



Weekly Economic Highlights

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Week Ending
30th June 2017

1. INTEREST RATES

Deposit Rates

Savings deposit rates remained unchanged at 3.85%, during the week ending 30th June 2017. Average interest rates for deposits of 1 month and 3 months tenor, however, increased by 0.23 and 0.22 percentage points to 4.40% and 4.45%, respectively, during the same week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
26-May-17	3.96	4.38	4.46
02-June-17	4.08	4.38	4.45
09-June-17	3.38	4.17	4.23
16-June-17	3.85	4.16	4.23
23-June-17	3.85	4.17	4.23
30-June-17	3.85	4.40	4.45

Source: Banking Institutions, 2017

Weighted lending rates at commercial banks for individuals and corporate clients declined, to close the week under review at 9.01% and 7.05%, respectively.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
26-May-17	9.17	7.03
02-June-17	9.23	7.03
09-June-17	9.15	7.06
16-June-17	9.09	7.04
23-June-17	9.09	7.08
30-June-17	9.01	7.05

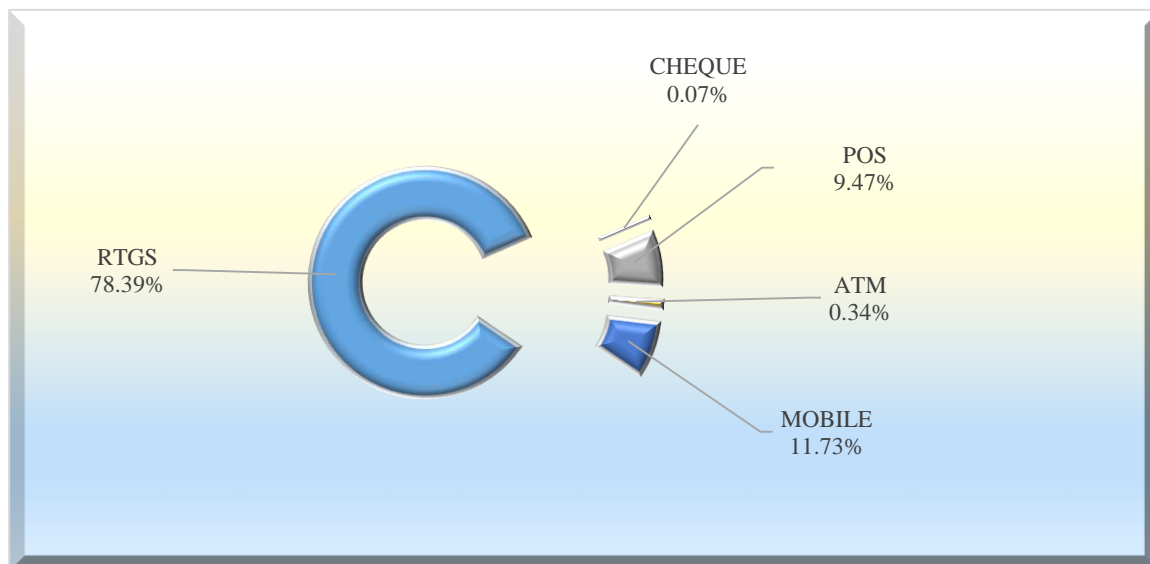
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, transactions processed through the National Payment System (NPS) increased to US\$1 779.68 million, from US\$1 434.40 million in the previous week. This was largely underpinned by a 30% increase in transactions processed through the Real Time Gross Settlement (RTGS) system, which closed the week under review at US\$1 395.09 million.

The distribution of NPS transaction values was as follows: RTGS, 78.39%; Mobile, 11.73%; Point of Sale (POS), 9.47%; Automated Teller Machines (ATMs), 0.34%; and cheque, 0.07%.

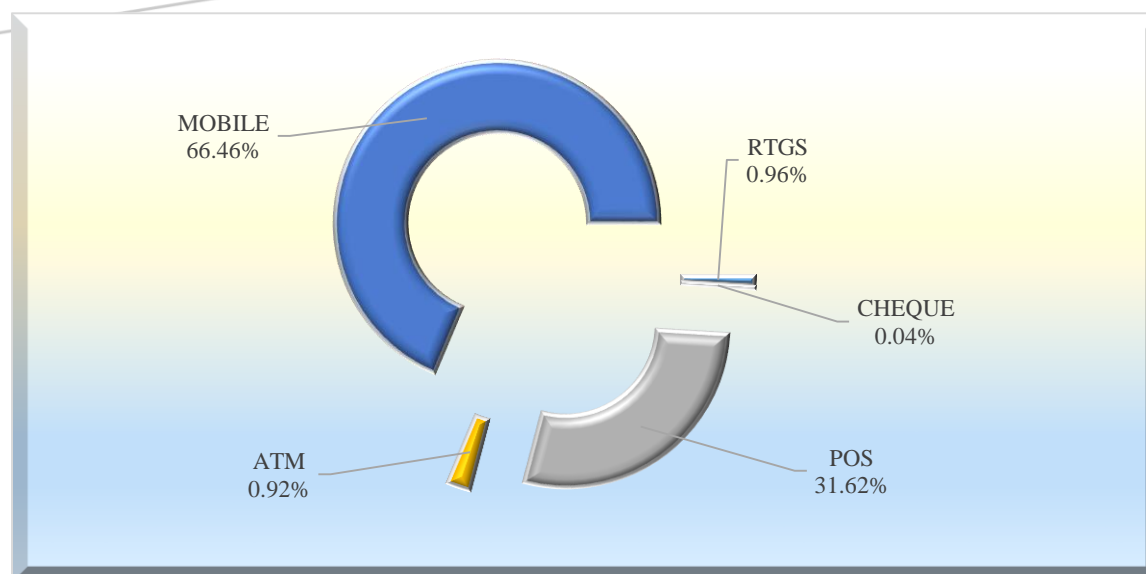
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe

The total volume of NPS transactions decreased by 5%, from 15 259 740 in the previous week to 14 473 061 during the week under review. Mobile transactions constituted 66.46% of the total volume of NPS transactions, followed by POS, 31.62%; RTGS, 0.96%; ATM, 0.92%; and cheque, 0.04%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe.

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 23 June 2017	WEEK ENDING 30 June 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,077.19	1,395.09	30%	78.39%
CHEQUE	1.31	1.30	-1%	0.07%
POS	172.89	168.45	-3%	9.47%
ATMS	6.81	6.09	-11%	0.34%
MOBILE	176.20	208.75	18%	11.73%
TOTAL	1,434.40	1,779.68	24%	100%
VOLUME				
RTGS	99,355	139,060	40%	0.96%
CHEQUE	6,273	6,414	2%	0.04%
POS	4,753,109	4,575,770	-4%	31.62%
ATMs	156,317	133,169	-15%	0.92%
MOBILE	10,242,686	9,618,648	-6%	66.46%
TOTAL	15,257,740	14,473,061	-5%	100%

Source: Reserve Bank of Zimbabwe

3. TOBACCO SALES

A cumulative total of 170 441 497 kilograms of tobacco had been sold, as at 30th June 2017 or day 69 of the 2017 tobacco selling season. This was 2.33% lower than the 174 501 593 kilograms of tobacco sold during the same period in 2016. The cumulative sales value amounted to US\$501.59 million during the period under analysis, representing 2.14% decrease on the cumulative sales realized in the corresponding period in 2016.

The golden leaf was sold at an average price of US\$2.94/kg, the same price at which it was sold during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 73 (30 June 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	174,501,593	170,441,497	-2.33
Cumulative Average Price(US\$/kg)	2.94	2.94	0
Cumulative Value (US\$ million)	512,532,140	501,585,385	-2.14

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of gold and platinum retreated, during the week ending 30th June 2017. Prices of copper, nickel and crude oil, however, firmed as shown in Table 5.

Table 5: Metal and Crude Oil Prices

Period	Gold	Platinum	Copper	Nickel	Crude Oil
2017	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (19-23 June)	1,249.17	924.60	5,679.60	8,913.00	45.72
26-Jun	1,249.17	921.50	5,773.00	9,170.00	45.89
27-Jun	1,256.00	921.50	5,772.00	9,170.00	46.28
28-Jun	1,249.80	920.00	5,789.00	9,055.00	47.37
29-Jun	1,245.05	910.00	5,822.00	9,115.00	47.57
30-Jun	1,242.75	921.50	5,905.50	9,280.00	48.94
Weekly Average (26-30 June)	1,248.66	919.85	5,790.18	9,117.17	46.96
<i>Weekly Change (%)</i>	<i>-0.04</i>	<i>-0.5</i>	<i>2.0</i>	<i>2.3</i>	<i>2.7</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 0.04%, from a weekly average of US\$1 249.17/oz registered in the previous week, to US\$1 248.66/oz during the week under review. Prices were weighed down, amid indications that several major central banks around the world were contemplating tightening monetary policy, in tandem with the US Federal Reserve.

Platinum

Platinum prices fell by 0.5%, to close the week under analysis at US\$919.85/oz from a weekly average of US\$924.60/oz recorded in the previous week. The decline was underpinned by weak investment demand, on the back of increased expectations of tighter monetary policy across the globe. This was fuelled by the recent more hawkish view on monetary policy by major central banks such as European Central Bank, the Bank of England and the Bank of Canada.

Copper

Copper prices gained by 2.0%, to close the week under review at US\$5,790.18/tonne from US\$5,679.60/tonne registered in the previous week. This was on the optimism that global growth is on an upward trend.

Nickel

Nickel prices gained by 2.3%, to close the week ending 30th June 2017 at US\$9,117.17/ton. This was supported by brighter demand prospects in China, the world's largest user of the base metal.

Crude Oil

Crude oil prices firmed, registering a 2.7% increase from US\$45.72/barrel in the previous week, to US\$46.96/barrel during the week under review. Prices rallied on signs of declines in US shale crude oil production.

5. EXCHANGE RATES

The greenback depreciated against the euro, pound sterling, rand and pula during the week ending 30th June 2017, as shown in Table 6. This was amid expectations of monetary policy tightening by major central banks around the world.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (19-23 Jun)	12.9812	0.7872	10.2607	0.8958
26-Jun	12.9096	0.7847	10.3040	0.8935
27-Jun	12.8608	0.7855	10.2145	0.8934
28-Jun	12.9933	0.7804	10.2407	0.8804
29-Jun	12.9242	0.7719	10.2041	0.8775
30-Jun	13.0150	0.7685	10.2249	0.8742
Weekly Average (26-30 Jun)	12.9406	0.7782	10.2376	0.8838
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-0.3</i>	<i>-1.1</i>	<i>-0.2</i>	<i>-1.3</i>

Source: Reuters

6. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) continued on an upward trajectory for the fourteenth consecutive week. The mainstream index firmed by 2.57 percentage points to close the week ending 30th June 2017 at 195.97 points. This was driven by increases in Masimba Holdings, 54.84%; Barclays Bank of Zimbabwe, 20%; Star Africa Corporation, 20%; Unifreight Africa, 20%; and Zimre, 7.69%. Partially offsetting the aforementioned gains were losses in Meikles, 3.85%; and Rainbow Tourism Group (RTG), 1.00%.

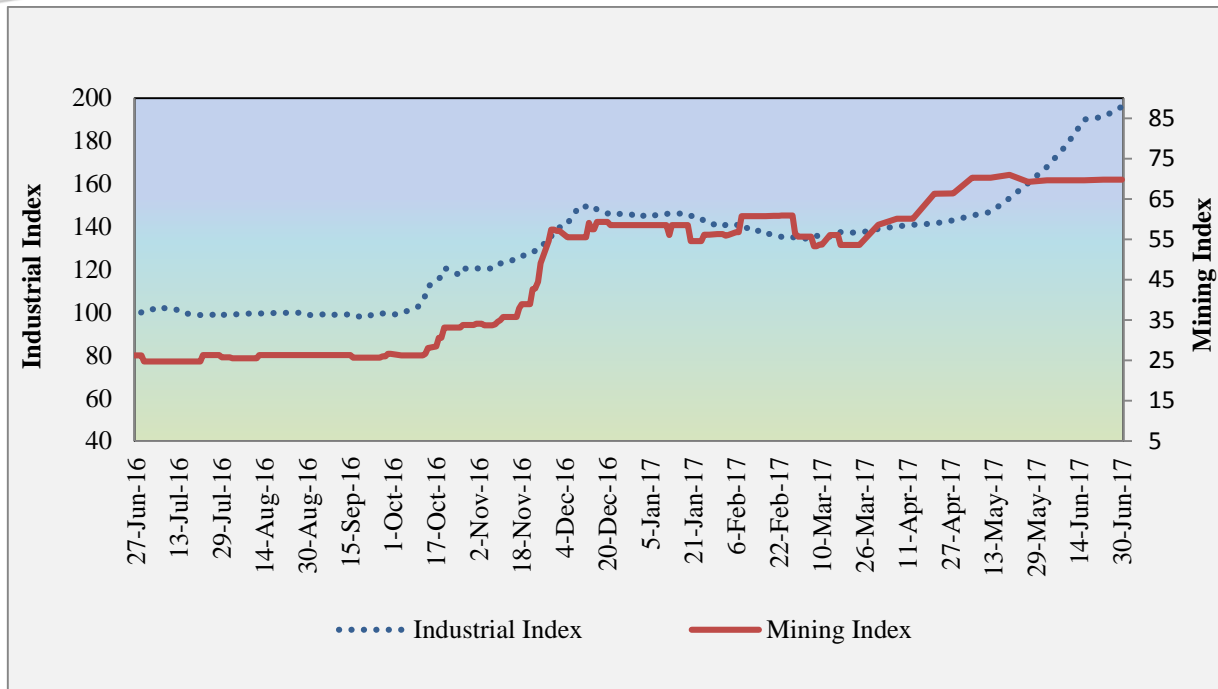
The resources index, however, remained unchanged at 69.79 points, as all the resources counters traded at previous price levels.

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
02-June-17	167.98	69.63	4,900,452,595	2,578,947	8,859,888
09-June-17	177.79	69.63	5,179,592,804	13,555,865	45,002,875
16-June-17	190.07	69.63	5,528,900,322	8,333,490	31,737,198
23-June-17	191.15	69.79	5,559,991,713	7,381,483	184,958,959
30-June-17	195.97	69.79	5,611,405,119	8,404,917	45,124,296
Weekly Change (%)	2.52	0	2.43	13.86	-75.60

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

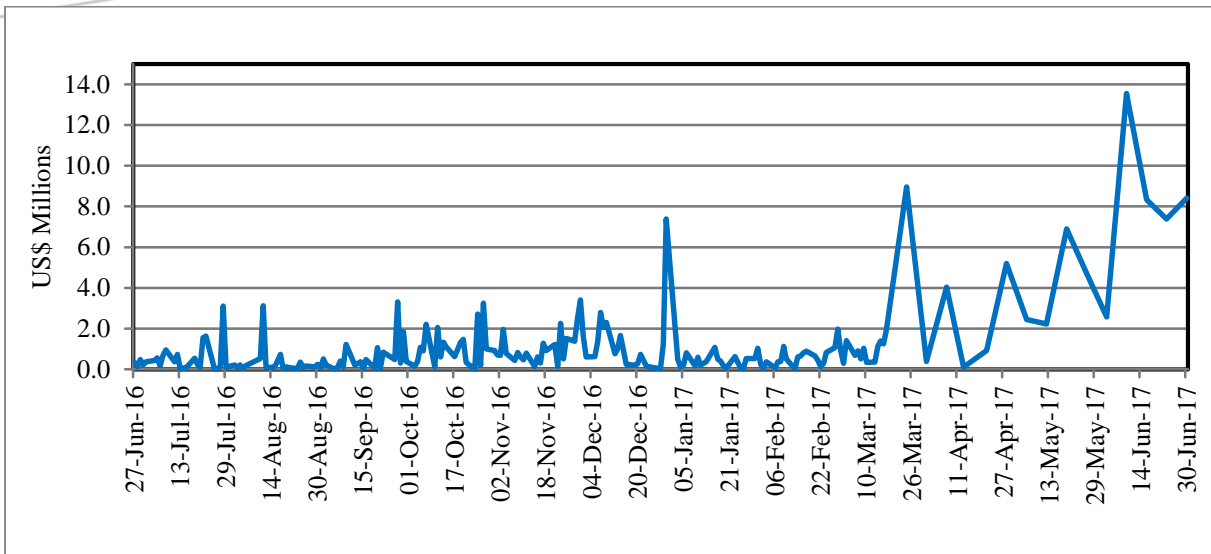


Source: Zimbabwe Stock exchange

Market Turnover and Volume

The volume of shares traded declined by 75.60%, from 184 958 198 recorded in the previous week to 45 124 296 during the week ending 30th June 2017. The value of shares traded, however, increased by 13.86% to close the week under review at US\$8.40 million. This was as a result of two block trades of 1 062 100 Delta Corporation shares and 703 319 Innscor Africa shares, that exchanged hands at US\$1.26 and US\$0.72, respectively.

Figure 4: Daily Market turnover

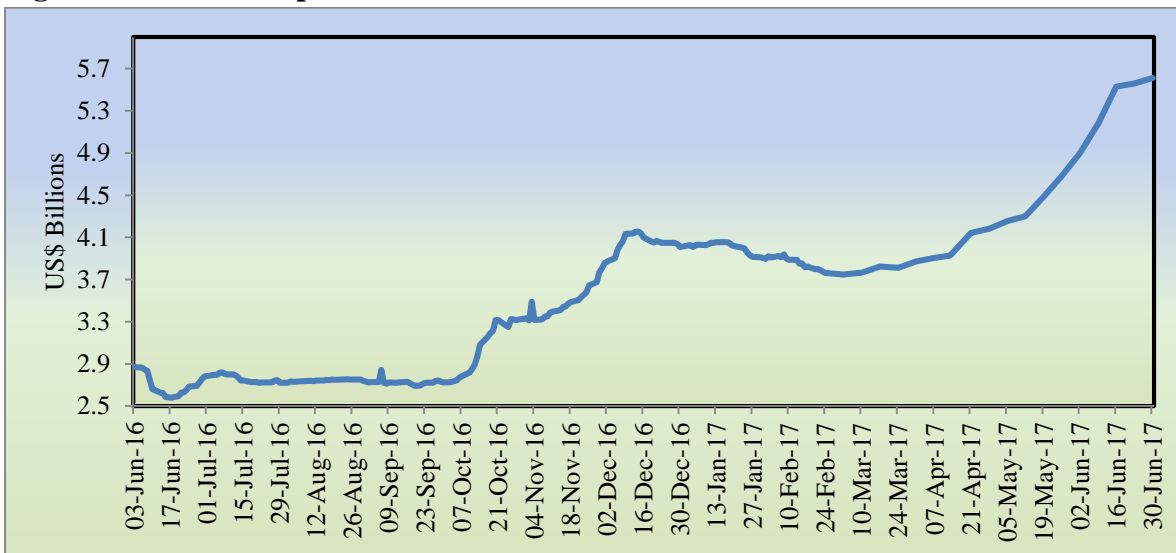


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

During the week under review, ZSE market capitalization increased by 2.43% to US\$5 695.20 million from US\$5 559.99 million recorded during the prior week.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Developments

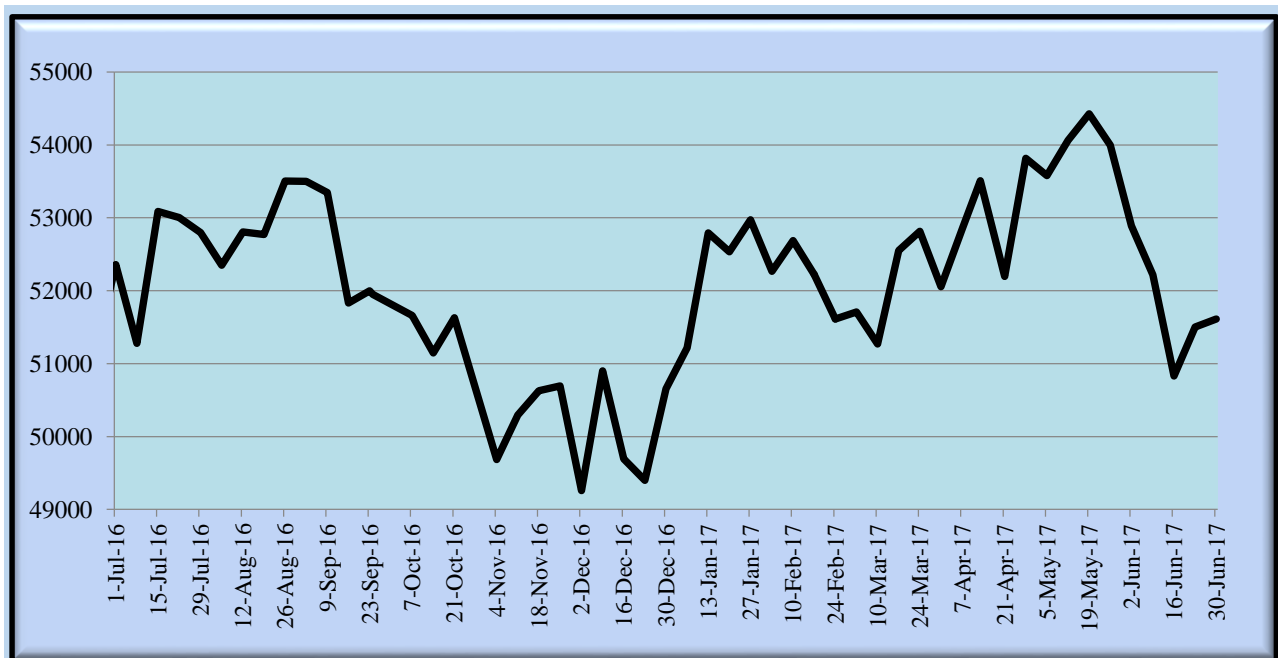
During the week ending 30th June 2017, the JSE ALL share index increased by 0.21% to close at 51 611.01 points. In tandem, JSE market capitalization increased by 0.37% to close the week at R13.66 trillion.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
26-May-17	53 996.14	14.17
02-June-17	52 889.70	13.95
09-June-17	52 216.93	13.75
16-June-17	50 831.89	13.49
23-June-17	51 503.52	13.61
30-June-17	51 611.01	13.66
% Change	0.21	0.37

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

7th JULY 2017