



Weekly Economic Highlights

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Week Ending
9th February 2018

1. INTEREST RATES

Deposit Rates

During the week ending 9th February 2018, average deposit rates for savings deposits increased by 0.19 percentage points to 4.54%. Average deposit rates for deposits of 1 month and 3 months tenor declined by 0.34 and 0.01 percentage points, to close at 3.47% and 4.08, respectively, during the week under analysis.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
12-January-18	4.35	3.81	4.09
19-January-18	4.35	3.81	4.09
26-January-18	4.35	3.81	4.09
02-February-18	4.35	3.81	4.09
09-February-18	4.54	3.47	4.08

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients stood at 9.57%, during the week under review, up from 9.55% recorded in the previous week. Weighted lending rates for corporate clients also increased, from 6.91% in the previous week to 6.93% during the week under analysis.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
12-January-18	9.30	7.01
19-January-18	9.31	6.99
26-January-18	9.33	6.99
02-February-18	9.55	6.91
09-February-18	9.57	6.93

Source: Banking Institutions, 2018

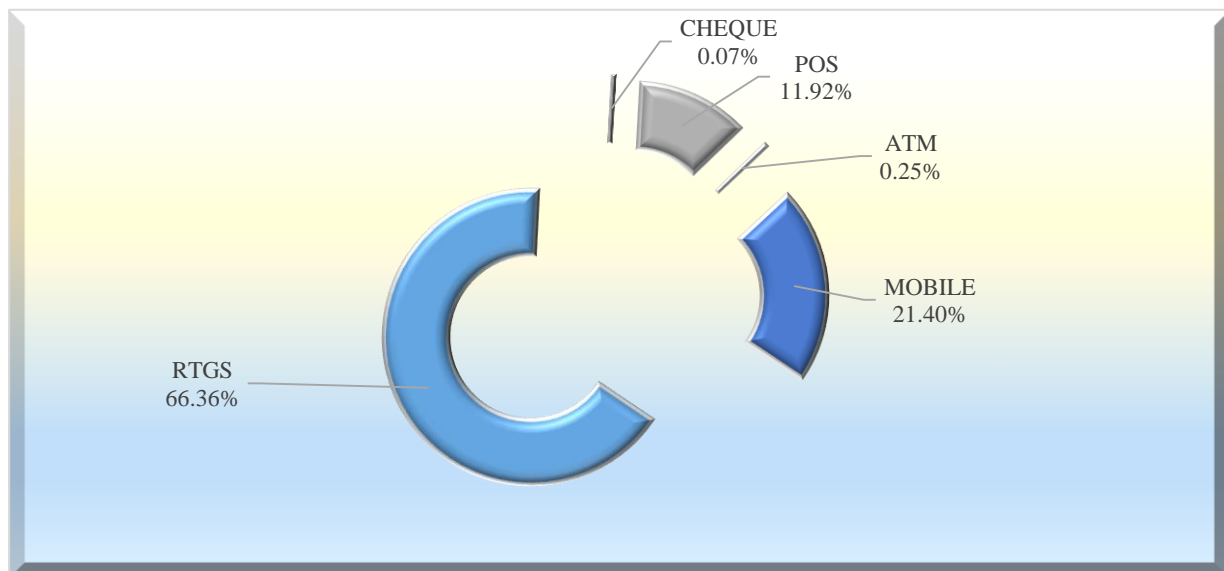
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 9th February 2018, the total value of transactions processed through the National Payment System (NPS) amounted to US\$1 829.16 million, down from US\$1 891.30 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system rose by 0.1%, to close the week under review at US\$1 213.97 million.

In value terms, NPS transactions were distributed as follows: RTGS, 66.36%; Mobile, 21.40%; Point of Sale (POS), 11.92%; Automated Teller Machines (ATMs), 0.25%; and Cheque, 0.07%, as shown in Figure 1.

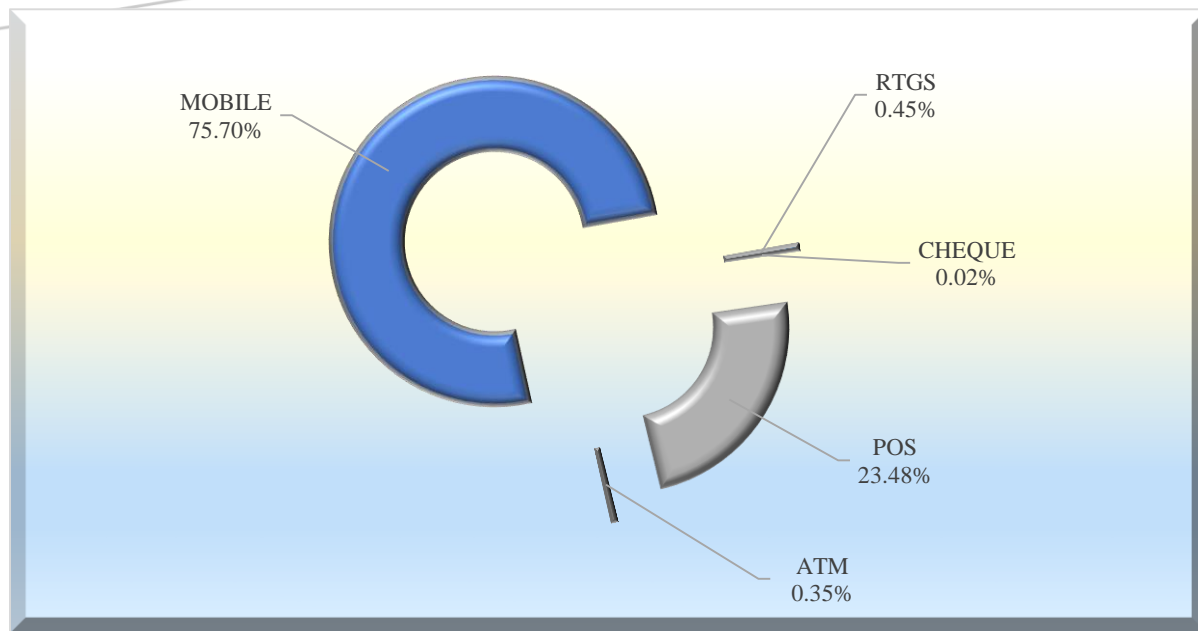
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

NPS transaction volumes declined by 5%, from 28 995 469 transactions recorded in the previous week to 27 631 722 transactions during the week under review. The distribution of NPS transaction volumes was as follows: Mobile, 75.70%; POS, 23.48%; RTGS, 0.45%; ATMs, 0.35%; and Cheque, 0.02%, 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 02 February 2018	WEEK ENDING 09 February 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ (millions)				
RTGS	1,212.52	1,213.97	0.1%	66.37%
CHEQUE	1.21	1.20	-1%	0.07%
POS	230.59	217.96	-5%	11.92%
ATMS	5.63	4.54	-19%	0.25%
MOBILE	441.35	391.50	-11%	21.40%
TOTAL	1,891.30	1,829.16	-3%	100%
VOLUMES				
RTGS	141,147	123,803	-12%	0.45%
CHEQUE	5,577	5,805	4%	0.02%
POS	6,474,014	6,487,829	0.2%	23.48%
ATMs	119,731	96,520	-19%	0.35%
MOBILE	22,255,000	20,917,765	-6%	75.70%
TOTAL	28,995,469	27,631,722	-5%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 9th February 2018, the weekly average international commodity prices of gold, platinum, copper, nickel and crude oil declined, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (29 Jan - 02 Feb)	1,344.21	1,002.75	7,099.50	13,686.25	69.08
5-Feb	1335.35	994.50	7065.50	13345.00	67.16
6-Feb	1334.25	991.50	7056.00	13375.00	67.17
7-Feb	1330.88	983.50	7157.00	13690.00	65.37
8-Feb	1313.25	974.50	6924.00	13275.00	64.29
9-Feb	1315.08	970.50	6843.00	12965.00	62.78
Week ending (05 - 09 Feb)	1,328.43	986.00	7,050.63	13,421.25	66.00
<i>Weekly Change (%)</i>	<i>(1.2)</i>	<i>(1.7)</i>	<i>(0.7)</i>	<i>(1.9)</i>	<i>(4.5)</i>

Source: BBC, KITCO and Bloomberg 2018

Gold

Gold prices continued on a downward trend, registering a 1.2% decline from a weekly average of US\$1 344.21/oz in the previous week, to US\$1 328.43/oz during the week ending 9th February 2018. This was occasioned by a stronger US dollar, amid expectations of further interest rates hikes by the Federal Reserve this year.

Platinum

Platinum prices declined by 1.7%, from an average of US\$1 002.75/oz recorded in the prior week to US\$986.00/oz during the week under review. Prices retreated on the back of weakening global demand for the metal, largely on account of subdued economic activity in China.

Copper

Copper prices declined by 0.7%, from US\$7 099.50/ton recorded in the previous week to US\$7 050.63/ton during the week under review. Signs of rising global inventories of the base metal weighed down the prices.

Nickel

Nickel prices closed the week under review at US\$13 421.25/ton, down from US\$13 686.25/ton recorded in the previous week. Prices were mainly weighed down by suppressed global demand for the metal.

Crude Oil

Crude oil prices declined by 4.5%, to close the week under review at US\$66.00/barrel from US\$69.08/barrel in the previous week. This was on the back of rising shale oil output and increase in stockpiles in the US.

4. EXCHANGE RATES

The US dollar appreciated against the rand; pound Sterling; pula; and euro by 1.0%; 1.1%, 0.3; and 0.3, respectively, during the week ending 9th February 2018.

Table 5: International Exchange Rates per US\$

2018	ZAR	GBP	BWP	EURO
Weekly Average (29 Jan - 2 Feb)	11.93065	0.7074	9.5752	0.80585
5-Feb	12.0418	0.7082	9.6108	0.8026
6-Feb	12.1526	0.7165	9.6061	0.8083
7-Feb	11.9548	0.7163	9.6108	0.8073
8-Feb	12.0615	0.7195	9.5969	0.8151
9-Feb	12.1243	0.7176	9.6712	0.8158
Weekly Average (05 - 09 Feb)	12.0527	0.7151	9.6062	0.8083
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.0</i>	<i>1.1</i>	<i>0.3</i>	<i>0.3</i>

Source: Reuters, 2018

5. EQUITY MARKETS

During the week ending 9th February 2018, the Zimbabwe Stock Exchange (ZSE) continued on a downward trend for the sixth consecutive week. The ZSE All Share Index declined by 2.97%, from 97.59 points in the previous week, to 94.69 points during the week under analysis. This was on account of losses in both the industrial and mining indices.

The industrial index declined by 0.97% to close the week under review at 301.20 points. This was largely attributable to losses recorded in Ariston (19.31%); British American Tobacco (15.53%); Barclays Bank of Zimbabwe (15.53%); Zimre Property Investments (2.50%); and Seedco (1.93%). Partially offsetting the losses were gains in Simbisa Brands (4.14%); Innscor Africa (3.94%); Old Mutual (1.07%); and Pretoria Portland Cement (0.61%).

The mining index also decreased by 1.71%, to close at 128.19 points during the week under analysis. This was largely driven by a 7% loss in Bindura Nickel Corporation. Hwange Colliery Company and RioZim traded at the previous week price level, while Falgold remained inactive.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

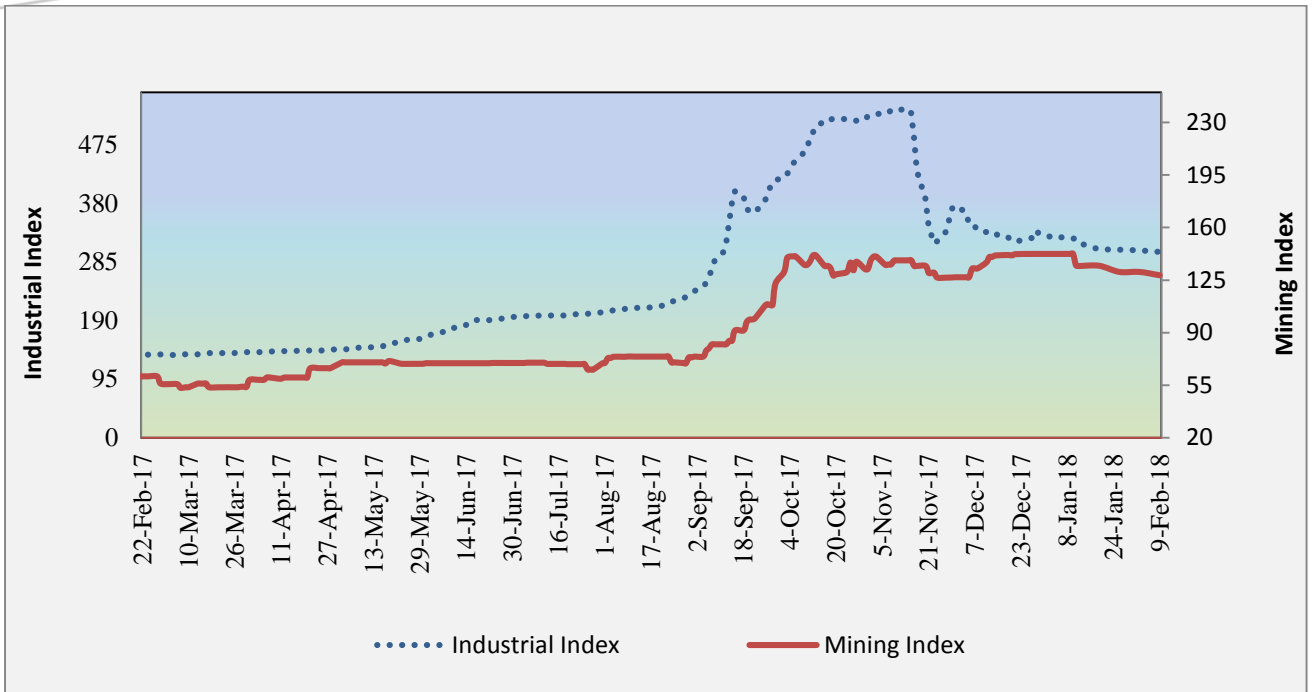
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
19-January-18	91.49	90.58	305.70	134.52	8,669,124,395	8,385,026	15,263,065
26- January-18	91.27	90.34	305.18	130.42	8,648,322,612	10,109,766	10,789,311
02-February-18	90.37	90.26	304.16	130.42	8,619,572,018	11,978,884	18,533,807
09-February-18	90.05	89.22	301.20	128.19	8,577,214,535	16,481,282	18,028,240
Weekly Change (%)	-0.35	-1.15	-0.97	-1.71	-0.49	37.59	-2.73

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

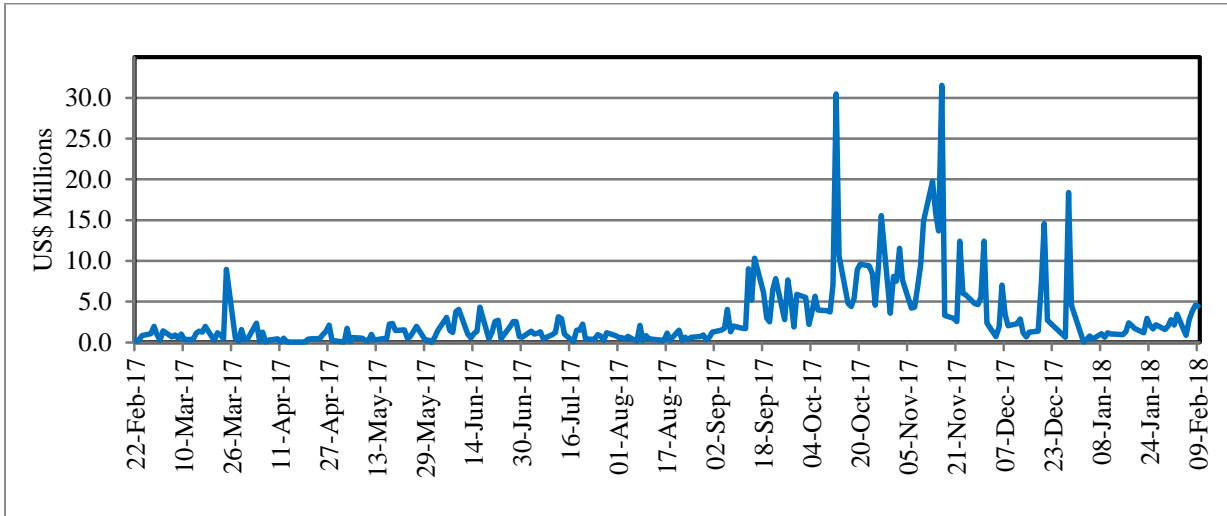


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE declined by 2.73%, from 18 533 807 shares in the previous week to 18 028 240 shares during the week under review. Market turnover, however, rose by 37.59%, to close the week under analysis at US\$16.48 million. This was largely due to the concentration of trading activity in blue-chip counters, with the market still exhibiting some sell-off pressure. Foreign investor participation contributed 45.27% of the total value of shares traded, reflecting improved foreign investor appetite on the local bourse.

Figure 4: Daily Market turnover

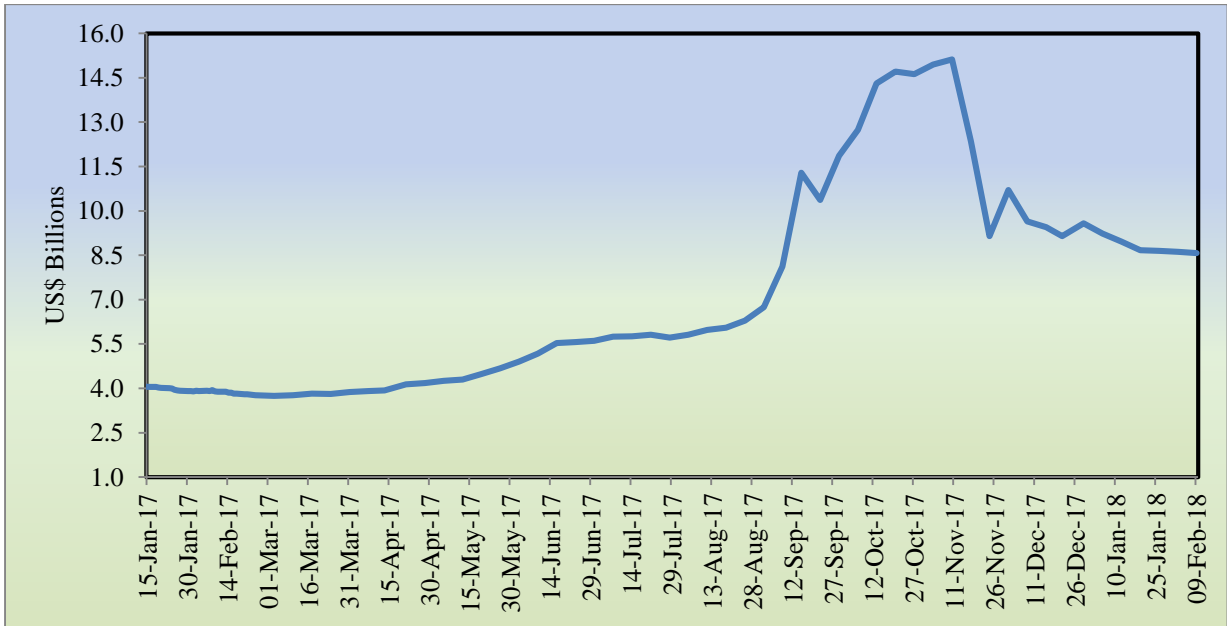


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

ZSE market capitalisation decreased by 0.49% to US\$8.58 billion during the week ending 9th February 2018, from US\$8.62 billion recorded in the previous week. This was attributable to sustained losses registered in some selected heavyweight counters.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

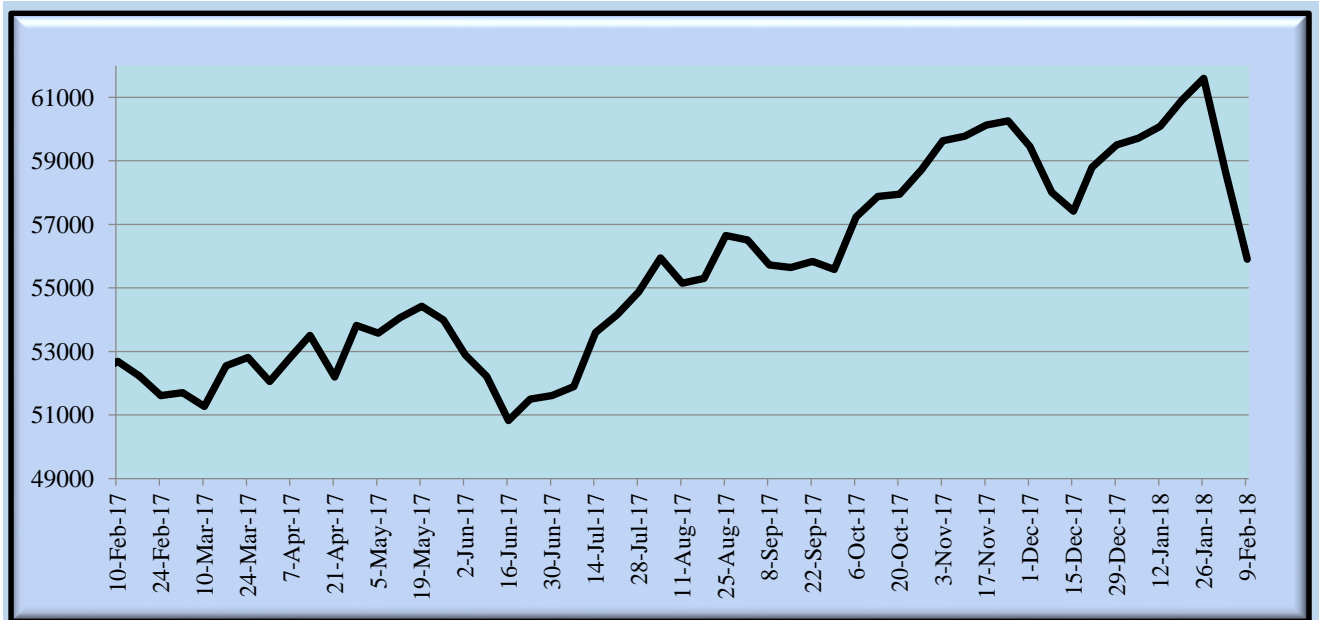
Johannesburg Stock Exchange (JSE) Development

During the week ending 9th February 2018, the JSE All Share Index closed at 55 902.62 points, down from 58 656.82 points recorded in the previous week. Concomitantly, market capitalization declined from R15.27 trillion in the previous week, to R14.44 trillion during the week under review.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
19-January-18	60 912.88	15.87
26-January-18	61 595.86	15.83
02-February-18	58 656.82	15.27
09-February-18	55 902.62	14.44
% Change	-4.70	-5.44

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 FEBRUARY 2018