



Weekly Economic Highlights

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Week Ending
15th December 2017

1. INTEREST RATES

Deposit Rates

Average deposits rates for savings deposits, deposits of 1 month and 3 month tenors remained unchanged at 4.22%, 3.84% and 4.11%, respectively, during the week ending 15th December 2017.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
17-November-17	4.22	4.02	4.14
24-November-17	4.10	3.89	4.14
01-December-17	4.10	3.84	4.11
08-December-17	4.22	3.84	4.11
15-December-17	4.22	3.84	4.11

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual and corporate clients also remained unchanged at 9.34% and 7.03%, respectively, during the same period.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
17-November-17	9.69	7.06
24-November-17	9.66	7.03
01-December-17	9.64	7.01
08-December-17	9.34	7.03
15-December-17	9.34	7.03

Source: Banking Institutions, 2017

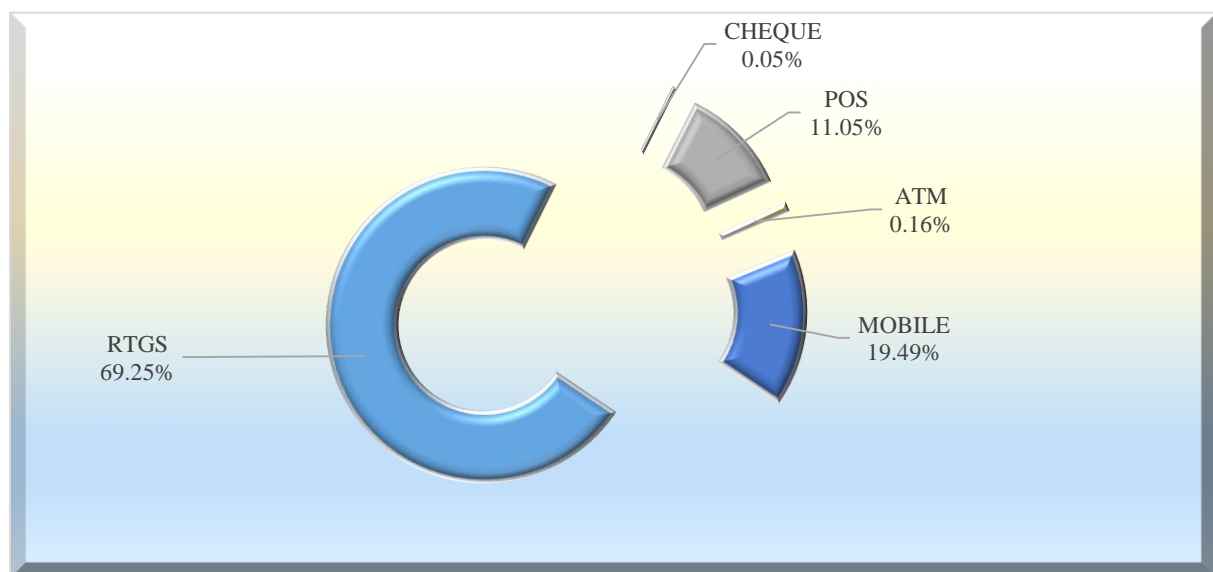
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) stood at USD\$2 203.73 million during the week ending 15th December 2017, up from USD\$2 046.94 million recorded in the previous week. The value of transactions processed through the Real Time Gross Settlement (RTGS) system increased by 14% to close the week under review at US\$1 525.98 million, from US\$1 337.38 million recorded in the previous week.

Real Time Gross Settlement (RTGS) payments accounted for 69.25% of the total value of transactions processed through the NPS, followed by Mobile, 19.49%; Point of Sale (POS), 11.05%; Automated Teller Machines (ATMs), 0.16%; and Cheque, 0.05%, as shown in Figure 1.

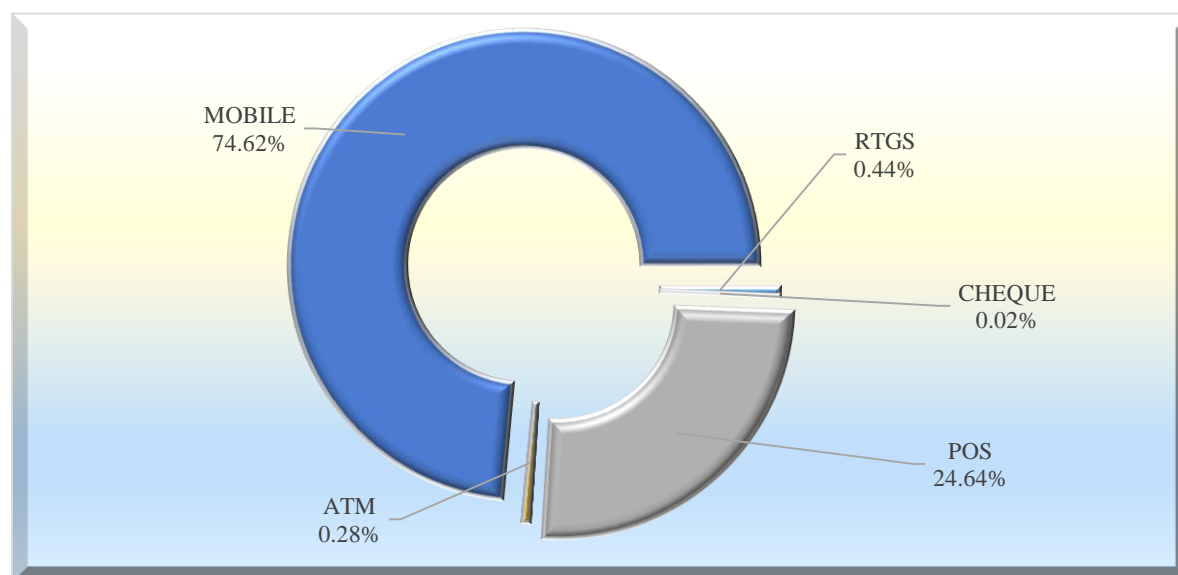
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

NPS transaction volumes, however, decreased by 5%, from 31 473 283 recorded in the previous week to 29 777 872 during the week ending 15th December 2017. In terms of contributions to the volume of NPS transactions, Mobile transactions were the highest at 74.62%; followed by POS, 24.64%; RTGS, 0.44%; ATM, 0.28%; and Cheque, 0.02%, 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 08 December 2017	WEEK ENDING 15 December 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,337.38	1,525.98	14%	69.25%
CHEQUE	1.02	1.14	12%	0.05%
POS	258.49	243.48	-6%	11.05%
ATMS	4.13	3.54	-14%	0.16%
MOBILE	445.92	429.58	-4%	19.49%
TOTAL	2,046.94	2,203.73	8%	100%
VOLUMES				
RTGS	135,870	131,369	-3%	0.44%
CHEQUE	5,599	5,914	6%	0.02%
POS	7,865,023	7,336,555	-7%	24.64%
ATMs	93,834	84,419	-10%	0.28%
MOBILE	23,372,957	22,219,615	-5%	74.62%
TOTAL	31,473,283	29,777,872	-5%	100%

Source: Reserve Bank of Zimbabwe, 2017

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold and platinum continued on a downward trend during the week ending 15th December 2017. Copper, nickel and crude oil prices, however, rose during the same week, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (04 - 08 Dec)	1,263.65	919.60	6,670.80	11,046.00	62.40
11-Dec	1249.28	887.00	6610.50	10990.00	64.69
12-Dec	1242.15	887.50	6634.50	11115.00	64.20
13-Dec	1242.13	877.00	6667.00	11150.00	62.69
14-Dec	1253.30	879.00	6757.00	11300.00	63.50
15-Dec	1255.93	881.50	6770.00	11650.00	63.23
Week ending (11 - 15 Dec)	1,248.56	882.40	6,687.80	11,241.00	63.66
<i>Weekly Change (%)</i>	<i>(1.2)</i>	<i>(4.1)</i>	<i>0.3</i>	<i>1.8</i>	<i>2.0</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices retreated from a weekly average of US\$1 263.65/oz in the previous week, to US\$1 248.56/oz during the week under review. Prices declined on the back of a stronger US dollar, after the Federal Reserve raised its interest rates.

Platinum

Platinum prices declined by 4.1% from US\$919.60/oz recorded in the previous week to US\$882.40/ounce during the week ending 15th December 2017. This was on account of slackening demand, following a strengthening US dollar.

Copper

Copper prices rose by 0.3%, to close the week under review at US\$6 687.80/ton from US\$6 670.80/ton registered in the previous week. This followed the release of positive economic data on China's growth outlook.

Nickel

Nickel prices increased by 1.8%, to close at US\$11 241.00/ton during the week under analysis. The prices were supported by brighter demand prospects in China, the world's largest user of the base metal.

Crude Oil

Crude oil prices firmed by 2%, from US\$62.40/barrel in the previous week to US\$63.66/barrel during the week under review. Prices were supported by expectations that members of the Organization Petroleum Exporting Countries (OPEC) would extend production cuts through the end of 2018.

5. EXCHANGE RATES

The US dollar appreciated against the euro, British pound, and pula during the week ending 15th December 2017, following Federal Reserve's decision to raise interest rates. The greenback, however, depreciated against the rand, after the release of better than expected consumer inflation data for November 2017 for South Africa, as shown in Table 5.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (04 - 08 Dec)	13.6067	0.7437	10.3210	0.8455
11-Dec	13.6463	0.7467	10.3520	0.8489
12-Dec	13.6367	0.7494	10.3413	0.8492
13-Dec	13.6624	0.7505	10.3413	0.8508
14-Dec	13.4642	0.7441	10.3093	0.8451
15-Dec	13.4975	0.7441	10.2722	0.8487
Weekly Average (11 - 15 Dec)	13.5814	0.7470	10.3232	0.8485
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(0.2)</i>	<i>0.4</i>	<i>0.0</i>	<i>0.4</i>

Source: Reuters, 2017

6. EQUITY MARKETS

During the week ending 15th December 2017, there was a downturn in trading on the Zimbabwe Stock Exchange (ZSE). As a result, the industrial index registered a decline of 2.24% to close the week at 328.44 points. The decline in the mainstream index was largely due to losses in CBZ (18.92%); Cafca (13.17%); Inncor Africa (8.72%); Barclays (5.21%); and Old Mutual (5.39%). Partially offsetting the losses were gains realized in Meikles (27.49%); Zimre (19.91%); and Axia Corporation (17.18%).

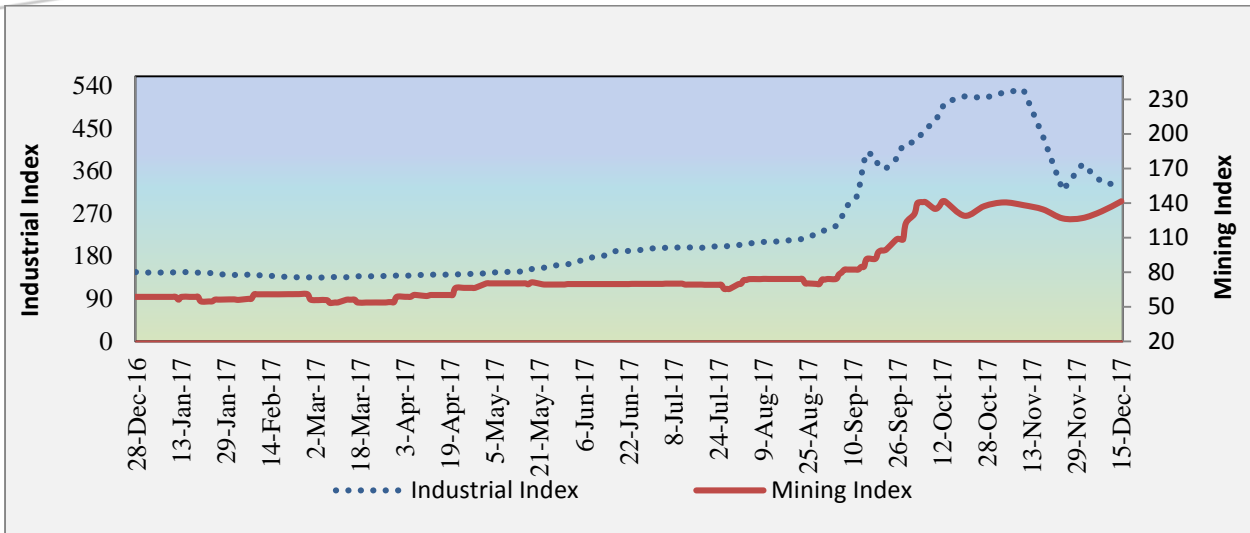
The resources index, however, registered a 6.54% increase, from 132.79 points during the prior week to close the week under review at 141.47 points. This was on account of a 25.58% increase in Bindura Nickel Corporation share price. RioZim traded at previous week price level, while Hwange Colliery Company and Falgold remained inactive during the week under review.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-November-17	318.65	126.63	9,149,537,933	29,750,805	39,005,975
01-December-17	373.97	126.86	10,701,500,114	27,337,864	35,499,533
08-December-17	335.95	132.79	9,642,567,695	15,057,824	308,112,492
15-December-17	328.44	141.47	9,447,234,808	8,276,307	17,030,059
Weekly Change (%)	-2.24	6.54	-2.03	-45.04	-94.47

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

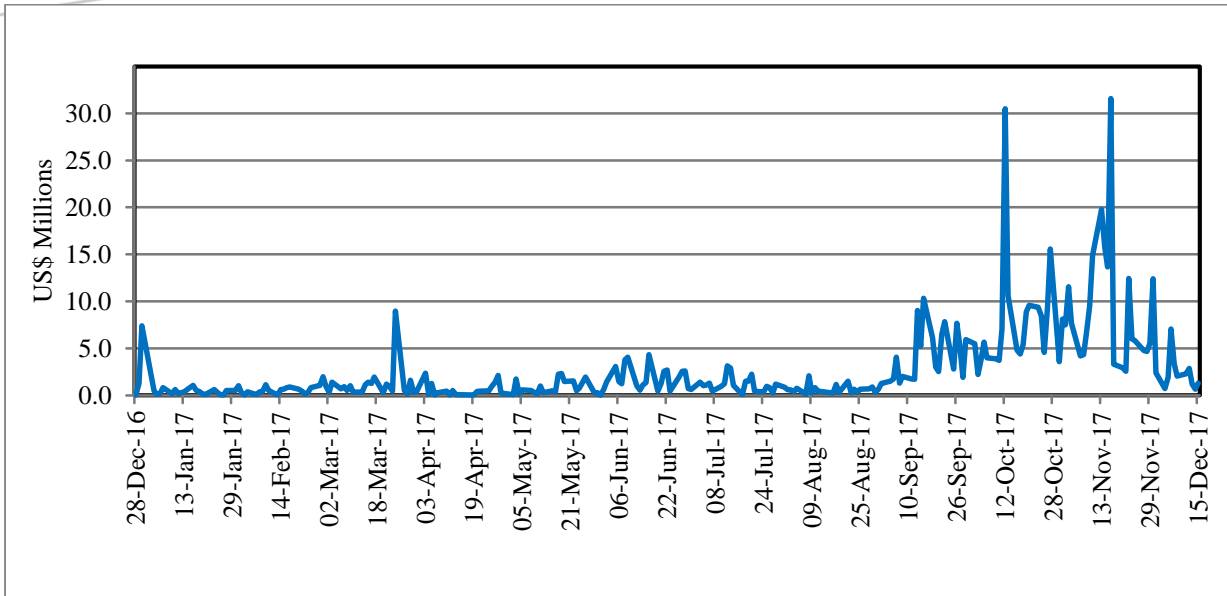


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

The ZSE volume of shares traded declined by 94.47%, from 308 112 492 shares recorded in the prior week to 17 030 059 shares during the week ending 15th December 2017. Market turnover value also decreased by 45.04% to close at US\$8.28 million during the week under analysis.

Figure 4: Daily Market turnover

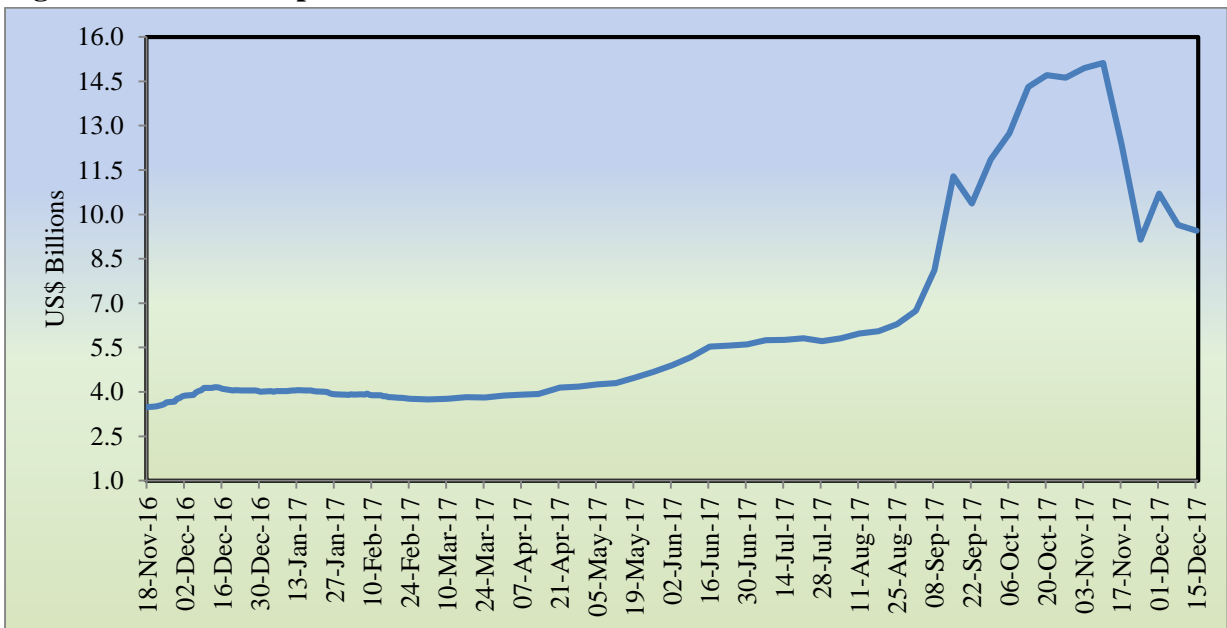


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization stood at US\$9.45 billion during the week ending 15th December 2017, a 2.03% decrease from US\$9.64 billion recorded in the previous week.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

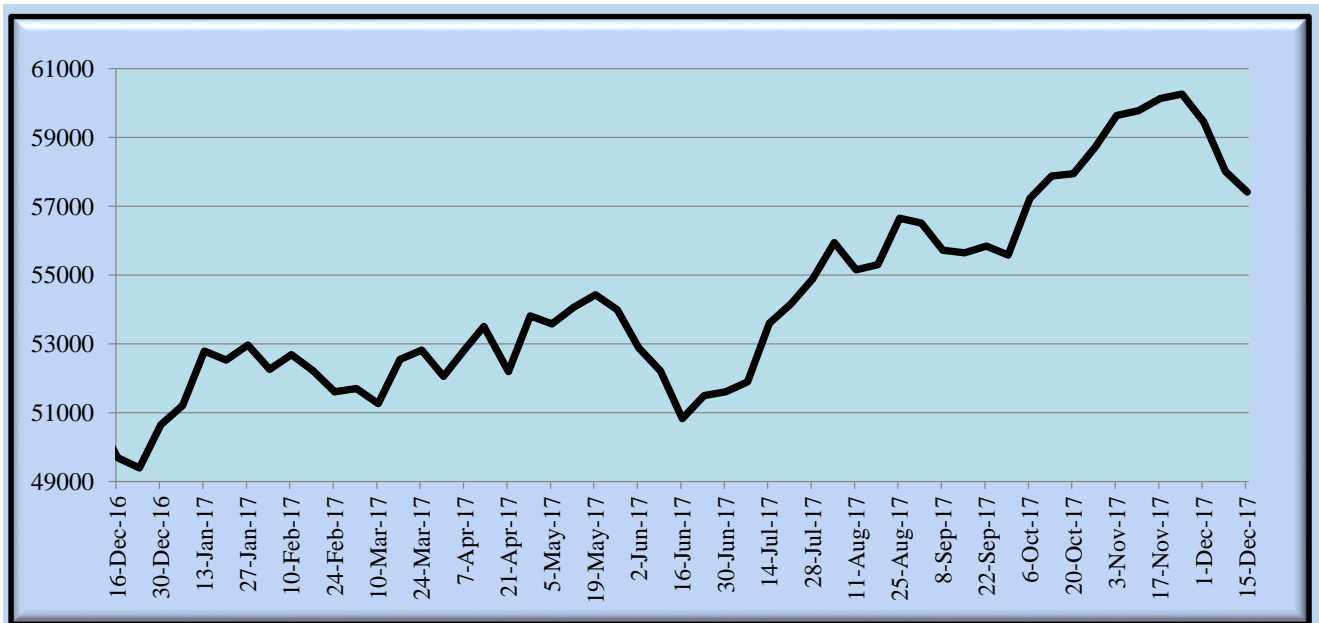
Johannesburg Stock Exchange (JSE) Development

The JSE All share index declined by 1.03%, to 57 412.76 points during the week ending 15th December 2017. In tandem, market capitalization on the JSE also fell by 1.10%, to close the same week at R15.30 trillion.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
24-November-17	60 323.95	16.26
01-December-17	59 449.38	15.87
08-December-17	58 012.31	15.47
15-December-17	57 412.76	15.30
% Change	-1.03	-1.10

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

21ST DECEMBER 2017