



Weekly Economic Highlights

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Week Ending
10th March 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged at previous week levels, during the week ending 10th March 2017.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-February-17	3.01	5.34	5.79
17-February-17	3.01	5.31	5.79
24-February-17	3.01	5.33	5.81
03-March-17	3.01	5.35	5.80
10-March-17	3.01	5.35	5.80

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for both individual and corporate clients increased by 0.01 percentage points, to close the week under review at 10.06% and 6.52%, respectively.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
10-February-17	10.01	6.51
17-February-17	10.05	6.51
24-February-17	10.06	6.52
03-March-17	10.05	6.51
10-March-17	10.06	6.52

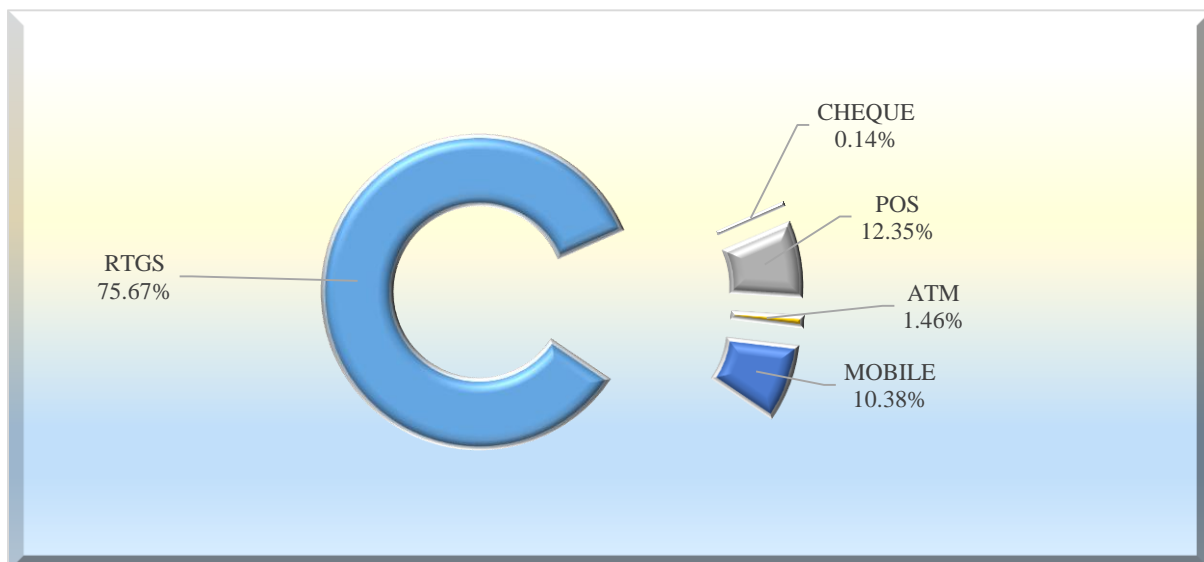
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 10th March 2017, the total value of transactions processed through the National Payment Systems (NPS), amounted to US\$1 197.07 million, down from US\$1 397.30 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 19%, to close at US\$905.90 million during the same week.

In value terms, the NPS transactions were distributed as follows: RTGS, 75.67%; Point of Sale (POS), 12.35%; Mobile, 10.38%; Automated Teller Machines (ATMs), 1.46%; and Cheque, 0.14%, as shown in Figure 1.

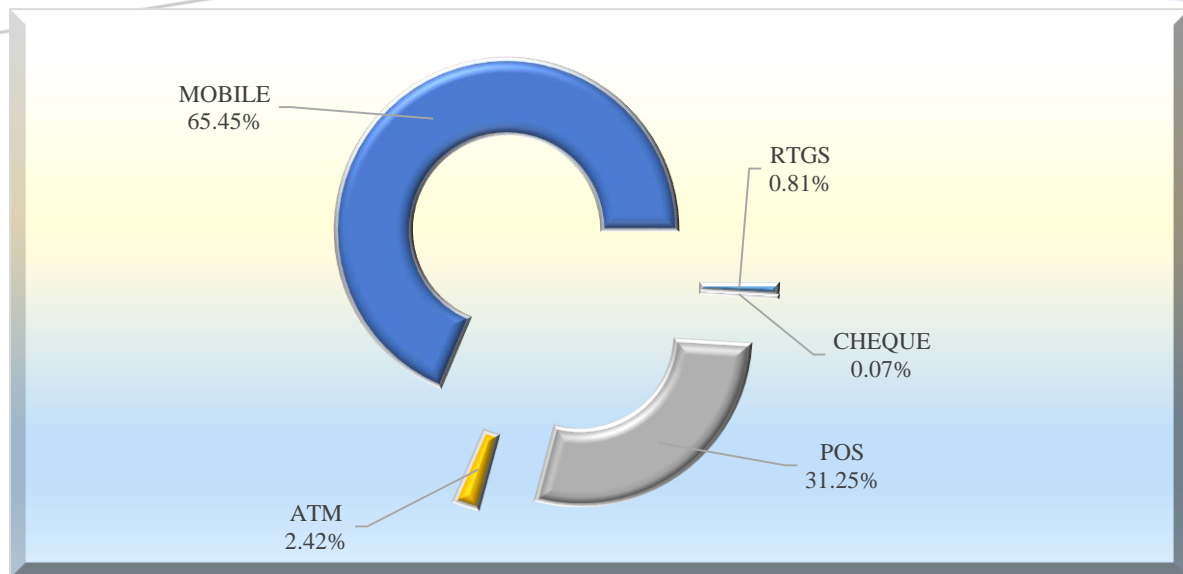
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

NPS transaction volumes stood at 11 224 199 during the week under review, up from 10 289 046 recorded in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 65.45%; POS, 31.25%; Automated Teller Machines (ATMs), 2.42%; RTGS, 0.81%; and Cheque, 0.07%, 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 3 March 2017	WEEK ENDING 10 March 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,124.33	905.90	(19%)	75.67%
CHEQUE	1.58	1.66	5%	0.14%
POS	120.41	147.82	23%	12.35%
ATMS	14.95	17.48	17%	1.46%
MOBILE	136.02	124.24	(9%)	10.38%
TOTAL	1,397.30	1,197.09	(14%)	100%
VOLUMES				
RTGS	99,510	91,314	(8%)	0.81%
CHEQUE	6,345	7,385	16%	0.07%
POS	2,842,285	3,508,123	23%	31.25%
ATMs	245,533	271,555	11%	2.42%
MOBILE	7,095,373	7,345,822	4%	65.45%
TOTAL	10,289,046	11,224,199	9%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 10th March 2017, the weekly average international commodity price of nickel firmed. The prices of gold, platinum, copper and crude oil, however, declined in the same week as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (27 Feb-3 Mar)	1,250.59	1,014.60	5,956.30	10,808.00	55.62
6-Mar	1,243.38	985.00	5,910.00	10,900.00	55.10
7-Mar	1,220.18	968.00	5,855.00	10,895.00	55.61
8-Mar	1,220.18	968.00	5,807.00	10,895.00	55.61
9-Mar	1,218.93	946.00	5,782.00	10,895.00	55.61
10-Mar	1,199.48	941.00	5,655.00	10,895.00	55.61
Week ending (6-10 Mar)	1,220.43	961.60	5,801.80	10,896.00	55.51
<i>Weekly Change (%)</i>	<i>(2.4)</i>	<i>(5.2)</i>	<i>(2.6)</i>	<i>0.8</i>	<i>(0.2)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 2.4%, from a weekly average of US\$1 250.59/oz to close the week under review at US\$1 220.43/oz. This was largely attributable to a stronger US dollar that weakened the demand for gold as a safe haven asset, amid an expected interest rate hike by the Federal Reserve Bank.

Platinum

Platinum prices fell by 5.2%, to close the week under analysis at US\$961.60/oz, from a weekly average of US\$1 014.60/oz in the previous week. This followed increased appetite for interest bearing assets, on the back of an anticipated Fed rate hike.

Copper

Copper prices continued on a downward trend, registering a 2.6% decrease from US\$5 956.30/ton recorded in the previous week to US\$5 801.80/ton, during the week ending 10th March 2017. The decline reflected losses across industrial metals and other assets as markets geared up for an expected hike in U.S interest rates in mid-March 2017.

Nickel

Nickel prices gained by 0.8% to close at US\$10 896.00/ton, during the week ending 10th March 2017. The increase was attributed to fears of tight supply conditions, following closure of mines the in Philippines on environmental concerns.

Crude Oil

Crude oil prices retreated by 0.2%, to close the week under review at US\$55.51/barrel from US\$55.62/barrel in the previous week. This was on the back of concerns about rising shale production as well the increase in U.S. crude inventories, which have been offsetting the impact of production cuts agreed by the OPEC and some non-OPEC members, to curb crude oil oversupply.

4. EXCHANGE RATES

During the week ending 10th March 2017, the US dollar appreciated against the pound Sterling and the rand, on the back of rising expectations of a Fed rate hike. The greenback, however, depreciated against the euro, during the same week.

Table 6: International Exchange Rates per US\$

	GBP	EURO	ZAR
2017			
Weekly Average (27 Feb-3 Mar)	0.8105	0.948	13.0778
6-Mar	0.8137	0.9430	13.0338
7-Mar	0.8169	0.9464	12.9775
8-Mar	0.8194	0.9467	12.9635
9-Mar	0.8226	0.9498	13.1572
10-Mar	0.8225	0.9433	13.2857
Weekly Average (6-10 March)	0.8203	0.9465	13.0960
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.21</i>	<i>(0.16)</i>	<i>0.14</i>

Source: Reuters

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recorded gains during the week under analysis, with the mainstream index surging by 0.65% to close the week at 135.36 points. The increase was due to gains registered in Ariston Holdings, 20%; T.S.L. Holdings, 7.05%; Econet Wireless, 0.84%; Old Mutual Pls, 0.36%; and B.A.T, 0.33%. Partially offsetting these gains were losses in Dawn Properties, 12.50%; Axia Corporation, 7.14%; CBZ Holdings 2.86%; and Dairibord Holdings, 0.40%

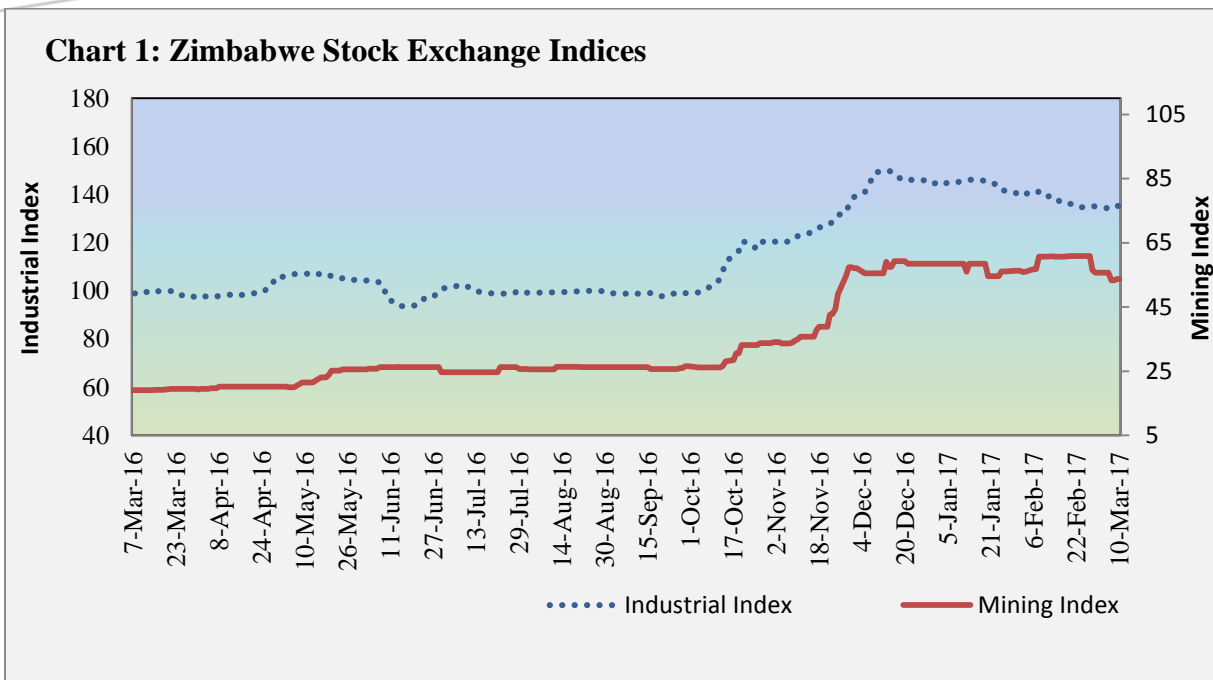
The resources index, however, declined by 3.62% to close the week under review at 53.66 points. This was on account of losses in Bindura Nickel Corporation (BNC), 9.09%.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
10- February-17	139.38	60.73	3,887,111,892	2,482,293	19,171,070
17-February-17	136.97	60.73	3,821,802,633	2,998,198	16,161,832
24-February-17	134.83	60.89	3,763,949,912	2,338,258	9,639,838
3-March-17	134.48	55.68	3,746,292,943	5,685,525	55,971,170
10-March-17	135.36	53.66	3,766,995,911	3,485,601	58,720,204
Weekly Change (%)	0.65%	(3.62%)	0.55%	(38.69%)	4.91%

Source: Zimbabwe Stock Exchange (ZSE), 2017.

Figure 3 : Zimbabwe Stock Exchange Indices

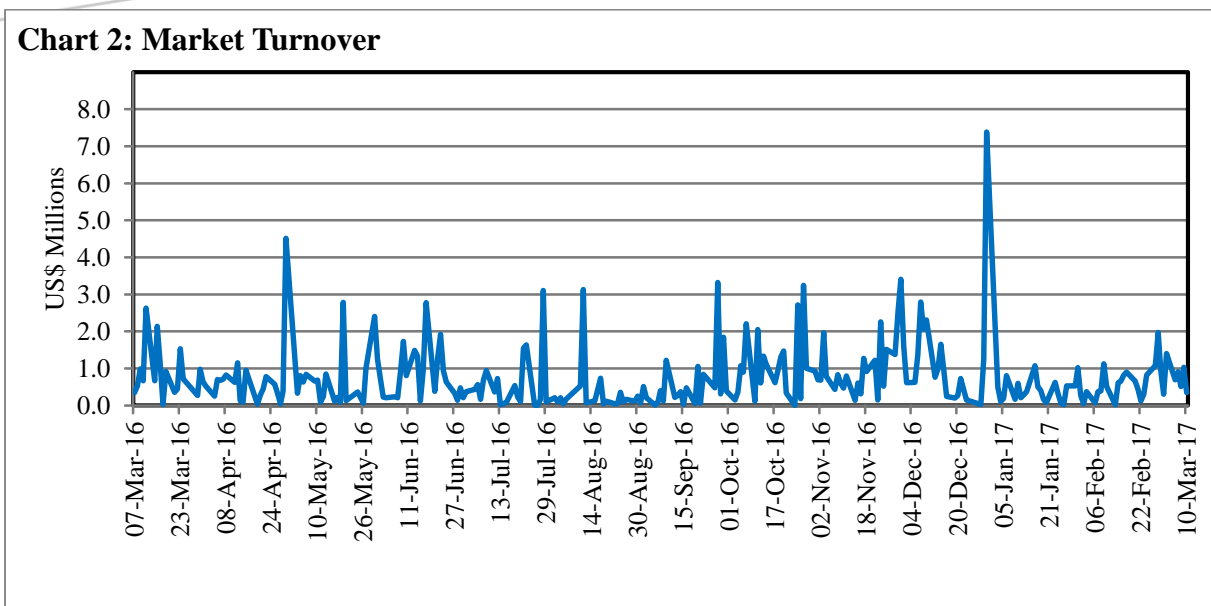


Source: Zimbabwe Stock exchange

Market Turnover and Volume

During the week under review, the ZSE market turnover recorded a 38.69% decline to close the week at US\$3.5 million, from US\$5.7 million registered in the previous week. This was largely due to the selling-off pressures in some heavy weight counters such as Delta and Econet. The volume of shares traded, however, increased by 4.91% to close at 58 720 204 shares in the same week.

Figure 4: Daily Market turnover

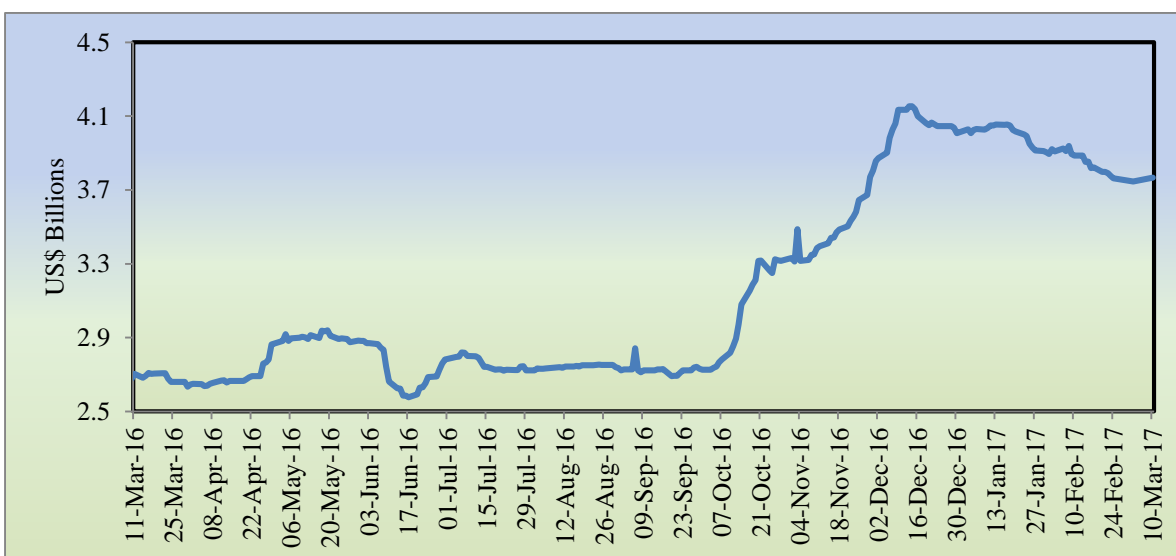


Source: Zimbabwe Stock Exchange, 2017

Market Capitalisation

The ZSE market capitalization stood at US\$3.77 billion during the week ending 10th March 2017, a 0.55% increase from US\$3.75 billion recorded in the previous week. This was largely on account of positive trading on the local bourse.

Figure 5 : Market Capitalisation



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

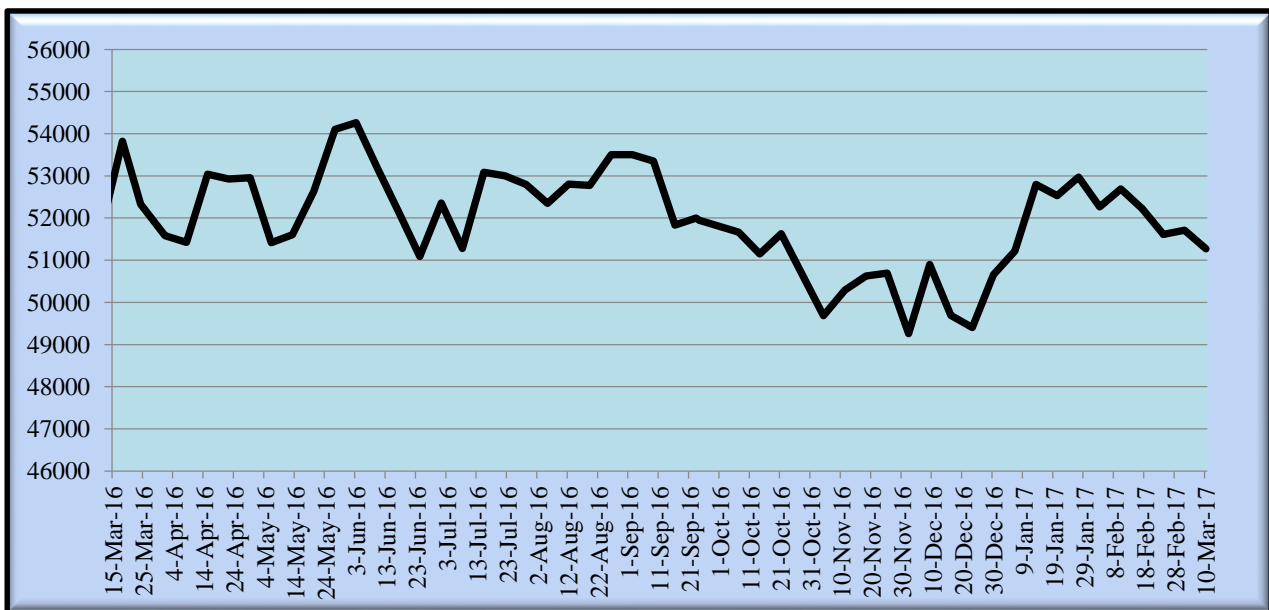
The JSE All Share index closed the week under review at 51 269.54 points, a 0.85% decline from 51 708.61 points registered in the previous week. Market capitalization also fell from R13.59 trillion in the previous week, to R13.46 trillion during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalisation (ZAR trillion)
03-February-17	52 265.16	14.74
10-February-17	52 687.29	13.80
17-February-17	52 223.54	13.64
24-February-17	51 609.86	13.52
03-March-17	51 708.61	13.59
10-March-17	51 269.54	13.46

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

17TH MARCH 2017