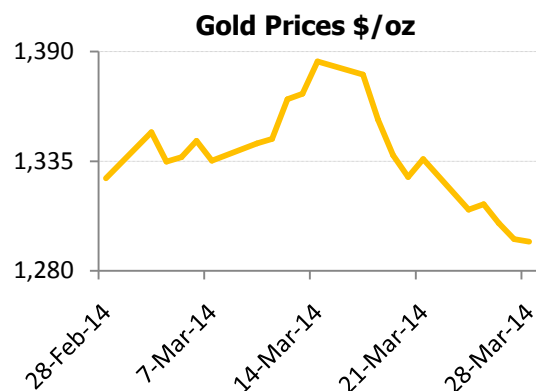


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart

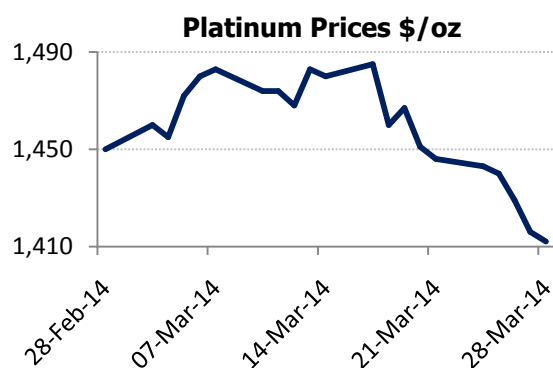


Commodity Prices

Daily	US\$/oz	WoW %Δ
21-Mar-14	1,336	
24-Mar-14	1,311	
25-Mar-14	1,314	
26-Mar-14	1,304	
27-Mar-14	1,296	
28-Mar-14	1,295	
		-3.09

Commodity Developments

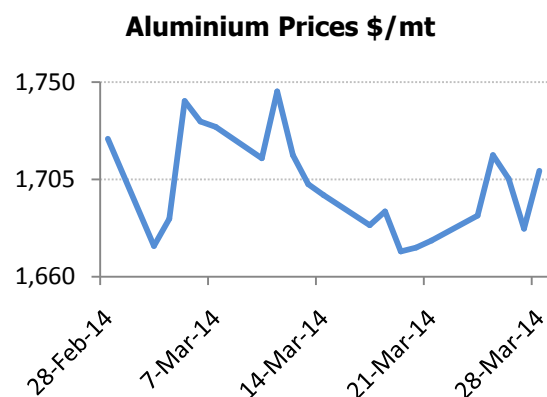
- Gold marks second weekly loss as an improving US economic outlook bolstered appetite for risk.
- Declining geopolitical tensions (Ukraine Crisis) and Fed Chair's sentiments that interest rates could rise in the first half of 2015 has made the yellow metal volatile.
- Low interest rates has been gold's major driving force in recent years since they cut the opportunity cost of holding non-yielding bullion above other assets.
- Investors have focused their attention back at economic fundamentals and less on Crimea as tensions have cooled down.



Daily	US\$/oz	WoW %Δ
21-Mar-14	1,446	
24-Mar-14	1,443	
25-Mar-14	1,440	
26-Mar-14	1,429	
27-Mar-14	1,416	
28-Mar-14	1,412	
		-2.35

- Platinum as an investment commodity followed Gold price's direction as miners' strike in SA continued for the 10th week. Anglo American Platinum, Impala Platinum and Lonmin are locked in a dispute with workers over wages.
- So far, the impact of the current strikes has been mooted as mining companies have been relying on stock piles to compensate the lost production.
- Generally, with no resolution in sight to end SA strikes, the cost of the present strike may be felt as it takes long for mining companies to get back to full production.

Commodity 30-Day Price Chart



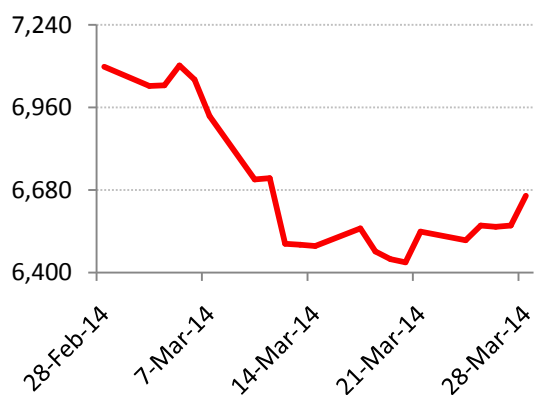
Commodity Prices

Daily	US\$/t	WoW %Δ
21-Mar-14	1,677	
24-Mar-14	1,688	
25-Mar-14	1,716	
26-Mar-14	1,705	
27-Mar-14	1,682	
28-Mar-14	1,709	
		1.92

Commodity Developments

- Aluminium notched 1.9% up after Alcoa inc, the biggest US aluminium producer said it will cut 147,000t of capacity at two aluminium smelters in Brazil as increased costs and low prices have made the plants uncompetitive.
- Cuts in production by Alcoa are presumed to be significant by investors which prompted an aluminium rush.
- However, cuts in production are expected to be more than compensated by new capacities in the Middle East where power is cheap rendering the rise unsustainable.

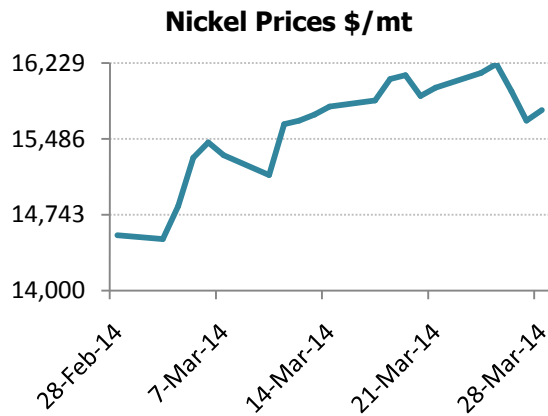
Copper Price \$/mt



Daily	US\$/t	WoW %Δ
21-Mar-14	6,539	
24-Mar-14	6,510	
25-Mar-14	6,559	
26-Mar-14	6,555	
27-Mar-14	6,560	
28-Mar-14	6,660	
		1.85

- Copper climbed up as speculation gathered pace that China could step in to stimulate the economy.
- China's Premier Li Keqiang reassured investors that the Gvt was ready to support the cooling economy.
- He said that the Gvt has necessary policies in place and would push ahead with infrastructure development. This sparked speculation that there will be some stimulus in China since growth has fallen more than the Gvt wanted.
- Worries about the Chinese growth had kept investors on the edge since a bond default by a Chinese solar maker.
- Chinese factory activity is expected to have picked up in Mar-14 and China's leaders pledge to step in to support growth may drive copper prices higher.

Commodity 30-Day Price Chart



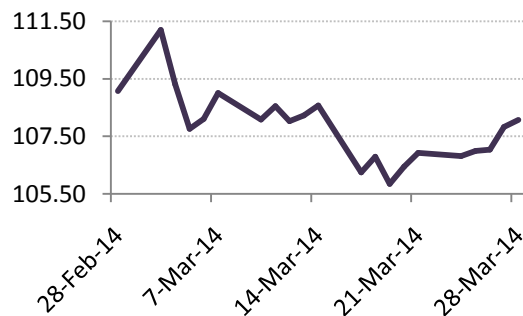
Commodity Prices

Daily	US\$/t	WoW %Δ
21-Mar-14	15,988	
24-Mar-14	16,133	
25-Mar-14	16,220	
26-Mar-14	15,955	
27-Mar-14	15,668	
28-Mar-14	15,768	
		-1.37

Commodity Developments

- Nickel has managed to maintain its high price crossing the \$16,000 on the 24th and 25th of Mar though ending the week supported by firming trend in the global market supply shortfalls induced by Indonesia ban on raw exports.
- Russia is also a major supplier on the London Metal Exchange and there is strong speculation that Russian supplies may be interrupted as sanctions intensify.
- The metal used in alloying price outlook remains positive and upward trending.

Oil Brent prices \$/bbl

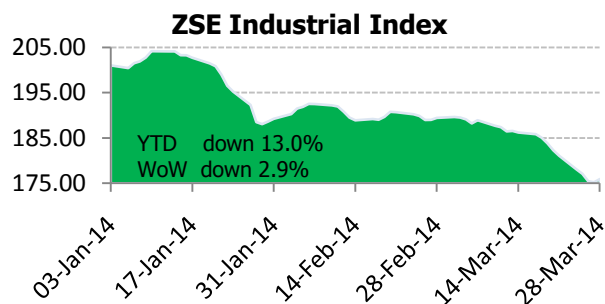


Daily	US\$/bbl	WoW %Δ
21-Mar-14	106.92	
24-Mar-14	106.81	
25-Mar-14	106.99	
26-Mar-14	107.03	
27-Mar-14	107.83	
28-Mar-14	108.07	
		1.08

- Oil prices ended the week higher as the US and EU agreed to work together to prepare tougher sanctions on Russia over its behaviour on Ukraine and make EU less dependent on Russian gas.
- Elsewhere, Libyan protestors blocked a 30,000bbl/day pipeline transporting oil from the south-western al-Wafa oilfield to the Mellitah export port.
- It is reported that Libya's output now stands at 155,000bbl/day, after the 130,000 bbl/day, El Feel field had stopped producing and the 340,000 bbl/day, El Sharara field shut weeks ago.
- Libya is a global major oil producer with a capacity of 1.25mbbl/day. Any production disruptions will have a significant impact on global oil prices.

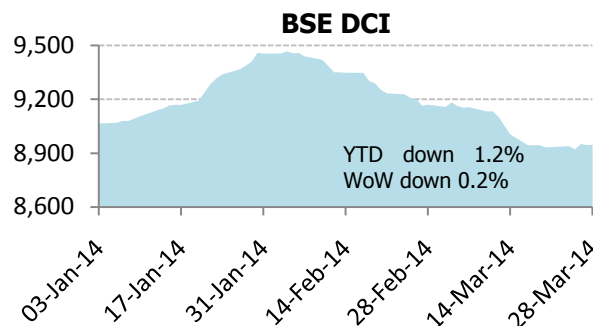
Equities 90-Day Index Charts

Zimbabwe



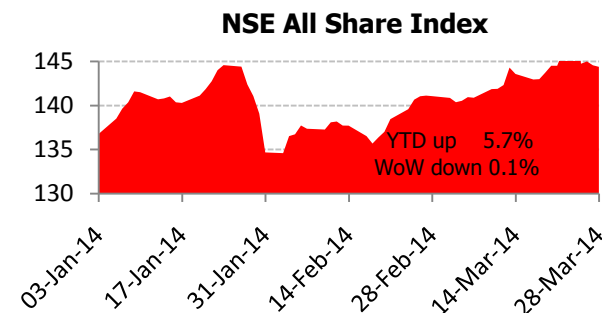
- IMF to re-open an office in Zim this year, 10 years after it left. Zim faces risk of possibility of weaker exports which will impact GDP growth. Elsewhere, delays in paying civil servants raised questions over the state of Gvt finances.

Botswana



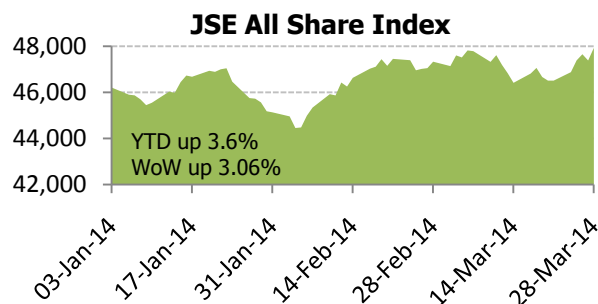
- Market slightly gained momentum after a week filled with companies' financial results as the reporting season comes to a halt. ABCH, Barclays, Stanchart, BIHL, FNBB and Chopies released their financials.

Kenya



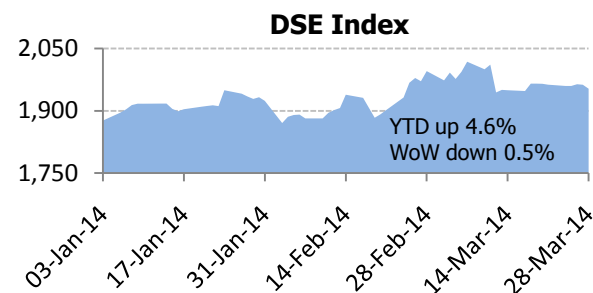
- The central bank mopped KES6.4bn out of the market through a repo at an average interest rate of 8.2%. The plan was to mop out KES10bn but only got bids for KES6.4bn (US\$73m).

South Africa



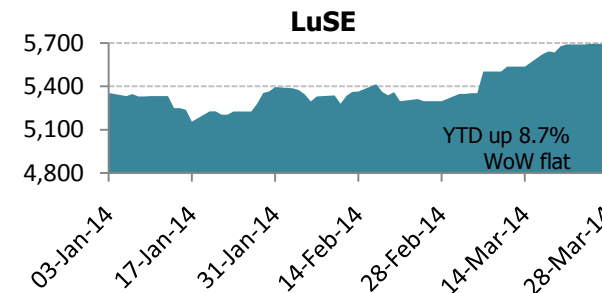
- SA's central bank left interest rates steady at 5.5% helping boost shares of companies reliant on consumer spending. A rate increase would put more pressure on debt-burdened South Africans.

Tanzania



- Current account deficit worsened to 17% of GDP in Jan-14 weighed down by high oil imports though overall the BoP surplus expanded to US\$534.8m attributed to increase capital grants, external borrowing and FDI.

Zambia



- Lifting of the ban on the use of foreign currency for domestic transactions appears to have had little increased investor confidence on the bourse. The BoZ hiked its policy rate to protect the ZMW.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
21-Mar-14	8.929	30.44	1,630	6.290	10.873	1.382	1.656
Daily							
24-Mar-14	8.921	30.45	1,630	6.024	10.852	1.380	1.650
25-Mar-14	8.897	30.44	1,631	6.059	10.821	1.384	1.649
26-Mar-14	8.857	30.43	1,630	6.202	10.741	1.381	1.654
27-Mar-14	8.834	30.43	1,630	6.368	10.722	1.376	1.656
28-Mar-14	8.795	30.43	1,632	6.255	10.614	1.372	1.662
WoW %Δ	-1.50	-0.03	0.12	-0.57	-2.38	-0.78	0.40

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
21-Mar-14	0.819	2.78	0.578	149
Daily				
24-Mar-14	0.820	2.86	0.555	150
25-Mar-14	0.821	2.84	0.563	150
26-Mar-14	0.824	2.85	0.581	151
27-Mar-14	0.826	2.85	0.595	152
28-Mar-14	0.829	2.80	0.590	153
WoW %Δ	1.24	0.72	2.01	2.68

Exchange Rate Developments

- The USD depreciated against emerging markets currencies on greater investor risk appetite after the China's Premier Li Keqiang indicated the Gvt could implement some stimulus measures.
- The ZAR notched up 2.4% against the USD after the Reserve Bank Governor Gill Marcus made it clear that the monetary policy committee had embarked on a rate-tightening cycle.
- The BWP ended the week 1.5% stronger against the dollar whilst the TZS was broadly stable against the dollar.
- The ZMW which was on the back foot gained 0.6% against the dollar but depreciated 2% against ZAR.
- In Zambia, lifting of the ban on the use of foreign currency and the Bank of Zambia (BoZ) interest rate hike is expected to support the ZMW in the short term.
- All BancABC markets' currencies depreciated against the ZAR amid renewed investor appetite for riskier assets.

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Contact telephone numbers: 369701-16; 752383-5