimbabwe Stock Exchange (ZSE), 2015

Figure 3 : Zimbabwe Stock Exchange Indices

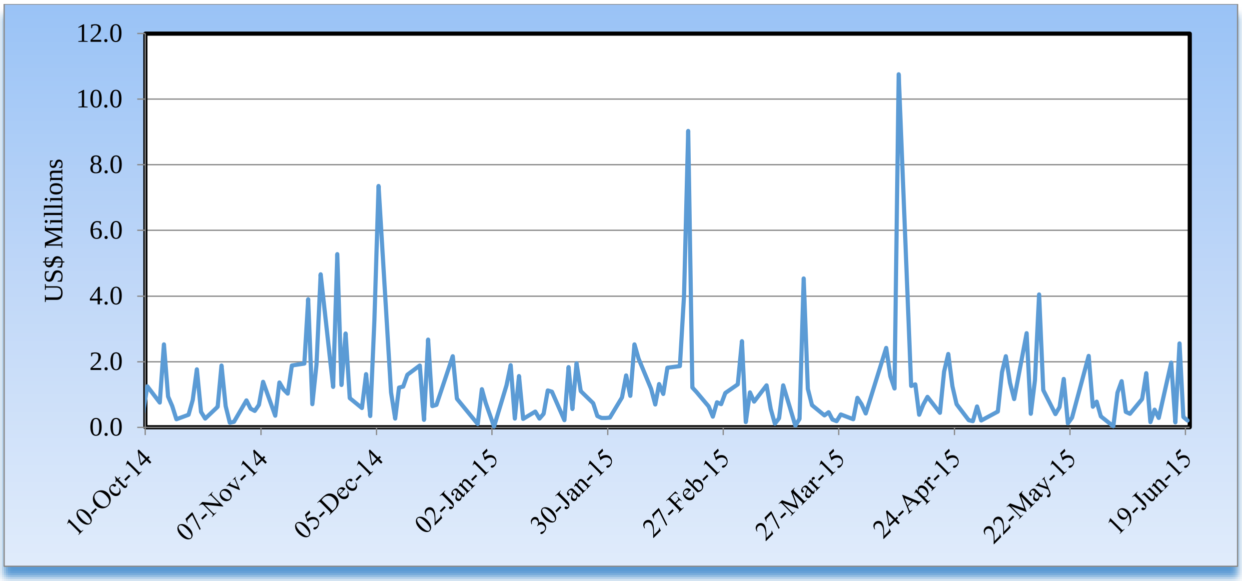


Source: Zimbabwe Stock Exchange, 2015

Market Turnover and Volume

Market turnover increased by 49% to US$5.20 million, largely on account of a special bargain of 9 000 000 TSL shares which were traded at US$0.175 each. In volume terms, shares traded retreated from 28 242 831 shares in the previous week to 24 644 727 shares during the week under review.

Figure 4: Daily Market Turnover

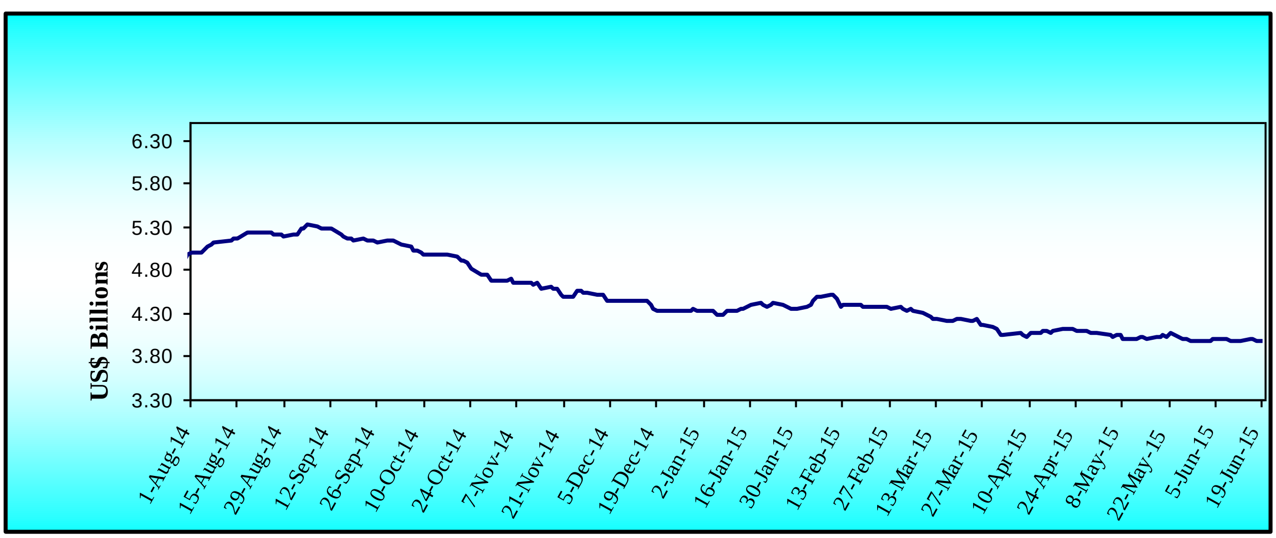


Source: Zimbabwe Stock Exchange, 2015

Market Capitalisation

During the week under review, the market capitalisation increased by 0.23% to US$3.98 billion. The increase was on the back of significant gains in heavily capitalized counters namely; Seedco, Old Mutual, Delta and BAT.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2015

Johannesburg Stock Exchange (JSE) Developments

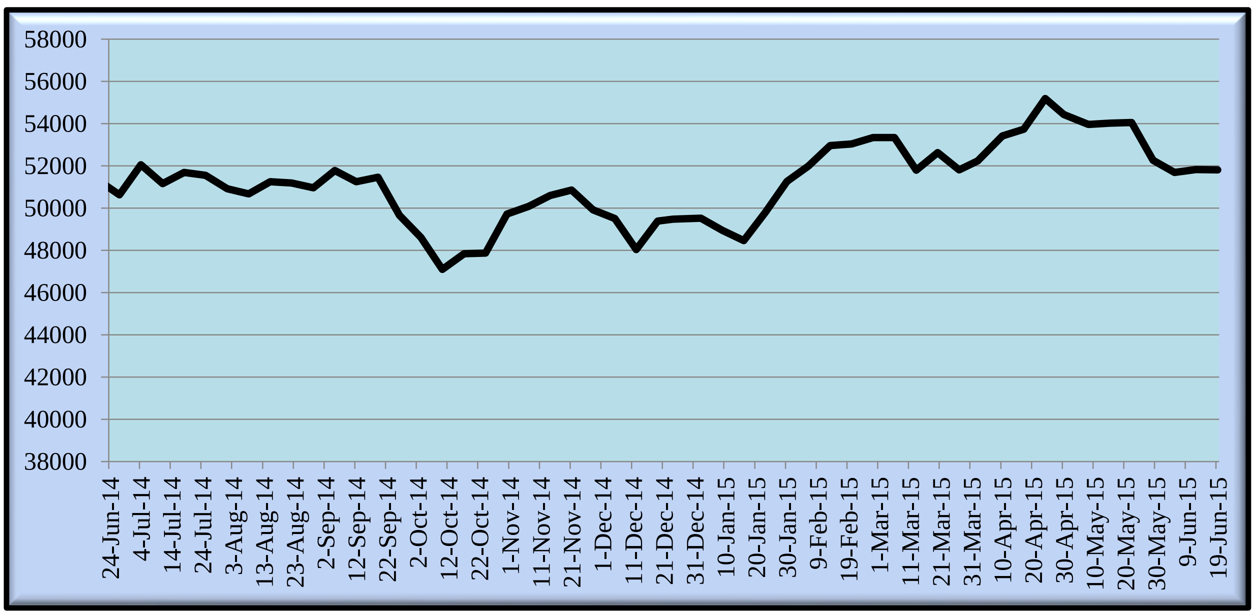
The JSE All Share index closed the week under review at 51 806.71 points, down from 51 828.76 points in the previous week. Market capitalisation, however, remained unchanged at R12.00 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period- 2015	All Share Index (points)	Market Capitalization (R trillion)
22-May	54,055.38	12,43
29-May	52,270.86	12,09
05-June	51,694.25	11,96
12-June	51,828.76	12,00
19-June	51,806.71	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

26TH JUNE 2015