



# Weekly Economic Highlights

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Week Ending  
13<sup>th</sup> January 2017

## 1. INTEREST RATES

### Deposit Rates

During, the week ending 13<sup>th</sup> January 2017, savings deposits and deposits of 3 months tenor remained unchanged at the previous week levels of 3.01% and 5.72%, respectively. Deposit rates for deposits of 1 month tenor, however, increased by 0.03 percentage points to 5.36%, during the same period.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
16-December-16	3.01	5.34	5.75
23-December-16	3.01	5.34	5.75
30-December-16	3.01	5.34	5.72
06-January-17	3.01	5.33	5.72
13-January-17	3.01	<b>5.36</b>	5.72

Source: Banking Institutions, 2016

### Lending Rates

Commercial bank weighted lending rates for individual clients increased from 10.58% in the previous week, to 10.61% during the week under analysis. During the same week, weighted lending rates for corporate clients stood at 6.47%, down from 6.73% recorded in the previous week.

**Table 2: Lending Rates**

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
16-December-16	10.68	6.95
23-December-16	10.68	6.95
30-December-16	10.59	6.87
06-January-17	10.58	6.73
13-January-17	<b>10.61</b>	<b>6.47</b>

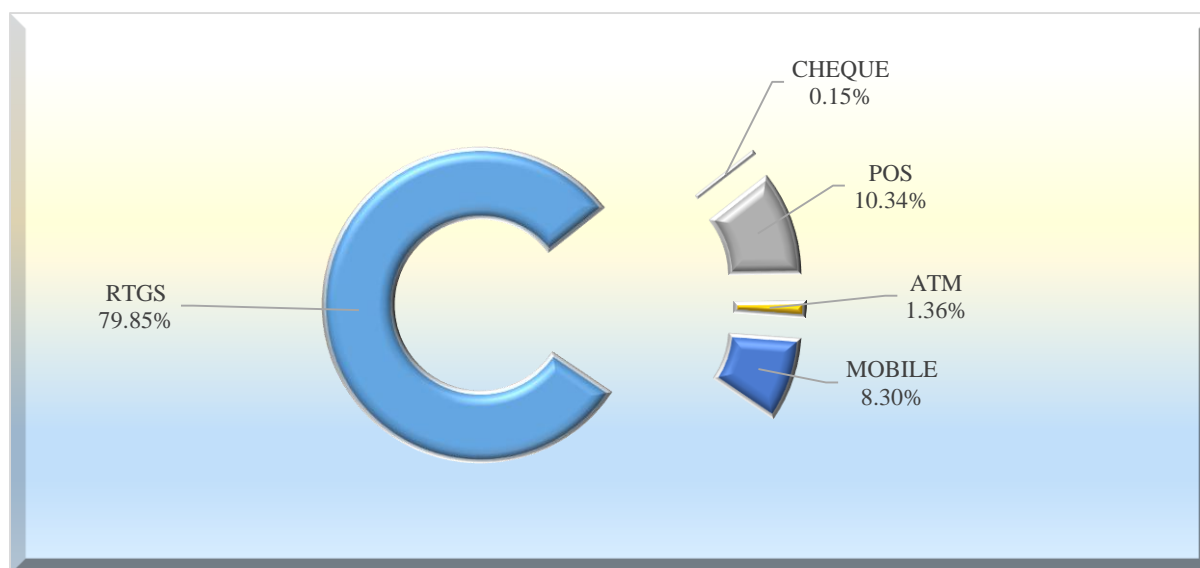
Source: Banking Institutions, 2016

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) increased by 12%, to close the week under review at US\$1 162.97 million. This was mainly driven by a 16% increase in the value of RTGS transactions, from US\$797.34 million in the previous week to US\$928.54 million during the week ending 13<sup>th</sup> January 2017.

The distribution of NPS transactions in value terms was as follows: RTGS, 79.85%; POS, 10.34%; Mobile, 8.30%; ATM, 1.36% and Cheque 0.15%, as shown in Figure 1.

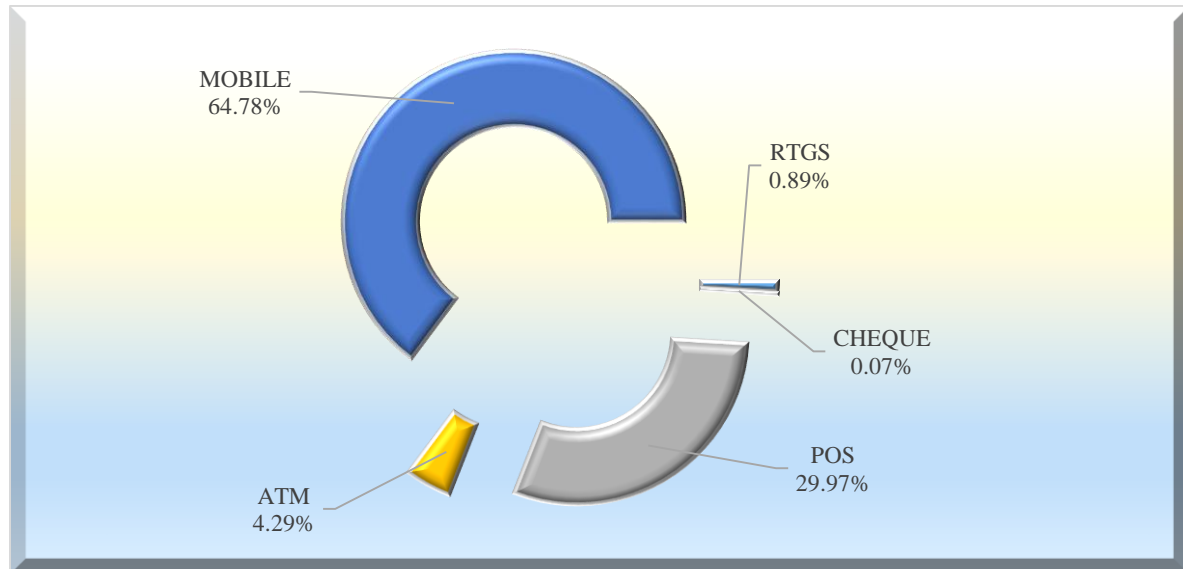
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

The total volume of NPS transactions decreased by 7% to 9 249 468 during the week under review, from 9 941 674 recorded in the previous week. The proportions of NPS transactions in volume terms were as follows: Mobile, 64.78%, POS, 29.97%; ATM, 4.29%; 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 06 January 2017	WEEK ENDING 13 January 2017	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	797.34	928.54	12%	79.85%
<b>CHEQUE</b>	1.01	1.80	79%	0.15%
<b>POS</b>	120.91	120.23	(1%)	10.34%
<b>ATMS</b>	19.74	15.84	(20%)	1.36%
<b>MOBILE</b>	101.98	96.56	(5%)	8.30%
<b>TOTAL</b>	<b>1,040.98</b>	<b>1,162.97</b>	12%	<b>100%</b>
<b>VOLUMES</b>				
<b>RTGS</b>	76,376	82,504	8%	0.89%
<b>CHEQUE</b>	3,436	6,162	79%	0.07%
<b>POS</b>	3,095,291	2,771,995	(10%)	29.97%
<b>ATMs</b>	489,231	397,264	(19%)	4.29%
<b>MOBILE</b>	6,277,340	5,991,543	(5%)	64.78%
<b>TOTAL</b>	<b>9,941,674</b>	<b>9,249,468</b>	(7%)	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and nickel firmed during the week ending 13<sup>th</sup> January 2017. Brent crude oil prices, however, declined, as shown in Table 4.

**Table 4: Metals and Crude Oil Prices**

	<b>Gold</b>	<b>Platinum</b>	<b>Copper</b>	<b>Nickel</b>	<b>Crude Oil</b>
<b>2017</b>	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Week ending (3-6 Jan)</b>	<b>1,166.68</b>	<b>946.375</b>	<b>5,546.13</b>	<b>10,063.75</b>	<b>56.4225</b>
9-Jan	1,177.25	973.50	5,611.00	10,225.00	55.38
10-Jan	1,186.35	973.00	5,551.00	10,240.00	54.31
11-Jan	1,183.05	978.50	5,642.00	10,440.00	54.93
12-Jan	1,205.85	985.50	5,642.00	10,440.00	56.01
13-Jan	1,193.35	973.00	5,751.00	9,975.00	55.56
<b>Week ending (9-13 Dec)</b>	<b>1,189.17</b>	<b>976.70</b>	<b>5,639.40</b>	<b>10,264.00</b>	<b>55.24</b>
<i>Weekly Change (%)</i>	<i>1.9</i>	<i>3.2</i>	<i>1.7</i>	<i>2.0</i>	<i>(2.1)</i>

*Source: BBC, KITCO, Reuters and Bloomberg*

#### **Gold**

Gold prices increased by 1.9% to close the week under review at US\$1,189.17/ounce. The price increased in anticipation of increased demand by China, ahead of its new year holiday.

#### **Platinum**

Platinum prices rose by 3.2%, to an average of US\$976.70/ounce, during the week ending 13<sup>th</sup> January 2017. The increase in demand for automobiles in the US, coupled with higher demand for the metal in China, explained the increase in price.



## **Copper**

Copper prices increased by 1.7%, from US\$5,546.13/tonne recorded during the previous week to a weekly average of US\$5,639.40/tonne. This followed a ban on semi-processed metal ore exports by the Indonesian Government.

## **Nickel**

Nickel prices firmed by 2%, from US\$10,063.75/tonne recorded in the prior week to US\$10,264.00/tonne during the week under review. This was due to a positive demand outlook from China.

## **Crude Oil**

Crude oil prices declined from US\$56.42/barrel in the week ending 6<sup>th</sup> January 2017, to US\$55.24/barrel during the week under analysis. Traders adopted a wait-and-see attitude on OPEC and other producers' promises to cut production, largely explaining the fall in the crude oil price.

#### 4. EXCHANGE RATES

The US dollar appreciated against the British pound and rand, during the week ending 13th January 2017. The British pound depreciated on reports that showed indications of Britain's plans to quit the European Union single market in a bid to regain control of its borders and laws. The greenback depreciated against the euro on the back of uncertainty over the US economic outlook, following the US President Elect's press conference of 11<sup>th</sup> January 2017.

**Table 6: International Exchange Rates per US\$**

	<b>GBP</b>	<b>EURO</b>	<b>ZAR</b>
<b>2017</b>			
<b>Weekly Average (3-6 Jan)</b>	<b>0.8115</b>	<b>0.9511</b>	<b>13.6423</b>
9-Jan	0.8203	0.9506	13.7850
10-Jan	0.8228	0.9425	13.6153
11-Jan	0.8224	0.9481	13.7743
12-Jan	0.8189	0.9430	13.7250
13-Jan	0.8219	0.9421	13.5409
<b>Weekly Average (9-13 Jan)</b>	<b>0.8215</b>	<b>0.9439</b>	<b>13.6639</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.23</i>	<i>(0.75)</i>	<i>0.16</i>

Source: Reuters

## 5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) continued on a positive trajectory, during the week ending 13<sup>th</sup> January 2017. Resultantly, the mainstream index increased by 0.59% to close the week under review at 146.21%. This was attributable to gains realised in Mashonaland Holdings, 10.56%; Art Corporation, 6.56%; Masimba Holdings, 5.88%; Lafarge Cement Zimbabwe; and CBZ Holdings, 2.33%.

The resources index, however, remained unchanged at the previous week level of 58.51 points. All mining counters, except Hwange Colliery Company, registered trades at the previous week prices.

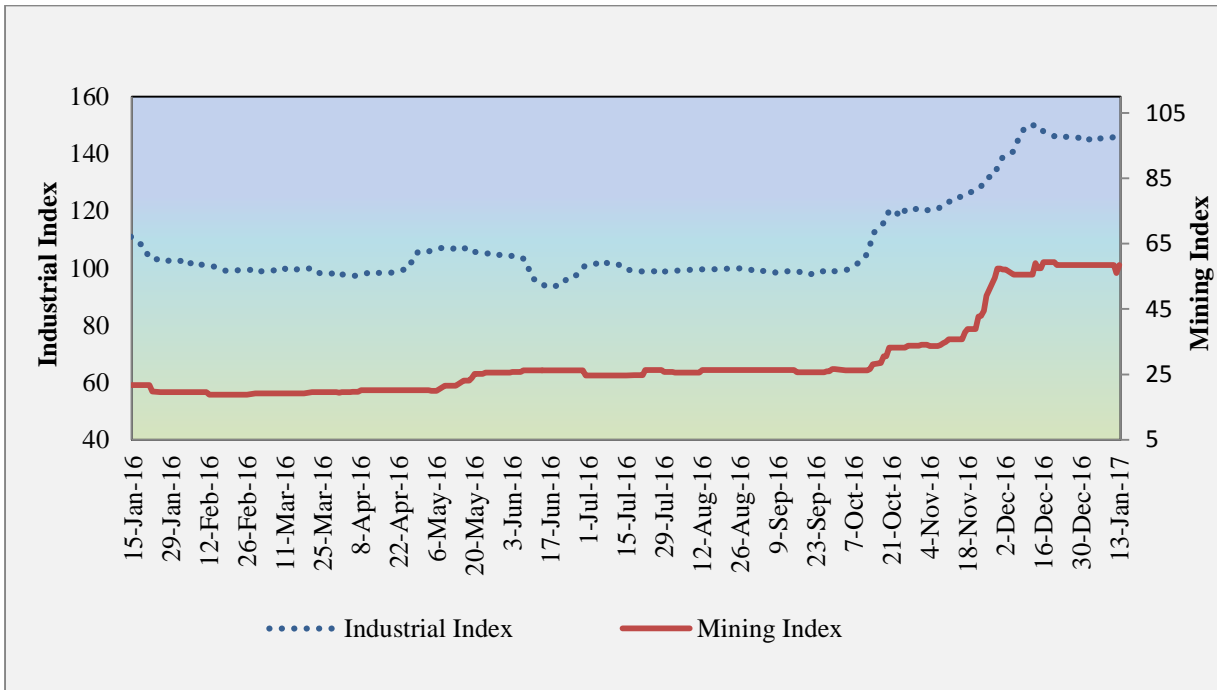
**Table 7: Zimbabwe Stock Exchange (ZSE) Statistics**

Period	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
16- December-16	147.89	59.30	4,099,699,281	4,617,825	33,904,792
23 December-16	145.97	58.51	4,046,879,431	1,356,166	9,375,048
30- December-16	144.53	58.51	4,007,957,110	8,663,795	188,070,908
06- January-17	145.35	58.51	4,030,035,265	1,597,112	10,205,110
13-January-17	146.21	58.51	4,055,523,319	1,635,476	5,885,229
<b>Weekly Change (%)</b>	<b>0.59%</b>	<b>0%</b>	<b>0.63%</b>	<b>2.40%</b>	<b>(42.33%)</b>

Source: Zimbabwe Stock Exchange (ZSE), 2016.



**Figure 3 : Zimbabwe Stock Exchange Indices**

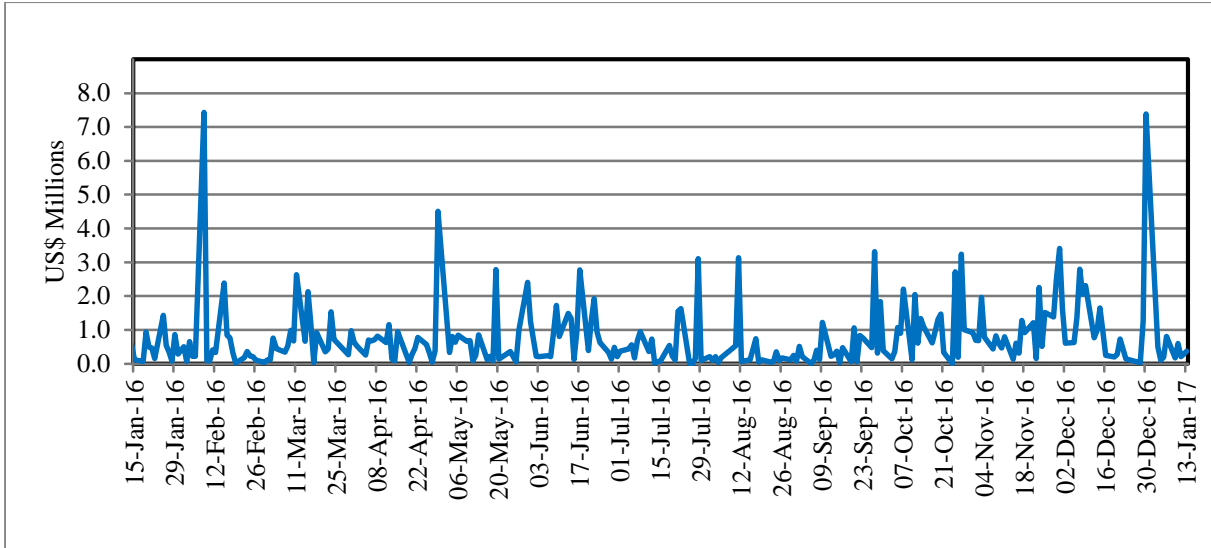


Source: Zimbabwe Stock Exchange, 2017

### Market Turnover and Volume

The ZSE market turnover increased by 2.40%, to close the week under review at US\$1.64 million. This was, in large part, attributable to trade recorded in heavy weight counters. The volume of shares traded, however, declined by 42.33% from 10.2 million shares in the previous week to 5.9 million shares during the week under analysis. This was mainly due to constrained trading on the local bourse.

**Figure 4: Daily Market turnover**

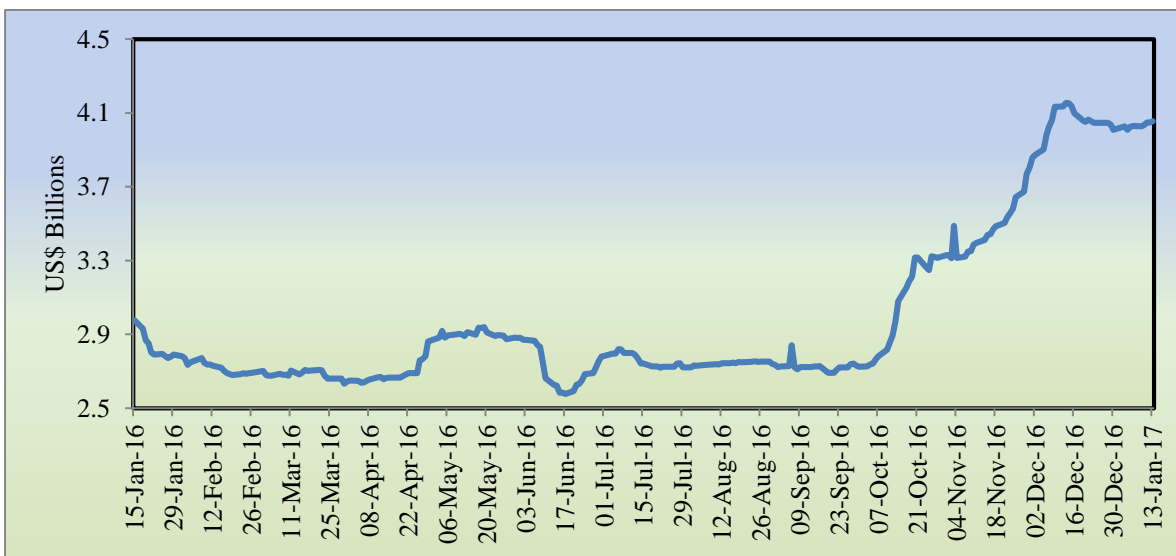


Source: Zimbabwe Stock Exchange, 2017

**Market Capitalisation**

ZSE market capitalisation rose by 0.63%, from US\$4 030.04 million recorded in the previous week to US\$4 055.52 million during the period under review. This was due to gains recorded in blue chip counters.

**Figure 5 : Market Capitalisation**



Source: Zimbabwe Stock Exchange, 2017

## Johannesburg Stock Exchange (JSE) Developments

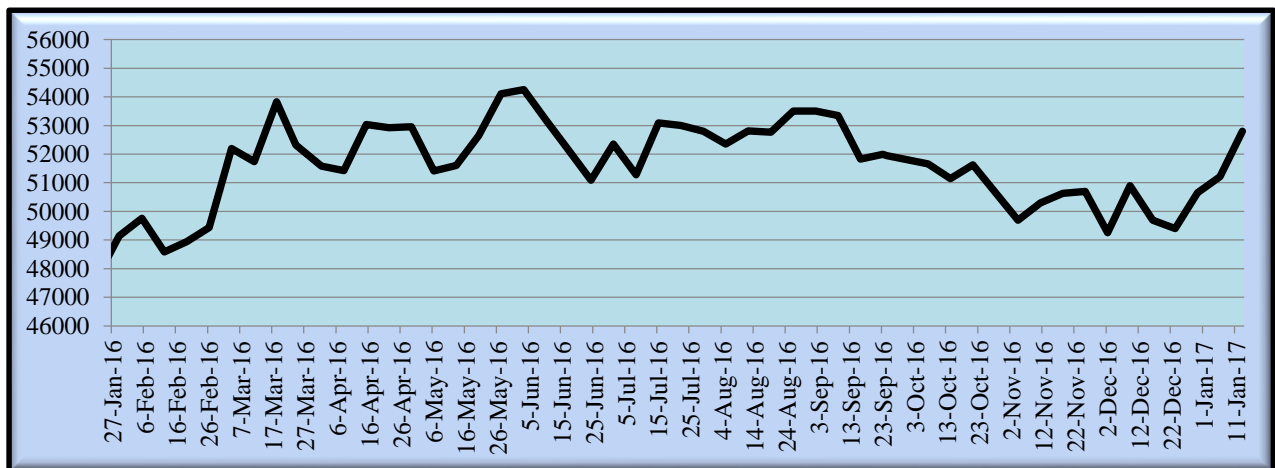
The JSE All share index increased by 3.08% to 52 794.81 points during the week ending 13<sup>th</sup> January 2017. Similarly, JSE market capitalisation rose by 1.9%, to close the week under review at R13.93 trillion.

**Table 8: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalisation (ZAR trillion)
16-December-16	49 691.31	13.37
23-December-16	49 400.56	13.35
30-December-16	50 653.54	13.38
06-January-17	51 216.00	13.67
13-January-17	<b>52 794.81</b>	<b>13.93</b>

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

23<sup>rd</sup> JANUARY 2017