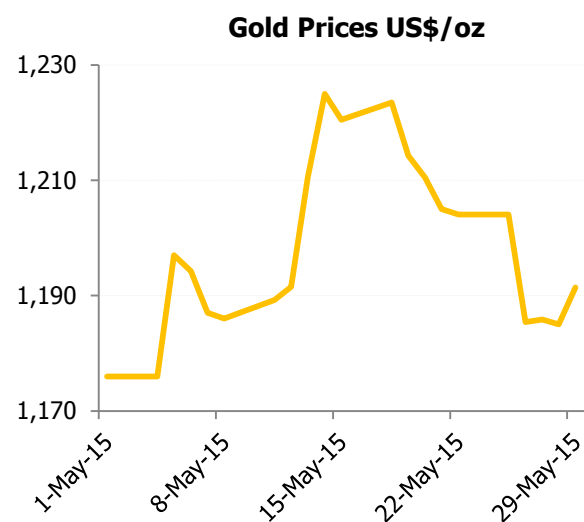


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart

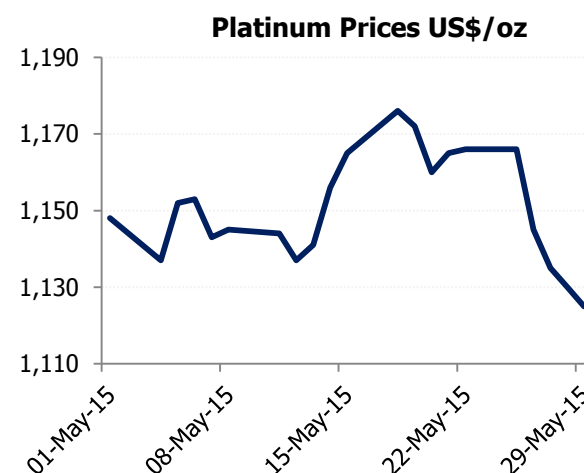


Commodity Prices

Daily	US\$/oz	WoW %Δ
22-May-15	1,204	
25-May-15	1,204	
26-May-15	1,185	
27-May-15	1,186	
28-May-15	1,185	
29-May-15	1,191	
		-1.05

Commodity Developments

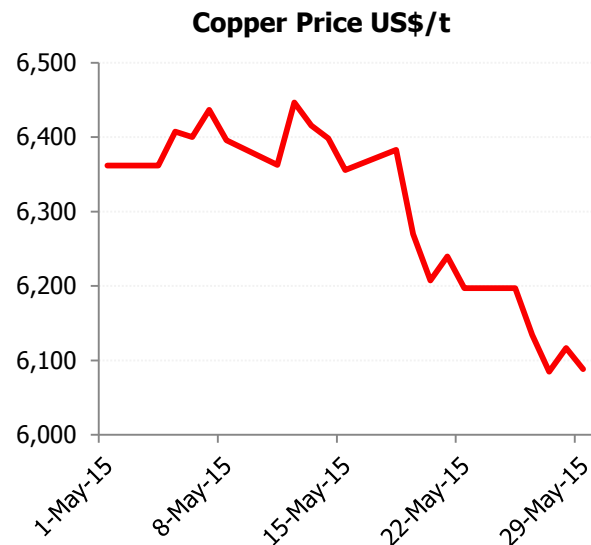
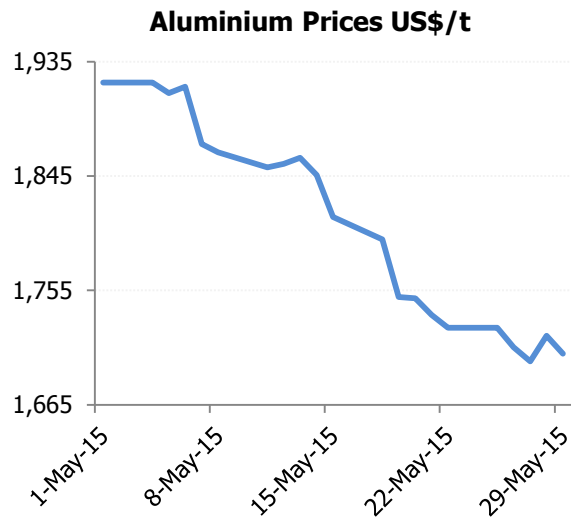
- Gold was under pressure throughout the week due to USD rally. However the metal price surged on the 29th of May, although failing to register weekly gains, supported by uncertainty over Greece's debt talks.
- European Central Bank (ECB) Vice President Vitor Constancio underlined the gravity of the situation facing Greece, talking openly about a possible default that would be the 1st of its kind in the Eurozone. Greek debt crisis worsening could trigger demand for gold. Gold is usually seen as a hedge against political and financial risk, although the impact on demand from wider political worries is usually short-lived.
- In Tanzania, gold output edged up 1.26% in 2014 to 1.27m ounces, snapping a two-year decline. Tanzania is Africa's 4th-biggest gold producer after South Africa, Ghana and Mali and gold exports are a key source of foreign exchange.
- Tanzania's export earnings however fell last year, reflecting lower metal prices globally. The total value of mineral exports by the seven major gold mines decreased by 6.7% from US\$1.78bn in 2013 to US\$1.66bn in the year 2014, according to State-run Tanzania Minerals Audit Agency (TMAA).



Daily	US\$/oz	WoW %
22-May-15	1,166	
25-May-15	1,166	
26-May-15	1,145	
27-May-15	1,135	
28-May-15	1,130	
29-May-15	1,125	
		-3.52

- Platinum prices are expected to remain low and trending down due to waning demand as electric and hybrid cars take a bigger share of the market. Platinum is used as an auto-catalyst in vehicles that have fuel cells. An auto industry dominated by batteries will reduce platinum demand.
- Hybrid and electric vehicles accounted for about 1.8% of all new car sales in the European Union in 2013, twice as high as the previous two years, according to the latest figures available from the International Council of Clean Transportation (ICCT).
- The World's 3 largest platinum producers Anglo American Platinum (Amplats), Impala Platinum and Lonmin are however all investing in projects related to fuel cell technologies, which generate electricity that can power vehicles by combining hydrogen and oxygen over a platinum catalyst to support the relevance of the metal in the new technology.

Commodity 30-Day Price Chart



Commodity Prices

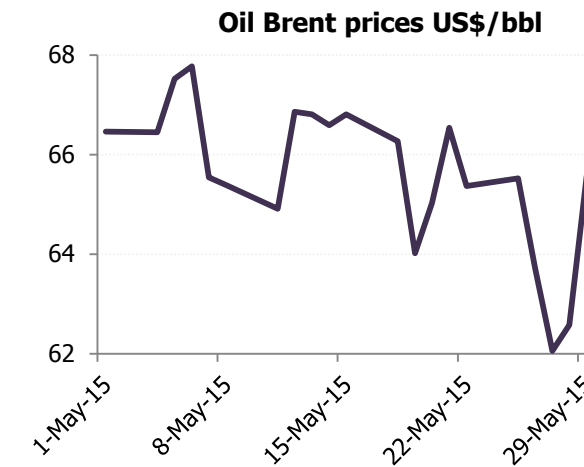
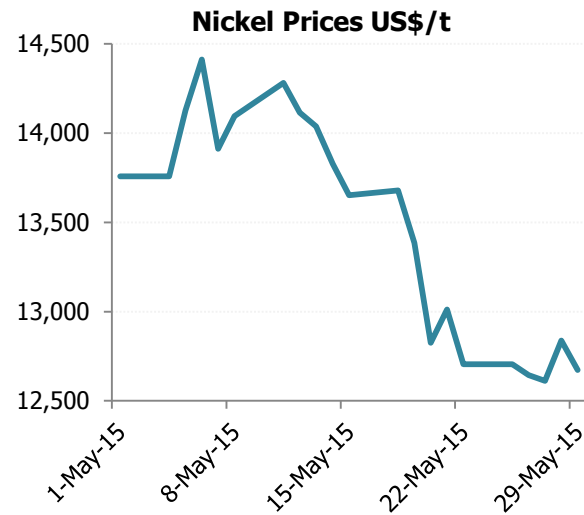
Daily	US\$/t	WoW %Δ
22-May-15	1,726	
25-May-15	1,726	
26-May-15	1,710	
27-May-15	1,699	
28-May-15	1,719	
29-May-15	1,705	
		-1.19

Daily	US\$/t	WoW %Δ
22-May-15	6,197	
25-May-15	6,197	
26-May-15	6,134	
27-May-15	6,085	
28-May-15	6,117	
29-May-15	6,088	
		-1.76

Commodity Developments

- Aluminium prices slid on the 29th of May on continued worries about output from China flooding the global market as data showed Chinese output rose to 2.59m tonnes in Apr-15.
- The metal which on the 28th of May had recovered from previous day losses as the USD weakened against the EUR and as optimism grew over a Greek debt deal, failed to sustain those gains.
- There is also concern about demand tapering off after Q2:15, when metal consumption is typically strongest. However, a series of infrastructure announcements from Beijing, along with policy stimulus, could underpin metals demand into H2:15.
- If the high level announcements from China translate into new starts of infrastructure development, that will definitely be a boost for broad metals demand, aluminium in transport, copper in power for urbanisation and rural upgrades.
- Copper prices just like aluminium fell, pressured by ample inventories of refined metal, but prospects that Chinese stimulus measures would revive demand has kept a floor under prices.
- Chinese factories struggled to expand in May despite recent interest rate cuts and other policy stimulus by the Chinese authorities.
- LME copper stocks have turned down since mid-May, while ShFE copper stocks have dropped by about 60,000t since mid-April. However, physical copper traders say there is plenty of metal held in off-exchange inventory. Output at top refined producer China was up 12% year to date in Apr-15.
- In DRC, Africa's largest copper producer, the governor of Katanga province warned against significant tax hikes in a proposed new mining code amid a decline in copper prices. A revision of DRC's 2002 mining code proposed by the mines ministry has raised fierce objections from miners, who say that its tax and royalty increases would chase off new investment.

Commodity 30-Day Price Chart



Commodity Prices

Daily	US\$/t	WoW %Δ
22-May-15	12,705	
25-May-15	12,705	
26-May-15	12,645	
27-May-15	12,613	
28-May-15	12,838	
29-May-15	12,673	
		-0.26

Daily	US\$/bbl	WoW %Δ
22-May-15	65.37	
25-May-15	65.52	
26-May-15	63.72	
27-May-15	62.06	
28-May-15	62.58	
29-May-15	65.56	
		0.29

Commodity Developments

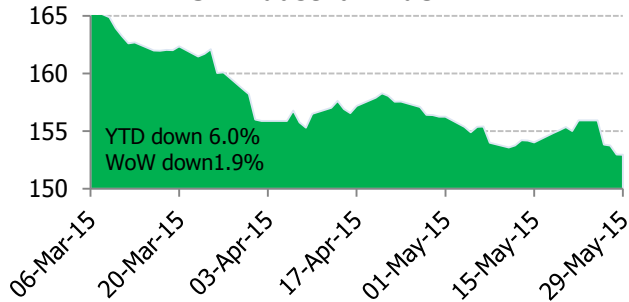
- Base metal prices are not expected to materially improve over the next 12 to 18 months. The basket of metals including copper, zinc and nickel face downside risks amid an uncertain global economic recovery as recently pointed out by advisory firm Moody's Investors Service.
- In its latest Outlook Update: Global Base Metals Industry' report, the firm said average prices, particularly for nickel and copper, had been on a downward trend over the last several years.
- Prices for copper, nickel and aluminium in Q1:15 were down 15%, 9% and 7%, respectively, from the Q4:14 averages.
- Moody's expects the market to remain volatile and sensitive to changes in, and expectations for, economic and global growth rates. The downward price trajectory reflects the market's response to slowing global economic indicators, particularly in China, which consumes at least 40% of the world's copper, aluminium, nickel and zinc.
- Crude oil prices edged up on the 29th of May after US inventories fell for a 4th straight week and Canadian wildfires knocked out 10% of its oil sands output.
- The increases followed steep falls earlier during the week as a resurgent greenback weighed on the market amid concerns that US crude supplies may have started rising again.
- The US Energy Information Administration (EIA) announced that crude oil inventories fell by 2.8m barrels last week, ahead of Monday's Memorial Day holiday, which unofficially kicked off the peak summer driving season in the US.
- In other developments, OPEC is likely to keep its output target unchanged when it meets on the 5th of May as Russia and other non-OPEC producers have expressed their non-desire to cooperate in any idea of a production cut.

Equities 90-Day Index Charts

Zimbabwe



ZSE Industrial Index

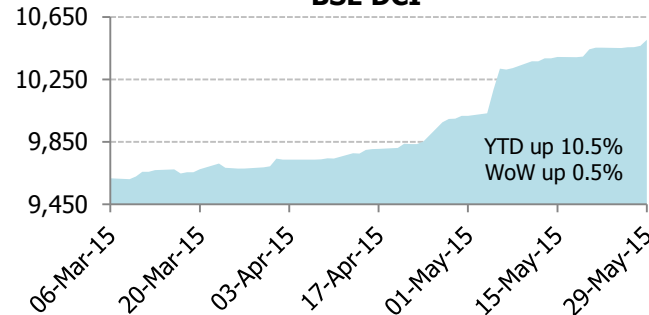


- The United Nations plans to raise US\$1.6bn from donors to improve agriculture, food security, health and governance in Zim between 2016 and 2020.

Botswana



BSE DCI

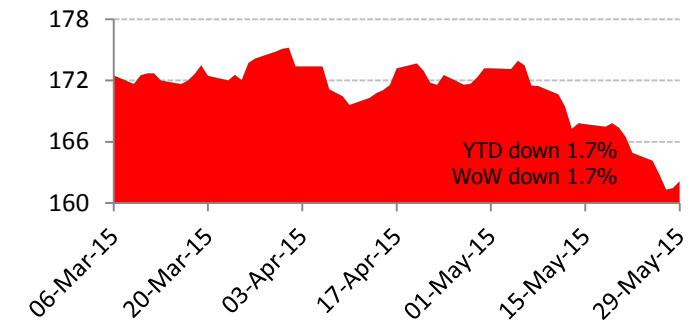


- African retailer Choppies plans to buy 10 shops in Kenya for US\$10m as it expands into a 4th market on the continent.

Kenya



NSE All Share Index

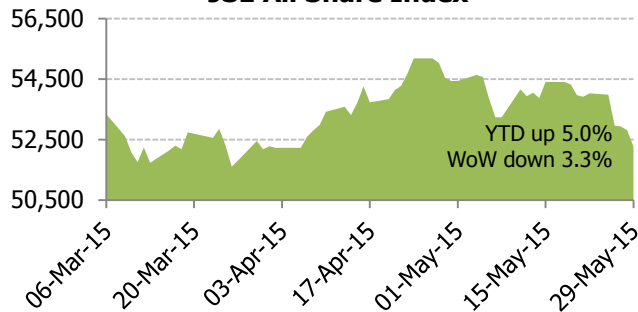


- Kenya's year-on-year inflation fell to 6.87% in May from 7.08% the previous month.

South Africa



JSE All Share Index

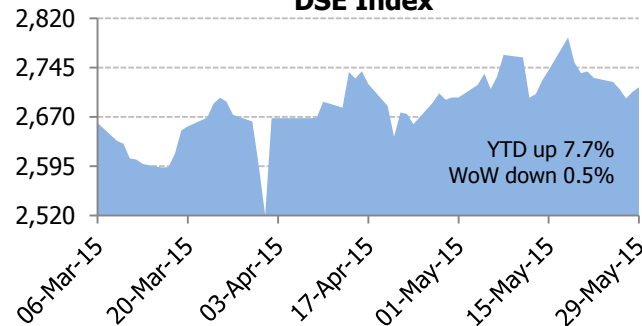


- South Africa recorded a trade deficit of ZAR2.51bn (US\$207m) in Apr-15 from a revised shortfall of ZAR9m in March, data from the revenue agency showed.

Tanzania



DSE Index

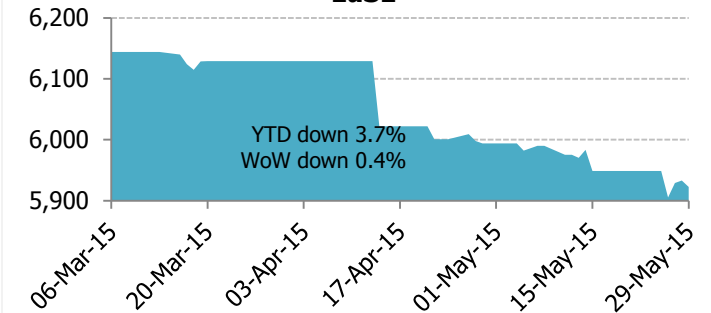


- Gvt has awarded contracts to build new railway lines worth about US\$9bn to Chinese firms, expanding China's presence in East Africa's 2nd-biggest economy.

Zambia



LuSE



- Zambia's inflation slowed to 6.9% year-on-year in May from 7.2% in Apr largely due to a decline in prices of non-food items.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
22-May-15	9.73	34.39	1,972	7.57	11.96	1.082	1.484
Daily							
25-May-15	9.81	34.46	1,979	7.15	11.97	1.097	1.549
26-May-15	9.85	34.47	1,987	7.15	12.00	1.090	1.539
27-May-15	9.87	34.48	2,000	7.20	12.03	1.092	1.542
28-May-15	9.87		2,000	7.27	12.05	1.093	1.535
29-May-15	9.93	34.53	2,007	7.28	12.15	1.096	1.530
WoW %Δ	2.09	0.41	1.80	-3.77	1.63	1.28	3.10
YTD %Δ	4.37	9.13	15.89	14.08	4.58	-9.85	-1.71

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
22-May-15	0.824	2.90	0.598	166
Daily				
25-May-15	0.822	2.89	0.595	166
26-May-15	0.822	2.86	0.595	165
27-May-15	0.820	2.84	0.592	165
28-May-15	0.820		0.597	164
29-May-15	0.817	2.85	0.600	164
WoW %Δ	-0.95	-1.72	0.28	-1.20
YTD %Δ	-0.64	3.64	8.60	10.81

Exchange Rate Developments

- The dollar weakened on the 29th of May after data showed the US economy contracted in Q1:15.
- The greenback's weakness came after rallying nearly 3% after Fed Reserve Chair Janet Yellen said that the US central bank was on track to raise rates later this year.
- There were mixed signals during the week on the outcome of talks over Greece's debt, without which Athens risks default or bankruptcy in weeks.
- Greek Gvt said that it intended to agree a cash-for-reforms deal by the 31st of May. Euro zone officials suggested, though, that a deal was far from imminent, and the head of the IMF was quoted as saying Greece could fall out of the euro zone sending mixed signals in the market.
- The ZAR weakened against the dollar after data from the revenue service showed a trade deficit for Apr-15, the latest sign of a struggling economy.
- Chronic trade deficits point to continued pressure on the current account, which together with persistent budget deficits make the ZAR particularly vulnerable whenever investors shun riskier emerging markets.
- All BancABC markets' currencies depreciated against the greenback except for the Zambian Kwacha.

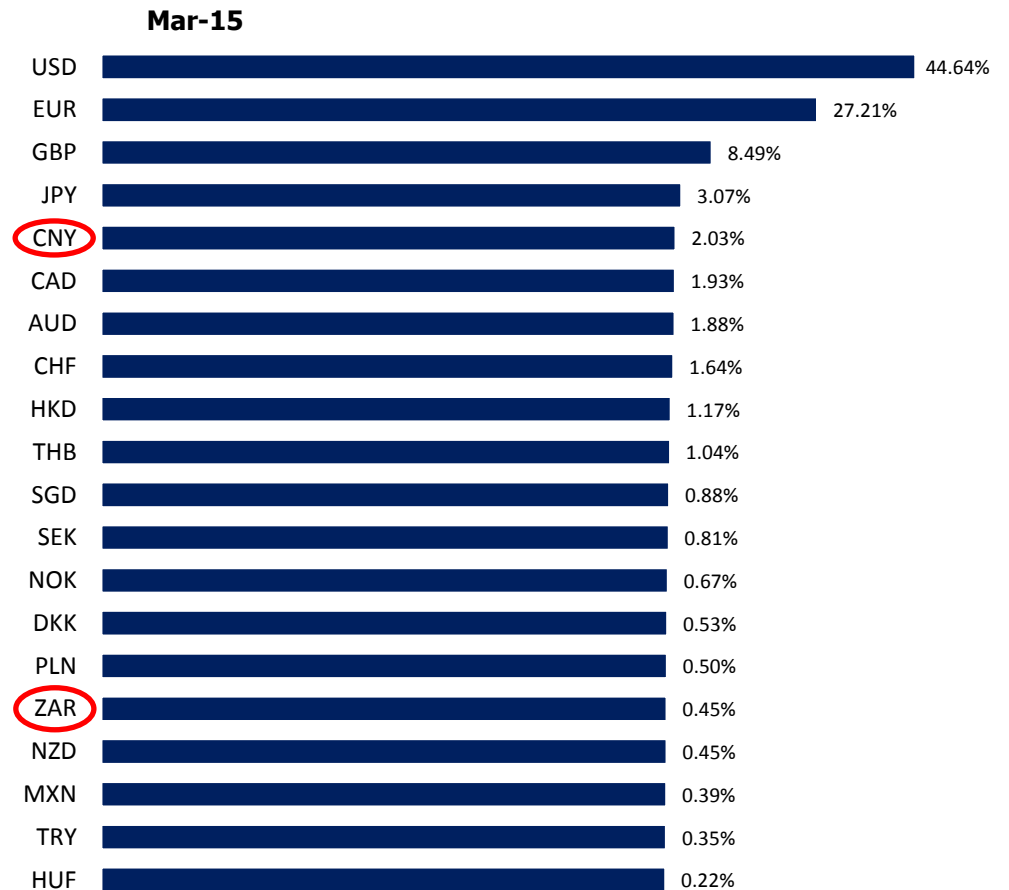
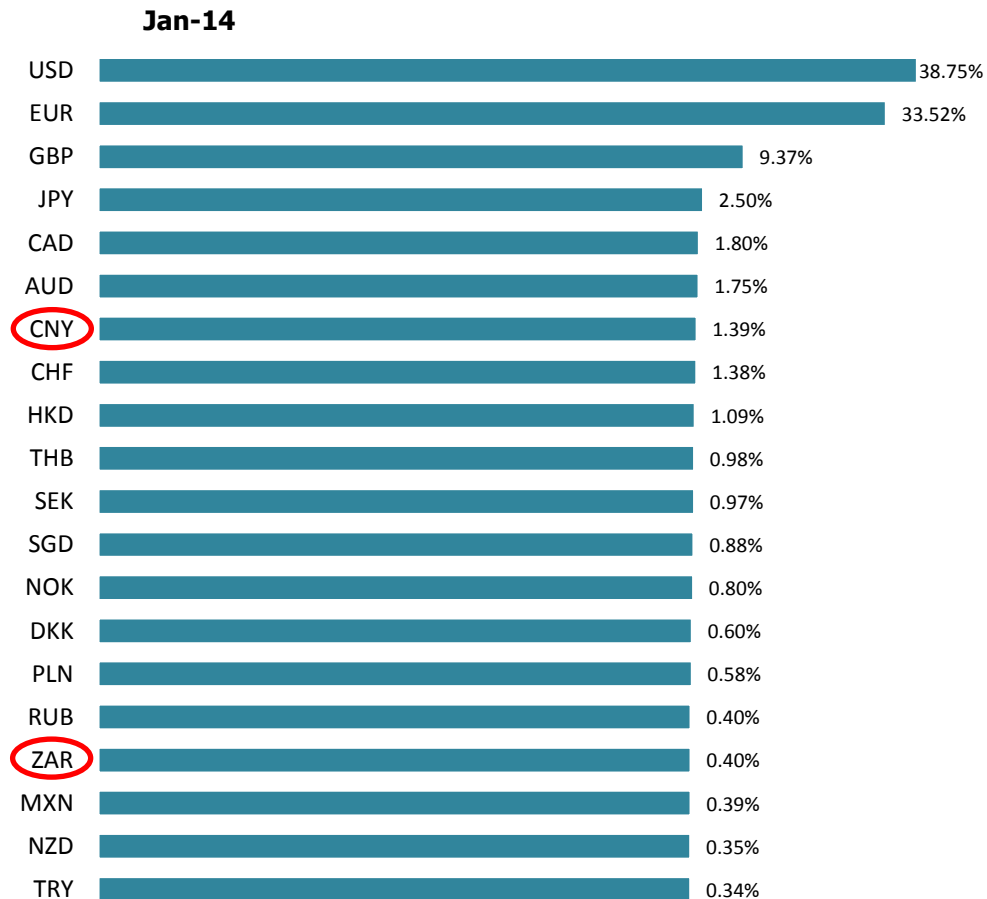
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Contact telephone numbers: 369701-16; 752383-5

Appendix: World Top 20 Currency Usage on Payments

Customer initiated and Institutional payments: Inbound plus Outbound Transactions Based on value.



Source: Swift Watch

- Globally the US dollar remains the most dominant currency used for global transactions, with a share of about 45% followed by the EUR (27%) and GBP (8.5%).
- Although Chinese Yuan share to support the global transactions remains low, it has made some significant gains over the years. Notably, China is pushing for global usage of its currency to gain reserve-currency status with the IMF.
- However, more needs to be done as the Chinese Yuan (CNY) accounts for only 2.03% of global payments in its denomination. Currently the currency is ranked 5th behind the JPY, GBP, EUR and USD.
- The ZAR is the only African currency in the top 20 ranking with a share of 0.45%.