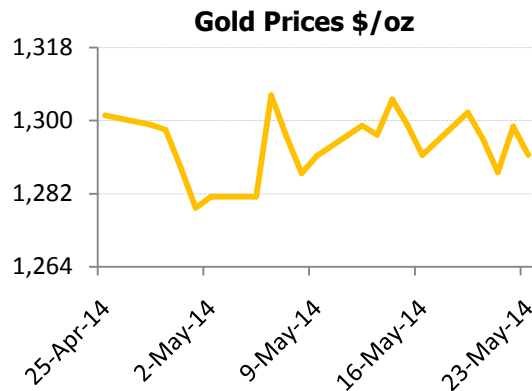


WEEKLY ECONOMIC REVIEW

Commodity 30-Day Price Chart

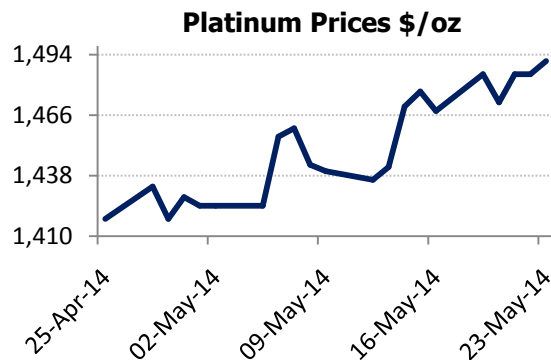


Commodity Prices

Daily	US\$/oz	WoW %Δ
16-May-14	1,292	
19-May-14	1,302	
20-May-14	1,296	
21-May-14	1,287	
22-May-14	1,299	
23-May-14	1,292	
		0.00

Commodity Developments

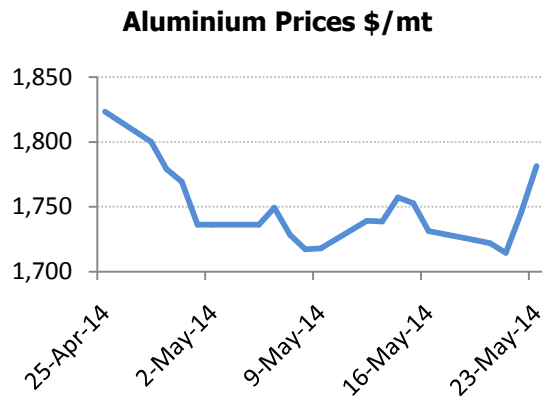
- Gold ended the week flat and trades were bounded in a narrow range ahead of the Ukrainian elections.
- A Ukrainian election win by a pro-Western candidate could bring stability to the country and undermine the yellow metal's appeal as a safe haven.
- Gold is usually seen as an insurance against risk in times of economic uncertainty or global political troubles.
- African Barrick Gold (ABG), which has three mines in Tanzania is expected to mine about eight-million tons of gold-bearing ore this year alone. ABG has been actively exploring renewable energy options for the past eight years in its attempts to move away from diesel generation to grid power, which is economically attractive.



Daily	US\$/oz	WoW %Δ
16-May-14	1,468	
19-May-14	1,485	
20-May-14	1,472	
21-May-14	1,485	
22-May-14	1,485	
23-May-14	1,491	
		1.57

- Platinum prices surged on continued supply concerns from major producer SA where a strike in Platinum mines is now in its 5th month and has turned violent.
- Due to unending strikes, the Business Unity South Africa (BUSA) expressed surprise and concern at the appointment of Tina Joemat-Pettersson and Ngoako Ramatlhodi to the Energy and Mineral Resources Ministries respectively. BUSA said that the ministries should have been given to experienced individuals as they are critical to the economy.
- In Zim, platinum producer Zimplats, in conjunction with Mimosa and Unki would start the refurbishment of Zimplats' Selous-based base-metal refinery (BMR) by Jul-14 and re-commission the facility over a 2yr period.
- Zim's mining sector, just like the international industry, is experiencing some difficulties owing to low metals prices with platinum producers suggesting not to hike wages but align them to productivity.

Commodity 30-Day Price Chart

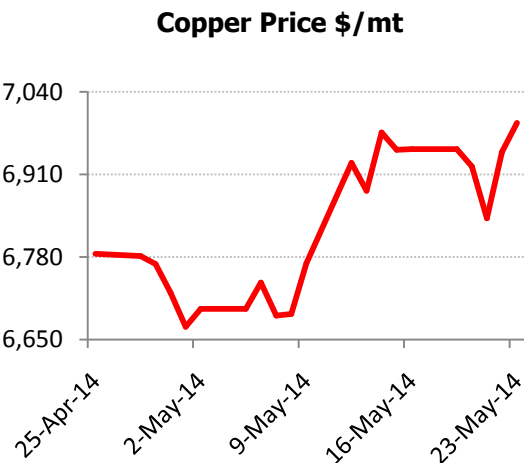


Commodity Prices

Daily	US\$/t	WoW %Δ
16-May-14	1,731	
19-May-14	1,725	
20-May-14	1,722	
21-May-14	1,715	
22-May-14	1,746	
23-May-14	1,782	
		2.90

Commodity Developments

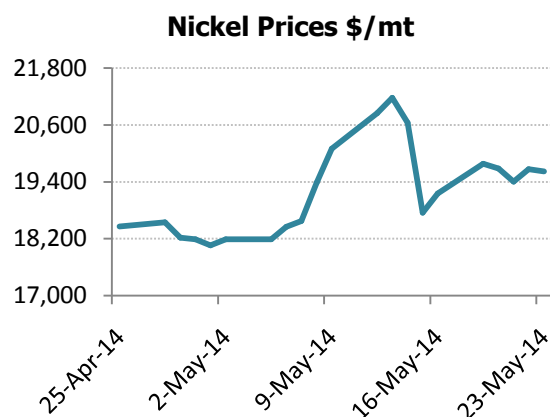
- Aluminium prices rose on the 22nd and ended the week higher after 2 days of losses on encouraging signals about economic growth in China and the Euro zone.
- A survey showed that China's factory sector had its best performance in 5 months in May although it was still weak.
- Prices were also supported by surveys in the Euro zone pointing to Q2:14 economic growth of 0.5%, the strongest in 3yrs, even though they showed that the pace of private sector growth eased very slightly in May.
- In the US, Fed Reserve meeting minutes reassured that rate hikes will not happen anytime soon.



Daily	US\$/t	WoW %Δ
16-May-14	6,950	
19-May-14	6,950	
20-May-14	6,923	
21-May-14	6,841	
22-May-14	6,946	
23-May-14	6,991	
		0.59

- Copper prices also registered positive weekly gains by data out of China, US and Europe. The metal also drew support from the remaining closure of a South Korean copper producing plant.
- First Quantum Minerals subsidiary, Kalumbila Minerals, appointed Modular Mining Systems to implement three real-time computer-based mine management solutions at the Sentinel copper mine, in Zambia
- The systems are expected to improve the efficiency of production, reduce maintenance costs and equipment downtime and ensure that shovel, dozer and drill operators would precisely adhere to the prescribed mine plan.
- The open pit copper mine, with an anticipated yearly throughput rate of 55-million tonnes at an average grade of 0.5% copper, would be commissioned in the third quarter of 2014

Commodity 30-Day Price Chart



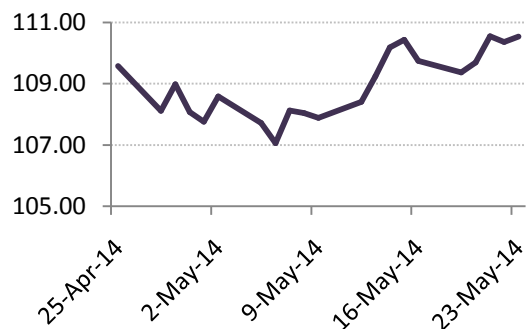
Commodity Prices

Daily	US\$/t	WoW %Δ
16-May-14	19,153	
19-May-14	19,785	
20-May-14	19,680	
21-May-14	19,405	
22-May-14	19,670	
23-May-14	19,620	
		2.44

Commodity Developments

- Nickel prices have remained high supported by Indonesian ban on raw mineral exports.
- According to figures from the Indonesian Central Bank, no nickel ore has left the country since Jan. Indonesia was a major exporter to the World's largest metals consumer, China.
- Nickel investor are being driven by the betting is that it is only a matter of time before Chinese Nickel Pig Iron (NPI) capacity starts closing, lifting the country's requirement for higher imports of refined metal.
- Data out of China suggests that Chinese importers are attempting to tap alternative sources of supply.
- The figures show new inflows from Vietnam, Zimbabwe and Brazil in form of concentrates rather than ore.

Oil Brent prices \$/bbl



Daily	US\$/bbl	WoW %Δ
16-May-14	109.75	
19-May-14	109.37	
20-May-14	109.69	
21-May-14	110.55	
22-May-14	110.36	
23-May-14	110.54	
		0.72

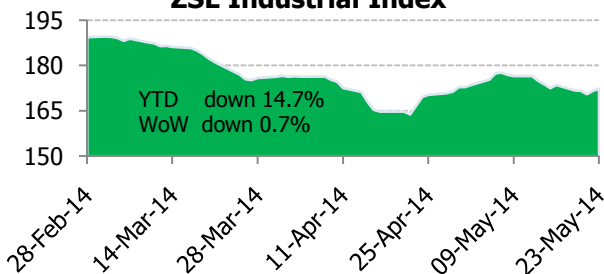
- Brent pushed higher, supported by the crises in Ukraine and Libya as well as positive economic data in the World's top 2 oil consumers, the US and China.
- Investors watched Ukraine ahead of presidential elections whilst Libya oil output remains uncertain.
- Libyan protesters on the 22nd shut the headquarters of the company running the Brega oil port, the only eastern port to have remained open through most of the Gvt's 9-month stand-off with a rebel group.
- In Mozambique, the economy is benefiting from mining tax but needs to improve its infrastructure to reap full benefits of its large natural gas reserves, coal and oil. The resources will remain of little value unless they can reach the markets.

Equities 90-Day Index Charts

Zimbabwe



ZSE Industrial Index

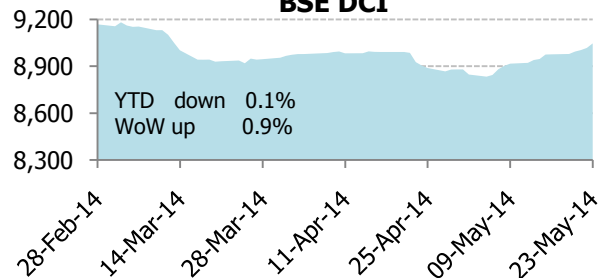


- Hundreds of illegal settlers invaded sugar estates owned by SA's Tongaat Hullett, raising new concerns about the security of foreign investment in Zim. Tongaat is the largest foreign investor in Zim's agriculture sector, employing 18,000 workers.

Botswana



BSE DCI

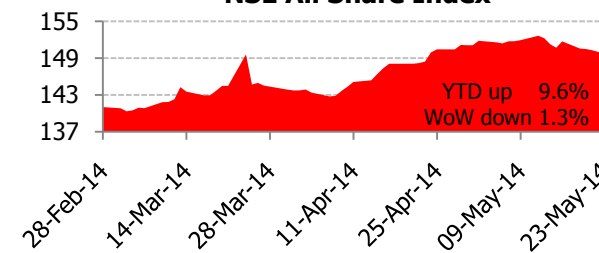


- The 2014 African Transformation Report revealed that, much of Africa's celebrated growth is vulnerable (including Botswana), citing that the continent is growing but not transforming.

Kenya



NSE All Share Index

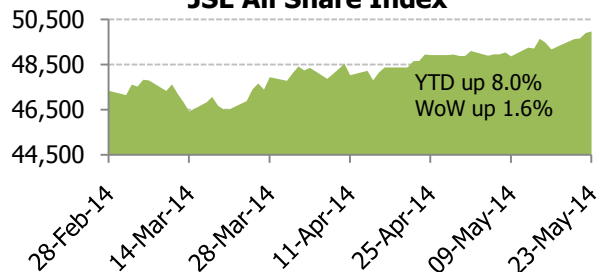


- Kenya is planning a debut Eurobond issue this year, which will put close scrutiny on its spending plans as many African Gvts face questions over how they use the borrowed money and risk being punished by international capital markets.

South Africa



JSE All Share Index

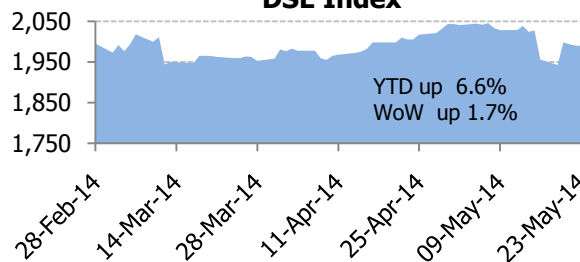


- ZAR3.685bn (US\$356m) worth of 3-month Treasury Bills was sold on the 23rd, at an average yield of 5.78% from 5.79% the past week. The bid to cover ratio went down from 2.3 to 1.6.

Tanzania



DSE Index

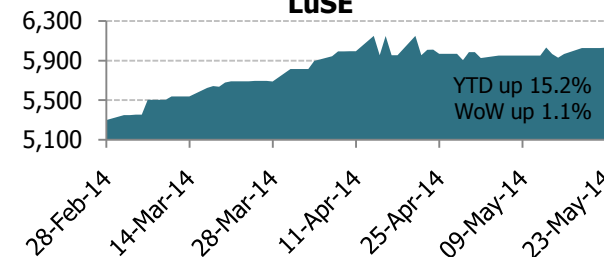


- Gvt will require to secure US\$4.5bn if the it were to take 15% equity share in the downstream of a large Liquefied Natural Gas (LNG) project. According to IMF the cost for developing a single LNG project ranges between US\$20bn and US\$40bn.

Zambia



LuSE



- Africa's biggest copper producer is growing by about 6% annually. The economy was however downgraded by Fitch as the budget deficit widened to 6.7% of GDP last year and the current account deficit hit 12%.

Foreign Exchange Markets

	USD/BWP	USD/MZN	USD/TZS	USD/ZMW	USD/ZAR	EUR/USD	GBP/USD
Wk Ending							
16-May-14	8.70	30.64	1,637	6.65	10.40	1.372	1.680
Daily							
19-May-14	8.68	30.63	1,638	6.65	10.34	1.371	1.682
20-May-14	8.70	30.62	1,638	6.63	10.45	1.369	1.685
21-May-14	8.73	30.62	1,640	6.68	10.44	1.371	1.692
22-May-14	8.70	30.62	1,640	6.66	10.38	1.368	1.689
23-May-14	8.67	30.61	1,644	6.72	10.35	1.363	1.685
WoW %Δ	-0.35	-0.10	0.43	1.07	-0.48	-0.67	0.27
YTD %Δ	-0.52	2.61	4.98	21.98	-1.13	-1.08	1.97

	ZAR/BWP	ZAR/MZN	ZAR/ZMW	ZAR/TZS
Wk Ending				
16-May-14	0.837	2.96	0.642	158
Daily				
19-May-14	0.838	2.96	0.642	158
20-May-14	0.837	2.93	0.638	158
21-May-14	0.834	2.94	0.639	158
22-May-14	0.837	2.96	0.640	158
23-May-14	0.839	2.96	0.649	158
WoW %Δ	0.35	0.00	1.09	0.00
YTD %Δ	0.43	3.14	24.23	6.15

Exchange Rate Developments

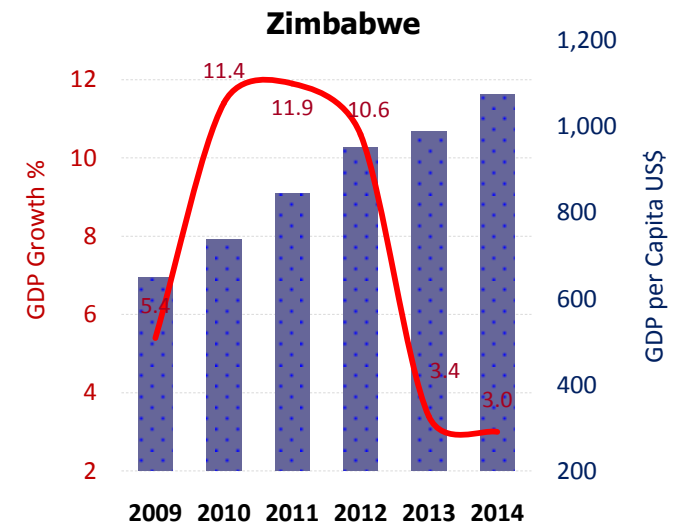
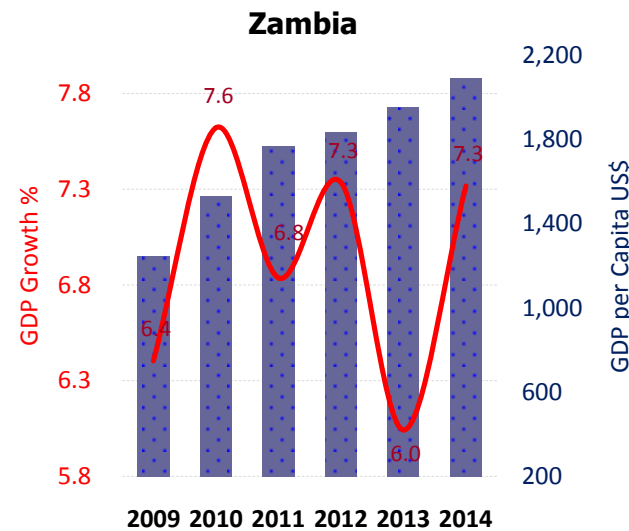
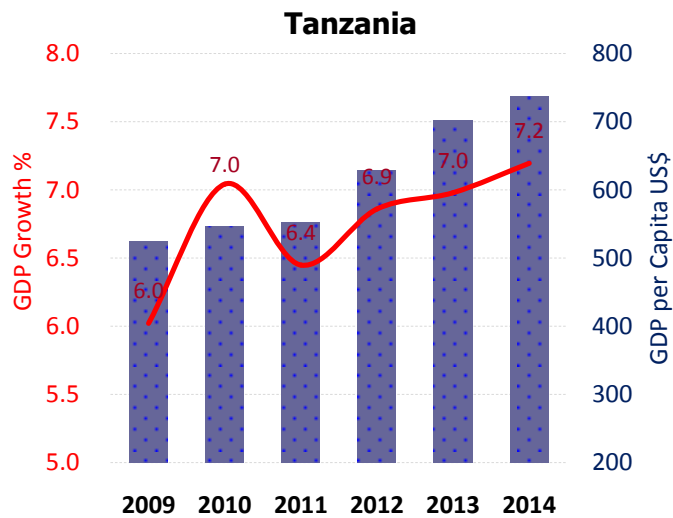
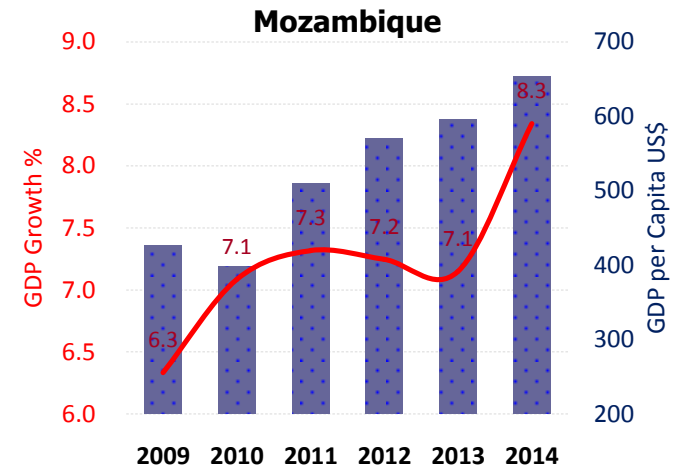
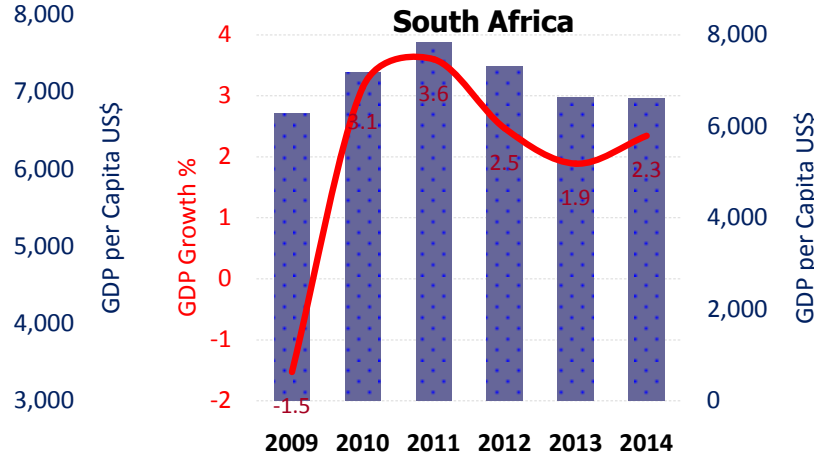
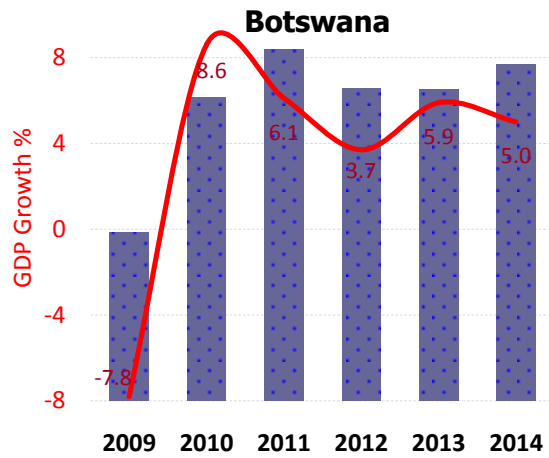
- The EUR fell against the USD after disappointing report on German business supported the view the European Central Bank (ECB) will cut interest rates next month.
- Concerns that 25th of May EU election results could destabilize some Euro zone Gvts also dented the EUR.
- The BWP, MZN and ZAR appreciated against the USD as the US and UK headed into a long weekend.
- The global risk appetite for high yielding assets supported these currencies as investor sought higher margins.
- YTD, the BWP and ZAR have appreciated by 0.5% and 1.1% respectively, reversing earlier losses during the beginning of the year.
- Political risks, widening fiscus deficit, rising debt, lower copper prices, unwinding of US QE and rising demand for imports have weighed down on the ZMW.
- The ZMW extended its losses to record a 22% and 24% loss against the USD and ZAR respectively.
- TZS and MZN were stable against the ZAR whilst the BWP lost 0.4% during last week.
- With the new ANC led Gvt, targeting economic growth and low interest rates in developed markets, the ZAR is likely to gain some momentum against all currencies.


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Contact telephone numbers: 369701-16; 752383-5

Appendix: GDP Growth & Per Capita in BancABC Markets



 GDP per Capita US\$ (Right Hand Scale (RHS))

 GDP Growth (Left Hand Scale (LHS))