



# 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  
21<sup>st</sup> April 2017

## 1. INTEREST RATES

### Deposit Rates

During the week ending 21<sup>st</sup> April 2017, average deposit rates for savings deposits declined to 3.44%, from 3.96% in the previous week. Average interest rates for deposits of 1 month and 3 months tenor, however, increased to close the week under analysis at 4.37% and 4.43%, respectively.

**Table 1: Average Deposit Rates (Yields in percent per annum)**

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
24-March-17	3.01	5.31	5.50
31-March-17	3.55	4.97	5.43
07-April-17	3.98	4.71	4.91
13-April-17	3.96	4.20	4.22
21-April-17	<b>3.44</b>	<b>4.37</b>	<b>4.43</b>

Source: Banking Institutions, 2017

### Lending Rates

Commercial banks weighted lending rates for individual clients increased by 0.01 percentage points to 9.23% during the week under analysis. Weighted lending rates for corporate clients stood at 7.01%, a 0.01 percentage points decline from 7.02% recorded in the previous week.

**Table 2: Lending Rates**

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
24-March-17	10.00	6.57
31-March-17	9.12	7.02
07-April-17	9.22	7.01
13-April-17	9.22	7.02
21-April-17	<b>9.23</b>	<b>7.01</b>

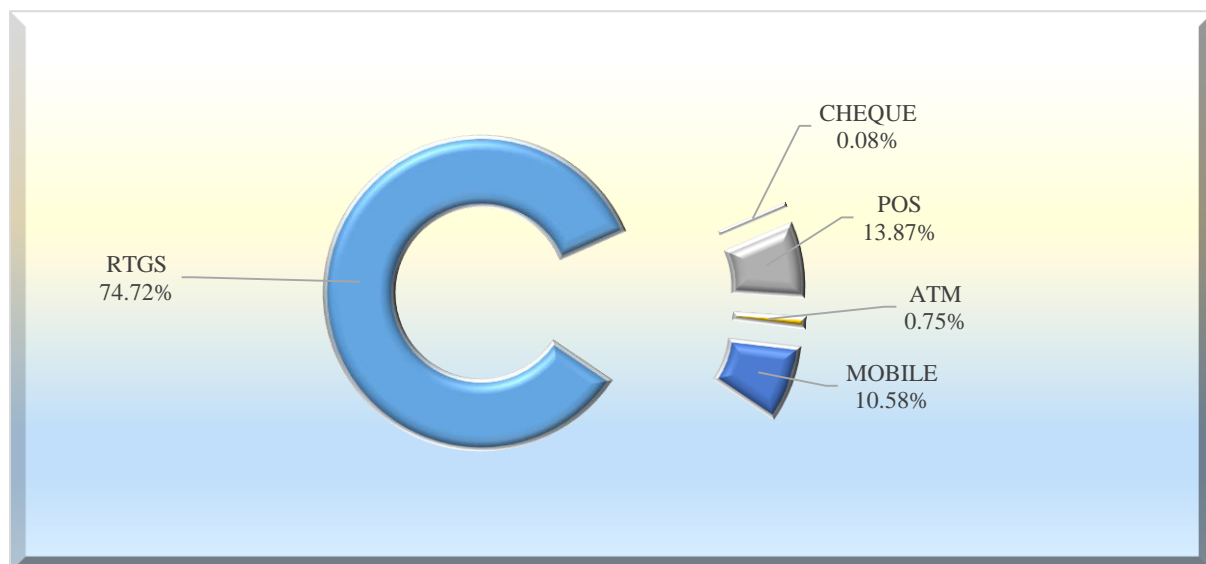
Source: Banking Institutions, 2017

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 21<sup>st</sup> April 2017, the total value of transactions processed through the National Payment Systems (NPS) declined by 29%, from US\$1 358.84 million in the previous week to US\$962.52 million in the week under analysis. Real Time Gross Settlement (RTGS) transactions declined by 32% to close at stood at US\$719.19 million during the week under review.

In value terms, RTGS payments accounted for 74.72% of the total value of transactions processed through the NPS, followed by Point of Sale (POS), 13.87%; Mobile, 10.58%; Automated Teller Machines (ATM's), 0.75%; and cheque transactions, 0.08%, as shown in Figure 1.

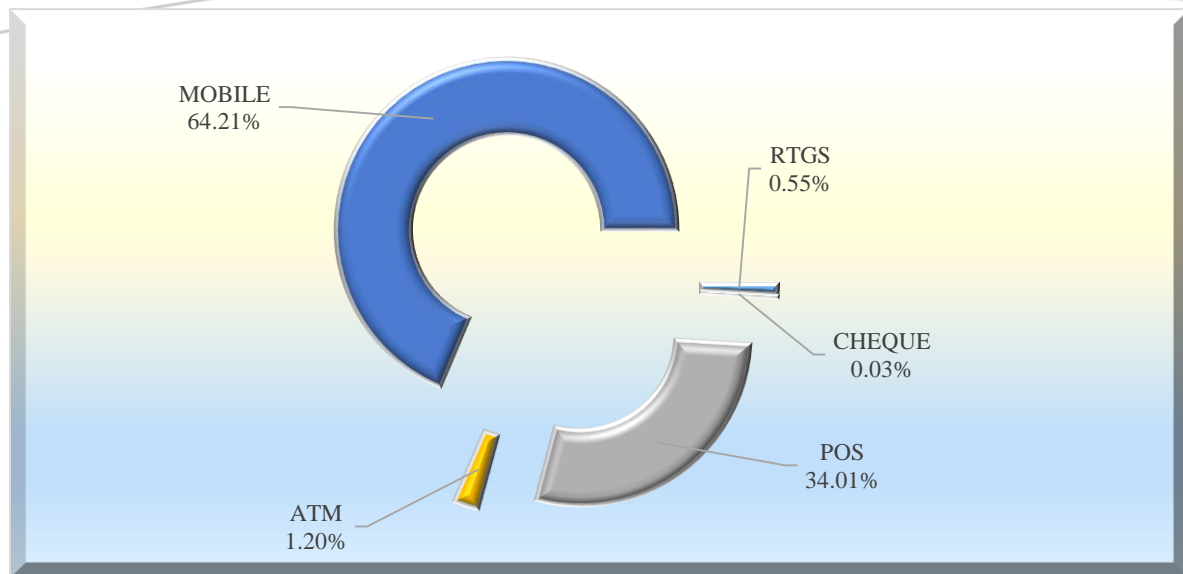
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

In volume terms, Mobile transactions accounted for 64.21% of total NPS transactions; POS, 34.01%; ATMs, 1.20%; RTGS, 0.55%; and cheques, 0.03% during the week ending 21<sup>st</sup> April 2017, as shown in Figure 2.

**Figure 2: Proportions of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe.

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 13 April 2017	WEEK ENDING 21 April 2017	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	1,060.21	719.19	-32%	74.72%
<b>CHEQUE</b>	1.29	0.78	-39%	0.08%
<b>POS</b>	160.33	133.54	-17%	13.87%
<b>ATMS</b>	8.46	7.18	-15%	0.75%
<b>MOBILE</b>	128.54	101.82	-21%	10.58%
<b>TOTAL</b>	<b>1,358.84</b>	<b>962.52</b>	<b>-29%</b>	<b>100%</b>
<b>RTGS</b>	86,379	58,387	-32%	0.55%
<b>CHEQUE</b>	5,769	3,466	-40%	0.03%
<b>POS</b>	4,117,873	3,630,342	-12%	34.01%
<b>ATMs</b>	139,847	127,939	-9%	1.20%
<b>MOBILE</b>	8,194,149	6,854,028	-16%	64.21%
<b>TOTAL</b>	<b>12,544,017</b>	<b>10,674,162</b>	<b>-15%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. TOBACCO SALES

A cumulative total of 58 554 106 kilograms of tobacco had been sold, as at 21st April 2017 or day 25 of the 2017 tobacco selling season. This was 28.36% higher than the 45 615 658 kilograms of tobacco sold during the same period in 2016. The cumulative sales value amounted to US\$159.1 million during the period under analysis, representing 26.09% increase on the cumulative sales realized in the corresponding period in 2016.

The golden leaf was sold at an average price of US\$2.72/kg during the period under review, down from an average price of US\$2.77/kg, during the same period in 2016.

**Table 4: Cumulative Tobacco Sales: Day 22 (13 April 2017)**

	2016	2017	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	45,615,658	58,554,106	28.36
<b>Cumulative Average Price(US\$/kg)</b>	2.77	2.72	-1.81
<b>Cumulative Value (US\$ million)</b>	126,141,237	159,057,619	26.09

Source: Tobacco Industry and Marketing Board (TIMB), 2017

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold and platinum firmed during the week ending 21<sup>st</sup> April 2017. Copper, nickel and crude oil, however, retreated during the same week, as shown in Table 5.

**Table 5: Metal and Crude Oil Prices**

	<b>Gold</b>	<b>Platinum</b>	<b>Copper</b>	<b>Nickel</b>	<b>Crude Oil</b>
<b>2017</b>	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Week ending (10 - 13 April)</b>	<b>1,265.09</b>	<b>959.13</b>	<b>5,732.25</b>	<b>9,942.50</b>	<b>55.82</b>
19-Apr	1,280.55	977.00	5,620.00	9,540.00	52.99
20-Apr	1,281.00	972.00	5,600.50	9,450.00	52.93
21-Apr	1,281.68	978.00	5,611.00	9,370.00	54.90
<b>Week ending (19 - 21 April)</b>	<b>1,281.08</b>	<b>975.67</b>	<b>5,610.50</b>	<b>9,453.33</b>	<b>53.61</b>
<i>Weekly Change (%)</i>	<i>1.3</i>	<i>1.7</i>	<i>(2.1)</i>	<i>(4.9)</i>	<i>(4.0)</i>

Source: BBC, KITCO and Bloomberg

### Gold

Gold prices gained by 1.3%, from a weekly average of US\$1,265.09/oz recorded in the previous week to US\$1,281.08/oz during the week under review. The prices increased as investors remained cautious ahead of the first round of voting in the French presidential election, underpinning safe haven demand for the precious metal.

### Platinum

Platinum prices increased by 1.7%, from US\$959.13/oz recorded in the previous week to US\$975.67/oz in the week under analysis. This was underpinned by prospects of rising demand in the vehicle manufacturing sector.

### Copper

Copper prices retreated by 2.1%, from US\$5,732.25/ton in the previous week to US\$5,610.50/ton in the week under review. Prices declined amid concerns of another global supply glut, and subdued demand in China following a slowdown in house prices in the world's largest consumer of the base metal.

## **Nickel**

Nickel prices fell by 4.9%, from a weekly average of US\$9,942.00/tonne registered in the previous week to close the week under review at an average of US\$9,453.33/tonne, due to a slump in global demand.

## **Crude Oil**

Crude oil prices decreased by 4.0% to US\$53.61/barrel during the week under analysis, from US\$55.82/barrel in the previous week. This was on the back of concerns about rising U.S. Shale production and high inventories which offset OPEC oil supply cuts.

## 5. EXCHANGE RATES

The US dollar depreciated against the pound Sterling, euro and the rand, during the week under review, as investors moved into safe haven assets amid uncertainties related to the French presidential elections. In particular, the pound appreciated amid expectations that the British Prime Minister will win a substantial majority in the upcoming elections, strengthening up her negotiating mandate on Brexit with the European Union.

**Table 6: International Exchange Rates per US\$**

	<b>GBP</b>	<b>EURO</b>	<b>ZAR</b>
<b>2017</b>			
<b>Weekly Average (10-13 April)</b>	<b>0.801</b>	<b>0.9417</b>	<b>13.7085</b>
19-Apr	0.7794	0.9326	13.3140
20-Apr	0.7810	0.9324	13.2819
21-Apr	0.7812	0.9332	13.1634
<b>Weekly Average (19-21 April)</b>	<b>0.7811</b>	<b>0.9328</b>	<b>13.2226</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(2.48)</i>	<i>(0.95)</i>	<i>(3.54)</i>

Source: Reuters



## 6. EQUITY MARKETS

During the week ending 21<sup>st</sup> April 2017, trading on the Zimbabwe Stock Exchange (ZSE) continued on an upward trend for the fourth consecutive week. As a result, the industrial index rose by 0.41% to close the week under review to 141.50 points. The gains emanated from ZB Financial Holdings, 15.45%; Nampak Zimbabwe, 6.67%; TSL Limited, 6.28%; FBC Holdings, 0.47%; and Innscor Africa, 0.11%. Partially offsetting these gains were losses in First Mutual, 4.79%; Edgars Stores, 2.44%; and Colcom, 0.67%.

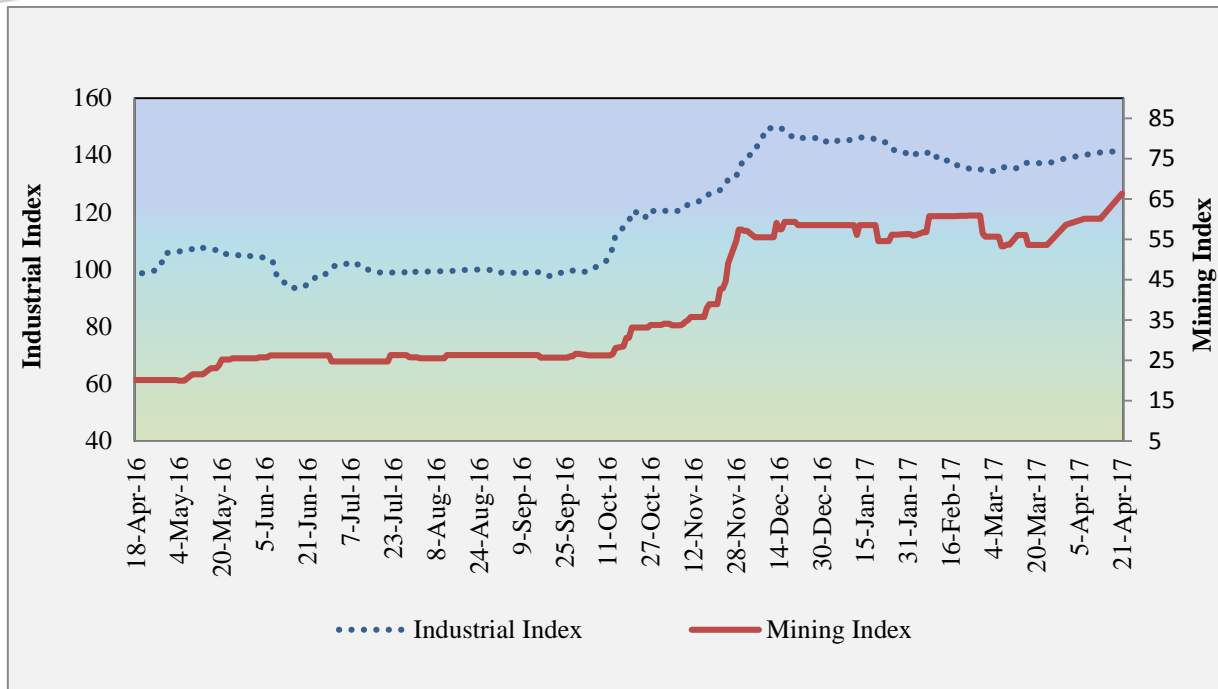
The resources index also firmed by 10.20% to close the week under review at 66.25 points. The increase was a result of an 18.79% share price increase in RioZim. Bindura Nickel Corporation traded at the previous week price, whilst Hwange and Falgold were inactive during the same week.

**Table 7: Zimbabwe Stock Exchange (ZSE) Statistics**

	<b>Industrial Index (points)</b>	<b>Mining Index (points)</b>	<b>Grand Market Capitalization (US\$)</b>	<b>Market Turnover (US\$)</b>	<b>Volume of Shares</b>
<b>24-March-17</b>	137.08	53.63	3,812,496,830	11,791,989	74,396,040
<b>31-March-17</b>	138.96	58.56	3,871,279,708	2,933,379	16,543,339
<b>7-April-17</b>	140.08	60.12	3,904,206,448	4,035,658	6,467,470
<b>13-April-17</b>	140.92	60.12	3,926,840,215	1,051,943	29,009,254
<b>21-April-17</b>	141.50	66.25	4,141,058,162	917,111	7,510,700
<b>Weekly Change (%)</b>	<b>0.41</b>	<b>10.20</b>	<b>5.46</b>	<b>(12.82)</b>	<b>(74.11)</b>

Source: Zimbabwe Stock Exchange (ZSE), 2017.

**Figure 3 : Zimbabwe Stock Exchange Indices**

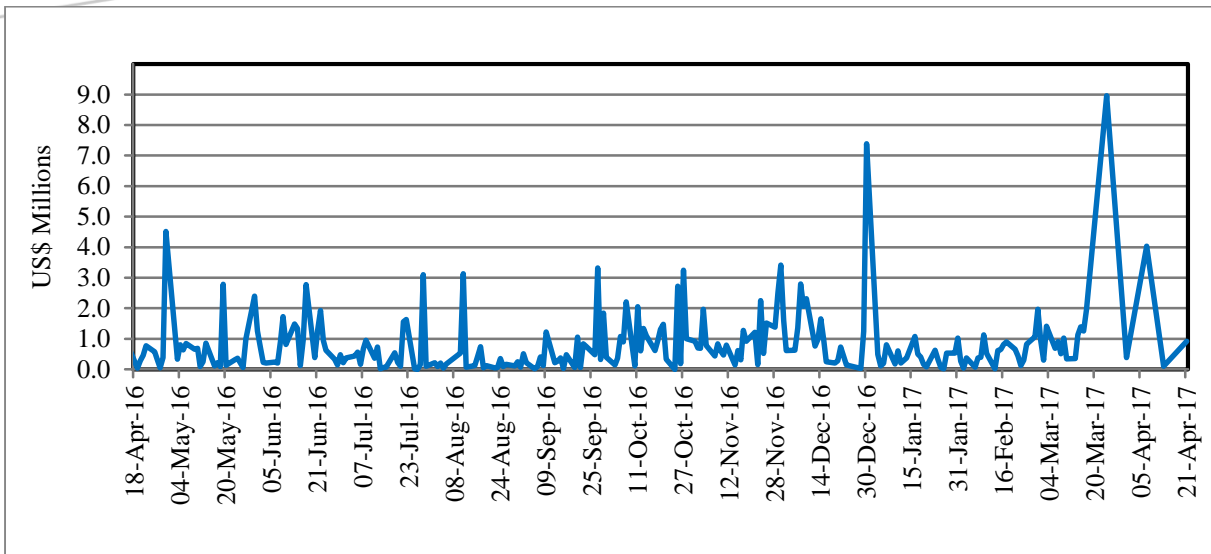


Source: Zimbabwe Stock exchange

### Market Turnover and Volume

During the week ending 21<sup>st</sup> April 2017, market turnover declined by 12.82% to close at US\$0.92 million, down from US\$1.05 million registered in the prior week. This was partly due to the shortened working week on account of the Easter and Independence holiday. The volume of shares traded also declined by 74.11% to 7 510 700 in the same week.

**Figure 4: Daily Market turnover**

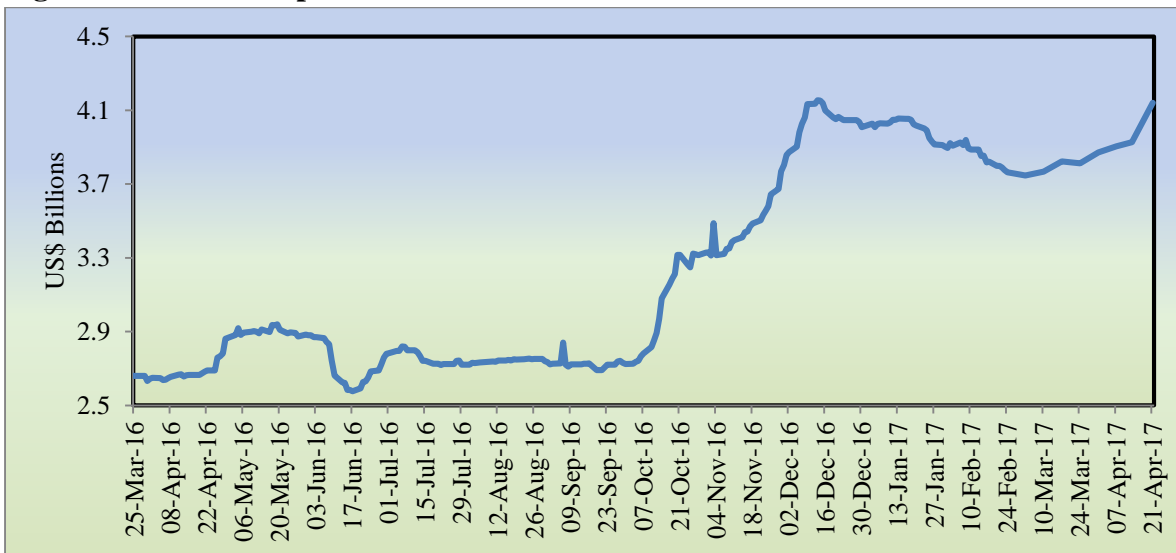


Source: Zimbabwe Stock Exchange, 2017

**Market Capitalization**

The ZSE market capitalization stood at US\$4.14 billion, representing a 5.46% increase from US\$3.93 billion recorded in the previous week. The increase was underpinned by gains in the industrial and mining indices.

**Figure 5 : Market Capitalization**



Source: Zimbabwe Stock Exchange, 2017

## Johannesburg Stock Exchange (JSE) Developments

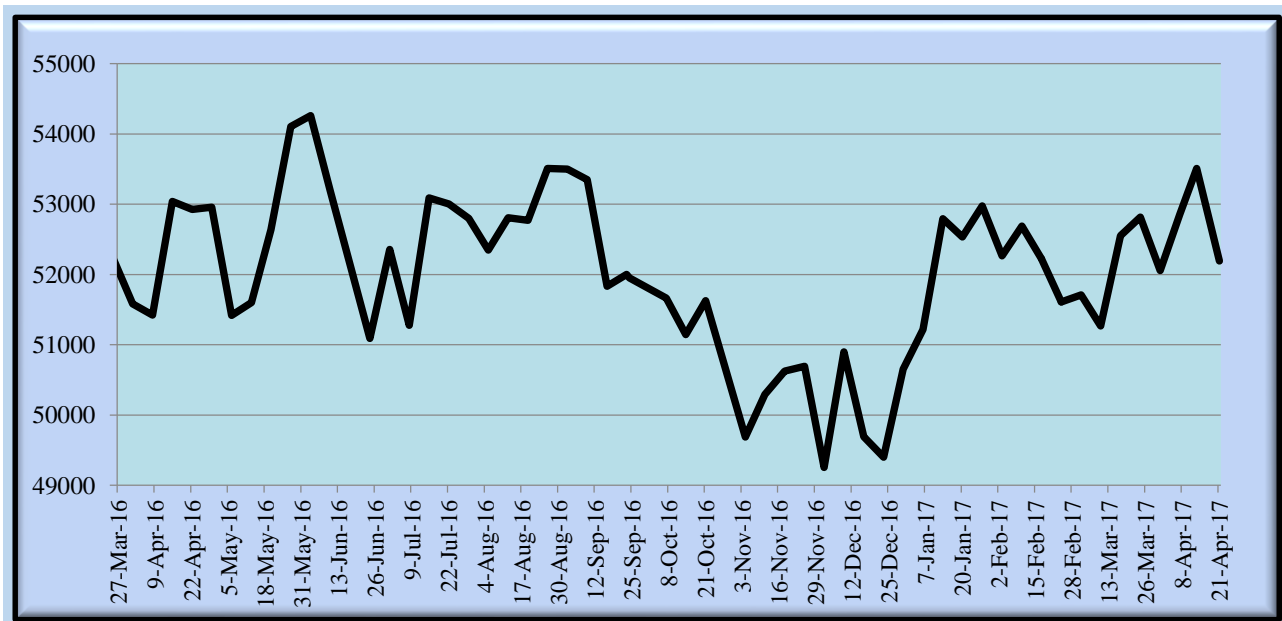
The JSE All share index declined by 2.46% to 52 194.59 points during the week under review. In tandem, market capitalization value declined from ZAR14.07 trillion in the previous week to ZAR13.70 trillion during the week under analysis.

**Table 8: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
17-March-17	52 550.99	13.77
24-March-17	52 816.33	13.49
31-March-17	52 056.06	13.81
07-April-17	52 853.36	14.09
13-April-17	53 510.22	14.07
21-April-17	<b>52 194.59</b>	<b>13.70</b>

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

28<sup>th</sup> APRIL 2017