



Weekly Economic Highlights

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Week Ending
29th December 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits, deposits of 1 month and 3 month tenors remained unchanged at previous week levels, during the week ending 29th December 2017.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
01-December-17	4.10	3.84	4.11
08-December-17	4.22	3.84	4.11
15-December-17	4.22	3.84	4.11
21-December-17	4.10	3.84	4.11
29-December-17	4.10	3.84	4.11

Source: Banking Institutions, 2017

Lending Rates

During the week under analysis, commercial banks weighted lending rates for individual clients increased by 0.01 percentage points to 9.39%. Weighted lending rates for corporate clients closed the same week at 7.00%, a 0.07 percentage points decrease from the 7.07% recorded in the previous week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
01-December-17	9.64	7.01
08-December-17	9.34	7.03
15-December-17	9.34	7.03
21-December-17	9.38	7.07
29-December-17	9.39	7.00

Source: Banking Institutions, 2017

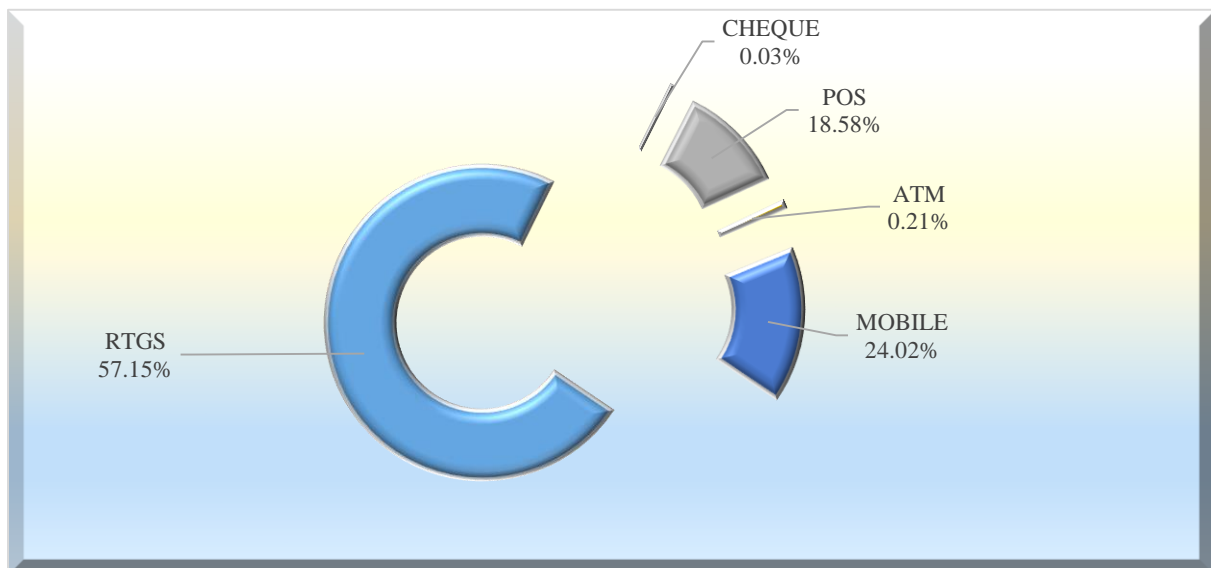
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) declined by 37%, to close the week under review at US\$1 675.76 million. This was mainly driven by a 46% decrease in the value of RTGS transactions, from US\$1 786.82 million in the previous week to US\$957.76 million, during the week ending 29th December 2017.

The distribution of NPS transactions in value terms was as follows: RTGS, 57.15%; Mobile, 24.02%; POS, 18.58%; ATM, 0.21% and Cheque 0.03%, as shown in Figure 1.

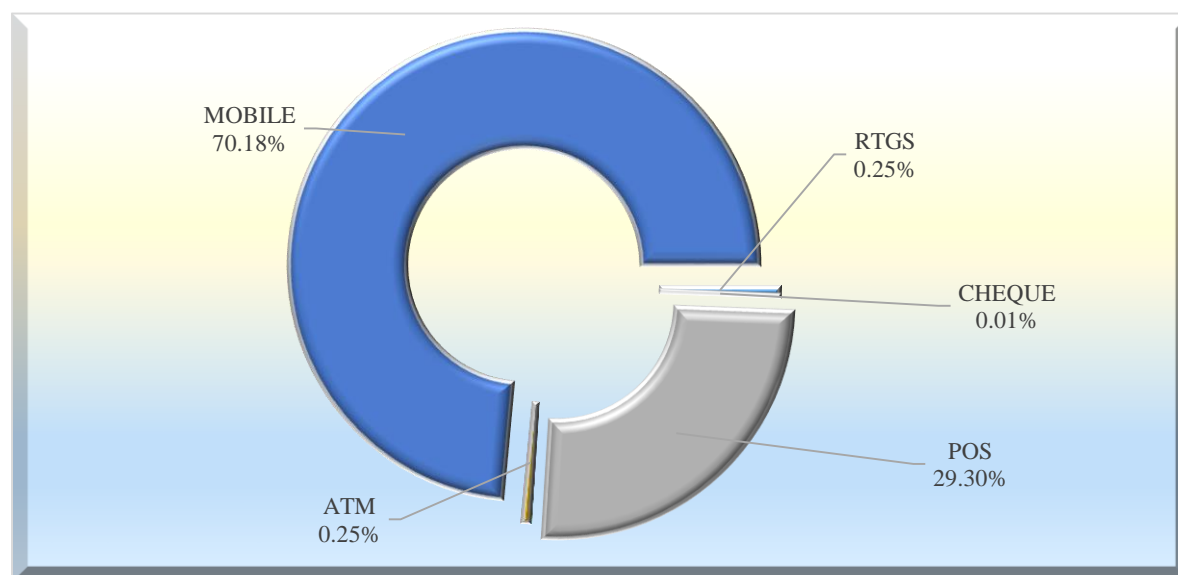
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

The total volume of NPS transactions decreased by 4% to 33 837 476 during the week under review, from 35 305 747 recorded in the previous week. The proportions of NPS transactions in volume terms were as follows: Mobile, 70.18%; POS, 29.30%; ATM, 0.25%; RTGS, 0.25%; and Cheque, 0.01%, 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 21 December 2017	WEEK ENDING 29 December 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,786.82	957.76	-46%	57.15%
CHEQUE	0.77	0.47	-39%	0.03%
POS	262.93	311.39	18%	18.58%
ATMS	3.45	3.60	4%	0.21%
MOBILE	590.78	402.54	-32%	24.02%
TOTAL	2,644.73	1,675.76	-37%	100%
VOLUMES				
RTGS	139,263	85,863	-38%	0.25%
CHEQUE	4,061	2,522	-38%	0.01%
POS	7,765,459	9,915,766	28%	29.30%
ATMs	81,788	86,164	5%	0.25%
MOBILE	27,315,176	23,747,161	-13%	70.18%
TOTAL	35,305,747	33,837,476	-4%	100%

Source: Reserve Bank of Zimbabwe, 2017

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 29th December 2017, the international commodity prices of gold, platinum, copper, nickel and crude oil increased, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Week ending (18 - 21 Dec)	1,262.96	912.00	6,903.50	11,718.75	64.08
27-Dec	1,282.40	920.50	7,183.50	11,935.00	65.85
28-Dec	1,291.30	924.00	7,203.00	11,985.00	66.18
29-Dec	1,293.75	927.00	7,284.00	12,285.00	66.87
Week ending (27-29 Dec)	1,289.15	923.83	7,223.50	12,068.33	66.30
<i>Weekly Change (%)</i>	<i>2.1</i>	<i>1.3</i>	<i>4.6</i>	<i>3.0</i>	<i>3.5</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices increased by 2.1%, to close the week under review at US\$1 289.15/oz. This was, in large part, on account of a weaker US dollar which continued to bolster the demand for the precious metal as a safe haven asset.

Platinum

Platinum prices rose by 1.3%, from a weekly average of US\$912.00/oz in the previous week to US\$923.83/oz during the week under analysis. This was underpinned by rising prospects of strong demand for the mineral as a safe haven asset, particularly in China.

Copper

Copper prices gained by 4.6%, to close the week under review at US\$7 223.50/ton, from a weekly average of US\$6 903.50. The increase was largely attributable to declining inventories and signs of rising global demand emanating from China, the world's largest consumer of the base metal.

Nickel

Nickel prices surged by 3% to close the week ending 29th December 2017 at US\$12 068.33/ton. The increase was, in large part, attributable to the rising global demand outlook for the base metal.

Crude Oil

Crude oil prices rallied by 3.5% to US\$66.30/barrel during the week under analysis, from US\$64.08/barrel in the previous week. Prices were partly supported by fears of supply disruptions, following news of a pipeline explosion in Libya which is anticipated to reduce oil production by 100 000 barrels a day.

4. EXCHANGE RATES

During the week under review, the U.S dollar weakened by 3.5%; 1.3%; 0.8%; and 0.4%, against the rand; pula; euro; and pound Sterling, respectively. This followed the release of weak US economic data.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (18 - 21 Dec)	12.8410	0.7481	10.0765	0.8463
27-Dec	12.5000	0.7475	9.9800	0.8425
28-Dec	12.2600	0.7463	9.9010	0.8389
29-Dec	12.4000	0.7407	9.9602	0.8372
Weekly Average (18 - 21 Dec)	12.3867	0.7448	9.9471	0.8395
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-3.5</i>	<i>-0.4</i>	<i>-1.3</i>	<i>-0.8</i>

Source: Reuters, 2017

5. EQUITY MARKETS

During the holiday shortened week ending 29th December 2017, the Zimbabwe Stock Exchange (ZSE) was characterized by thin trading. The industrial index increased by 4.81%, from 317.73 points recorded in the previous week to 333.02 points during the week under review. The increase was underpinned by gains in Old Mutual (21.39%); African Sun (20%); Willdale (17.74%); SeedCo (14.29%); and Delta (10.34%).

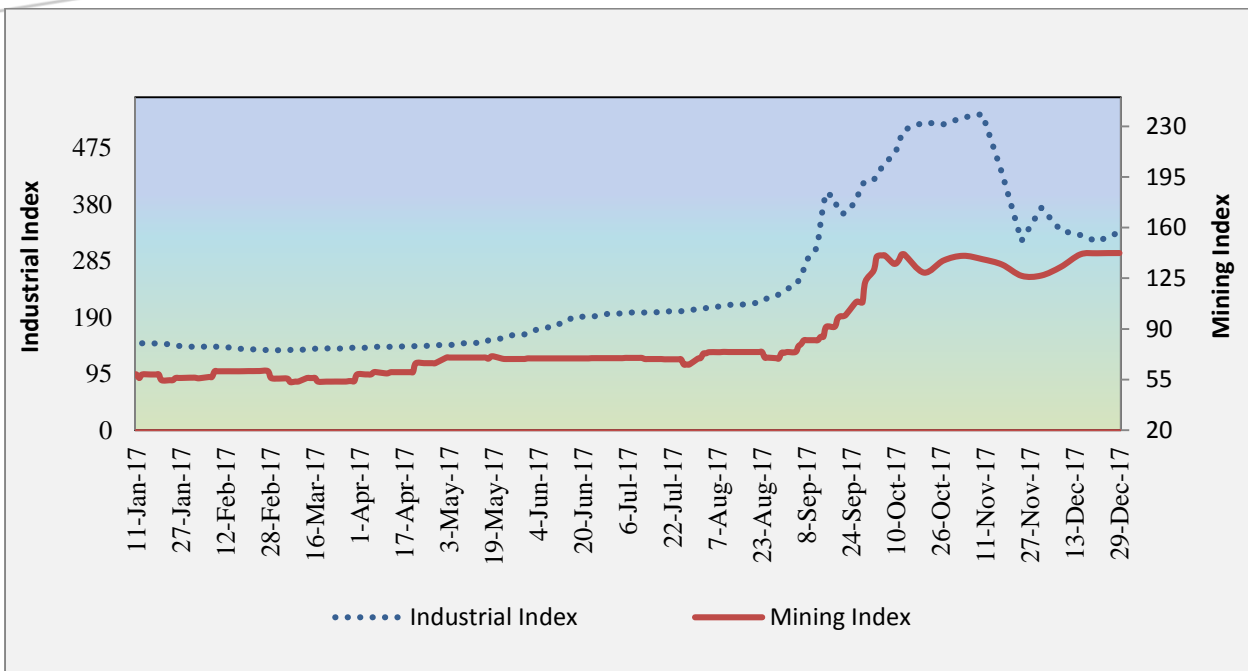
The resources index firmed by 0.11%, from 142.24 points in the previous week to close the week under review at 142.40 points. This was largely attributable to a 0.36% gain in Bindura Nickel Corporation (BNC). RioZim traded at previous week price level, while Hwange Colliery Company (HCC) and Falgold remained inactive.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
08-December-17	335.95	132.79	9,642,567,695	15,057,824	308,112,492
15-December-17	328.44	141.47	9,447,234,808	8,276,307	17,030,059
21- December-17	317.73	142.24	9,151,044,105	25,992,897	338,666,493
29-December-17	333.02	142.40	9,580,566,540	23,563,704	179,420,979
Weekly Change (%)	4.81	0.11	4.69	-9.35	-47.02

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

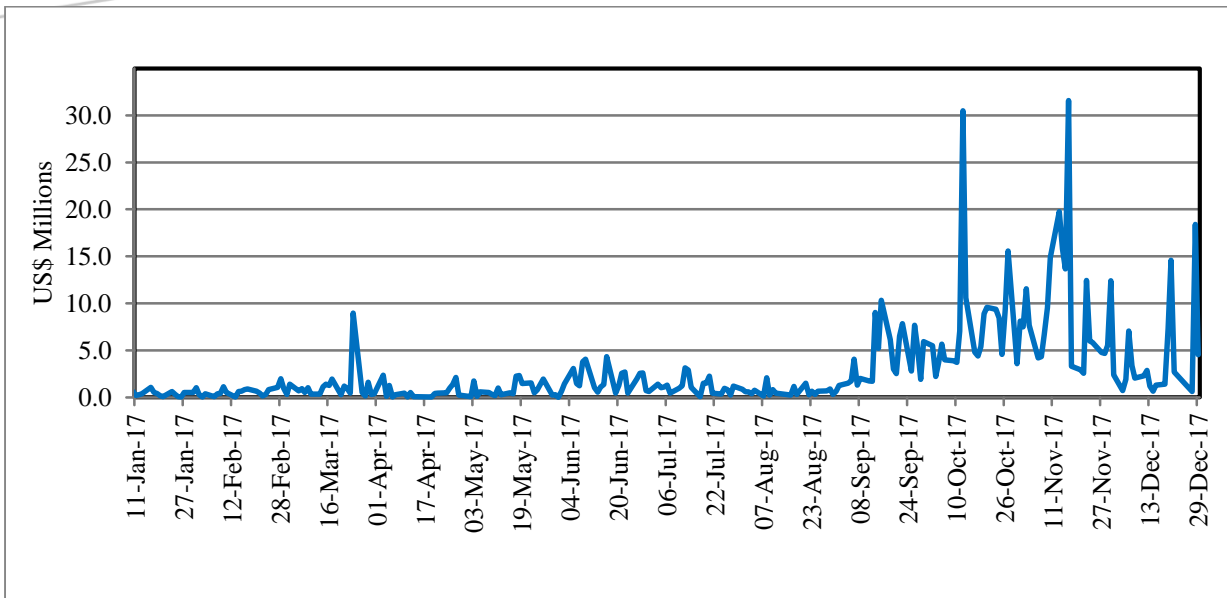


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

The volume of shares traded on the ZSE registered a 47.02% decline, to close the week ending 29th December 2017 at 179 420 979, from 338 666 493 in the prior week. Similarly, market turnover declined by 9.35% to US\$23.56 million, during the week under analysis.

Figure 4: Daily Market turnover

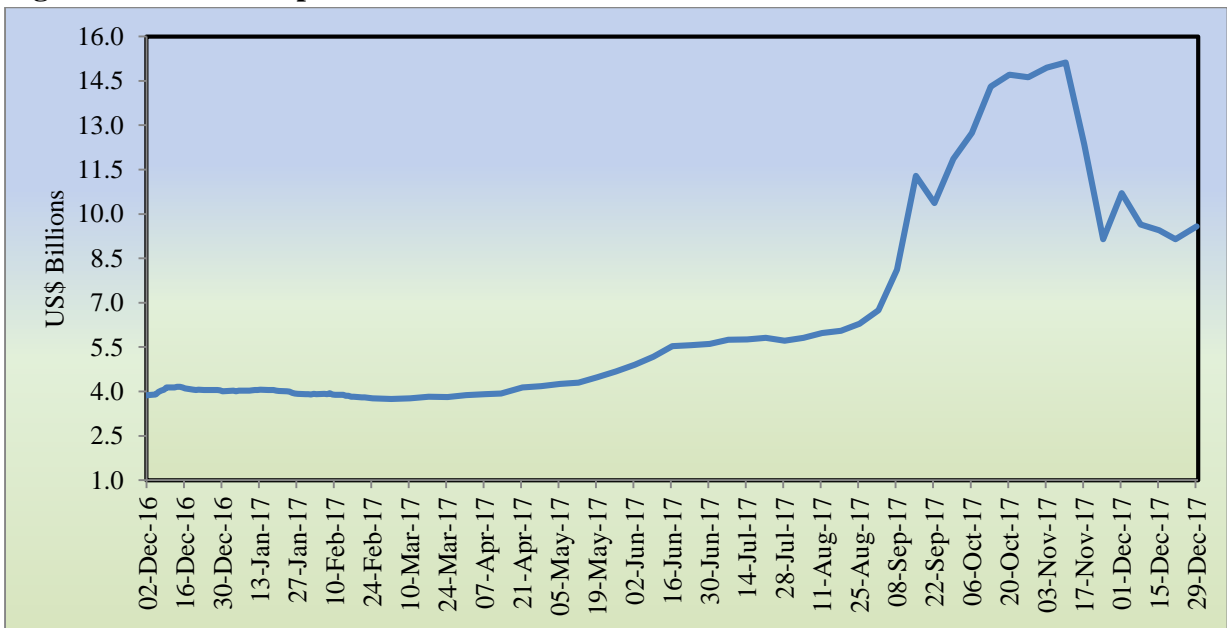


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization rose by 4.69%, from US\$9.15 billion recorded in the previous week to US\$9.58 billion, during the week under review. This was largely due to gains in the industrial and resources indices.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

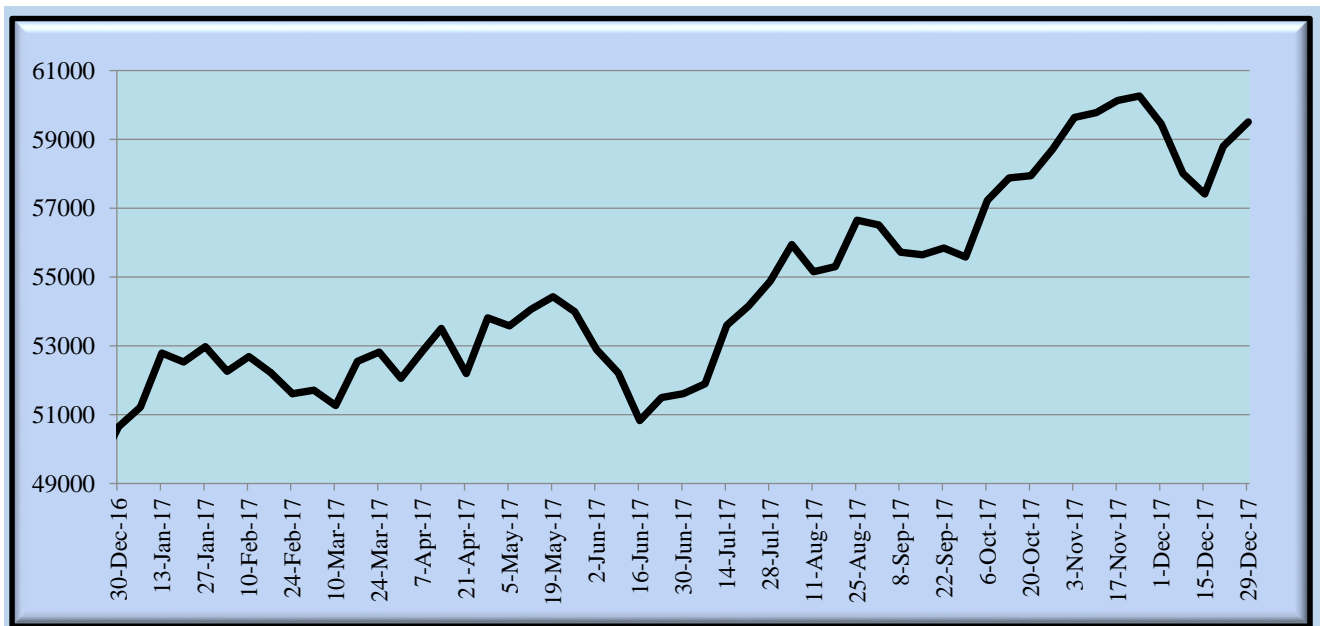
Johannesburg Stock Exchange (JSE) Development

The JSE All Share index increased by 1.2%, to close the week ending 29th December 2017 at 59 504.67 points. Market capitalisation, however, remained unchanged at R15.46 during the same week.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
08-December-17	58 012.31	15.47
15-December-17	57 412.76	15.30
21- December-17	58 800.23	15.46
29- December-17	59 504.67	15.46
% Change	1.2	0.0

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

5TH JANUARY 2018