



# Weekly Economic Highlights

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Week Ending  
28<sup>th</sup> April 2017

## 1. INTEREST RATES

### Deposit Rates

Average interest rates for savings deposits and deposits of 3 months tenor stood at 3.46% and 4.44%, respectively, during the week ending 28<sup>th</sup> April 2017. Deposit rates for deposits of 1 month tenor, however, declined from 4.37% in the previous week to 4.36% during the week under analysis.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
31-March-17	3.55	4.97	5.43
07-April-17	3.98	4.71	4.91
13-April-17	3.96	4.20	4.22
21-April-17	3.44	4.37	4.43
28-April-17	<b>3.46</b>	<b>4.36</b>	<b>4.44</b>

Source: Banking Institutions, 2017

### Lending Rates

During the week under analysis, commercial bank weighted lending rates for individual and corporate clients increased by 0.02 percentage points and 0.01 percentage points to 9.25% and 7.02%, respectively.

**Table 2: Lending Rates**

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate clients
31-March-17	9.12	7.02
07-April-17	9.22	7.01
13-April-17	9.22	7.02
21-April-17	9.23	7.01
28-April-17	<b>9.25</b>	<b>7.02</b>

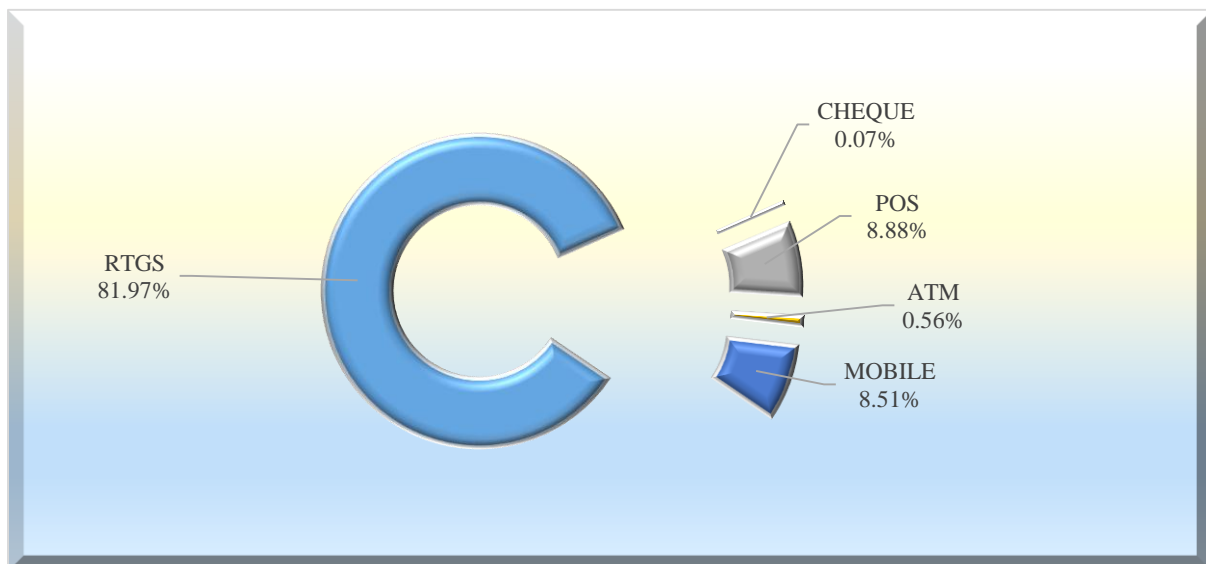
Source: Banking Institutions, 2017

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) increased by 75%, to close the week under review at US\$1 683.92 million. This was mainly driven by a 92% increase in the value of RTGS transactions, from US\$719.19 million in the previous week to US\$1 380.37 million during the week ending 28<sup>th</sup> April 2017.

The NPS transactions value was distributed as follows: RTGS, 81.97%; POS, 8.88%; Mobile, 8.51%; ATM, 0.56% and Cheque 0.07%, as shown in Figure 1.

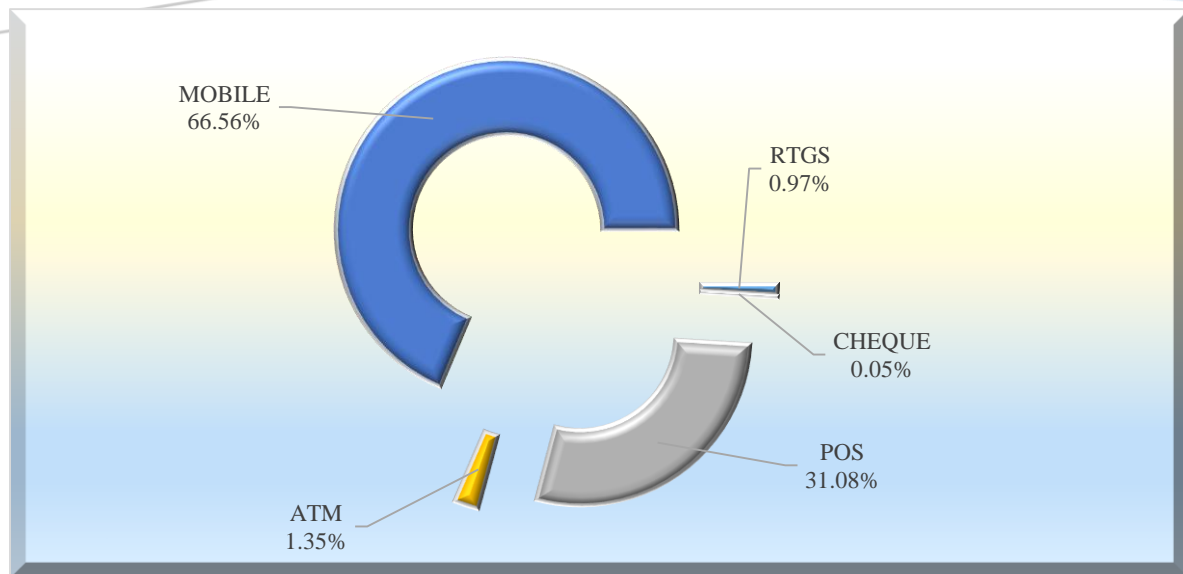
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

The total volume of NPS transactions increased by 10% to 11 770 809 during the week under review, from 10 674 162 recorded in the previous week. Mobile-based transactions accounted for 66.56% of the total volume of NPS transactions, followed by POS, 31.08%; ATM, 1.35%; and Cheque, 0.05%, 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 21 April 2017	WEEK ENDING 28 April 2017	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	719.19	1,380.37	92%	81.97%
<b>CHEQUE</b>	0.78	1.24	58%	0.07%
<b>POS</b>	133.54	149.55	12%	8.88%
<b>ATMS</b>	7.18	9.48	32%	0.56%
<b>MOBILE</b>	101.82	143.29	41%	8.51%
<b>TOTAL</b>	<b>962.52</b>	<b>1,683.92</b>	75%	<b>100%</b>
<b>RTGS</b>	58,387	114,009	95%	0.97%
<b>CHEQUE</b>	3,466	5,517	59%	0.05%
<b>POS</b>	3,630,342	3,658,114	1%	31.08%
<b>ATMs</b>	127,939	158,753	24%	1.35%
<b>MOBILE</b>	6,854,028	7,834,416	14%	66.56%
<b>TOTAL</b>	<b>10,674,162</b>	<b>11,770,809</b>	10%	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. TOBACCO SALES

As at 28<sup>th</sup> April 2017 or day 30 of the 2017 tobacco selling season, a cumulative total of 78 796 177 kilograms of tobacco worth US\$217.75 million, had been sold. This was 28.73% higher than the cumulative total of 61 212 361 kilograms of tobacco valued at US\$172.46 million sold during the same period in 2016. The golden leaf was sold at lower average price of US\$2.76/kg, compared to US\$2.82/kg realized during the same period in 2016.

**Table 4: Cumulative Tobacco Sales: Day 30 (28 April 2017)**

	2016	2017	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	61,212,361	78,796,177	28.73
<b>Cumulative Average Price(US\$/kg)</b>	2.82	2.76	-2.13
<b>Cumulative Value (US\$ million)</b>	172,462,732	217,753,055	26.26

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

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel and crude oil retreated, whilst copper prices marginally firmed during the week ending 28<sup>th</sup> April 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>
<b>2017</b>	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Week ending (19 - 21 April)</b>	<b>1,281.08</b>	<b>975.67</b>	<b>5,610.50</b>	<b>9,453.33</b>	<b>53.61</b>
24-Apr	1,281.68	960.50	5,601.00	9,390.00	51.60
25-Apr	1,269.15	955.50	5,612.00	9,390.00	52.10
26-Apr	1,263.40	951.00	5,625.50	9,230.00	51.82
27-Apr	1,263.40	945.50	5,720.00	9,230.00	51.73
28-Apr	1,265.38	946.00	5,688.00	9,485.00	51.69
<b>Week ending (24 - 28 April)</b>	<b>1,268.60</b>	<b>951.70</b>	<b>5,649.30</b>	<b>9,345.00</b>	<b>51.79</b>
<i>Weekly Change (%)</i>	<i>(0.97)</i>	<i>(2.46)</i>	<i>0.69</i>	<i>(1.15)</i>	<i>(3.39)</i>

Source: BBC, KITCO and Bloomberg

### Gold

Gold prices fell by 1.0%, from a weekly average of US\$1,281.08/oz recorded in the previous week, to US\$1,268.60/oz during the week under review. Prices retreated amid easing geopolitical tensions which increased investor appetite for riskier assets. This development led to suppressed demand for gold as a safe haven asset.

### Platinum

Platinum prices declined by 2.46%, from US\$975.67/oz recorded in the previous week to US\$951.70/oz during the week under analysis. The prices slumped on account of weak global demand for the metal.

### Copper

Copper prices firmed by 0.7%, from US\$5,610.50/ton in the previous week to US\$5,649.30/ton in the week under review. The rebound in prices was largely attributed to fears of supply disruptions, in the wake of impending labour disputes in Indonesia, one of the world's largest copper producers.

## **Nickel**

Nickel prices retreated by 1.1%, from a weekly average of US\$9,453.33/ton registered in the previous week, to close the week under review at an average of US\$9,345.00/ton. This was, in large part, due to concerns of another global glut, on the back of slowing housing prices in China, the biggest user of the base metal.

## **Crude Oil**

Crude oil prices decreased by 3.4% to US\$51.79/barrel during the week under analysis, from US\$53.61/barrel in the previous week. The prices were weighed down by signs of further gains in U.S crude output and rising uncertainties surrounding the extension of output cuts by OPEC in May 2017.

## 5. EXCHANGE RATES

During the week ending 28 April 2017, the US dollar softened against the euro, pound sterling and the rand as shown in Table 6.

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

	<b>GBP</b>	<b>EURO</b>	<b>ZAR</b>
2017			
<b>Weekly Average (19-21 April)</b>	<b>0.7811</b>	<b>0.9328</b>	<b>13.2226</b>
24-Apr	0.7816	0.9202	13.0261
25-Apr	0.7818	0.9206	12.9988
26-Apr	0.7794	0.9137	13.0799
27-Apr	0.7771	0.9171	13.1943
28-Apr	0.7747	0.9207	13.3461
<b>Weekly Average (24-28 April)</b>	<b>0.7789</b>	<b>0.9185</b>	<b>13.1290</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>(0.28)</i>	<i>(1.54)</i>	<i>(0.71)</i>

Source: Reuters



## 6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was bullish for the fifth consecutive week. The mainstream index gained by 1.03% to close the week under review at 142.96. The increase was attributed to gains realized in FBC Holdings (FBCH), 11.37%; Padenga Holdings, 4.99%; Inncor Africa, 3.99%; Econet Wireless, 3.38%; and Old Mutual Plc, 0.64%. Partially offsetting these gains were losses in NMBZ Holdings, 2.94%; and Barclays Bank, 1.37%.

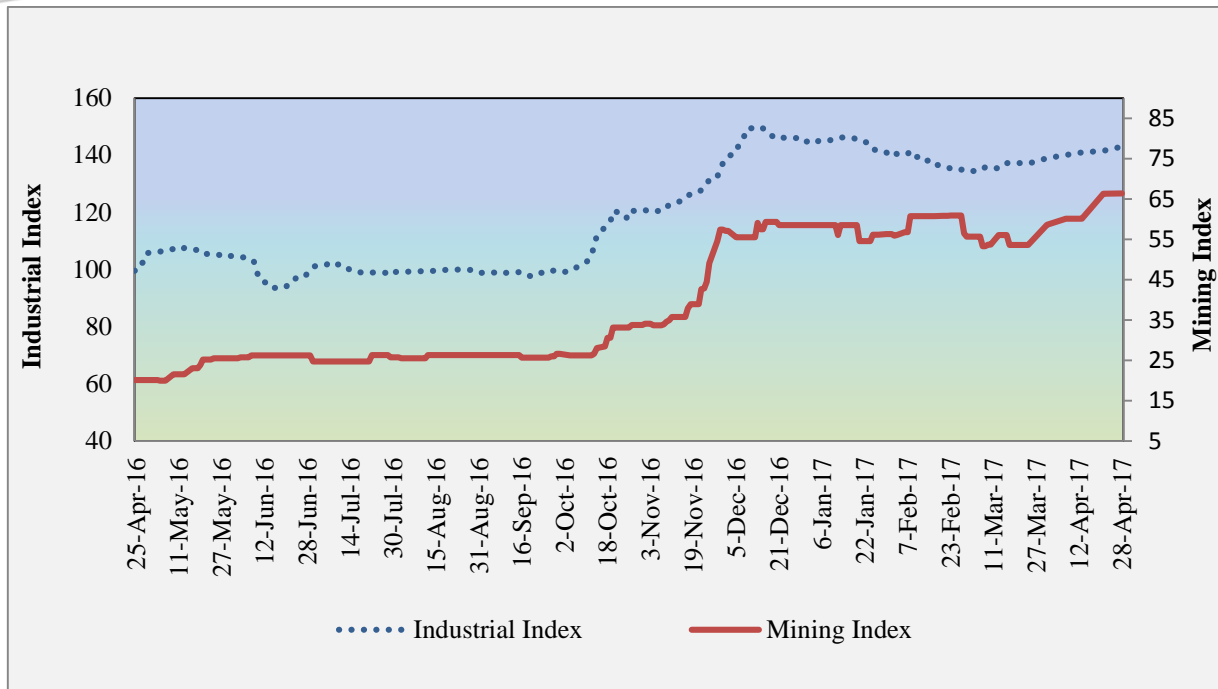
The mining index increased by 0.12%, to close the week under analysis at 66.33 points. The increase was largely attributable to a 0.22% share price increase in RioZim. Bindura Nickel Corporation shares traded at the previous week price, while Falgold and Hwange Colliery Company (HCC) remained inactive during the same week.

**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>31-March-17</b>	138.96	58.56	3,871,279,708	2,933,379	16,543,339
<b>7-April-17</b>	140.08	60.12	3,904,206,448	4,035,658	6,467,470
<b>13-April-17</b>	140.92	60.12	3,926,840,215	1,051,943	29,009,254
<b>21-April-17</b>	141.50	66.25	4,141,058,162	917,111	7,510,700
<b>28-April-17</b>	142.96	66.33	4,182,789,106	5,199,710	32,870,288
<b>Weekly Change (%)</b>	<b>1.03</b>	<b>0.12</b>	<b>1.01</b>	<b>466.97</b>	<b>337.65</b>

Source: Zimbabwe Stock Exchange (ZSE), 2017.

**Figure 3 : Zimbabwe Stock Exchange Indices**

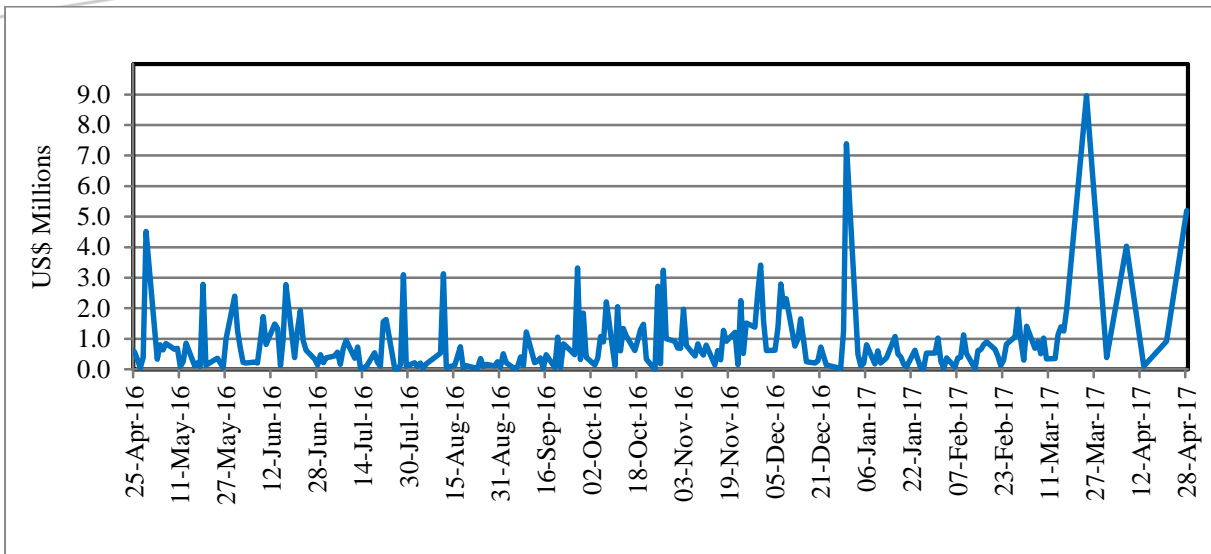


Source: Zimbabwe Stock exchange

### Market Turnover and Volume

During the week under review, the volume of shares traded increased by 337.6% to 32 870 288 shares. In tandem, market turnover increased by 467.0% to close the week under review at US\$5.20 million. The increase in turnover volume was reflective of three block trades for 10 million Barclays shares; 3.8 million Simbisa shares; and 0.7 million Innscor Africa shares, which traded at US\$0.04, US\$0.18 and US\$0.47, respectively.

**Figure 4: Daily Market turnover**

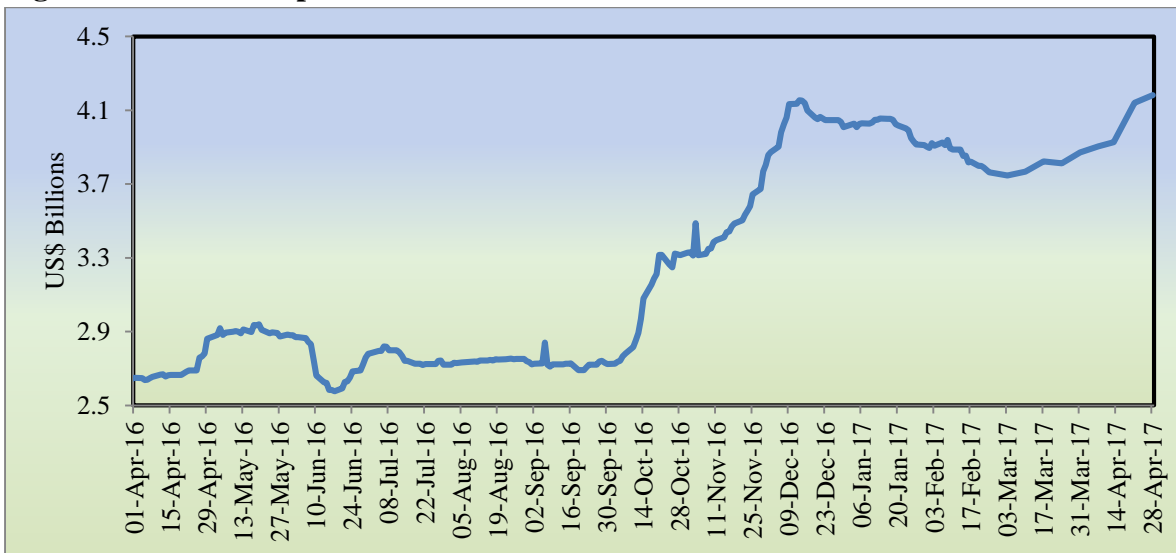


Source: Zimbabwe Stock Exchange, 2017

**Market Capitalization**

The ZSE market capitalization stood at US\$4.18 billion, representing a 1.01% increase from US\$4.14 billion recorded in the previous week. This was largely on account of gains in the mainstream index.

**Figure 5 : Market Capitalization**



Source: Zimbabwe Stock Exchange, 2017

## Johannesburg Stock Exchange (JSE) Developments

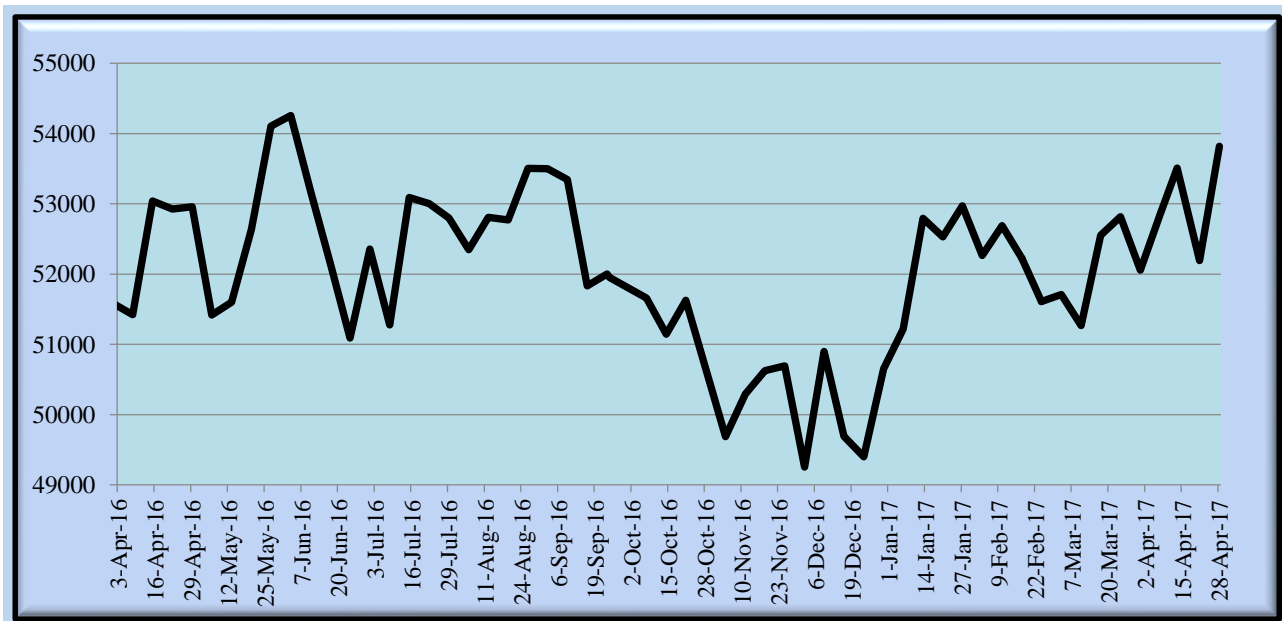
The JSE All Share index increased from 52 194.59 points in the previous week, to close the week under review at 53 817.31 points. In concomitance, market capitalization also rose from R13.70 trillion in the prior week, to R14.17 trillion during the week under review.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
24-March-17	52 816.33	13.49
31-March-17	52 056.06	13.81
07-April-17	52 853.36	14.09
13-April-17	53 510.22	14.07
21-April-17	52 194.59	13.70
28-April-17	<b>53 817.31</b>	<b>14.17</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**

**05<sup>th</sup> MAY 2017**