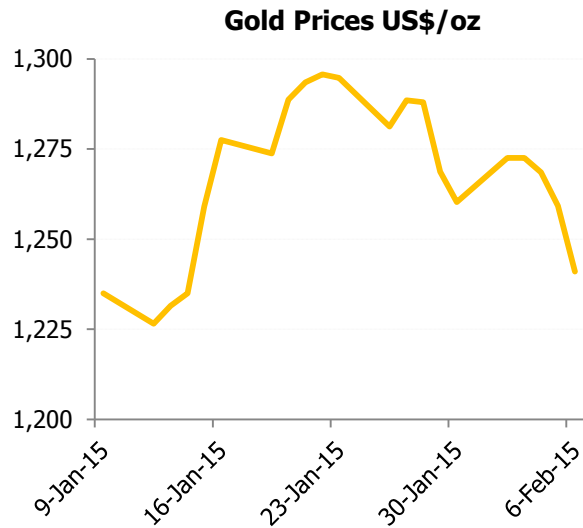


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart

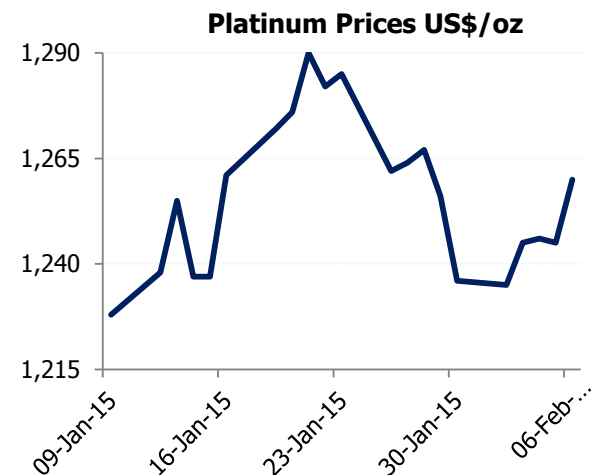


Commodity Prices

Daily	US\$/oz	WoW %Δ
30-Jan-15	1,260	
2-Feb-15	1,273	
3-Feb-15	1,273	
4-Feb-15	1,269	
5-Feb-15	1,259	
6-Feb-15	1,241	
		-1.53

Commodity Developments

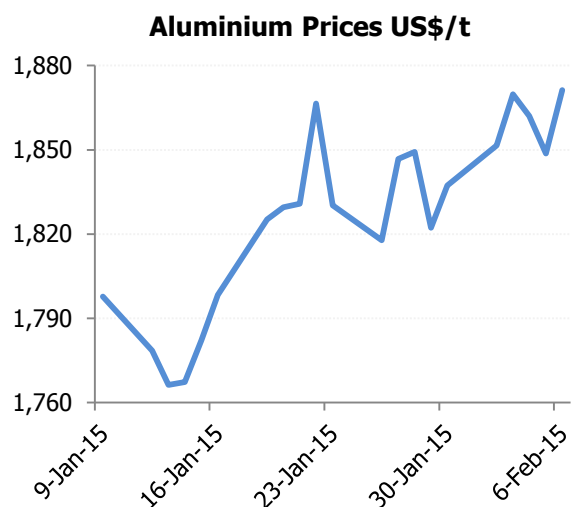
- Gold prices fell on stronger-than-expected US jobs data, raising expectations that the Fed Reserve will increase interest rates by mid-year. The metal also fell on uncertainty in Greece after the European Central Bank (ECB) announced that it would no longer accept Greek bonds in return for funding.
- The yellow metal could get short-term support, from China's move on the 4th of Feb to cut the reserve requirement for banks in an effort to add more liquidity to fight off an economic slowdown and looming deflation.
- In Zim, Mwana Africa's gold mine Freda Rebecca, has requested the Gvt to cut its electricity tariff by up to 28% as it says current rates of US\$0.14/kwh are punitive. High tariffs and high taxes in form of royalties are making the sector less competitive given the current lower gold prices.
- In SA, perennial strikes caused Sibanye Gold to suspend work at its Beatrix mine after nine workers were injured when a fight broke out between members of two rival unions, the Association of Mineworkers and Construction Union (AMCU) and the National Union of Mineworkers (NUM).



Daily	US\$/oz	WoW %Δ
30-Jan-15	1,236	
2-Feb-15	1,235	
3-Feb-15	1,245	
4-Feb-15	1,246	
5-Feb-15	1,245	
6-Feb-15	1,260	
		1.94

- Platinum prices surged as the EUR bounced back against the USD on positive German data.
- In SA, the world's biggest producer of the metal, Anglo American Platinum (Amplats) expects to hit a profitability target set by its parent company within 3 years, as the world's top platinum producer reported a 46% plunge in annual profit.
- In Zim, the new 15% export tax on raw platinum, which was introduced earlier than expected in January, will cost Amplats about US\$10 million a year. Zim Gvt 1st proposed the tax on unrefined platinum in 2013, in an effort to push mining companies to process the metal domestically. Late last year however it postponed it until January 2017 to give miners time to build the smelting and refining plants.
- The Gvt's finance bill, which was published on Jan 9, proposed its introduction from Jan 1, causing concern among platinum miners.

Commodity 30-Day Price Chart

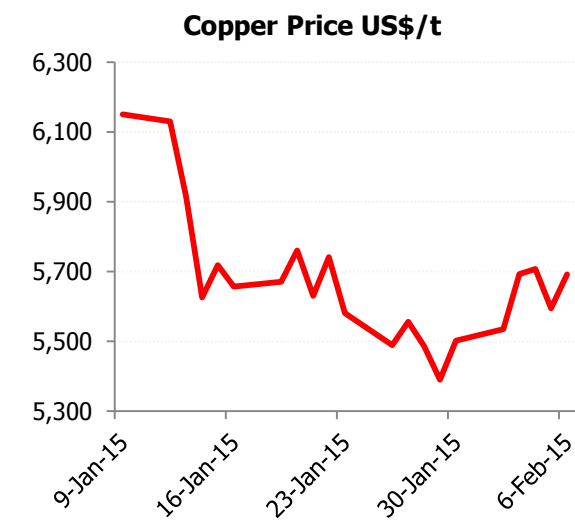


Commodity Prices

Daily	US\$/t	WoW %Δ
1-Jan-15	1,837	
2-Feb-15	1,852	
3-Feb-15	1,870	
4-Feb-15	1,862	
5-Feb-15	1,849	
6-Feb-15	1,871	
		1.85

Commodity Developments

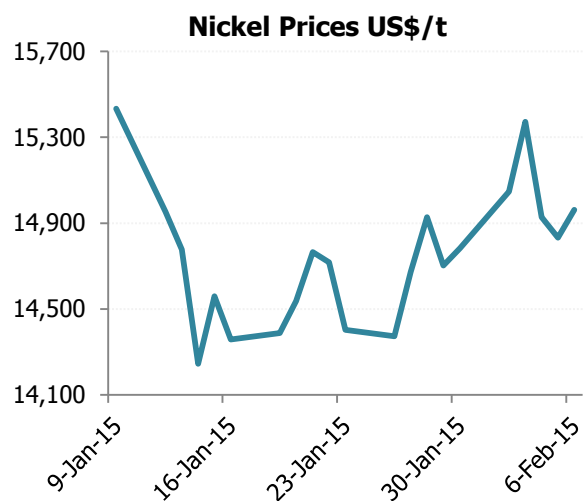
- Aluminium prices surged supported by weaker USD and China's move to stimulate its economy. The metal is also finding support from Indonesian ban on ore exports and supply deficits in the US and Europe.
- Due to rising prices, British can maker and supplier to Coca-cola Co, Rexam Plc announced that it is in talks to be bought by US rival Ball Corp for US\$6.6bn, a deal that would form an industry giant better equipped to withstand rising aluminium costs.
- In Russia, world's largest aluminium producer, Rusal, was listed on the 199 major companies list of strategic firms eligible for state assistance under the Gvt's plan to help the ailing economy. Russia is sliding towards recession and Moscow has come up with an anti-crisis plan promising state support for various sectors of the economy but giving few details of any spending cuts.
- Russian economic ministry said that profits of the 199 firms make up 70% of the country's gross national income and that they employ more than 20% of all Russians employed.



Daily	US\$/t	WoW %Δ
23-Jan-15	5,581	
26-Jan-15	5,490	
27-Jan-15	5,556	
28-Jan-15	5,485	
29-Jan-15	5,390	
30-Jan-15	5,503	
		-1.40

- Copper prices fell after US jobs data beat expectations, but losses were limited by hopes that Chinese Gvt policies will boost demand. However, physical demand remained weak ahead of the Lunar New Year in China.
- In DRC, Africa's largest copper producer, mining companies have expressed concern over Gvt's suspension of negotiations with them over new regulations and said could jeopardise investments, and urged it to resist making big changes to the mining code. Despite large gains in the production of copper, gold and other minerals in recent years, DRC remains one of the world's least developed countries, languishing 2nd from the bottom of the UN's development index.
- In Zambia, copper mining companies Glencore and Vedanta, with production costs for underground mines Nkana, Mufulira and Konkola at almost US\$6,000 a tonne and Barrick, with open pit Lumwua's costs at around US\$5,000 are struggling with high royalties given a fall in prices.
- Generally, taxing revenue rather than profit can work better in emerging countries with limited resources to check on collection and high tax evasion.

Commodity 30-Day Price Chart



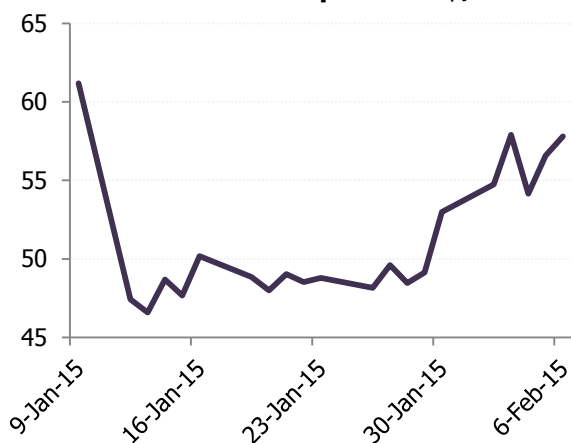
Commodity Prices

Daily	US\$/t	WoW %Δ
30-Jan-15	14,783	
2-Feb-15	15,048	
3-Feb-15	15,373	
4-Feb-15	14,928	
5-Feb-15	14,833	
6-Feb-15	14,963	
		1.22

Commodity Developments

- Nickel prices surged on a weekly basis but remained weak ahead of the Chinese Lunar New Year celebrations. The market which benefited speculatively from Indonesia ban on ore exports is showing little signs of supply deficits.
- However, on a more positive note for the commodity, Sumitomo Metal Mining Co., Japan's biggest nickel producer, expects global output of the metal to fall short of demand in 2015 for the first time in 5 years as supply from China drops.
- The company expects demand to exceed production by 12,000mt this year, compared to a 36,000t surplus last year.
- China's production of nickel pig iron (NPI), a cheaper alternative to the refined metal dropped 4.4% in 2014 as the nation mitigated the impact of the Indonesian ban by destocking ore inventories and raising imports from the Philippines.

Oil Brent prices US\$/bbl

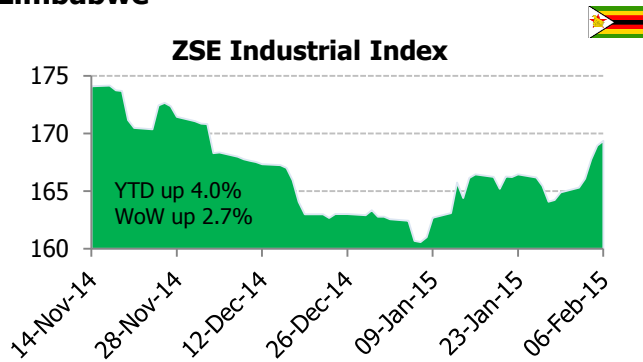


Daily	US\$/bbl	WoW %Δ
30-Jan-15	52.99	
2-Feb-15	54.75	
3-Feb-15	57.91	
4-Feb-15	54.16	
5-Feb-15	56.57	
6-Feb-15	57.80	
		9.08

- Oil prices rallied, with benchmark Brent crude having its largest weekly gain in 17 years, as falling oil rig counts and violence in producer Libya helped further stall a selloff that began in June.
- The worldwide count for oil drilling rigs fell by 261 in Jan. The average number of US oil rigs fell by 199 in Jan. During the past week, another 83 US oil rigs went offline. Apart from the oil rigs, the market was supported by fighting in Libya.
- In the physical crude market, top exporter Saudi Arabia cut Mar prices for its Asian customers while raising rates for European and US buyers, sending mixed signals to futures traders.

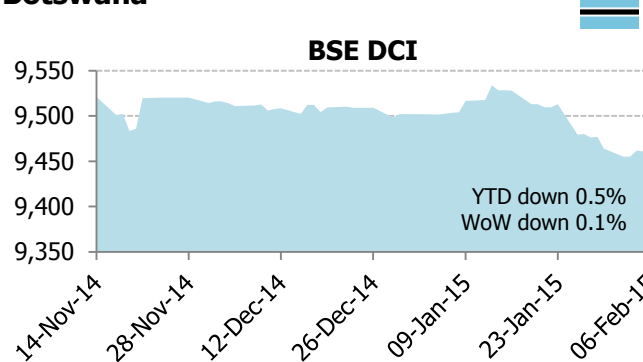
Equities 90-Day Index Charts

Zimbabwe



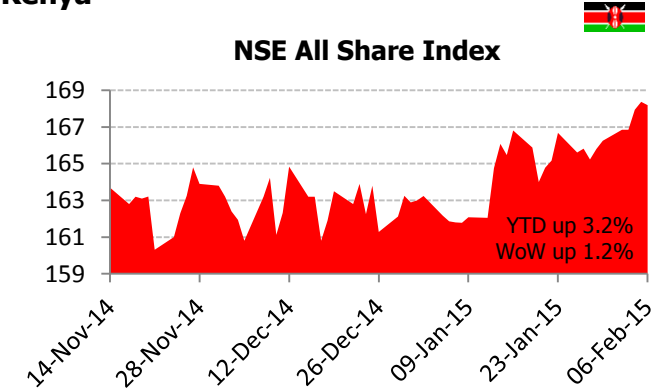
- President Robert Mugabe may be allowed in to the EU to attend high-level meetings in his new role as AU chair, despite a long-standing travel ban.

Botswana



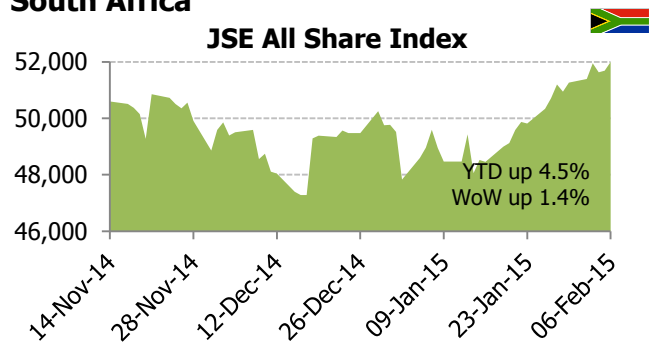
- Miner Gem Diamonds expects firm prices this year after they rose at its 1st auction of 2015 last week as Dubai banks help fill a funding gap for manufacturers.

Kenya



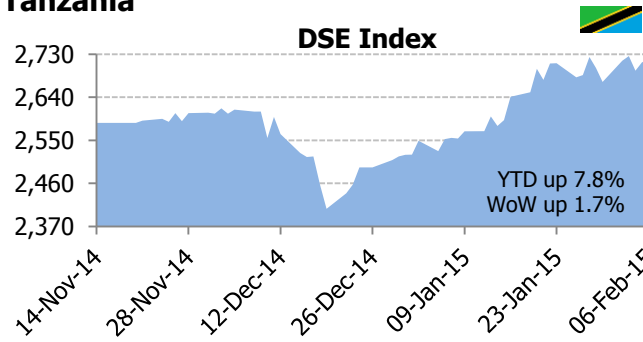
- Kenya and Tanzania have invited bids for a consultant to oversee the construction of a high-voltage power line connecting the two nations as part of efforts to meet growing demand for electricity and deepen integration of their economies

South Africa



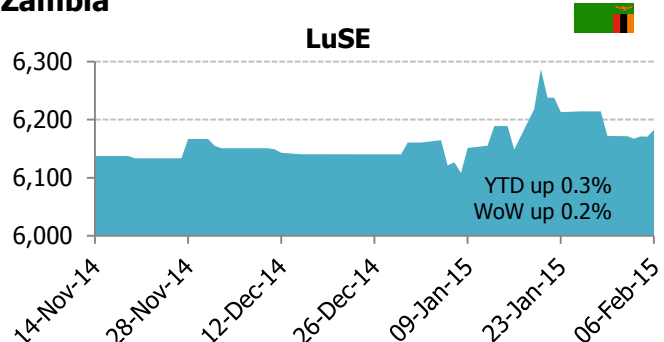
- Power utility Eskom is failing to adequately supply electricity and has had 5 consecutive days of electricity cuts in Africa's most developed economy.

Tanzania



- Tanzania has slashed retail prices of petrol, diesel and kerosene for the 5th straight month to reflect lower import costs.

Zambia



- Plans to reverse a hike in mining royalties may come too late to revive investment in the sector, with confidence among foreign mining companies shaken and neighbouring DRC looking a potentially better.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
30-Jan-15	9.60	32.38	1,754	6.48	11.55	1.134	1.509
Daily							
2-Feb-15	9.65	32.42	1,746	6.51	11.61	1.132	1.505
3-Feb-15	9.61	32.42	1,745	6.54	11.53	1.133	1.502
4-Feb-15	9.51	32.47	1,748	6.57	11.43	1.145	1.515
5-Feb-15	9.58	32.59	1,750	6.56	11.43	1.137	1.520
6-Feb-15	9.48	32.75	1,752	6.56	11.30	1.145	1.533
WoW %Δ	-1.23	1.14	-0.12	1.15	-2.22	0.95	1.57
YTD %Δ	-0.38	3.51	1.18	2.66	-2.81	-5.83	-1.55

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
30-Jan-15	0.833	2.79	0.559	153
Daily				
02-Feb-15	0.829	2.80	0.563	153
03-Feb-15	0.833	2.80	0.572	153
04-Feb-15	0.836	2.84	0.575	152
05-Feb-15	0.834	2.86	0.576	152
06-Feb-15	0.838	2.89	0.580	153
WoW %Δ	0.67	3.58	3.65	0.00
YTD %Δ	2.03	5.09	4.89	3.38

Exchange Rate Developments

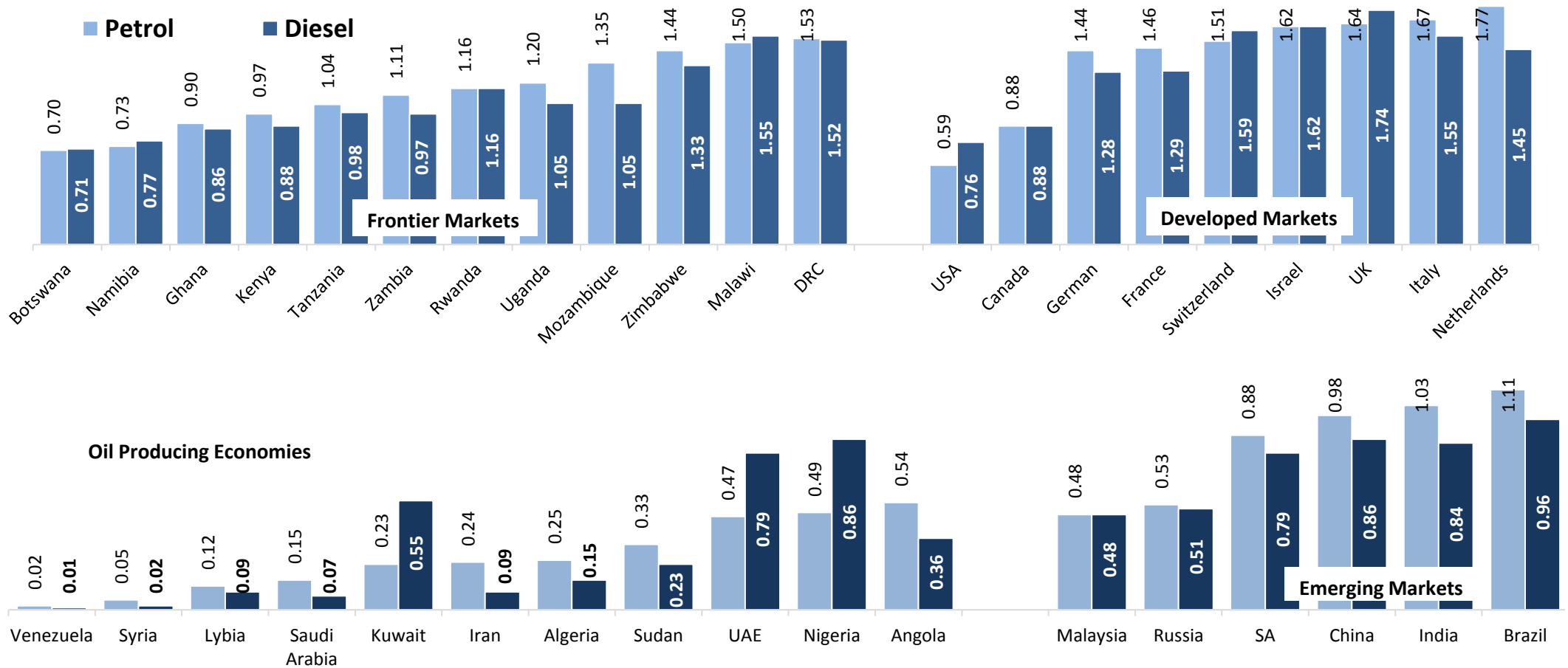
- The USD tumbled against the EUR and GBP on the 6th of Feb on speculation the Swiss National Bank was buying Euros and as traders took an optimistic view on developments surrounding Greece.
- The view that the Swiss central bank was buying euros to weaken the franc boosted the EUR broadly and helped the currency reverse losses it posted on the 5th of Feb when the ECB said it would no longer accept Greek bonds in return for funding.
- The on-going debt deadlock between Greece and the ECB has turned investors' appetite for riskier assets causing the ZAR, BWP and TZS to appreciate against the USD, despite internal weaknesses in the respective economies.
- Weaker copper prices are affecting the Zambian copper based economy as evidenced by a steady depreciation of the ZMW.
- The MZN has depreciated by closer to 6% and 3% against the USD and ZAR respectively since 15th of October Presidential elections. Lack of political settlement between the ruling FRELIMO and the opposing RENAMO is stalling a dent in Mozambique's economy as evidenced by a persistent depreciation of the Meticals.
- All BancABC markets' currencies depreciated against the ZAR except the TZS which remained stable at 153TZS/USD.

Disclaimer

The information contained herein has been prepared by BancABC on behalf of itself and its affiliated companies solely for information purposes for BancABC clients. Whilst reasonable care has been taken in the preparation of the report to ensure that the information contained herein is not untrue or misleading however, BancABC makes no representation as to its accuracy or completeness thereof and accepts no liability whatsoever for any errors or omissions contained therein, or prejudice occasioned from use of the said information.

Contact telephone numbers: 369701-16: 752383-5

Appendix: Petrol and Diesel Prices Comparison by Country (US\$/Litre)



- The average price of petrol around the world is US\$1.03/litre while that of diesel is US\$0.94/litre. However, there is substantial difference in these prices among countries. As a general rule, richer countries have higher prices while poorer countries and the countries that produce and export oil have significantly lower prices. The differences in prices across countries are due to the various taxes and subsidies. All countries have access to the same petroleum prices of international markets but impose different taxes.