



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY.....	2
3. TOBACCO SALES.....	4
4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS...	5
5. EXCHANGE RATES.....	7
6. EQUITY MARKETS.....	8

Week Ending
16th June 2017

1. INTEREST RATES

Deposit Rates

Savings deposit rates increased from 3.38% in the previous week to 3.85%, during the week ending 16th June 2017. Deposit rates for deposits of 1 month tenor softened to 4.16%, while deposit rates for 3 months tenor remained unchanged at 4.23% during the week under analysis.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
12-May-17	3.46	4.37	4.46
19-May-17	3.96	4.33	4.45
26-May-17	3.96	4.38	4.46
02-June-17	4.08	4.38	4.45
09-June-17	3.38	4.17	4.23
16-June-17	3.85	4.16	4.23

Source: Banking Institutions, 2017

Lending Rates

During the week under review, commercial bank weighted lending rates for individual and corporate clients declined to 9.09% and 7.04%, from 9.15% and 7.06%, respectively, in the preceding week.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
12-May-17	9.19	7.02
19-May-17	9.20	7.02
26-May-17	9.17	7.03
02-June-17	9.23	7.03
09-June-17	9.15	7.06
16-June-17	9.09	7.04

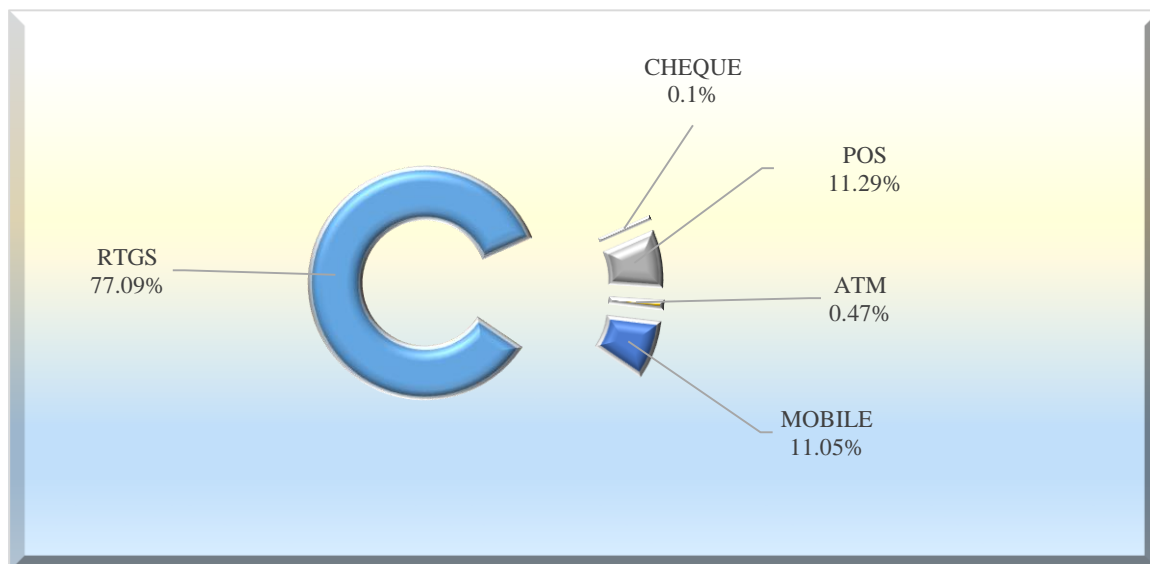
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 16th June 2017, the total value of transactions processed through the National Payment System (NPS) increased from US\$1 594.73 million in the previous week, to US\$1 614.84 million. Real Time Gross Settlement (RTGS) system transactions increased by 6%, to close the week under review at US\$1 244.95 million.

In value terms, NPS transactions were distributed as follows: RTGS, 77.09%; Point of Sale (POS), 11.29%; Mobile, 11.05%; Automated Teller Machines (ATMs), 0.47%; and cheque, 0.1%.

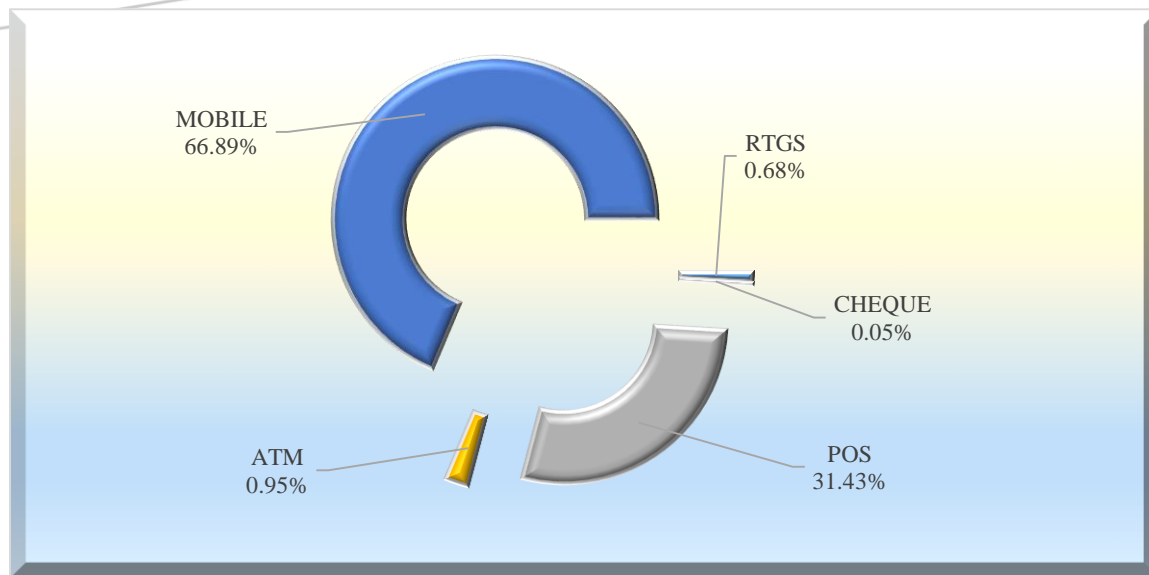
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The volume of NPS transactions decreased from 17 183 445 in the previous week, to 15 915 068 during the week under review. Mobile transactions accounted for the largest proportion of the volume of NPS transactions at 66.89%. The other payment streams were distributed as follows: POS, 31.43%; ATM, 0.95%; RTGS, 0.68%; and cheque, 0.05%, 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 9 June 2017	WEEK ENDING 16 June 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,174.12	1,244.95	6%	77.09%
CHEQUE	1.44	1.57	9%	0.10%
POS	214.81	182.37	-15%	11.29%
ATMS	10.54	7.52	-29%	0.47%
MOBILE	193.82	178.43	-8%	11.05%
TOTAL	1,594.73	1,614.84	1%	100%
VOLUME				
RTGS	125,752	108,599	-14%	0.68%
CHEQUE	6,564	7,238	10%	0.05%
POS	5,620,939	5,002,745	-11%	31.43%
ATMs	205,786	151,515	-26%	0.95%
MOBILE	11,224,404	10,644,971	-5%	66.89%
TOTAL	17,183,445	15,915,068	-7%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 16th June 2017 or day 63 of the 2017 tobacco selling season, a cumulative total of 154 960 791 kilograms of tobacco had been sold. This reflected a 6.37% increase from the 145 682 702 kilograms sold during the comparable period in 2016.

Cumulative tobacco sales amounted to US\$450.13 million, a 1.89% increase compared to US\$425.5 million recorded during the corresponding period in 2016. The golden leaf was, also, sold a higher average price of US\$2.94/kg in 2017, compared to the US\$2.92/kg realized during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 63 (16th June 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	156,883,893	161,037,360	2.65
Cumulative Average Price(US\$/kg)	2.92	2.94	-0.74
Cumulative Value (US\$ million)	461,326,029	470,037,646	1.89

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, nickel and crude oil weakened, whilst copper firmed during the same week, 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
Weekly Average (9 June)	1,277.78	948.80	5,570.40	8,786.00	48.75
12-Jun	1,277.78	943.50	5,738.00	8,800.00	48.27
13-Jun	1,261.65	935.50	5,753.00	8,800.00	48.74
14-Jun	1,271.88	935.00	5,658.00	8,715.00	46.95
15-Jun	1,257.40	927.50	5,658.00	8,715.00	46.88
16-Jun	1,256.00	922.50	5,658.00	8,715.00	47.36
Weekly Average (16 June)	1,261.73	932.80	5,693.00	8,749.00	47.64
<i>Weekly Change (%)</i>	<i>(1.3)</i>	<i>(1.7)</i>	<i>2.2</i>	<i>(0.4)</i>	<i>(2.3)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices retreated from a weekly average of US\$1 277.78/oz registered in the previous week, to US\$1 261.73/oz during the week under review. The safe haven demand for the yellow metal diminished, following renewed expectations of monetary policy tightening by the Federal Reserve.

Platinum

Platinum prices declined from a weekly average of US\$948.80/oz in the prior week, to US\$932.80/oz during the week under review. The decline was on account of slackening demand, due to the rising expectations of monetary policy tightening by the Federal Reserve.

Copper

Copper prices firmed by 2.2%, closing the week under review at an average of US\$5,693.00/tonne. This was underpinned by supply concerns in Chile, one of the largest producers of the base metal.

Nickel

Nickel prices continued on a negative trajectory, registering a 0.4% decline to close the week under review at an average of US\$8,749.00/tonne. This was mainly due to subdued global demand for the metal.

Crude Oil

Crude oil prices fell by 1.2%, to close the week under review at US\$47.64/barrel, following renewed fears of a global glut, amid high global inventories, particularly in the US.

5. EXCHANGE RATES

The US dollar appreciated against the euro and the pound Sterling during the week ending 16th June 2017, respectively. This was buttressed by rising prospects of a Fed rate hike. The greenback, however, depreciated by 0.2% against the rand during the same period.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	EURO
2017			
Weekly Average (5-9 Jun)	12.8233	0.7764	0.8887
12-Jun	12.8713	0.7837	0.8921
13-Jun	12.8109	0.7904	0.8935
14-Jun	12.7500	0.7844	0.8915
15-Jun	12.6613	0.7846	0.8916
16-Jun	12.9106	0.7829	0.8975
Weekly Average (12-16 Jun)	12.8008	0.7852	0.8933
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-0.2</i>	<i>1.1</i>	<i>0.5</i>

Source: Reuters

6. EQUITY MARKETS

During the week ending 16th June 2017, positive trading on the Zimbabwe Stock Exchange (ZSE) persisted for the twelfth consecutive week, on account of bullish investor sentiments. Resultantly, the mainstream index increased by 6.91 points to 190.07 points. The increase was due to gains registered in Padenga Holdings, 22.98%; First Mutual Holdings (FMHL), 22.50%; Powerspeed Electrical, 17.02%; Hippo Valley Estates, 14.29%; and SeedCo, 14.09%. Partially offsetting the aforementioned gains was Star Africa Corporation, which was the only counter to register a loss of 16.67%.

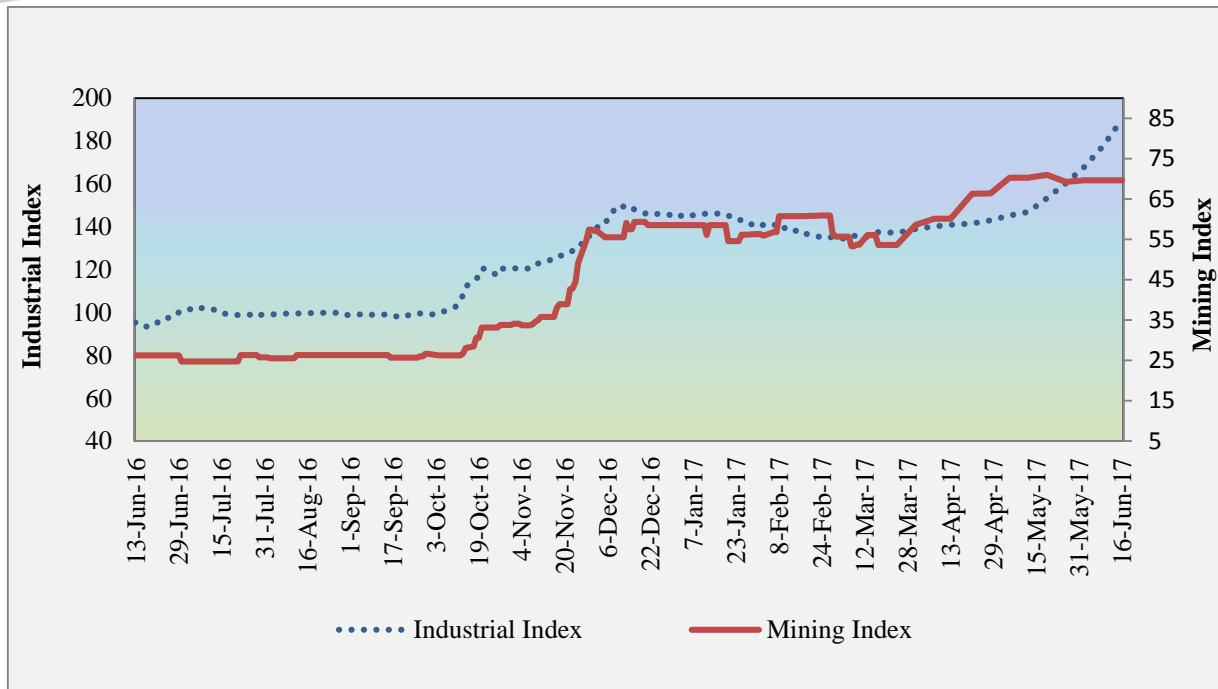
The resources index, however, remained stagnant at 69.63 points. Bindura Nickel Corporation (BNC) and RioZim traded at previous week price levels, albeit on very thin volumes. Falgold and Hwange Colliery Company (HCC) did not register any trade.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
19-May-17	153.33	70.98	4,485,761,275	6,903,058	42,246,254
26-May-17	160.30	69.21	4,681,428,298	4,732,727	25,047,926
02-June-17	167.98	69.63	4,900,452,595	2,578,947	8,859,888
09-June-17	177.79	69.63	5,179,592,804	13,555,865	45,002,875
16-June-17	190.07	69.63	5,528,900,322	8,333,490	31,737,198
Weekly Change (%)	6.91	0	6.74	(38.52)	(29.48)

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

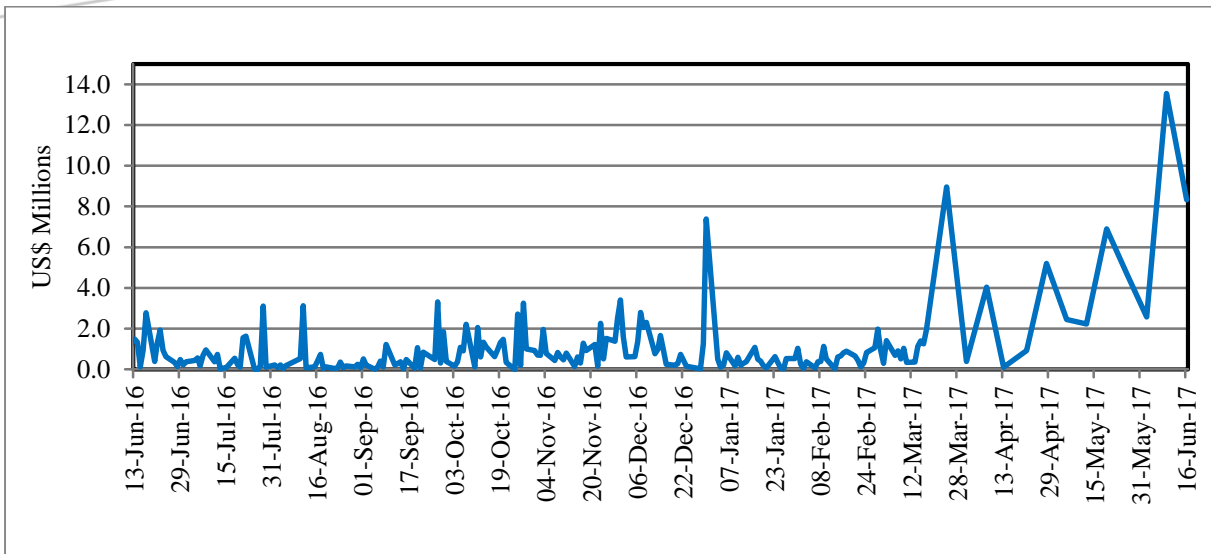


Source: Zimbabwe Stock exchange

Market Turnover and Volume

The ZSE volume of shares traded declined by 29.48%, from 45 002 875 shares recorded in the previous week to close the week under review at 31 737 198 shares. Market turnover value also decreased by 38.52% to US\$8.33 million during the week under analysis.

Figure 4: Daily Market turnover

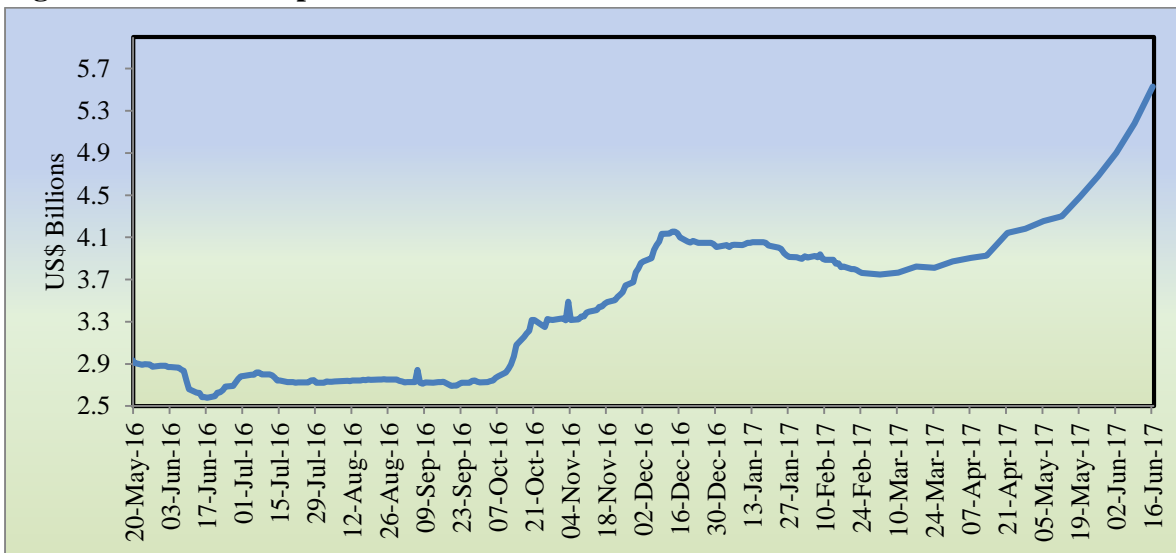


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization rose by 6.74%, from US\$5 197.59 million recorded in the previous week to US\$5 528.9 million during the week under review.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

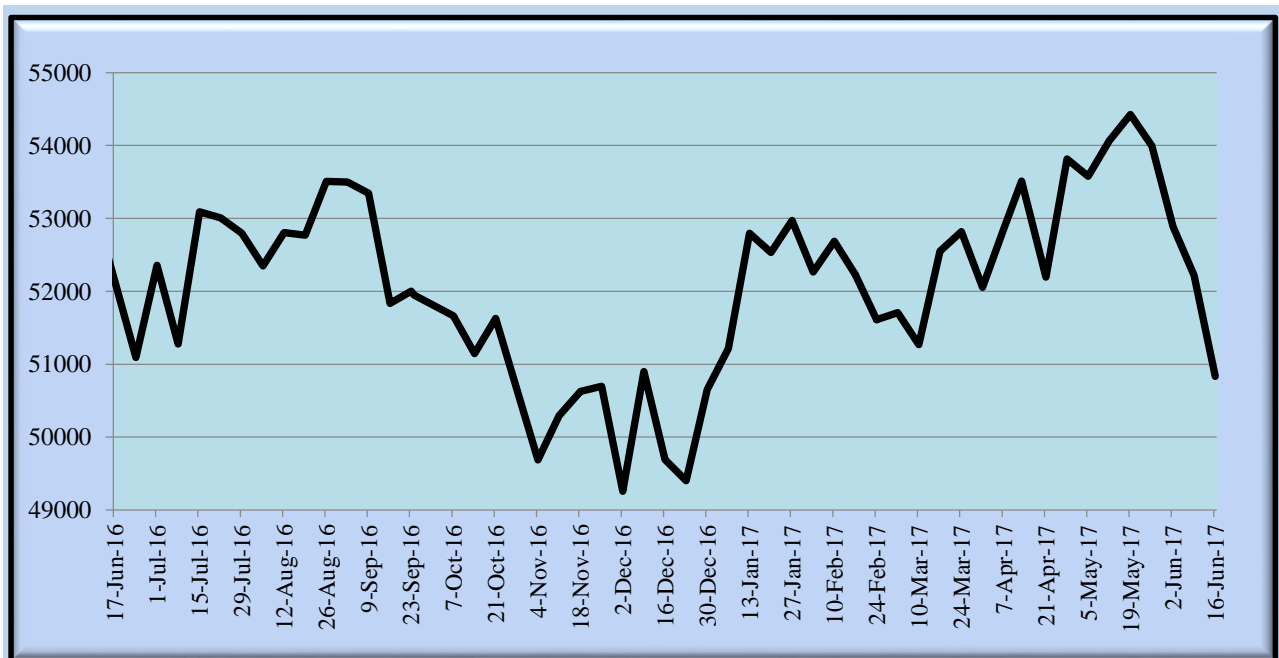
The JSE All Share Index closed the week under review at 50 813.89 points, down from 52 216.93 points in the previous week. Similarly, market capitalization declined from R13.75 trillion in the previous week, to R13.49 trillion during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
12-May-17	54 063.34	14.33
19-May-17	54 427.30	14.37
26-May-17	53 996.14	14.17
02-June-17	52 889.70	13.95
09-June-17	52 216.93	13.75
16-June-17	50 831.89	13.49
% Change	-2.65	-1.89

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

23TH JUNE 2017