



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY.....	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS...4	
4. EXCHANGE RATES.....	6
5. EQUITY MARKETS.....	7

Week Ending
16th February 2018

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and deposits of 3 months tenor declined by 0.40 and 0.22 percentage points to 4.14% and 3.86%, respectively, during the week ending 16th February 2018. Average deposit rates for deposits of 1 month tenor, however, increased by 0.02 percentage points to close at 3.49%, during the week under review.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
19 January-18	4.35	3.81	4.09
26-January-18	4.35	3.81	4.09
02-February-18	4.35	3.81	4.09
09-February-18	4.54	3.47	4.08
16 February-18	4.14	3.49	3.86

Source: Banking Institutions, 2018

Lending Rates

During the week under analysis, commercial bank weighted lending rates for individual clients rose by 0.01 percentage points to 9.58%. Weighted lending rates for corporate clients, however, remained unchanged at 6.93%.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
19-January-18	9.31	6.99
26-January-18	9.33	6.99
02-February-18	9.55	6.91
09-February-18	9.57	6.93
16-February-18	9.58	6.93

Source: Banking Institutions, 2018

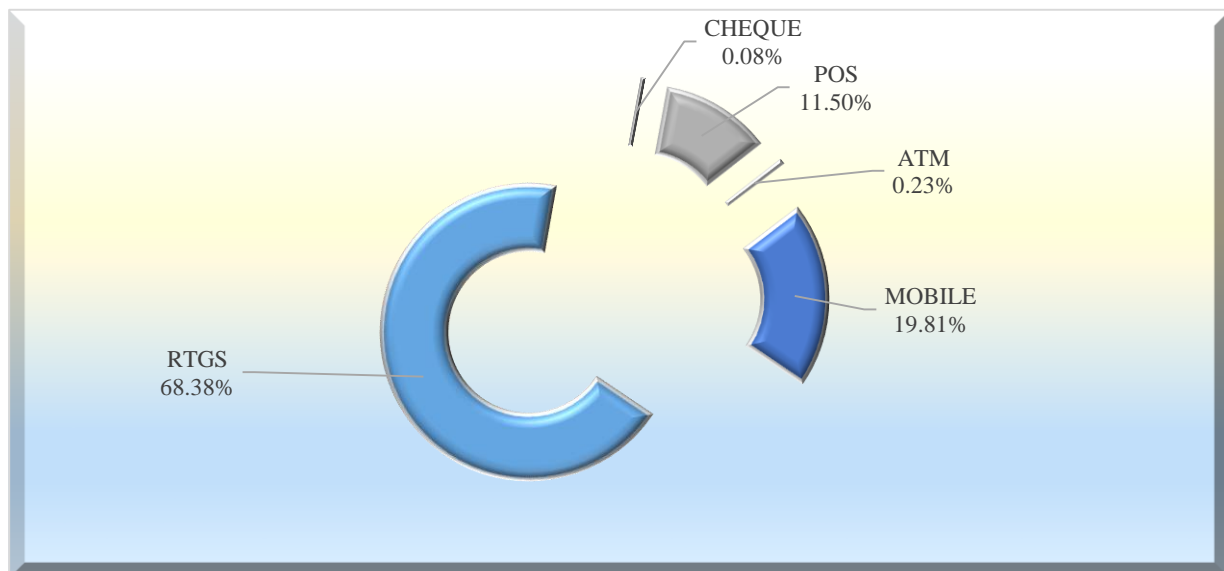
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, the total value of transactions processed through the National Payments System (NPS) stood at US\$1 717.70 million, a 6% decline from the US\$1 829.16 million recorded during the week ending 9th February 2018. This was largely driven by the decrease in the value of transactions processed through RTGS, from US\$1 213.97 million in the previous week to US\$1 174.65 million, during the week under review.

The usage of NPS payments streams, in value terms, was distributed as follows: RTGS, 68.38%; Mobile, 19.81%; POS, 11.50%; ATM, 0.23% and Cheque, 0.08%, as shown in Figure 1.

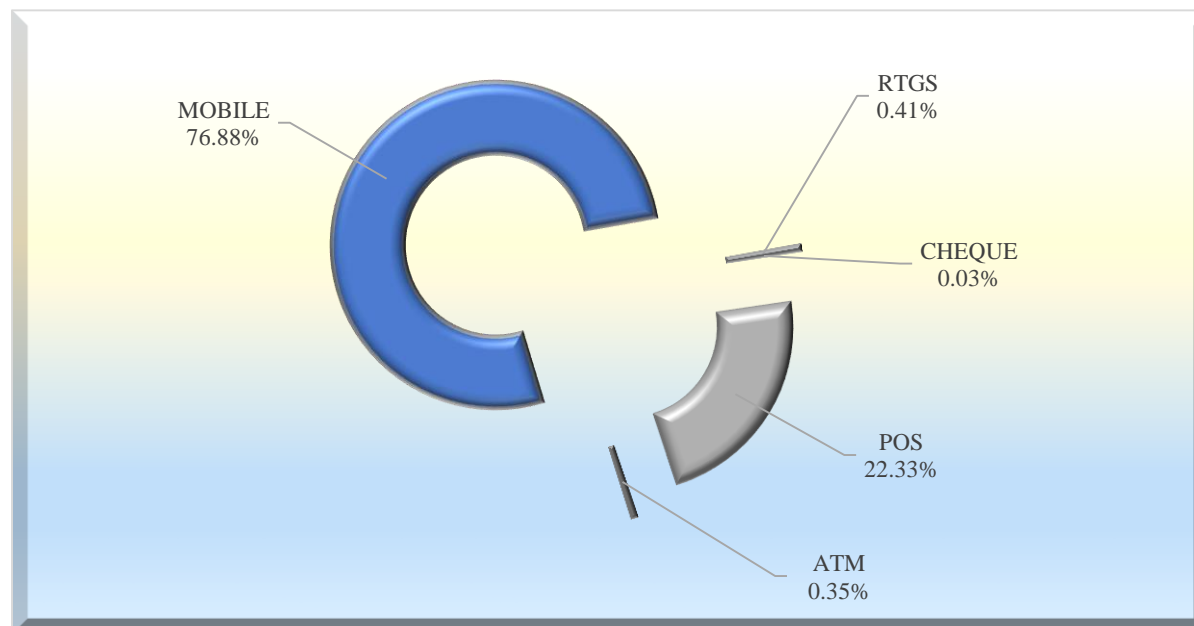
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

The volume of NPS transactions declined by 9%, to close the week under analysis at 25 161 284 transactions. Mobile transactions contributed 76.88% of the total volume of NPS transactions, followed by POS, 22.33%; RTGS, 0.41%; ATM, 0.35%; and Cheque, 0.03%, 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 09 February 2018	WEEK ENDING 16 February 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ (millions)				
RTGS	1,213.97	1,174.65	-3%	68.38%
CHEQUE	1.20	1.30	8%	0.08%
POS	217.96	197.56	-9%	11.50%
ATMS	4.54	3.91	-14%	0.23%
MOBILE	391.50	340.28	-13%	19.81%
TOTAL	1,829.16	1,717.70	-6%	100%
VOLUMES				
RTGS	123,803	103,695	-16%	0.41%
CHEQUE	5,805	6,345	9%	0.03%
POS	6,487,829	5,619,241	-13.4%	22.33%
ATMs	96,520	88,869	-8%	0.35%
MOBILE	20,917,765	19,343,134	-8%	76.88%
TOTAL	27,631,722	25,161,284	-9%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of platinum, copper, and crude oil declined during the week ending 16th February 2018. Gold and nickel prices, however, firmed during the same period, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (05 - 09 Feb)	1,328.43	986.00	7,050.63	13,421.25	66.00
12-Feb	1,322.00	965.50	6,841.00	13,105.00	62.68
13-Feb	1,327.38	970.00	6,888.00	13,195.00	62.56
14-Feb	1,333.50	970.00	6,999.00	13,505.00	64.36
15-Feb	1,353.08	1,002.00	7,190.00	14,140.00	64.46
16-Feb	1,355.35	1,008.00	7,217.00	14,195.00	64.94
Week ending (12 - 16 Feb)	1,333.99	976.88	6,979.50	13,486.25	63.52
<i>Weekly Change (%)</i>	<i>0.4</i>	<i>(0.9)</i>	<i>(1.0)</i>	<i>0.5</i>	<i>(3.8)</i>

Source: BBC, KITCO and Bloomberg 2018

Gold

Gold prices rose from a weekly average of US\$1 328.43/oz in the previous week to US\$1 333.99/oz, during the week under review. Prices increased on the back of investor sentiments that the Federal Reserve would remain concerned with the pace of inflation.

Platinum

Platinum prices declined by 0.9%, from US\$986.00/oz recorded in the previous week to US\$976.88/ounce, during the week ending 16th February 2018. Prices were weighed down by slowing global industrial demand for the mineral.

Copper

Copper prices decreased by 1.0%, to close the week under review at US\$6 979.50/ton from US\$7 050.63/ton registered in the previous week. This was largely on account of rising global inventories of the base metal.

Nickel

Nickel prices increased by 0.5% to close at US\$13 486.25/ton, during the week under analysis. Prices were supported by brighter demand prospects in China, the world's largest user of the base metal.

Crude Oil

Crude oil prices decreased by 3.8%, from US\$66.00/barrel in the previous week to US\$63.52/barrel, during the week under review. This followed an unexpected rise in US crude oil production.

4. EXCHANGE RATES

During the week ending 16th February 2018, the US dollar depreciated against the rand and pula by 1.4% and 0.1%, respectively. The greenback, however, appreciated against the pound Sterling by 0.6% during the same period, as shown in Table 5.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (05 - 09 Feb)	12.0527	0.7151	9.6062	0.8083
12-Feb	11.9344	0.7218	9.6061	0.8122
13-Feb	11.9344	0.7218	9.6061	0.8122
14-Feb	11.9322	0.7194	9.6108	0.8080
15-Feb	11.7411	0.7138	9.5602	0.8024
16-Feb	11.5741	0.7138	9.4742	0.7970
Weekly Average (12 - 16 Feb)	11.8855	0.7192	9.5958	0.8087
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(1.4)</i>	<i>0.6</i>	<i>(0.1)</i>	<i>0.0</i>

Source: Reuters, 2018

5. EQUITY MARKETS

Bearish sentiments on the Zimbabwe Stock Exchange (ZSE) persisted for the seventh consecutive week, during the week ending 16th November 2018. The ZSE All Share index decreased by 1.32% to end the week under analysis at 88.86 points, largely due to widespread losses in selected heavy weight counters.

The industrial index registered a decline of 1.34% to close the week at 297.16 points. The decline in the mainstream index was largely due to losses in Nicoz Diamond Insurance (19.48%); African Sun (18.89%); National Foods (10%); First Mutual (8.90%); and Delta (2.85%). Partially offsetting the losses were gains in realized Fidelity Life Assurance (20.00%); Zimre Holdings (15.00%); Inncor Africa (6.90%); Pretoria Portland Cement (2.71%); and Barclays Bank of Zimbabwe (2.33%).

The mining index, however, remained unchanged at the previous week level of 128.19 points. All mining counters traded at previous week prices, albeit on very thin volumes.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

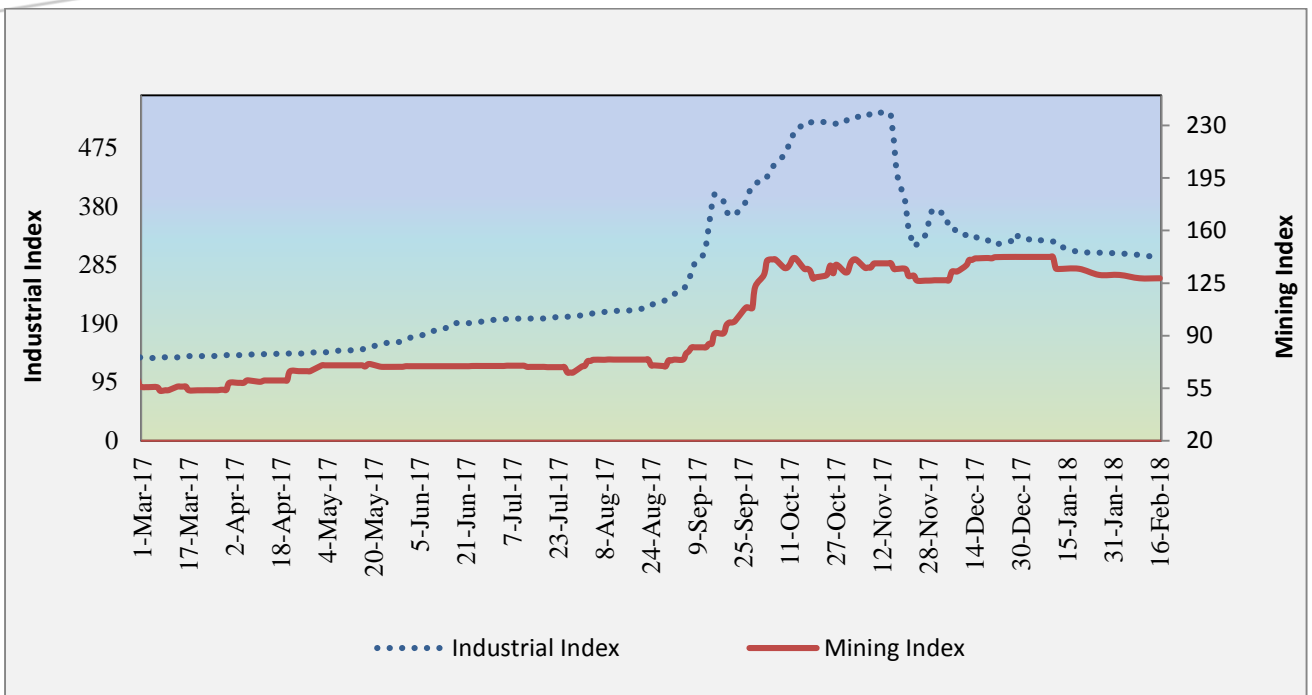
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
26- January-18	91.27	90.34	305.18	130.42	8,648,322,612	10,109,766	10,789,311
02-February-18	90.37	90.26	304.16	130.42	8,619,572,018	11,978,884	18,533,807
09-February-18	90.05	89.22	301.20	128.19	8,577,214,535	16,481,282	18,028,240
16-February-18	88.86	87.78	297.16	128.19	8,463,437,567	24,652,237	28,400,595
Weekly Change (%)	-1.32	-1.61	-1.34	0.00	-1.33	49.58	57.53

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

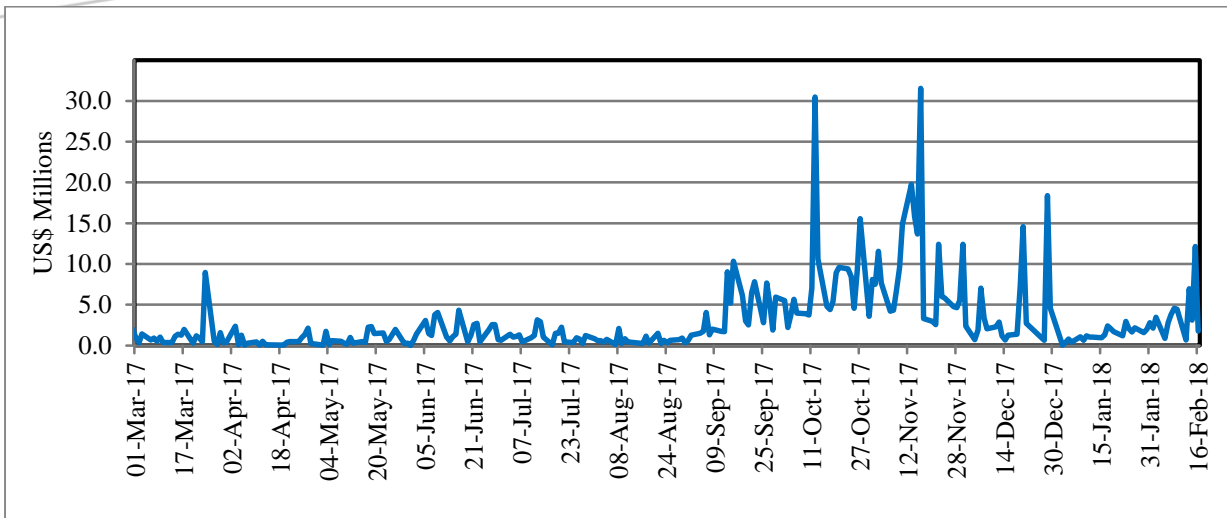


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE increased by 57.53%, from 18 028 240 shares in the prior week to 28 400 595 shares, during the week ending 16th February 2018. Market turnover value also rose by 49.58% to close at US\$24.65 million, during the week under analysis. Foreign investor participation contributed 18.27% of the total value of shares traded, indicating renewed foreign investor interest, following positive signals coming from the new Government.

Figure 4: Daily Market turnover

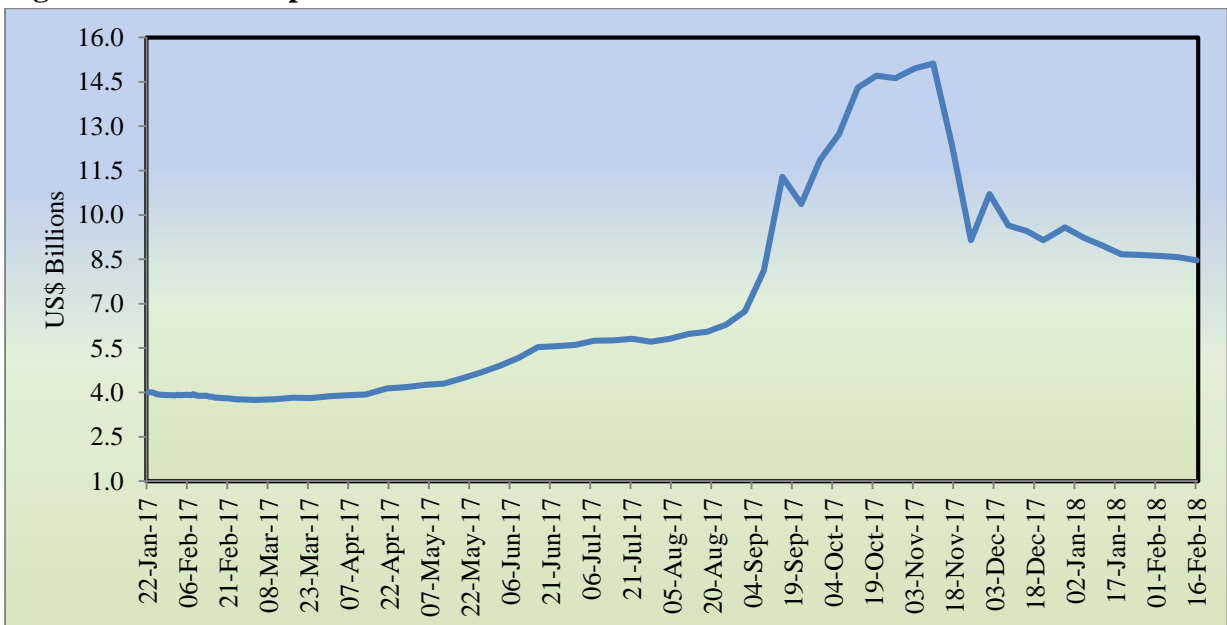


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

The ZSE market capitalization stood at US\$8.46 billion, during the week ending 16th February 2018. This was a 1.33% decrease from the US\$8.58 billion recorded in the previous week.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

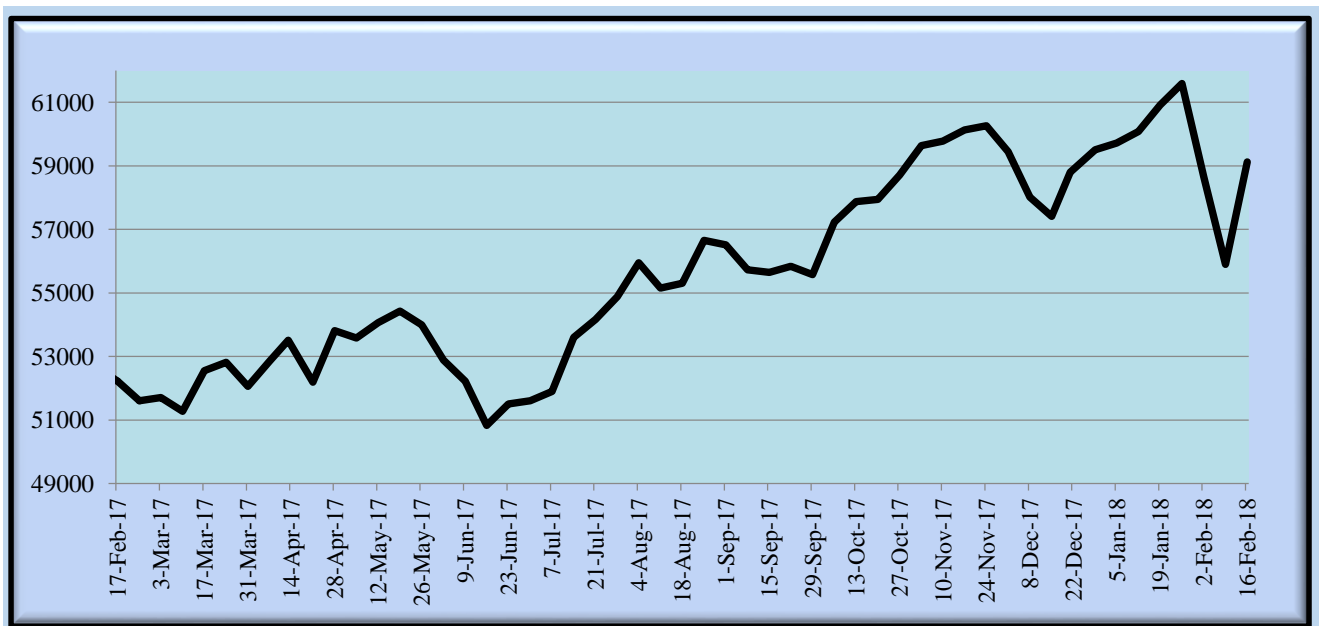
Johannesburg Stock Exchange (JSE) Development

The JSE All share index increased by 5.76% to 59 122.34 points, during the week ending 16th February 2018. Similarly, JSE market capitalisation rose by 3.12% to close the week under review at R14.89 trillion.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
26-January-18	61 595.86	15.83
02-February-18	58 656.82	15.27
09-February-18	55 902.62	14.44
16- February-18	59 122.34	14.89
% Change	5.76	3.12

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

23RD FEBRUARY 2018