



Weekly Economic Highlights

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Week Ending
19th January 2018

1. INTEREST RATES

Deposit Rates

During the week ending 19th January 2018, average deposits rates for savings deposits, deposits of 1 month and 3 month tenors remained unchanged at 4.35%, 3.81% and 4.09%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
21-December-17	4.10	3.84	4.11
29-December-17	4.10	3.84	4.11
05-January-18	4.35	3.80	4.19
12-January-18	4.35	3.81	4.09
19 January-18	4.35	3.81	4.09

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients increased from 9.30% in the previous week, to 9.31% during the week under analysis. Weighted lending rates for corporate clients, however, declined by 0.02 percentage points to 6.99% during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
21-December-17	9.38	7.07
29-December-17	9.39	7.00
05-January-18	9.32	7.02
12-January-18	9.30	7.01
19-January-18	9.31	6.99

Source: Banking Institutions, 2018

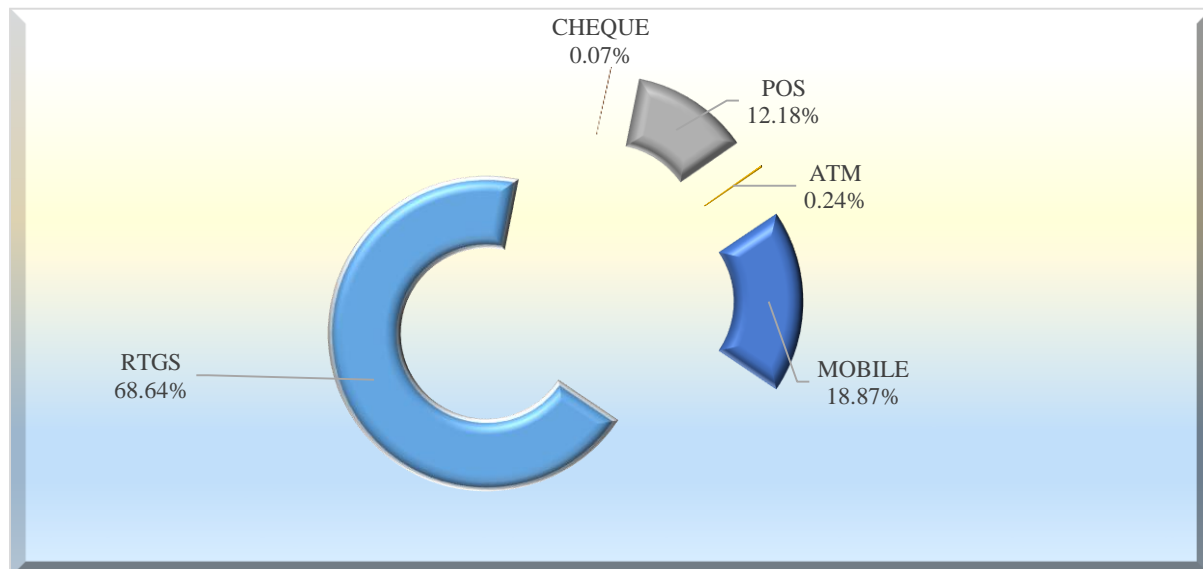
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) increased by 6%, to close the week ending 19th January 2018 at US\$1 870.96 million. This was on the back of a 15% increase in the value of RTGS transactions to US\$1 284.13 million during the same week.

The distribution of NPS transactions in value terms was as follows: RTGS, 68.64%; Mobile, 18.87%; POS, 12.18%; ATM, 0.24%; and Cheque 0.07%, as shown in Figure 1.

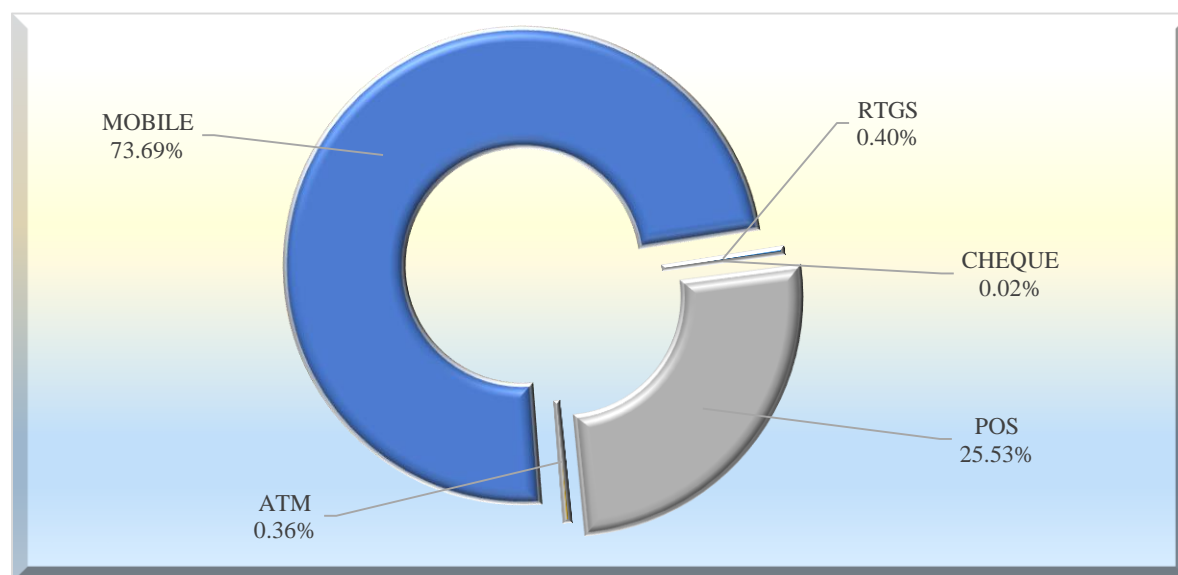
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

NPS transaction volumes decreased by 7%, to close the week under review at 26 057 297. In terms of contributions to the total volume of NPS transactions, Mobile transactions were highest at 73.69%, followed by POS, 25.53%; RTGS, 0.40%; ATM, 0.36%; and Cheque, 0.02%, 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 12 January 2018	WEEK ENDING 19 January 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,118.66	1,284.13	15%	68.64%
CHEQUE	1.04	1.24	20%	0.07%
POS	242.42	227.95	-6%	12.18%
ATMS	3.87	4.54	17%	0.24%
MOBILE	393.15	353.09	-10%	18.87%
TOTAL	1,759.14	1,870.96	6%	100%
VOLUMES				
RTGS	122,989	103,743	-16%	0.40%
CHEQUE	4,717	5,959	26%	0.02%
POS	6,696,356	6,651,416	-1%	25.53%
ATMs	84,533	93,876	11%	0.36%
MOBILE	21,015,678	19,202,303	-9%	73.69%
TOTAL	27,924,273	26,057,297	-7%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of gold, platinum, copper and crude oil firmed during the week ending 19th January 2018. Nickel prices, however, decreased during the same week, 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 (08 -12 Jan)	1,318.63	969.00	7,145.88	12,661.25	68.71
15-Jan	1,341.13	1,065.00	7,248.00	12,950.00	70.23
16-Jan	1,334.40	992.75	7,188.00	12,600.00	69.30
17-Jan	1,336.50	1,001.50	7,092.00	12,505.00	69.44
18-Jan	1,330.98	1,001.00	7,066.00	12,455.00	69.19
19-Jan	1,334.00	1,061.00	7,093.00	12,370.00	68.71
Week ending (15 -19 Jan)	1,335.75	1,015.06	7,148.50	12,627.50	69.54
<i>Weekly Change (%)</i>	<i>1.3</i>	<i>4.8</i>	<i>0.04</i>	<i>(0.3)</i>	<i>1.2</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices firmed by 1.3%, from US\$1 318.63 /oz in the previous week to US\$1 335.75/oz, during the week under review. This was underpinned by a weaker US dollar, which bolstered safe haven demand for the yellow metal.

Platinum

Platinum prices rose by 4.8%, from a weekly average of US\$969.00/oz recorded in the previous week to US\$1 015.06/oz, during the week ending 19th January 2018. The prices were supported by prospects of strong demand for the metal, amid a weakening US dollar.

Copper

Copper prices marginally increased by 0.04%, to close the week under review at US\$7 148.50/ton. This followed signs of declining global inventories of the base metal.

Nickel

Nickel prices declined by 0.3%, from a weekly average of US\$12 661.25/ton in the previous week to US\$12 627.50/ton, during the week under analysis. Prices slumped on the back of concerns over slackening demand in China, the world's largest consumer of the metal.

Crude Oil

Crude oil prices surged by 1.2%, from US\$68.71/barrel in the previous week to US\$69.54/barrel, during the week under review. This followed rising optimism that the global glut is easing, following further production curbs by OPEC member states and Russia.

4. EXCHANGE RATES

During the week ending 19th January 2018, the US dollar weakened against the rand, pound Sterling, pula and euro. This was partly underpinned by investor concerns over a potential government shutdown, as lawmakers struggled to cobble together a Federal budget deal.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (08 - 12 Jan)	12.3771	0.7387	9.8437	0.8356
15-Jan	12.3481	0.7274	9.8717	0.8180
16-Jan	12.3078	0.7252	9.7656	0.8155
17-Jan	12.2948	0.7259	9.7609	0.8165
18-Jan	12.3011	0.7230	9.7752	0.8193
19-Jan	12.1131	0.7188	9.7229	0.8156
Weekly Average (15 - 19 Jan)	12.3130	0.7254	9.7933	0.8173
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(0.5)</i>	<i>(1.8)</i>	<i>(0.5)</i>	<i>(2.2)</i>

Source: Reuters, 2018

5. EQUITY MARKETS

During the week ending 19th January 2018, trading on the Zimbabwe Stock Exchange (ZSE) was characterized by bearish sentiments. The ZSE All Share index declined by 3.38% to end the week under review at 91.49 points, largely due to widespread losses in industrial counters.

The mainstream index declined by 3.29% to close the week at 305.70 points, due to losses recorded in Econet Wireless Zimbabwe (21.27%); Innscor Africa (15.54%); Barclays Bank of Zimbabwe (12.73%); Pretoria Portland Cement (11.61%); and CBZ Holdings (10%). Partially offsetting the losses were gains realized in Old Mutual (12.64%); Zimplot (3.58%); TSL (2.27%); Delta Corporation (2.14%); and Unifreight Africa (2.11%).

The mining index, however, increased by 0.11%, from 134.37 points in the prior week to 134.52 points during the week under review. This was on account of a 0.44% increase in the Bindura Nickel Corporation share price. All other mining counters traded at previous week prices, albeit on thin trading volumes.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

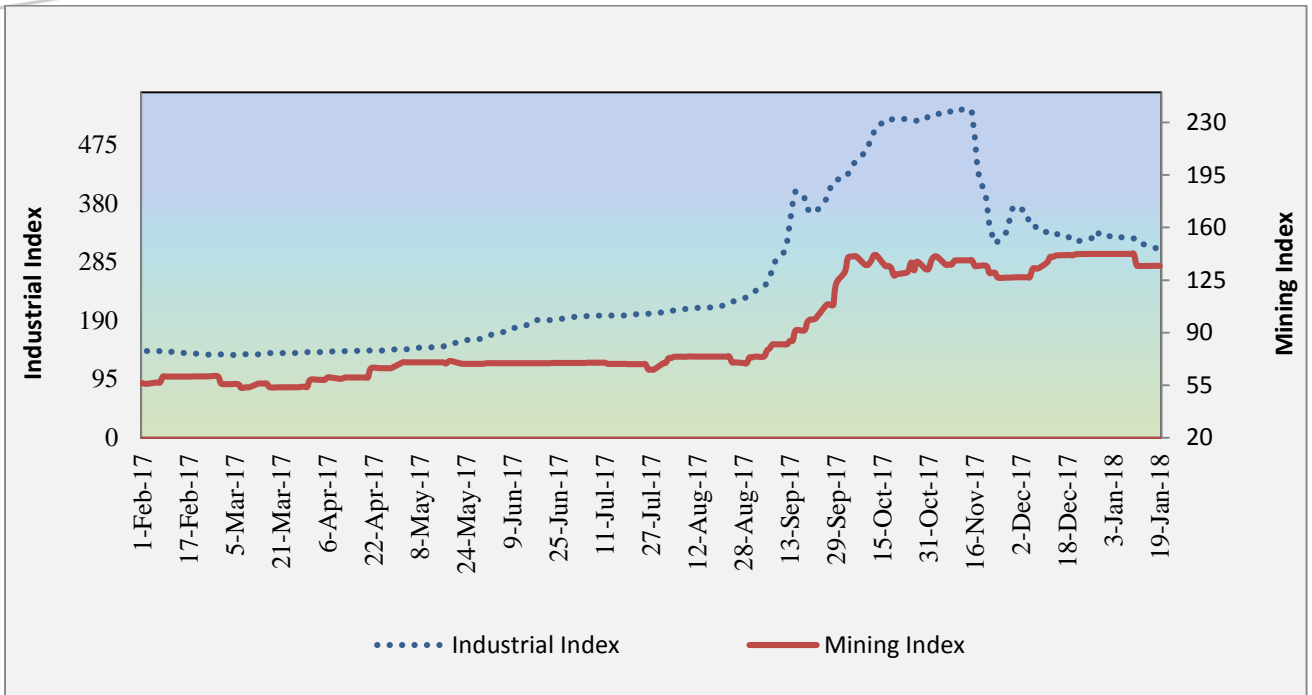
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
29-December-17	-	-	333.02	142.40	9,580,566,540	23,563,704	179,420,979
05-January-18	97.59	97.66	325.23	142.40	9,236,434,615	1,558,769	7,745,882
12-January-18	94.69	94.40	316.10	134.37	8,962,112,350	4,964,991	14,864,252
19-January-18	91.49	90.58	305.70	134.52	8,669,124,395	8,385,026	15,263,065
Weekly Change (%)	-3.38	-4.05	-3.29	0.11	-3.27	68.88	2.68

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

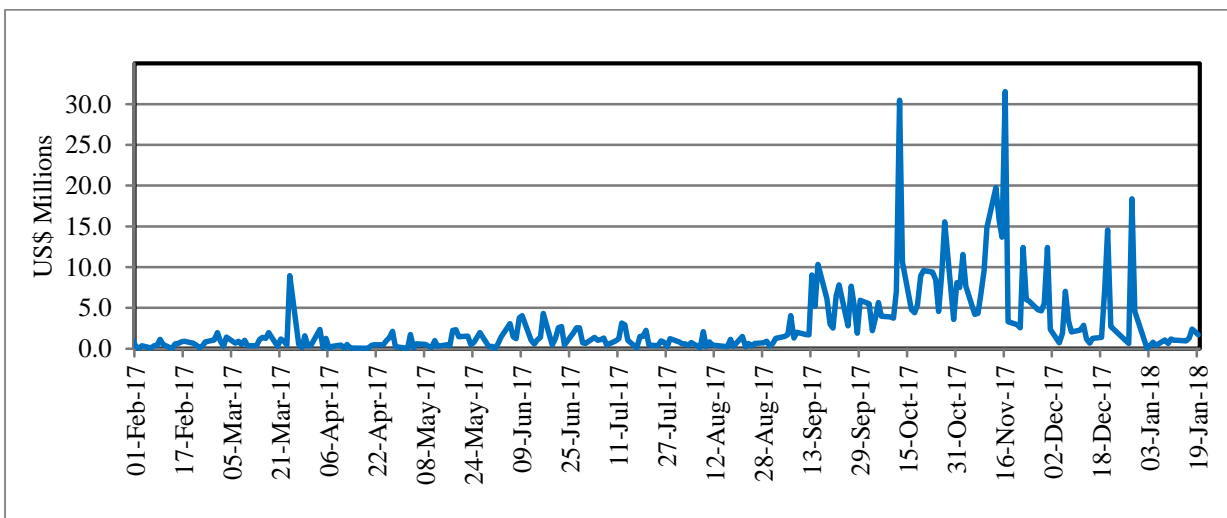


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE rose by 2.68%, from 14 864 252 shares recorded in the previous week to 15 263 065 shares, during the week under analysis. In concomitance, market turnover also increased by 68.88%, to close the week under review at US\$8.39 million.

Figure 4: Daily Market turnover

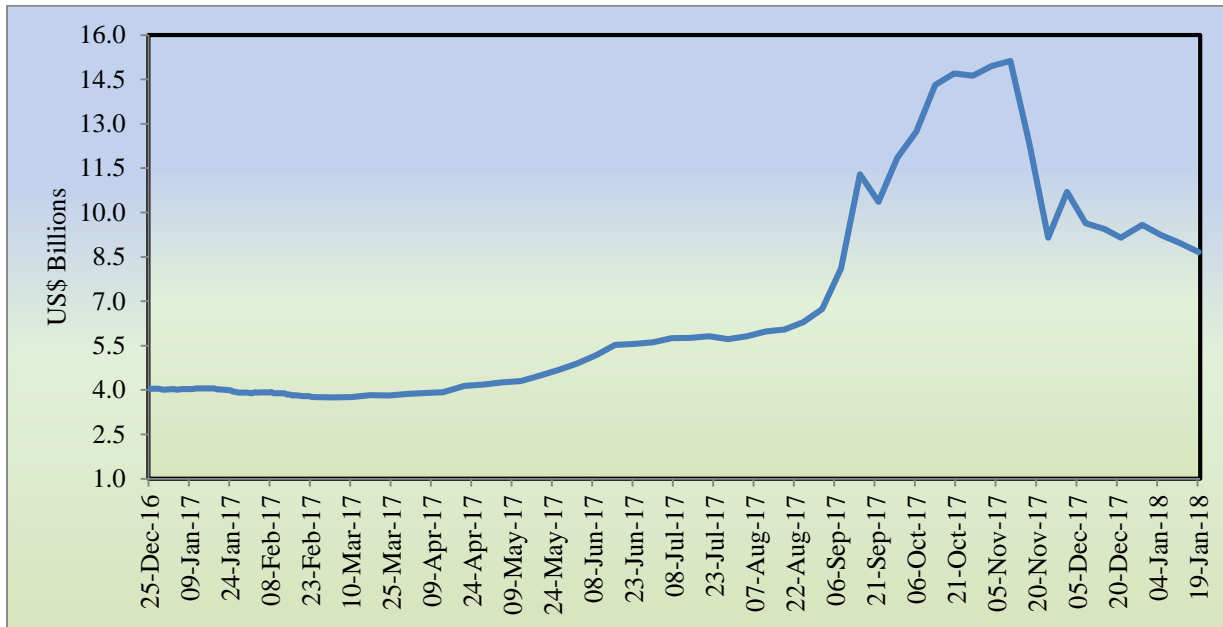


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

ZSE market capitalisation declined by 3.27% to US\$8.67 billion, during the week ending 19th January 2018, from US\$8.96 billion recorded in the prior week.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

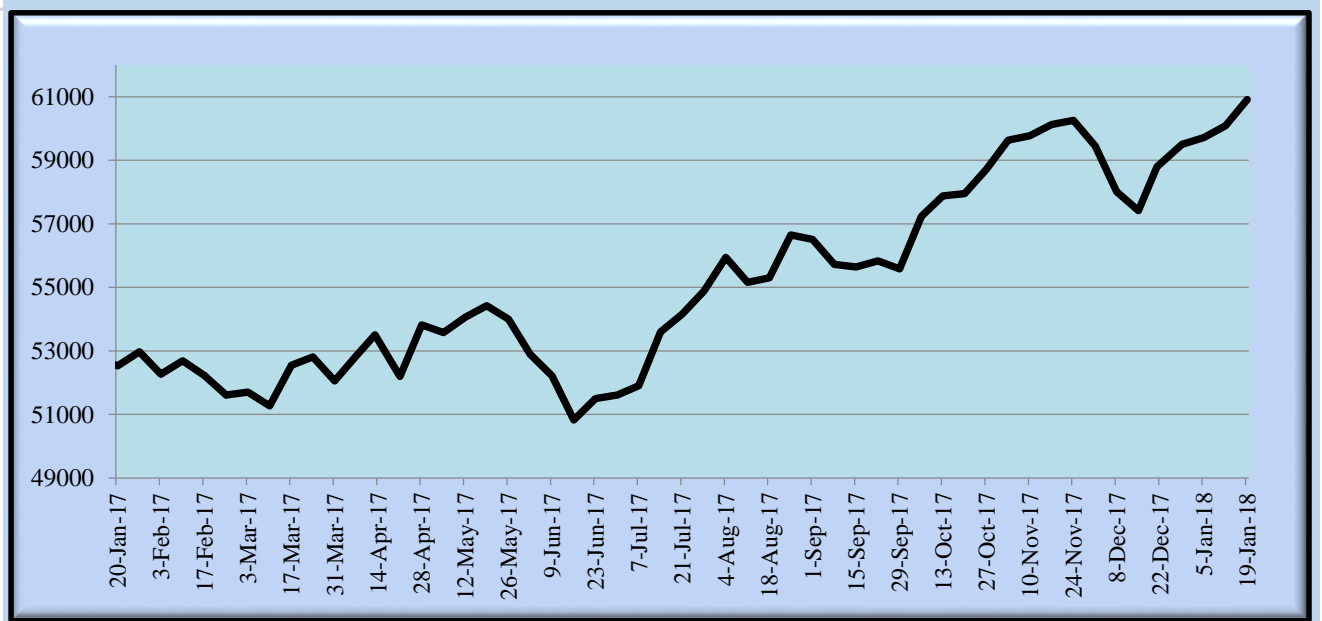
Johannesburg Stock Exchange (JSE) Development

The JSE All share index increased by 1.38% to 60 912.88 points, during the week ending 19th January 2018. Similarly, the JSE market capitalisation rose by 0.76%, to close the week under review at R15.87 trillion.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
29- December-17	59 504.67	15.46
05-January-18	59 717.20	15.58
12-January-18	60 083.13	15.75
19-January-18	60 912.88	15.87
% Change	1.38	0.76

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

29TH JANUARY 2018