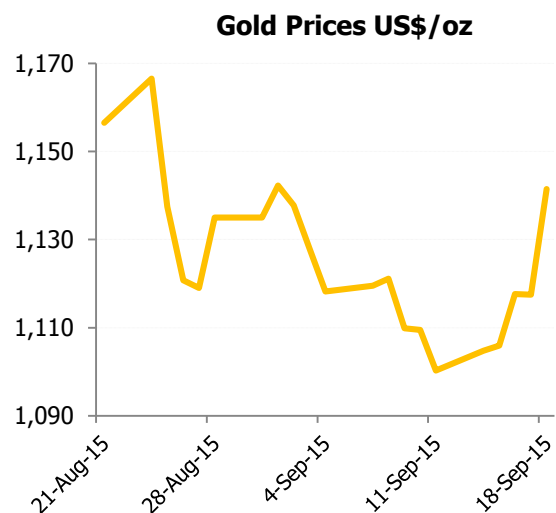


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart

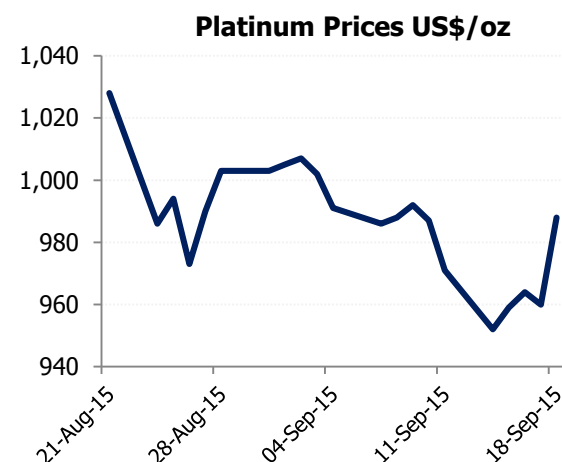


Commodity Prices

Daily	US\$/oz	WoW %Δ
11-Sep-15	1,100	
14-Sep-15	1,105	
15-Sep-15	1,106	
16-Sep-15	1,118	
17-Sep-15	1,118	
18-Sep-15	1,142	
		3.75

Commodity Developments

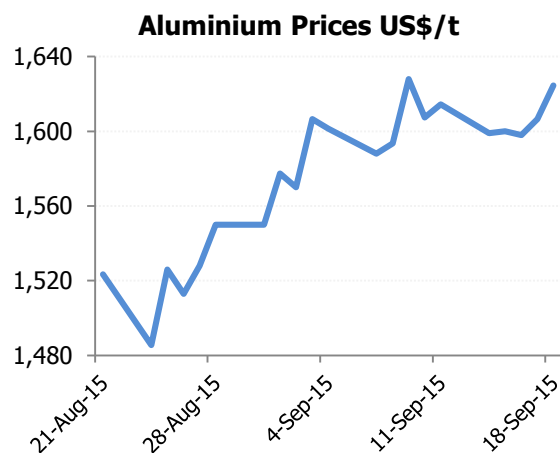
- Gold rose to a near 3-week high after Fed Reserve decided to leave US interest rates unchanged on worries about the global economy, financial market volatility and sluggish US inflation.
- According to the US Geological Survey's (USGS's) latest mineral industry survey for Jun-15, US imports for gold consumption fell 8% to 134,000kg in H1:15 as compared to the same period in 2014, a sign of weaker demand for the metal.
- In production, a reverse circulation drilling programme at East Africa-focused Shanta Gold's New Luika project, in southwest Tanzania, has resulted in a 46% increase in the Elizabeth Hill tenement's resource to 128,000oz
- The miner has also managed to maintain production and costs at budgeted levels and remained on track to meet full year guidance of between 72,000oz and 77,000oz at all-in sustaining costs of between US\$850/oz and US\$900/oz.



Daily	US\$/oz	WoW %
11-Sep-15	971	
14-Sep-15	952	
15-Sep-15	959	
16-Sep-15	964	
17-Sep-15	960	
18-Sep-15	988	
		1.75

- Platinum producer Atlatsa said on the 16th of Sep that it aimed to close 2 high-cost shafts at its Bokoni mine in SA and had started talks with unions about potential lay-offs, the latest development in an industry hit by low prices.
- Another miner, Impala Platinum, the world's 2nd largest producer of the precious metal, has started the process of closing parts of its Rustenburg mine putting 1,600 jobs at risk.
- Mining job cuts are a politically sensitive issue in SA ahead of local elections next year. The Gvt and unions agreed a broad but non-binding 10-point pact in Aug-15 aimed at curtailing mounting lay-offs in the face of falling prices and soaring costs. SA is the world's biggest producer of platinum accounting for over 70% of world's production.
- Platinum prices are currently at 6yr lows hammered by speculation that supplies are ample amid slowing demand from China.

Commodity 30-Day Price Chart

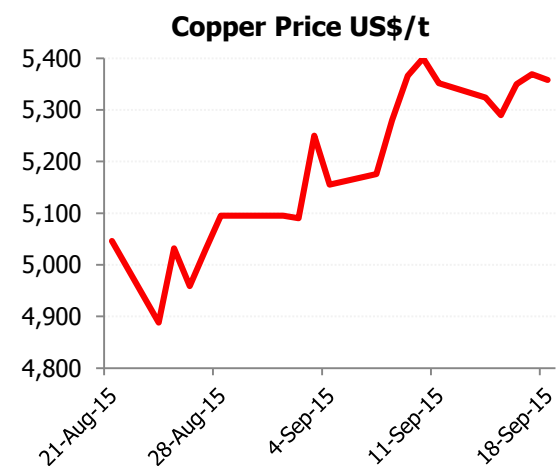


Commodity Prices

Daily	US\$/t	WoW %Δ
11-Sep-15	1,615	
14-Sep-15	1,599	
15-Sep-15	1,600	
16-Sep-15	1,598	
17-Sep-15	1,607	
18-Sep-15	1,625	
		0.62

Commodity Developments

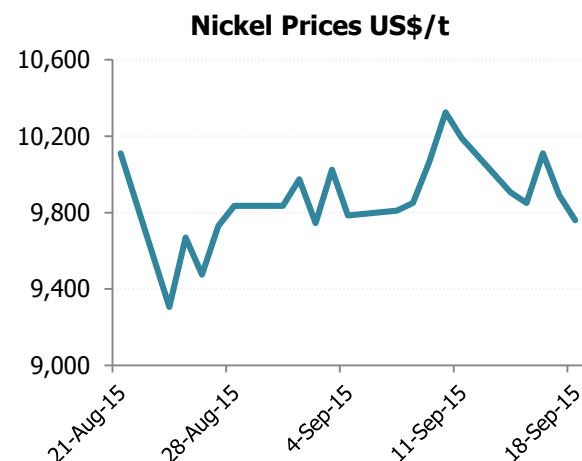
- Low aluminium prices and a ballooning surplus of the metal have deepened the industry's worst crisis in years, intensifying pressure on high-cost smelters to embark on another round of production cuts to revive prices.
- According to Wood Mackenzie data from Q2:15 results, more than 10% of smelting capacity outside of China, or 3.5m tonnes of production is running in the red. The data illustrates that there is increasing pain across the sector as producers worry about growing exports from China and production costs such as power which remain relatively high.
- Major producer, Alcoa Inc. has closed or curtailed 170,000t of annual output this year whilst United Co. Rusal announced plans to idle 200,000t of capacity.
- A cut in production may save the industry which has been running in excess supply for many years.



Daily	US\$/t	WoW %Δ
11-Sep-15	5,352	
14-Sep-15	5,324	
15-Sep-15	5,290	
16-Sep-15	5,350	
17-Sep-15	5,369	
18-Sep-15	5,358	
		0.11

- Copper fell on the 18th of Sep as the impact of US Fed Reserve's decision not to raise rates outweighed reports of potential supply disruptions to investors. The metal touched a week high on the 17th of Sep on expected supply hitches in Chile.
- In Zambia, Mopani Copper Mines has indicated that it will lay off more than 4,000 of its 7,000 unionised workers after the parent, Glencore Plc, announced plans to reduce a US\$30bn debt pile through various measures, including suspending operations at Mopani Copper Mines and at Katanga Mine in DR Congo for 18 months.
- Another Zambian miner, CNMC Luanshya Copper Mines Plc confirmed it had put Baluba Mine and its attendant departments on care and maintenance, sending 1,640 employees on forced leave. Power shortages and a slump in global prices have affected Zambian copper miners.
- Hopes for a revival in copper demand are pinned on stimulus from top consumer China.

Commodity 30-Day Price Chart

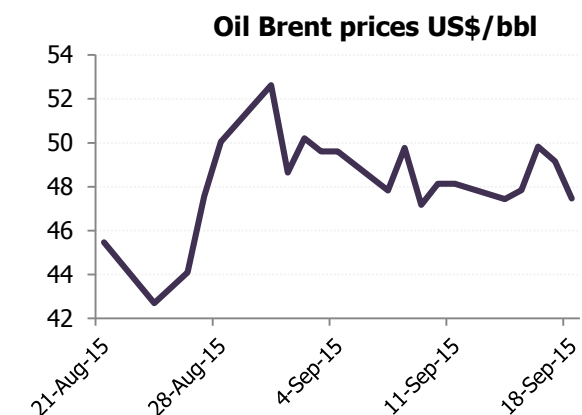


Commodity Prices

Daily	US\$/t	WoW %Δ
11-Sep-15	10,190	
14-Sep-15	9,905	
15-Sep-15	9,850	
16-Sep-15	10,110	
17-Sep-15	9,890	
18-Sep-15	9,760	
		-4.22

Commodity Developments

- Nickel is trading at its lowest in multi years dented by weak demand due to China slowdown and ample supplies. The prices which are below US\$10,000/t are threatening viability of most miners with some delaying investment and exploration projects.
- In Zambia, it is expected that base-metals miner First Quantum Minerals' (FQM's) Enterprise nickel mine will start operations later this year or in 2016, depending on nickel market conditions.
- The Enterprise deposit has a total measured and indicated resource of 40.1m tonnes, grading 1.07% nickel, and proven and probable reserves of 32.7m tonnes, grading 1.10% nickel.
- The planned four-million-tonne-a-year Enterprise operation has capacity to produce 38,000t/yr of nickel on average, with scope to increase to 60,000t/yr.



Daily	US\$/bbl	WoW %Δ
11-Sep-15	48.14	
14-Sep-15	47.44	
15-Sep-15	47.85	
16-Sep-15	49.83	
17-Sep-15	49.15	
18-Sep-15	47.47	
		-1.39

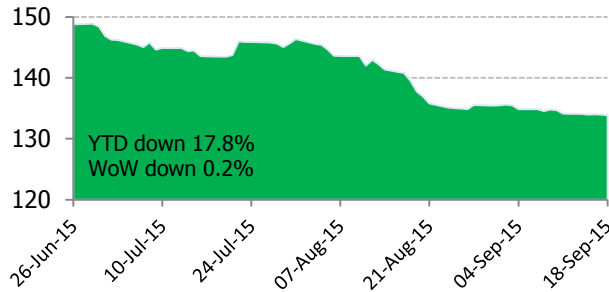
- Oil prices tumbled on fears that OPEC oil production will not slow as a result of reduced political tensions in the Middle East emanating from US-Russia talks on Syria.
- Denting prices were announcements by OPEC member Kuwait that it will take time for the oil market to balance, indicating that the producer group would continue defending market share over production cuts to bolster prices.
- Iran's deputy oil minister Rokneddin Javadi, reiterated Iran's plans to regain its oil production share once nuclear-related sanctions are removed against Tehran, adding that new oil contracts would be unveiled in coming weeks.
- In Russia, Deputy Energy Minister Alexei Teksler said that Russia's oil production may drop if crude falls below US\$40/bbl, the 1st time Russia, one of the world's biggest producers, has acknowledged low prices could hit output.
- In Zimbabwe, fuel pump prices have gone down benefitting from low crude prices.

Equities 90-Day Index Charts

Zimbabwe



ZSE Industrial Index

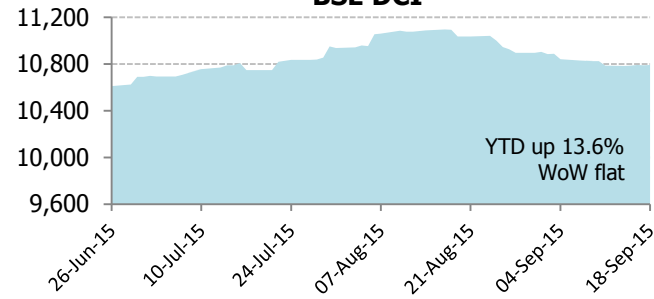


- The 23-year delay of the 2,400 MW Batoka Gorge Hydropower Project has cost Zambia and Zimbabwe US\$45bn, according to the World Bank.

Botswana



BSE DCI

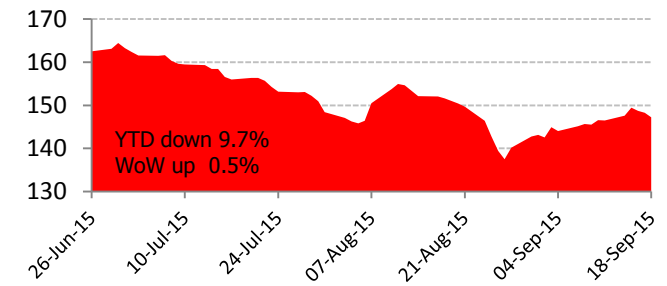


- Australian firm A-Cap Resources has applied for a licence to open what would be Botswana's 1st uranium mine with a capital expenditure of US\$351m.

Kenya



NSE All Share Index

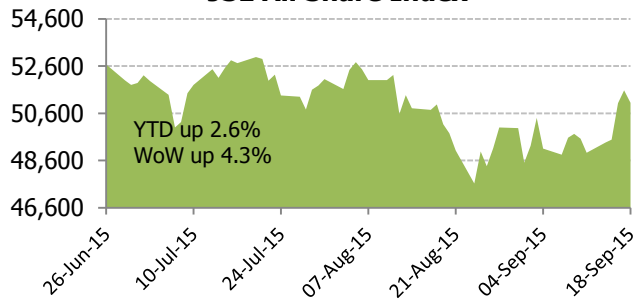


- Kenya's president urged teachers who have been on strike for about 3 weeks to return to work, saying their demand for a pay rise of up to 60% is unsustainable.

South Africa



JSE All Share Index

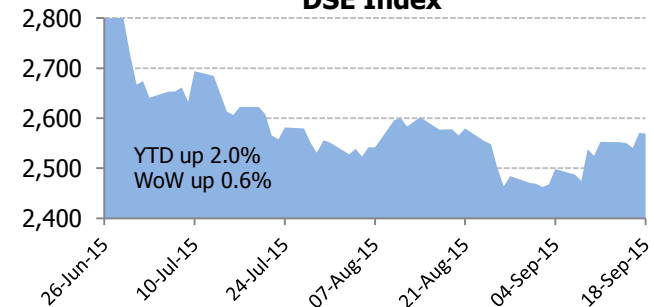


- SA's response to the US keeping interest rates on hold will be to implement reforms aimed at boosting economic growth and invest in infrastructure, Finance Minister Nhlanelhla Nene said.

Tanzania



DSE Index

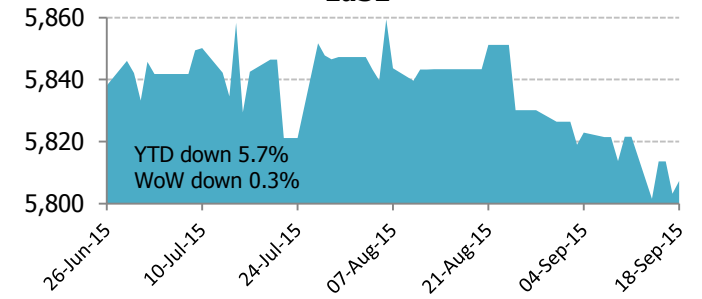


- The US urged Tanzania to do more to fight corruption if it wants to receive a US\$472.8m financial aid package next year.

Zambia



LuSE



- According to President Lungu, Gvt is taking measures to ease power shortages and the southern African nation will be a net exporter of electricity within 12 to 13 months.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
11-Sep-15	10.45	40.27	2,171	9.78	13.65	1.129	1.543
Daily							
14-Sep-15	10.41	40.26	2,176	9.82	13.57	1.134	1.546
15-Sep-15	10.40	40.29	2,182	9.88	13.42	1.130	1.545
16-Sep-15	10.38	40.29	2,182	9.95	13.47	1.127	1.538
17-Sep-15	10.31	40.29	2,182	9.97	13.34	1.133	1.552
18-Sep-15	10.28	40.17	2,171	9.98	13.19	1.144	1.560
WoW %Δ	-1.64	-0.25	0.02	1.99	-3.34	1.27	1.11
YTD %Δ	8.02	26.96	25.35	56.25	13.51	-5.91	0.24

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
11-Sep-15	0.766	2.97	0.722	156
Daily				
14-Sep-15	0.766	2.97	0.723	159
15-Sep-15	0.768	2.99	0.732	159
16-Sep-15	0.771	2.99	0.746	160
17-Sep-15	0.776	2.99	0.746	162
18-Sep-15	0.774	3.01	0.755	162
WoW %Δ	1.15	1.35	4.60	3.85
YTD %Δ	-5.76	9.45	36.61	9.46

Exchange Rate Developments

- The Fed Reserves decision to keep US interest rates on hold provided a relief to most currencies, as the dollar depreciated.
- The Fed decision largely disappointed most investors who were expecting to get the process of normalising rates going even at a gradual pace.
- Markets have reduced expectations for a rate increase this year, which could dim the short-term outlook of the dollar.
- The move by the Fed renewed appetite for emerging market assets lifting the currencies and equities of economies considered to be risky investments. The ZAR gained 3.3% whilst the JSE index gained 4.3%.
- The kwacha continued weakening despite favourable developments from the US. The continued depreciation of the kwacha is now imposing inflationary pressures to the economy, with prices of bread increasing from an average of ZMW5.00 to ZMW7.50 in Lusaka and from ZMW7.00 to ZMW9.00 in Siavonga.
- All other BancABC markets currencies appreciated against the USD and they all depreciated against the ZAR with the ZMW losing the most.

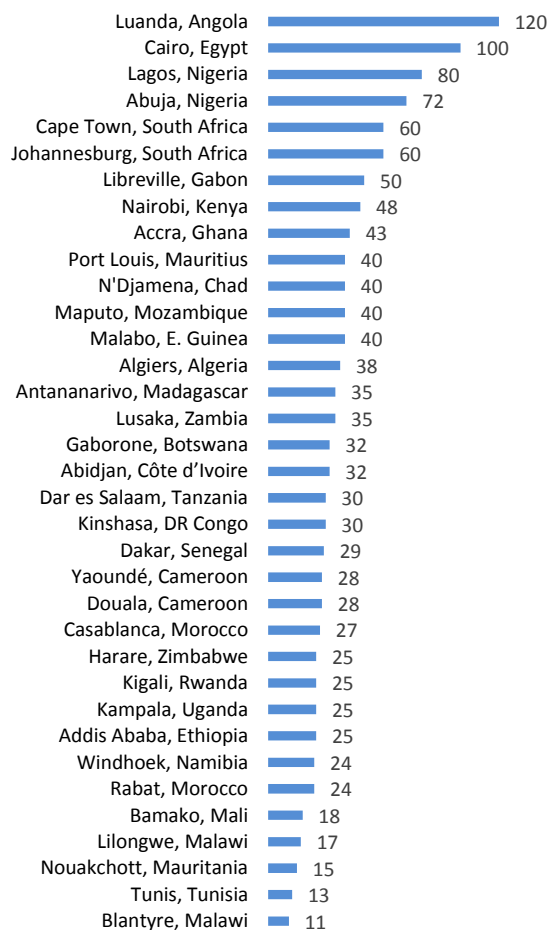
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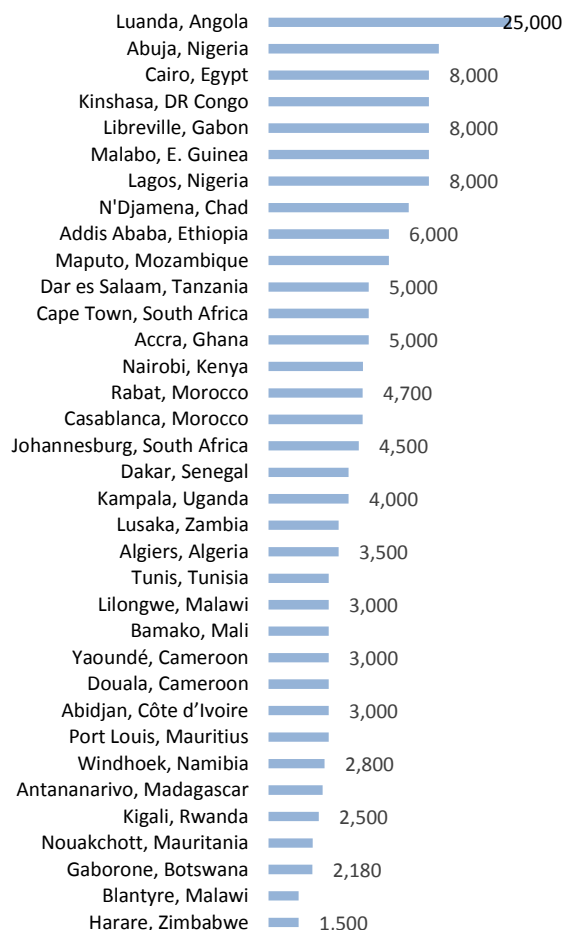
Contact telephone numbers: 369701-16; 752383-5

APPENDIX: AFRICA REAL ESTATE SECTOR – RENTAL COMPARISON BY CITY

Retail Rentals (US\$/sqm/month)



Residential Rentals (US\$/month, 4 beds)



- Sub-Saharan Africa's (SSA) largest cities are some of the fastest-growing urban areas in the world. UN forecasts suggest that the populations of Lagos, Kinshasa and Luanda will all grow by more than 70% during the 2010-2025 period, while Dar es Salaam, Kampala and Lusaka are expected to double.
- The growth of Africa's cities is creating a need for increased volumes of good quality commercial and residential real estate.
- Retail property development has been encouraged by the rise of the urban middle class, as well as the expansion of South African retailers such as Shoprite and Pick n Pay into the rest of Africa.
- The oil and energy sector is an important driver of activity in many of Africa's most dynamic retail and office markets. Demand from this sector, combined with an extreme lack of supply, has made Luanda in Angola one of the most expensive retail, office, and residential markets in the world.
- Likewise, recent offshore gas discoveries have driven construction activity and rental growth in Mozambique's capital, Maputo.
- By global standards, most property investment markets in Africa are opaque and small. Flow of capital in recent years has been from SA into the rest of the SSA region, as a growing number of funds have been established by SA developer/investors targeting the rest of the continent.
- Rand Merchant Bank, whose Real Estate Development Fund was closed in 2012 after raising US\$250m is involved in office and retail projects in Angola, Ghana and Nigeria.
- Other SA-based investors include Sanlam, Stanlib, Atterbury, Resilient, Ivora Capital, Delta International and Novare. A recent entrant is the Momentum Africa Real Estate Fund, which was launched in Jan-15 with a US\$250m equity goal, and has a focus on Ghana, Kenya, Nigeria, Mozambique, Rwanda and Zambia.

Source: Knight Frank