



Weekly Economic Highlights

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Week Ending
24th March 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for deposits of 1 month tenor declined by 0.02 percentage points to 5.31% during the week ending 24th March 2017. Deposits rates for savings deposits and deposits of 3 months tenor, however, remained unchanged at 3.01% and 5.50%, respectively during the week under review.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
24-February-17	3.01	5.33	5.81
03-March-17	3.01	5.35	5.80
10-March-17	3.01	5.35	5.80
17-March-17	3.01	5.33	5.50
24-March-17	3.01	5.31	5.50

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual clients stood at 10.00%, during the week under review, down from 10.03% recorded in the previous week. Weighted lending rates for corporate clients, however, increased from 6.55% in the previous week to 6.57% during the week under analysis.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
24-February-17	10.06	6.52
03-March-17	10.05	6.51
10-March-17	10.06	6.52
17-March-17	10.03	6.55
24-March-17	10.00	6.57

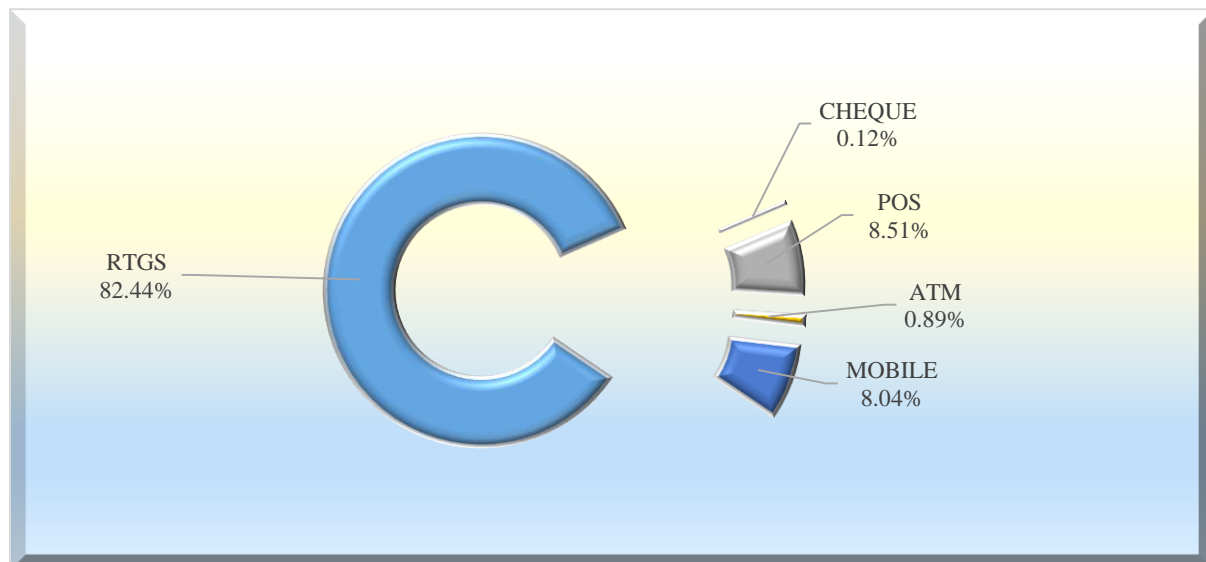
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) increased from US\$1 172.21 million in the previous week, to US\$1 296.80 million during the week ending 24th March 2017. Transactions processed through the Real Time Gross Settlement (RTGS) system went up by 17%, to close the week under analysis at US\$1 069.12 million.

In value terms, NPS transactions were distributed as follows: RTGS, 82.44%; Point of Sale (POS), 8.51%; Mobile, 8.04%; Automated Teller Machines (ATMs), 0.89%; and Cheque, 0.12%, as shown in Figure 1.

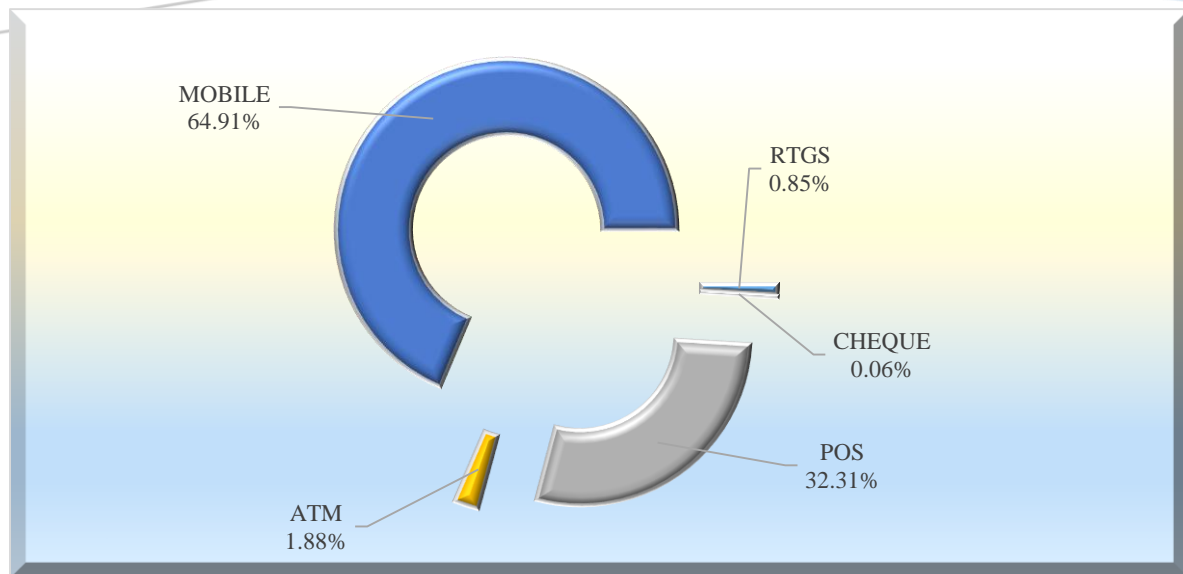
Figure 1: Proportions of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The volume of NPS transactions declined by 5% to close the week under review at 9 949 930. Mobile transaction volumes dominated the NPS, contributing 64.91% of the total transactions, followed by POS, 32.31%; ATMs, 1.88%; RTGS, 0.85%; and Cheque, 0.07%, 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 17 March 2017	WEEK ENDING 24 March 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	914,65	1,069.12	17%	82.44%
CHEQUE	1,73	1,52	(12%)	0.12%
POS	133,46	110,42	(17%)	8.51%
ATMS	15,08	11,48	(24%)	0.89%
MOBILE	107,29	104,26	(3%)	8.04%
TOTAL	1,172.21	1,296.80	11%	100%
VOLUMES				
RTGS	79,201	84,209	6%	0.85%
CHEQUE	7,067	6,191	(12%)	0.06%
POS	3,342,823	3,214,870	(4%)	32.31%
ATMs	232,734	186,655	(20%)	1.88%
MOBILE	6,837,727	6,458,004	(6%)	64.91%
TOTAL	10,499,552	9,949,930	(5%)	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

As at 24th March 2017 or day 8 of the 2017 tobacco selling season, a cumulative total of 8 517 325 kilograms of tobacco worth US\$21.67 million had been sold at an average price of US\$2.54 per kg. The quantity sold was 38.69% higher than the cumulative total of 6 141 182 kilograms that were sold at an average price of US\$2.31 per kg, during the same period in 2016.

In value terms, cumulative tobacco sales amounted to US\$21.67 million, compared to US\$14.17 million realized in the corresponding period in 2016.

Table 4: Cumulative Tobacco Sales: Day 8 (24 March 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	6,141,182	8,517,325	38.69
Cumulative Average Price(US\$/kg)	2.31	2.54	9.96
Cumulative Value (US\$ million)	14,174,292	21,673,989	52.91

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 24th March 2017, the international commodity prices of gold, platinum firmed, whilst copper, nickel and crude oil prices retreated 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
Weekly Average (10-17 Mar)	1,214.16	946.20	5,780.40	10,314.00	52.20
20-Mar	1,230.58	963.00	5,888.00	10,175.00	51.35
21-Mar	1,236.83	968.00	5,890.50	10,045.00	51.35
22-Mar	1,247.58	967.00	5,766.00	10,105.00	51.35
23-Mar	1,246.95	962.50	5,711.50	10,105.00	50.30
24-Mar	1,246.80	961.50	5,628.00	10,105.00	50.30
Week ending (19-24 Mar)	1,241.75	964.40	5,776.80	10,107.00	50.93
<i>Weekly Change (%)</i>	<i>2.3</i>	<i>1.9</i>	<i>(0.1)</i>	<i>(2.0)</i>	<i>(2.4)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices rose by 2.3% to an average of US\$1 241.75/oz, from US\$1 214.16/oz recorded in the prior week. Prices rebounded due to an increase in the appeal of the precious metal, as a safe haven asset, on the back of a weaker US dollar.

Platinum

Platinum prices firmed by 1.9%, from a weekly average of US\$946.20/oz recorded in the previous week to US\$964.40/oz, during the week under analysis. The increase was underpinned by prospects of strong investment demand.

Copper

During the week ending 24th March 2017, copper prices declined by 0.1% to close at a weekly average of US\$5 776.80/ton. The prices were weighed down by investors' concerns about the Trump Administration's ability to muster the backing needed to push through fiscal measures central to its economic agenda.

Nickel

Nickel prices retreated by 2.0%, from US\$10 314/ton registered in the previous week to US\$10 107 during the week under review. This was, in large part, due to suppressed global demand.

Crude Oil

Crude oil prices fell by 2.4%, to close the week under review at US\$50.93/barrel from US\$52.20/barrel in the previous week. Prices declined due to high US crude stockpiles, which outweighed OPEC's efforts to curb production.

5. EXCHANGE RATES

During the week ending 24th March 2017, the US dollar depreciated against the rand, pound Sterling and euro. The greenback weakened as investors raised doubts about the Trump Administration's ability to push through tax reforms and mega-spending packages.

Table 6: International Exchange Rates per US\$

	GBP	EURO	ZAR
2017			
Weekly Average (13-17 Mar)	0.8164	0.9352	12.9706
20-Mar	0.8068	0.9290	12.6808
21-Mar	0.8093	0.9294	12.6593
22-Mar	0.8013	0.9257	12.6974
23-Mar	0.8007	0.9267	12.5571
24-Mar	0.8012	0.9289	12.4949
Weekly Average (20-24 Mar)	0.8031	0.9277	12.6022
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(1.62)</i>	<i>(0.81)</i>	<i>(2.84)</i>

Source: Reuters

6. EQUITY MARKETS

During the week ending 24th March 2017, trading on the Zimbabwe Stock Exchange (ZSE) was subdued owing to selling-off pressure in selected heavyweight counters. The industrial index declined by 0.24% to close the week under review at 137.08, due to losses registered in Edgars Stores, 9.30%; Afdis Distillers, 8.33%; Econet Wireless, 1.55%; and Delta, 0.87%. Partially offsetting the losses were gains in Ariston Holdings, 35.14%; ZB Financial Holdings (ZBFH), 4.11%; Axia Corporation, 2.45%; CFI Holdings, 0.82%; and Old Mutual Plc, 0.31%.

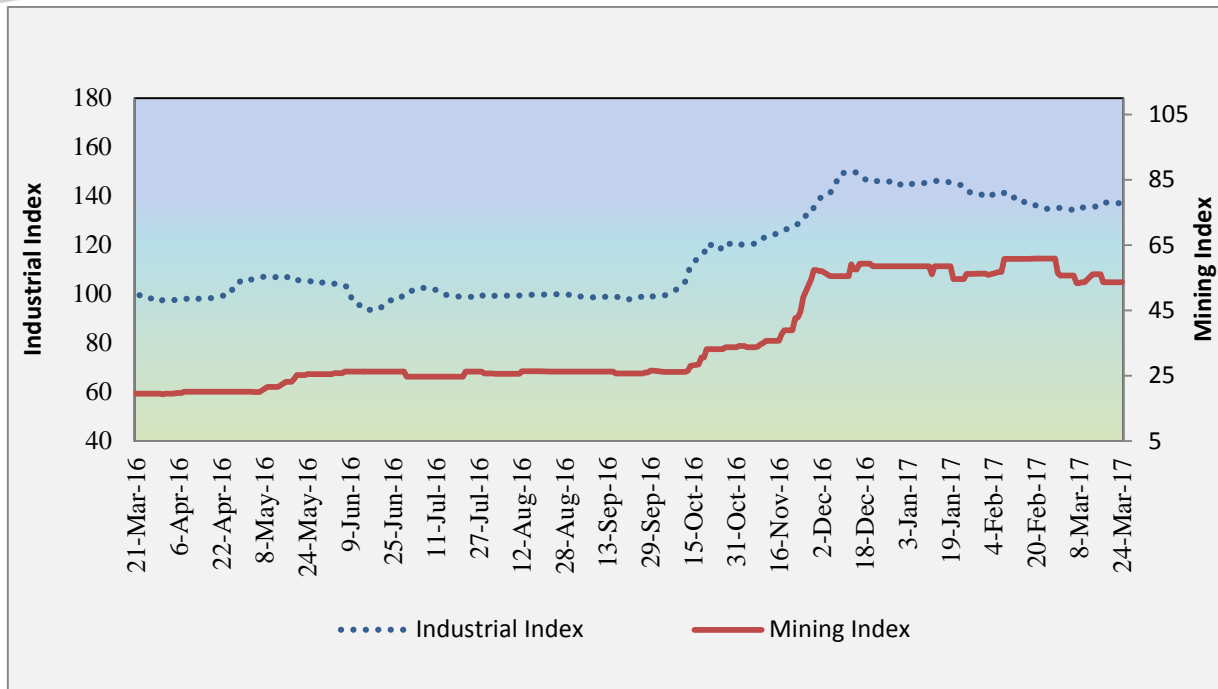
The resources index, however, increased by 0.07% to close the week under review at 53.63 points. This followed a 0.15% gain recorded in Rio Zim. Bindura Nickel Corporation traded unchanged at the previous week price, whilst Hwange and Falgold were inactive.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
24-February-17	134.83	60.89	3,763,949,912	2,338,258	9,639,838
3-March-17	134.48	55.68	3,746,292,943	5,685,525	55,971,170
10-March-17	135.36	53.66	3,766,995,911	3,485,601	58,720,204
17-March-17	137.47	53.59	3,822,960,955	6,076,205	35,434,550
24-March-17	137.08	53.63	3,812,496,830	11,791,989	74,396,040
Weekly Change (%)	(0.24%)	0.07%	(0.27%)	94.07%	109.95

Source: Zimbabwe Stock Exchange (ZSE), 2017.

Figure 3 : Zimbabwe Stock Exchange Indices

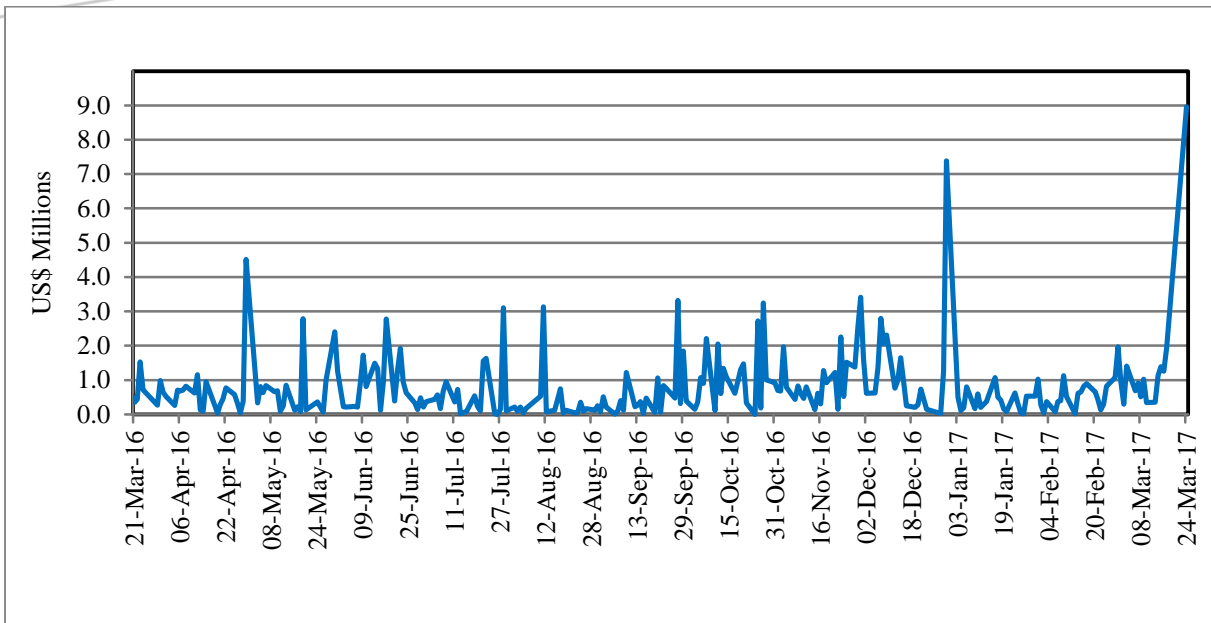


Source: Zimbabwe Stock exchange

Market Turnover and Volume

The ZSE market turnover increased by 94.07%, from US\$6.1 million in the previous week to US\$11.8 million during the week ending 24th March 2017. Similarly, the volume of shares traded also increased by 109.95% to close the week under review at 74 396 040 shares. This was attributed to trades in selected heavyweight counters such as Barclays Bank, Delta Corporation, Econet Wireless and PPC limited.

Figure 4: Daily Market turnover

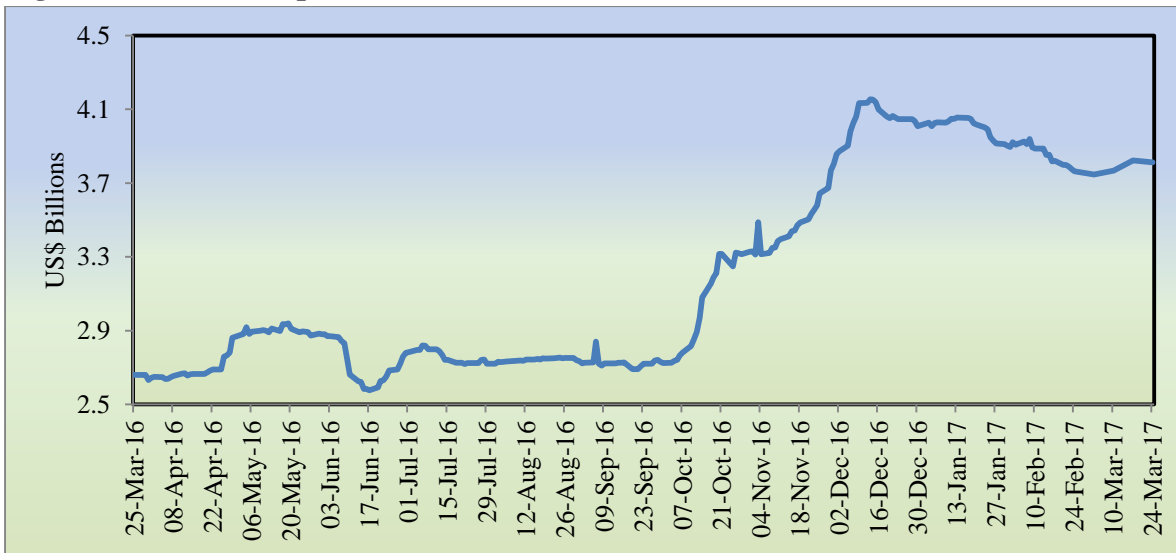


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization stood at US\$3.81 billion during the week ending 24th March 2017, a 0.27% decrease from US\$3.82 billion recorded in the previous week. This was on account of selling-off pressures in selected heavyweight counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

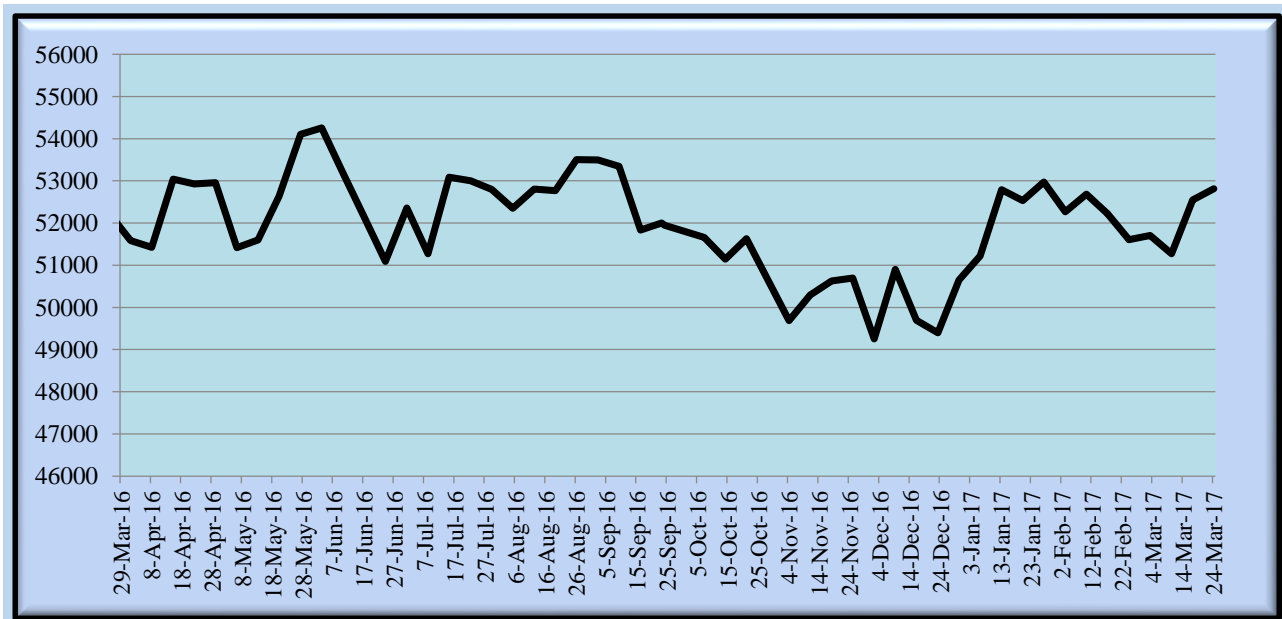
The JSE All Share index rose by 0.5% to closed the week under review at 52 816.33 points. Market capitalization, however, declined by 2.03%, to close the week under review at R13.49 trillion.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
17-February-17	52 223.54	13.64
24-February-17	51 609.86	13.52
03-March-17	51 708.61	13.59
10-March-17	51 269.54	13.46
17-March-17	52 550.99	13.77
24-March-17	52 816.33	13.49

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

31ST MARCH 2017