



Weekly Economic Highlights

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Week Ending
23rd November 2018

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and deposits of 1-month tenor increased to 4.16% and 3.66%, respectively, during the week ending 23rd November 2018. Deposit rates for deposits of 3-month tenor, however, decreased to 3.93%, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
26-Oct-18	3.94	3.37	4.07
02-Nov-18	3.94	3.84	4.03
09-Nov-18	3.94	3.61	4.12
16-Nov-18	3.97	3.62	4.09
23-Nov-18	4.16	3.66	3.93

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individuals remained unchanged, during the week under review. Lending rates for corporate clients, however, registered a marginal increase, from 7.40% to close the week at 7.42%.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
26-Oct-18	9.47	7.38
02-Nov-18	9.51	7.31
09-Nov-18	9.50	7.38
16-Nov-18	9.49	7.40
23-Nov-18	9.49	7.42

Source: Banking Institutions, 2018

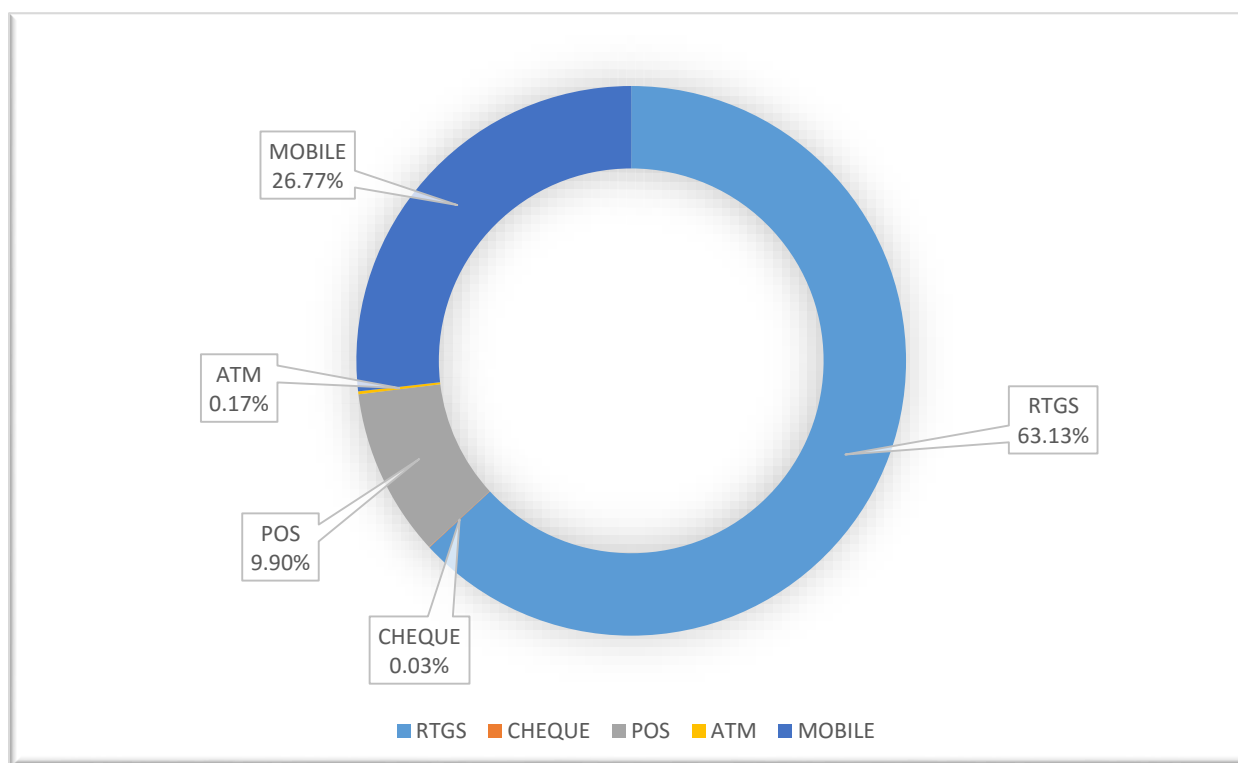
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 23rd November, the aggregate value of transactions processed through the National Payment Systems (NPS) stood at US\$2.4 billion. This represented a 7.5% decrease from US\$2.6 billion registered in the previous week. The value of transactions processed through the Real Time Gross Settlement (RTGS) system fell by 13.5% to US\$1.50 billion, during the week under review.

The distribution of NPS transactions, in value terms, was as follows: RTGS, 63.12%; Mobile, 26.77%; Point of Sale (POS), 9.90%; Automated Teller Machines (ATMs), 0.17%; and Cheques, 0.03%, as shown in Figure 1.

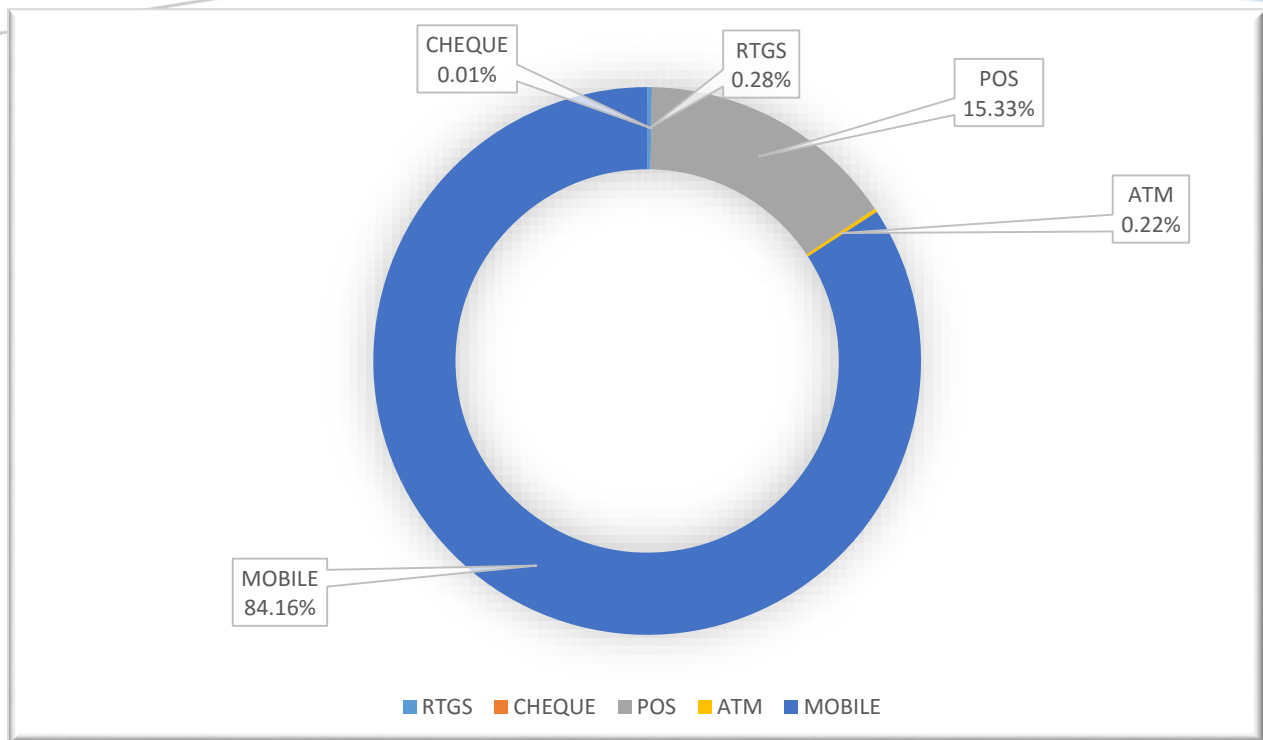
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

The volume of NPS transactions decreased by 1.2%, from 35.09 million transactions in the previous week to 34.67 million transactions, during the week under analysis. The composition of NPS transaction volumes was as follows: Mobile, 84.16%; POS, 15.33%; RTGS, 0.28%; ATMs, 0.22%; and Cheques, 0.01%; 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 16 th NOVEMBER 2018	WEEK ENDING 23 rd NOVEMBER 2018	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN US\$ (millions)				
RTGS	1,739.50	1,504.31	-13.50%	63.12%
CHEQUE	0.94	0.82	-12.80%	0.03%
POS	232.28	235.93	1.60%	9.90%
ATM	3.8	4.17	9.70%	0.17%
MOBILE	599.08	638.05	6.50%	26.77%
TOTAL	2,575.60	2,383.26	-7.50%	100%
VOLUMES				
RTGS	94,872	96,629	1.90%	0.28%
CHEQUE	4,152	3,482	-16.10%	0.01%
POS	5,336,134	5,313,212	-0.43%	15.33%
ATM	73,034	77,313	5.90%	0.22%
MOBILE	29,581,953	29,179,111	-1.40%	84.16%
TOTAL	35,090,145	34,669,747	-1.20%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum and copper increased, during the week under review. Nickel and crude oil prices, however, declined, shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (12 - 16 Nov)	1,206.86	840.70	6,099.50	11,363.00	67.08
19-Nov	1,222.58	844.00	6,230.50	11,380.00	66.34
20-Nov	1,223.05	847.00	6,243.00	11,220.00	63.21
21-Nov	1,225.00	845.50	6,194.00	11,090.00	63.35
22-Nov	1,227.65	845.50	6,210.00	11,000.00	61.89
23-Nov	1,222.90	840.00	6,260.00	10,925.00	59.70
Weekly Average (19 - 23 Nov)	1,224.24	844.40	6,227.50	11,123.00	62.90
<i>Weekly Change (%)</i>	<i>1.40</i>	<i>0.44</i>	<i>2.10</i>	<i>(2.11)</i>	<i>(6.23)</i>

Source: BBC, KITCO and Bloomberg

Gold

During the week under review, gold prices increased on account of a weaker US dollar. The precious metal price increased by 1.40%, from a weekly average of US\$ 1,206.86/oz. in the previous week to US\$ 1,224.24/oz., during week ending 23rd November 2018.

Platinum

Platinum prices increased by 0.44%, from an average of US\$ 840.70/oz. in the previous week to US\$844.40/oz., during the week under review. Prices increased due to the growth in industrial demand, particularly from the automobile sector in China, where platinum is a key input for new electric vehicles.

Copper

Copper prices firmed by 2.10%, from a weekly average of US\$ 6,176.40 in the week ending 16th November 2018 to US\$ 6,227.50, during the week under review. This followed renewed hopes of a resolution to the US-China trade war.

Nickel

Nickel prices declined by 2.11%, from a weekly average of US\$11,363.00/ton to US\$11,123.00/ton during the week under review. This was, in large part, due to weakening demand, following the slowdown in activity in the Chinese property and construction sectors.

Crude Oil

Crude oil prices fell by 6.23%, from an average of US\$67.08/barrel in the previous week to US\$62.90/barrel, during the week under analysis. The decline was occasioned by fears of a global glut, as global oil supplies continued to grow.

EXCHANGE RATES

The US dollar depreciated against the South African rand, Botswana pula and the euro, during the week under review. During the same week, however, the greenback appreciated against the pound Sterling.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (12 - 16 Nov)	14.3337	0.7745	10.7516	0.8847
19-Nov	14.0664	0.7799	10.6101	0.8773
20-Nov	14.0718	0.7777	10.5708	0.8735
21-Nov	14.0834	0.7816	10.6213	0.8788
22-Nov	13.9400	0.7821	10.5708	0.8775
23-Nov	13.7770	0.7767	10.5597	0.8759
Weekly Average (19 - 23 Nov)	13.9877	0.7796	10.5865	0.8766
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-2.41</i>	<i>0.66</i>	<i>-1.54</i>	<i>-0.91</i>

Source: Reuters, 2018

4. EQUITY MARKETS

During the week ending 23rd November 2018, the Zimbabwe Stock Exchange (ZSE) traded in the negative. Concomitantly, the All Share Index decreased by 5.66%, to close the week at 158.07 points. The Top 10 index also declined by 8.90%, to close the week under review at 162.12 points.

The industrial index declined, registering a loss of 38.55 points to close the week at 530.70 points. This stemmed from losses in Econet Wireless Zimbabwe (29.63%), Star Africa Corporation Limited, (21.88%); First Mutual Holdings, (13%); First Mutual Property, (12.25%); and Padenga Holdings, (2.06%).

Gains in Bindura Nickel Corporation, (1.67%) and Riozim (0.80%), accounted for the 0.11% increase in the resource index, while Falgold did not trade. The mining index closed the week under review at 209.03 points, up from 208.81 in the previous week.

Table 6: Zimbabwe Stock Exchange Statistics

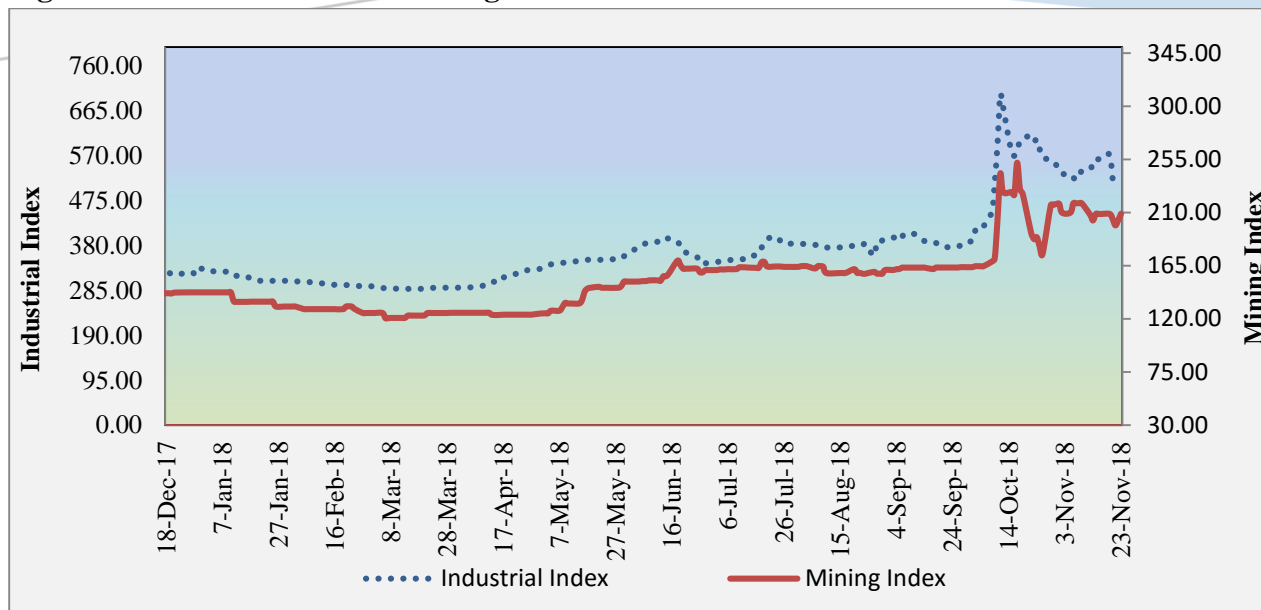
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
26-October-18	168.84	174.48	566.92	216.79	18,455,120,362	11,812,741	22,494,951
02-November-18	158.49	160.71	532.06	209.86	17,351,794,804	15,187,072	27,710,549
09-November-18	159.96	164.30	537.17	208.11	17,636,859,001	27,854,020	43,269,359
16-November-18	167.55	177.95	569.25	208.81	18,917,390,876	11,738,201	23,221,101
23-November 18	158.07	162.12	530.70	209.03	17,081,676,265	43,837,248	37,203,497
Weekly Change (%)	(5.66)	(8.90)	(6.77)	0.11	(9.70)	273.46	60.21

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

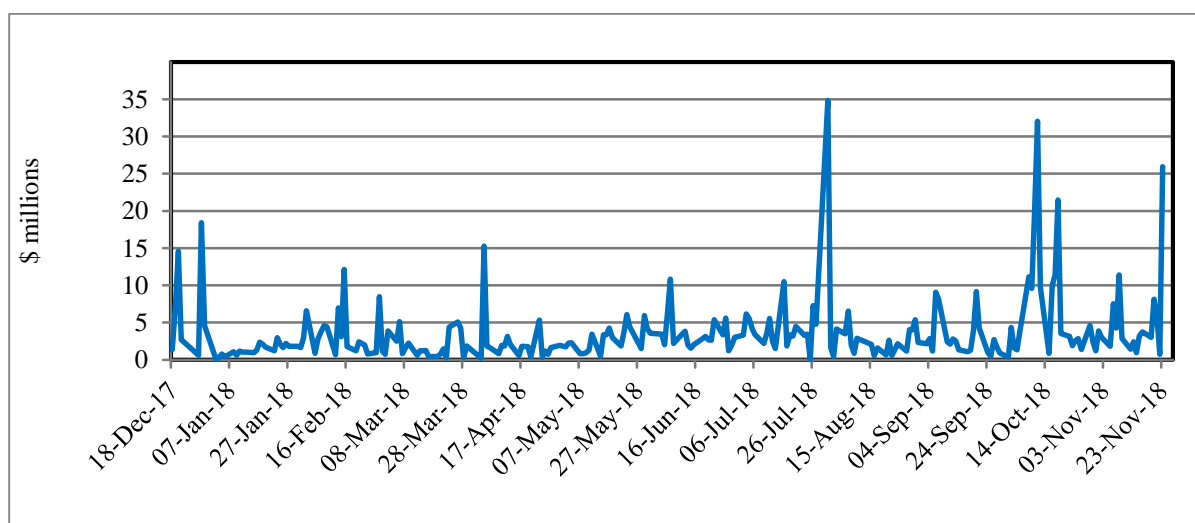


Source: Zimbabwe Stock Exchange, 2018

Market Turnover and Volume

During the week under review, cumulative volumes and values of shares traded on the ZSE increased by 60.21% and 273.46%, to 37.20 million shares and US\$43.84 million, respectively. The surge in market turnover was attributable to notable trades in AfDIS (14.21 million shares); OK Zimbabwe (5.66 million shares); Willdale (3.08 million shares); and Econet Wireless Zimbabwe (1.20 million shares).

Figure 4: Daily Market Turnover

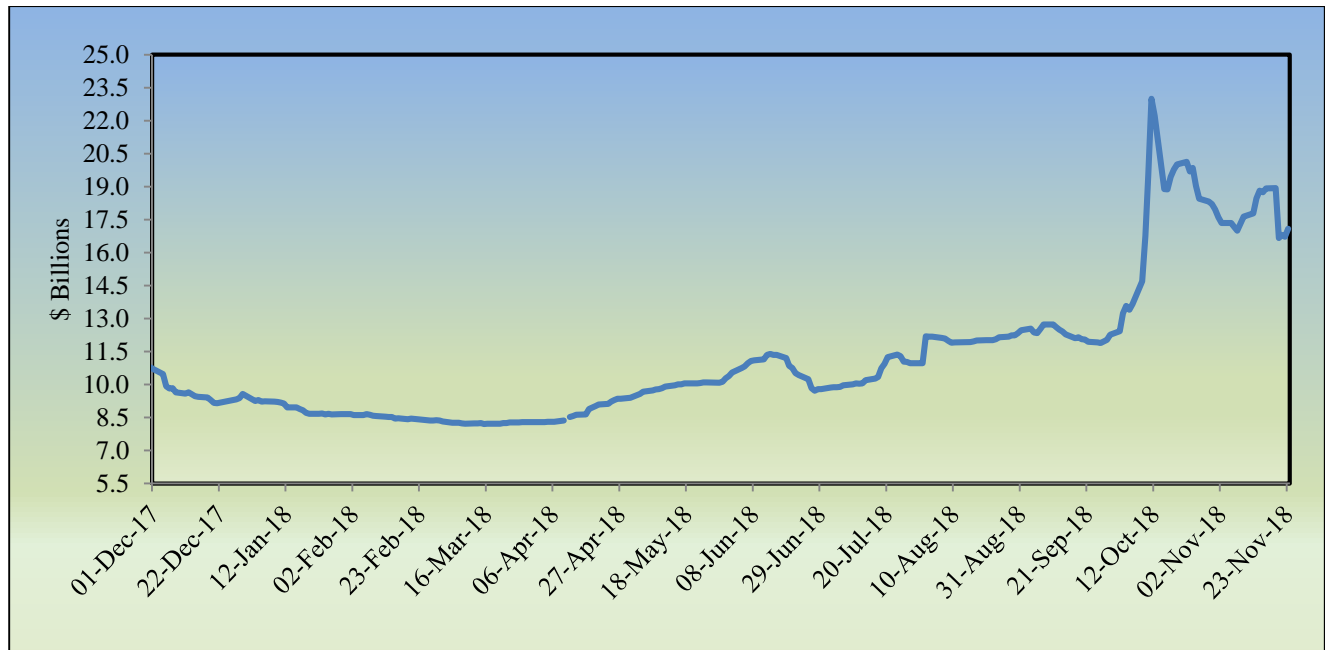


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

The ZSE market capitalization, however, declined by 9.70%, from the previous week value of US\$18.92 billion, to close the week ending 23rd November 2018 at US\$17.08 billion.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

Johannesburg Stock Exchange (JSE) Developments

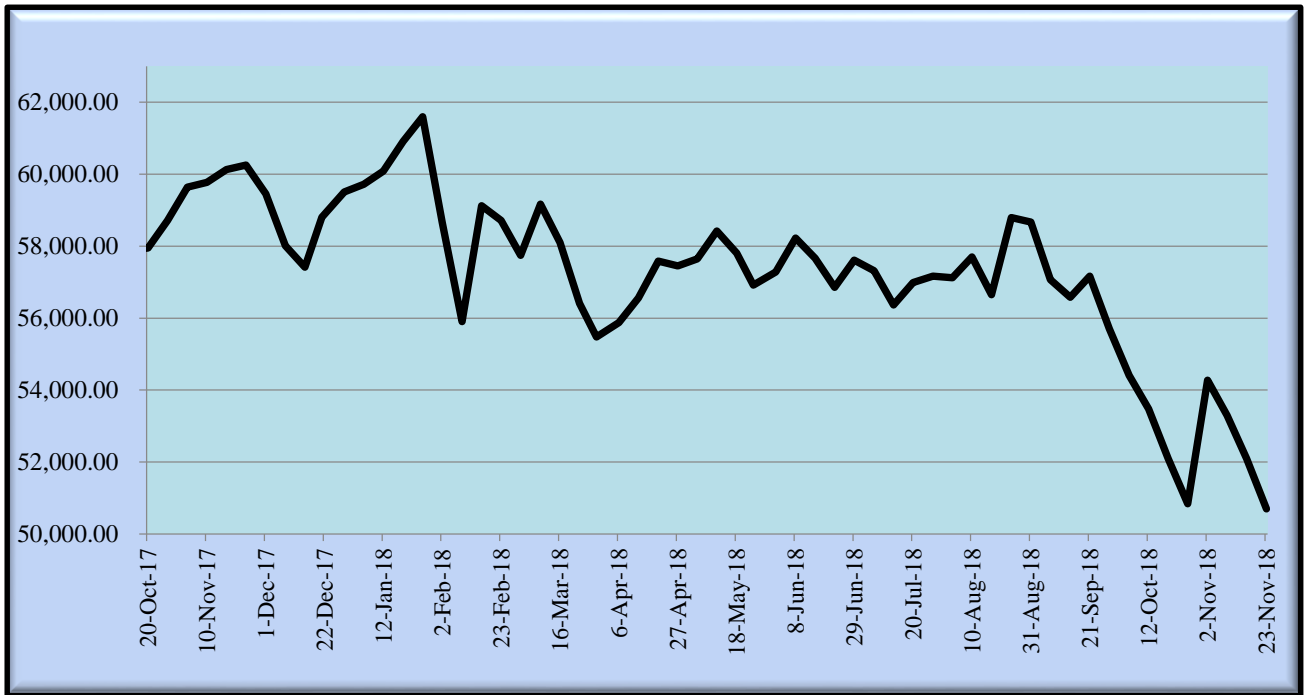
The JSE All Share Index closed the week under review at 50,697.70 points, a 2.68% decrease from 52,096.04 points recorded in the previous week. Similarly, JSE market capitalization declined by 2.72% to close at R12.52 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
26-Oct-18	50,837.57	13.05
02-Nov-18	54,271.19	13.61
09-Nov-18	53,295.35	13.38
16-Nov-18	52,096.04	12.87
23-Nov-18	50,697.70	12.52
% Change	-2.68	-2.72

Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

RESERVE BANK OF ZIMBABWE

30th NOVEMBER 2018