



Weekly Economic Highlights

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Week Ending
13th October 2017

1. INTEREST RATES

Deposit Rates

During the week ending 13th October 2017, average deposit rates for deposits of 3 months tenor declined by 0.05 percentage points to 4.12%. Average deposits rates for savings deposits and deposits of 1 month tenor, however, remained unchanged at 4.22% and 4.09%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
15-September-17	4.22	4.28	4.53
22-September-17	4.22	4.28	4.53
29-September-17	4.22	4.21	4.47
06-October-17	4.22	4.09	4.17
13-October-17	4.22	4.09	4.12

Source: Banking Institutions, 2017

Lending Rates

At commercial banks, weighted lending rates for individual and corporate clients increased by 0.1 and 0.01 percentage points to 9.19% and 7.00%, respectively, during the week under analysis.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
15-September-17	8.79	6.96
22-September-17	8.79	6.96
29-September-17	8.86	7.01
06-October-17	9.09	6.99
13-October-17	9.19	7.00

Source: Banking Institutions, 2017

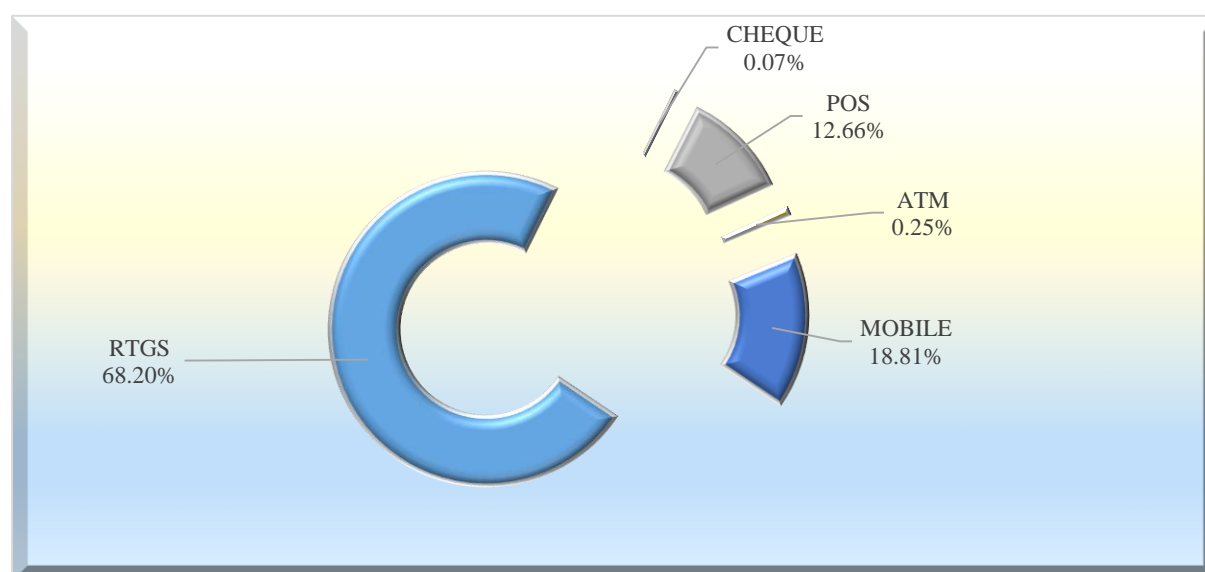
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) declined by 4%, to close week under review at US\$1 902.36 million. Transactions processed through the Real Time Gross Settlement (RTGS) correspondingly declined by 7%, from US\$1 392.97 million recorded in the previous the week to US\$1 297.44 million, during the week ending 13th October 2017.

RTGS payments accounted for 68.20% of the total value of transactions processed through the NPS. The proportions of other payment streams were as follows: Point of Sale (POS), 12.66%; Mobile, 18.81%; Cheque, 0.07%; and Automated Teller Machines (ATMs), 0.25% as shown in Figure 1.

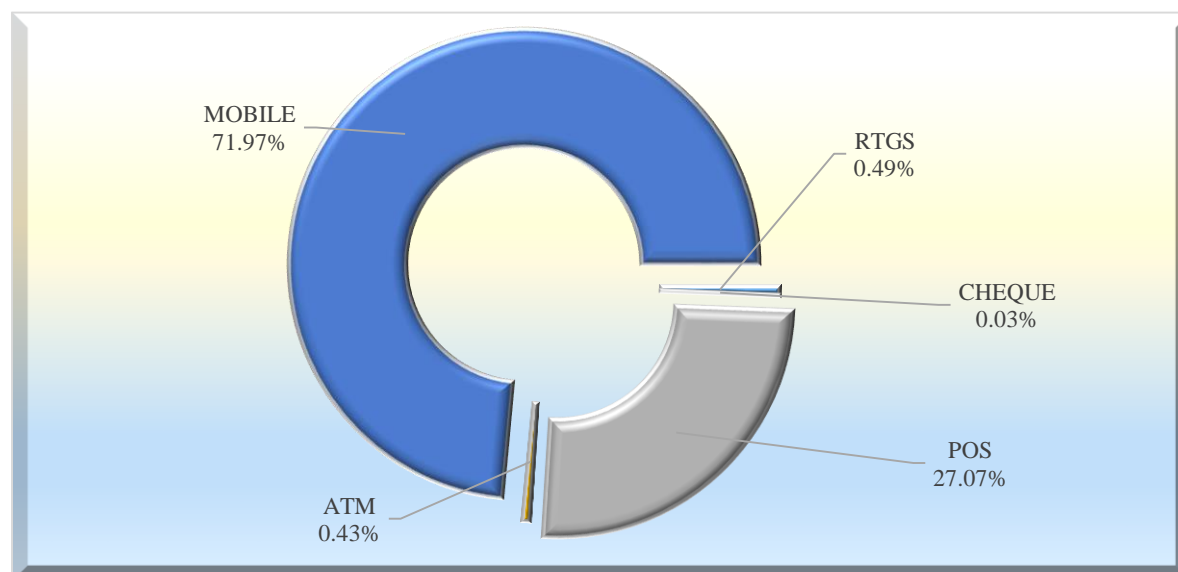
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

NPS transactions volumes registered a 12.8% increase, from 23 961 898 in the previous week to 27 029 299 during the week ending 13 October 2017. Mobile transactions dominated NPS transaction volumes, accounting for 71.97% of total transactions, followed by POS, 27.07%; RTGS, 0.49%; ATMs, 0.43%; and Cheque, 0.03%, 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 06 October 2017	WEEK ENDING 13 October 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,392.97	1,297.44	-7%	68.20%
CHEQUE	1.24	1.42	15%	0.07%
POS	243.41	240.88	-1%	12.66%
ATMS	5.29	4.77	-10%	0.25%
MOBILE	345.96	357.84	3%	18.81%
TOTAL	1,988.87	1,902.36	-4%	100%
VOLUMES				
RTGS	160,843	133,346	-17%	0.49%
CHEQUE	6,241	6,910	11%	0.03%
POS	6,984,686	7,317,450	5%	27.07%
ATMs	127,996	117,467	-8%	0.43%
MOBILE	16,682,132	19,454,126	17%	71.97%
TOTAL	23,961,898	27,029,299	13%	100%

Source: Reserve Bank of Zimbabwe, 2017

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 13th October 2017, the international commodity prices of gold, platinum, copper and nickel rose, whilst crude oil prices retreated, 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 (02 - 06 Oct)	1,272.15	912.20	6,501.00	10,526.00	56.11
9-Oct	1,280.45	915.50	6,607.00	10,770.00	55.66
10-Oct	1,290.50	924.00	6,641.00	10,910.00	56.53
11-Oct	1,289.73	929.50	6,685.00	10,980.00	56.58
12-Oct	1,292.35	936.00	6,813.00	11,195.00	56.31
13-Oct	1,296.75	941.00	6,858.00	11,605.00	51.17
Week ending (09 - 13 Oct)	1,289.96	929.20	6,720.80	11,092.00	55.25
<i>Weekly Change (%)</i>	<i>1.4</i>	<i>1.9</i>	<i>3.4</i>	<i>5.4</i>	<i>(1.5)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices rose by 1.4%, to an average of US\$1,289.96/ounce during the week ending 13th October 2017, from US\$1,272.15/ounce recorded in the previous week. Prices firmed after latest economic data in the US showed that core inflation was lower than estimates for the sixth time in seven months.

Platinum

Platinum prices firmed by 1.9%, from an average of US\$912.20/ounce recorded in the prior week to US\$929.20/ounce, during the week under review. The increase was supported by prospects of strong demand for the mineral as a safe haven asset.



Copper

Copper prices continued on an upward trend, registering a 3.4% increase from a weekly average of US\$6,501.00/ton in the previous week, to US\$6,720.80/ton during the week under review. This was on the back of sustained optimism about the strength of demand for the base metal in China.

Nickel

Nickel prices gained by 5.4% to close the week under review US\$11,092.00/ton. The prices were supported by an increase in demand in China, a major consumer of the base metal.

Crude Oil

Crude oil prices declined by 1.5%, from US\$56.11/barrel in the previous week to US\$55.25/barrel during the week under review. Prices were weighed down by increasing U.S. crude oil inventories.

5. EXCHANGE RATES

During the week ending 13th October 2017, the US dollar posted marginal gains against the British pound (0.29%); rand (0.03%); and pula (0.02%). The greenback, however, depreciated by 1.78% against the euro.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (02 - 06 Oct)	13.6218	0.7553	10.3596	0.8518
9-Oct	13.7263	0.7629	10.4112	0.8521
10-Oct	13.7638	0.7594	10.4221	0.7985
11-Oct	13.6991	0.7578	10.3627	0.8461
12-Oct	13.5053	0.7541	10.2987	0.8423
13-Oct	13.4345	0.7532	10.3146	0.8441
Weekly Average (09 - 13 Oct)	13.6258	0.7575	10.3619	0.8366
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>0.03</i>	<i>0.29</i>	<i>0.02</i>	<i>-1.78</i>

Source: Reuters, 2017

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) maintained an upward trajectory for the third consecutive week, reflecting strong demand in selected blue-chip counters, during the week under analysis. The mainstream index firmed by 12.59%, to close the week ending 13th October 2017 at 505.32 points. This was driven by gains in PPC (106.92%), Econet Wireless (63.23%), Old Mutual (39.80%), Barclays (24.24%) and Nampak (20.83%). Partially offsetting the aforementioned gains were losses registered in Turnall (18.06%); Axia Corporation (7.15%); OK Zimbabwe (5.75%); Padenga Holdings (4.16%); and CBZ (4.15%).

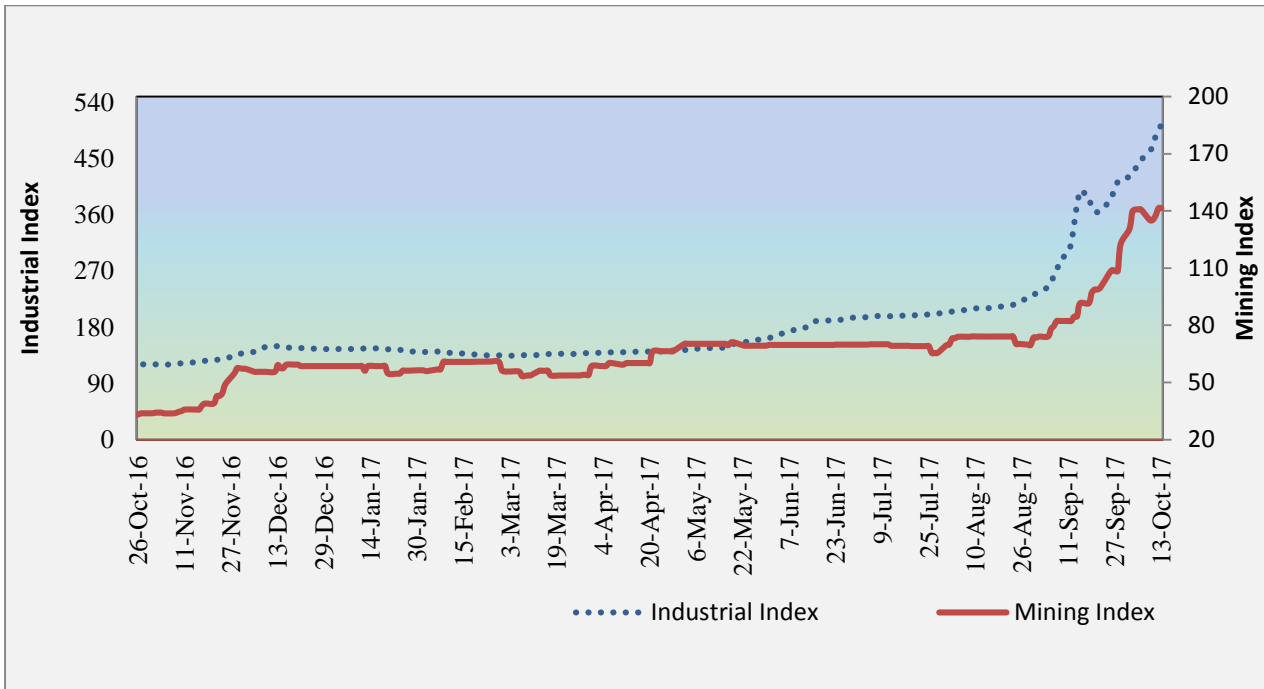
The resources index rose by 0.48%, from 140.71 points in the previous week to close the week under review at 141.39 points. This was underpinned by gains of 8.91% and 0.50%, realized in RioZim and Falgold, respectively. Hwange Colliery Company traded at the previous week price, during the week under analysis.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
22-September-17	366.08	99.67	10,366,938,565	30,607,782	48,075,010
29-September-17	418.39	122.57	11,860,204,528	23,628,025	43,639,156
06-October-17	448.83	140.71	12,736,970,365	21,019,210	423,138,341
13-October-17	505.32	141.39	14,311,798,891	55,759,838	389,148,454
Weekly Change (%)	12.59	0.48	12.36	165.28	-8.03

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

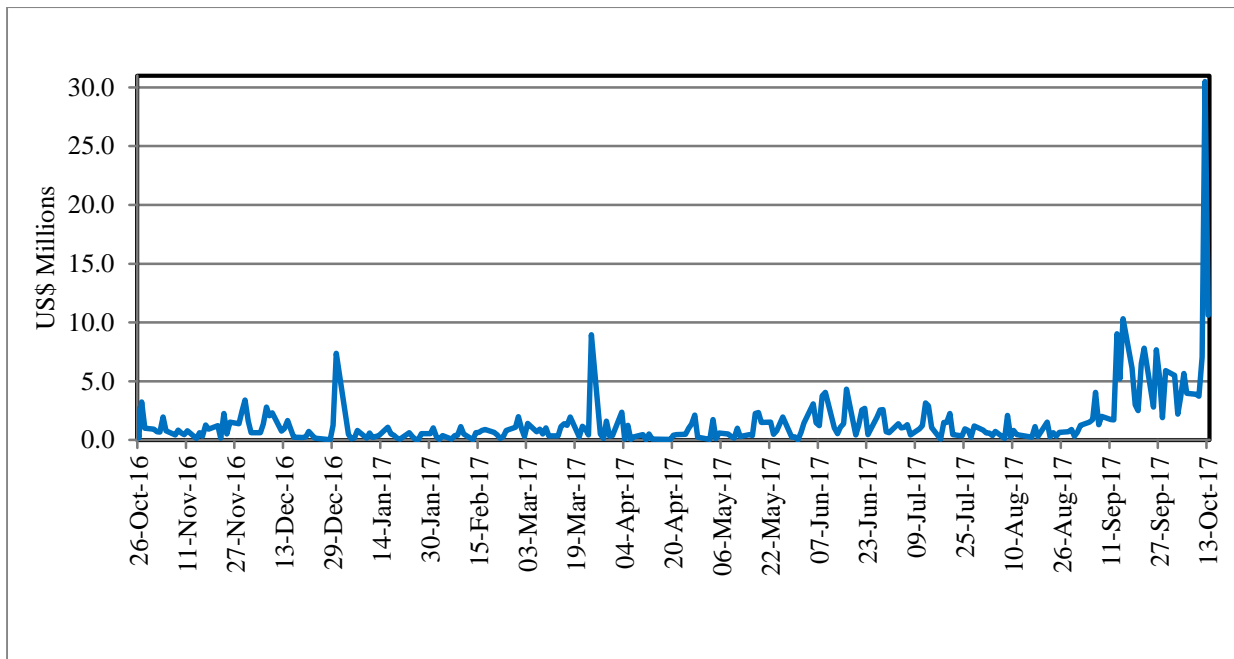


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

The volume of shares traded declined by 8.03%, from 423 138 341 shares recorded in the previous week to 389 148 454 shares during the week ending 13th October 2017. The value of shares traded, however, increased by 165.28%, to close week under review at US\$55.76 million. Four block trades of 6.1 million Axia shares; 1.7 million Econet shares; 0.9 million Delta Corporation shares; and 0.5 million Inncor Africa shares, exchanged hands at 28.94 cents, 179.96 cents, 289.89 cents and 178.50 cents, respectively.

Figure 4: Daily Market turnover

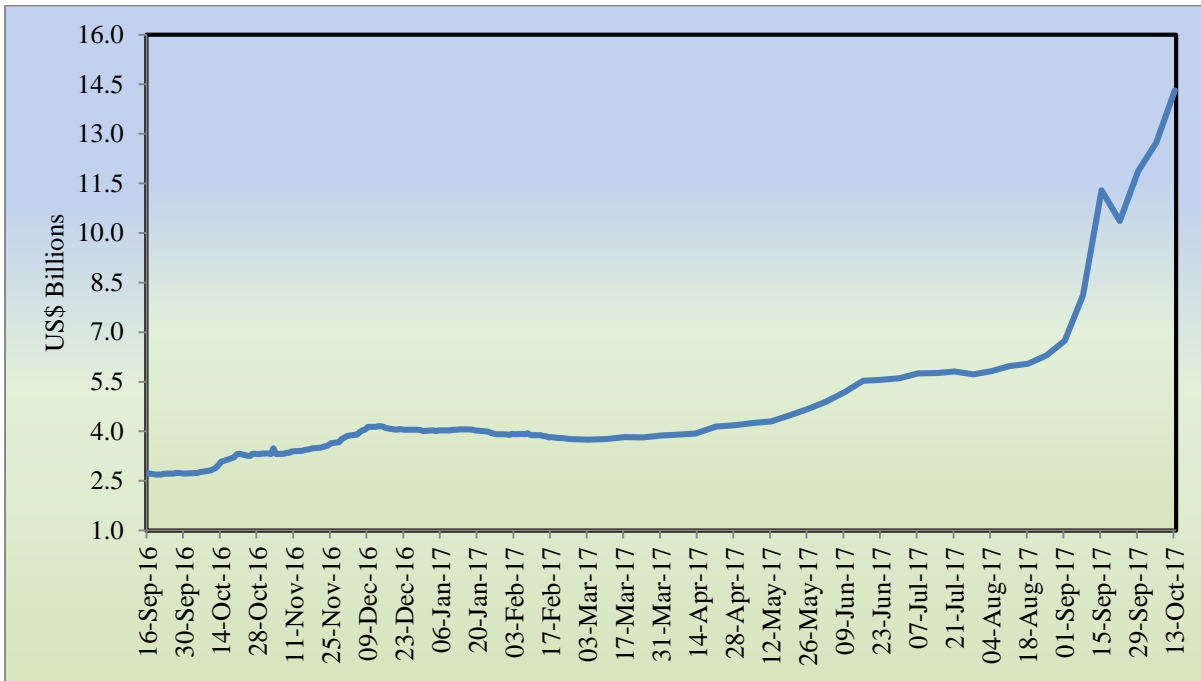


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

During the week under review, ZSE market capitalization increased by 12.36% to US\$14.31 billion, from US\$12.74 billion recorded during the prior week. This followed positive trading on the local bourse.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Development

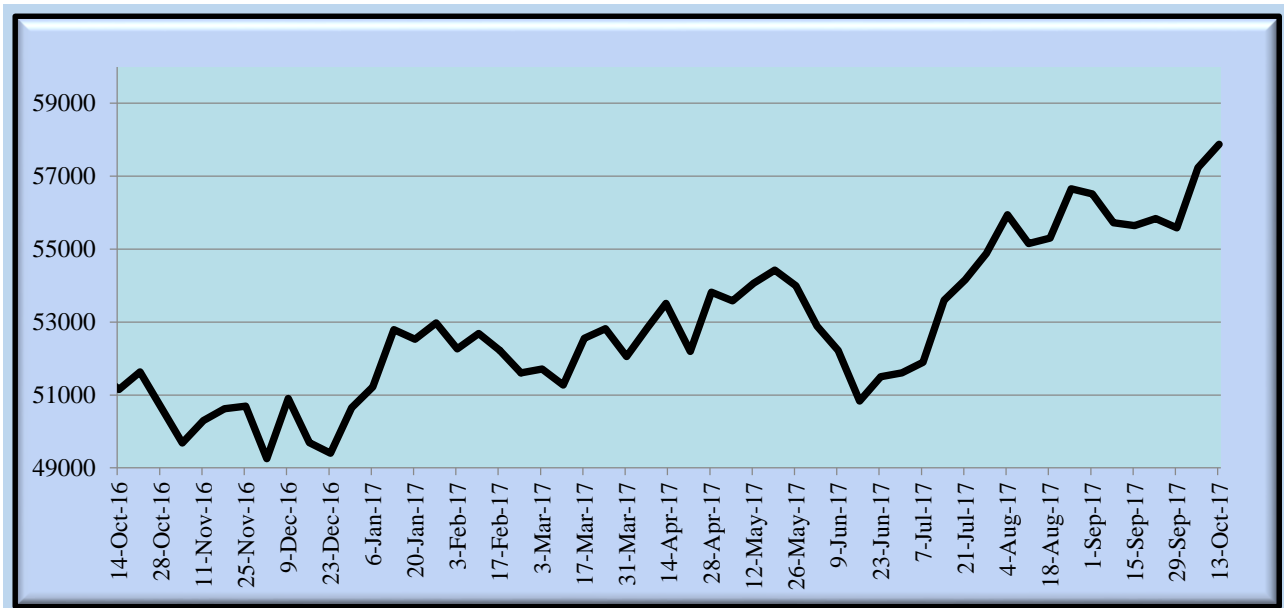
The JSE All Share Index increased from 57 231.87 points in the previous week, to close the week under review at 57 876.60 points. Market capitalization also rose from R15.65 trillion in the prior week to R15.76 trillion, during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
08-September-17	55 724.67	15.08
15-September-17	55 645.15	15.11
22-September-17	55 839.73	15.07
29-September-17	55 579.92	15.21
06-October-17	57 231.87	15.65
13-October-17	57 876.60	15.76
% Change	1.13	0.70

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

20TH OCTOBER 2017