



Weekly Economic Highlights

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Week Ending
11th August 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits remained unchanged at 4.35% during the week ending 11th August 2017, while deposit rates for deposits of 1 month tenor increased by 0.02 percentage points to close the week at 4.06%. The average deposits rates for deposits of 3 months tenor, however, declined from 4.24% in the previous week to close the week under review at 4.22%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
07-July-17	3.85	4.40	4.45
14-July-17	4.08	4.37	4.45
21-July-17	4.37	3.99	4.11
28-July-17	4.35	4.07	4.24
04-August-17	4.35	4.04	4.24
11August-17	4.35	4.06	4.22

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual and corporate clients declined, to close the week under review at 8.81% and 7.00%, respectively.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
07-June-17	8.94	7.03
14-June-17	8.96	7.03
21-June-17	8.94	7.05
28-July 17	8.94	7.05
04-August-17	8.95	7.04
11-August-17	8.81	7.00

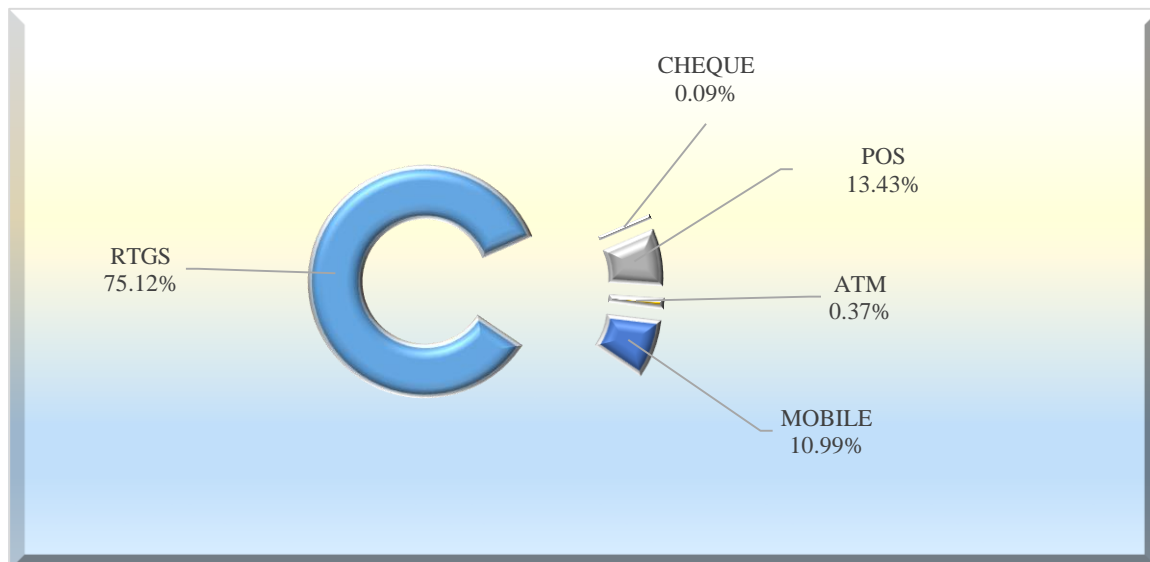
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System declined by 3%, from US\$1 683.32 million registered in the previous week to US\$1 635.71 million during the week ending 11th August 2017. Transactions processed through the Real Time Gross Settlement (RTGS) system, however, increased by 6% to close the week under review at US\$1 228.75 million.

Payments through the RTGS system accounted for 75.12% of the total value of transactions processed through the NPS, followed by Point of Sale (POS), 13.43%; Mobile, 10.99%; Automated Teller Machines (ATMs), 0.37%; and Cheque, 0.09%, as shown in Figure 1.

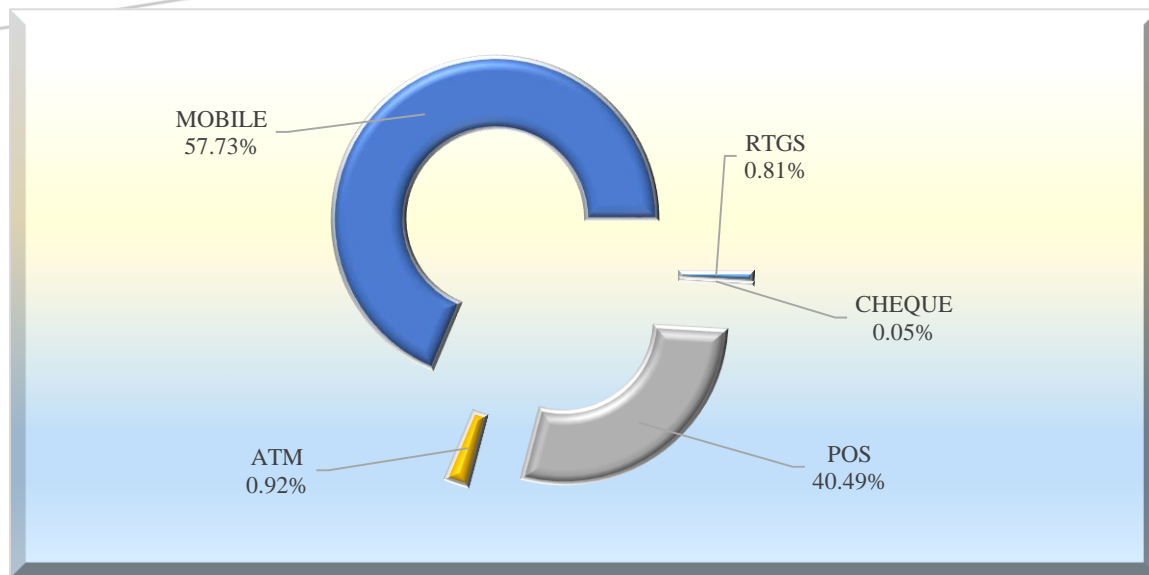
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

The total volume of NPS transactions declined by 24%, to close the week ending 11th August 2017 at 16 027 669. In terms of contribution to the NPS volumes, Mobile transactions were highest at 57.73%; POS, 40.49%; ATMs, 0.92%; RTGS, 0.81%; and Cheque, 0.05%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2017

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 04 August 2017	WEEK ENDING 11 August 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,160.49	1,228.75	6%	75.12%
CHEQUE	1.20	1.49	25%	0.09%
POS	211.76	219.68	4%	13.43%
ATMS	6.75	5.99	-11%	0.37%
MOBILE	303.14	179.81	-41%	10.99%
TOTAL	1,683.32	1,635.71	-3%	100%
VOLUMES				
RTGS	137,995	130,363	-6%	0.81%
CHEQUE	6,504	7,619	17%	0.05%
POS	5,978,618	6,489,080	9%	40.49%
ATMs	156,696	147,269	-6%	0.92%
MOBILE	14,848,181	9,253,338	-38%	57.73%
TOTAL	21,127,994	16,027,669	-24%	100%

Source: Reserve Bank of Zimbabwe, 2017

3. TOBACCO SALES

A cumulative total of 186 289 382 kilograms of tobacco had been sold as at 11th August 2017 or day 103 of the 2017 tobacco selling season. The cumulative quantity sold was 7.19% lower than the 200 711 841 kilograms which had been sold by the same period in 2016.

In value terms, cumulative tobacco sales amounted to US\$552.81 million, compared to US\$590.45 million realized during the corresponding period in 2016. The golden leaf, however, fetched a higher average price of US\$2.97/kg in 2017, compared to the US\$2.94/kg realized during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 103 (11 August 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	200,711,841	186,289,382	-7.19
Cumulative Average Price(US\$/kg)	2.94	2.97	0.88
Cumulative Value (US\$ million)	590,445,879	552,814,305	-6.37

Source: Tobacco Industry and Marketing Board (TIMB), 2017

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel, copper and crude oil firmed during the week ending 11th August 2017, as shown in Table 5.

Table 5: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (31 July-04 August)	1,266.51	948.00	6,313.50	10,237.00	52.09
7-Aug	1,257.78	962.00	6,333.00	10,310.00	52.24
8-Aug	1,261.63	970.50	6,364.00	10,280.00	52.02
9-Aug	1,269.50	976.50	6,465.00	10,710.00	52.73
10-Aug	1,281.65	982.00	6,416.50	10,770.00	51.82
11-Aug	1,287.20	983.00	6,382.00	10,370.00	52.10
Week ending (07-11 August)	1,271.55	974.80	6,392.10	10,488.00	52.18
<i>Weekly Change (%)</i>	<i>0.4</i>	<i>2.8</i>	<i>1.2</i>	<i>2.5</i>	<i>0.2</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices increased by 0.4%, to close the week under review at a weekly average of US\$1,271.00/oz. Prices firmed amid speculation that the Fed would not hike interest rates, as a result of the less than expected rise in consumer prices.

Platinum

Platinum prices firmed by 2.8%, from a weekly average of US\$948.00/oz recorded in the previous week to US\$974.80/oz, during the week under analysis. This followed strong investment demand prospects.

Copper

During the week ending 11th August 2017, copper prices firmed by 1.2%, to a weekly average of US\$6,392.10/ton. The increase was largely attributable to declining inventories and an improvement in the demand outlook in China, the world's largest consumer of the base metal.

Nickel

Nickel prices increased by 2.5%, from a weekly average of US\$10,237.00/ton registered in the previous week, to close the week under review at an average of US\$10,488.00/ton. The prices improved on the back of increased demand for the base metal, particularly in China.

Crude Oil

Crude oil prices firmed by 0.2%, to US\$52.18/barrel during the week under analysis, from US\$52.09/barrel in the previous week. The increase was supported by the easing of U.S shale production as well as a slip in fuel inventories.

5. EXCHANGE RATES

The greenback appreciated against the rand, British pound, pula and euro during the week ending 11th August 2017. This was underpinned by rising prospects of a Federal Reserve interest rate hike.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (31 July-04 August)	13.2193	0.7586	10.2281	0.8459
7-Aug	13.4001	0.7660	10.3466	0.8479
8-Aug	13.2163	0.7665	10.2197	0.8467
9-Aug	13.4118	0.7701	10.2881	0.8516
10-Aug	13.4443	0.7708	10.3199	0.8522
11-Aug	13.4625	0.7699	10.2934	0.8498
Weekly Average (07-11 August)	13.3870	0.7687	10.2935	0.8496
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.3</i>	<i>1.3</i>	<i>0.6</i>	<i>0.4</i>

Source: Reuters, 2017

6. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) continued on an upward trajectory for the second consecutive week, during the week ending 11th August 2017. Resultantly, the industrial index increased by 1.70%, from 207.09 points recorded in the previous week to 210.61 points in the week under review. The increase was underpinned by gains registered in General Beltings Limited (100%), Medtech Holdings Limited (50%), NMBZ Holdings Limited (22.47%), Zimplow Holdings Limited (20.04%) and CFI Holdings Limited (19.54%)

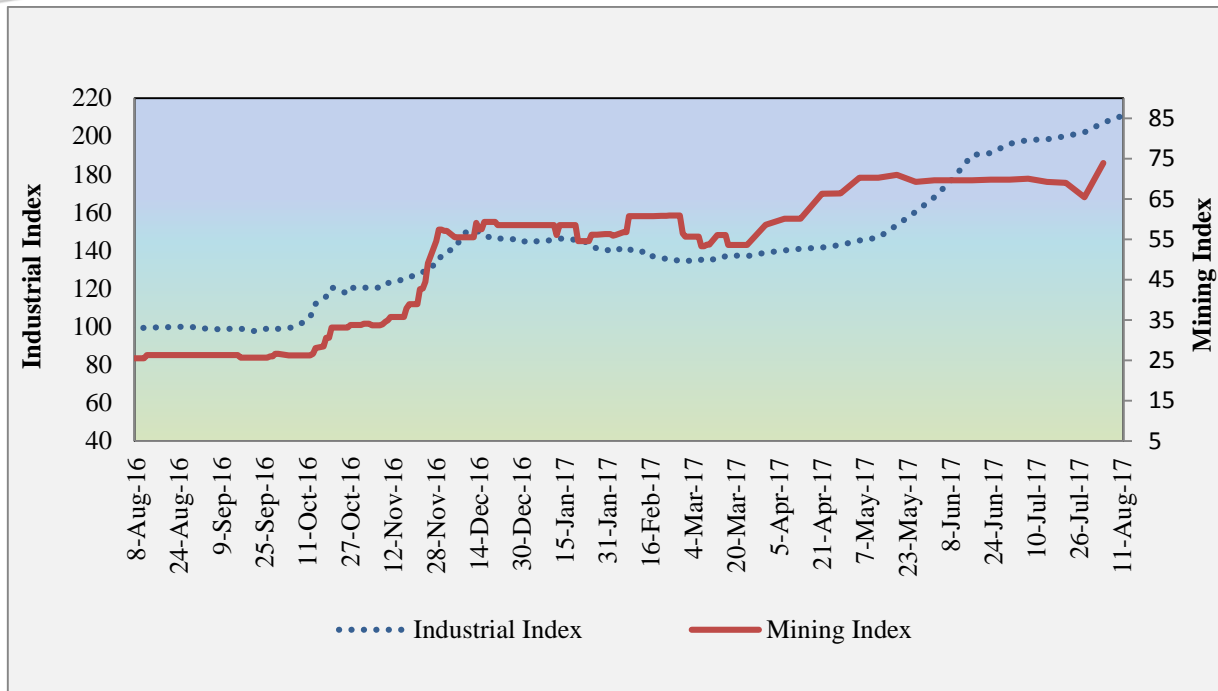
The resources index firmed by 0.16%, from 73.92 points in the prior week to close the week under review at 74.04 points. This was on account of a 0.42% share price gain in RioZim.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
14-July-17	198.41	69.19	5,764,202,701	9,286,417	44,690,083
21-July-17	200.04	69.00	5,814,984,818	5,784,609	24,308,278
28-July-17	202.06	65.45	5,719,544,139	3,540,821	53,335,076
04-August-17	207.09	73.92	5,815,739,291	3,126,109	16,811,109
11-August-17	210.61	74.04	5,976,708,805	3,707,801	20,083,775
Weekly Change (%)	1.70	0.16	2.77	18.61	19.47

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

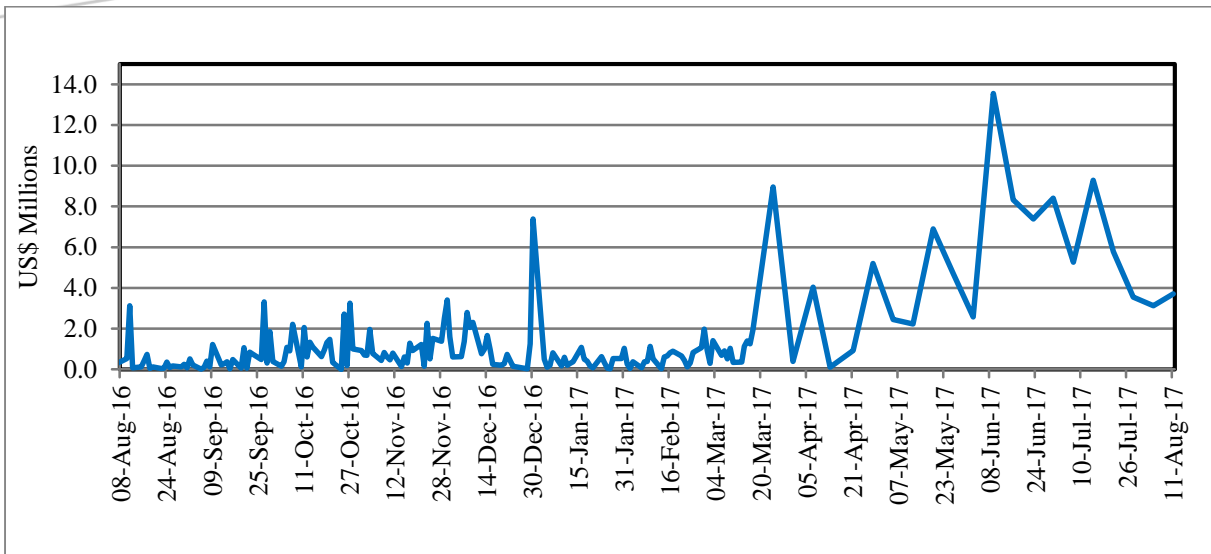


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

During the week under review, the ZSE market turnover recorded an 18.61% gain, to close the week at US\$3.71 million from US\$3.13 million registered in the previous week. This was largely due to an increase in trading activity on the local bourse.

Figure 4: Daily Market turnover

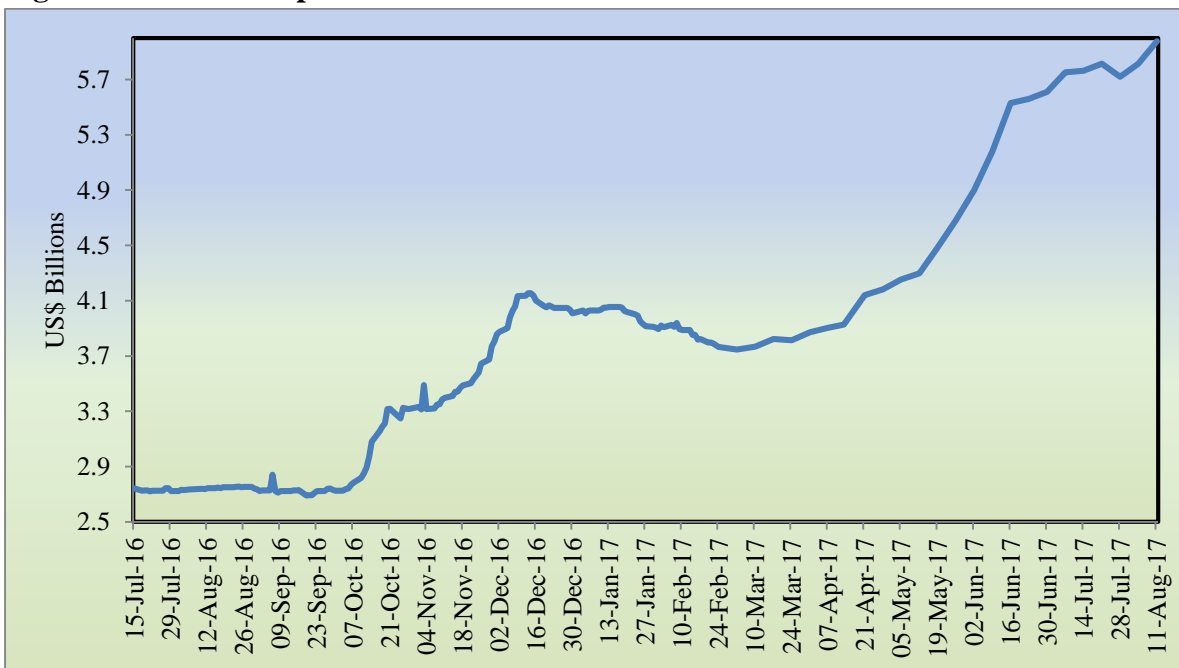


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization stood at US\$5.98 billion during the week ending 11th August 2017, a 2.77% increase from the US\$5.81 billion recorded in the previous week.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Development

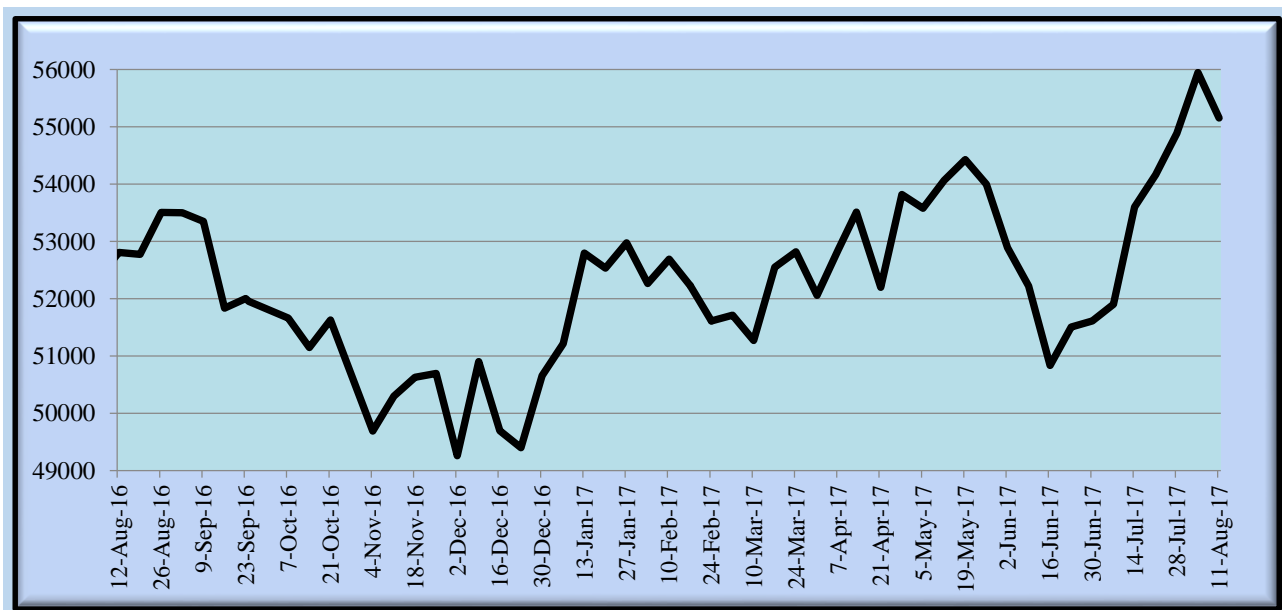
The JSE All Share Index closed the week under review at 55 155.13 points, down from 55 944.83 points in the previous week. As a result, market capitalization declined from R15.17 trillion in the previous week, to R14.91 trillion during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
14-July-17	53 597.96	14.22
21-July-17	54 162.71	14.24
28-July-17	54 883.21	14.80
04-August-17	55 944.83	15.17
11-August-17	55 155.13	14.91
% Change	-1.41	-1.71

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

18th AUGUST 2017