



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY	2
3. TOBACCO SALES	4
4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS.....	5
5. EXCHANGE RATES.....	6
6. EQUITY MARKETS.....	7

Week Ending
3rd August 2018

1. INTEREST RATES

Deposit Rates

During the week ending 3rd August 2018, average deposit rates for all classes of deposit remained unchanged at the previous week level.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
06-Jul-18	4.35	3.53	4.00
13-Jul-18	4.35	3.53	4.00
20-Jul-18	4.35	3.53	4.00
27-Jul-18	4.35	3.53	4.00
03-Aug-18	4.35	3.53	4.00

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients closed the week under review at 9.91%, up from 9.75% in the previous week. Similarly, weighted lending rates for corporate clients increased from 6.97% to 7.09%, during the same week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
06-Jul-18	9.37	7.03
13-Jul-18	9.37	7.07
20-Jul-18	9.78	7.02
27-Jul-18	9.75	6.97
03-Aug-18	9.91	7.09

Source: Banking Institutions, 2018

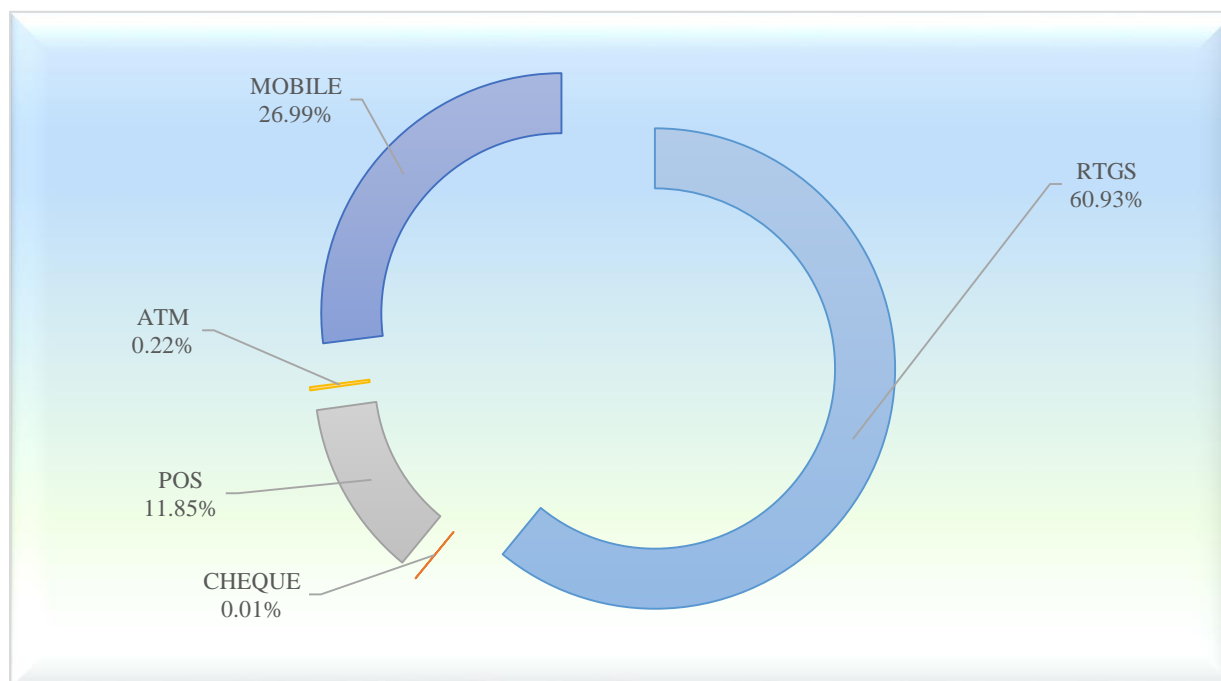
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 3rd August 2018, transactions processed through the National Payment System (NPS) amounted to US\$2 464.05 million, down from US\$2 969.19 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system decreased by 22.8%, to close the week under review at US\$1 501.22 million.

In value terms, NPS transactions were distributed as follows: RTGS, 60.93%; Mobile, 26.99%; Point of Sale (POS), 11.85%; Automated Teller Machines (ATMs), 0.22%; and Cheque, 0.01%, as shown in Figure 1.

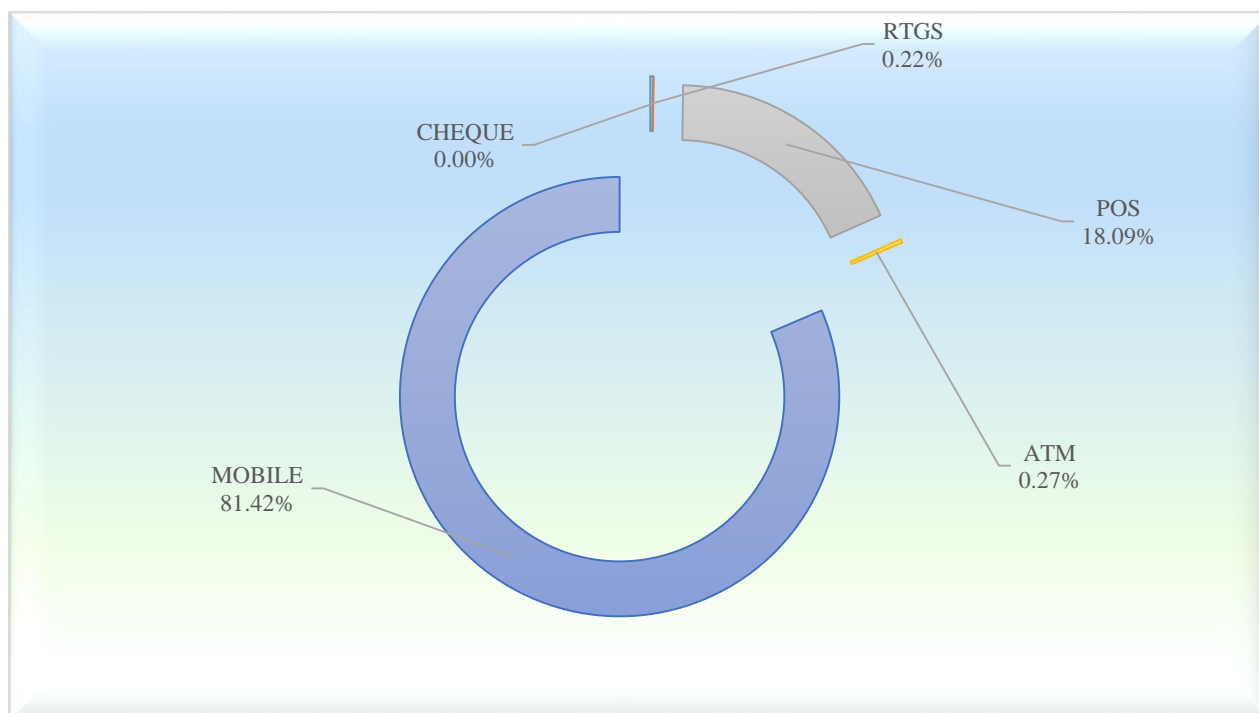
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

The total volume of transactions processed through the NPS declined by 0.7%, from 44 632 986 transactions in the previous week to 44 321 809 transactions, during the week under review. Mobile transactions contributed 81.42% of the total volume of NPS transactions, followed by POS, 18.09%; ATMs, 0.27%; RTGS, 0.22%; and Cheque, 0.005%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2018

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 27 th JULY 2018	WEEK ENDING 3 rd AUGUST 2018	% CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ millions				
RTGS	1,944.24	1,501.22	-22.8%	60.93%
CHEQUE	0.76	0.37	-51.9%	0.01%
POS	268.28	292.06	8.9%	11.85%
ATM	2.90	5.43	87.2%	0.22%
MOBILE	753.00	664.97	-11.7%	26.99%
TOTAL	2,969.19	2,464.05	-17.0%	100%
VOLUMES				
RTGS	141,915	95,616	-32.6%	0.22%
CHEQUE	4,033	2,036	-49.5%	0.005%
POS	7,021,483	8,016,817	14.2%	18.09%
ATM	68,001	119,774	76.1%	0.27%
MOBILE	37,397,554	36,087,566	-3.5%	81.42%
TOTAL	44,632,986	44,321,809	-0.7%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. TOBACCO SALES

As at 3rd August 2018 or day 93 of the 2018 tobacco selling season, a cumulative total of 244,8 million kilograms of tobacco, valued at US\$716.1 million, had been sold at an average price of US\$2.93/kg.

During the corresponding period in 2017, a total of 181.4 million kilograms of the golden leaf were sold at an average price of US\$2.96/kg. The cumulative sales value of the golden leaf was US\$537.6 million.

Table 4: Cumulative Tobacco Sales: Day 92 (3rd August 2018)

	2017	2018	Variance (%)
Cumulative Quantity Sold (kg)	181,365,552	244,790,985	35.0
Cumulative Average Price(US\$/kg)	2.96	2.93	-1.3
Cumulative Value(US\$ million)	537,587,654	716,053,536	33.2

Source: Tobacco Industry and Marketing Board (TIMB), 2018

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 3rd August 2018, the international commodity prices of platinum, gold copper and crude oil retreated from their previous week level. Nickel prices, however, firmed during the same week, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (23 - 27 July)	1,226.58	832.40	6,238.50	13,636.00	74.04
30-Jul	1,222.93	825.00	6,230.00	13,805.00	74.61
31-Jul	1,220.03	828.50	6,238.00	13,835.00	74.21
1-Aug	1,220.88	827.50	6,264.00	13,990.00	74.00
2-Aug	1,216.53	820.00	6,138.00	13,445.00	73.21
3-Aug	1,212.00	828.00	6,123.00	13,360.00	73.33
Weekly Average (30 July - 3 Aug)	1,218.47	825.80	6,198.60	13,687.00	73.87
<i>Weekly Change (%)</i>	<i>(0.7)</i>	<i>(0.8)</i>	<i>(0.6)</i>	<i>0.4</i>	<i>(0.2)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices retreated by 0.7% to US\$1,218.47/oz., from a weekly average of US\$1,226.58/oz. in the previous week. The metal remained under pressure from a stronger US dollar, which dampened the safe haven status of the metal.

Platinum

Platinum prices declined by 0.8% to US\$825.80/oz during the week under review, from a weekly average of US\$832.40/oz. The precious metal was weighed down by a strengthening US dollar, resulting in weaker investment demand for the metal.

Copper

During the week under analysis, copper prices registered a 0.6% decrease to US\$6,198.60/ton, from US\$6,238.50/ton in the previous week. Prices retreated from their previous week level amid fears of weakening demand for the base metal.

Nickel

Nickel prices firmed by 0.4%, from a weekly average of US\$13,636/ton in the previous week to US\$13,687/ton, during the week under review. This was underpinned by an increase in the demand for nickel in the battery manufacturing industry for electric vehicles.

Crude Oil

Crude oil prices declined by 0.2%, from a weekly average of US\$74.04/barrel, to close the week under review at an average of US\$73.87/barrel. This followed an increase in US crude oil stocks.

EXCHANGE RATES

The US dollar appreciated against the euro, pound Sterling, rand, and pula, during the week ending 3rd August 2018. The greenback gained strength following the publication of positive US economic data.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
Weekly Average (23 - 27 July)	13.3089	0.7611	10.2769	0.8550
31-Jul	13.1637	0.7617	10.2722	0.8539
1-Aug	13.3511	0.7634	10.2197	0.8564
2-Aug	13.2600	0.7632	10.2775	0.8583
3-Aug	13.5038	0.7684	10.3681	0.8635
Weekly Average (31 July - 3 August)	13.3695	0.7698	10.2881	0.8654
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>0.46</i>	<i>1.14</i>	<i>0.11</i>	<i>1.22</i>

Source: Reuters, 2018

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) continued on a negative trajectory, with the All Share Index declining by 0.10%, to close the week ending 3rd August 2018 at 114.19 points. The industrial index closed the week under review at 383.40 points, 0.37% down from 384.22 points registered in the previous week. Losses registered in share prices of Masimba Holdings Limited (19.35%); CBZ Holdings (7.91%); Econet Wireless (1.46%); Star Africa Corporation (0.78); and Hippo Valley Estates Limited (0.59%), underpinned the decline.

The mining index, however, registered a 0.38% increase, to close the week under review at 164.62 points. This followed a 1.45% gain in the Bindura Nickel Corporation share price. RioZim traded at the previous week price. Falgold and Hwange Colliery Company did not register any trades, during the week under review.

Table 6: Zimbabwe Stock Exchange Statistics

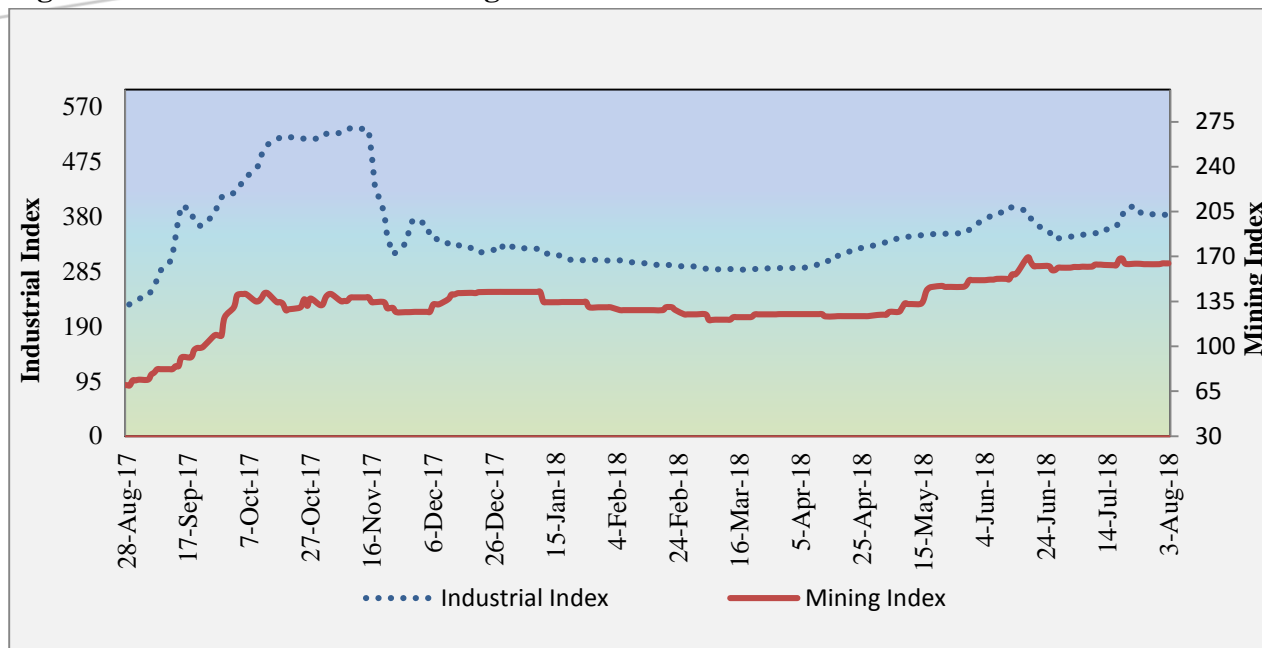
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
6-July-18	103.93	105.76	348.99	162.06	9,967,725,131	22,700,437	35,500,522
13-July-18	106.37	109.00	357.22	163.42	10,201,365,520	15,270,183	14,777,083
20-July-18	117.29	122.68	394.35	164.28	11,246,794,772	23,362,311	328,115,054
27-July-18	114.31	118.87	384.22	163.99	10,968,751,606	18,771,243	219,112,782
3-August-18	114.19	118.43	383.40	164.62	12,180,249,154	41,093,123	31,809,685
Weekly Change (%)	-0.10	-0.37	-0.21	0.38	11.04	118.92	-85.48

Source: Zimbabwe Stock Exchange (ZSE), 2018

² The All share Index shows the changing average value of shares of all companies on the market.

³ The Index is calculated using the market capitalisation method.

Figure 3: Zimbabwe Stock Exchange Indices

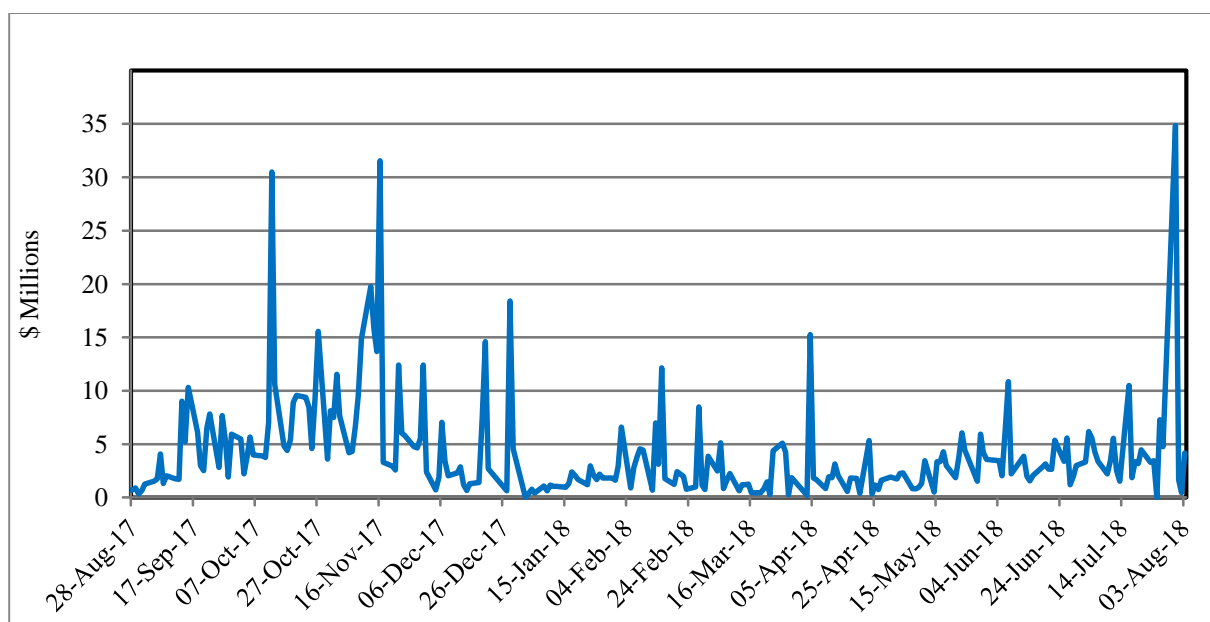


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

During the week under review, the volume of shares traded on the ZSE decreased by 85.48%, to close the week at 31.81 million shares. ZSE Market turnover, however, increased by 118.92% to US\$41.09 million, from US\$18.77 million recorded the previous week. This was supported by a block trade of 25.06 million Econet Wireless shares.

Figure 4: Market turnover

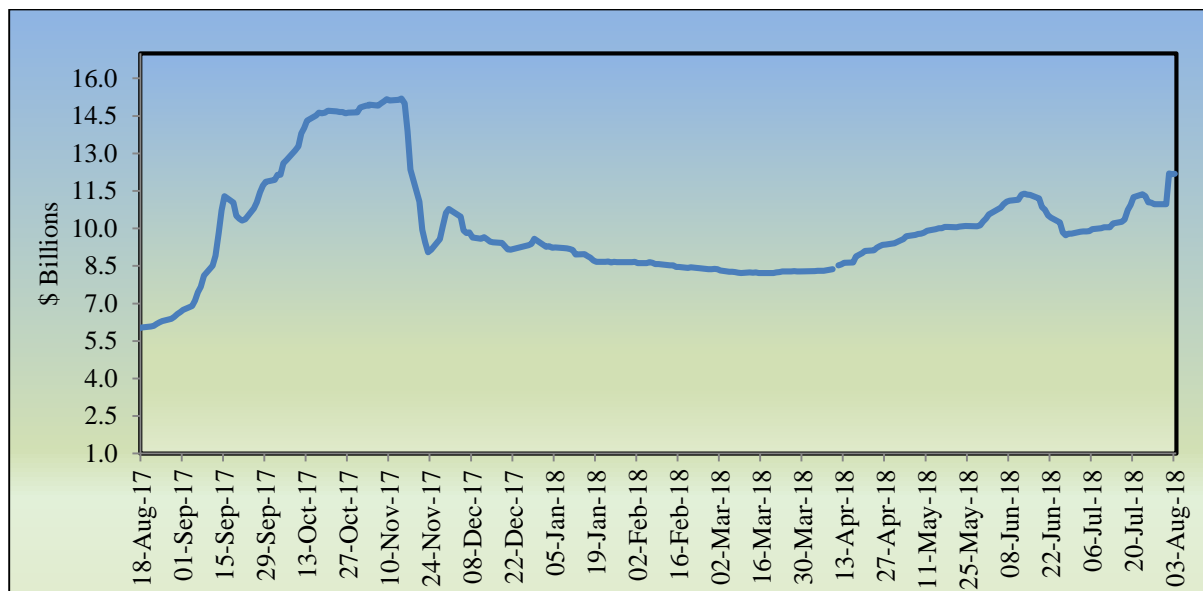


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

ZSE market capitalization stood at US\$12.18 billion, an increase of 11.04% from the US\$10.97 billion recorded in the previous week.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

Johannesburg Stock Exchange (JSE) Developments

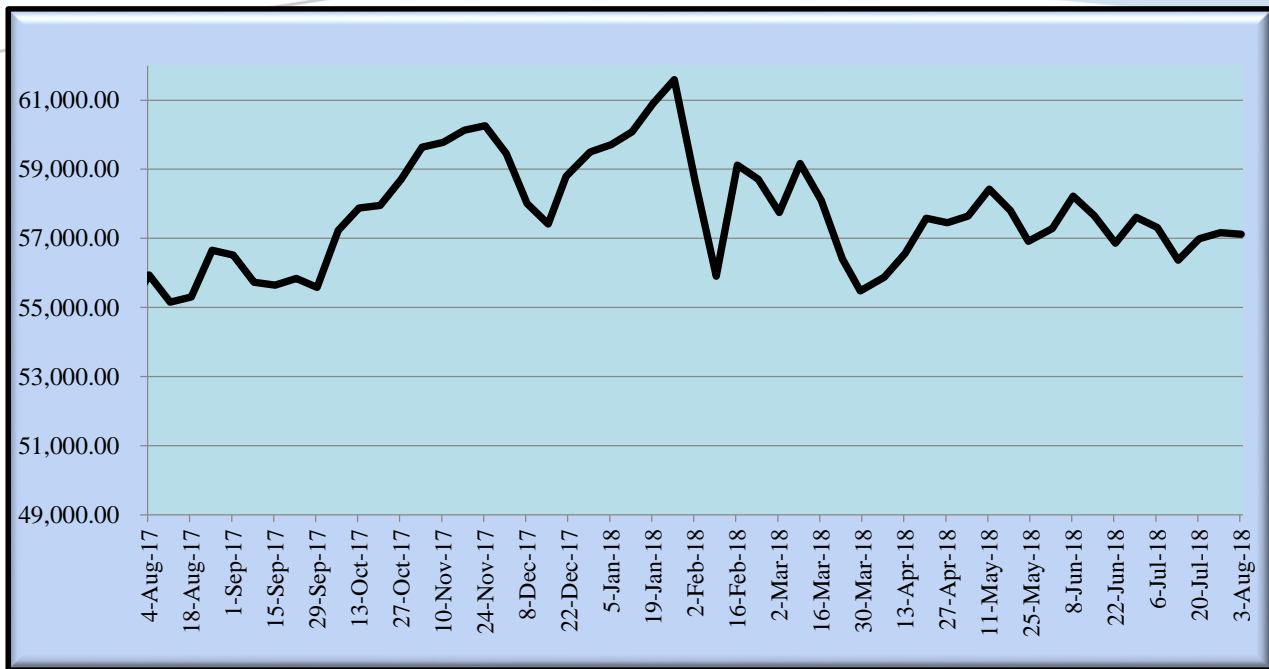
The JSE All Share index registered a 0.08% decline, from 57 162.38 points in the previous week to 57 118.03 points, during the week ending 3rd August 2018. JSE market capitalization, however, increased from R14.58 trillion to R14.60 trillion, during the week under review.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
6-Jul-18	57,313.88	14.72
13-Jul-18	56,364.14	14.46
20-Jul-18	56,990.20	14.63
27-Jul-18	57,162.38	14.58
3-Aug-18	57,118.03	14.60
% Change	-0.08	0.14

Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2018

RESERVE BANK OF ZIMBABWE

9TH AUGUST 2018