



Weekly Economic Highlights

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Week Ending
23rd June 2017

1. INTEREST RATES

Deposit Rates

During the week ending 23rd June 2017, average deposit rates for deposits of 1 month tenor increased by 0.01 percentage points to 4.17%. Average interest rates for savings deposits and deposits of 3 months tenor, however, remained unchanged at 3.85% and 4.23%, respectively during the same week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
19-May-17	3.96	4.33	4.45
26-May-17	3.96	4.38	4.46
02-June-17	4.08	4.38	4.45
09-June-17	3.38	4.17	4.23
16-June-17	3.85	4.16	4.23
23-June-17	3.85	4.17	4.23

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for corporate clients stood at 7.08% during the week under review, up from 7.04% recorded in the previous week. Weighted lending rates for individual clients, however, remained unchanged at 9.09%.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
19-May-17	9.20	7.02
26-May-17	9.17	7.03
02-June-17	9.23	7.03
09-June-17	9.15	7.06
16-June-17	9.09	7.04
23-June-17	9.09	7.08

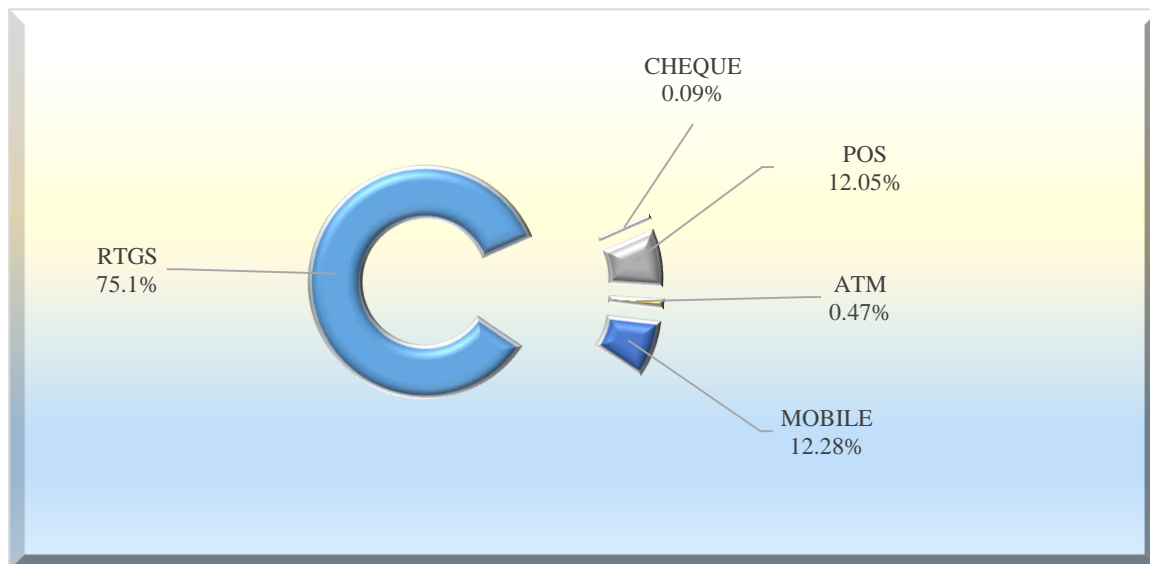
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) decreased from US\$1 614.84 million in the previous week, to US\$1 434.40 million, during the week ending 23rd June 2017. This was largely explained by Real Time Gross Settlement (RTGS) system transactions, which declined by 13%, to close the week under review at US\$1 077.19 million.

The NPS was dominated by RTGS transactions which contributed 75.1% of the total value of transactions, followed by Mobile 12.28%; Point of Sale (POS), 12.05%; Automated Teller Machines (ATMs), 0.47%; and cheque, 0.09%.

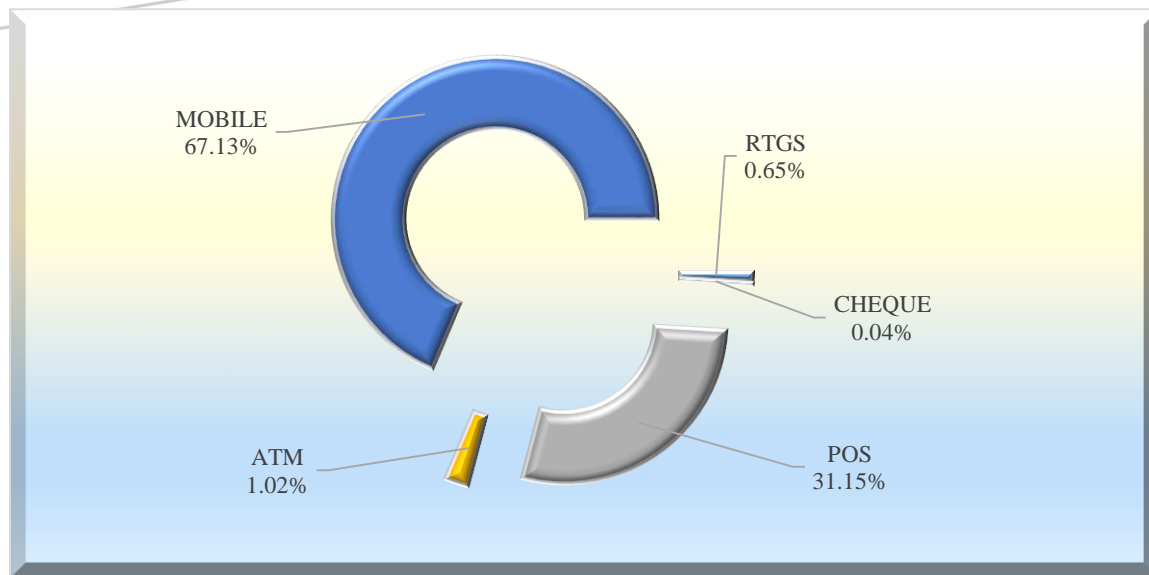
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The total volume of NPS transactions decreased from 15 915 068 in the previous week, to 15 257 740 during the week under review. Mobile transactions constituted 67.13% of the total volume of NPS transactions, followed by; POS, 31.15%; ATM, 1.02%; 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 16 June 2017	WEEK ENDING 23 June 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,244.95	1,077.19	-13%	75.10%
CHEQUE	1.57	1.31	-16%	0.09%
POS	182.37	172.89	-5%	12.05%
ATMS	7.52	6.81	-9%	0.47%
MOBILE	178.43	176.20	-1%	12.28%
TOTAL	1,614.84	1,434.40	-11%	100%
VOLUME				
RTGS	108,599	99,355	-9%	0.65%
CHEQUE	7,238	6,273	-13%	0.04%
POS	5,002,745	4,753,109	-5%	31.15%
ATMs	151,515	156,317	3%	1.02%
MOBILE	10,644,971	10,242,686	-4%	67.13%
TOTAL	15,915,068	15,257,740	-4%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 23rd June 2017 or day 68 of the 2017 tobacco selling season, a cumulative total of 166.14 million kilograms of tobacco had been sold. This reflected a decline of 0.6%, compared to the 165.14 million kilograms sold during the same period in 2016.

In value terms, US\$472.60 million had been realised as at 23rd June 2017, up from US\$484.23 million recorded during the comparable period in 2016. The golden leaf, however, fetched a lower average price of US\$2.88/kg, compared to the US\$2.91/kg realised during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 68 (23 June 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	165,140,547	166,139,092	0.60
Cumulative Average Price(US\$/kg)	2.93	2.88	-1.71
Cumulative Value (US\$ million)	484,029,870	478,598,257	-1.12

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 23rd June 2017, the weekly average international prices of nickel firmed. The prices of gold, platinum, copper and crude oil, however, declined during the same week, as shown in Table 5.

Table 5: Metal and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (16 June)	1,261.73	932.80	5,693.00	8,749.00	47.64
19-Jun	1,249.63	920.50	5,655.00	8,900.00	46.87
20-Jun	1,244.35	924.00	5,687.00	8,890.00	45.98
21-Jun	1,244.78	918.50	5,673.00	8,980.00	44.82
22-Jun	1,251.10	931.00	5,648.00	8,885.00	45.27
23-Jun	1,256.00	929.00	5,735.00	8,910.00	45.65
Weekly Average (23 June)	1,249.17	924.60	5,679.60	8,913.00	45.72
<i>Weekly Change (%)</i>	<i>(1.0)</i>	<i>(0.9)</i>	<i>(0.2)</i>	<i>1.9</i>	<i>(4.0)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 1%, from a weekly average of US\$1 261.73/oz registered in the previous week, to US\$1 249.17/oz during the week under review. Prices were weighed down by a stronger dollar, as the US Federal Reserve continued to tighten its monetary policy.

Platinum

Platinum prices fell by 0.9%, to close the week under analysis at US\$924.60/oz from a weekly average of US\$932.80/oz recorded in the previous week. The decline was underpinned by slackening global demand for the metal.

Copper

Copper prices retreated by 0.2%, to close the week under review at US\$5,679.60/tonne from US\$5,693.00/tonne registered in the previous week. This was attributable to weak global demand for the metal.

Nickel

Nickel prices gained by 1.9%, to close at US\$8,913.00/ton during the week ending 23rd June 2017. This was supported by expectations of higher demand in China, the largest consumer of the base metal.

Crude Oil

Crude oil prices continued on a downward trend, registering a 4% decrease from US\$47.64/barrel in the previous week, to US\$45.72/barrel during the week under review. Prices were weighed down by rising U.S shale oil production which continued to offset output cuts by OPEC members.

5. EXCHANGE RATES

During the week ending 23rd June 2017, the US dollar strengthened against the euro, pound Sterling and rand, due to monetary policy tightening by the US Federal Reserve Bank.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	EURO
2017			
Weekly Average (12-16 Jun)	12.8008	0.7852	0.8933
19-Jun	12.8152	0.7831	0.8934
20-Jun	12.9745	0.7847	0.8962
21-Jun	13.0819	0.7916	0.8984
22-Jun	13.0486	0.7891	0.8953
23-Jun	12.9857	0.7872	0.8955
Weekly Average (19-23 Jun)	12.9812	0.7872	0.8958
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.4</i>	<i>0.3</i>	<i>0.3</i>

Source: Reuters

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the thirteenth consecutive week during the week ending 23rd June 2017. Concomitantly, the industrial index increased by 0.57 percentage points to 191.15 points. The increase emanated from gains registered in Masimba Holdings, 24%; Nampak Zimbabwe, 19.79%; Willdale, 14.29%; OK Zimbabwe, 13.03%; and SeedCo, 10.76%. Partially offsetting the gains were losses recorded in Meikles, 10.34%; Econet, 5.51%; ZB Financial Holdings, 2.94%; and Unifreight Africa, 1.96%.

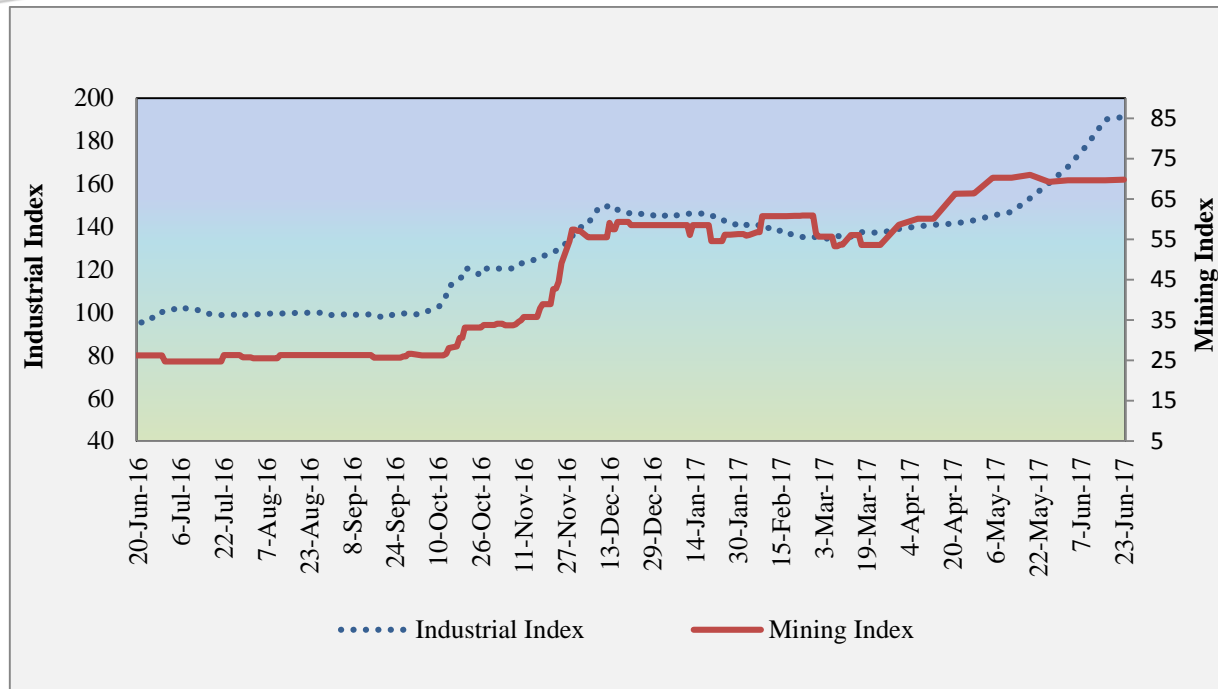
The mining index also increased by 0.23%, from 69.63 points recorded in the previous week to 69.79 points during the week under review. The increase was underpinned by gains in Hwange Colliery Company (HCC), 6.38%. Bindura Nickel Corporation (BNC) and RioZim traded at previous week price levels, albeit on very thin volumes. Falgold, however, did not register any trades.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
26-May-17	160.30	69.21	4,681,428,298	4,732,727	25,047,926
02-June-17	167.98	69.63	4,900,452,595	2,578,947	8,859,888
09-June-17	177.79	69.63	5,179,592,804	13,555,865	45,002,875
16-June-17	190.07	69.63	5,528,900,322	8,333,490	31,737,198
23-June-17	191.15	69.79	5,559,991,713	7,381,483	184,958,959
Weekly Change (%)	0.57	0.23	0.56	(11.42)	482.78

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

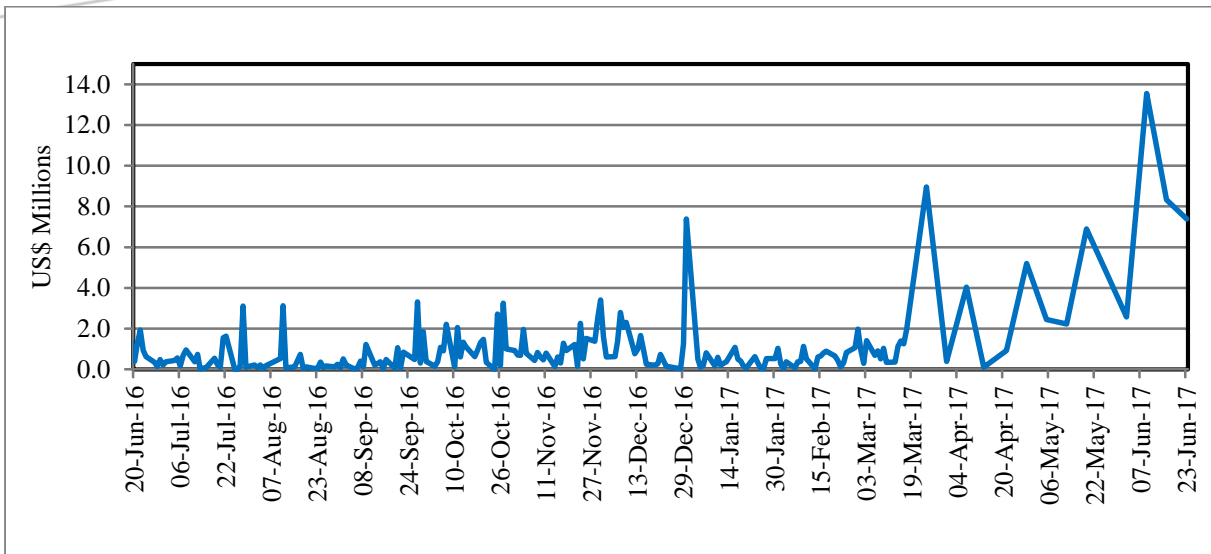


Source: Zimbabwe Stock exchange

Market Turnover and Volume

During the week under review, the volume of shares traded stood at 184 958 959, a 482.78% increase from the 31 737 198 shares traded in the previous week. There were block share trades as follows: 130.6 million Zimre Property Investments (ZPI) shares; 24.4 million Rainbow Tourism Group (RTG) shares; and 3.2 million General Beltings. The shares traded at US1.35 cents, US1 cent and US0.11 cents, respectively. The ZSE market turnover value, however, decreased by 11.42% to US\$7.38 million during the week under analysis.

Figure 4: Daily Market turnover

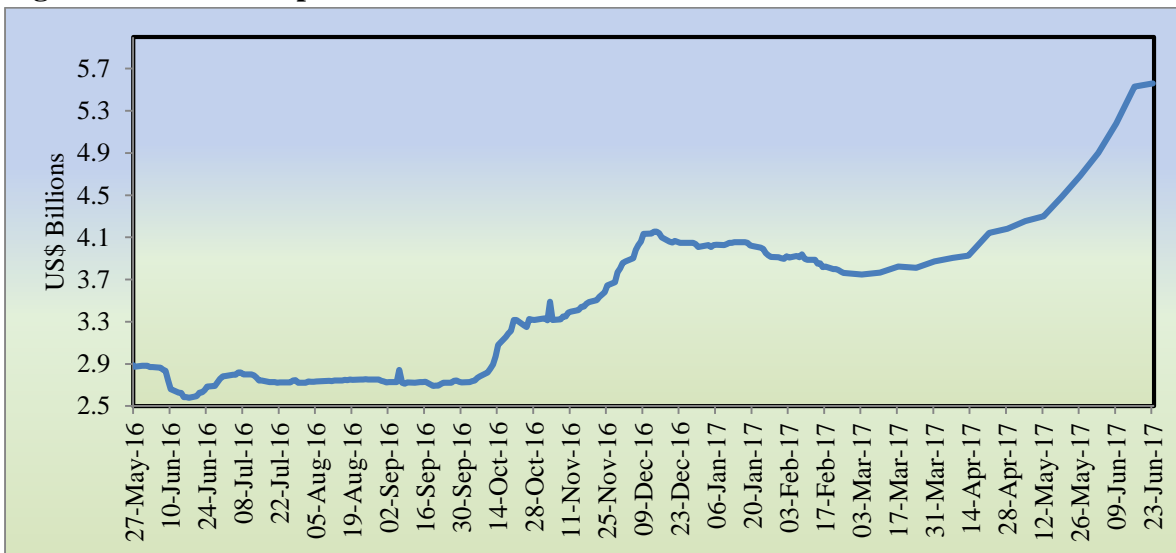


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

Market capitalization increased by 0.56%, to close the week under review at US\$5 560.0 million, on account of positive trading on the local bourse.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

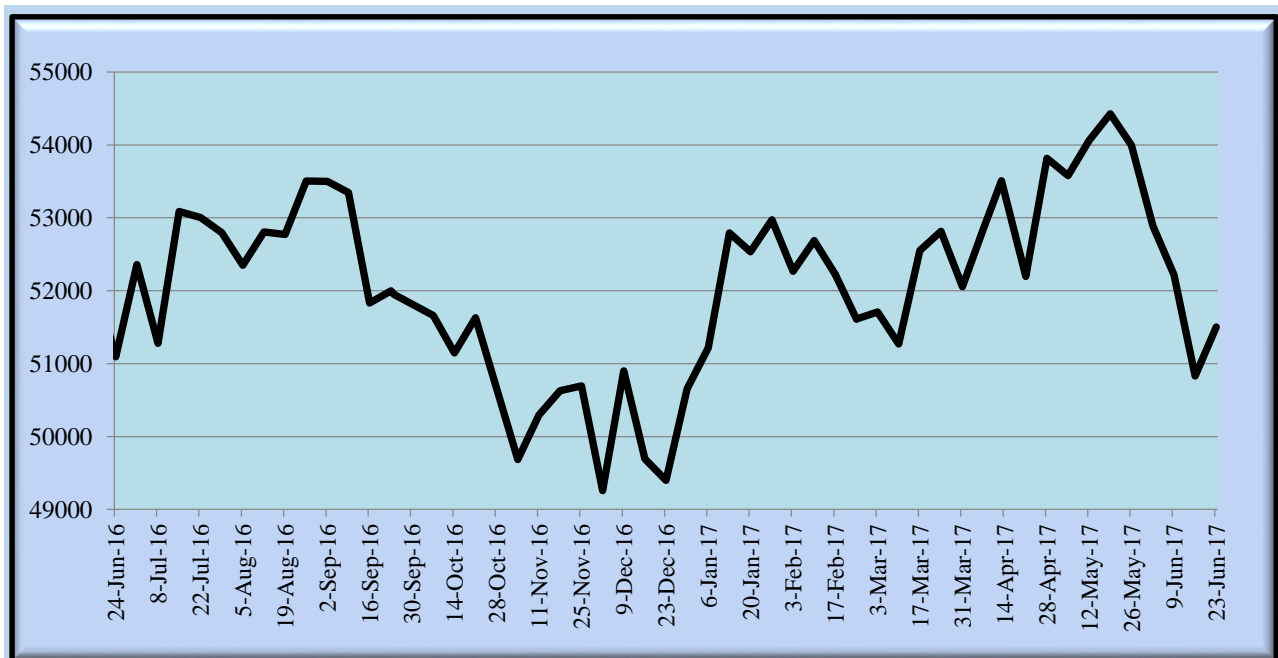
The JSE All Share Index closed the week under review at 51 503.52 points, up from 50 813.89 points registered in the previous week. In tandem, market capitalization also increased by 0.89% to close the week under review at R13.61 trillion.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
19-May-17	54 427.30	14.37
26-May-17	53 996.14	14.17
02-June-17	52 889.70	13.95
09-June-17	52 216.93	13.75
16-June-17	50 831.89	13.49
23-June-17	51 503.52	13.61
% Change	1.32	0.89

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

3rd JULY 2017