



Weekly Economic Highlights

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Week Ending
16th November 2018

1. INTEREST RATES

Deposit Rates

During the week ending 16th November 2018, average deposit rates for savings deposits and deposits of 1-month tenor increased to 3.62% and 3.97%, respectively. Average deposit rates for deposits of 3-month tenor, however, decreased to 4.09% during the same period.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
19-Oct-18	4.16	3.62	4.13
26-Oct-18	3.94	3.37	4.07
02-Nov-18	3.94	3.84	4.03
09-Nov-18	3.94	3.61	4.12
16-Nov-18	3.97	3.62	4.09

Source: Banking Institutions, 2018

Lending Rates

Weighted lending rates for commercial banks' individual clients declined slightly from 9.50% in the previous week to 9.49% during the week under analysis. Commercial bank weighted lending rates for corporate clients, however, increased from 7.38% to 7.40%, during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
19-Oct-18	9.48	7.40
26-Oct-18	9.47	7.38
02-Nov-18	9.51	7.31
09-Nov-18	9.50	7.38
16-Nov-18	9.49	7.40

Source: Banking Institutions, 2018

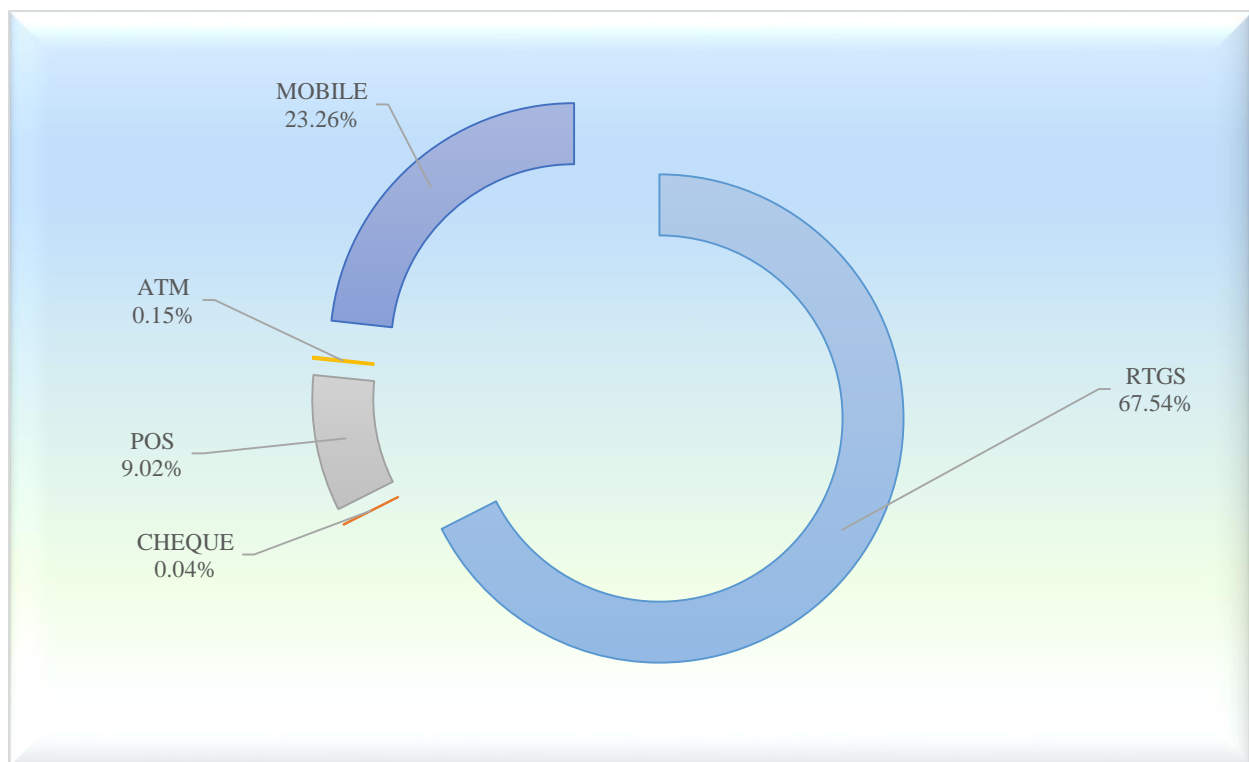
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment System (NPS) declined by 16.8% to US\$2.6 billion, during the week ending 16th November 2018. Transactions processed through Real Time Gross Settlement (RTGS) system amounted to US\$1.74 billion, reflecting a 18.3% decrease from \$2.13 billion registered in the previous week.

In value terms, the distribution of NPS transactions was as follows: RTGS, 67.54%; Mobile, 23.26%; Point of Sale (POS), 9.02%; Automated Teller Machines (ATMs), 0.15%; and Cheques, 0.04%, as shown in Figure 1.

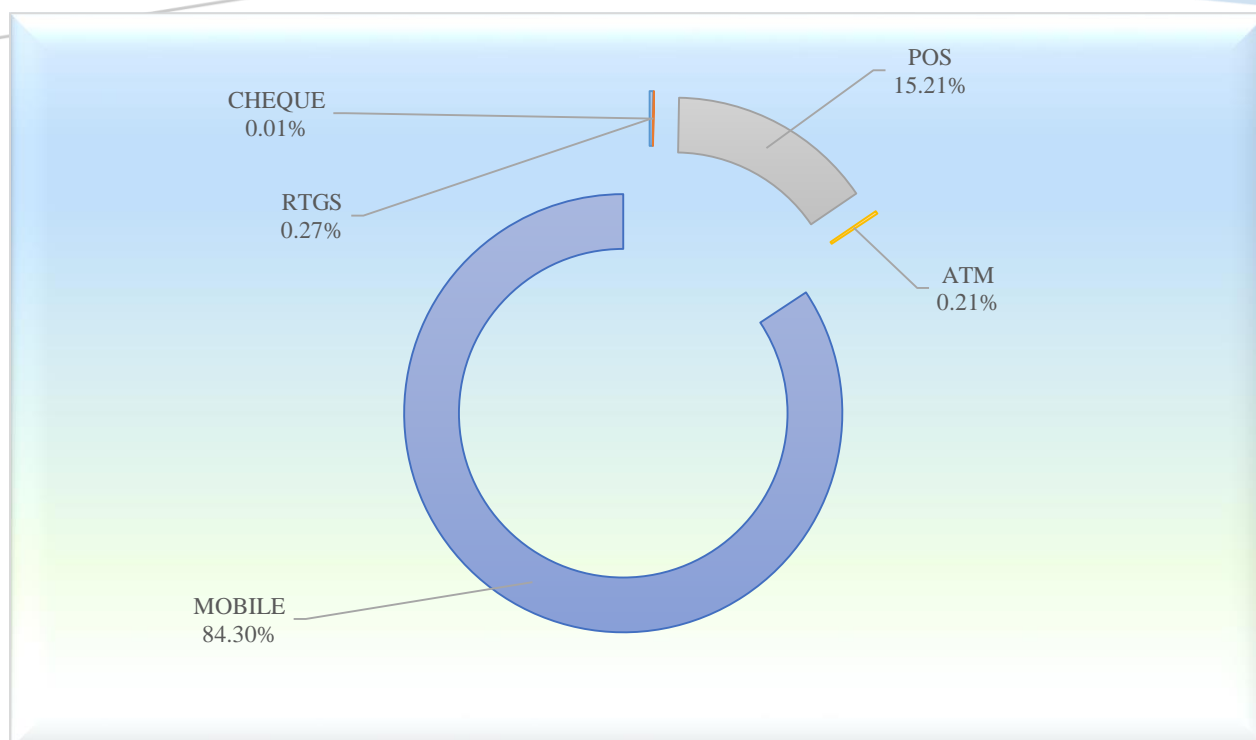
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

In volume terms, NPS transactions decreased by 7.6% to 35.09 million transactions during the week under analysis. The composition of NPS transactions in volume terms was as follows: Mobile, 84.30%; POS, 15.21%; RTGS 0.27%; ATMs 0.21%; and Cheques 0.01%, 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 9 th NOVEMBER 2018	WEEK ENDING 16 th NOVEMBER 2018	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN US\$ (millions)				
RTGS	2,130.08	1,739.50	-18.3%	67.54%
CHEQUE	0.85	0.94	11.4%	0.04%
POS	264.22	232.28	-12.1%	9.02%
ATM	4.97	3.8	-23.6%	0.15%
MOBILE	696.62	599.08	-14.0%	23.26%
TOTAL	3,096.74	2,575.60	-16.8%	100%
VOLUMES				
RTGS	111,307	94,872	-13.4%	0.27%
CHEQUE	3,910	4,152	1.5%	0.01%
POS	6,291,378	5,336,134	0.7%	15.21%
ATM	94,988	73,034	3.6%	0.21%
MOBILE	31,466,763	29,581,953	-9.4%	84.30%
TOTAL	37,968,346	35,090,145	-7.9%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper, nickel and crude oil decreased during the week under review, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (5 - 9 Nov)	1,227.34	878.50	6,176.40	11,782.00	71.77
12-Nov	1,206.30	851.50	6,072.00	11,425.00	69.56
13-Nov	1,199.83	843.50	6,075.00	11,450.00	65.08
14-Nov	1,202.35	834.00	6,048.00	11,310.00	66.16
15-Nov	1,206.73	833.00	6,099.00	11,280.00	67.25
16-Nov	1,219.10	841.50	6,203.50	11,350.00	67.33
Weekly Average (12 - 16 Nov)	1,206.86	840.70	6,099.50	11,363.00	67.08
<i>Weekly Change (%)</i>	<i>(1.67)</i>	<i>(4.30)</i>	<i>(1.25)</i>	<i>(3.56)</i>	<i>(6.53)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices fell by 1.67%, from an average price of US\$1,227.34/oz recorded in the previous week to US\$ 1,206.86/oz during the week under analysis. Prices were weighed down by the increased safe haven demand for the US dollar.

Platinum

The weekly average prices for platinum decreased by 4.3% to US\$840.70/oz. during the week ending 18th November 2018. Similar to gold, this was attributable to a stronger US dollar.

Copper

Copper prices declined by 1.25% to US\$6,099.50/ton during the week ending 16th November 2018, from US\$6,176.40/ton recorded in the previous week. The decline followed concerns of the anticipated decline in demand from major consumers of base metals such as China.

Nickel

Nickel prices fell by 3.56%, from a weekly average of US\$11,782.00/ton in the previous week to US\$11,363.00/ton, during the week under review. Prices slumped amid concerns of slower growth in China, the world's top consumer of the base metal.

Crude Oil

Crude oil prices slumped by 6.54%, from a weekly average of US\$71.77/barrel during the week ending 9th November 2018, to US\$67.08/barrel in the week under analysis. Prices fell on oversupply concerns.

EXCHANGE RATES

The US dollar appreciated against the South African rand, pound Sterling, Botswana pula and the euro, during the week under review. The greenback appreciated amid concerns about political risks in Europe.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
Weekly Average (5 - 9 Nov)	14.1409	0.7652	10.6249	0.8769
12-Nov	14.3313	0.7753	10.7181	0.8841
13-Nov	14.4074	0.7768	10.7759	0.8894
14-Nov	14.4362	0.7699	10.7875	0.8856
15-Nov	14.3150	0.7687	10.7643	0.8823
16-Nov	14.1785	0.7816	10.7124	0.8820
Weekly Average (12 - 16 Nov)	14.3337	0.7745	10.7516	0.8847
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.36</i>	<i>1.22</i>	<i>1.19</i>	<i>0.89</i>

Source: Reuters, 2018

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was bullish during the week under review. Resultantly, the All Share Index rose by 7.59 points to close at 167.55 points. The industrial index closed the week under analysis at 569.25 points, a 5.97% increase from 537.17 points registered during the previous week. This emanated from share price gains for Econet Wireless Zimbabwe (17.29%); Old Mutual Zimbabwe (11.76%); Delta Corporation (6.70%); Afdis Distillers (6.67%); and Masimba Holdings (5%).

The mining index increased by 0.34%, from 208.11 points recorded in the previous week to 208.81 points during the week under review. The increase was attributable to gains in Bindura Nickel Corporation, 1.27%. RioZim traded, albeit on thin volumes, while Falgold did not register any trades.

Table 6: Zimbabwe Stock Exchange Statistics

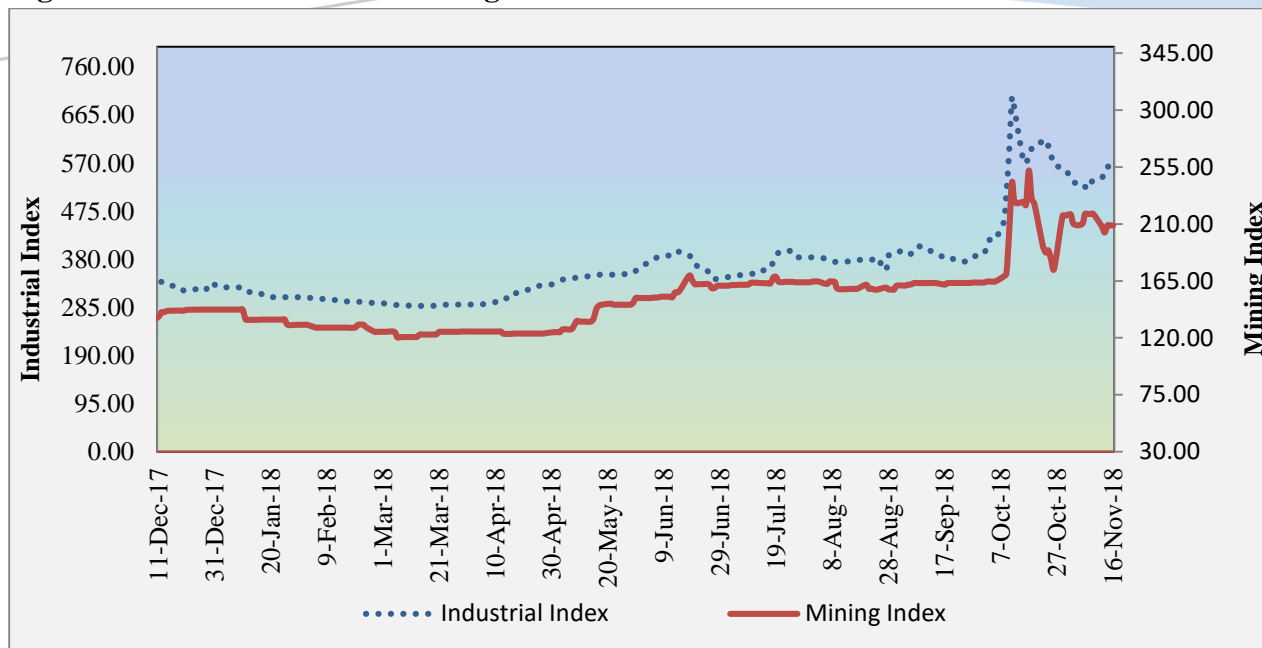
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
19-October-18	180.93	191.48	607.59	225.61	20,008,100,464	47,240,257	74,836,768
26-October-18	168.84	174.48	566.92	216.79	18,455,120,362	11,812,741	22,494,951
02-November-18	158.49	160.71	532.06	209.86	17,351,794,804	15,187,072	27,710,549
09-November-18	159.96	164.30	537.17	208.11	17,636,859,001	27,854,020	43,269,359
16-November-18	167.55	177.95	569.25	208.81	18,917,390,876	11,738,201	23,221,101
Weekly Change (%)	4.74	8.31	5.97	0.34	7.26	-57.86	-46.33

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

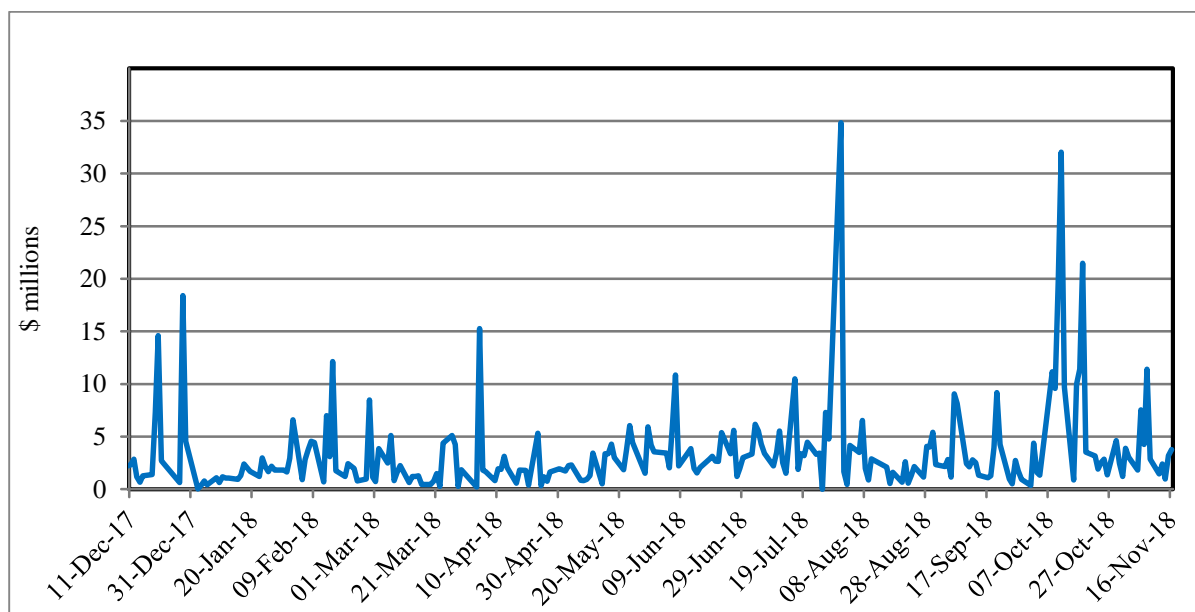


Source: Zimbabwe Stock Exchange, 2018

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE declined by 46.33%, to close the week under review at 23.22 million shares. A 57.86% decrease in the cumulative value of shares traded was recorded, from US\$27.85 million in the previous week to US\$11.73 million, during the week ending 16th November 2018.

Figure 4: Daily Market Turnover

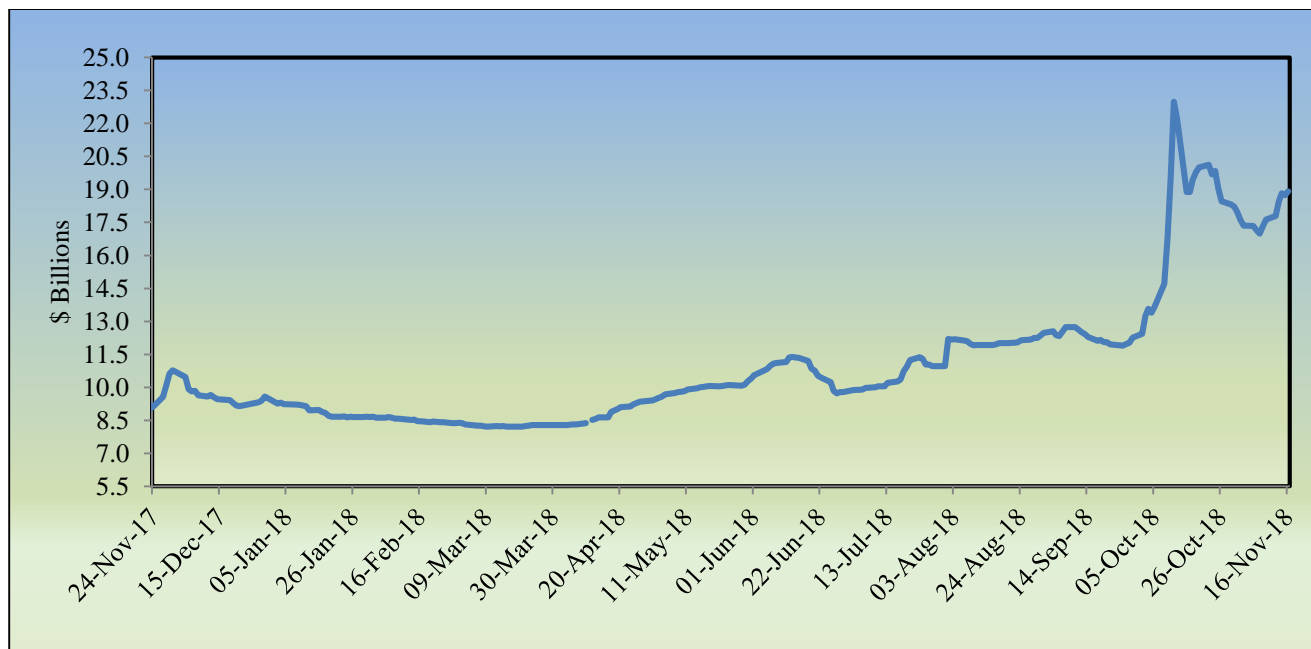


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

The ZSE added \$1.28 billion worth of capitalization, or 7.26% of the previous week value to close at US\$18.92 billion, during the week ending 16th of November 2018.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

Johannesburg Stock Exchange (JSE) Developments

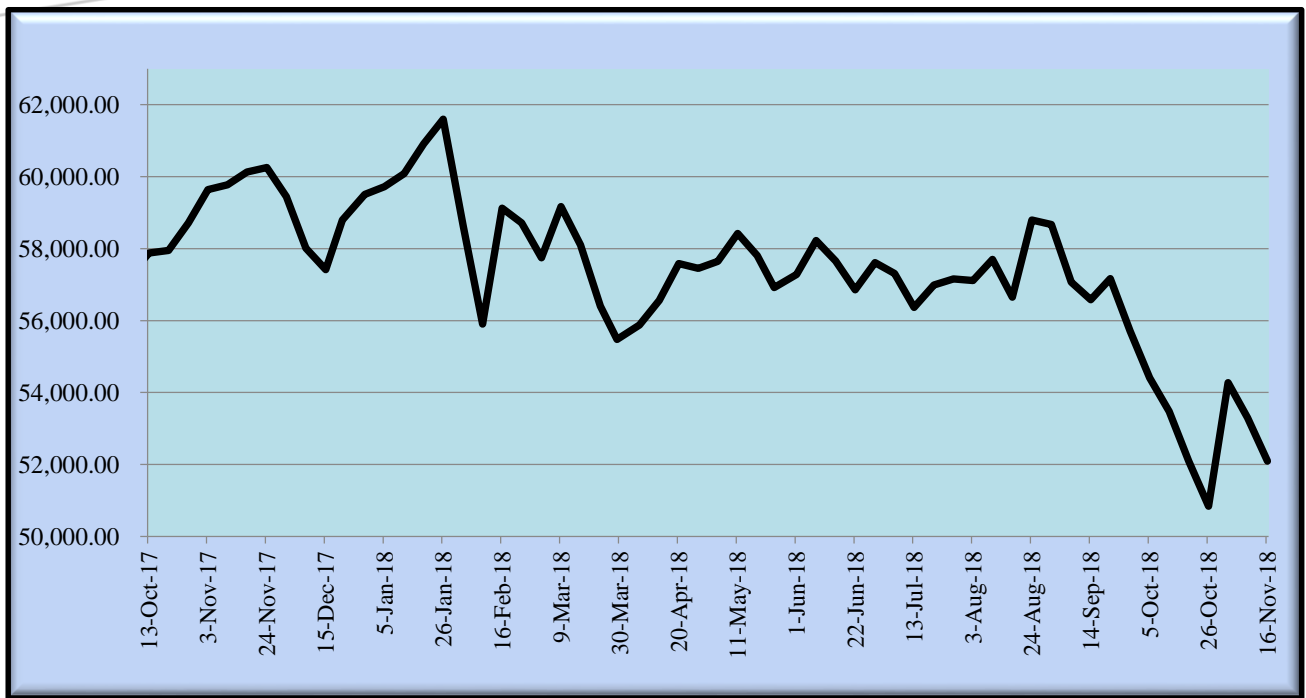
The JSE All Share Index declined by 2.25%, to close the week at 52,096.04 points from 53,295.35 points recorded in the previous week. In tandem, JSE market capitalization declined by 1.80% to R12.87 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
19-Oct-18	52,092.98	13.40
26-Oct-18	50,837.57	13.05
02-Nov-18	54,271.19	13.61
09-Nov-18	53,295.35	13.38
16-Nov-18	52,096.04	12.87
% Change	-2.25	-3.81

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

23rd NOVEMBER 2018