



Weekly Economic Highlights

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Week Ending
6th July 2018

1. INTEREST RATES

Deposit Rates

During the week ending 6th July 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 (%)
08-June-18	4.22	3.50	3.82
15-June-18	4.22	3.50	3.83
22-June-18	4.22	3.55	4.00
29-June-18	4.35	3.53	4.00
06-July-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 9.37%, up from 9.32% in the previous week. Weighted lending rates for corporate clients, however, declined from 7.14% to 7.03%, during the same week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
08-June-18	9.69	7.01
15-June-18	9.68	7.02
22-June-18	9.67	7.01
29-June-18	9.32	7.14
06-July-18	9.37	7.03

Source: Banking Institutions, 2018

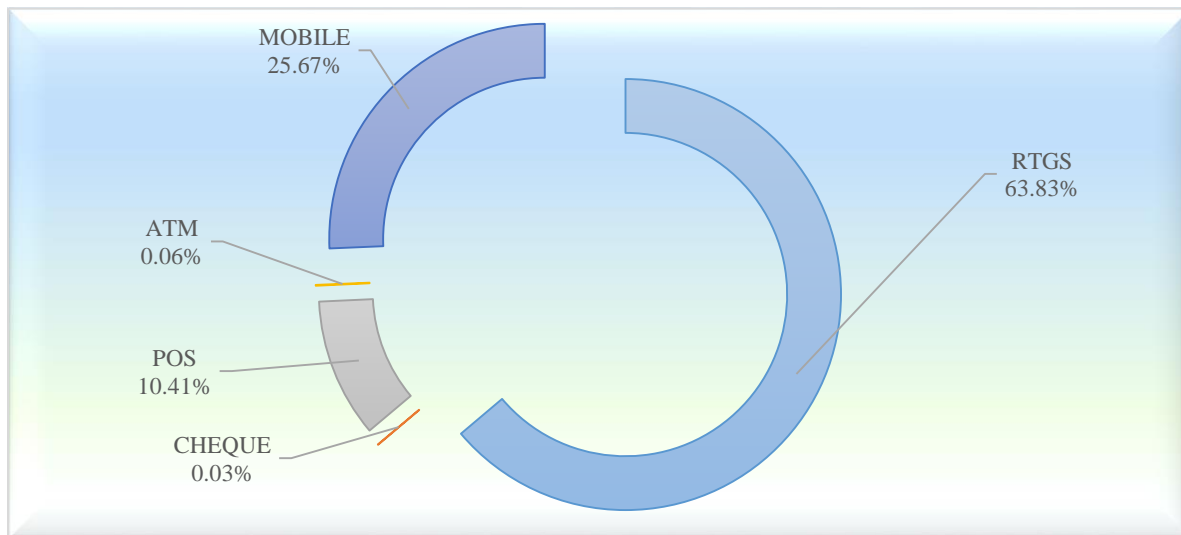
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) registered a 5.6% decline, from US\$3,160.76 million in the previous week to US\$2,982.21 million during the week ending 6th July 2018. Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 10.8%, to close the week under analysis at US\$1,903.69 million.

The value of the NPS transactions was distributed as follows: RTGS, 63.83%; Mobile, 25.67%; POS, 10.41%; ATMs, 0.06% and cheque, 0.03%.

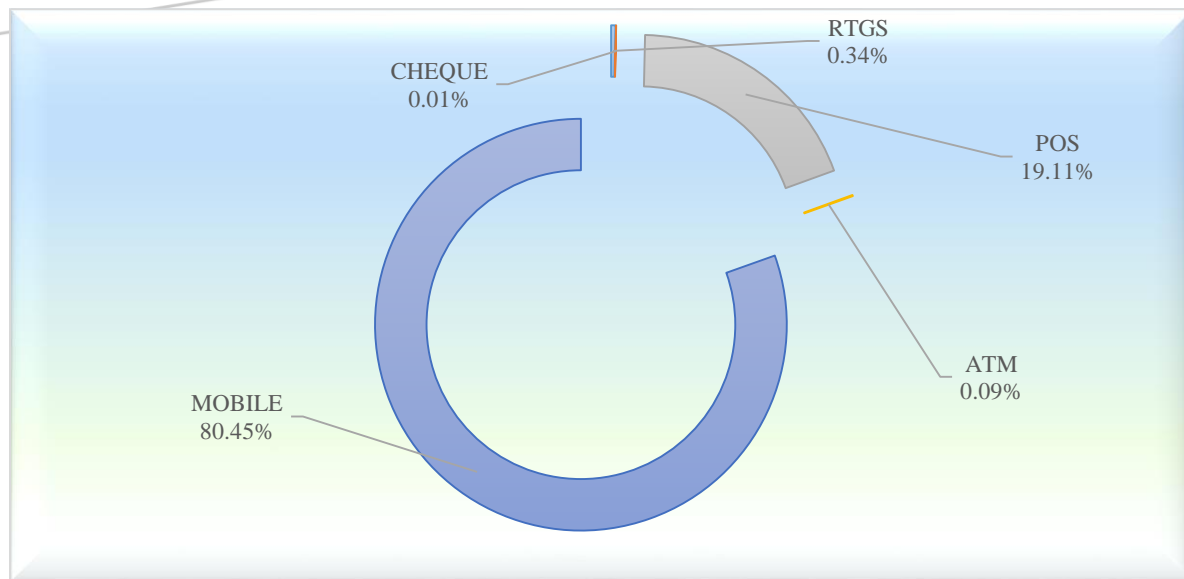
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

NPS transaction volumes stood at 44 938 016 transactions, a 4.7% increase from 42 922 844 transactions recorded in the previous week. In volume terms, the proportion of Mobile transactions in the NPS was 80.45%. The proportions of other payment streams were as follows: Point of Sale (POS), 19.11%; RTGS, 0.34%; Automated Teller Machines (ATMs), 0.09% and Cheque, 0.01%. Figure 2 shows the composition of NPS transactions in volume terms.

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 29 th JUNE 2018	WEEK ENDING 6 th JULY 2018	% CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$				
RTGS	2,133.95	1,903.68	-10.8%	63.83%
CHEQUE	1.24	0.98	-21.0%	0.03%
POS	270.65	310.33	14.7%	10.41%
ATM	1.84	1.82	-1.2%	0.06%
MOBILE	753.07	765.40	1.6%	25.67%
TOTAL	3,160.76	2,982.21	-5.6%	100%
VOLUMES				
RTGS	149,037	152,150	2.1%	0.34%
CHEQUE	4,922	5,311	7.9%	0.01%
POS	7,254,694	8,587,547	18.4%	19.11%
ATM	42,276	39,191	-7.3%	0.09%
MOBILE	35,471,915	36,153,817	1.9%	80.45%
TOTAL	42,922,844	44,938,016	4.7%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. TOBACCO SALES

As at 6th July 2018 or day 73 of the 2018 tobacco selling season, a cumulative total of 226 606 178 kilograms of tobacco had been sold. This was an increase of 33%, compared to the cumulative total of 170 441 497 kilograms sold during the same period in 2017.

In terms of value, cumulative tobacco sales amounted to US\$654.7 million, compared to US\$501.6 million realized during the corresponding period in 2017. The golden leaf, however, fetched a lower price of US\$2.89/kg, compared to the US\$2.94/kg realized during the same period in 2017.

Table 4: Cumulative Tobacco Sales: Day 73 (6th July 2018)

	2017	2018	Variance (%)
Cumulative Quantity Sold (kgs)	170,441,497	226,607,178	33
Cumulative Average Price(US\$/kg)	2.94	2.89	-1.7
Cumulative Value(US\$ million)	501,585,385	654,660,586	30.5

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, the international commodity prices of gold, platinum, copper and nickel declined. Crude oil prices, however, increased, as shown in Table 5.

Table 5: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
Weekly Average (25 - 29 June)	1,257.04	859.80	6,708.10	14,922.00	76.99
2-Jul	1,248.00	840.50	6,631.00	14,845.00	77.72
3-Jul	1,248.80	830.00	6,530.50	14,450.00	78.13
4-Jul	1,256.28	836.00	6,552.00	14,445.00	77.71
5-Jul	1,254.00	843.25	6,405.00	14,165.00	77.34
6-Jul	1,254.78	838.50	6,317.50	14,045.00	77.41
Weekly Average (2 - 6 July)	1,252.37	837.65	6,487.20	14,390.00	77.66
<i>Weekly Change (%)</i>	<i>(0.4)</i>	<i>(2.6)</i>	<i>(3.3)</i>	<i>(3.6)</i>	<i>0.9</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 0.4%, to close the week under review at US\$1,252.37/oz. This was on the back of the trade conflict between the U.S. and China. The U.S. imposed additional trade tariffs on Chinese products.

Platinum

Platinum prices closed the week under analysis at US\$837.65/oz., down from US\$859.80/oz. in the previous week. The prices increased on account of a strengthening U.S. dollar, amid the ongoing trade war between the U.S. and China, as well as waning industrial demand for the precious metal.

Copper

During the week under analysis, copper prices registered a 3.3% decline to US\$6,487.20/ton, from a weekly average of US\$6,708.20/ton in the previous week. Prices retreated from their previous

week level following successful labor negotiations at copper mines in Chile, which reduced concerns over supply shortages.

Nickel

Nickel prices declined by 3.6%, from a weekly average of US\$14,922/ton in the previous week to US\$14,390/ton, during the week under review. Prices were weighed down by forecasts of weak demand from the steel manufacturing industry.

Brent Crude Oil

Crude oil prices increased from a weekly average of US\$76.99/barrel in the previous week, to close the week under review at an average of US\$77.66/barrel. This followed a decline in U.S. crude oil inventories. In addition, threats by Iran to disrupt oil shipments from neighbouring States, following the U.S. announcement to ban Iranian oil sales, fueled the prices increase.

Exchange Rate Developments

During the week ending 6th July 2018, the U.S. dollar marginally depreciated against the pound Sterling and euro. The green back, however, appreciated against the pula and rand.

Table 1: Selected Exchange Rates per U.S. Dollar

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (25 - 29 June)	13.6261	0.7581	10.3707	0.8590
2-Jul	13.7474	0.7592	10.4603	0.8591
3-Jul	13.8873	0.7609	10.3842	0.8594
4-Jul	13.6442	0.7575	10.4058	0.8571
5-Jul	13.7265	0.7559	10.4004	0.8565
6-Jul	13.5376	0.7564	10.4112	0.8555
Weekly Average (2 - 6 July)	13.7086	0.7580	10.4124	0.8575
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>0.61</i>	<i>-0.02</i>	<i>0.40</i>	<i>-0.18</i>

Source: Reuters, 2018

5. EQUITY MARKETS

During the week ending 6th July 2018, the Zimbabwe Stock Exchange (ZSE) was on a positive trajectory, with the All Share Index increasing by 1.79%, to close the week under review at 103.93 points, from 102.10 points registered in the previous week.

The industrial index closed the week under review at 348.99 points, 0.39% up from 342.79 points in the previous week. The increase in the industrial index emanated from share price gains in Powerspeed Electrical Limited (20%), TSL Limited (6.88%), Econet Wireless Zimbabwe Limited (4.67%), Axia Corporation Limited (4.55%) and Delta Corporation Limited (4.36%).

The mining index registered a 0.48% increase, to close the week under review at 162.06 points. This followed a 2.00% gain in the Bindura Nickel Corporation share price, while 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 (ZSE) Statistics

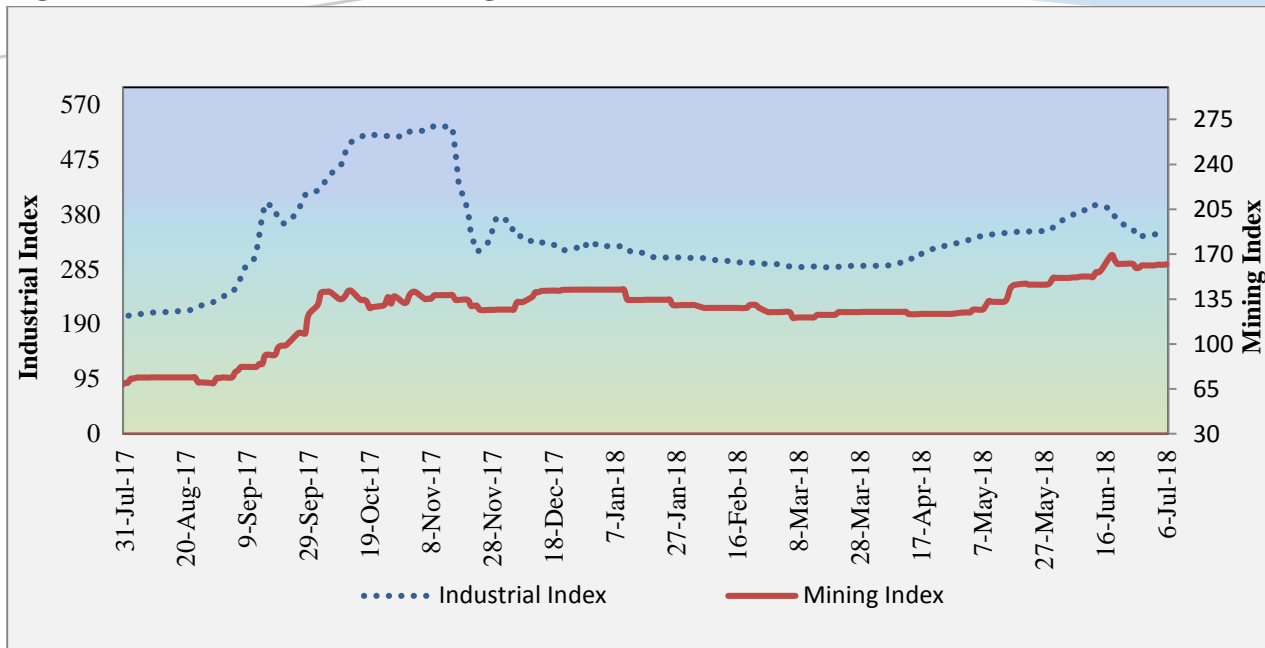
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-May-18	105.27	107.49	351.60	146.30	10,101,710,611	16,048,718	27,700,995
15-June-18	118.25	123.86	394.79	158.55	11,344,808,900	12,881,956	25,906,894
22-June-18	108.76	111.21	362.49	162.47	10,434,994,250	16,636,337	55,999,615
29-June-18	102.10	103.31	342.79	161.28	9,792,184,775	15,129,064	32,504,946
6-July-18	103.93	105.76	348.99	162.06	9,967,725,131	22,700,437	35,500,522
Weekly Change (%)	1.79	2.37	1.81	0.48	1.79	50.05	9.22

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

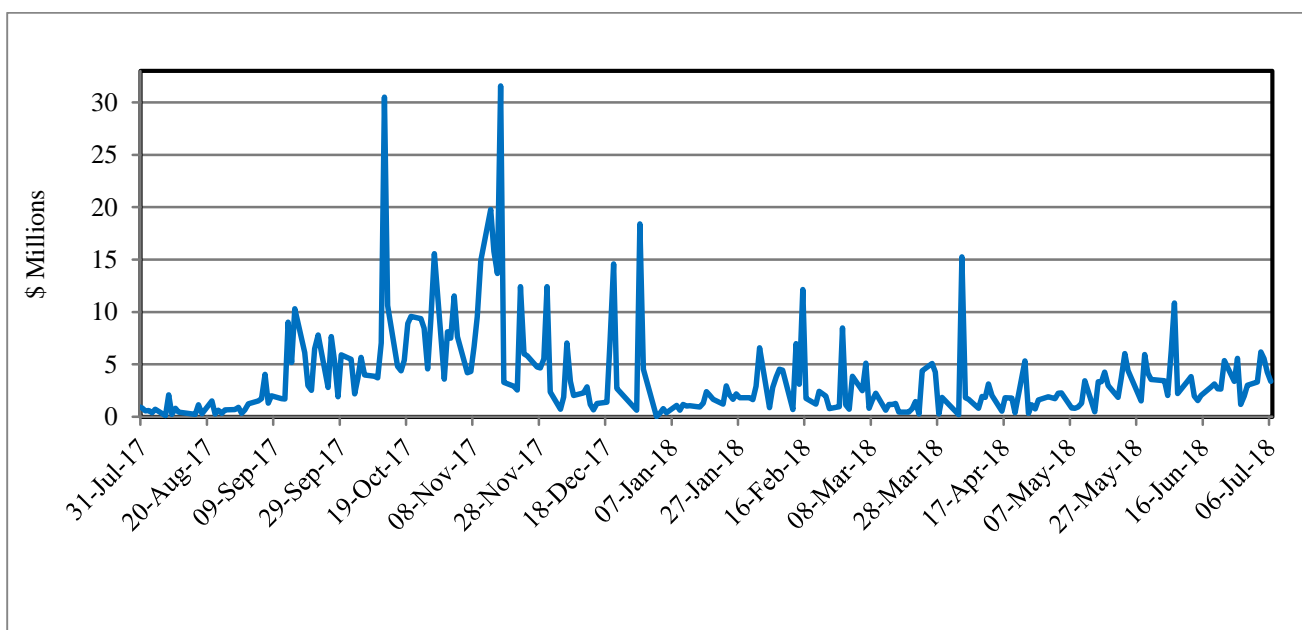


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE registered a 9.22% increase, from 32.5million in the previous week to 35.50 million shares, during the week under analysis. Consequently, the ZSE turnover increased by 50.05%, from US\$15.13 million recorded in the previous week to US\$22.70 million during the same week.

Figure 4: Daily Market turnover

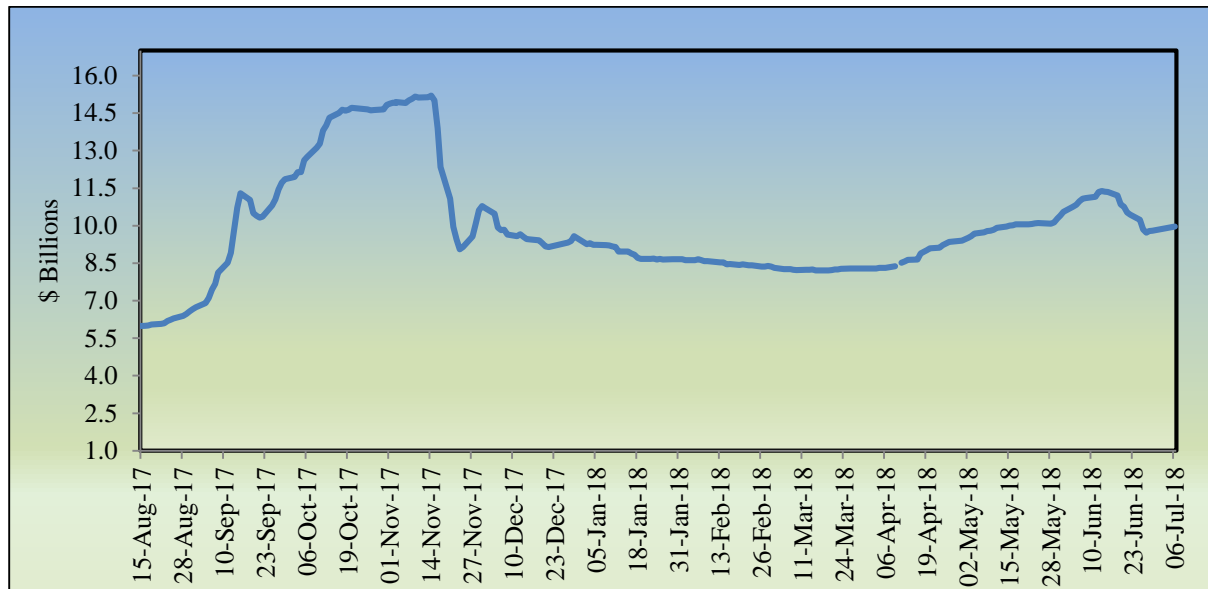


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

The ZSE market capitalization stood at US\$9.97 billion, during the week ending 6th July 2018, up from US\$9.79 billion in the previous week. This was largely on account of gains registered in industrial counters.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

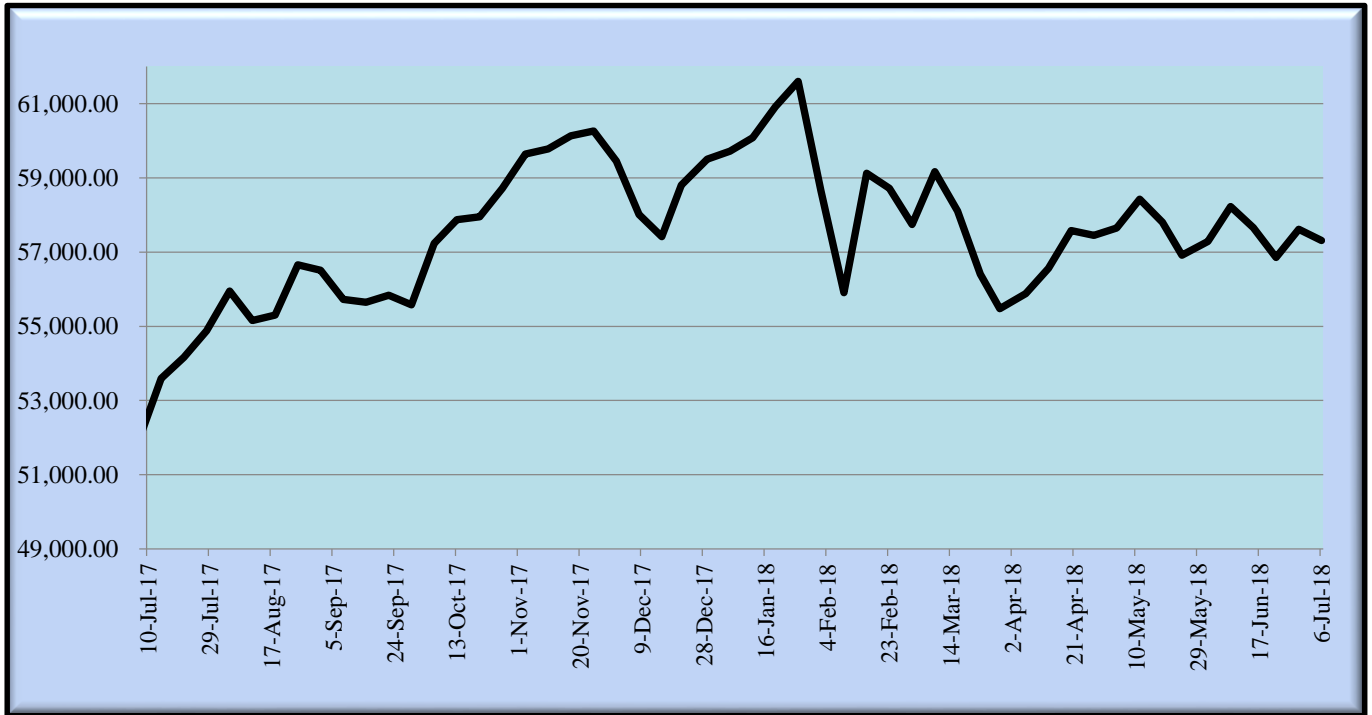
Johannesburg Stock Exchange (JSE) Developments

The JSE All Share index registered a 0.52% decline, from 57 610.98 points in the previous week to 57 313.88 points, during the week ending 6th July 2018. Similarly, JSE market capitalization declined from R14.79 trillion to R14.72 trillion, during the week under review.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
8-Jun-18	58,223.72	14.58
15-Jun-18	57,660.50	14.69
22-Jun-18	56,856.66	14.64
29-Jun-18	57,610.98	14.79
6-Jul-18	57,313.88	14.72
% Change	-0.52	-0.47

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

13TH JUNE 2018