



Weekly Economic Highlights

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Week Ending
4th August 2017

1. INTEREST RATES

Deposit Rates

During the week ending 4th August 2017, average deposit rates for deposits of 1 month tenor declined by 0.03 percentage points to 4.04%. Deposits rates for savings deposits and deposits of 3 months tenor, however, remained unchanged at 4.35% and 4.24%, respectively, during the same week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
30-June-17	3.85	4.40	4.45
07-July-17	3.85	4.40	4.45
14-July-17	4.08	4.37	4.45
21-July-17	4.37	3.99	4.11
28-July-17	4.35	4.07	4.24
04-August-17	4.35	4.04	4.24

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual clients increased by 0.1 percentage points to 9.95%, during the week ending 4th August 2017. Weighted lending rates for corporate clients, however, declined by 0.01 percentage points, from 7.05% recorded in the previous week to 7.04%, during week under analysis.

Table 2: Lending Rates

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
30-June-17	9.01	7.05
07-June-17	8.94	7.03
14-June-17	8.96	7.03
21-June-17	8.94	7.05
28-July 17	8.94	7.05
04-August-17	8.95	7.04

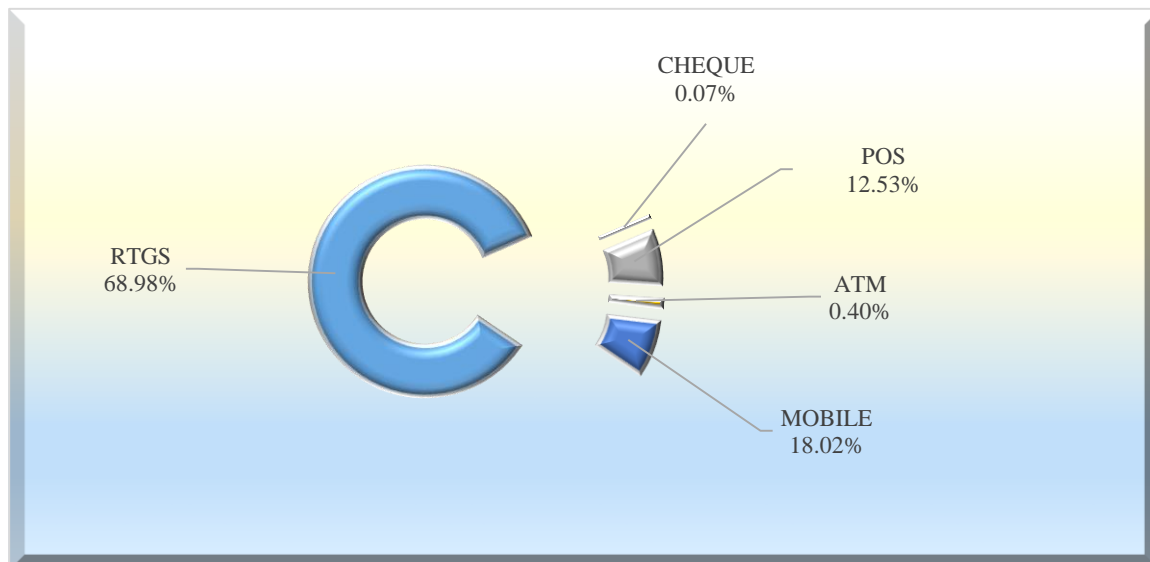
Source: Banking Institutions, 2017

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 4th August 2017, the total value of transactions processed through the National Payment Systems (NPS), amounted to US\$1 682.35 million, down from US\$1 682.83 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 7%, to close the week at US\$1 160.49 million.

In value terms, the NPS transactions were distributed as follows: RTGS, 68.98%; Mobile, 18.02%; Point of Sale (POS), 12.53%; Cheque, 0.07%; and Automated Teller Machines (ATMs), 0.40%, as shown in Figure 1.

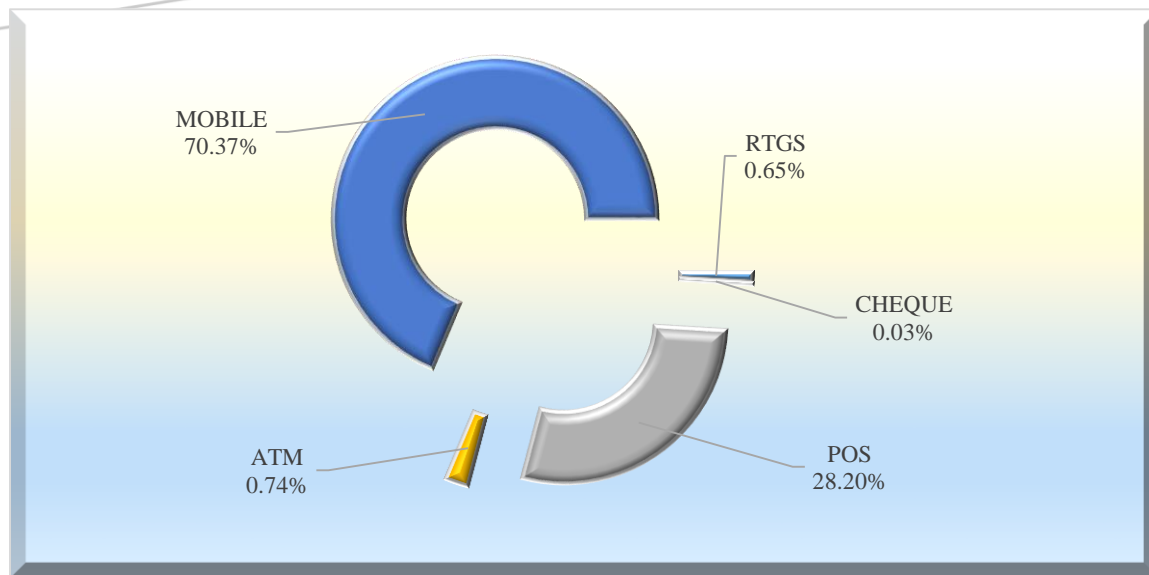
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

NPS transaction volumes stood at 21 099 548 during the week under review, up from 17 519 362 recorded in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 70.37%; POS, 28.20%; Automated Teller Machines (ATMs), 0.74%; RTGS, 0.65%; and Cheque, 0.03%, 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 28 July 2017	WEEK ENDING 04 August 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,253.72	1,160.49	-7%	68.98%
CHEQUE	1.29	1.20	-7%	0.07%
POS	170.96	210.78	23%	12.53%
ATMS	6.02	6.75	12%	0.40%
MOBILE	250.84	303.14	21%	18.02%
TOTAL	1,682.83	1,682.35	-0.03%	100%
VOLUMES				
RTGS	126,479	137,995	9%	0.65%
CHEQUE	6,841	6,504	-5%	0.03%
POS	4,877,299	5,950,172	22%	28.20%
ATMs	141,736	156,696	11%	0.74%
MOBILE	12,367,007	14,848,181	20%	70.37%
TOTAL	17,519,362	21,099,548	20%	100%

Source: Reserve Bank of Zimbabwe, 2017

3. TOBACCO SALES

As at 4th August 2017 or day 98 of the 2017 tobacco selling season, a cumulative total of 184 258 754 kilograms of tobacco had been sold, reflecting a decline of 7.11%, compared to 198 361 787 kilograms sold during the same period in 2016.

The cumulative tobacco sales value amounted to US\$546.8 million, 6.48% lower than the US\$584.5 million realized during the corresponding period in 2016. A higher average price of US\$2.97 per kg was realized during the period under review, compared to US\$2.95 per kg during the same period in 2016.

Table 4: Cumulative Tobacco Sales: Day 98 (4 August 2017)

	2016	2017	Variance (%)
Cumulative Quantity Sold (kgs)	198,361,787	184,258,754	-7.11
Cumulative Average Price(US\$/kg)	2.95	2.97	0.68
Cumulative Value (US\$ million)	584,524,893	546,676,534	-6.48

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, nickel, copper and crude oil increased during the week ending 4th August 2017, 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 (24-28 July)	1,255.90	927.9	6,199.20	9,929.00	50.84
31-Jul	1,266.95	936.50	6,347.00	10,235.00	52.68
1-Aug	1,269.00	942.00	6,300.50	10,155.00	51.25
2-Aug	1,268.13	942.50	6,300.00	10,205.00	52.28
3-Aug	1,264.95	952.50	6,290.00	10,255.00	51.92
4-Aug	1,263.50	966.50	6,330.00	10,335.00	52.34
Week ending (31 July-04 August)	1,266.51	948.00	6,313.50	10,237.00	52.09
<i>Weekly Change (%)</i>	<i>0.8</i>	<i>2.2</i>	<i>1.8</i>	<i>3.1</i>	<i>2.5</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices increased by 0.8%, to close the week under review at a weekly average of US\$1,266.51/oz. This was, in large part, on account of a weaker dollar.

Platinum

Platinum prices increased by 2.2%, to close the week under analysis at US\$948.00/oz, from a weekly average of US\$927.90/oz in the previous week. This was underpinned by rising prospects of strong investment demand, particularly in China.

Copper

Copper prices firmed by 1.8%, to a weekly average of US\$6,313.50/ton during the week under review. The increase was largely attributable to declining inventories and an improvement in the demand outlook in China, the world's largest consumer of the base metal.

Nickel

Nickel prices gained by 3.1%, to close the week ending 4th August 2017 at US\$10 237.00/ton. Positive demand prospects in China, the world's largest user of base metals, largely accounted for the increase.

Crude Oil

Crude oil prices increased by 2.5%, to US\$52.09/barrel during the week under analysis from US\$50.84/barrel in the previous week. This followed heightened pressure on oil producers that are failing to effect production cuts they pledged.

5. EXCHANGE RATES

The US dollar depreciated against the British pound and euro, during the week ending 4th August 2017, following poor jobs data as well as political tensions in the USA. The greenback, however, appreciated against the rand and pula during the same period.

Table 6: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (24-28 July)	12.9631	0.7659	10.1699	0.8562
31-Jul	12.9986	0.7618	10.2093	0.8523
1-Aug	13.2116	0.7571	10.2093	0.8460
2-Aug	13.2550	0.7570	10.2249	0.8455
3-Aug	13.2513	0.7561	10.2354	0.8439
4-Aug	13.3799	0.7610	10.2617	0.8417
Weekly Average (31 July-04 August)	13.2193	0.7586	10.2281	0.8459
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>2.0</i>	<i>-1.0</i>	<i>0.6</i>	<i>-1.2</i>

Source: Reuters, 2017

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) continued on a bullish trend during the week ending 4th August 2017. Resultantly, the industrial index gained 2.49% to close the week at 207.09 points. This was attributed to gains in CFI Holdings Limited (36.99%), Nampak Zimbabwe Limited (27.27%), Edgars Stores Limited (20%), Simbisa Brands Limited (20%) and OK Zimbabwe Limited (19.57%).

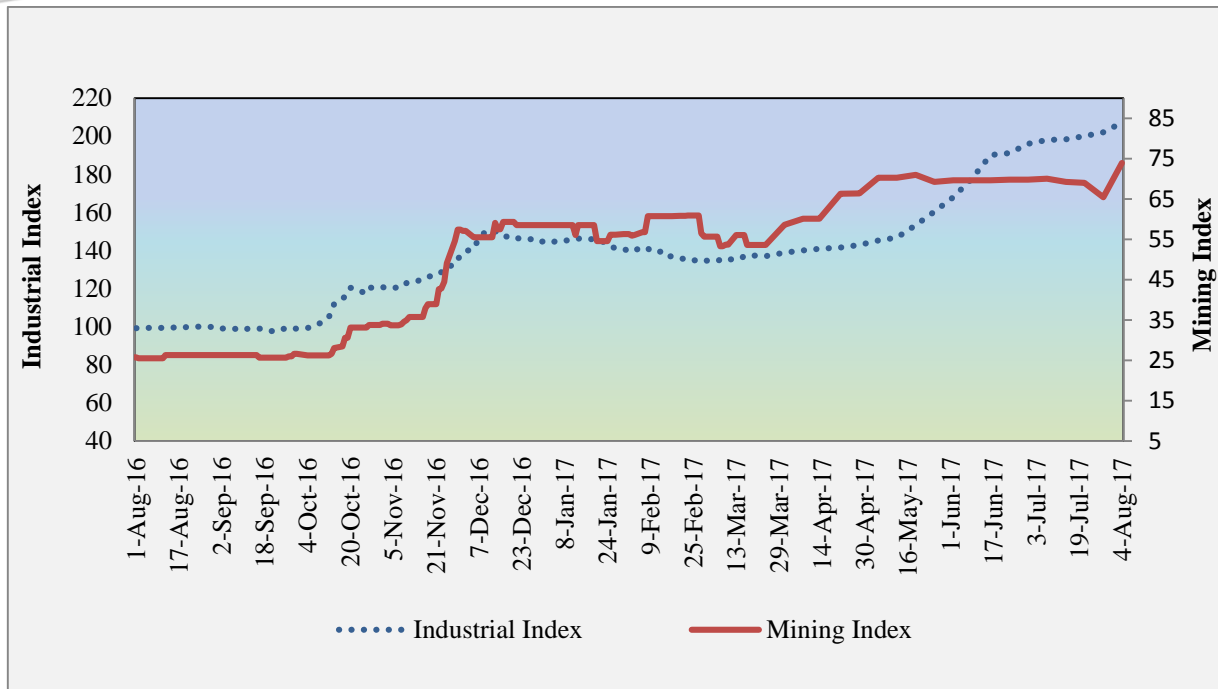
The resources index increased from 65.45 points in the previous week to close at 73.92 points during the week under review. This followed increases in share prices in Bindura Nickel Corporation, (22.45%), Falgold Zimbabwe Limited (20%), RioZim Limited (9.09%) and Hwange Colliery Company Limited, (4%).

Table 7: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
07-July-17	197.93	69.98	5,751,822,002	5,256,996	22,232,750
14-July-17	198.41	69.19	5,764,202,701	9,286,417	44,690,083
21-July-17	200.04	69.00	5,814,984,818	5,784,609	24,308,278
28-July-17	202.06	65.45	5,719,544,139	3,540,821	53,335,076
04-August-17	207.09	73.92	5,815,739,291	3,126,109	16,811,109
Weekly Change (%)	2.49	12.94	1.68	-11.71	-68.48

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

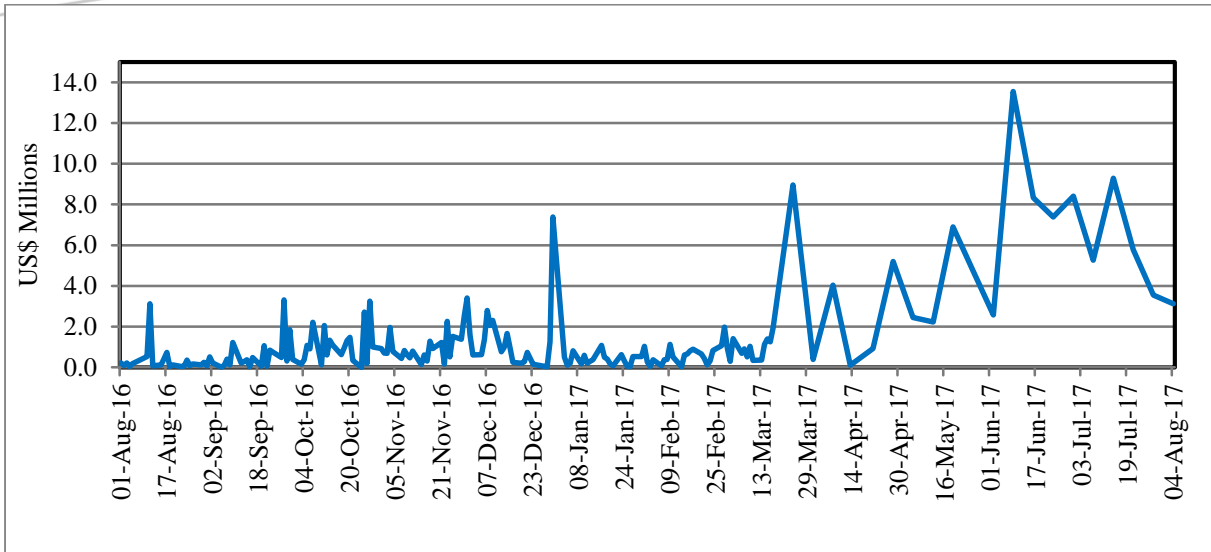


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

The ZSE market turnover fell by 11.71%, to close the week ending 4th August 2017 at US \$3.13 million. The volume of shares traded also decreased by 68.48% to 16.8 million shares, during the week under review. This was largely attributed to thin trading on the local bourse.

Figure 4: Daily Market turnover

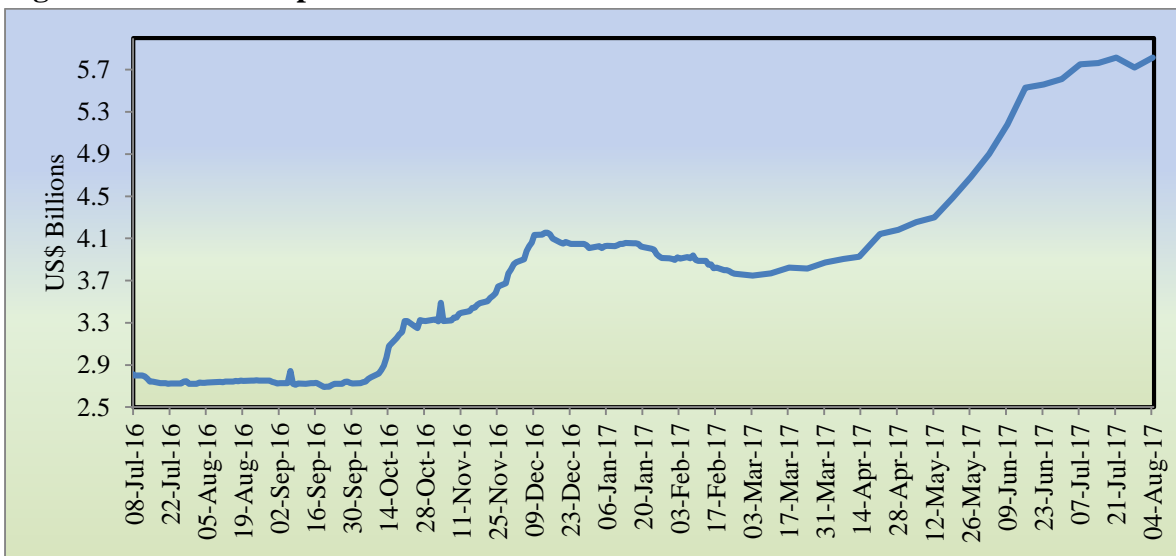


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

The ZSE market capitalization rose by 1.68%, from US\$5.72 billion recorded in the previous week to US\$5.82 billion during the week under review.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

Johannesburg Stock Exchange (JSE) Development

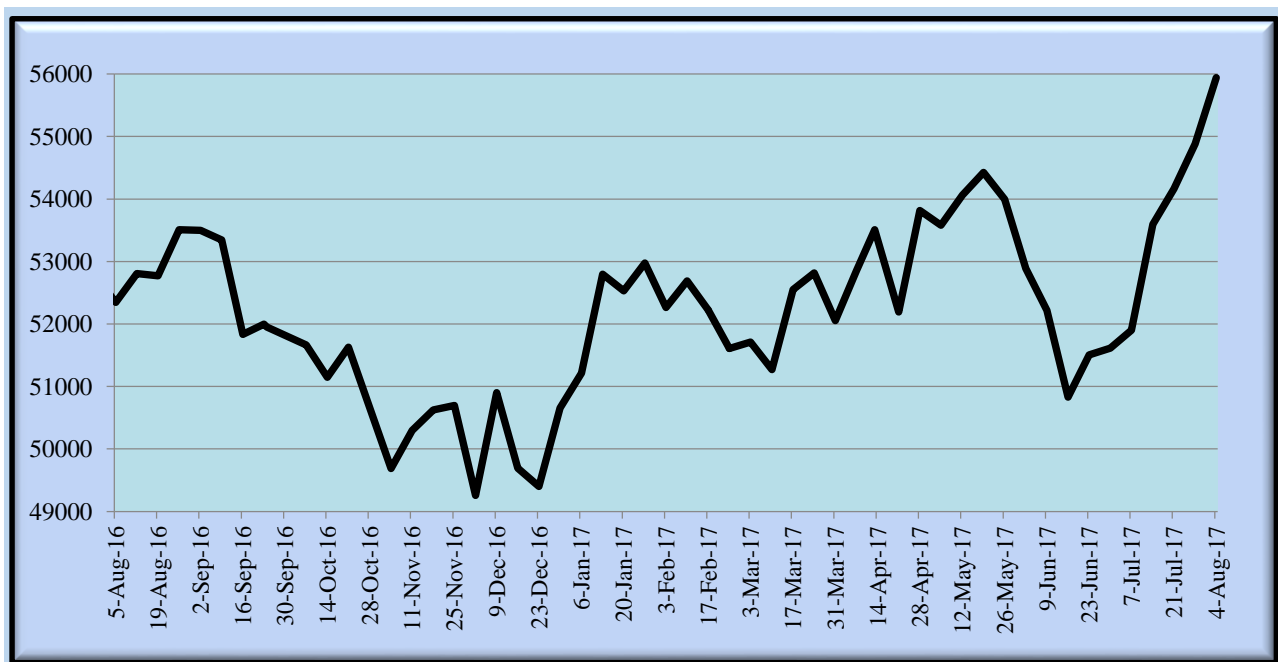
The JSE All Share index increased from 54 883.21 points in the previous week, to close the week under review at 55 944.83 points. Market capitalization also rose from R14.80 trillion in the prior week, to R15.17 trillion during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
07-July-17	51 900.26	13.84
14-July-17	53 597.96	14.22
21-July-17	54 162.71	14.24
28-July-17	54 883.21	14.80
04-August	55 944.83	15.17
% Change	1.93	2.50

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

11th AUGUST 2017