



Weekly Economic Highlights

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Week Ending
14th July 2017

1. INTEREST RATES

Deposit Rates

Savings deposit rates increased from 3.85% in the previous week to 4.08% during the week ending 14th July 2017. Deposit rates for deposits of 1 month tenor, however, softened to 4.37%, while deposit rates for deposits of 3 months tenor remained unchanged at 4.45% in the same week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
09-June-17	3.38	4.17	4.23
16-June-17	3.85	4.16	4.23
23-June-17	3.85	4.17	4.23
30-June-17	3.85	4.40	4.45
07-July-17	3.85	4.40	4.45
14-July-17	4.08	4.37	4.45

Source: Banking Institutions, 2017

Lending Rates

During the week under review, commercial bank weighted lending rates for individual clients rose by 0.02 percentage points to close the week at 8.96%. Weighted lending rates for corporate clients, however, remained unchanged at 7.03%.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
09-June-17	9.15	7.06
16-June-17	9.09	7.04
23-June-17	9.09	7.08
30-June-17	9.01	7.05
07-June-17	8.94	7.03
14-June-17	8.96	7.03

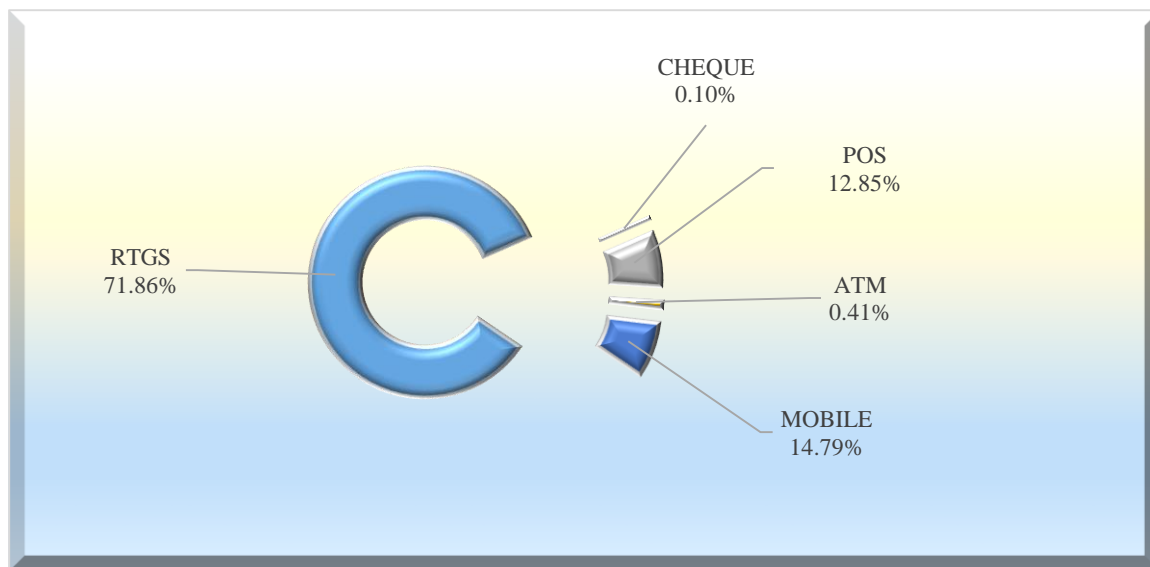
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 14th July 2017, the total value of transactions processed through the National Payment Systems (NPS), amounted to US\$1 579.53 million, down from US\$1 604.13 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system posted a 3% increase, to close the week under review at US\$1 135.00 million, from US\$1 104.39 million recorded during the previous week.

In value terms, RTGS payments accounted for 71.86% of the total value of transactions processed through the NPS. The rest of the NPS transactions were distributed as follows: Mobile, 14.79%; Point of Sale (POS), 12.85%; Automated Teller Machines (ATMs), 0.41%; and Cheque, 0.10% as shown in Figure 1.

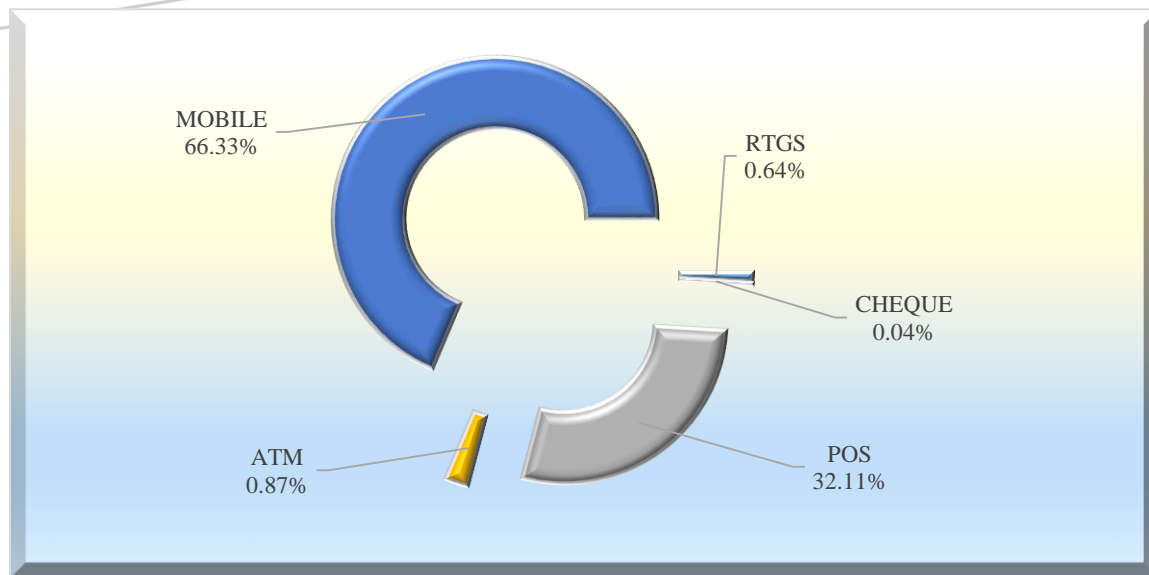
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

NPS volumes stood at 18 002 967 during the week under review, down from 19 340 199 recorded in the previous week. Mobile-Based transactions accounted for 66.33% of total transactions in volume terms, followed by POS, 32.11%; ATMs, 0.87%; RTGS, 0.64%; and Cheque, 0.04% as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 07 July 2017	WEEK ENDING 14 July 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,104.39	1,135.00	3%	71.86%
CHEQUE	1.26	1.52	21%	0.10%
POS	221.78	202.95	-8%	12.85%
ATMS	8.10	6.50	-20%	0.41%
MOBILE	268.60	233.56	-13%	14.79%
TOTAL	1,604.13	1,579.53	-2%	100%
VOLUMES				
RTGS	137,152	116,009	-15%	0.64%
CHEQUE	6,531	8,033	23%	0.04%
POS	6,010,170	5,781,281	-4%	32.11%
ATMs	184,613	156,658	-15%	0.87%
MOBILE	13,001,733	11,940,986	-8%	66.33%
TOTAL	19,340,199	18,002,967	-7%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

A cumulative total of 177 365 236 kilograms of tobacco had been sold as at 14th July 2017 or day 83 of the 2017 tobacco selling season. The quantity sold was 5.5% lower than the cumulative total of 187 748 271 kilograms sold during the same period in 2016.

In value terms, cumulative tobacco sales amounted to US\$524.56 million, compared to US\$551.59 million realized during the corresponding period in 2016. The golden leaf, however, fetched a higher average price of US\$2.96/kg, compared to the US\$2.94/kg realized during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 83 (14 July 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	187,748,271	177,365,236	-5.53
Cumulative Average Price(US\$/kg)	2.94	2.96	0.67
Cumulative Value (US\$ million)	551,588,234	524,558,662	4.90

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, the international commodity prices of gold, platinum, copper, nickel and crude oil retreated, as shown in Table 5.

Table 5: Metal and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (3 - 7 July)	1,223.99	908.4	5,905.50	9,280.00	48.62
10-Jul	1,209.73	898.00	5,779.00	8,880.00	46.97
11-Jul	1,211.48	893.00	5,794.00	8,975.00	48.07
12-Jul	1,219.10	912.00	5,882.00	9,200.00	47.69
13-Jul	1,220.15	915.50	5,900.00	9,180.00	48.41
14-Jul	1,224.63	911.50	5,903.00	9,185.00	49.01
Week ending (10 - 14 July)	1,217.02	906.00	5,851.60	9,084.00	48.03
<i>Weekly Change (%)</i>	<i>(0.6)</i>	<i>(0.3)</i>	<i>(0.9)</i>	<i>(2.1)</i>	<i>(1.2)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 0.6%, from a weekly average of US\$1 223.99/oz to close the week under review at US\$1 217.02/oz. The decline was, in large part, attributable to a stronger dollar.

Platinum

Platinum prices fell by 0.3%, to close the week under analysis at US\$906.00/oz from a weekly average of US\$908.40/oz recorded in the previous week. The decline was underpinned by depressed demand for the precious metal.

Copper

Copper prices slumped by 0.9%, from US\$5,905.50/ton registered in the previous week, to close the week under review at US\$5,851.60/ton. Prices declined on the back of subdued demand in China, the largest consumer of the base metal.



Nickel

Nickel prices closed the week ending 14th July 2017 at a weekly average of US\$9,084.00/ton, from US\$9 280.00/ton recorded in the previous week. Depressed demand for the metal weighed down the prices.

Crude Oil

Crude oil prices declined by 1.2%, to close the week under review at US\$48.03/barrel from US\$48.62/barrel in the previous week. The price decline was on account of global oversupply concerns.

5. EXCHANGE RATES

The U.S. dollar appreciated against the South African rand, pound Sterling and pula during the week under review. This was on account of rising expectations of a further US Fed rate hike. The dollar, however, depreciated against the euro, following speculation over plans by the European Central Banks to wind-down stimulus measures.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (3-7 July)	13.2549	0.7721	10.3478	0.8792
10-Jul	13.3533	0.77498	10.3681	0.87658
11-Jul	13.47155	0.777	10.3896	0.87827
12-Jul	13.525	0.77791	10.4221	0.87081
13-Jul	13.2445	0.77534	10.3199	0.87416
14-Jul	13.19495	0.77175	10.2881	0.87685
Weekly Average (10-14 July)	13.35786	0.7754	10.3576	0.87533
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>0.8</i>	<i>0.4</i>	<i>0.1</i>	<i>-0.4</i>

Source: Reuters

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recorded gains during the week under analysis, with the mainstream index increasing by 0.24% to close the week at 198.41 points. This was largely on account of increases in Proplastics Limited (12.50%), Econet Wireless Zimbabwe Limited (11.18%), TSL Limited (10.23%), Axia Corporation Limited (9.09%) and NMBZ Holdings Limited (8.97%).

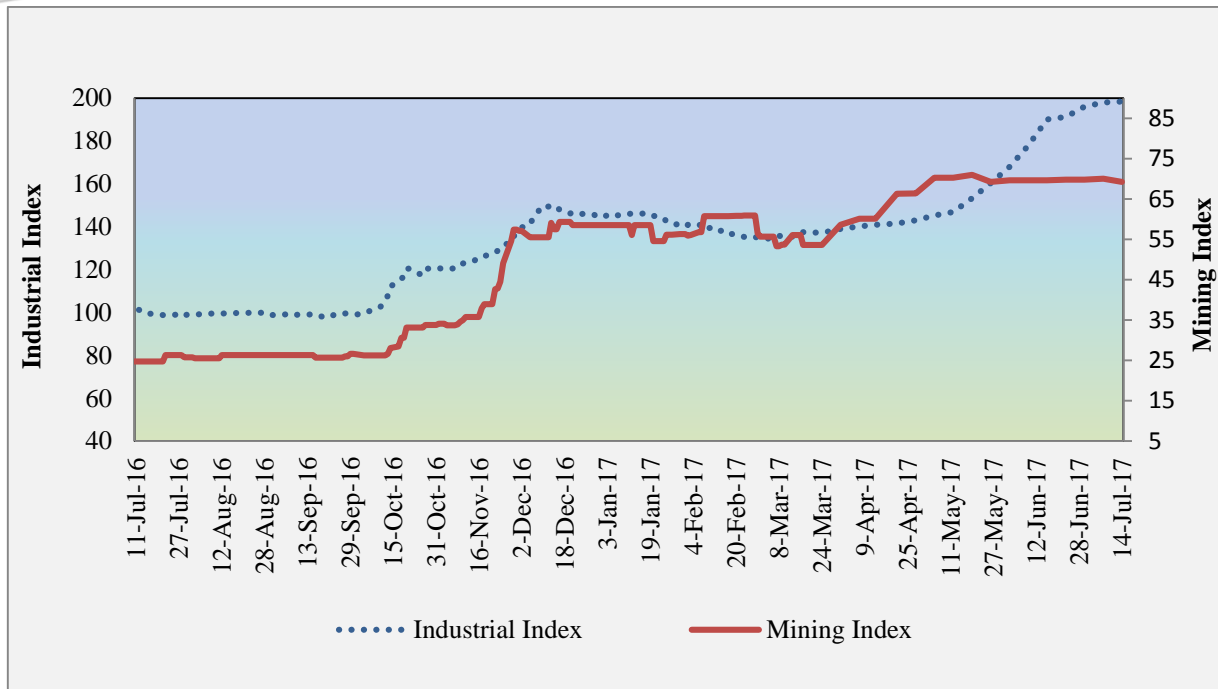
The resources index, however, declined by 1.13% to close the week ending 14th July 2017 at 69.19 points, underpinned by losses in Bindura Nickel Corporation (BNC), 3.33%.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
16-June-17	190.07	69.63	5,528,900,322	8,333,490	31,737,198
23-June-17	191.15	69.79	5,559,991,713	7,381,483	184,958,959
30-June-17	195.97	69.79	5,611,405,119	8,404,917	45,124,296
07-July-17	197.93	69.98	5,751,822,002	5,256,996	22,232,750
14-July-17	198.41	69.19	5,761,541,498	9,286,417	44,690,083
Weekly Change (%)	0.24	-1.13	0.17	76.65	101.01

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

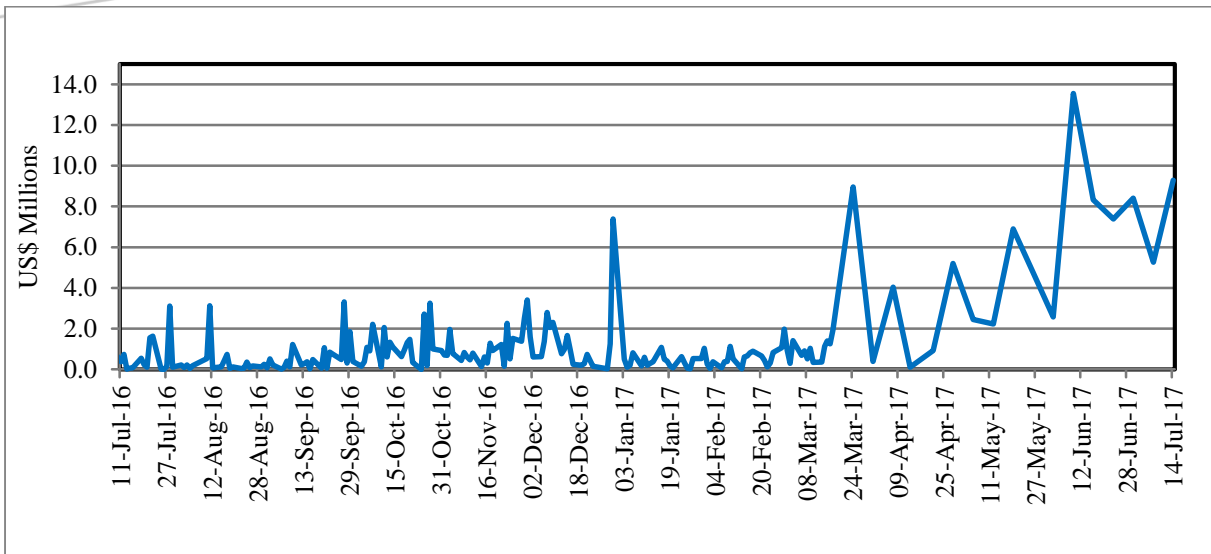


Source: Zimbabwe Stock exchange

Market Turnover and Volume

During the week under review, the ZSE market turnover recorded a 76.65% gain, to close the week at US\$9.29 million, from US\$5.26 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

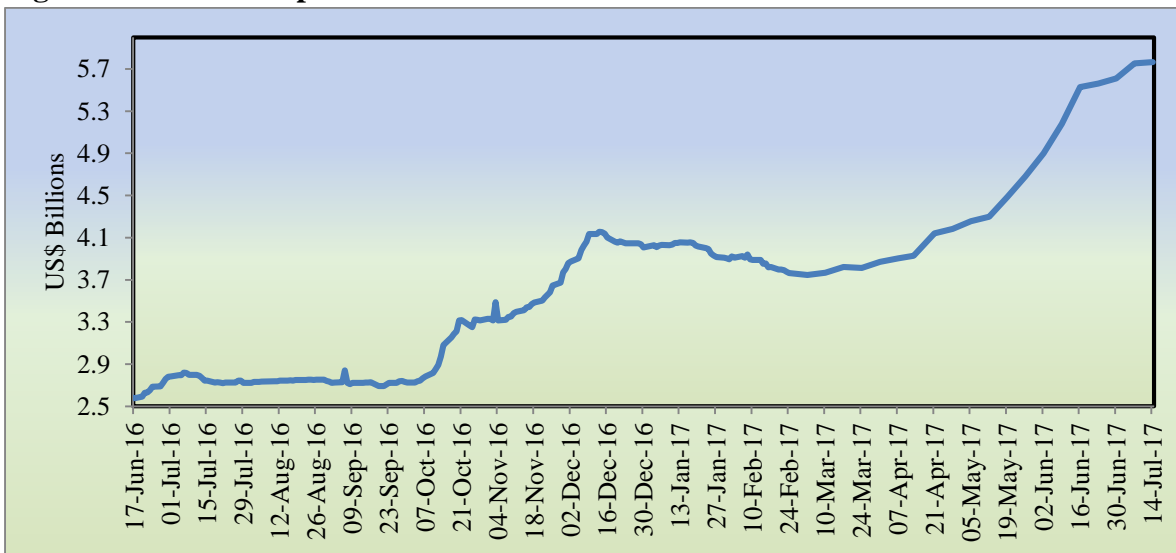


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization stood at US\$5.76 billion during the week ending 14th July 2017, a 0.22% increase from the US\$5.75 billion recorded in the previous week. The increase was attributable to gains in both industrial and mining counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Development

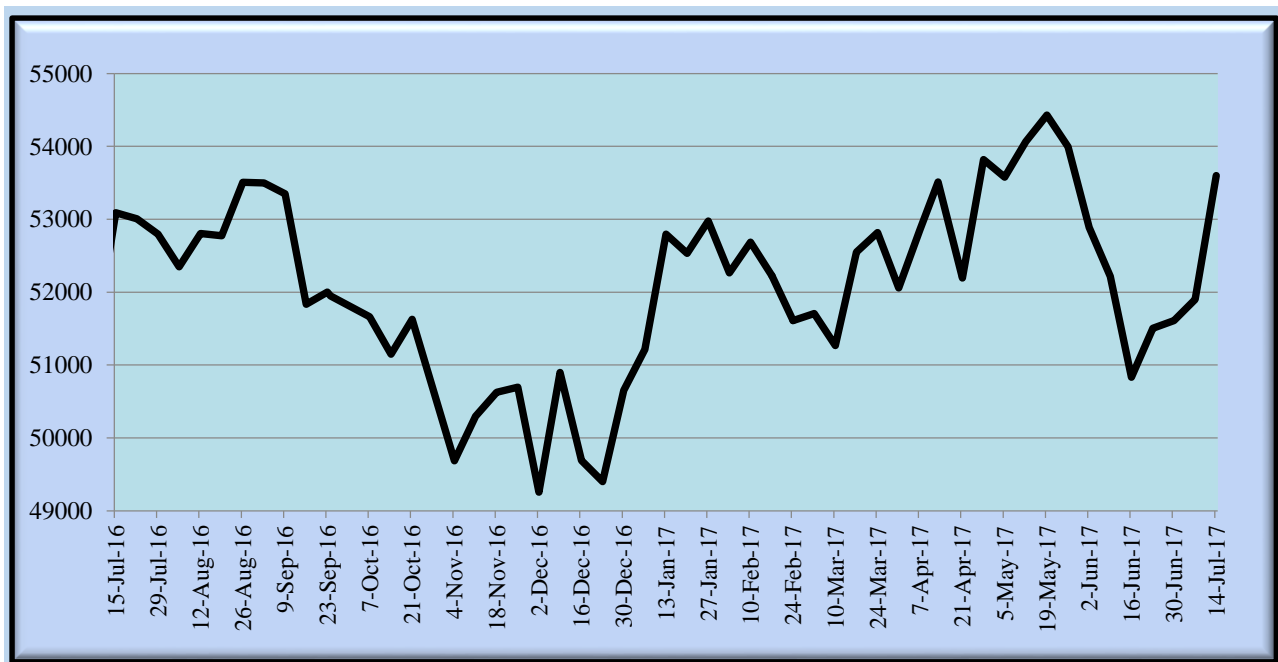
The JSE All share index rose by 3.27%, from 51 900.26 in the previous week to 53 597.96 points during the week ending 14th July 2017. Market capitalization on the JSE also increased by 2.75% to close the same week at R14.22 trillion.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
16-June-17	50 831.89	13.49
23-June-17	51 503.52	13.61
30-June-17	51 611.01	13.66
07-July-17	51 900.26	13.84
14-July-17	53 597.96	14.22
% Change	3.27	2.75

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

21th JULY 2017