



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
21st July 2017

1. INTEREST RATES

Deposit Rates

During the week ending 21st July 2017, average deposit rates for savings deposits increased to 4.37%, from 4.08% in the previous week. Average deposit rates for deposits of 1 month and 3 months tenor, however, declined to 3.99% and 4.11%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
16-June-17	3.85	4.16	4.23
23-June-17	3.85	4.17	4.23
30-June-17	3.85	4.40	4.45
07-July-17	3.85	4.40	4.45
14-July-17	4.08	4.37	4.45
21-July-17	4.37	3.99	4.11

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual clients fell by 0.02 percentage points to 8.94% during the week under analysis. Weighted lending rates for corporate clients closed the week under review at 7.05%, a 0.02 percentage point increase from 7.03% recorded in the previous week.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
16-June-17	9.09	7.04
23-June-17	9.09	7.08
30-June-17	9.01	7.05
07-June-17	8.94	7.03
14-June-17	8.96	7.03
21-June-17	8.94	7.05

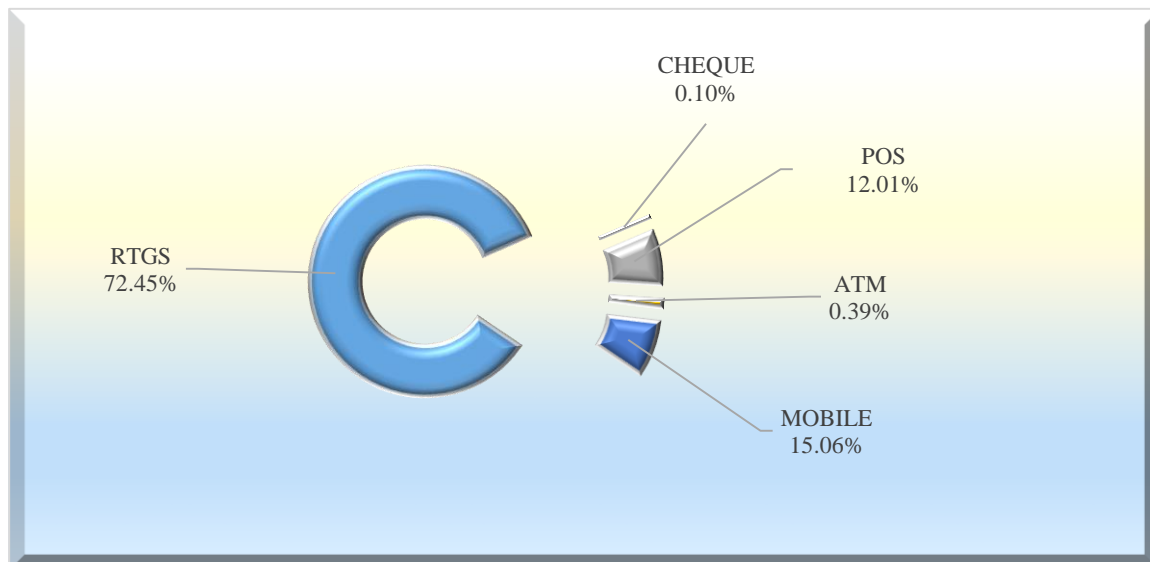
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) declined by 7%, to close the week ending 21st July 2017 at US\$1 461.49 million. The value of transactions processed through the Real Time Gross Settlement (RTGS) correspondingly declined by 7%, from US\$1 135.00 million recorded in the previous week to US\$1 058.86 million during the week under review.

RTGS payments accounted for 72.45% of the total value of transactions processed through the NPS. The proportions of other payment streams were as follows: 15.06%; POS, 12.01%; ATM, 0.39%; and Cheque, 0.10%, as shown in Figure 1.

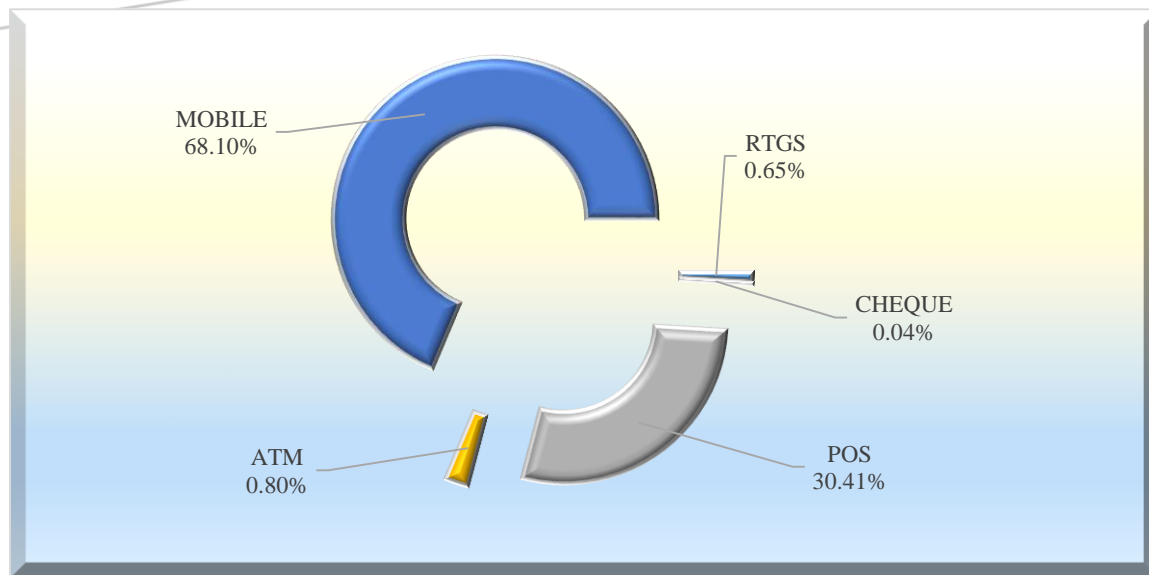
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

NPS volumes registered a 6% decrease, from 18 002 967 recorded in the previous week to 16 960 234 during the week under review. The NPS transaction volumes were distributed as follows: Mobile, 68.10%; POS, 30.41%; ATM, 0.80%; RTGS, 0.65%; and Cheque, 0.04%, 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 14 July 2017	WEEK ENDING 21 July 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,135.00	1,058.86	-7%	72.45%
CHEQUE	1.52	1.40	-8%	0.10%
POS	202.95	175.53	-14%	12.01%
ATMS	6.50	5.67	-13%	0.39%
MOBILE	233.56	220.03	-6%	15.06%
TOTAL	1,579.53	1,461.49	-7%	100%
VOLUMES				
RTGS	116,009	110,558	-5%	0.65%
CHEQUE	8,033	7,405	-8%	0.04%
POS	5,781,281	5,156,896	-11%	30.41%
ATMs	156,658	135,824	-13%	0.80%
MOBILE	11,940,986	11,549,551	-3%	68.10%
TOTAL	18,002,967	16,960,234	-6%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 21st July 2017 or day 88 of the 2017 tobacco selling season, a cumulative total of 179 622 221 kilograms of tobacco had been sold. The quantity sold was 6.72% lower than the cumulative total of 192 562 612 kilograms sold during the same period in 2016.

The cumulative sales value amounted to US\$532.01 million, compared to US\$566.38 million realized during the corresponding period in 2016. The golden leaf, however, fetched a higher average price of US\$2.96/kg, compared to the US\$2.94/kg realized during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 88 (21 July 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	192,562,612	179,622,221	-6.72
Cumulative Average Price(US\$/kg)	2.94	2.96	0.70
Cumulative Value (US\$ million)	566,375,553	532,011,673	-6.07

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel, copper and crude oil increased during the week ending 21st July 2017, as shown in Table 5.

Table 5: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (10 - 14 July)	1,217.02	906.00	5,851.60	9,084.00	48.03
17-Jul	1,231.98	925.50	5,965.50	9,580.00	48.40
18-Jul	1,238.93	923.00	5,940.50	9,595.00	48.80
19-Jul	1,241.00	923.00	5,956.00	9,720.00	49.69
20-Jul	1,237.63	916.00	5,930.00	9,540.00	49.33
21-Jul	1,247.90	932.50	6,001.50	9,560.00	47.98
Week ending (17-21 July)	1,239.49	924.00	5,958.70	9,599.00	48.84
<i>Weekly Change (%)</i>	<i>1.8</i>	<i>2.0</i>	<i>1.8</i>	<i>5.7</i>	<i>1.7</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices rose by 1.8%, from a weekly average of US\$1,217.02/oz recorded in the previous week to US\$1,239.49/oz, during the week under review. This was underpinned by a weaker dollar which increased the appeal of gold as a safe haven asset.

Platinum

Platinum prices increased by 2.0%, from US\$906.00/oz recorded in the previous week, to US\$924.00/oz during the week under analysis. Prices increased amid prospects of rising demand, ahead of a US Federal Reserve interest rate decision.

Copper

Copper prices firmed by 1.8%, from US\$5,851.60/ton in the previous week to US\$5,958.70/ton during the week under review. The increase was partly attributed to robust economic data which supported economic growth in China, the world's largest base metal consumer.

Nickel

Nickel prices rose by 5.7%, from a weekly average of US\$9,084.00/ton registered in the previous week to close the week under review at an average of US\$9,599.00/ton. This was on account of an increase in demand in China.

Crude Oil

Crude oil prices firmed, registering a 1.7% increase to close the week under review at an average price of US\$48.84/barrel. The increase was supported by Saudi Arabia's commitment to reduce export crude oil exports, in an effort to curb the global glut.

5. EXCHANGE RATES

The US dollar depreciated against the rand, British pound, pula and euro during the week ending 21st July 2017. This was driven by concerns over U.S. political uncertainty.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (10-14 July)	13.35786	0.7754	10.3576	0.87533
17-Jul	13.0420	0.7639	10.2617	0.8726
18-Jul	12.9013	0.7634	10.1574	0.8673
19-Jul	12.9137	0.7671	10.1574	0.8670
20-Jul	12.9557	0.7678	10.1678	0.8690
21-Jul	13.0361	0.7705	10.1729	0.8597
Weekly Average (17-21 July)	12.9697	0.7665	10.1835	0.8671
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-2.9</i>	<i>-1.1</i>	<i>-1.7</i>	<i>-0.9</i>

Source: Reuters

6. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the seventeenth consecutive week, during the week ending 21st July 2017. Resultantly, the industrial index increased by 0.82% to close the week under review at 200.04 points. Gains were registered in CFI Holdings Limited (72.50%), Proplastics Limited (27.45%), Dawn Properties Limited (24.14%), Zimplow Holdings Limited (13.38%) and Unifreight Africa Limited (11%).

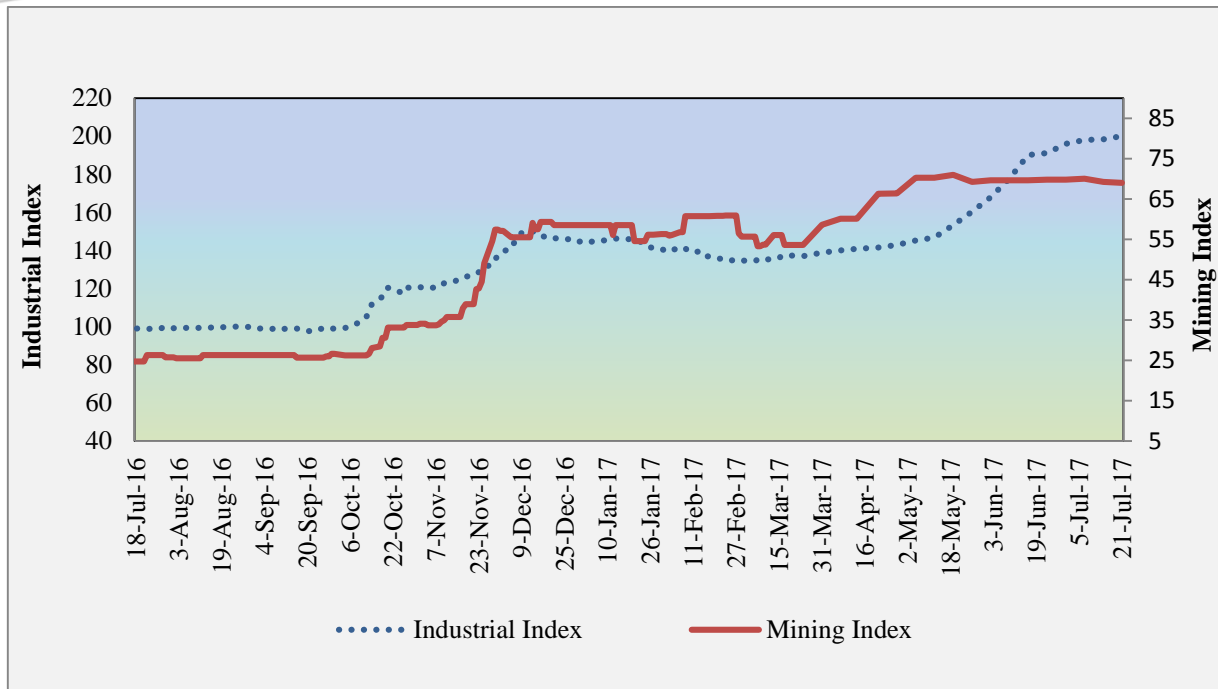
The resources index, however, declined by 0.27%, from 69.19 points in the prior week to close the week under review at 69.00 points. This followed a 0.45% share price decline in RioZim Limited.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
23-June-17	191.15	69.79	5,559,991,713	7,381,483	184,958,959
30-June-17	195.97	69.79	5,611,405,119	8,404,917	45,124,296
07-July-17	197.93	69.98	5,751,822,002	5,256,996	22,232,750
14-July-17	198.41	69.19	5,764,202,701	9,286,417	44,690,083
21-July-17	200.04	69.00	5,814,984,818	5,784,609	24,308,278
Weekly Change (%)	0.82	-0.27	0.88	-37.71	-45.61

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

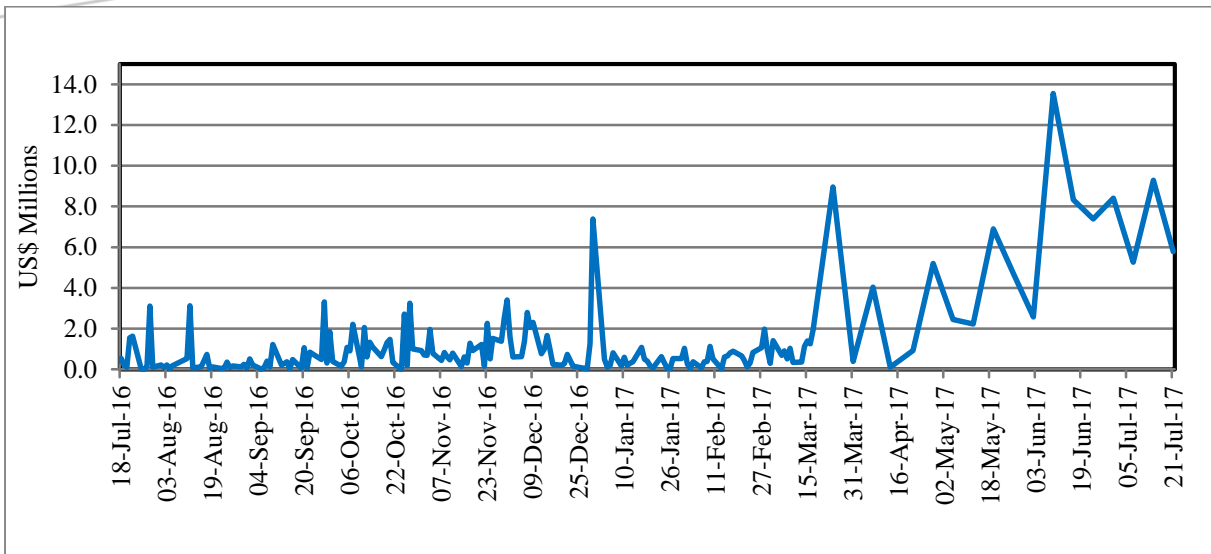


Source: Zimbabwe Stock exchange

Market Turnover and Volume

During the week ending 21st July 2017, market turnover declined by 37.71% to close the week at US\$5.78 million, from US\$9.29 million in the previous week. The volume of shares traded also declined by 45.61% to 24 308 278 in the same week. This was, in large part, attributable to subdued trading activity.

Figure 4: Daily Market turnover

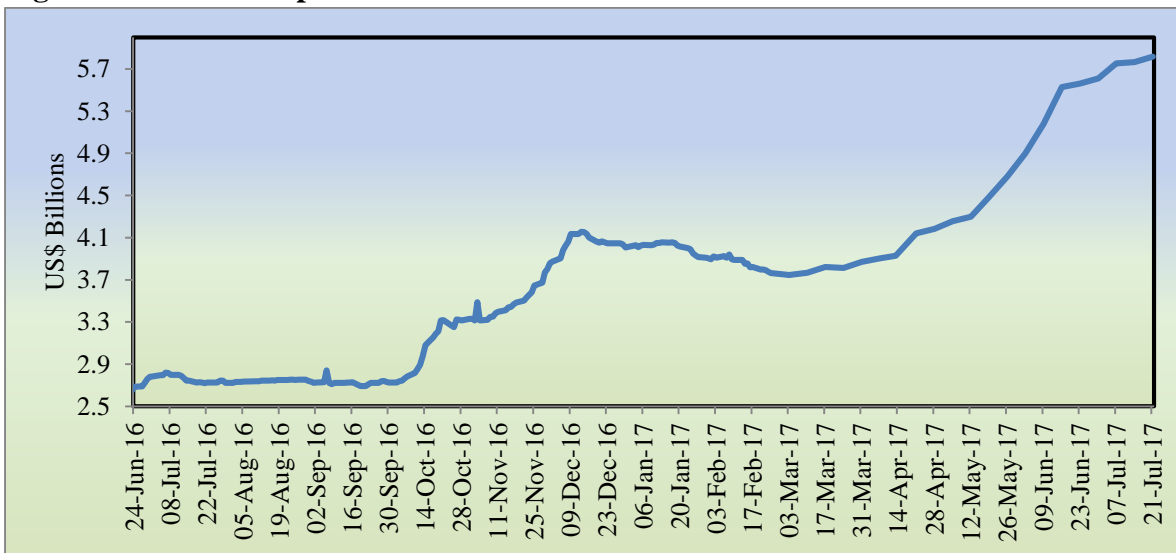


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

During the week ending 21st July 2017, The ZSE market capitalization stood at US\$5.81 billion, representing a 0.88% increase from US\$5.75 billion recorded in the previous week. The increase was underpinned by gains in selected mid-cap and heavyweight counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Development

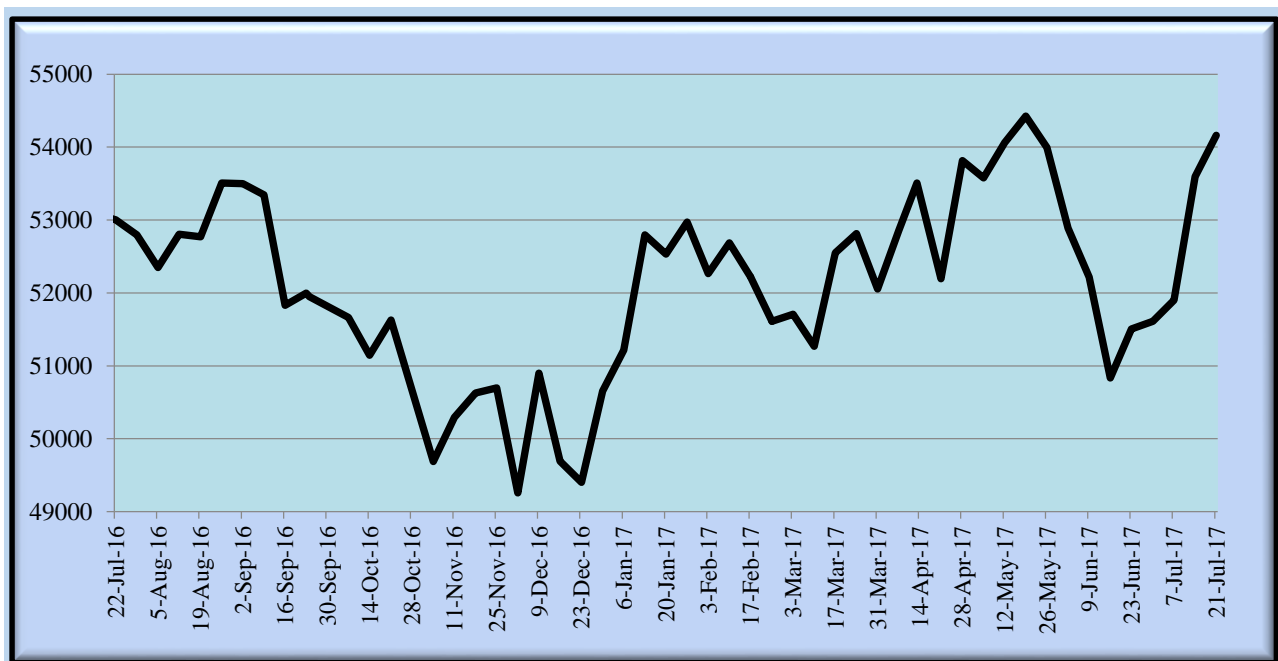
The JSE All Share index increased from 53 597.96 points in the previous week, to close the week under review at 54 162.71 points. In tandem, market capitalization rose from R14.22 trillion in the prior week to R14.24 trillion during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
23-June-17	51 503.52	13.61
30-June-17	51 611.01	13.66
07-July-17	51 900.26	13.84
14-July-17	53 597.96	14.22
21-July-17	54 162.71	14.24
% Change	1.05	0.14

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

28th JULY 2017