



Weekly Economic Highlights

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Week Ending
3rd November 2017

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits remained unchanged at 4.22%, during the week ending 3rd November 2017. Deposit rates for deposits of 1-month tenor declined by 0.01 percentage points to close the week under review at 4.02%. The week under review also saw average deposits rates for deposits of 3 months tenor increase from 4.09% in the previous week, to close the week at 4.14%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
06-October-17	4.22	4.09	4.17
13-October-17	4.22	4.09	4.12
20-October-17	4.22	4.09	4.12
27-October-17	4.22	4.03	4.09
03-November-17	4.22	4.02	4.14

Source: Banking Institutions, 2017

Lending Rates

Weighted lending rates at commercial banks remained unchanged at 9.66% for individual clients, during the week under review. The lending rates for corporate clients, however, decreased by 0.01 percentage points to close at 7.05%, during the week under analysis.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
06-October-17	9.09	6.99
13-October-17	9.19	7.00
20-October-17	8.95	7.18
27-October-17	9.66	7.06
03-November-17	9.66	7.05

Source: Banking Institutions, 2017

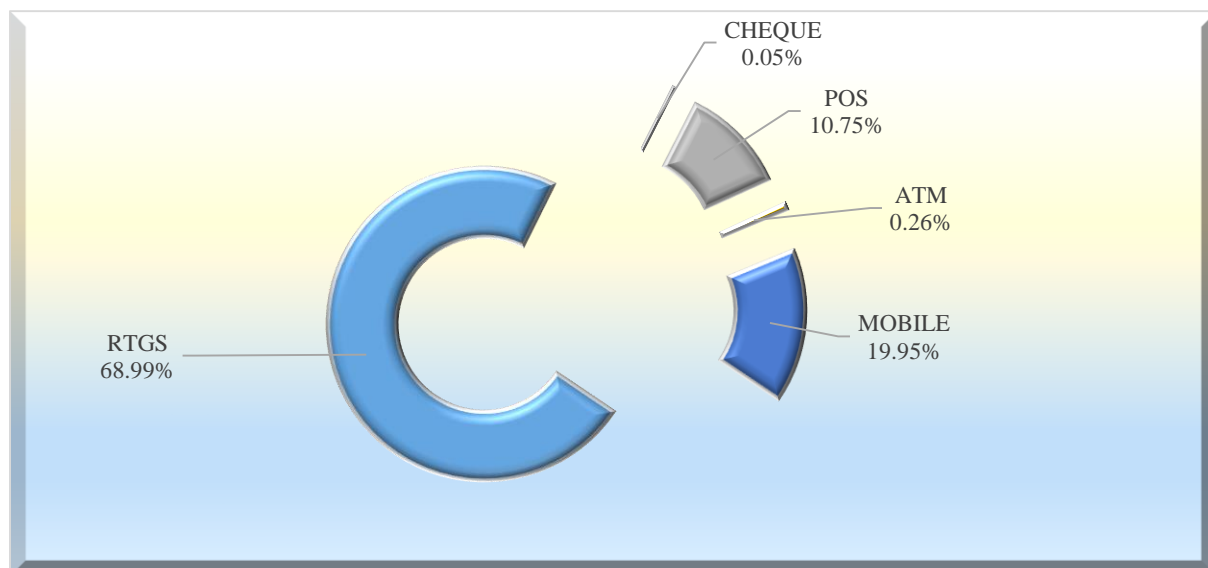
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 3rd November 2017, the total value of transactions processed through the National Payment System (NPS) stood at US\$2 171.00 million, up from US\$2 045.41 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system increased by 3%, to US\$1 497.69 million during the same week.

RTGS payments accounted for 68.99% of the total value of transactions processed through the NPS, followed by Mobile, 19.95%; Point of Sale (POS), 10.75%; Automated Teller Machines (ATMs), 0.26%; and Cheque, 0.05%, as shown in Figure 1.

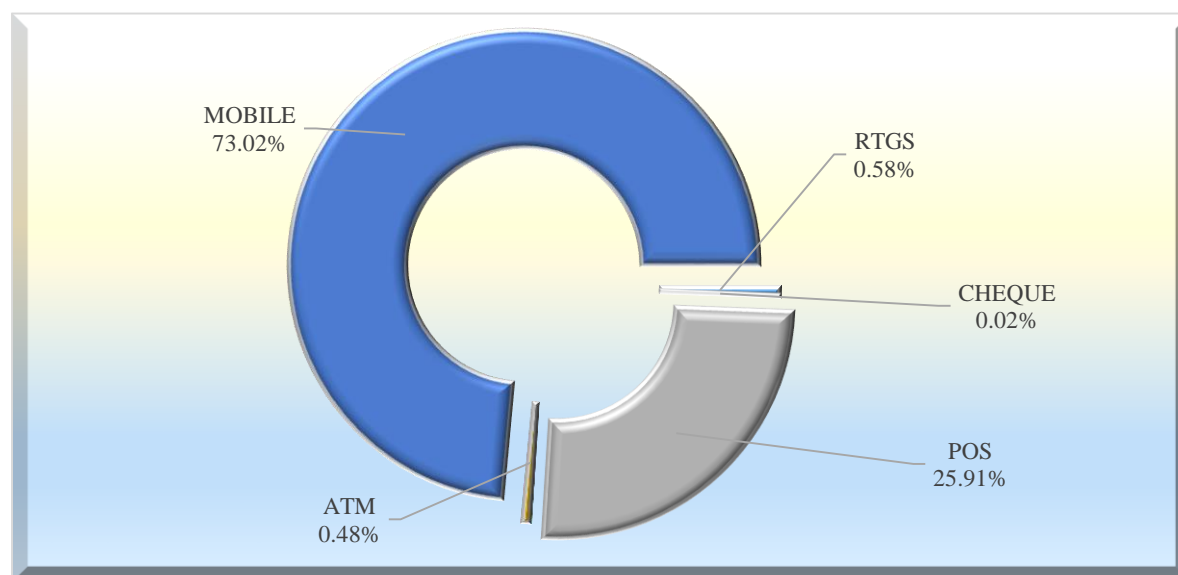
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

The volume of transactions processed through the NPS stood at 27 639 902 during the week under analysis, a 11% increase from 24 965 742 transactions recorded in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 73.02%; POS, 25.91%; RTGS, 0.58%; ATMs, 0.48%; and Cheque, 0.02%, 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 27 October 2017	WEEK ENDING 03 November 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,453.70	1,497.69	3%	68.99%
CHEQUE	1.08	1.07	-1%	0.05%
POS	216.99	233.47	8%	10.75%
ATMS	4.16	5.55	33%	0.26%
MOBILE	369.49	433.22	17%	19.95%
TOTAL	2,045.41	2,171.00	6%	100%
VOLUMES				
RTGS	137,118	159,310	16%	0.58%
CHEQUE	5,608	5,655	1%	0.02%
POS	5,977,338	7,160,710	20%	25.91%
ATMs	102,472	132,638	29%	0.48%
MOBILE	18,743,206	20,181,589	8%	73.02%
TOTAL	24,965,742	27,639,902	11%	100%

Source: Reserve Bank of Zimbabwe, 2017

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of platinum, nickel and crude oil firmed, during the week ending 3rd November 2017. Copper prices, however, weakened, whilst gold prices remained unchanged, 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
Week ending (23 - 27 Oct)	1,274.39	918.50	6,989.70	11,852.00	58.86
30-Oct	1272.38	918.50	6830.00	11520.00	60.57
31-Oct	1272.28	916.50	6846.50	11635.00	60.92
1-Nov	1278.15	929.00	6955.00	12580.00	61.47
2-Nov	1277.80	929.00	6944.00	12690.00	60.68
3-Nov	1271.25	922.00	6940.50	12710.00	62.07
Week ending (30 Oct- 3 Nov)	1,274.37	923.00	6,903.20	12,227.00	61.14
<i>Weekly Change (%)</i>	<i>(0.0)</i>	<i>0.5</i>	<i>(1.2)</i>	<i>3.2</i>	<i>3.9</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices closed the week under review at a weekly average of US\$1 274.37/oz, from a weekly average of US\$1 274.39/oz recorded in the prior week. Prices remained largely unchanged as investors focused their attention on the nomination of a new U.S. Federal Reserve chair, who could influence the pace of future interest rate increases.

Platinum

Platinum prices increased by 0.5%, to close at US\$923.00/oz during the week ending 3rd November 2017. The prices were supported by a positive demand outlook for the industrial metal.

Copper

Copper prices retreated by 3.2%, from a weekly average of US\$6 989.70/ton recorded in the previous week to US\$6 903.20/ton during the week under analysis. Prices declined following rising inventories in the global market. This dampened fears surrounding the anticipated impact of global supply disruptions which could have driven up the prices.

Nickel

Nickel prices rose by 2.2%, from US\$11 852.00/ton in the previous week to close the week under review at an average of US\$12 227.00/ton. The increase was sustained by the positive demand outlook for the metal, particularly in China.

Crude Oil

Crude oil prices continued in a positive trajectory, registering a 3.9% increase from a weekly average of US\$58.86/barrel in the prior week, to close at US\$61.14/barrel during the week under analysis. This was largely on account of rising expectations that the Organization Petroleum Exporting Countries and other producers could extend production cuts beyond the end of March 2018.

5. EXCHANGE RATES

During the week ending 3rd November 2017, the U.S dollar appreciated by 1.47%, 1.05% and 0.79%, against the rand, euro and pula, respectively. The greenback, however, depreciated by a marginal 0.04% against the pound sterling.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (23 - 27 Oct)	13.8916	0.7582	10.4530	0.8511
30-Oct	14.1130	0.7608	10.5708	0.8610
31-Oct	14.0603	0.7571	10.5319	0.8599
1-Nov	14.1459	0.7534	10.5374	0.8598
2-Nov	13.9464	0.7531	10.5430	0.8580
3-Nov	14.2171	0.7650	10.4932	0.8612
Weekly Average (30 Oct - 3 Nov)	14.0965	0.7579	10.5352	0.8600
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.47</i>	<i>-0.04</i>	<i>0.79</i>	<i>1.05</i>

Source: Reuters, 2017

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recovered from the previous week's losses resulting in marginal gains in both the industrial and mining indices during the week ending 3rd November 2017. The industrial index rose by 2.20% to 525.63 points, on account of increases in Edgars Stores, (37.93%); General Beltings, (33.33%); Amalgamated, (20.00%); OK Zimbabwe, (19.63%); and NMBZ, (17.65%). Partially offsetting the gains were losses realized in Ariston, (22.22%); Axia Corporation, (5.66%); ZB, (2.56%); First Mutual, (1.95%); and Innscor Africa, (0.64%).

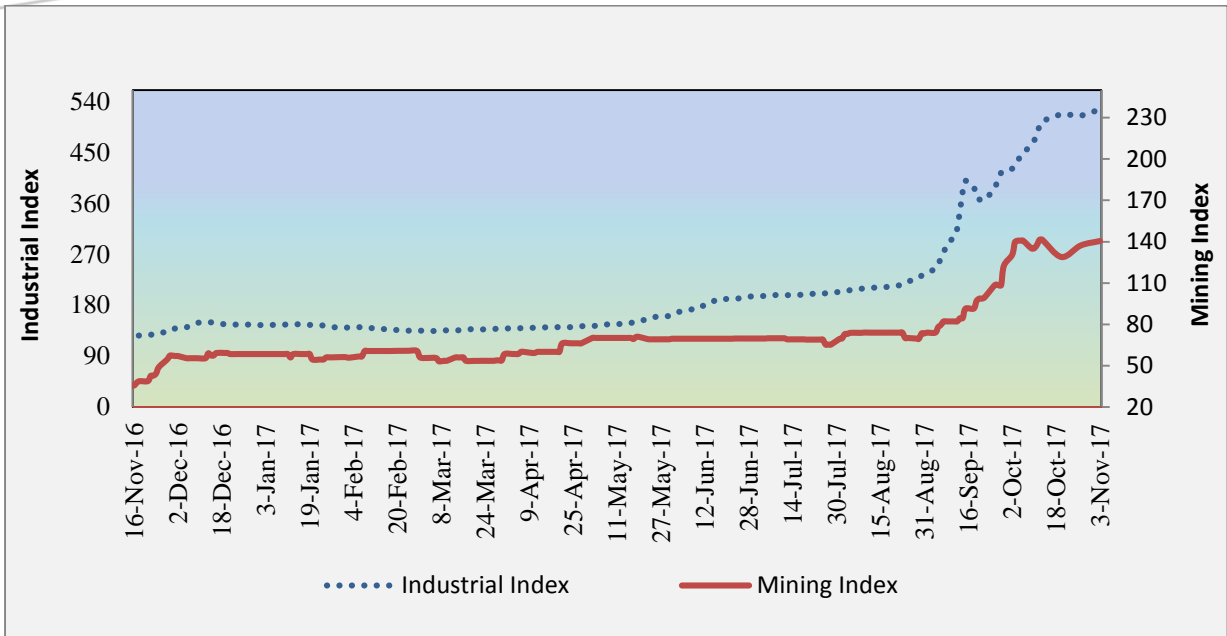
The resources index also firmed by 2.37% to close the week under review at 140.50 points. The increase was a result of a 5.36% and 1.09% increase in Bindura Nickel Corporation and Rio Zim, respectively. Hwange Colliery Company traded at the previous week price level, while Falgold remained inactive during the week under review.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
13-October-17	505.32	141.39	14,311,798,891	55,759,838	389,148,454
20-October-17	517.71	128.87	14,708,590,105	33,093,179	105,125,024
27-October-17	514.30	137.25	14,626,384,163	47,219,737	78,855,156
03-November-17	525.63	140.50	14,948,742,418	38,391,493	32,101,054
Weekly Change (%)	2.20	2.37	2.20	-18.70	-59.29

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

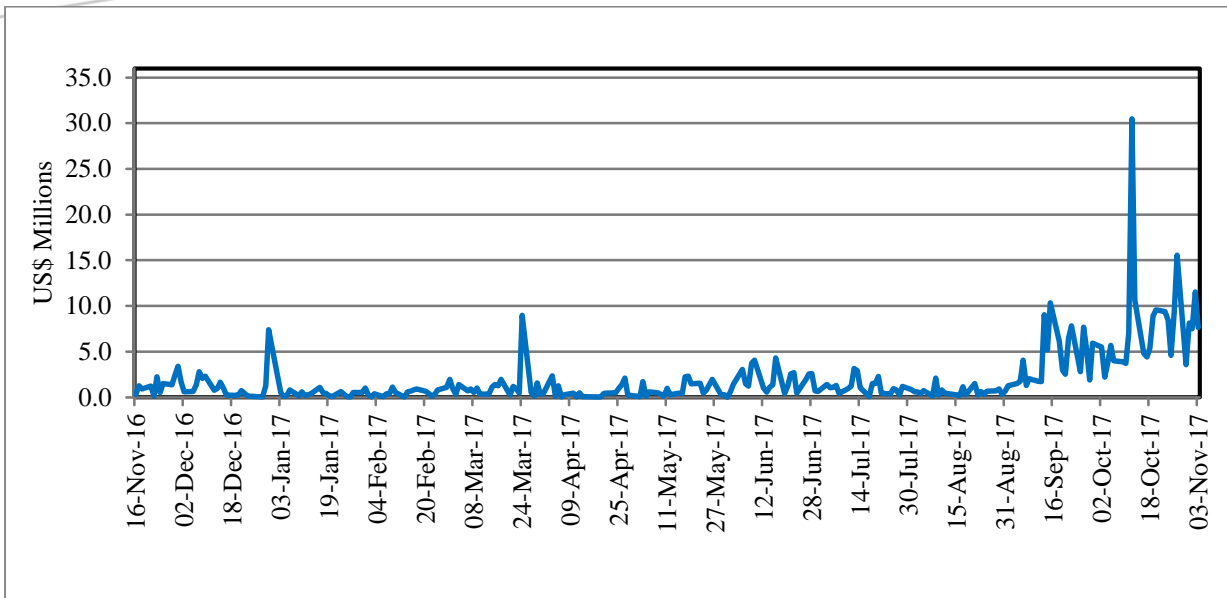


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

The volume of shares traded on the ZSE declined by 59.29%, to close the week under review at 32 101 054 shares. Concomitantly, the ZSE market turnover registered an 18.70% decline, to close the week at US\$38.39 million.

Figure 4: Daily Market turnover

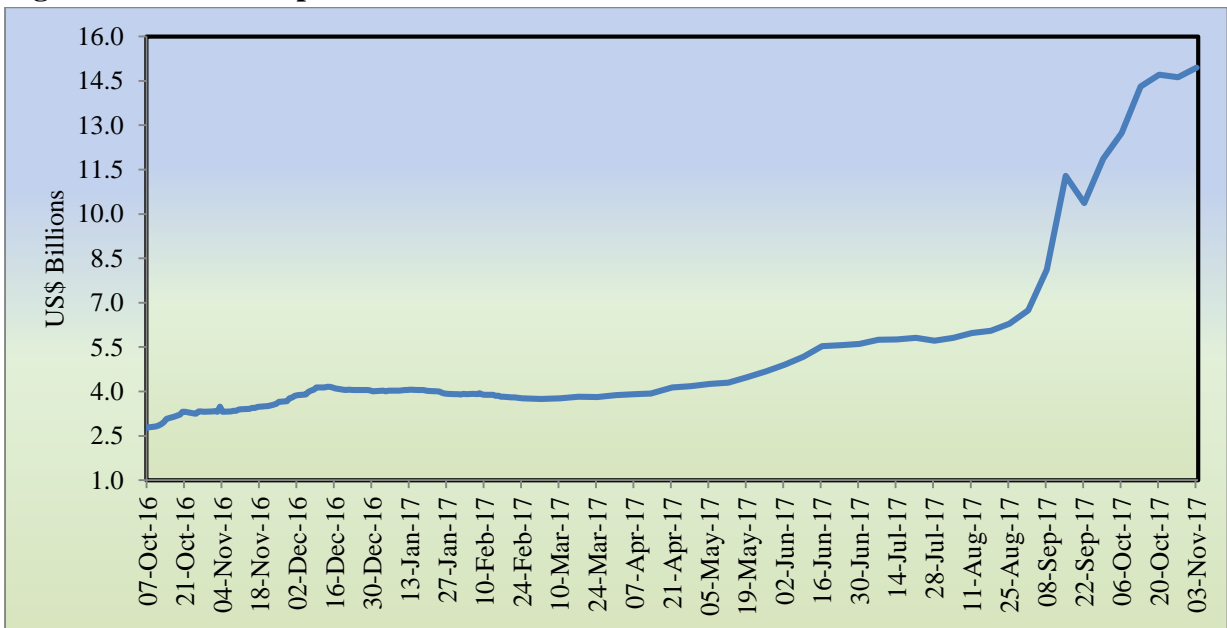


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

ZSE market capitalization rose by 2.20%, from US\$14.63 billion recorded in the previous week to US\$14.95 billion during the week under review. This was largely due gains in the industrial and mining indices.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

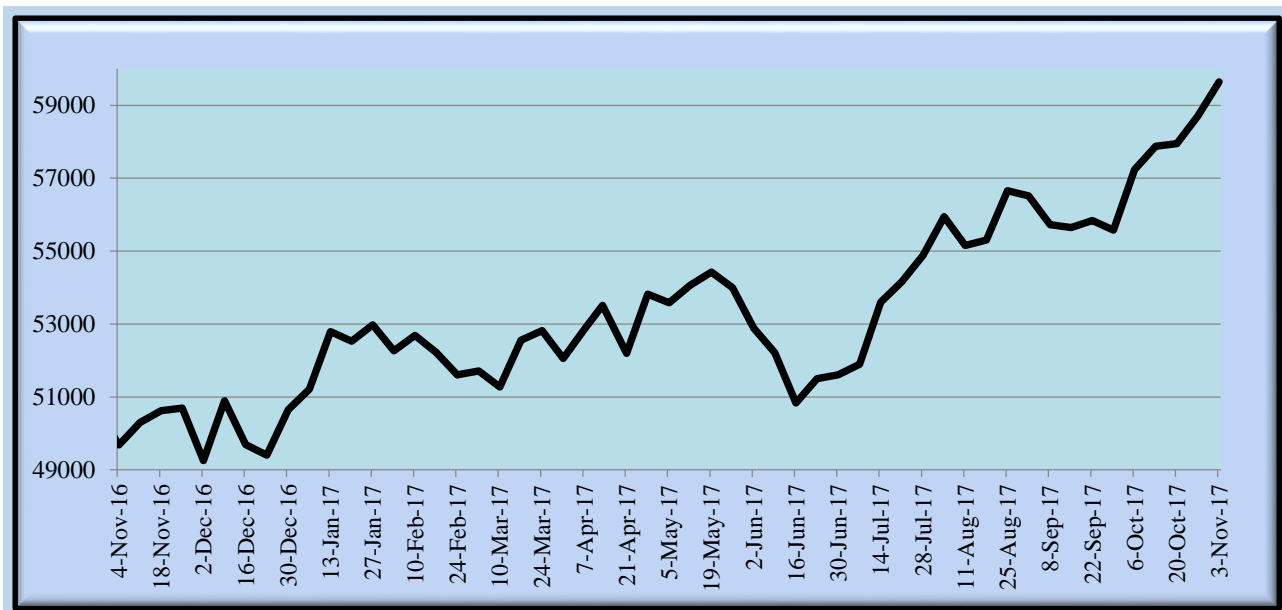
Johannesburg Stock Exchange (JSE) Development

The JSE All Share index increased by 1.57%, to closed the week under review at 59 638.21 points. Market capitalization also increased from R16.13 trillion in the previous week, to R16.38 trillion during the week ending 3rd November 2017.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
29-September-17	55 579.92	15.21
06-October-17	57 231.87	15.65
13-October-17	57 876.60	15.76
20-October 17	57 948.66	15.94
27-October-17	58 714.04	16.13
03-November-17	59 638.21	16.38
% Change	1.57	1.55

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

10TH NOVEMBER 2017