



Weekly Economic Highlights

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Week Ending
9th December 2016

1. INTEREST RATES

Deposit Rates

Deposit rates for savings, 1 month tenor and 3 months tenor remained unchanged at previous week levels of 3.01%, 5.34% and 5.75%, respectively, during the week ending 9th December 2016.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
11-November-16	3.01	5.34	5.75
18-November-16	3.01	5.34	5.75
25-November-16	3.01	5.34	5.75
02-December-16	3.01	5.34	5.75
09-December-16	3.01	5.34	5.75

Source: Banking Institutions, 2016

Lending Rates

Weighted commercial bank lending rates for individual clients closed at 10.68% during the week under review, up from 10.67% in the previous week. On the other hand, corporate clients lending rates declined from 6.95% in the previous week, to close the week of analysis at 6.94%.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
11-November-16	10.68	6.98
18-November-16	10.67	6.98
25-November-16	10.69	6.99
02-December-16	10.67	6.95
09-December-16	10.68	6.94

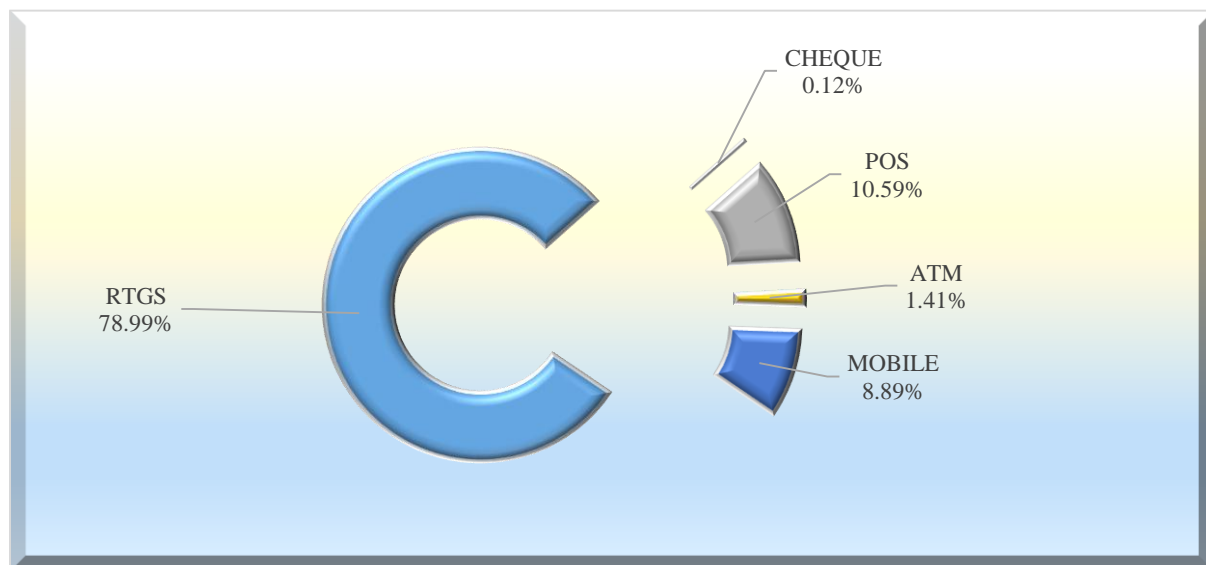
Source: Banking Institutions, 2016

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) during the week ending 9th December, 2016 stood at US\$1 347.30 million, a 13% decline from US\$1 542.30 million recorded in the previous week. This was largely driven by, RTGS transactions, which fell from US\$1 284.02 million in the previous week, to close at US\$1 064.23 million during the period under review.

The proportions in volume terms of NPS transactions in the week ending 9th December 2016 were as follows, RTGS, 78.99%; POS, 10.59%; Mobile, 8.89%; ATM, 1.41% and Cheque, 0.12% as shown in Figure 1.

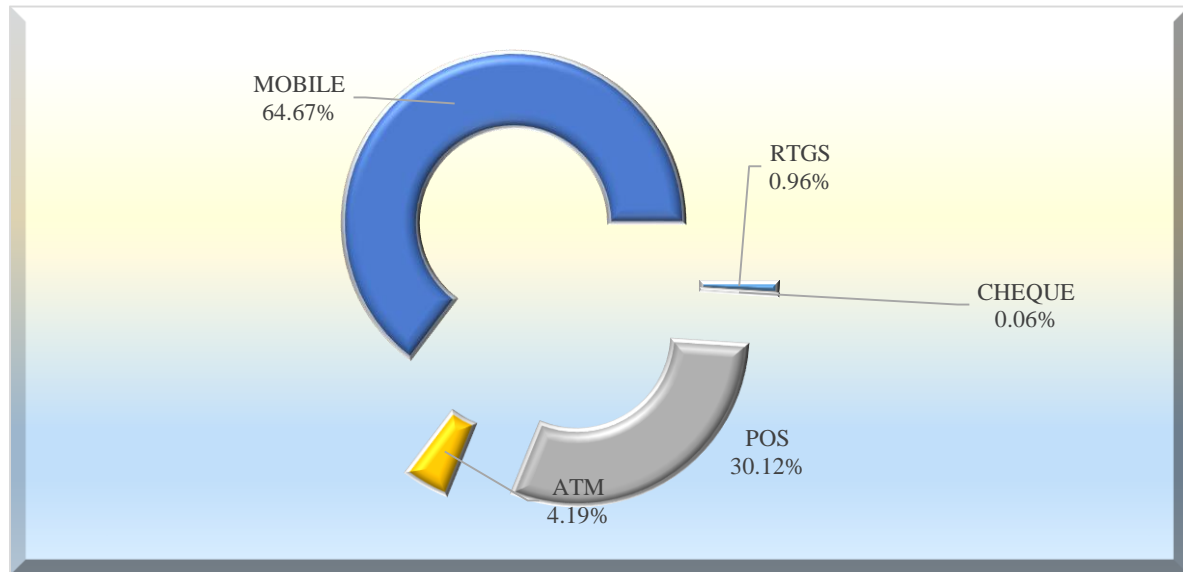
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

During the week under analysis, total volume of transactions increased by 15% to close at 10 952 436. Mobile transactions accounted for 64.67% of the total NPS transactions in volume terms, 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 02 December 2016	WEEK ENDING 09 December 2016	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,284,02	1,064,23	(17%)	78.99%
CHEQUE	1,36	1,62	19%	0.12%
POS	116,88	142,69	22%	10.59%
ATMS	20,61	18,99	(8%)	1.41%
MOBILE	119,43	119,78	0.3%	8.89%
TOTAL	1,542,30	1,347,30	(13%)	100%
VOLUMES				
RTGS	97,533	104,894	8%	0.96%
CHEQUE	6,323	6,951	10%	0.06%
POS	2,487,624	3,298,683	33%	30.12%
ATMs	381,085	459,087	20%	4.19%
MOBILE	6,526,591	7,082,821	9%	64.67%
TOTAL	9,499,156	10,952,436	15%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 9th December 2016, international commodity prices of platinum, base metals and crude oil firmed, whilst gold prices retreated. .

Table 5: Metals and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2016	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (28 Nov-2 Dec)	1,178.83	914.8	5,811.20	11,320.00	50.56
5-Dec	1,163.55	927.50	5,733.00	11,130.00	55.00
6-Dec	1,171.83	940.00	5,851.00	11,680.00	53.93
7-Dec	1,174.45	937.00	5,856.50	11,520.00	53.59
8-Dec	1,172.90	943.50	5,903.00	11,550.00	53.39
9-Dec	1,166.20	931.00	5,837.00	11,550.00	54.07
Week ending (5-9 Dec)	1,169.79	935.80	5,836.10	11,486.00	54.00
<i>Weekly Change (%)</i>	<i>(0.8)</i>	<i>2.3</i>	<i>0.4</i>	<i>1.5</i>	<i>6.8</i>

Source: BBC, KITCO, Reuters and Bloomberg

Gold

Gold prices continued on a negative trajectory registering a 0.8% decline to close the week at an average of US\$1,169.79/oz. The prices were weighed down by expectations of interest rate hikes by the Fed Reserve, which has since been effected.

Platinum

Platinum prices increased to US\$935.80/oz during the week ending 9th December 2016, from US\$914.80/oz recorded in the previous week. Platinum prices were spurred by fears of global supply shortages following statistics released by South Africa indicating declines in platinum production of 5.7% on year on year basis.



Copper

The average weekly price of copper rose by 0.4%, to close the week under review at US\$5,836.10/ton. This followed reports on Chinese data indicating that the economy was on a recovery path heightening expectations of increased demand for the metal.

Nickel

Nickel prices rose by 1.5% from US\$11,320.00/ton recorded in the prior week, to close the week under review at US\$11,486.00/ton, on the back of anticipations of increased global demand amid growth improvement in the U.S.

Crude Oil

Crude oil prices increased by 6.8% to close the week under review at US\$54/barrel. This was underpinned by the move taken by non OPEC members to cut production, as part of a collaborative strategy with OPEC members to revive the global oil industry.

EXCHANGE RATES

During the week ending 9th December, 2016, the US dollar continued to depreciate against major currencies. The US dollar weakened following pre- positioning by economic agents before the Federal Open market Committee (FOMC) meeting on interest rate decision.

Table 6: International Exchange Rates per US\$

2016	GBP	EURO	ZAR
Weekly Average (28 Nov - 2 Dec)	0.7998	0.9404	13.96
5-Dec	0.7876	0.9465	13.8843
6-Dec	0.7848	0.9298	13.7694
7-Dec	0.7903	0.9328	13.6650
8-Dec	0.7905	0.9282	13.4969
9-Dec	0.7944	0.9423	13.6707
Weekly Average (5-9 Dec)	0.7900	0.9333	13.6505
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(1.2)</i>	<i>(0.8)</i>	<i>(2.2)</i>

Source: Reuters

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) continued on a positive trend for the fifth consecutive week, with the industrial index increasing by 6.98% to close at 149.39%. The increase in the industrial index was due to gains realised in Amalgamated Regional Trading (ART), 47.73%; Innscor Africa, 32.33%; OK Zimbabwe, 13.34%; SeedCo Limited, 7.45% and National Foods Limited, 2.93%.

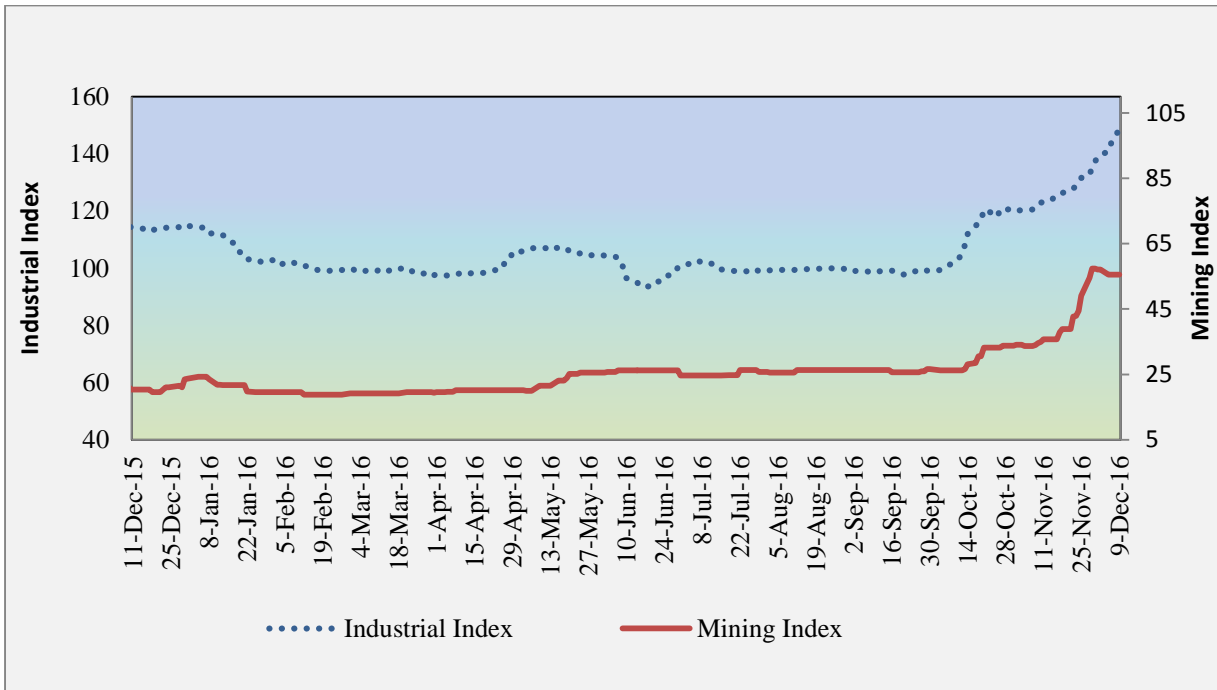
The mining index, however, declined by 2.75% to close at 55.52 points during the same week. The resource index decreased on the back of a 4.44% loss in Bindura Nickel Corporation (BNC) counter.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
11- November-16	123.22	35.72	3,396,134,584	3,130,839	18,463,924
18- November-16	126.36	38.89	3,485,950,742	3,254,025	31,532,238
25- November-16	131.65	49.04	3,644,711,501	5,652,818	108,535,833
02- December-16	139.64	57.09	3,857,316,777	9,508,358	41,092,060
09-December-16	149.39	55.52	4,133,883,259	9,146,804	44,185,101
Weekly Change (%)	6.98	(2.75%)	6.73%	(3.80%)	7.53%

Source: Zimbabwe Stock Exchange (ZSE), 2016.

Figure 3 : Zimbabwe Stock Exchange Indices

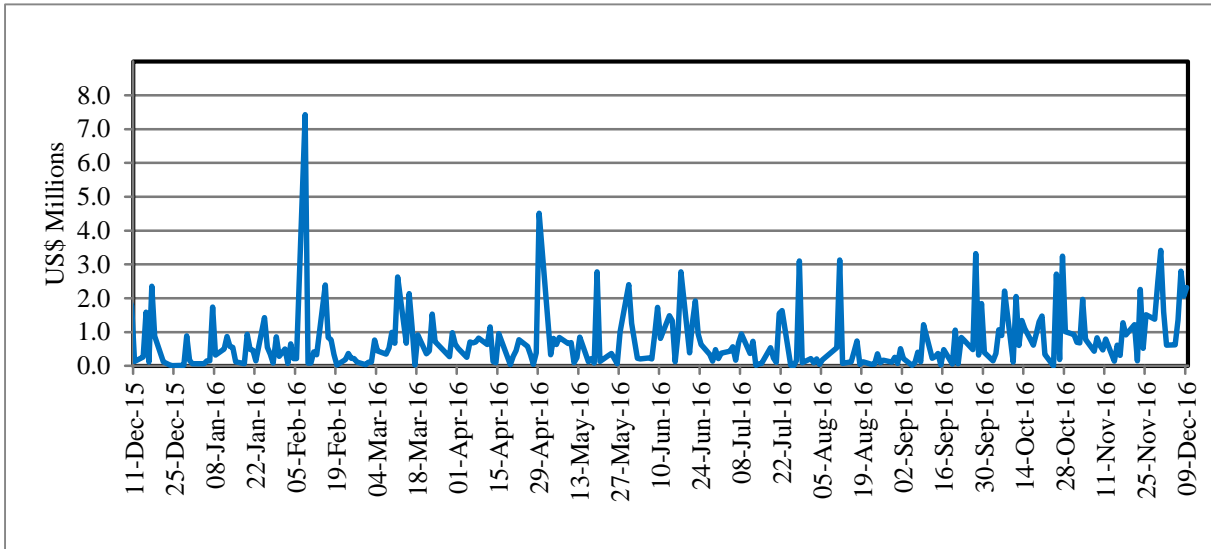


Source: Zimbabwe Stock Exchange, 2016

Market Turnover and Volume

The value of shares traded declined by 3.80% from US\$9, 5 million recorded in the previous week, to US\$9, 1 million during the week ending 9th December 2016. The volume of shares traded, however, increased by 7.53% to close the week under review at 44 185 101 shares. This was as a result of block trades which saw 14 978 250 Barclays shares and 4 502 968 CBZ Holdings shares traded at 3c and 10.50 cents each, respectively.

Figure 4: Daily Market Turnover

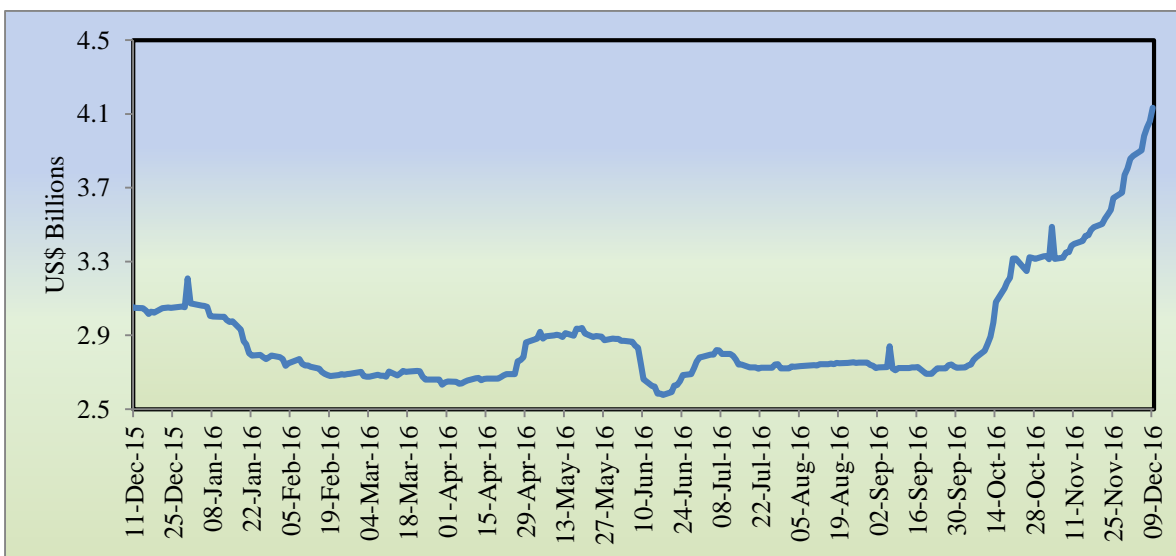


Source: Zimbabwe Stock Exchange, 2016

Market Capitalisation

During the week ending 9th December 2016, the market capitalisation increased by 6.73% to US\$4 133, 88 million from US\$3 857, 32 million recorded during the prior week.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2016

Johannesburg Stock Exchange (JSE) Developments

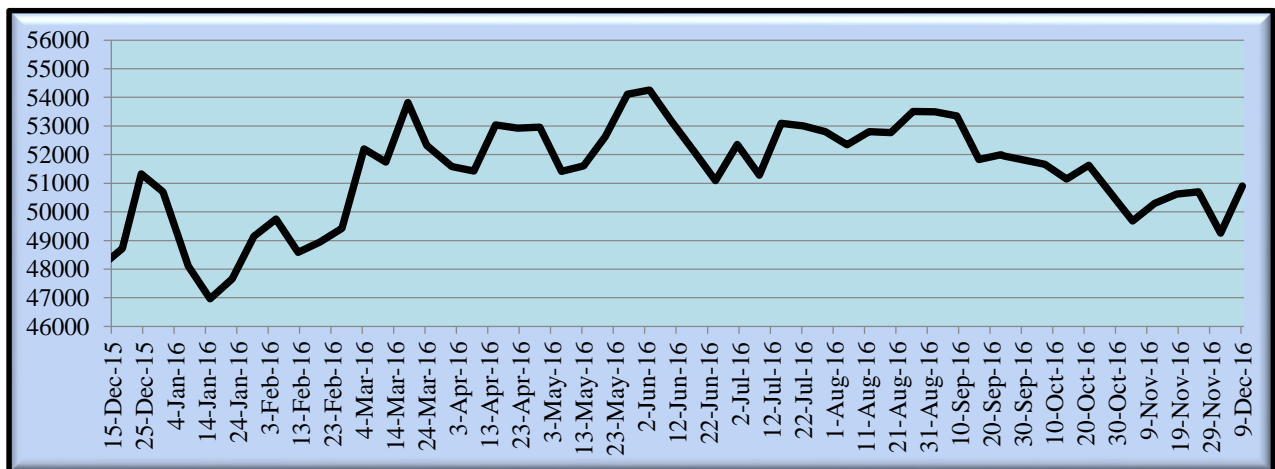
During the week under review, the JSE All share index increased by 3.34% to close at 50 899.92 points. In tandem, the market capitalisation increased by 0.51% to close the week at R13.62 trillion

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (ZAR trillion)
11-November-16	50 294.72	13.39
18-November-16	50 626.06	13.27
25-November-16	50 696.10	13.50
02-December-16	49 256.10	13.11
09-December-16	50 899 .92	13.62

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 DECEMBER 2016