



Weekly Economic Highlights

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Week Ending
11th May 2018

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits were lower at 4.10%, during the week ending 11th May 2018, compared to 4.16% recorded in the previous week. Deposit rates for deposits of 3 month tenor increased from 3.71% in the previous week, to 3.79% during the week under review. The week under review saw deposits rates for deposits of 1 month tenor remain unchanged at 3.53%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
13-April-18	4.22	3.43	3.74
20-April-18	4.16	3.47	3.78
27-April-18	4.16	3.52	3.70
04-May-18	4.16	3.53	3.71
11-May-18	4.10	3.53	3.79

Source: Banking Institutions, 2018

Lending Rates

During the week under analysis, commercial bank weighted lending rates for individual and corporate clients declined from 9.66% and 7.02% in the previous week, to 9.33% and 6.85%, respectively.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
13 April-18	9.36	7.04
20 April-18	9.30	7.05
27 April-18	9.32	7.08
04-May-18	9.66	7.02
11-May-18	9.33	6.85

Source: Banking Institutions, 2018

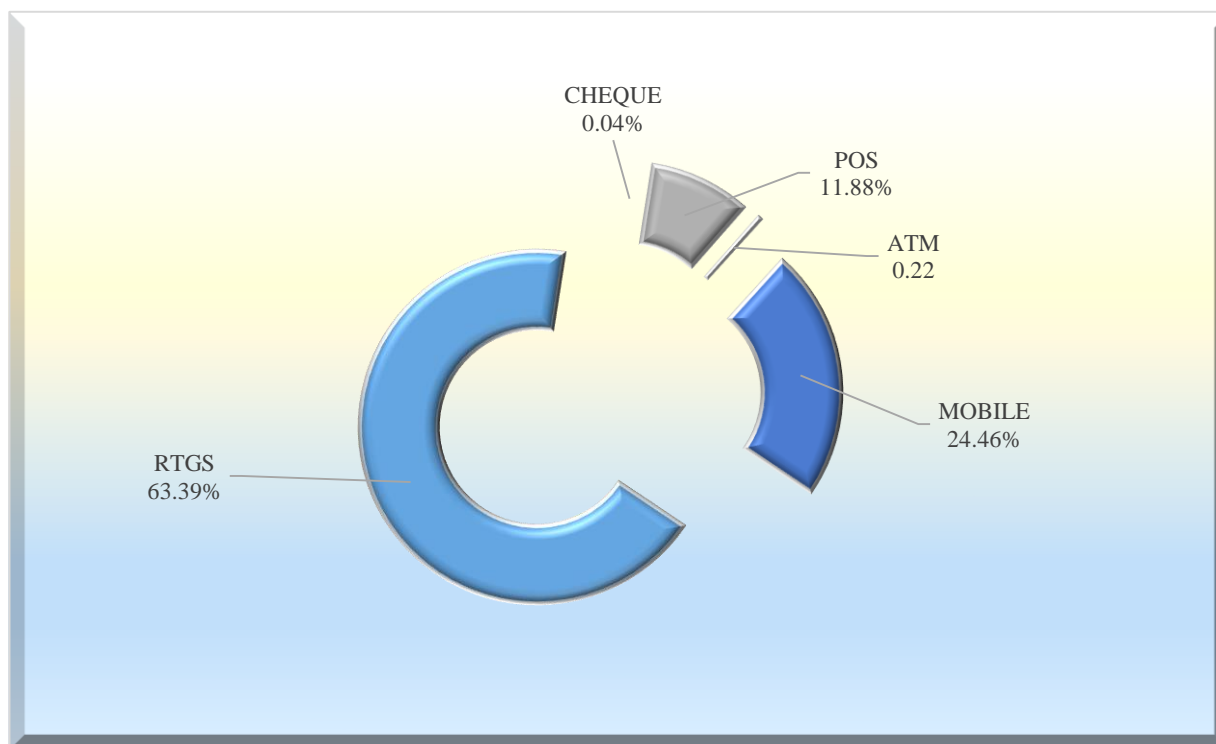
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 11th May 2018, the total value of transactions processed through the National Payments System (NPS) stood at US\$2,483.58 million, up from US\$2,047.83 million recorded in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system decreased by 36.3%, to close the week under review at US\$1,574.32 million.

The total value of transactions processed through the NPS was distributed as follows: RTGS, 63.39%; Mobile, 24.46%; Point of Sale (POS), 11.88%; Automated Teller Machines (ATMs), 0.22%; and Cheque transactions, 0.04%, as shown in Figure 1.

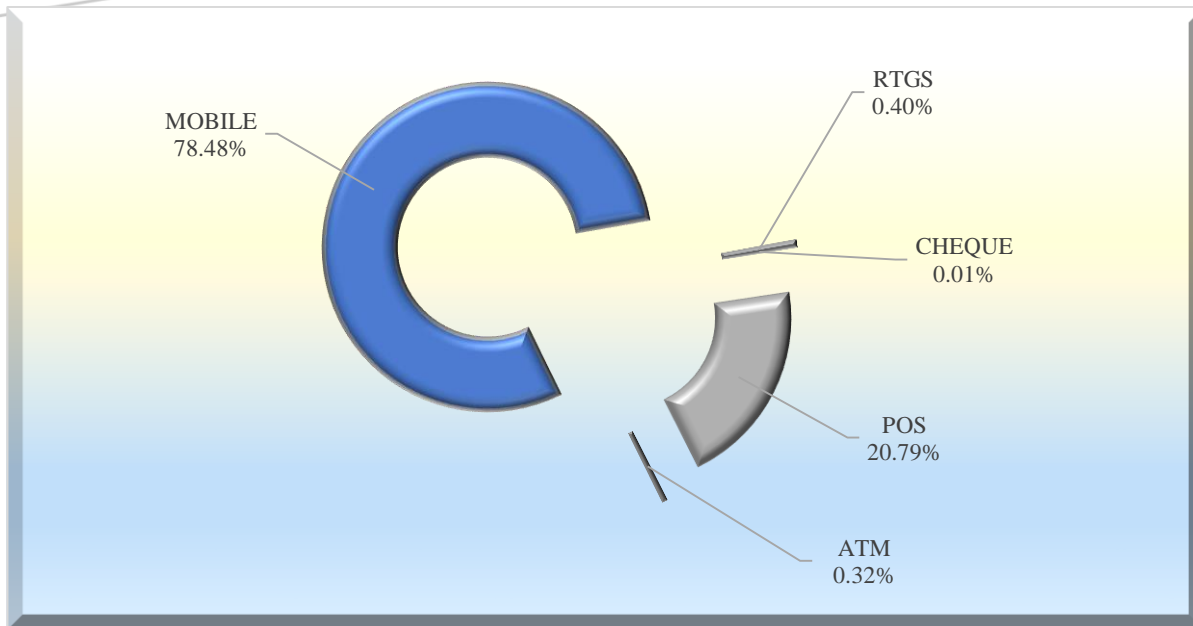
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

In volume terms, NPS transactions decreased by 0.3%, from 36,939,719 in the previous week to close the week under analysis at 36,837,489 transactions. Mobile-based transactions accounted for 78.48% of the total volume of transactions, followed by POS, 20.79%; ATM, 0.32%; RTGS, 0.40% and Cheque 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 04 th May 2018	WEEK ENDING 11 th May 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ (millions)				
RTGS	1,155.44	1,574.32	36.3%	63.39%
CHEQUE	0.55	1.08	95.6%	0.04%
POS	265.12	295.15	11.3%	11.88%
ATM	5.32	5.54	4.1%	0.22%
MOBILE	621.40	607.49	-2.2%	24.46%
TOTAL	2,047.83	2,483.58	21.3%	100%
VOLUMES				
RTGS	140,472	145,620	3.7%	0.40%
CHEQUE	2,884	5,251	82.1%	0.01%
POS	7,379,435	7,659,302	3.8%	20.79%
ATMs	63,735	117,758	84.8%	0.32%
MOBILE	29,353,193	28,909,558	-1.5%	78.48%
TOTAL	36,939,719	36,837,489	-0.3%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. TOBACCO SALES

As at 11th May 2018 or day 34 of the 2018 tobacco selling season, a cumulative total of 100,831,779 kilograms of tobacco had been sold. The quantity sold was 4.98% higher than the cumulative total of 96,050,045 kilograms sold during the same period in 2017.

The cumulative value of tobacco sales increased to US\$289.79 million, from US\$268.20 million realized during the corresponding period in 2017. The golden leaf, likewise, fetched a higher average price of US\$2.87/kg, compared to US\$2.79/kg realized during the same period in 2017.

Table 4: Cumulative Tobacco Sales: Day 34 (11th May 2018)

	2017	2018	Variance (%)
Cumulative Quantity Sold (kgs)	96,050,045	100,831,779	4.98
Cumulative Average Price(US\$/kg)	2.79	2.87	2.9
Cumulative Value (US\$ million)	268,195,795	289,791,106	8.05

Source: Tobacco Industry and Marketing Board (TIMB), 2018

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel, copper and crude oil increased during the week ending 11th May 2018, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
Weekly Average (30 April - 4 May)	1,309.79	899.63	6,829.38	13,852.50	73.89
8-May	1,308.33	910.00	6,856.00	14,060.00	76.66
9-May	1,310.35	913.00	6,838.00	13,875.00	77.76
10-May	1,316.80	919.50	6,838.00	13,875.00	77.34
11-May	1,324.58	926.50	6,906.00	13,920.00	76.67
Weekly Average (8 - 11 May)	1,315.01	917.25	6,859.50	13,932.50	77.11
<i>Weekly Change (%)</i>	0.4	2.0	0.4	0.6	4.4

Source: BBC, KITCO and Bloomberg 2018

Gold

Gold prices gained by 0.4%, from a weekly average of US\$1,309.79/oz. in the previous week, to US\$1,315.01/oz. during the week under review. This was largely attributable to the rise in safe haven demand for the yellow metal, on account of escalating US and Iran geopolitical tensions.

Platinum

Platinum prices registered a 2.0% increase, to close the week under analysis at a weekly average of US\$917.25oz. This was also on account of an increased safe haven and investment demand for the precious metal.

Copper

Copper prices firmed during the week under analysis, to close at an average of US\$6,859.50/ton, a 0.4% decline from the US\$6,829.38/ton registered in the previous week. The price gains were supported by falling inventories.

Nickel

Nickel prices increased by 0.6%, from US\$13,852.50/ton in the previous week to US\$13,932.50/ton, during the week under review. This followed rising demand in China, the world's largest consumer of base metals.

Crude Oil

Crude oil prices increased by 4.4%, from a weekly average of US\$73.89/barrel in the previous week to US\$77.11/barrel, during the week under review. Concerns on supply disruptions, following rising tensions in the Middle East weighed down the prices.

4. EXCHANGE RATES

During the week ending 11th May 2018, the US dollar appreciated against the euro, pound Sterling and pula. The rally was largely supported by high yield returns from US Treasury bonds. The greenback, however, depreciated against the South African rand.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (30 April – 4 May)	12.5521	0.7330	9.8647	0.8316
7-May	12.5407	0.7383	9.9256	0.8369
8-May	12.5609	0.7379	9.8961	0.8394
9-May	12.6055	0.7392	9.9157	0.8440
10-May	12.5571	0.7374	9.9404	0.8432
11-May	12.3191	0.7400	9.9305	0.8398
Weekly Average (7 - 11 May)	12.5166	0.7386	9.9216	0.8407
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-0.3</i>	<i>0.8</i>	<i>0.6</i>	<i>1.1</i>

Source: Reuters, 2018

5. EQUITY MARKETS

The All Share Index rose by 1.59% to close at 103.24 points during the week under review, from 101.62 points registered in the previous week.

The industrial index closed the week under analysis at 345.49 points, a 1.51% increase from 340.35 points registered during the week ending 11th May 2018. This was attributed to gains in share prices of Padenga Holdings Limited (24%), Unifreight Africa Limited (19.86%), Amalgamated Regional Trading (ART) (18.18%), Old Mutual Plc (10.44%) and Simbisa Brands (6.38%).

The mining index also increased by 4.81%, to close the week under analysis at 132.96 points. This followed an 18.18% and 1.44% increase in the Bindura Nickel Corporation (BNC) and RioZim share prices, respectively. Hwange Colliery Company (HCC) and Falgold remained inactive during the week under review.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

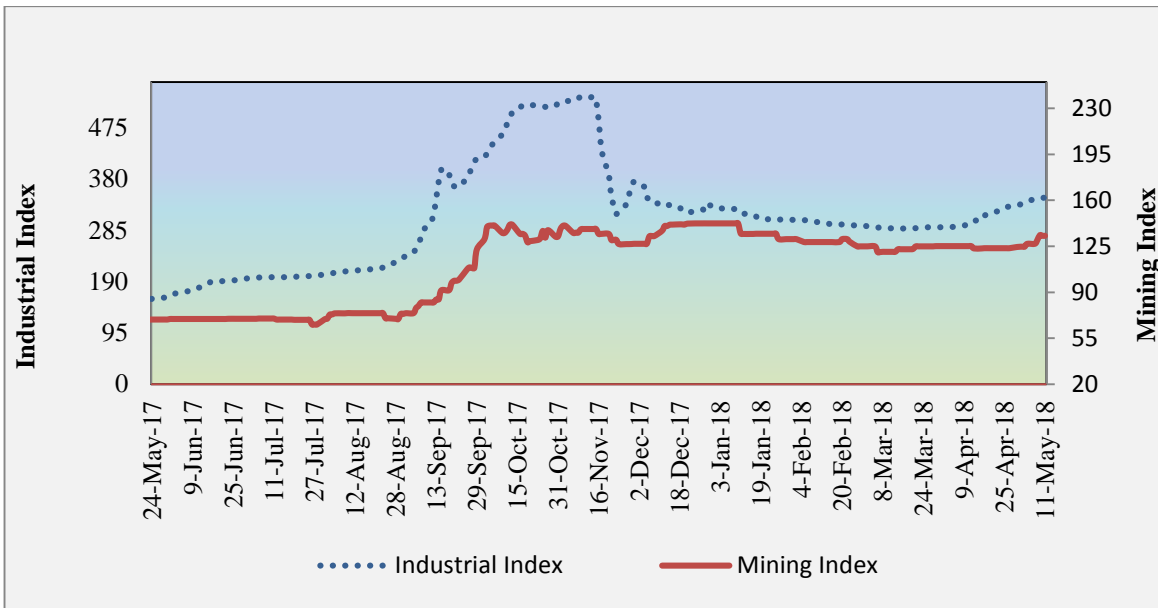
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
13-April-18	90.57	90.32	303.24	123.33	8,632,182,149	9,811,128	24,752,192
20-April-18	95.44	96.71	319.66	123.52	9,094,909,257	4,546,245	14,759,909
27-April-18	98.26	100.26	329.18	123.52	9,362,234,489	9,192,805	11,401,734
04-May-18	101.62	102.99	340.35	126.86	9,682,920,712	8,195.437	35,369,427
11-May-18	103.24	105.09	345.49	132.96	9,907,132,092	7,302.730	12,398,671
Weekly Change (%)	1.59	2.04	1.51	4.81	2.32	-10.89	-64.95

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

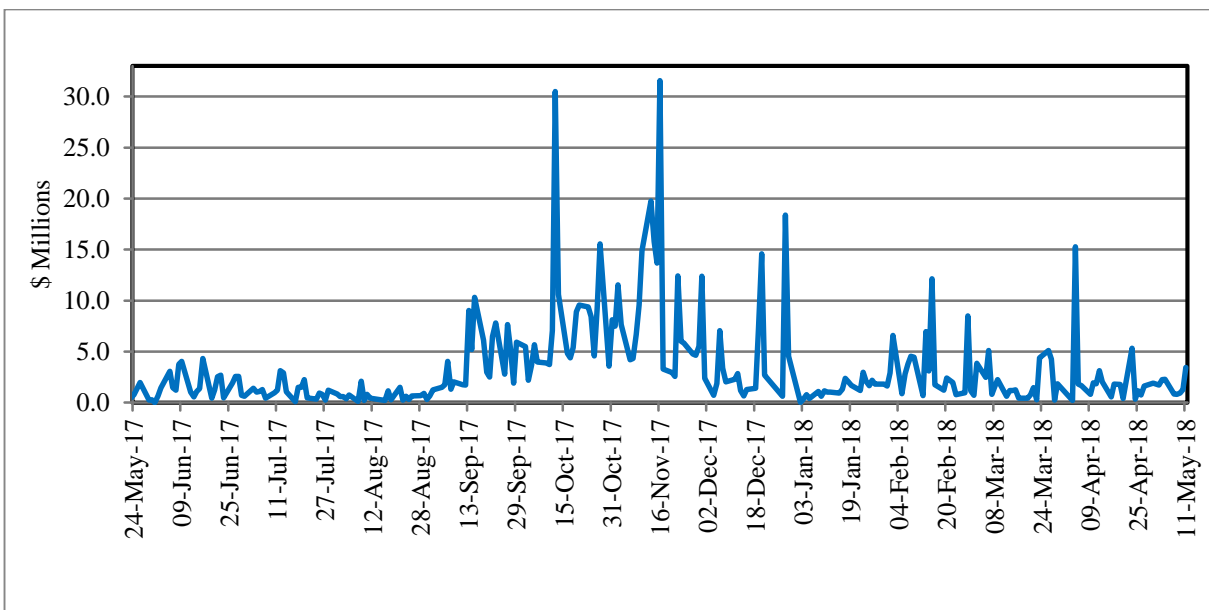


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE amounted to 12,398,671 million shares during the week ending 11th May 2018, a 64.95% decline from the previous week. Likewise, ZSE market turnover value decreased by 10.89% to US\$7,302.730 million, on the back of subdued trading activity.

Figure 4: Daily Market turnover

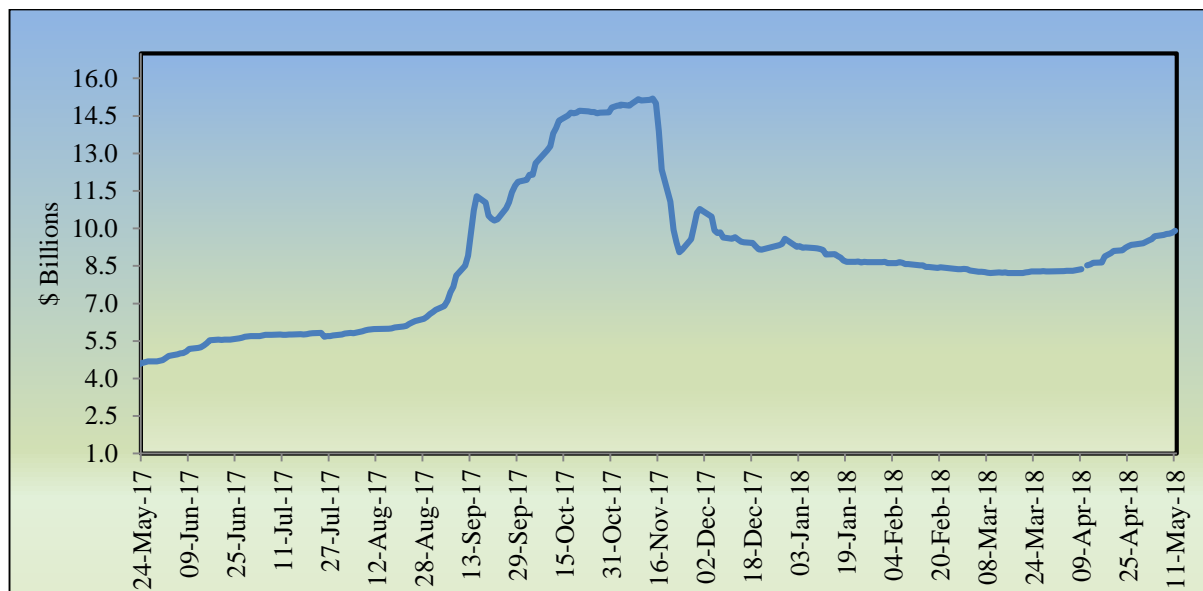


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

ZSE market capitalization increased by 2.32%, from US\$ 9.68 billion in the previous week, to close the week under review at US\$9.91 billion.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

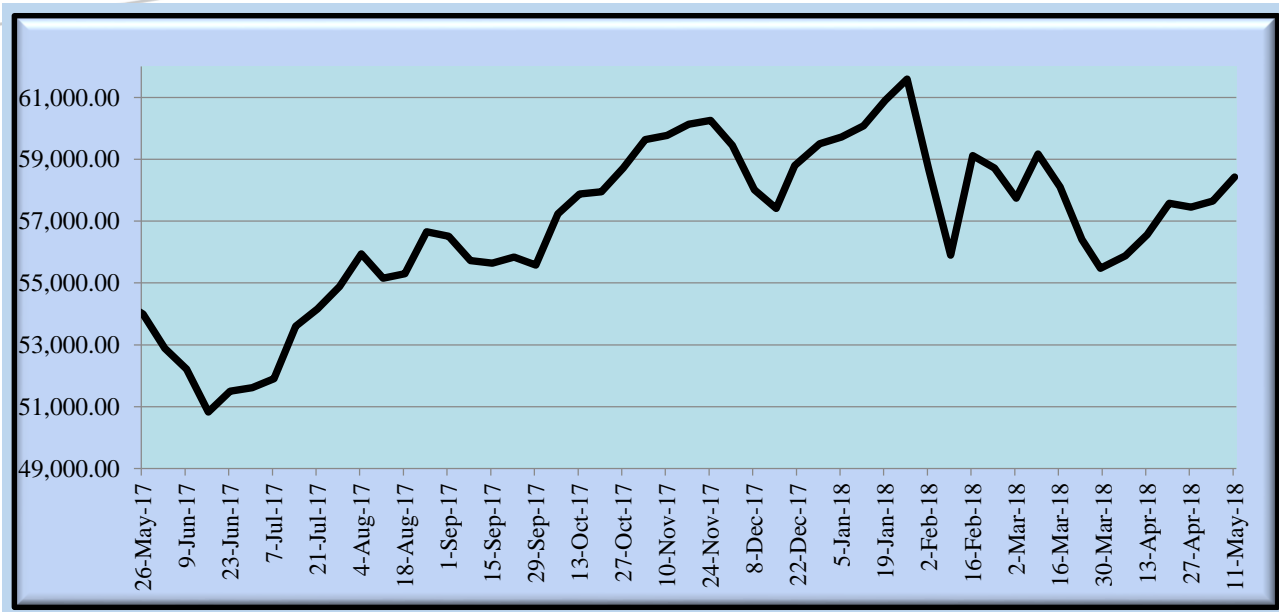
Johannesburg Stock Exchange (JSE) Developments

The JSE All Share index registered a 1.34% increase to close at 58 422.86 points, during the week under review, from 57 648.87 points in the previous week. In tandem, the JSE market capitalization registered a 0.35% increase to R14.52 trillion during the same week.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
13-April-18	56 563.17	14.42
20-April-18	57 581.73	14.51
27-April-18	57 453.04	14.63
04-May-18	57 648.87	14.47
11-May-18	58 422.86	14.52
% Change	1.34	0.35

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

10TH MAY 2018