



# Weekly Economic Highlights

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Week Ending  
9<sup>th</sup> November 2018

## 1. INTEREST RATES

### Deposit Rates

During the week ending 9<sup>th</sup> November 2018, average deposit rates for deposits of 1-month tenor decreased to 3.61%, whereas those for deposits of 3-month tenor increased to 4.12%. Average deposit rates for savings deposits, however, remained unchanged for the third consecutive week.

**Table 1: Average Deposit Rates (per annum)**

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
12-Oct-18	3.88	3.60	3.94
19-Oct-18	4.16	3.62	4.13
26-Oct-18	3.94	3.37	4.07
02-Nov-18	3.94	3.84	4.03
09-Nov-18	3.94	<b>3.61</b>	<b>4.12</b>

Source: Banking Institutions, 2018

### Lending Rates

Commercial bank weighted lending rates for individual clients registered a marginal decrease to 9.50% during the week under review, from 9.51% registered in the previous week. On the other hand, corporate clients accessed commercial bank loans at 7.38%, a 0.07 percentage points increase from the previous week.

**Table 2: Lending Rates**

Date	Lending Rates <sup>1</sup> (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
12-Oct-18	9.52	7.30
19-Oct-18	9.48	7.40
26-Oct-18	9.47	7.38
02-Nov-18	9.51	7.31
09-Nov-18	<b>9.50</b>	<b>7.38</b>

Source: Banking Institutions, 2018

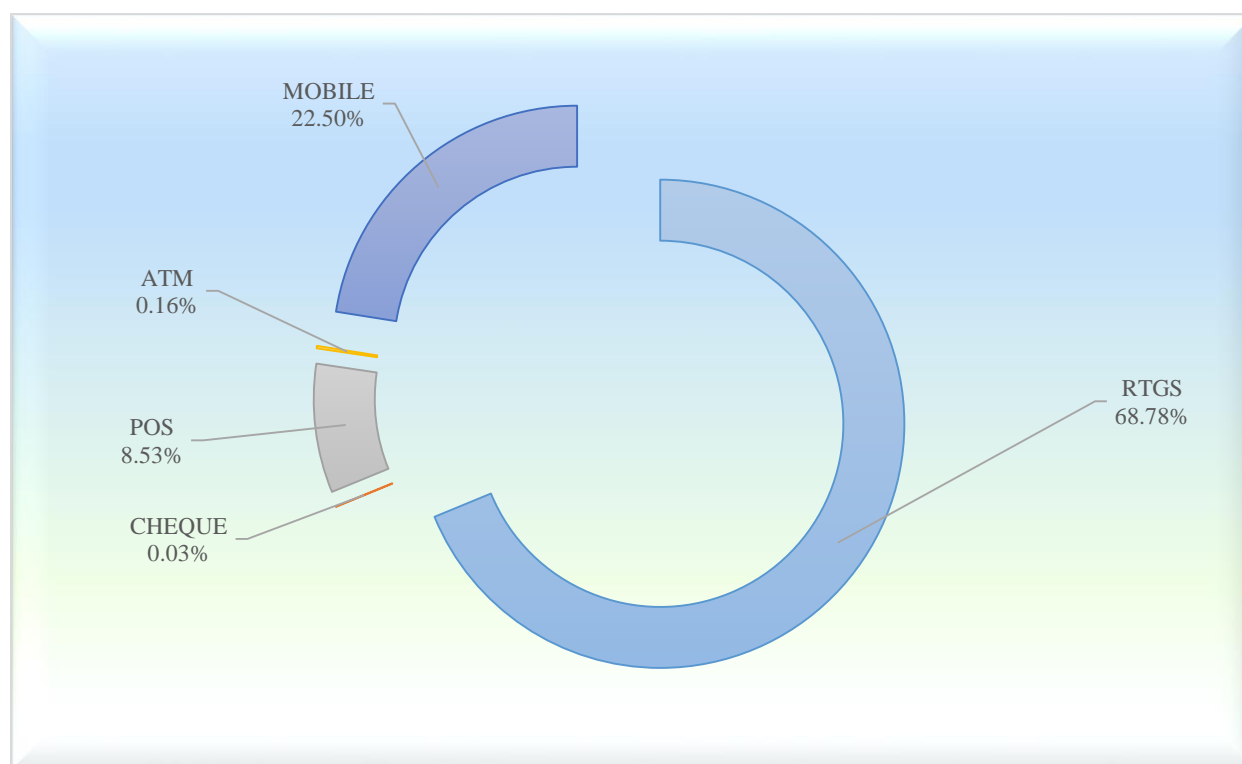
<sup>1</sup> Minimum weighted lending rates offered by commercial banks.

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 9<sup>th</sup> November 2018, the value of transactions processed through the National Payment System (NPS) rose by 20%, from US\$2.57 billion in the previous week to US\$ 3.1 billion. Real Time Gross Settlement system transactions amounted to US\$2.13 billion, reflecting a 34.8% increase from the previous week.

In value terms, the distribution of NPS transactions was as follows: RTGS, 68.78%; Mobile, 22.50%; Point of Sale (POS), 8.53%; Automated Teller Machines (ATMs), 0.16%; and Cheques, 0.03%, as shown in Figure 1.

**Figure 1: Composition of NPS Transactions in Value Terms**

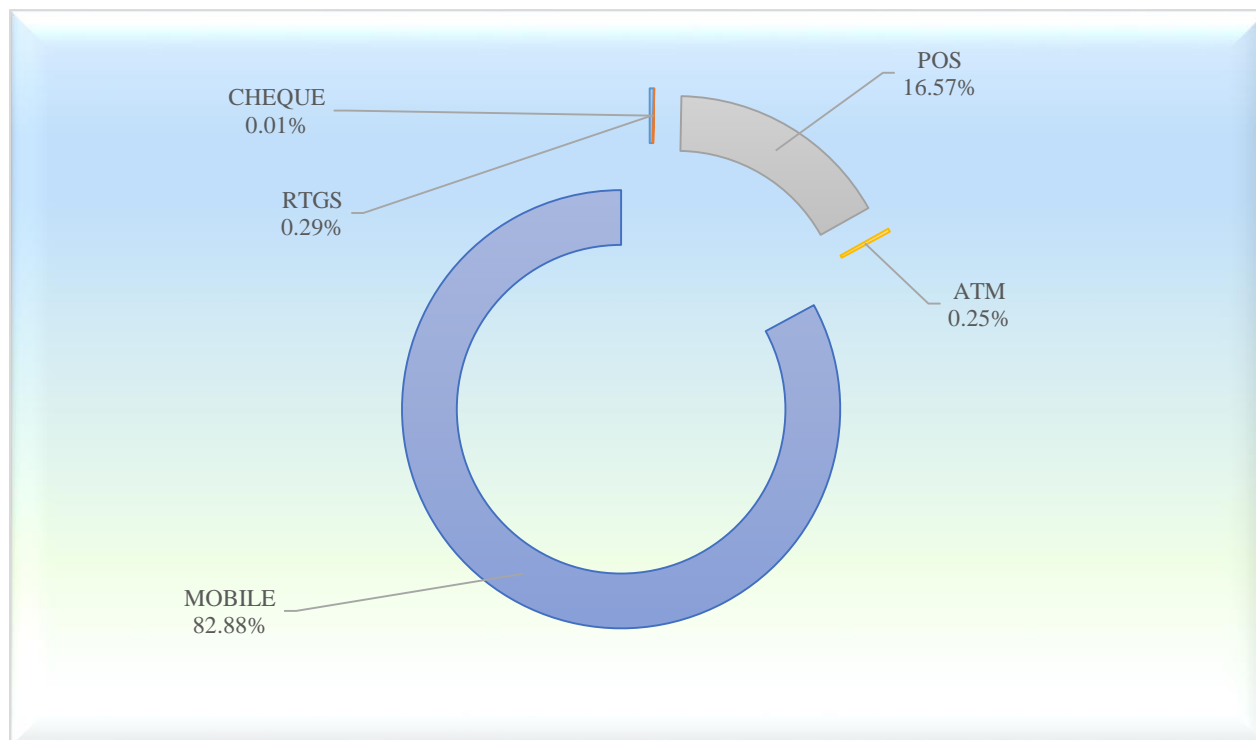


Source: Reserve Bank of Zimbabwe, 2018

The volume of NPS transactions decreased by 7.9%, from 41.21 million in the previous week to 37.97 million transactions, during the week ending 9<sup>th</sup> November 2018. This reflected declines in RTGS and Mobile transaction volumes of 13.4% and 9.4%, respectively.

The composition of NPS transactions in volume terms was as follows: Mobile, 82.88%; POS, 16.57%; RTGS 0.29%; ATMs 0.25%; and Cheques 0.01% 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 <sup>nd</sup> NOVEMBER 2018	WEEK ENDING 9 <sup>th</sup> NOVEMBER 2018	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
<b>VALUES IN US\$ (millions)</b>				
RTGS	1,579.89	2,130.08	34.8%	68.78%
CHEQUE	0.78	0.85	9.0%	0.03%
POS	262.97	264.22	0.5%	8.53%
ATM	4.82	4.97	3.1%	0.16%
MOBILE	718.16	696.62	-3.0%	22.50%
<b>TOTAL</b>	<b>2,566.63</b>	<b>3,096.74</b>	<b>20.7%</b>	<b>100%</b>
<b>VOLUMES</b>				
RTGS	128,579	111,307	-13.4%	0.29%
CHEQUE	3,851	3,910	1.5%	0.01%
POS	6,246,991	6,291,378	0.7%	16.57%
ATM	91,729	94,988	3.6%	0.25%
MOBILE	34,742,261	31,466,763	-9.4%	82.88%
<b>TOTAL</b>	<b>41,213,411</b>	<b>37,968,346</b>	<b>-7.9%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2018

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum and nickel increased during the week under review. Copper and crude oil prices, however, retreated as shown in Table 4.

**Table 4: International Commodity Prices**

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/ton	US\$/ton	US\$/barrel
<b>Weekly Average (29 Oct- 2 Nov )</b>	<b>1,225.16</b>	<b>843.40</b>	<b>6,186.40</b>	<b>11,760.20</b>	<b>75.12</b>
5-Nov	1,231.93	866.00	6,252.00	11,840.00	72.92
6-Nov	1,233.23	924.00	6,191.00	11,750.00	71.66
7-Nov	1,232.50	874.50	6,148.00	11,825.00	72.20
8-Nov	1,223.80	868.50	6,165.00	11,755.00	70.71
9-Nov	1,215.23	859.50	6,126.00	11,740.00	71.37
<b>Weekly Average (5 - 9 Nov )</b>	<b>1,227.34</b>	<b>878.50</b>	<b>6,176.40</b>	<b>11,782.00</b>	<b>71.77</b>
<i>Weekly Change (%)</i>	<i>0.18</i>	<i>4.16</i>	<i>(0.16)</i>	<i>0.19</i>	<i>(4.46)</i>

Source: BBC, KITCO and Bloomberg

#### Gold

Gold prices recorded a marginal increase of 0.18%, from the previous week price of US\$1,225.16/oz. to US\$ 1,227.34/oz, during the week under analysis. The increase was attributable to investor interest in precious metals over currency, following the decision by the Federal Reserve Bank to keep interest rates unchanged.

#### Platinum

Platinum prices increased by 4.2% to US\$878.50/oz during the week ending 9<sup>th</sup> November 2018, from a weekly average of US\$843.40/oz. recorded in the previous week.

#### Copper

Copper prices fell by 0.16%, from US\$6,186.40/ton in the previous week, to US\$ 6,176.40/ton during the week under review. Ongoing trade tensions between the U.S. and China dampened the demand outlook for the base metal.

## Nickel

Nickel prices increased by 0.19%, from an average of US\$11,760.20/ton in the previous week to US\$11,782.00/ton during the week under review. This was, in part, attributable to higher demand in the Chinese stainless steel industries, coupled with a positive demand outlook from electric vehicle battery manufacturers. Nickel is a key input in electric vehicle batteries.

## Crude Oil

Crude oil prices fell by 4.46%, from a weekly average of US\$ US\$75.12/barrel to US\$71.77/barrel during the week under analysis. Prices declined on oversupply concerns due to record U.S. output; waivers on Iran oil exports; and excess output from the Organisation of Petroleum Exporting Countries.

## EXCHANGE RATES

The US dollar depreciated against the South African rand, Pound sterling, Botswana pula and the euro, during the week under review.

**Table 5: International Exchange Rates per US\$**

	ZAR	GBP	BWP	EURO
<b>Weekly Average (29 Oct - 2 Nov)</b>	<b>14.5855</b>	<b>0.7787</b>	<b>10.8203</b>	<b>0.8790</b>
5-Nov	14.3449	0.7697	10.6781	0.8779
6-Nov	14.1844	0.7662	10.6496	0.8768
7-Nov	14.0747	0.7619	10.6440	0.8734
8-Nov	13.9305	0.7616	10.5652	0.8749
9-Nov	14.1700	0.7663	10.5876	0.8813
<b>Weekly Average (5 - 9 Nov)</b>	<b>14.1409</b>	<b>0.7652</b>	<b>10.6249</b>	<b>0.8769</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-3.05</i>	<i>-1.73</i>	<i>-1.81</i>	<i>-0.24</i>

Source: Reuters, 2018

## 4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recovered from previous week losses, during the week ending 9<sup>th</sup> November 2018, with the All Share Index gaining 1.47 points to close at 159.96 points. The industrial index rose by 0.96% to end the week under review at 537.17 points. Share price gains were recorded for StarAfrica Corporation Limited (24.11%); Rainbow Tourism Group (10.34%); Econet Wireless Zimbabwe (6.97%); First Mutual Property (6.84%); and Zimplow Holdings (4.87%). Partially offsetting the increases were losses in TSL Limited (19.73%); Zimre Property

Investments (19.23%); First Mutual Holdings (16.78%); Mashonaland Holdings, (16.67%); and Fidelity Life Assurance (14.17%). The Top 10 index increased by 3.59 points to close at 164.30 points.

The resources index declined by 0.83%, from 209.86 points in the previous week to 208.11 points during the week under analysis. The decline emanated from losses in Bindura Nickel Corporation (BNC) (1.11%) and RioZim (0.79%). Falgold, however, did not register any trades.

**Table 6: Zimbabwe Stock Exchange Statistics**

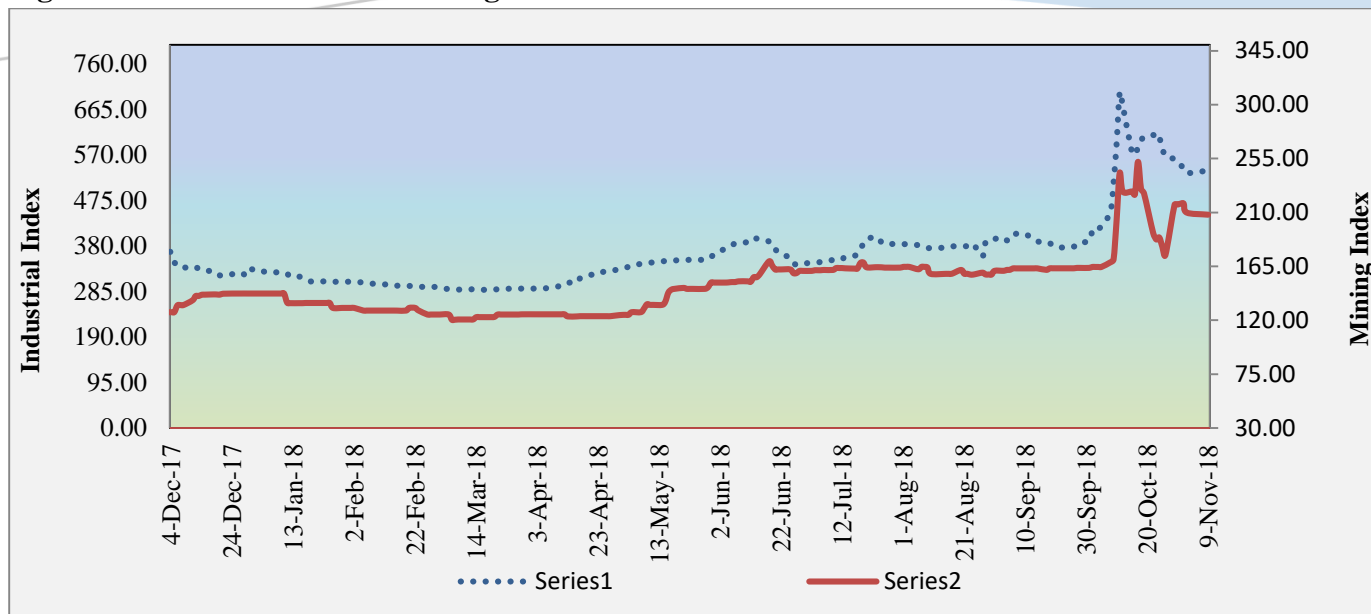
	All Share Index <sup>2</sup> (points)	Top 10 index <sup>3</sup> (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
12-October-18	200.29	217.81	673.42	227.37	22,219,721,525	82,514,792	93,959,109
19-October-18	180.93	191.48	607.59	225.61	20,008,100,464	47,240,257	74,836,768
26-October-18	168.84	174.48	566.92	216.79	18,455,120,362	11,812,741	22,494,951
02-November-18	158.49	160.71	532.06	209.86	17,351,794,804	15,187,072	27,710,549
09-November-18	159.96	164.30	537.17	208.11	17,636,859,001	27,854,020	43,269,359
<b>Weekly Change (%)</b>	<b>0.93</b>	<b>2.23</b>	<b>0.96</b>	<b>(-0.83)</b>	<b>1.64</b>	<b>83.41</b>	<b>56.15</b>

Source: Zimbabwe Stock Exchange (ZSE), 2018

<sup>2</sup> The All Share index shows the changing average value of shares of all companies on the market.

<sup>3</sup> The Index is calculated using the market capitalisation method.

**Figure 3: Zimbabwe Stock Exchange Indices**

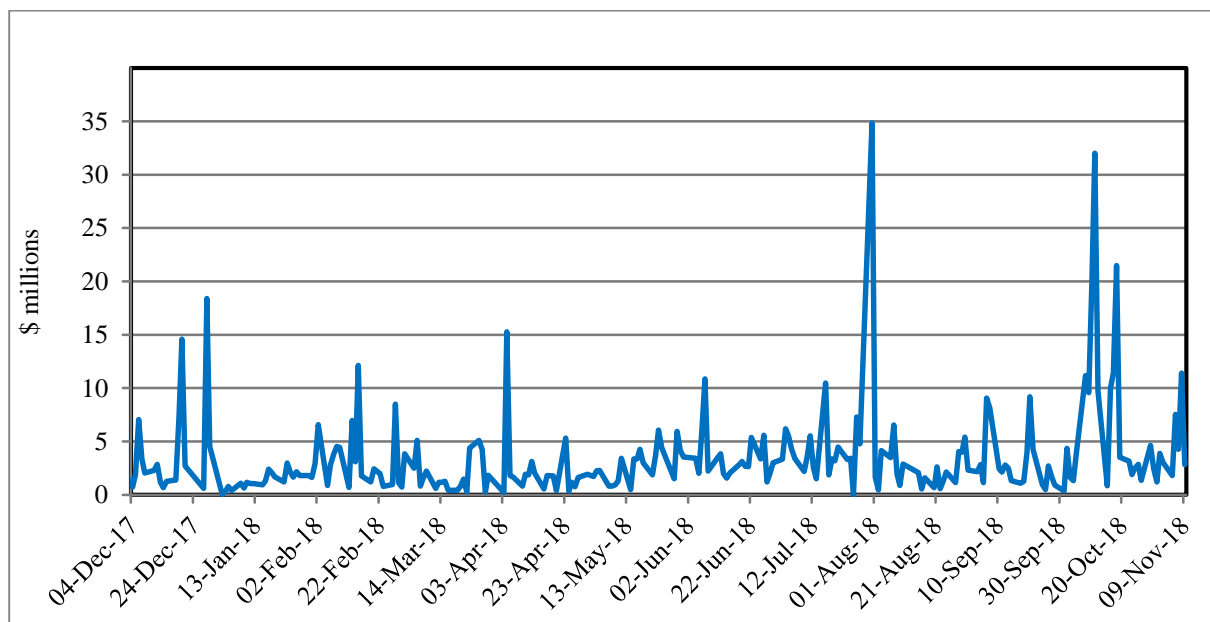


Source: Zimbabwe Stock Exchange, 2018

### Market Turnover and Volume

Improved trading activity on the local bourse, during the week under review, resulted in an increase in cumulative volumes and values of shares traded. The volume of shares traded increased by 56.15% to 43.27 million, while the value registered an 83.41% increase to \$27.85 million.

**Figure 4: Daily Market Turnover**



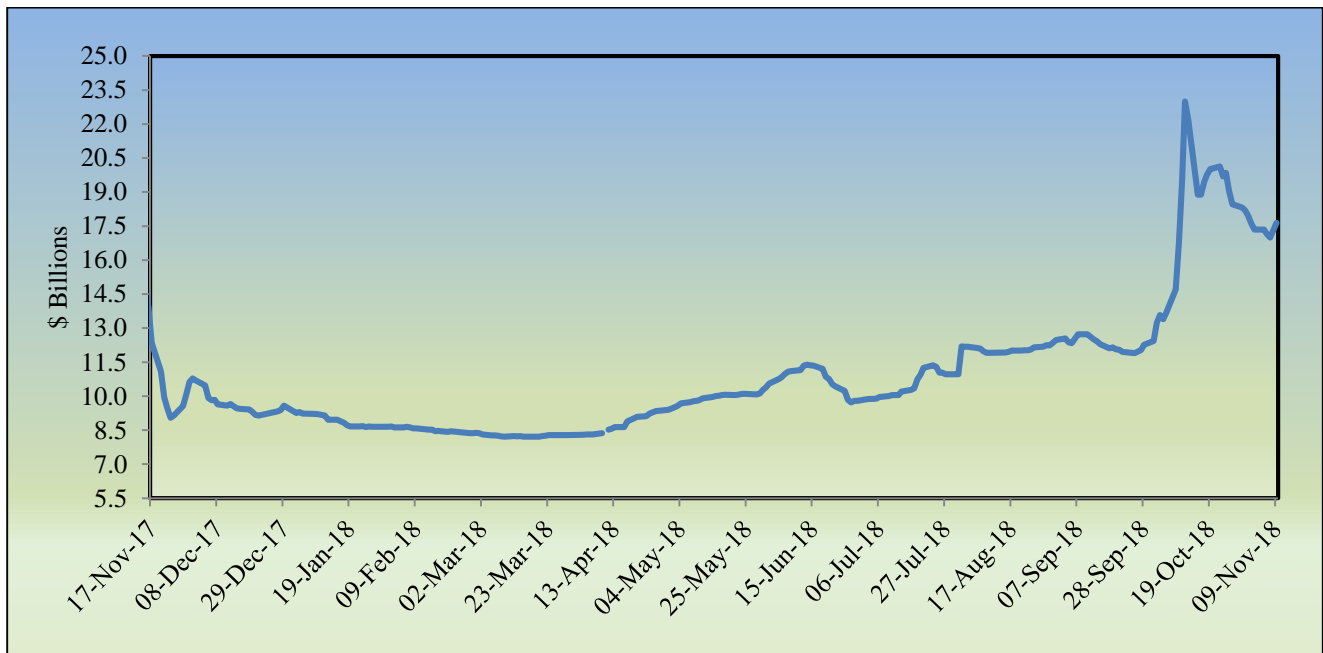
Source: Zimbabwe Stock Exchange, 2018



## Market Capitalization

ZSE market capitalization increased by \$285.11 million or 1.64% of the previous week value, to close the week under review at \$17.64 billion.

**Figure 5: Daily Market Capitalization**



Source: Zimbabwe Stock Exchange, 2018

## Johannesburg Stock Exchange (JSE) Developments

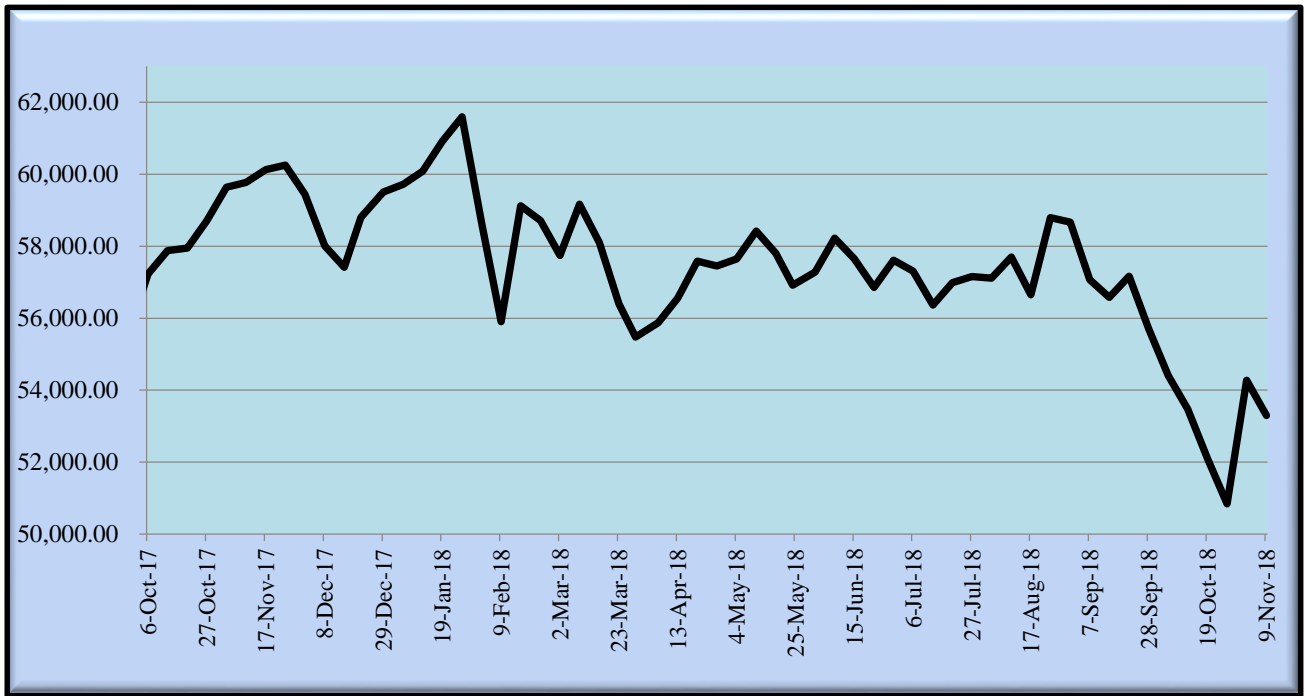
JSE market capitalization decreased to R13.38 million, during the week under review, from R13.61 recorded in the previous week. Concomitantly, the All Share declined by 1.80%, to close the week at 53 295.35 points.

**Table 7: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
12-Oct-18	53,473.11	13.68
19-Oct-18	52,092.98	13.40
26-Oct-18	50,837.57	13.05
02-Nov-18	54,271.19	13.61
09-Nov-18	53,295.35	13.38
% Change	(1.80)	(1.69)

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**

**16<sup>th</sup> NOVEMBER 2018**