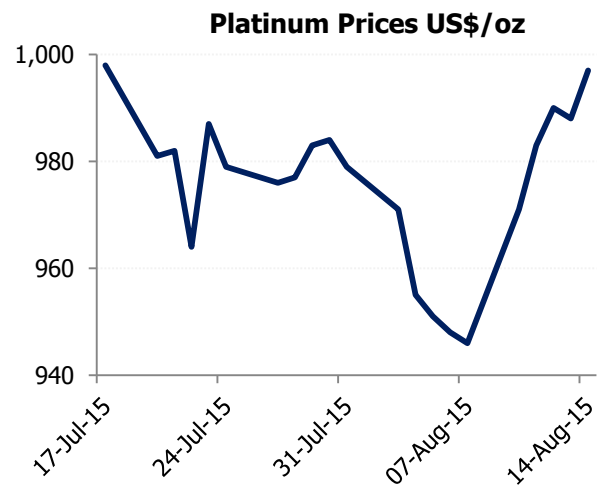
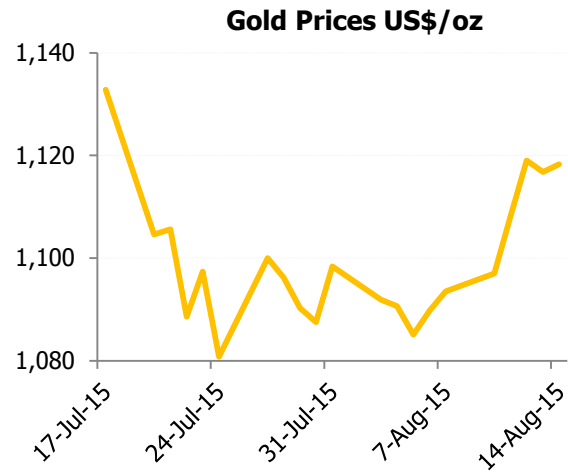


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart



Commodity Prices

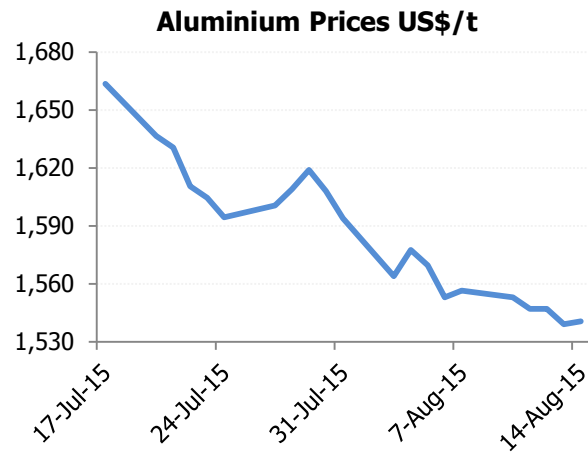
Daily	US\$/oz	WoW %Δ
7-Aug-15	1,094	
10-Aug-15	1,097	
11-Aug-15	1,108	
12-Aug-15	1,119	
13-Aug-15	1,117	
14-Aug-15	1,118	
		2.26

Daily	US\$/oz	WoW %
7-Aug-15	946	
10-Aug-15	971	
11-Aug-15	983	
12-Aug-15	990	
13-Aug-15	988	
14-Aug-15	997	
		5.39

Commodity Developments

- Gold registered weekly gains as investors weighed the impact of China's currency intervention on the timing for the 1st US interest rate increase in nearly a decade although gains were capped by encouraging US data.
- US industrial output advanced at its strongest pace in 8 months in Jul as auto production surged, another bullish sign for Q3:15 economic growth that boosted the prospects of a Fed Reserve interest rate hike.
- The yellow metal managed to end a 7-week losing streak after China's Yuan devaluation increased uncertainty over the global economy and pushed investors into assets perceived as safer such as gold.
- Volatile markets were however soothed as the Yuan steadied after China's central bank said there was no reason for the currency to fall further given the country's strong economic fundamentals.
- Platinum followed the gold trend and notched more than 5% weekly gains, its strongest in 12 months. However, the metal failed to surpass the US\$1,000/oz mark.
- Due to depressed prices, Zim suspended a 15% tax on raw platinum exports which was aimed at forcing platinum miners to set up smelters and refineries.
- Implats, which owns the largest platinum miner in Zim, Zimplats, is refurbishing a base metals refinery, which is expected to be completed in the middle of next year. Anglo American's platinum mine Unki, engaged ZimAlloys over possibility of utilising its smelter. Zim has the world's 2nd largest known reserves of platinum.
- In SA Northam Platinum warned of a full-year headline earnings loss due to charges linked to a US\$512.7m black empowerment deal. SA companies are required to reach at least 26% black ownership under the Gvt's policy of black economic empowerment, or "BEE", designed to address the inequalities of the apartheid system that ended in 1994.

Commodity 30-Day Price Chart

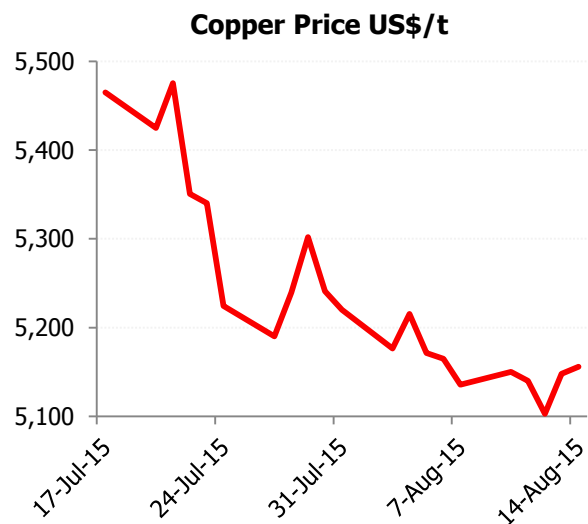


Commodity Prices

Daily	US\$/t	WoW %Δ
7-Aug-15	1,557	
10-Aug-15	1,553	
11-Aug-15	1,547	
12-Aug-15	1,547	
13-Aug-15	1,539	
14-Aug-15	1,541	
		-1.03

Commodity Developments

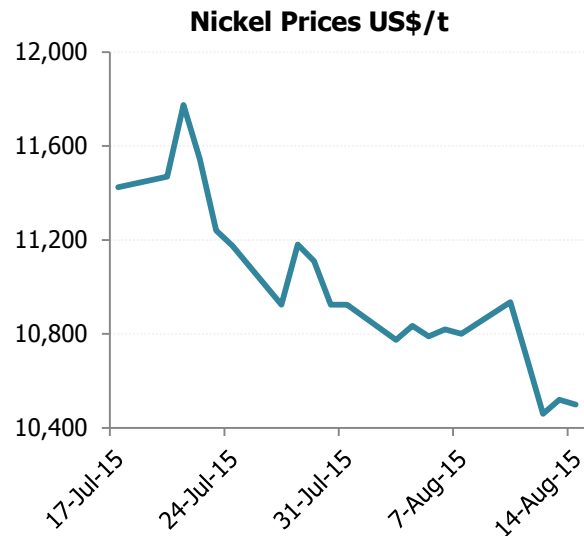
- Aluminium hit 6-year lows on fears that the depreciation of the Yuan would further increase already substantial Chinese aluminium exports. China is a major exporter of aluminium and aluminium products.
- The Yuan lost around 3.5% of its value against the USD after the People's Bank of China took steps to devalue its currency, in a move widely interpreted as aimed at boosting the competitiveness of the struggling Chinese export sector.
- There is fear particularly in the oversupplied aluminium market that any sustained Yuan devaluation will further weaken demand of the metal.



Daily	US\$/t	WoW %Δ
7-Aug-15	5,136	
10-Aug-15	5,150	
11-Aug-15	5,140	
12-Aug-15	5,103	
13-Aug-15	5,148	
14-Aug-15	5,156	
		0.40

- Copper remained weak due to a weaker Yuan and weak demand, even though there was relief that China's central bank appeared to have stopped guiding the Yuan lower, returning some buying power to importers.
- The metal has had a volatile week, hitting a 6-year trough of US\$5,103/t in the wake of China's currency moves. A stronger dollar makes metals priced in dollars more expensive for non-US investors and a weaker Yuan makes imports for China, the world's top metals consumer, more expensive.
- The People's Bank of China (PBoC) set the midpoint Yuan rate to the dollar slightly stronger on the 14th of Aug, reversing some of the damage done to global markets earlier in the week when it devalued the currency, giving some respite to copper.
- There have been a number of copper supply disruptions in the past few weeks but these have had little impact on prices suggesting weak demand in the market.
- In Zambia, Africa's 2nd largest copper producer, mining companies operating in the copper belt have agreed to reduce power usage by between 10% and 15% to ease pressure on the national grid.

Commodity 30-Day Price Chart

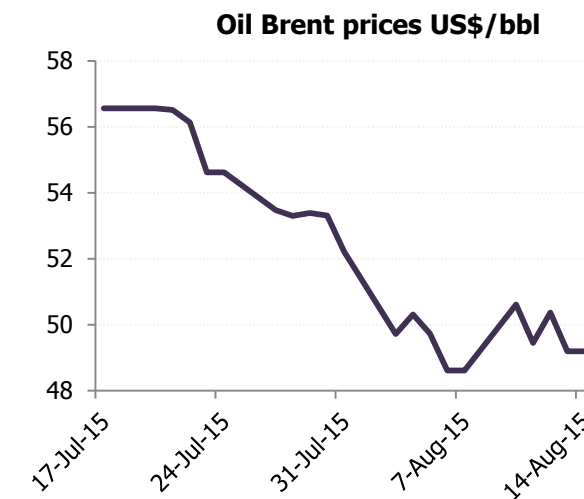


Commodity Prices

Daily	US\$/t	WoW %Δ
7-Aug-15	10,800	
10-Aug-15	10,935	
11-Aug-15	10,700	
12-Aug-15	10,460	
13-Aug-15	10,520	
14-Aug-15	10,500	
		-2.78

Commodity Developments

- A commodity-price slump has forced many mining firms to slash spending and sell assets.
- Global miner and commodity trader Glencore announced that it had sold stakes in 3 mines it inherited through its Xstrata takeover. The company is reducing its capital expenditure plans as nickel trade in 6-year lows, hit by a supply glut and slowing Chinese demand.
- Developments in China could not spare nickel which tumbled 2.8% during the week. However, putting a floor under all metals prices was the USD which fell versus a currency basket on doubts over whether the US Fed Reserve will raise interest rates next month in the wake of China's devaluation of the Yuan.



Daily	US\$/bbl	WoW %Δ
7-Aug-15	48.61	
10-Aug-15	50.61	
11-Aug-15	49.44	
12-Aug-15	50.36	
13-Aug-15	49.19	
14-Aug-15	49.19	
		1.19

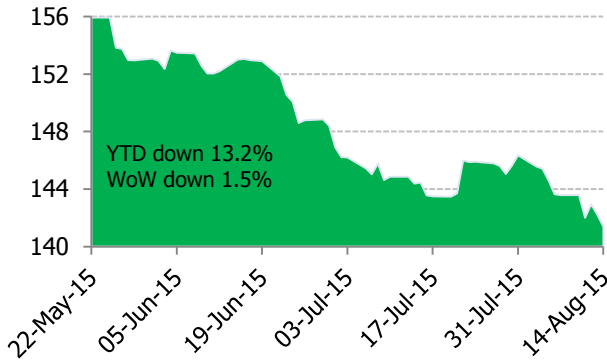
- Brent crude prices were broadly below US\$50/bbl although there was a burst of optimistic news on demand against the global overhang of physical oil.
- Data from the Energy Information Administration (EIA) showed a reduction in US stockpiles of crude and gasoline, bolstering sentiment about the US market.
- However, it is doubtful that Brent which has fallen nearly 30% in the past 3 months could hold on to its recent gains. OPEC's 2nd largest producer, Iraq plans to export near-record volumes of crude oil in Sep-15, adding to an already oversupplied market.
- Regionally countries like SA have adjusted downwards their domestic retail pump price of fuel to reflect recent fall in oil prices. However, the extent of the decline will be counteracted by ZAR weaknesses against the USD.

Equities 90-Day Index Charts

Zimbabwe



ZSE Industrial Index

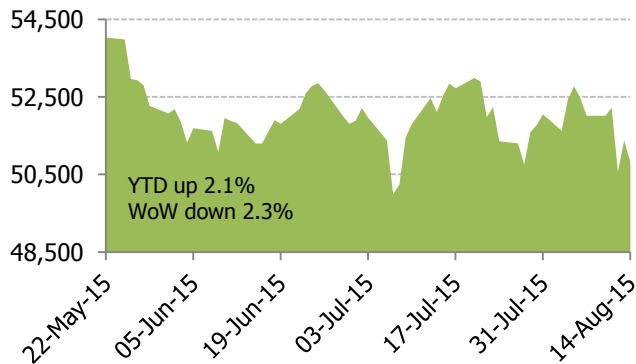


- 20,000 jobs were lost last month after a court ruled that companies can fire workers by giving them 3 months' notice, prompting the Gvt to amend the labour law to stop further losses.

South Africa



JSE All Share Index

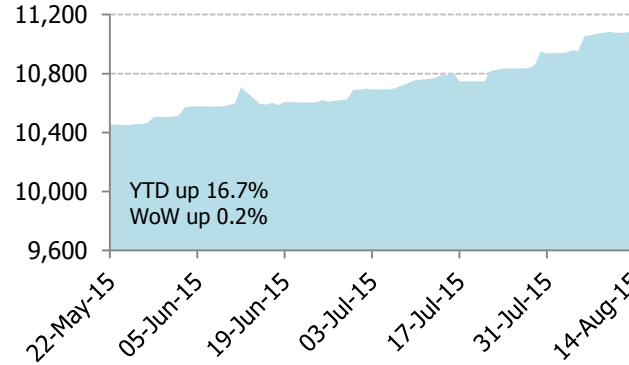


- Liquor industry will help craft stricter alcohol advertising rules in a bid to prevent the Gvt from raising the minimum drinking age to 21 from 18.

Botswana



BSE DCI

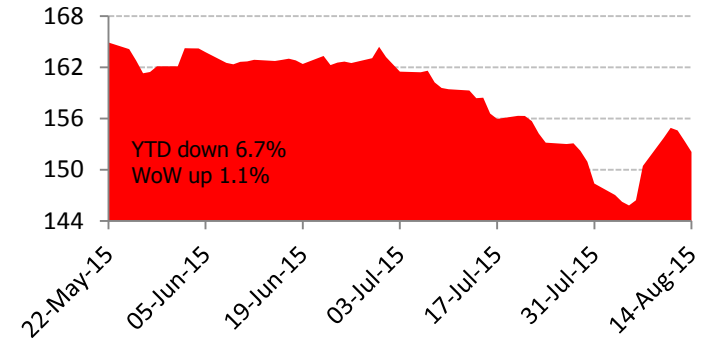


- Consumer inflation was unchanged at 3.1% year-on-year in Jul from the previous month.

Kenya



NSE All Share Index

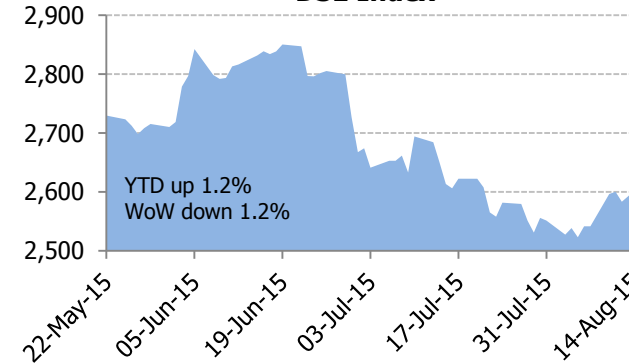


- Kenya and Uganda reached a final decision on the route for a crude pipeline linking their newly found oilfields to the Kenyan coast, an important step for oil firms to make a final investment decision.

Tanzania



DSE Index

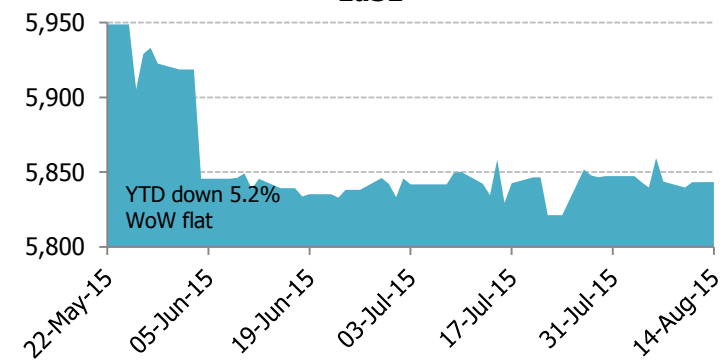


- Current account deficit narrowed to 22.5% of GDP in the year to Jun, helped by a decline in oil imports and improved performance of tourism and manufacturing sectors.

Zambia



LuSE



- Foreign Direct Investment (FDI) pledges reached US\$1.1bn in H1:15, down from US\$3.6bn in the same period in 2014 due to presidential by-election in Jan-15.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
7-Aug-15	10.16	37.95	2,102	7.57	12.72	1.093	1.551
Daily							
10-Aug-15	10.11	38.35	2,103	7.85	12.72	1.097	1.557
11-Aug-15	10.14	38.35	2,106	7.81	12.70	1.105	1.561
12-Aug-15	10.17	38.35	2,119	7.79	12.82	1.114	1.557
13-Aug-15	10.13	38.35	2,134	7.85	12.79	1.112	1.562
14-Aug-15	10.17	38.35	2,132	7.88	12.85	1.114	1.561
WoW %Δ	0.10	1.05	1.39	4.06	1.01	1.90	0.63
YTD %Δ	6.92	21.21	23.09	23.36	10.54	-8.38	0.26

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
07-Aug-15	0.798	2.97	0.615	165
Daily				
10-Aug-15	0.800	3.04	0.616	167
11-Aug-15	0.797	3.03	0.614	166
12-Aug-15	0.792	3.01	0.611	165
13-Aug-15	0.794	3.00	0.613	165
14-Aug-15	0.790	3.00	0.615	166
WoW %Δ	-0.95	0.89	0.05	0.82
YTD %Δ	-3.83	9.13	11.29	12.34

Exchange Rate Developments

- The USD fell during the week to its lowest in about a month against a basket of major currencies, on doubts over whether the US Fed Reserve will raise interest rates in Sep-15 given China's devaluation of the Yuan.
- SA's rand pushed to fresh 14-year lows against the USD and was at its weakest ever against the pound on the 14th, hit by worries about the local economy and prospects of imminent US policy tightening.
- The threat of wage strikes in the gold sector brought back to the fore investors' concerns about Africa's most developed economy which is also grappling with its worst electricity crisis since 2008.
- The ZAR tends to be vulnerable to sessions of emerging markets sell-offs since SA relies heavily on portfolio inflows to plug its current account deficit.
- The Kwacha which is strongly correlated to copper price movement took the biggest knock from China devaluation. Domestic factors such as the current power shortages pose vulnerability to the ZMW.
- The BWP was almost stable riding on a healthy economy which prompted the Bank of Botswana to cut benchmark lending rate by 50 basis points to 6%.
- As such the BWP appreciated against the ZAR whilst other BancABC markets' currencies depreciated marginally.

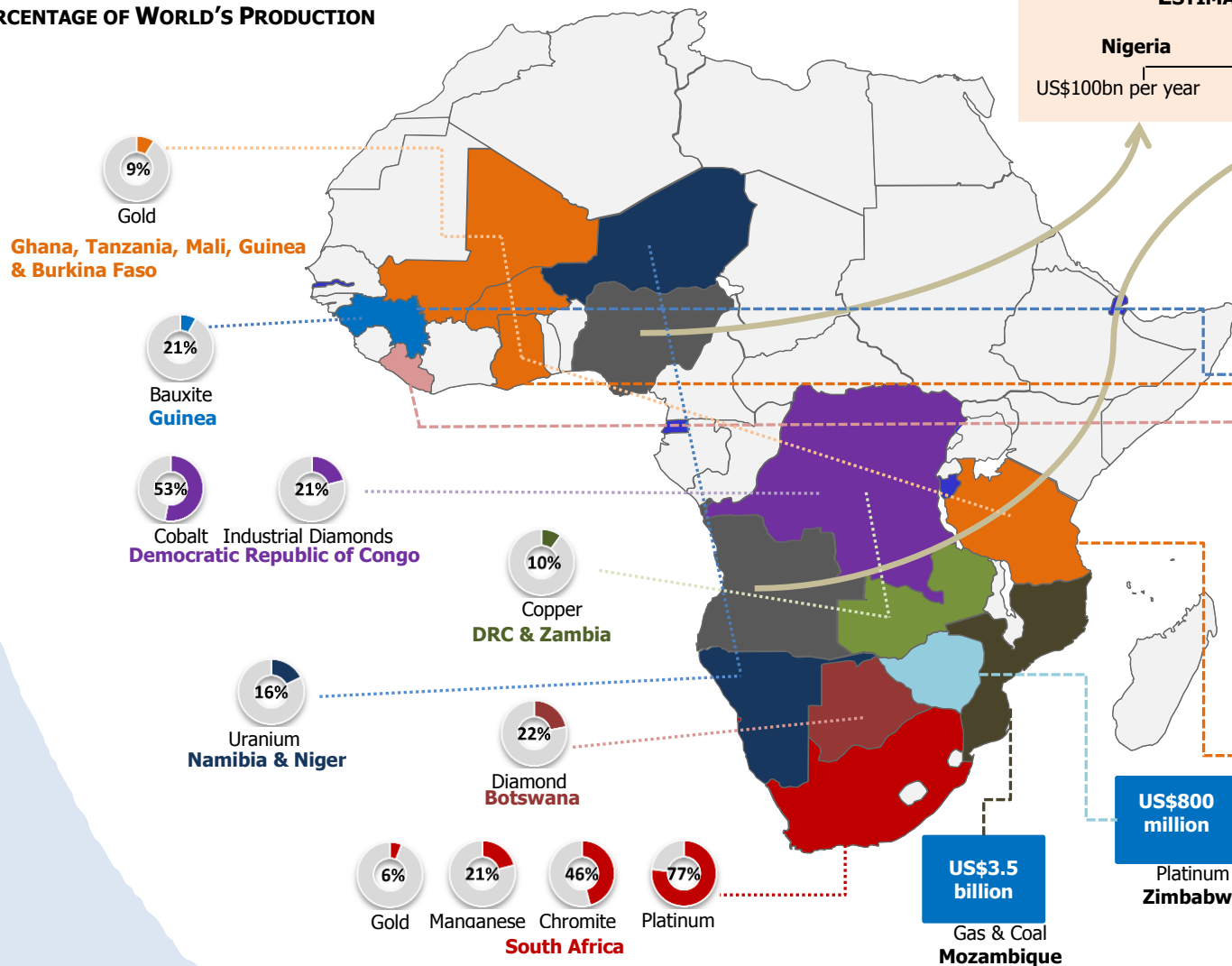
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APPENDIX: AFRICA A COMMODITY ECONOMY

PERCENTAGE OF WORLD'S PRODUCTION



ESTIMATED ANNUAL EXPORT REVENUES



AVERAGE ANNUAL REVENUE POTENTIAL FROM NEW & DEVELOPING PROJECTS

