



# Weekly Economic Highlights

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Week Ending  
22<sup>nd</sup> September 2017

## 1. INTEREST RATES

### Deposit Rates

Average deposits rates for savings deposits and deposits of 1 month and 3 month tenors remained unchanged at 4.22%, 4.28% and 4.53%, respectively, during the week ending 22<sup>nd</sup> September 2017.

**Table 1: Average Deposit Rates (per annum)**

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
25-August-17	4.35	4.32	4.49
01-September-17	4.22	4.29	4.47
08-September-17	4.22	4.06	4.22
15-September-17	4.22	4.28	4.53
22-September-17	<b>4.22</b>	<b>4.28</b>	<b>4.53</b>

Source: Banking Institutions, 2017

### Lending Rates

Commercial bank weighted lending rates for individual and corporate clients also remained unchanged at 8.79% and 6.96%, respectively, during the same period.

**Table 2: Lending Rates**

Date	Lending Rates <sup>1</sup> (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
25-August-17	8.88	6.95
01-September-17	8.90	6.96
08-September-17	8.76	6.65
15-September-17	8.79	6.96
22-September-17	<b>8.79</b>	<b>6.96</b>

Source: Banking Institutions, 2017

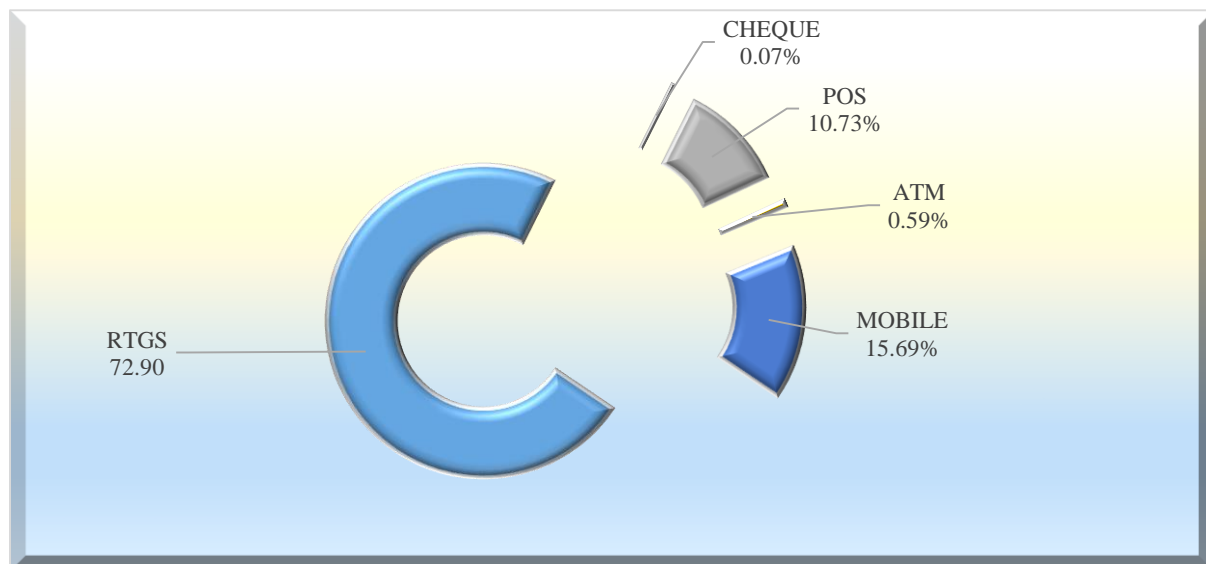
<sup>11</sup> Minimum weighted lending rates offered by commercial banks.

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) increased from USD\$1 862.99 million in the previous week, to USD\$1 884.76 million during the week ending 22<sup>nd</sup> September 2017. Transactions processed through the Real Time Gross Settlement (RTGS) system closed the week under review at US\$ 1 374.07 million, 6% up from the previous week.

RTGS payments accounted for 72.9% of the total value of transactions processed through the NPS, followed by Mobile, 15.69%; Point of Sale (POS), 10.73%; Automated Teller Machines (ATMs), 0.59%; and cheques, 0.07%, respectively, as shown in Figure 1.

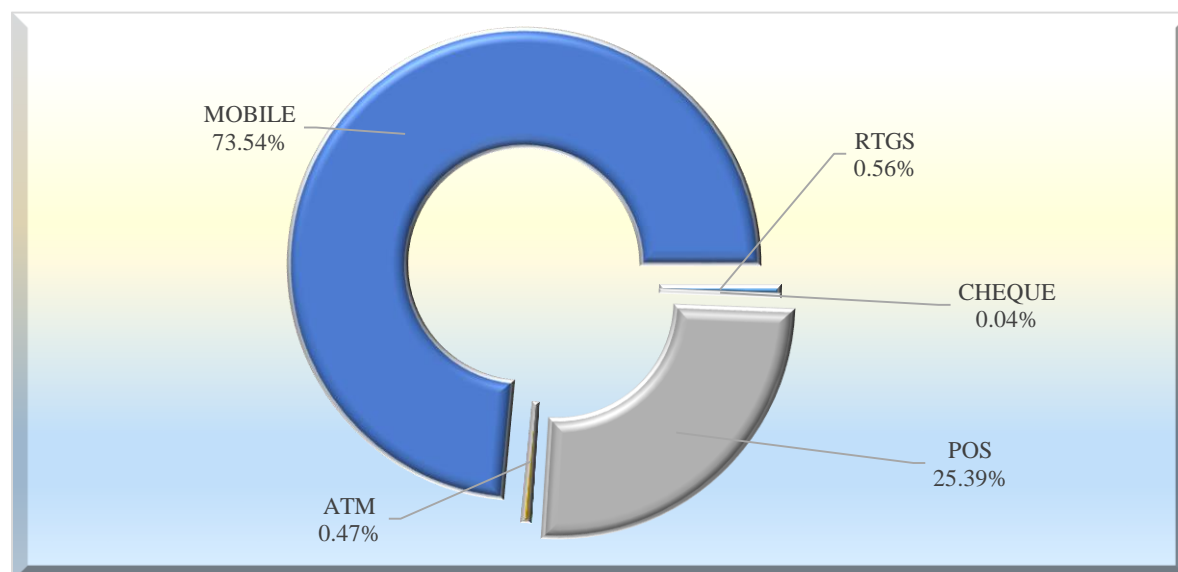
**Figure 1: Composition of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe, 2017*

In volume terms, transactions processed through the NPS declined by 9% to close the week under review at 22 737 013. Mobile transaction volumes accounted for 73.54% of the total NPS transactions; POS, 25.39%; RTGS, 0.56%; ATMs, 0.47%; and Cheque, 0.04%, as shown in Figure 2.

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



Source: Reserve Bank of Zimbabwe, 2017

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 15 September 2017	WEEK ENDING 22 September 2017	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	1,292.33	1,374.07	6%	72.90%
<b>CHEQUE</b>	1.24	1.39	12%	0.07%
<b>POS</b>	249.79	202.29	-19%	10.73%
<b>ATMS</b>	5.00	11.20	124%	0.59%
<b>MOBILE</b>	314.63	295.81	-6%	15.69%
<b>TOTAL</b>	<b>1,862.99</b>	<b>1,884.76</b>	<b>1%</b>	<b>100%</b>
<b>VOLUMES</b>				
<b>RTGS</b>	146,855	127,074	-13%	0.56%
<b>CHEQUE</b>	5,901	8,434	43%	0.04%
<b>POS</b>	7,282,422	5,773,763	-21%	25.39%
<b>ATMs</b>	118,381	106,784	-10%	0.47%
<b>MOBILE</b>	17,492,091	16,720,958	-4%	73.54%
<b>TOTAL</b>	<b>25,045,650</b>	<b>22,737,013</b>	<b>-9%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2017

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel and copper retreated, while crude oil prices firmed during the week ending 22<sup>nd</sup> September 2017, 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>
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Week ending (11 - 15 Sept)</b>	<b>1,328.09</b>	<b>983.80</b>	<b>6,548.20</b>	<b>11,368.00</b>	<b>54.81</b>
18-Sep	1,313.25	964.00	6,487.00	11,090.00	55.47
19-Sep	1,309.03	953.00	6,492.00	10,950.00	55.40
20-Sep	1,313.10	949.00	6,520.00	11,375.00	56.19
21-Sep	1,294.73	936.50	6,407.50	10,860.00	56.48
22-Sep	1,295.90	938.50	6,405.00	10,580.00	56.80
<b>Week ending (18 - 22 Sept)</b>	<b>1,305.20</b>	<b>948.20</b>	<b>6,462.30</b>	<b>10,971.00</b>	<b>56.07</b>
<i>Weekly Change (%)</i>	<i>(1.7)</i>	<i>(3.6)</i>	<i>(1.3)</i>	<i>(3.5)</i>	<i>2.3</i>

Source: BBC, KITCO and Bloomberg

#### **Gold**

Gold prices closed the week under review at a weekly average of US\$ 1 305.20/oz, a 1.7% decline from US\$1 328.09/oz in the previous week. This was on account of indications that the Federal Reserve would increase interest rates by end of 2017.

#### **Platinum**

Platinum prices declined by 3.6%, to close the week under review at an average of US\$948.20/oz. This was on the back of weak global demand prospects for the metal.

## **Copper**

Copper prices retreated by 1.3%, from a weekly average of US\$6 852.70/ton registered in the previous week to US\$6 462.30/ton during the week under analysis. The prices retreated, following the weaker than expected growth in investment and manufacturing output in China, pointing to a slowdown in demand for the base metal.

## **Nickel**

Nickel prices declined by 3.5%, to close at US\$10 971.00/ton during the week ending 22<sup>nd</sup> September 2017. Slackened demand by China's stainless steel sector, in large part, accounted for the decline.

## **Crude Oil**

Crude oil prices increased by 2.3%, from a weekly average of US\$54.81/barrel in the previous week to US\$56.07/barrel during the week under review. This was underpinned by signs of increased global demand for crude oil.

#### 4. EXCHANGE RATES

The US dollar appreciated against the rand and pula during the week ending 22<sup>nd</sup> September 2017. The greenback, however, depreciated by 2.1% and 0.1% against the pound Sterling and euro, respectively, during the same week.

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

	<b>ZAR</b>	<b>GBP</b>	<b>BWP</b>	<b>EURO</b>
<b>2017</b>				
<b>Weekly Average (11 - 15 Sept)</b>	<b>13.0264</b>	<b>0.7545</b>	<b>10.1075</b>	<b>0.8370</b>
18-Sep	13.1465	0.7362	10.1781	0.8374
19-Sep	13.2743	0.7385	10.1626	0.8346
20-Sep	13.3110	0.7398	10.2302	0.8325
21-Sep	13.3506	0.7416	10.2722	0.8417
22-Sep	13.2640	0.7361	10.2093	0.8358
<b>Weekly Average (18 - 22 Sept)</b>	<b>13.2693</b>	<b>0.7384</b>	<b>10.2105</b>	<b>0.8364</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.9</i>	<i>(2.1)</i>	<i>1.0</i>	<i>(0.1)</i>

Source: Reuters, 2017

## 5. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) was largely subdued during the week ending 22<sup>nd</sup> September 2017, due to waning investor interest. Resultantly, the industrial index declined by 8.49%, to close the week under review at 366.08 points. Losses were recorded in Delta Corporation (25.60%); OK Zimbabwe Limited (18.92%); Padenga Holdings Limited (18.66%); First Mutual Holdings Limited (17.75%); and Dairibord Holdings Limited (15.41%).

The mining index, however, increased by 8.98% to 99.67 points during the week of analysis. The increase in the resources index was as a result of gains in Hwange Colliery Company (HCC), (19.87%); RioZim Limited (10.51%); and Bindura Nickel Corporation (5.26%).

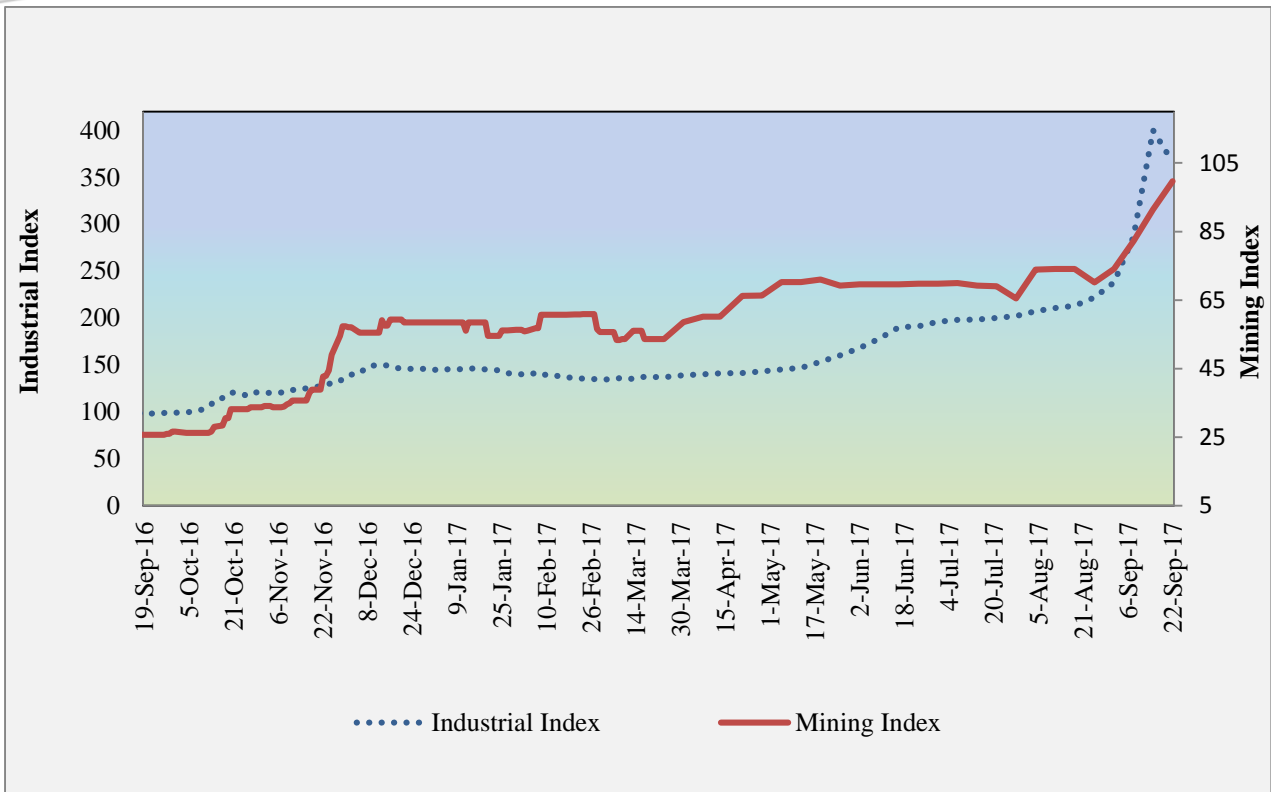
**Table 7: Zimbabwe Stock Exchange (ZSE) Statistics**

	<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>01-September-17</b>	238.00	74.05	6,743,175,599	3,487,760	37,976,183
<b>08-September-17</b>	286.63	82.20	8,115,411,833	9,709,575	73,915,085
<b>15-September-17</b>	400.03	91.46	11,293,400,117	27,994,400	83,365,425
<b>22-September-17</b>	366.08	99.67	10,366,938,565	30,607,782	48,075,010
<b>Weekly Change (%)</b>	<b>-8.49</b>	<b>8.98</b>	<b>-8.20</b>	<b>9.34</b>	<b>-42.33</b>

Source: Zimbabwe Stock Exchange (ZSE), 2017



**Figure 3 : Zimbabwe Stock Exchange Indices**

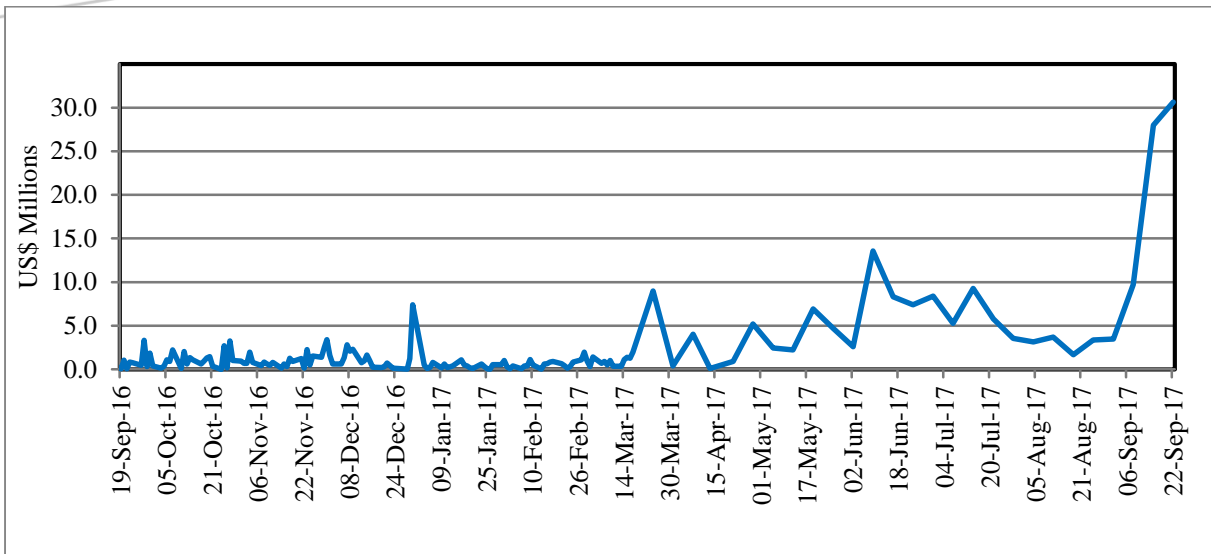


Source: Zimbabwe Stock exchange, 2017

### Market Turnover and Volume

The ZSE volume of shares traded declined by 42.33%, from 83 365 425 shares recorded in the previous week to close the week under review at 48 075 010 shares. Market turnover value, however, gained by 9.34% to US\$30.61 million during the week under analysis.

**Figure 4: Daily Market turnover**

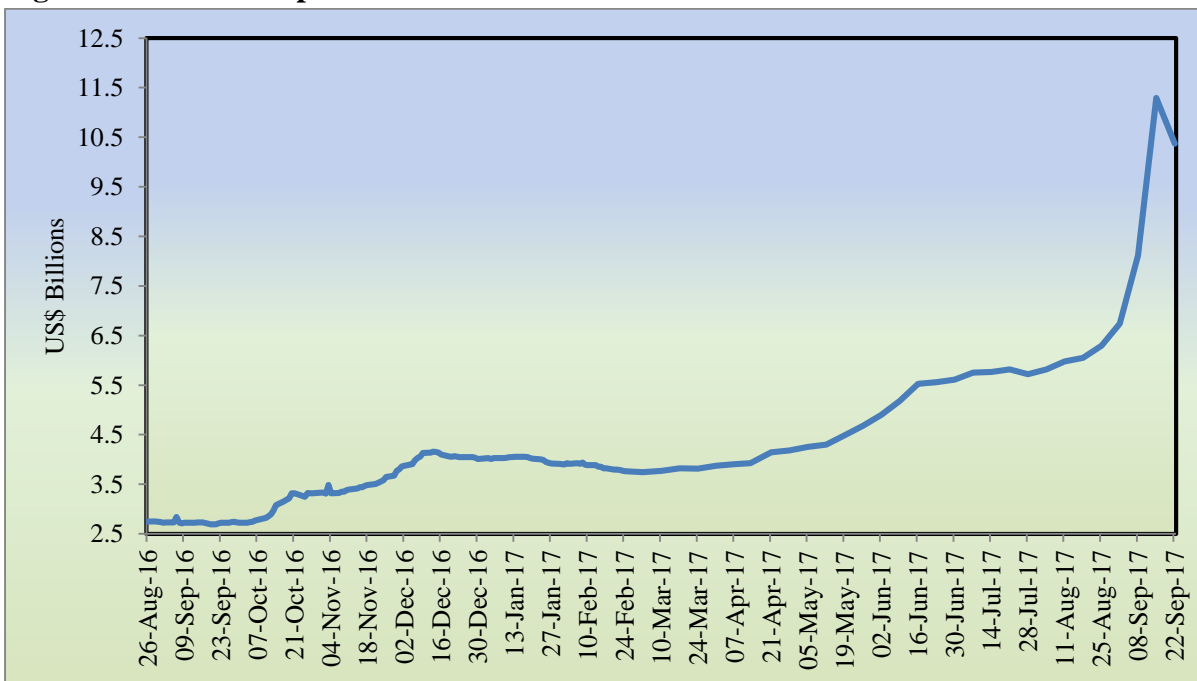


Source: Zimbabwe Stock Exchange, 2017

**Market Capitalization**

The ZSE market capitalization declined by 8.2%, from US\$11.29 billion in the previous week to US\$ 10.37 billion during the week under review.

**Figure 5 : Market Capitalization**



Source: Zimbabwe Stock Exchange, 2017

## Johannesburg Stock Exchange (JSE) Development

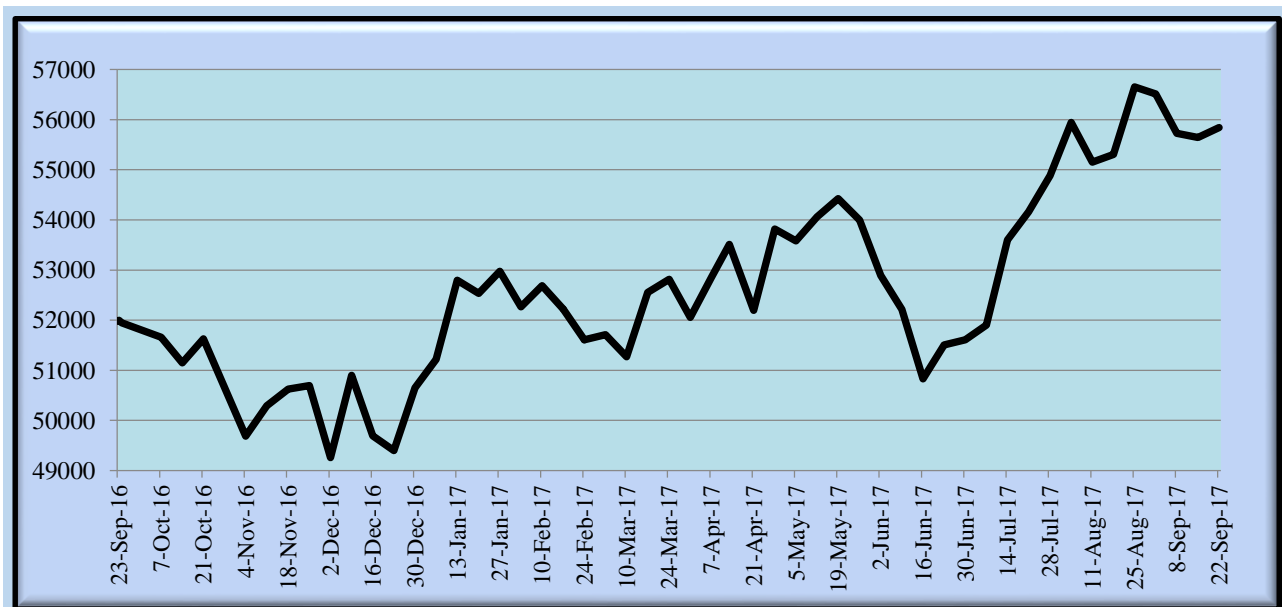
The JSE All Share index rose by 0.35%, to closed the week under review at 55 839.73 points. Market capitalization, however, declined by 0.26%, to close the week under review at R15.07 trillion.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
18-August-17	55 304.23	14.82
25-August-17	56 655.88	15.06
01-September-17	56 513.46	15.51
08-September-17	55 724.67	15.08
15-September-17	55 645.15	15.11
22-September-17	55 839.73	15.07
<b>% Change</b>	<b>0.35</b>	<b>-0.26</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**

**29<sup>TH</sup> SEPTEMBER 2017**