



Weekly Economic Highlights

Table of Contents

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

Week Ending
6th January 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for deposits of 1 month tenor declined by 0.01 percentage points to 5.33%, during the week ending 6th January 2017. Savings deposits and deposits of 3 months tenor attracted deposits rates of 3.01% and 5.72%, respectively in the same week.

Table 1: Average Deposit Rates (Yields in percent per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
09-December-16	3.01	5.34	5.75
16-December-16	3.01	5.34	5.75
23-December-16	3.01	5.34	5.75
30-December-16	3.01	5.34	5.72
06-January-17	3.01	5.33	5.72

Source: Banking Institutions, 2016

Lending Rates

At commercial banks, weighted lending rates for individual and corporate clients declined by 0.01 and 0.14 points to 10.58% and 6.73% respectively, during the week under analysis.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
09-December-16	10.68	6.94
16-December-16	10.68	6.95
23-December-16	10.68	6.95
30-December-16	10.59	6.87
06-January-17	10.58	6.73

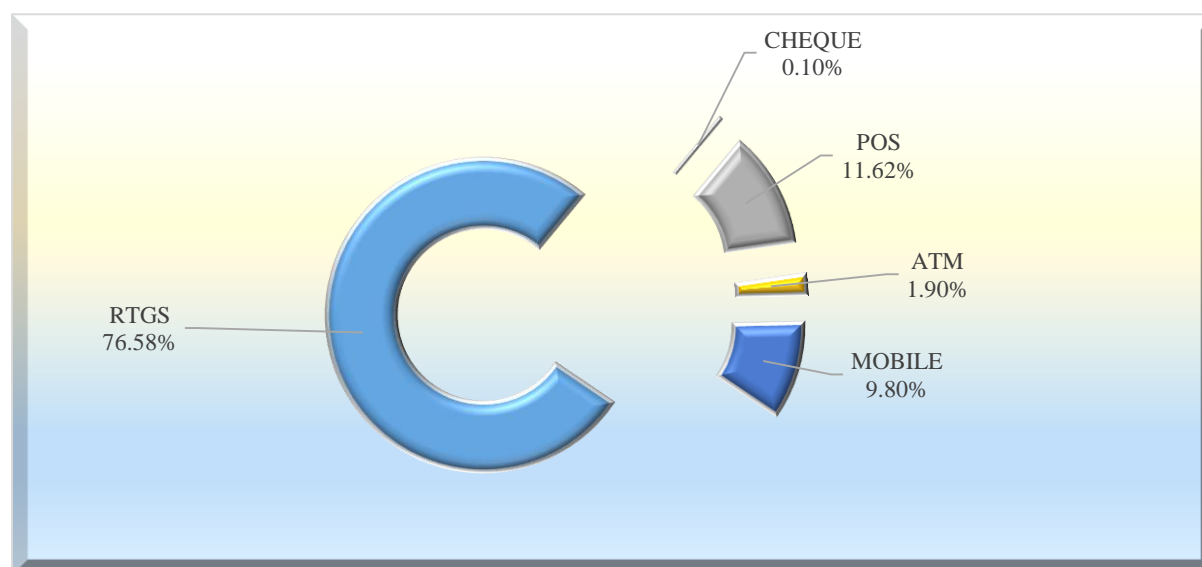
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) stood at US\$1 040.98 million, during the week under review. This was a 5% decline from the US\$ 1 095.86 million recorded in the previous week. The fall in the total value of NPS transactions was largely explained by the decrease in the value of POS transactions.

In value terms, NPS transactions were distributed as follows: RTGS, 76.58%; POS, 11.62%; Mobile, 9.80%; ATM, 1.90% and Cheque 0.10%, as shown in Figure 1.

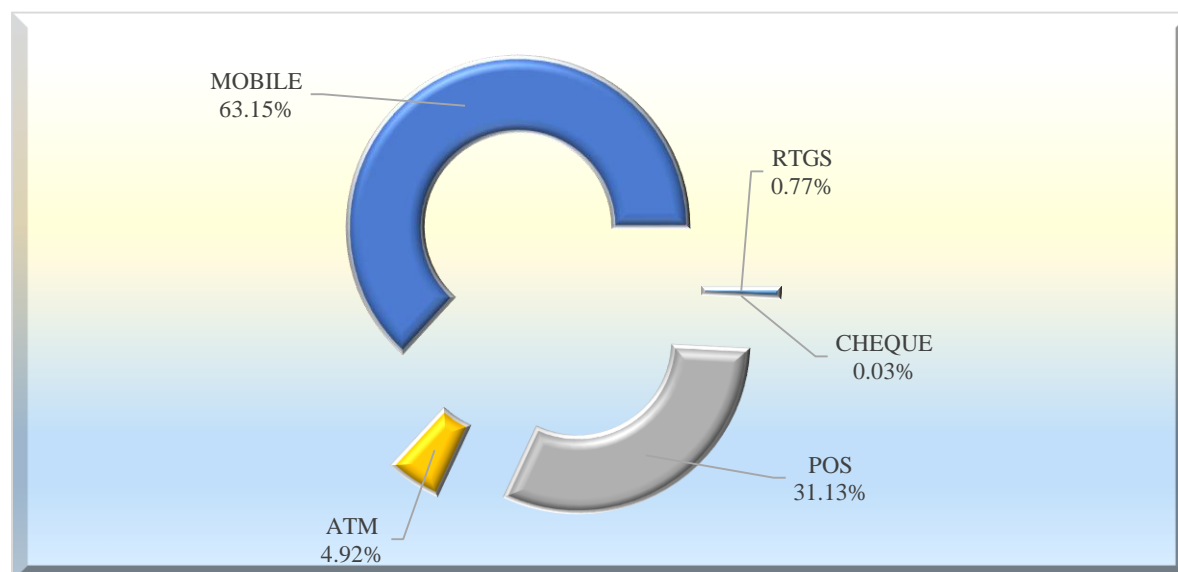
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The total volume of NPS transactions declined by 12% to 9 941 674, during the week ending 6th January 2017. In terms of contributions to the total volume of NPS transactions, Mobile transactions were highest at 63.15%, followed by POS, 31.13%; ATM, 4.92%; and Cheque, 0.03%, as shown in Figure 2.

Figure 2: Proportions of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 30 December 2016	WEEK ENDING 06 January 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	0,804.02	0,797.34	(5%)	76.58%
CHEQUE	0.71	1 006.43	42%	0.10%
POS	171.25	120.91	(29%)	11.62%
ATMS	19.37	19.74	2%	1.90%
MOBILE	100.50	101.98	1%	9.80%
TOTAL	1,095.86	1,040.98	(5%)	100%
VOLUMES				
RTGS	61,589	76,376	24%	0.77%
CHEQUE	2,864	3,436	20%	0.03%
POS	4,069,469	3,095,291	(24%)	31.13%
ATMs	593,219	489,231	(18%)	4.92%
MOBILE	6,561,017	6,277,340	(4%)	63.15%
TOTAL	11,288,158	9,941,674	(12%)	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 6th January 2017, the international commodity prices of gold, platinum and copper increased. Nickel and Brent crude oil prices, however, retreated, as shown in Table 5.

Table 5: Metals and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (28-30 Dec 2016)	1,145.34	903.17	5,488.33	10,245.00	56.66
3-Jan	1,149.83	917.50	5,500.00	10,030.00	56.30
4-Jan	1,165.08	945.00	5,573.00	10,030.00	56.03
5-Jan	1,174.88	959.50	5,500.50	9,970.00	56.17
6-Jan	1,176.93	963.50	5,611.00	10,225.00	57.19
Week ending (3-6 Jan 2017)	1,166.68	946.38	5,546.13	10,063.75	56.42
<i>Weekly Change (%)</i>	<i>1.9</i>	<i>4.8</i>	<i>1.1</i>	<i>(1.8)</i>	<i>(0.4)</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices rose by 1.9% to an average of US\$1,166.68/ounce, from US\$1,145.34/ounce recorded in the prior week. Prices firmed amid indications that asset prices, which were spurred by Donald Trump's election victory, were now on a decline ahead of the announcement of U.S. jobs report on Friday 13th January 2017. The weakening of the US dollar also supported the increase in the price of gold.

Platinum

Platinum prices firmed by 4.8%, from an average of US\$903.17/ounce recorded in the previous week to US\$946.38/ounce. The increase was underpinned by the weakening of the US\$ against major international currencies.



Copper

Copper prices increased by 1.1% to US\$5,546.13/tonne, during the week under analysis. This was mainly driven by an increase in the global demand for the base metal.

Nickel

Nickel prices retreated by 1.8%, from US\$10,245.00/tonne recorded in the previous week to US\$10,063.75/tonne, during the week ending 6th January 2017. Prices were mainly weighed down by suppressed global demand.

Crude Oil

Crude oil prices fell by 1.8%, from US\$56.66/barrel, during the week ending 30th December to a weekly average of US\$56.42/barrel during the week under review. This was attributable to concerns that an increase in Iraq exports and rising US stock piles would undermine OPEC's efforts to cut global supply.

4. EXCHANGE RATES

The US dollar depreciated against the British pound; euro; rand; and pula during the week ending 6th January 2017. This was driven by concerns over whether economic growth in United States would increase, in the face of higher interest rates and a strong US dollar.

Table 6: International Exchange Rates per US\$

	GBP	EURO	ZAR	BWP
Weekly Average (28-30 Dec 2016)	0.8153	0.9526	13.6955	10.6866
3-Jan	0.8130	0.9537	13.7100	10.6838
4-Jan	0.8167	0.9611	13.7478	10.6838
5-Jan	0.8100	0.9469	13.5552	10.6213
6-Jan	0.8079	0.9452	13.6240	10.6213
Weekly Average (3-6 Jan 2017)	0.8115	0.9511	13.6423	10.6422
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(0.5)</i>	<i>(0.2)</i>	<i>(0.4)</i>	<i>(0.4)</i>

Source: Reuters

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recorded gains during the week under analysis, with the industrial index rising by 0.57% to 145.35 points. This was underpinned by gains realised in First Mutual Holdings, 7.14%; TSL, 5.26%; NTS, 4.55%; CBZ Holdings, 2.38%; and Delta Corporation, 1.71%.

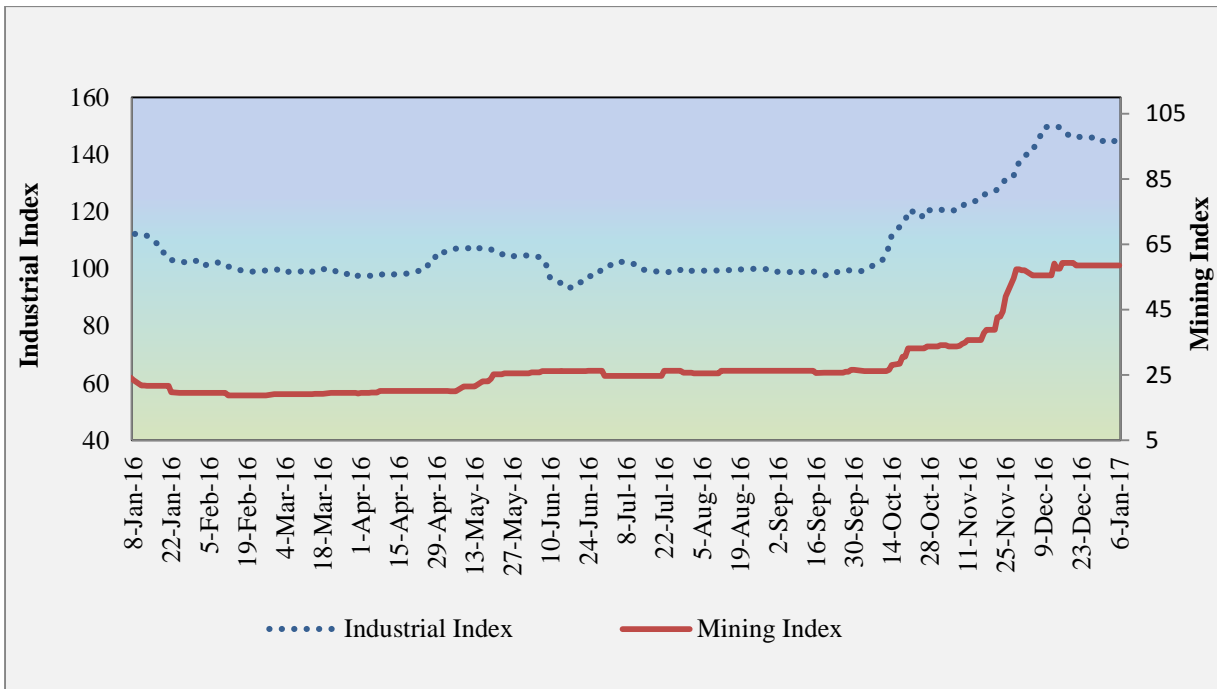
The mining index, however, remained unchanged at the previous week level of 58.51 points. RioZim Limited was the only active counter and it traded at the previous week price.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
09- December-16	149.39	55.52	4,133,883,259	9,146,804	44,185,101
16- December-16	147.89	59.30	4,099,699,281	4,617,825	33,904,792
23- December-16	145.97	58.51	4,046,879,431	1,356,166	9,375,048
30- December-16	144.53	58.51	4,007,957,110	8,663,795	188,070,908
06-January-17	145.35	58.51	4,030,035,265	1,597,112	10,205,110
<i>Weekly Change (%)</i>	<i>0.57%</i>	<i>0%</i>	<i>0.55%</i>	<i>(81.57%)</i>	<i>(94.57%)</i>

Source: Zimbabwe Stock Exchange (ZSE), 2016.

Figure 3 : Zimbabwe Stock Exchange Indices

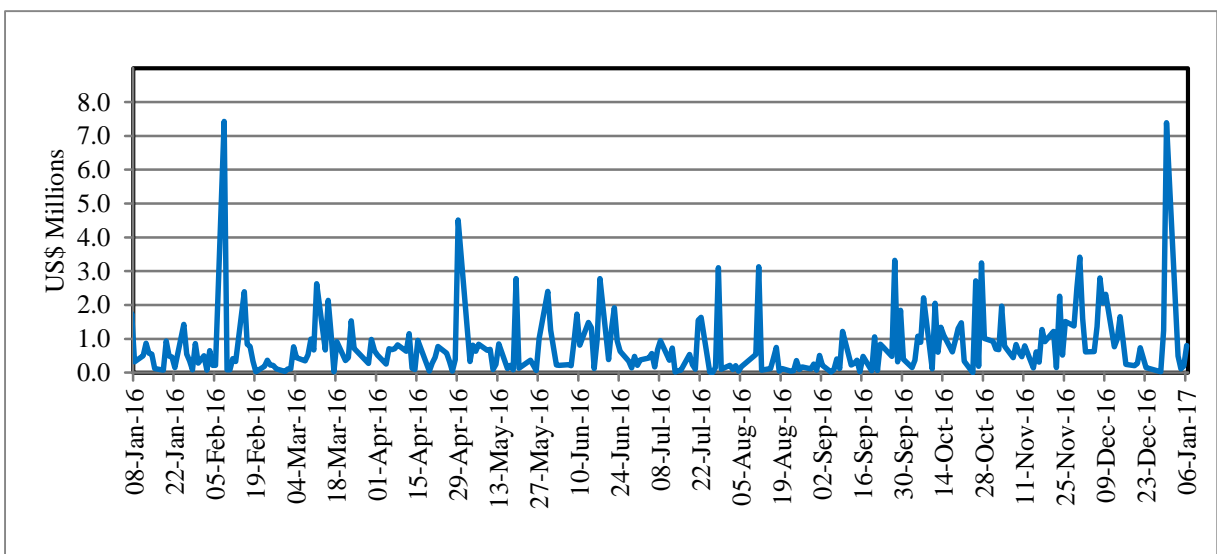


Source: Zimbabwe Stock Exchange, 2017

Market Turnover and Volume

During the week ending 6th January 2017, the ZSE market turnover declined by 81.57% to US\$1 597.1 million. Similarly, the volume of shares traded decreased significantly, by 94.57% to 10 205 110 shares. This was attributable to constrained trade on the local bourse.

Figure 4: Daily Market turnover

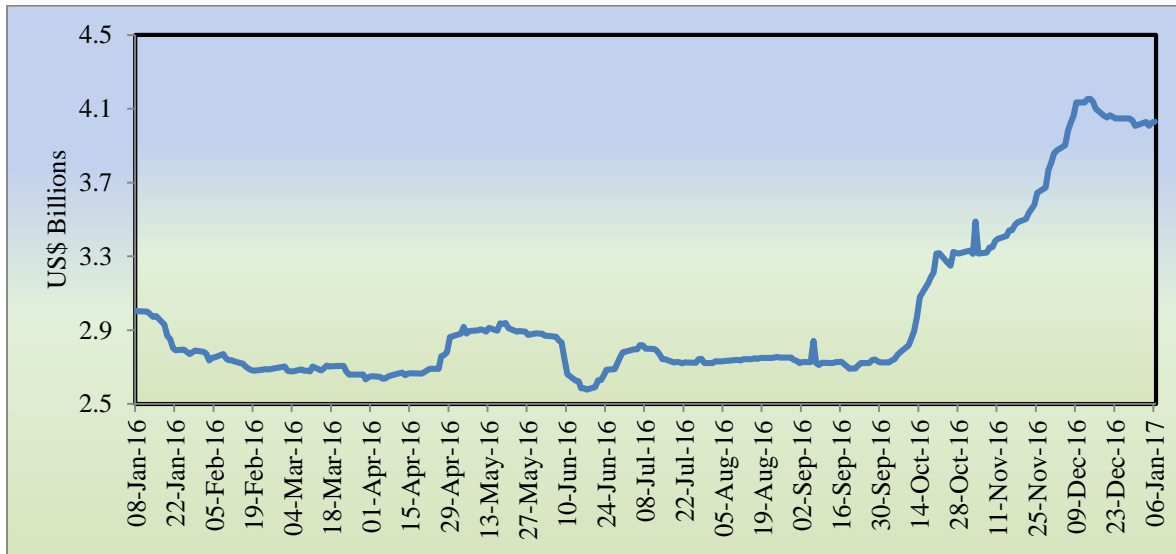


Source: Zimbabwe Stock Exchange, 2017

Market Capitalisation

ZSE market capitalisation increased by 0.55% to US\$4 030.04 million, from US\$4 007.96 million recorded in the prior week. This was driven by notable gains in heavy weight counters.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

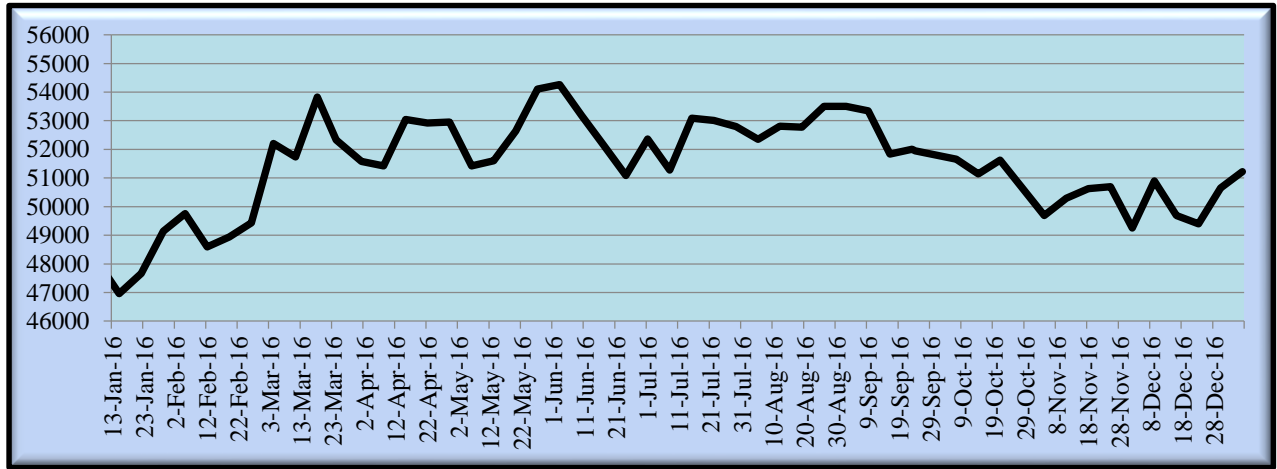
The JSE All share index rose by 1.11% to close the week under review at 51 216.00 points. JSE market capitalisation also increased by 2.18%, to close the week at R13.67 trillion.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (ZAR trillion)
09-December-16	50 899.92	13.62
16-December-16	49 691.31	13.37
23-December-16	49 400.56	13.35
30-December-16	50 653.54	13.38
06-January-17	51 216.00	13.67

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

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



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

RESERVE BANK OF ZIMBABWE

16th JANUARY 2017