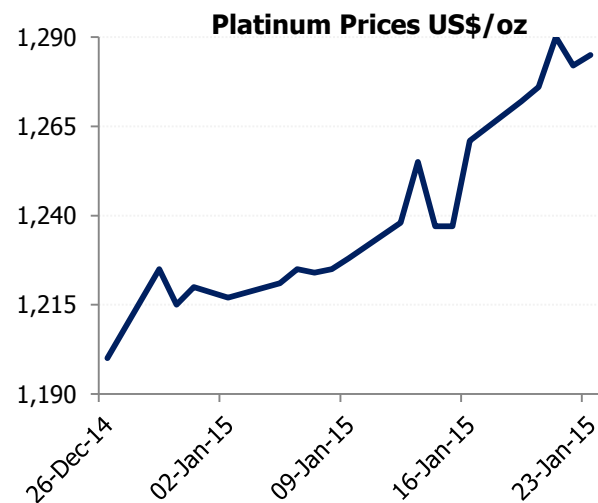
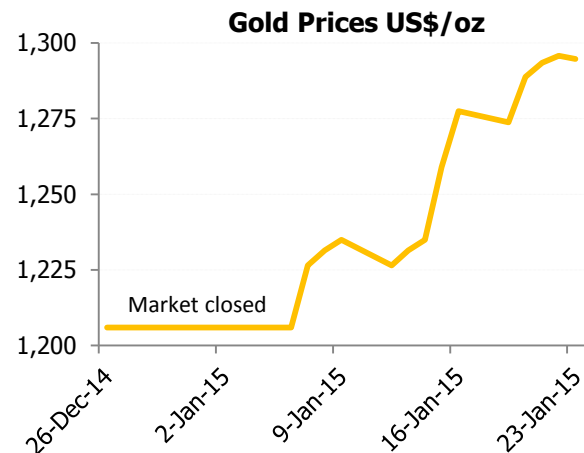


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart



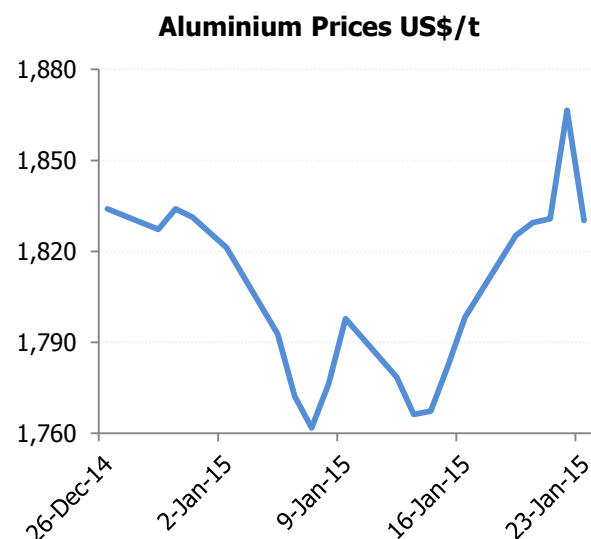
Commodity Prices

Avg Prices US\$/oz		YoY %Δ
2013	1,411	-15.41
2014	1,266	-10.28
Daily		WoW %Δ
16-Jan-15	1,278	
19-Jan-15	1,274	
20-Jan-15	1,289	
21-Jan-15	1,294	
22-Jan-15	1,296	
23-Jan-15	1,295	
		1.35

Avg Prices US\$/oz		YoY %Δ
2013	1,487	-4.12
2014	1,384	-6.9
Daily		WoW %Δ
16-Jan-15	1,261	
19-Jan-15	1,272	
20-Jan-15	1,276	
21-Jan-15	1,290	
22-Jan-15	1,282	
23-Jan-15	1,285	
		1.90

Commodity Developments

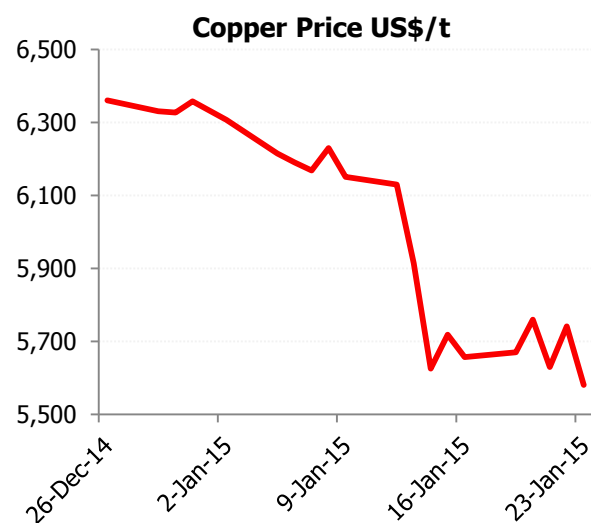
- Broad based commodity price decline occurred during H2:14. Gold prices declined by over 12% from the Mar-14 peak of US\$1,385/oz to close the year at US\$1,206/oz.
- The metal which averaged US\$1,266/oz in 2014, 10.3% lower than 2013 average is expected to average US\$1,250/oz in 2015 as broad-based weaknesses in commodity prices are expected to extend in 2015.
- During the week ended 23-Jan-15, the metal price surged as investors sought safety from volatility in wider markets. Switzerland unexpectedly abandoned a cap on the franc and the European Central Bank (ECB) announced its plans to pump about €1 trillion into the Euro zone's flagging economy.
- However, the metal which is often seen as a hedge against inflation cut some of its gains to the USD, which hit an 11-year high against the EUR. Strong USD makes dollar-denominated assets more expensive for investors holding other currencies.
- Platinum, now trading below gold price averaged US\$1,384/oz in 2014, 7% lower than that of 2013. The metal price is expected to remain weak to average US\$1,250/oz in 2015.
- More recently, in SA, striking miners at Northam Platinum's biggest mine agreed to return to work, ending a week-long work stoppage.
- The wider platinum industry is still recovering from a record 5-month strike last year as data showed that production of platinum group of metals fell 14.3% in Nov-14.
- SA is the world's top producer of the white metal used for emissions-capping catalytic converters in automobiles.

Commodity 30-Day Price Chart

Commodity Prices

	Avg Prices US\$/t	YoY %Δ
2013	1,845	8.80
2014	1,867	1.19
Daily		WoW %Δ
16-Jan-15	1,798	
19-Jan-15	1,825	
20-Jan-15	1,830	
21-Jan-15	1,831	
22-Jan-15	1,867	
23-Jan-15	1,830	
		1.78

Commodity Developments

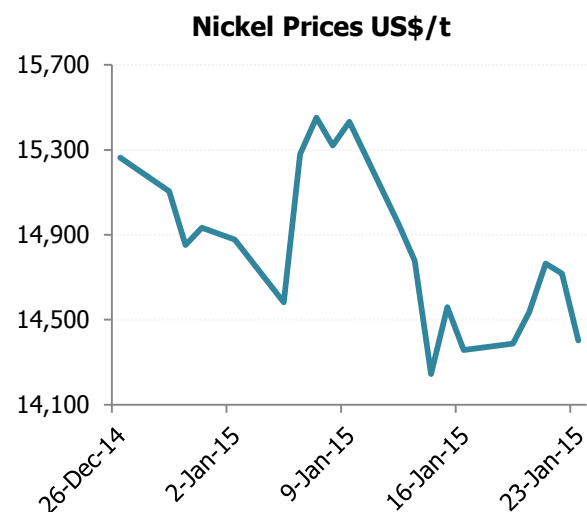
- Aluminium prices strengthened by 1.2% in 2014 supported by production cuts outside China that moved the market excluding China into deficit.
- Aluminium prices slid on the 23rd of Jan following news that stocks held at 3 major Japanese ports rose for a 9th straight month to hit a record high at the end of Dec as imports rose and demand weakened.
- The increase in inventory of the metal which is used in automobiles reflects slowing demand in Japan as consumption remains weak, weighing on sales of automobiles.
- In addition, a substantial volume of aluminium inventories are tied up in warehouse financing arrangements and are not available to the market.
- Specifically, contrary to the expected broad decline of base metals in 2015, aluminium prices are expected to increase by 3.0%.



	Avg Prices US\$/t	YoY %Δ
2013	7,332	-8.04
2014	6,863	-6.40
Daily		WoW %Δ
16-Jan-15	5,658	
19-Jan-15	5,671	
20-Jan-15	5,760	
21-Jan-15	5,630	
22-Jan-15	5,742	
23-Jan-15	5,581	
		-1.36

- Copper prices fell by 6.4% to US\$6,863/t in 2014 on the back of weak demand from China.
- During the week ending 23-Jan-15, copper posted its 6th straight weekly loss as it moved back towards a recent 5-year low, weighed down by a stronger dollar and concerns about the outlook for demand from top consumer China.
- The collapse of copper prices sent shockwaves through global markets that are just coming to terms with oil's 60% price slide since Jun-14. Worst hit are likely to be Chile and Peru, the world's top and third largest copper producers respectively.
- Other major emerging market copper producers are China, Russia, Congo, Zambia and Mexico. In Zambia, the new President, Edgar Lungu vowed to maintain a new mineral royalty tax despite fears that it could lead to mine closures. Africa's second biggest copper producer hiked open pit mining royalties to 20% from 6% and underground royalties to 8% from 6% in its 2015 budget, a move mining companies have said could cost 12 000 jobs.

Commodity 30-Day Price Chart



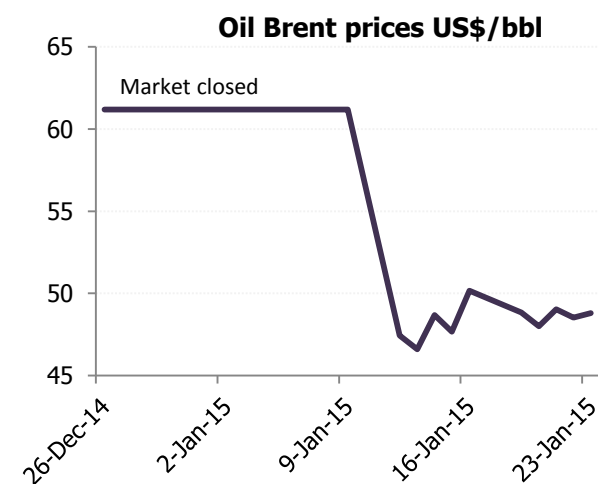
Commodity Prices

Avg Prices US\$/t		YoY %Δ
2013	15,032	-14.64
2014	16,893	12.38

Daily		WoW %Δ
16-Jan-15	14,358	
19-Jan-15	14,388	
20-Jan-15	14,538	
21-Jan-15	14,765	
22-Jan-15	14,718	
23-Jan-15	14,403	
		0.31

Commodity Developments

- Indonesian ban on ore exports supported nickel prices to average US\$16,893/t in 2014, 12% higher than that of 2013. However, due to global commodity weaknesses, the metal is expected to slide slightly averaging US\$16,000/t in 2015.
- The Philippines which boosted its nickel ore exports by 22.7% is the biggest beneficiary of Indonesia's decision to ban ore exports. The country overtook its Southeast Asian rival as China's biggest supplier while also receiving higher prices.
- In Zim, nickel miner, Bindura Nickel Corporation Limited (BNC is confident that the spike in global demand expected after Indonesia maintained a ban on raw nickel exports last year could place the listed miner on a stronger path to growth and higher returns during the full-year to March 31, 2015.
- In Dec-14, BNC produced an impressive set of results for the half-year ended 30-Sep-14. Most key indicators were on the rise during the period, which marked about 15 months after BNC restarted operations at its Trojan Mine.
- Among all commodities, crude oil prices dropped the most, down 55% to US\$47/bbl in early Jan-15, from a high of US\$115/bbl in late Jun-14, bringing an end to a 4-year period of high and stable prices.
- The oil price decline is the 3rd largest 7-month decline of the past 3 decades, only the 67% drop from Nov-85 to Mar-86 and the 75% drop from Jul-08 to Dec-08 were larger.
- OPEC's failure to provide any form of supply management has led to the price decline and prices are expected to average US\$53/bbl in 2015, 45% lower than that of 2014.
- The large production capacity currently in place points to a continuation of low prices for some time. The weakness in crude oil prices is likely to extend to other energy markets, especially natural gas in Europe and Asia.

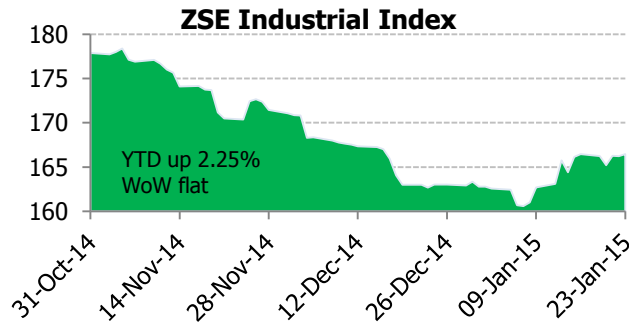


Avg Prices US\$/bbl		YoY %Δ
2013	108.86	-2.77
2014	96.20	-11.63

Daily		WoW %Δ
16-Jan-15	50.17	
19-Jan-15	48.84	
20-Jan-15	47.99	
21-Jan-15	49.03	
22-Jan-15	48.52	
23-Jan-15	48.79	
		-2.75

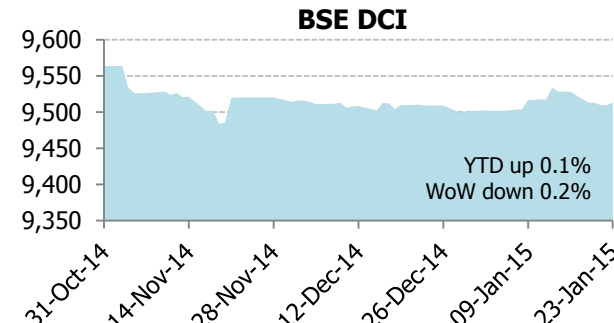
Equities 90-Day Index Charts

Zimbabwe



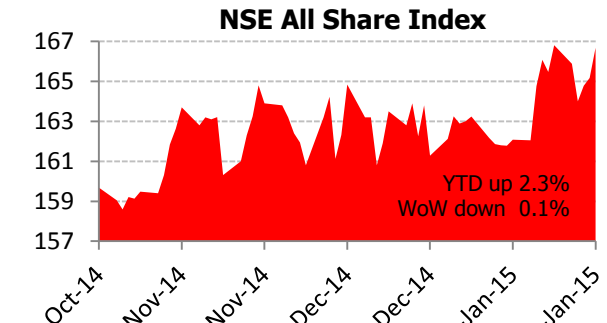
- SABMiller's Zimbabwean affiliate Delta Corporation reported a 20% drop in lager sales for the nine months to Dec-14, a sign consumers were feeling the pinch of a flat lining economy.

Botswana



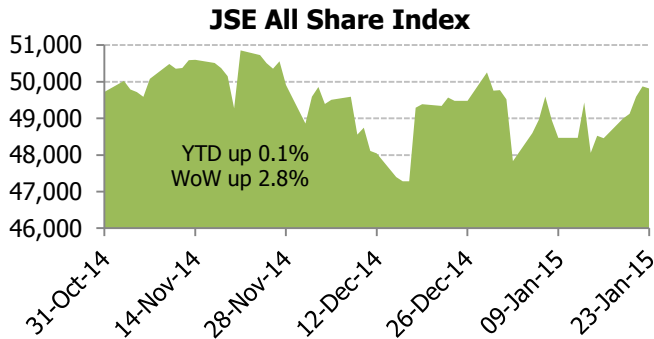
- Economy grew 1.2% QoQ in the 3 months ended Sept-14 from 1.6% in the Q2:14, data from the statistics office showed.

Kenya



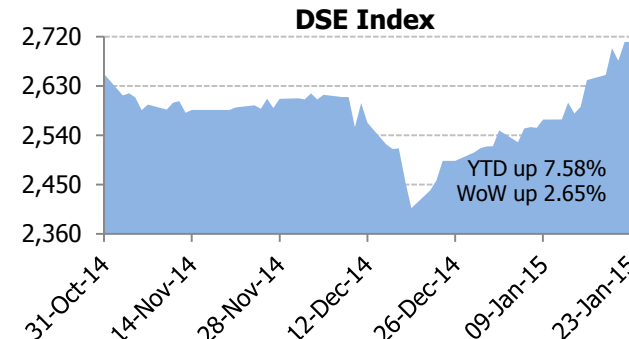
- Money sent home by Kenyans living abroad rose 10.68% last year to US\$1.43bn, setting a new annual record and cushioning the weakening local currency.

South Africa



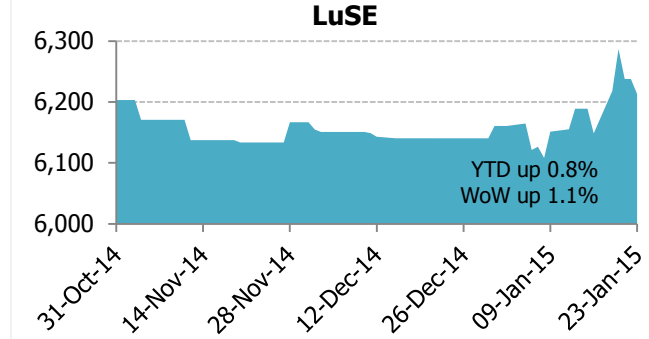
- Maize farmers are estimated to have planted 2.656m hectares for the 2015 season, down 1.2% from the 2.688m hectares they seeded last year.

Tanzania



- President Jakaya Kikwete announced a cabinet reshuffle, after 2 ministers and the attorney general lost their jobs over an energy scandal that caused Western donors to delay aid.

Zambia



- Ruling party candidate, Edgar Lungu, won the presidential election with 48.3% of the vote according to the Electoral Commission of Zambia.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
16-Jan-15	9.57	31.68	1,746	6.46	11.52	1.164	1.522
Daily							
19-Jan-15	9.59	31.77	1,759	6.43	11.57	1.157	1.514
20-Jan-15	9.64	31.81	1,769	6.43	11.64	1.159	1.510
21-Jan-15	9.60	31.89	1,781	6.47		1.157	1.517
22-Jan-15	9.58	31.96	1,764	6.43	11.54	1.161	1.515
23-Jan-15	9.56	31.96	1,787	6.38	11.40	1.135	1.499
WoW %Δ	-0.10	0.88	2.31	-1.32	-1.05	-2.52	-1.51
YTD %Δ	0.48	1.01	3.16	-0.13	-1.94	-6.67	-3.68

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
16-Jan-15	0.829	2.74	0.559	151
Daily				
19-Jan-15	0.829	2.73	0.552	151
20-Jan-15	0.826	2.74	0.552	152
21-Jan-15	0.828	2.77	0.561	154
22-Jan-15	0.831	2.79	0.561	155
23-Jan-15	0.838	2.79	0.559	155
WoW %Δ	1.04	1.82	0.11	2.65
YTD %Δ	1.93	1.45	1.21	4.73

Exchange Rate Developments

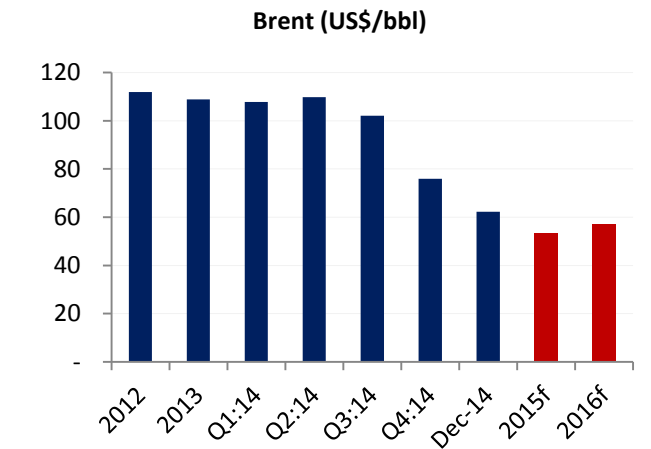
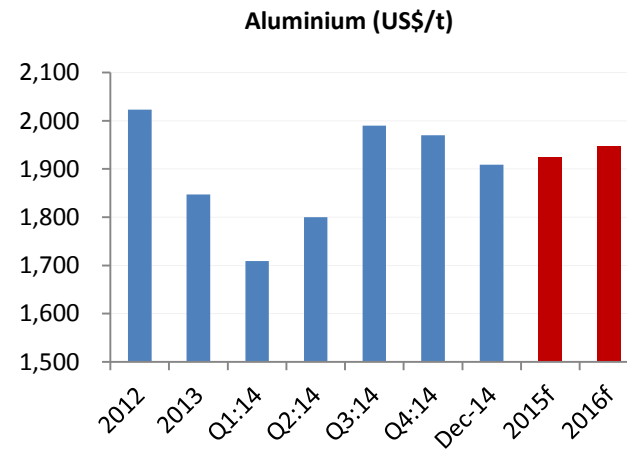
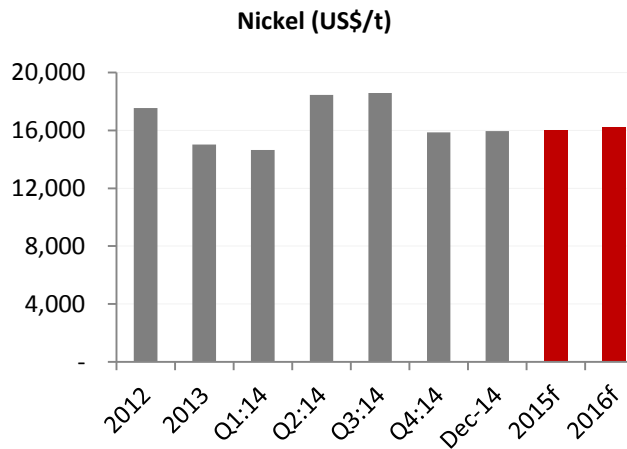
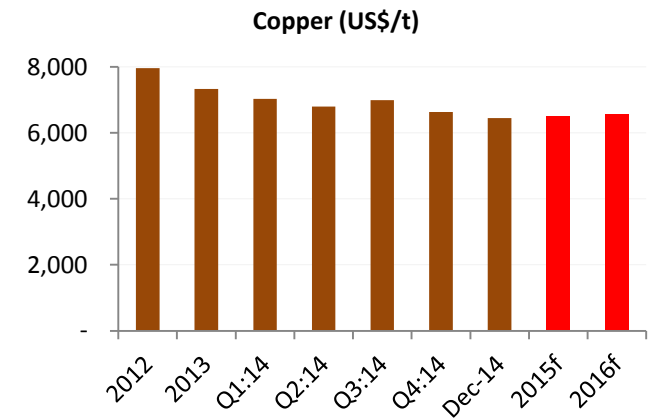
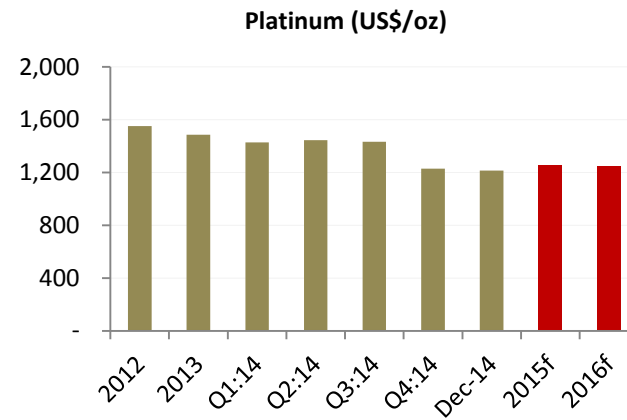
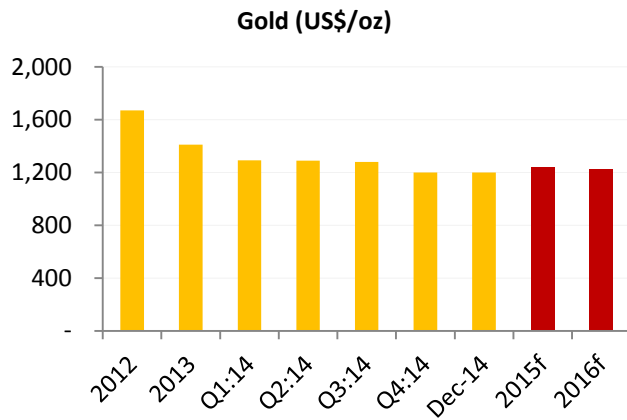
- The EUR fell to fresh 11-year lows against the USD on the 23rd of Jan following the ECB's announcement on the 22nd of Jan that it would pump a trillion euros into the euro zone economy to revive sagging growth and ward off deflation.
- The Euro zone currency is down by closer to 7% since the start of the year and seems to be on track for its biggest monthly fall since the depths of the financial crisis in early 2009.
- Federal Reserve's path toward tighter monetary policy in contrast with the looser policies of other markets' central banks such as the ECB and the Bank of Japan has strengthened the green back.
- The Zambian kwacha appreciated against the USD, a sign of investor confidence following tight but smooth presidential elections in the southern African economy, where copper accounts for 70% of export earnings.
- Zambians voted on the 20th of Jan to elect a new president after its former leader died in office. The race for the presidency pitted lawyer Edgar Lungu, head of the ruling Patriotic Front (PF) against wealthy economist Hakainde Hichilema, of the United Party for National Development (UPND).
- All BancABC markets' currencies depreciated against the ZAR.

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APPENDIX: HISTORICAL COMMODITY PRICES AND PRICE FORECASTS



Source: World Bank