



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 March 2018

1. INTEREST RATES

Deposit Rates

Indicative average deposit rates on all classes of deposits were higher during the week ending 16th March 2018. Savings deposits were at 4.35%, deposits of 1 month tenors at 3.81% and 3 month tenor at 4.09%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
16 February-18	4.14	3.49	3.86
23-February-18	4.22	3.43	3.71
02-March-18	3.97	3.34	3.63
09-March-18	3.97	3.34	3.63
16-March-18	4.35	3.81	4.09

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients declined from 9.57% in the previous week, to 9.35% during the week under review. Weighted lending rates for corporate clients, however, increased by 0.04 percentage points to 6.98% during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
16-February-18	9.58	6.93
23-February-18	9.57	6.93
02-March-18	9.57	6.94
09-March-18	9.57	6.94
16-March-18	9.35	6.98

Source: Banking Institutions, 2018

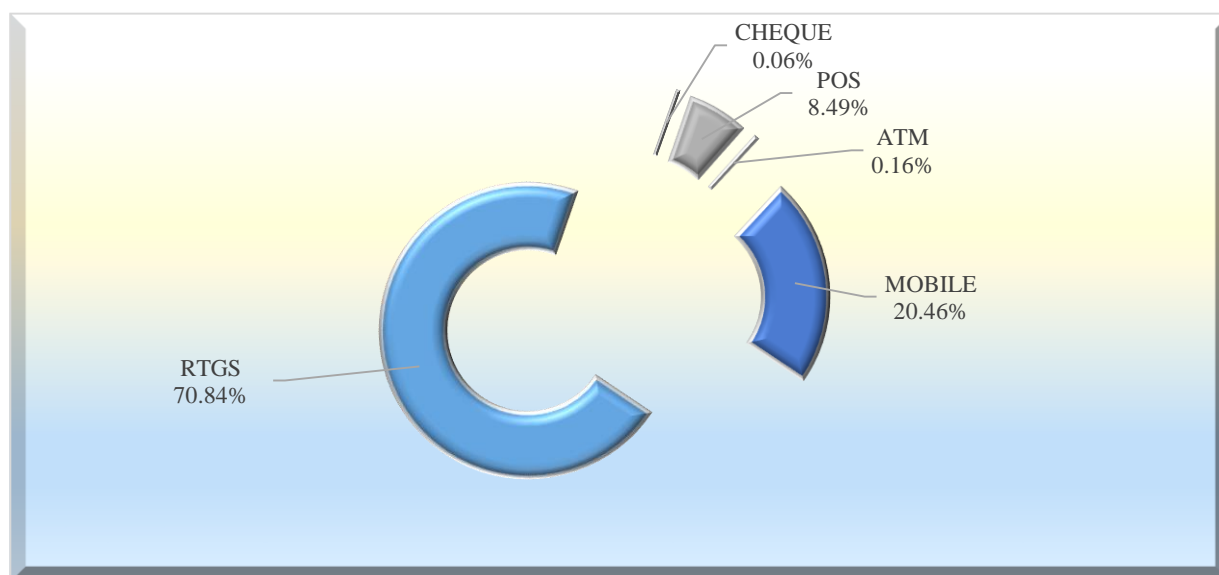
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) increased from US\$1,830.74 million recorded in the previous week, to US\$ 2,005.67million during the week under review. In value terms, transactions processed through the Real Time Gross Settlement (RTGS) system stood at US\$1,420.79 million, 25.7% up from US\$1,130.33 million in the previous week.

In terms of proportion, RTGS payments accounted for 70.84% of the total value of transactions processed through the NPS followed by Mobile, 20.46%; Point of Sale (POS), 8.49%; Automated Teller Machines (ATMs), 0.16% and cheque transactions, 0.06%.

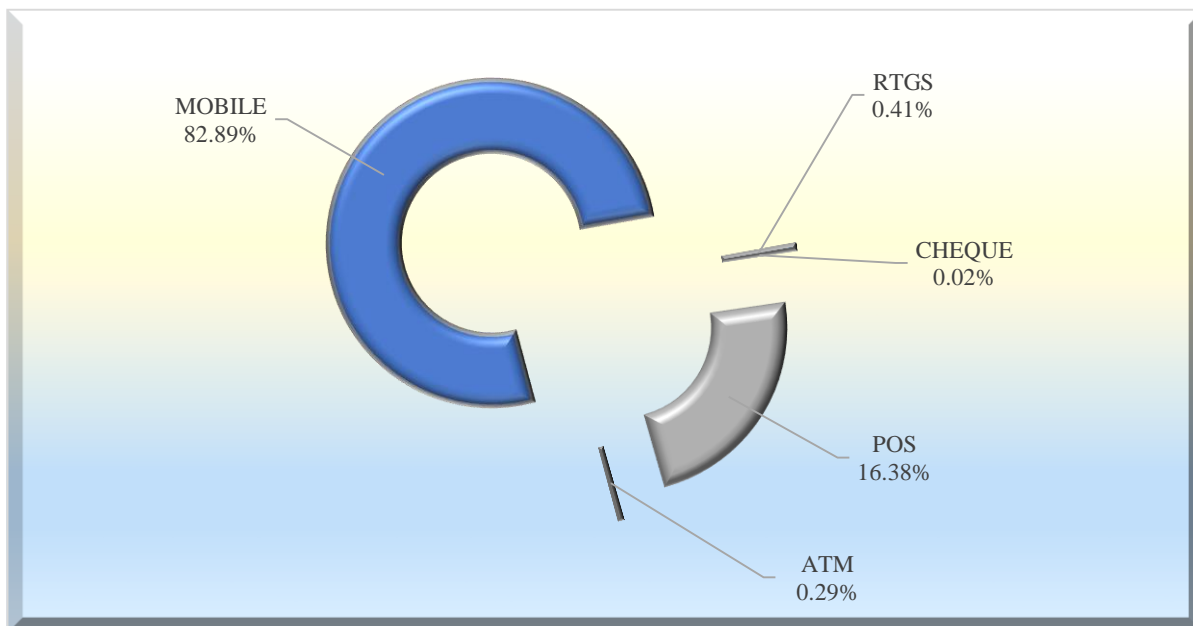
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

The total volume of NPS transactions registered a 15% decrease to close the week under analysis at 26,429,329 transactions. Mobile-Based transactions accounted for 82.89% of total transactions, followed by Point of Sale (POS), 16.37%; Automated Teller Machines (ATMs), 0.29%; RTGS, 0.41% and Cheque, 0.02%, to close the week ending 16th March 2018. Figure 2 shows the composition of NPS transactions in volume terms.

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 th March 2018	WEEK ENDING 16 th March 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ (millions)				
RTGS	1,130.33	1,420.79	25.7%	70.84%
CHEQUE	1.12	1.11	-1%	0.06%
POS	239.76	170.24	-29%	8.49%
ATM	3.67	3.14	-14%	0.16%
MOBILE	455.86	410.38	-10%	20.46%
TOTAL	1,830.73	2,005.67	10%	100%
VOLUMES				
RTGS	133,659	109,263	-18%	0.41%
CHEQUE	5,794	5,962	3%	0.02%
POS	7,108,348	4,330,064	-39.1%	16.38%
ATMs	82,658	76,328	-8%	0.29%
MOBILE	23,677,527	21,907,712	-7%	82.89%
TOTAL	31,007,986	26,429,329	-15%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The International commodity prices of copper, nickel and crude oil increased during the week ending 16th March 2018. Gold and platinum prices, however, declined as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
Weekly Average (5 - 9 Mar)	1,325.17	957.20	6,923.00	13,426.00	64.99
12-Mar	1,318.20	958.00	6,933.00	13,725.00	64.97
13-Mar	1,320.73	960.00	6,915.00	13,720.00	64.79
14-Mar	1,324.25	956.50	6,964.00	13,855.00	64.84
15-Mar	1,321.05	958.00	6,993.00	13,800.00	65.05
16-Mar	1,319.40	950.00	6,908.00	13,585.00	66.09
Weekly Average (12 - 16 Mar)	1,320.73	956.50	6,942.60	13,737.00	65.15
<i>Weekly Change (%)</i>	<i>(0.3)</i>	<i>(0.1)</i>	<i>0.3</i>	<i>2.3</i>	<i>0.2</i>

Source: BBC, KITCO and Bloomberg 2018

Gold

Gold prices declined by 0.3% from US\$1,325.17/oz in the previous week, to US\$1,320.73/oz during the week under analysis. This was on the back of a strengthening US dollar which dampened demand outlook for the yellow metal.

Platinum

Platinum prices continued on a downward trend registering a 0.1% decline to close the week under review at US\$956.50/oz. This was occasioned by slowing global investment demand.

Copper

During the week under review copper prices rose by 0.3% to close at US\$6,942.60/ton. The prices were underpinned by signs of strong growth in the Chinese construction sector.

Nickel

Nickel prices increased by 2.3% to close the week under review at US\$13,737.00/ton. The prices were weighed down by a fall in London Metal Exchange inventory stocks and also, partially, due to a higher demand in the manufacturing of electric car batteries.

Crude Oil

Crude oil prices firmed by 0.2% from US\$64.99/barrel in the previous week, to US\$65.15/barrel, during the week under analysis. This followed Russia's commitment to see the OPEC's production cut deal through to the end.

4. EXCHANGE RATES

During the week ending 16th March 2018, the US dollar continued to depreciate against the Sterling, pula and rand as investors await the outcome of the next US Federal Reserve meeting to decide whether to increase interest rates.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (5 - 9 Mar)	11.8809	0.7222	9.5676	0.8089
12-Mar	11.8188	0.7216	9.5831	0.8116
13-Mar	11.8289	0.7198	9.5831	0.8112
14-Mar	11.7829	0.7150	9.5329	0.8058
15-Mar	11.7813	0.7153	9.5283	0.8079
16-Mar	11.8915	0.7177	9.5785	0.8122
Weekly Average (12 - 16 March)	11.8030	0.7179	9.5569	0.8091
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-0.7</i>	<i>-0.6</i>	<i>-0.1</i>	<i>0.0</i>

Source: Reuters, 2018

5. EQUITY MARKETS

During the week ending 16th March 2018, the All Share Index stood at 86.20 points, down from 87.25 points in the previous week. This was attributable to bearish sentiments which characterized the Zimbabwe Stock Exchange for the past eleven weeks.

The industrial index registered a marginal loss of 0.29 points to close the week under review at 288.48 points. The decline was as a result of losses in Simbisa Brands Limited (15.38%), First Mutual Holdings Limited (5.60%), Meikles Limited (3.57%) and TSL Limited (0.25%). Trading in heavy weight counters was stable, with Delta and Inscor remaining unchanged.

The mining index, however, increased by 2.17 points to close at 122.93 points during the week ending 16th March 2018. The increase emanated from a 9.09% increase in Bindura Nickel Corporation (BNC). RioZim traded at previous price level while Hwange Colliery Company (HCC) and Falgold remained inactive during the week under review.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

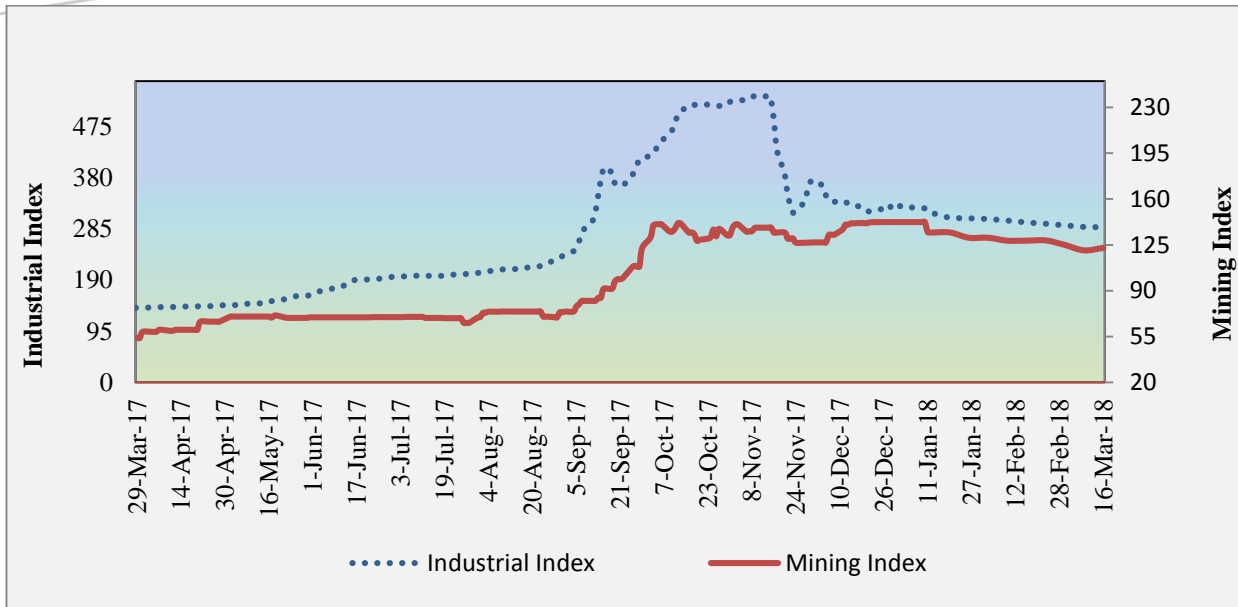
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
16-February-18	88.86	87.78	297.16	128.19	8,463,437,567	24,652,237	28,400,595
23-February-18	88.29	87.47	295.24	128.40	8,411,137,031	6,395,063	10,200,476
02-March-18	87.26	86.05	291.95	124.91	8,316,594,858	15,209,231	80,052,036
09-March-18	86.25	84.96	288.77	120.76	8,220,533,455	12,241,097	54 871 045
16-March-18	86.20	84.73	288.48	122.73	8,215,505,712	4,694,497	18 625 829
Weekly Change (%)	-0.06	-0.27	-0.10	1.80	-0.06	-75.38	-66.06

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

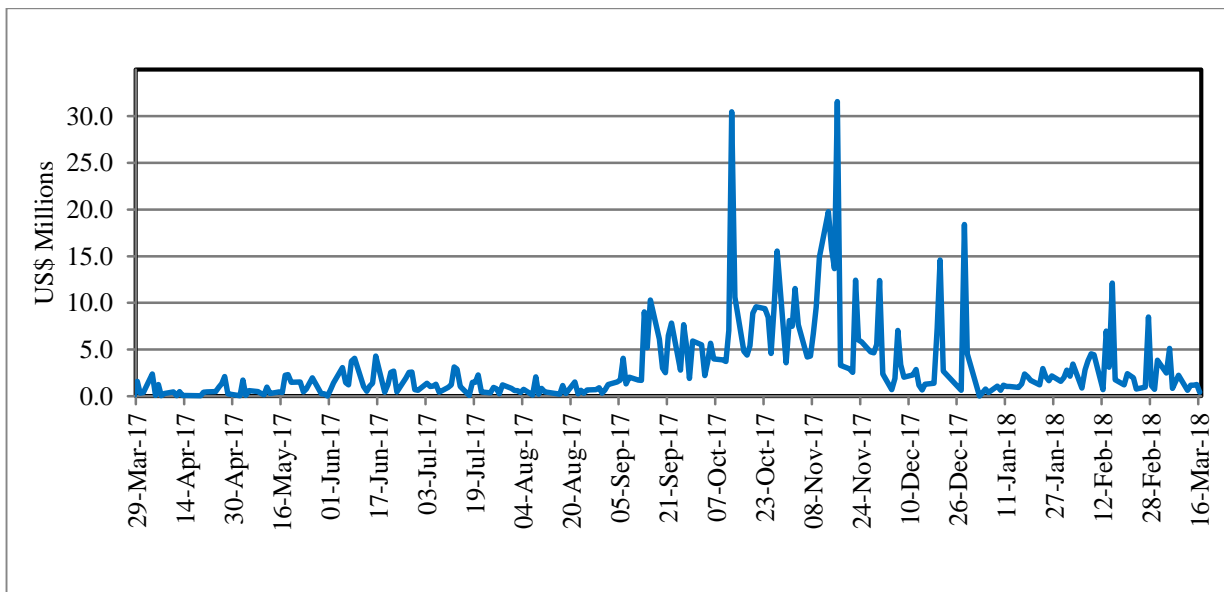


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE registered a 66.06% decline to close the week under analysis at 18.63 million shares. Consequently, the ZSE turnover tumbled by 61.65% from US\$ 12.24 million recorded in the previous week to US\$4.69 million. This was on the back of subdued trading activity during the week under analysis. Activity was highest in Econet, Hippo and Barclays contributing 26.75%,12.26% and 12.06% ,respectively to the shares traded.

Figure 4: Daily Market turnover

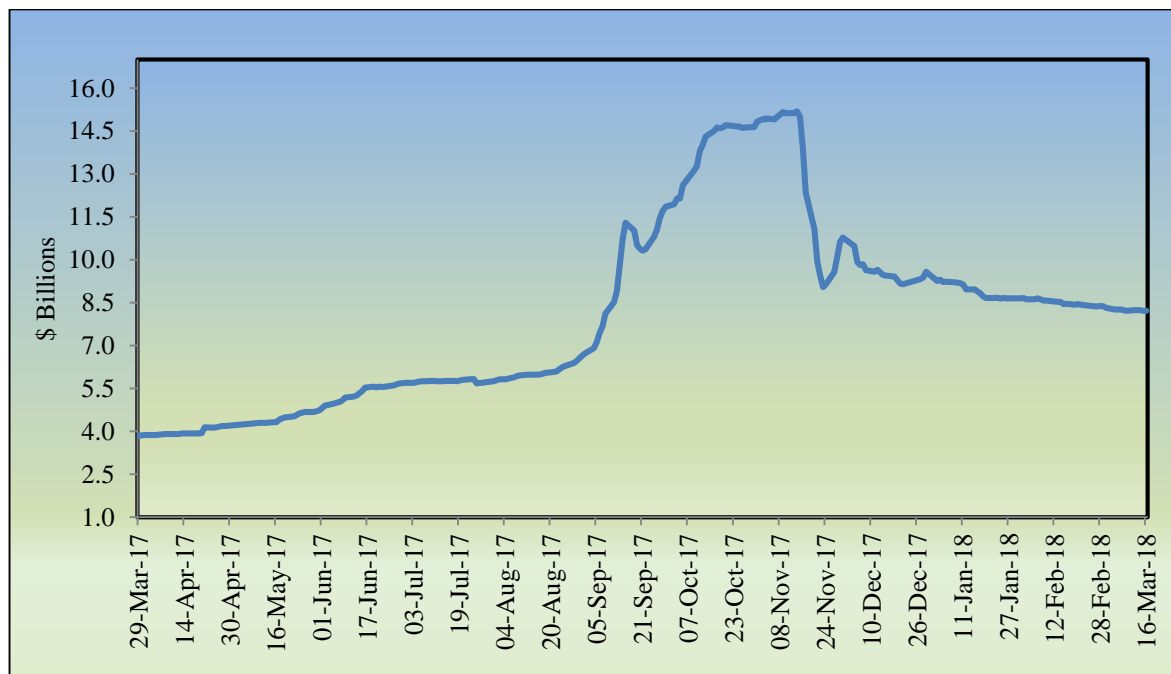


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

In line with the subdued trading activity on the market during the week under review, the ZSE market capitalization declined by 0.06% to close at US\$8.22 billion.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

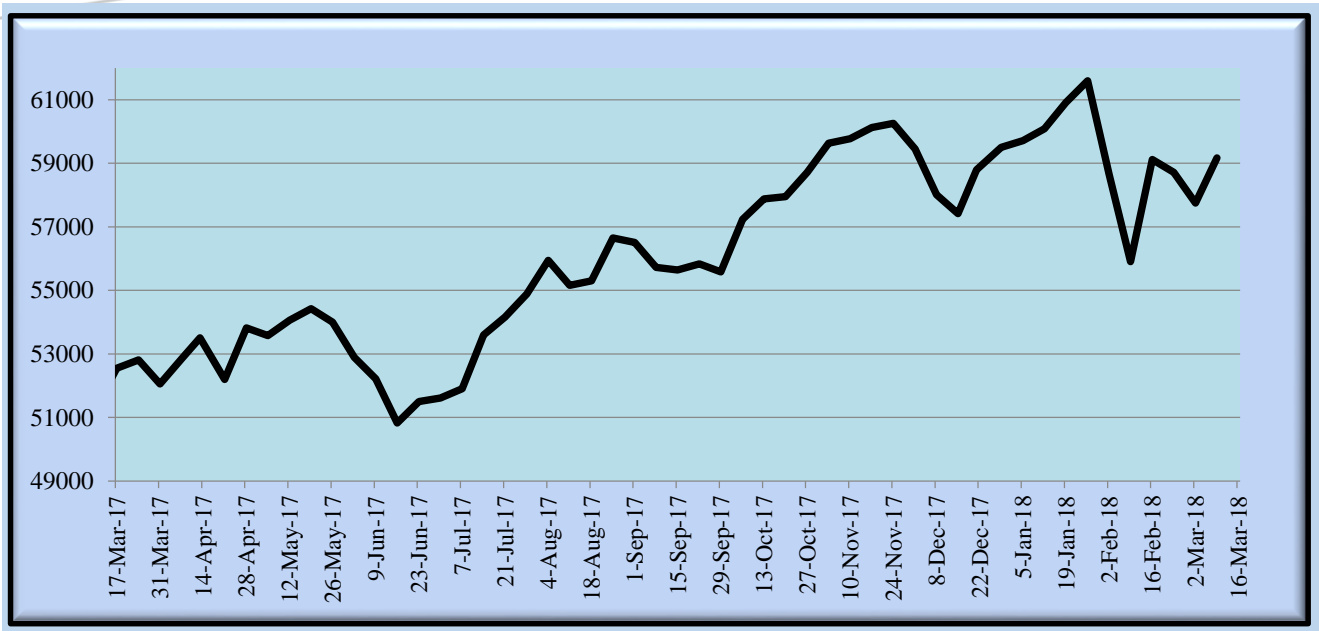
Johannesburg Stock Exchange (JSE) Development

The JSE All Share index declined by 1.8% from 59 169.23 points recorded in the previous week, to 58 101.02 points, during the week ending 16th March 2018. Similarly, the JSE market capitalization fell by 0.78% from R15.0 trillion recorded in the previous week, to R14.9 trillion during the week under review.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
16- February-18	59 122.34	14.89
23-February-18	58 715.46	14.82
02-March-18	57 744.70	14.74
09-March-18	59 169.23	15.01
16-March-18	58 101.02	14.90
% Change	(1.80)	(0.78)

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2018

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

RESERVE BANK OF ZIMBABWE

22ND MARCH 2018