



# Weekly Economic Highlights

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

## 1. INTEREST RATES

### Deposit Rates

During the week ending 7<sup>th</sup> April 2017, average interest rates for savings deposits stood at 3.98%, up from 3.55% in the previous week. Average rates for deposits of 1 month and 3 months tenor, however, declined to 4.71% and 4.91%, respectively, during the week under review.

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

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-March-17	3.01	5.35	5.80
17-March-17	3.01	5.33	5.50
24-March-17	3.01	5.31	5.50
31-March-17	3.55	4.97	5.43
07-April-17	<b>3.98</b>	<b>4.71</b>	<b>4.91</b>

Source: Banking Institutions, 2017

### Lending Rates

Commercial bank weighted lending rates for individual clients increased by 0.1 percentage points to 9.22% during the week ending 7<sup>th</sup> April 2017. Weighted lending rates for corporate clients closed the week under review at 7.01%, a 0.01 percentage points decrease from the 7.02% recorded in the previous week.

**Table 2: Lending Rates**

Date	Lending Rates (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
10-March-17	10.06	6.52
17-March-17	10.03	6.55
24-March-17	10.00	6.57
31-March-17	9.12	7.02
07-April-17	<b>9.22</b>	<b>7.01</b>

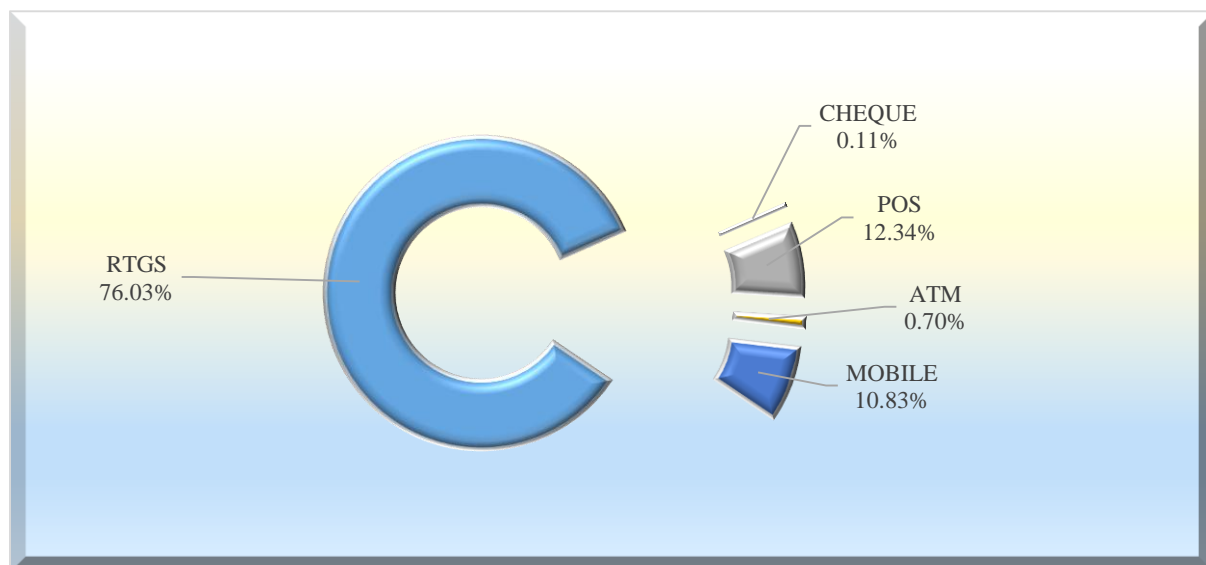
Source: Banking Institutions, 2017

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System stood at US\$1 340.34 million during the week under review, down from US\$1 369.77 million registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 8% to US\$1 019.01 million in the same week.

Payments through the RTGS system accounted for 76.03% of the total value of transactions processed through the NPS, followed by Point of Sale (POS), 12.34%; Mobile, 10.83%; Automated Teller Machines (ATMs), 0.70%; and Cheque, 0.11%, as shown in Figure 1.

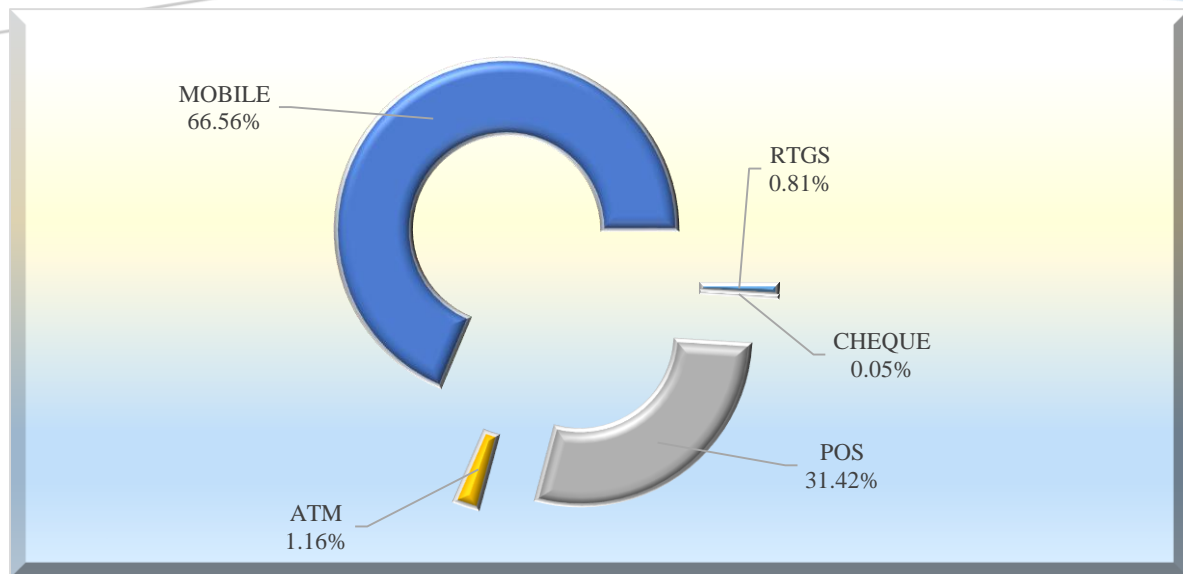
**Figure 1: Proportions of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe*

The volume of transactions processed through the NPS amounted to 12 970 675 during the week under review, an 18% increase from 11 013 027 transactions registered in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 66.56%; POS, 31.42%; ATMs, 1.16%; RTGS, 0.81%; 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 31 March 2017	WEEK ENDING 7 April 2017	CHANGE FROM LAST WEEK	PROPORTION
<b>VALUES IN USD (millions)</b>				
<b>RTGS</b>	1,101.95	1,019.01	-8%	76.03%
<b>CHEQUE</b>	1.50	1.47	-2%	0.11%
<b>POS</b>	117.35	165.34	41%	12.34%
<b>ATMS</b>	12.12	9.41	-22%	0.70%
<b>MOBILE</b>	136.85	145.11	6%	10.83%
<b>TOTAL</b>	<b>1,369.77</b>	<b>1,340.34</b>	<b>-2%</b>	<b>100%</b>
<b>RTGS</b>	98,440	104,968	7%	0.81%
<b>CHEQUE</b>	6,378	6,847	7%	0.05%
<b>POS</b>	3,095,401	4,075,217	32%	31.42%
<b>ATMs</b>	198,082	149,952	-24%	1.16%
<b>MOBILE</b>	7,614,726	8,633,691	13%	66.56%
<b>TOTAL</b>	<b>11,013,027</b>	<b>12,970,675</b>	<b>18%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe

### 3. TOBACCO SALES

As at 7<sup>th</sup> April 2017 or day 18 of the 2017 tobacco selling season, a cumulative total of 35 215 787 kilograms of tobacco worth US\$93.31 million had been sold, at an average price of US\$2.65/kg. This reflected an increase of 41.72%, compared to the cumulative total of 24 849 540 kilograms of tobacco sold in 2016. The price of the golden leaf remained unchanged at US\$2.65/kg, registered during the same period in 2016.

**Table 4: Cumulative Tobacco Sales: Day 18 (7 April 2017)**

	2016	2017	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	24,849,540	35,215,787	41.72
<b>Cumulative Average Price(US\$/kg)</b>	2.65	2.65	0.00
<b>Cumulative Value (US\$ million)</b>	65,891,388	93,314,104	41.62

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

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 7<sup>th</sup> April 2017, the weekly average international commodity prices of gold, platinum, copper, nickel and crude oil firmed, 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 (27-31 Mar)</b>	<b>1,251.76</b>	<b>964.90</b>	<b>5,772.75</b>	<b>9,881.50</b>	<b>50.30</b>
3-Apr	1,246.75	965.50	5,849.00	9,850.00	53.12
4-Apr	1,258.15	967.00	5,817.00	9,960.00	54.17
5-Apr	1,249.15	965.00	5,724.50	9,860.00	54.36
6-Apr	1,253.13	963.50	5,808.00	9,860.00	55.24
7-Apr	1,265.38	965.50	5,870.00	10,320.00	55.24
<b>Week ending (3 - 7 April)</b>	<b>1,254.51</b>	<b>965.30</b>	<b>5,813.70</b>	<b>9,970.00</b>	<b>54.43</b>
<i>Weekly Change (%)</i>	<i>0.2</i>	<i>0.04</i>	<i>0.7</i>	<i>0.9</i>	<i>8.2</i>

Source: BBC, KITCO and Bloomberg

### **Gold**

Gold prices increased by 0.2%, from a weekly average of US\$1,215.76/oz recorded in the previous week to US\$1,254.51/oz during week under review. This was on the back of increased demand for safe haven assets, following a weaker than anticipated employment data in the USA.

### **Platinum**

Platinum prices rose by 0.1%, from US\$964.90/oz recorded in the prior week to US\$965.30/oz during the week ending 7<sup>th</sup> April 2017. The increase was underpinned by prospects of rising demand in China.

### **Copper**

Copper prices firmed by 0.7%, to close the week under review at US\$5,813.70/ton. This was largely attributable to declining inventories and improvements in the demand outlook in China, the world's largest consumer of the base metal.

## **Nickel**

Nickel prices rose by 0.9%, from a weekly average of US\$9,881.50/tonne registered in the previous week to close the week under review at an average of US\$9,970.00/tonne. This was on account of a positive demand outlook for the metal.

## **Crude Oil**

Crude oil prices increased by 8.2% to US\$54.43/barrel during the week under analysis, from US\$50.30/barrel in the previous week. The increase followed supply disruption fears in Syria, following US Air strikes and the easing of US crude oil stockpiles.

## 5. EXCHANGE RATES

During the week ending 7<sup>th</sup> April 2017, the U.S. dollar appreciated against the rand, euro and pound Sterling, shrugging off weak U.S. employment data, as investors remained focused on the Fed plans to tighten monetary policy.

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

	<b>GBP</b>	<b>EURO</b>	<b>ZAR</b>
<b>2017</b>			
<b>Weekly Average (27-31 March)</b>	<b>0.8009</b>	<b>0.9247</b>	<b>12.9649</b>
3-Apr	0.7970	0.9364	13.4109
4-Apr	0.8022	0.9369	13.7847
5-Apr	0.8022	0.9367	13.6362
6-Apr	0.8007	0.9369	13.8440
7-Apr	0.8021	0.9394	13.7800
<b>Weekly Average (13-17 March)</b>	<b>0.8018</b>	<b>0.9375</b>	<b>13.7612</b>
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>0.11</i>	<i>1.38</i>	<i>6.14</i>

Source: Reuters



## 6. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the second consecutive week, during the week ending 7<sup>th</sup> April 2017. Resultantly, the industrial index increased by 0.81% to close the week under review at 140.08 points. This was due to gains registered in Willdale Limited, 40%; Masimba Holdings, 26.32%; Barclays Bank, 20%; Padenga Holdings, 1.64%; and FBC Holdings, 1%. Partially offsetting the gains were losses in Zimre Holdings, 15.15%; Pretoria Portland Cement (PPC), 0.39%; CBZ Holdings, 0.10%; and SeedCo, 0.09%.

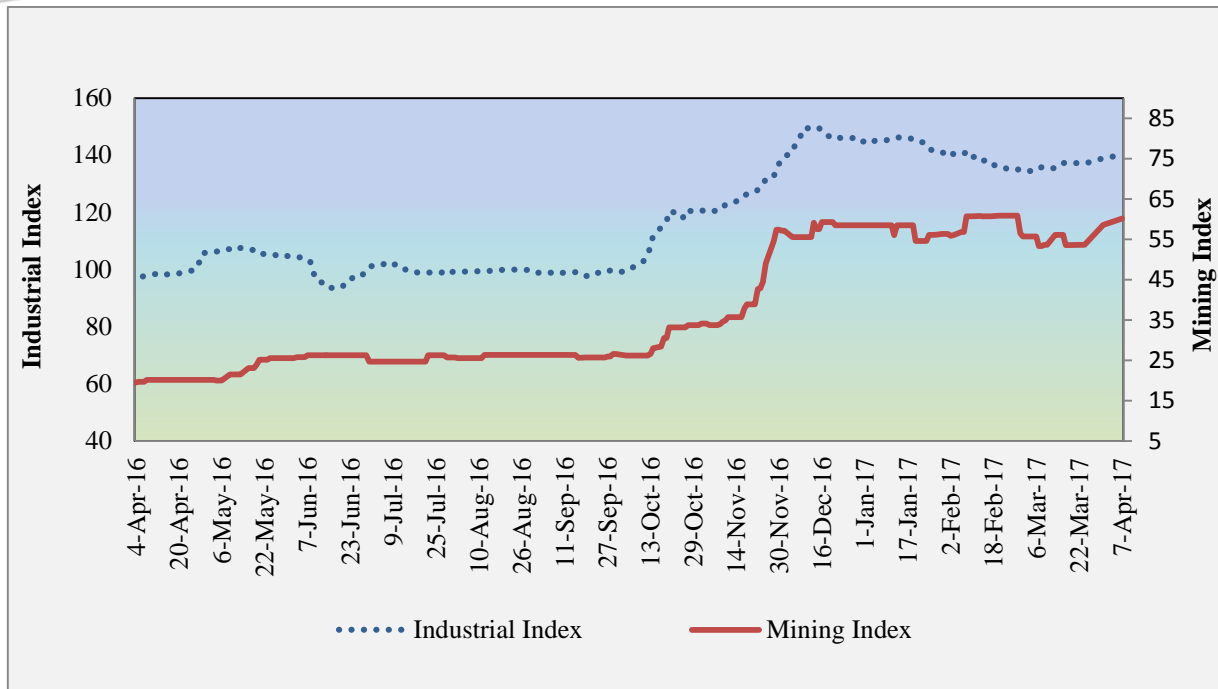
The resources index also increased by 2.66%, from 58.56 points in the prior week to close the week under review at 60.12 points. This followed a 5% gain in RioZim. Bindura Nickel Corporation, however, traded at the previous week price, whilst Hwange and Falgold remained inactive during the same week.

**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>10-March-17</b>	135.36	53.66	3,766,995,911	3,485,601	58,720,204
<b>17-March-17</b>	137.47	53.59	3,822,960,955	6,076,205	35,434,550
<b>24-March-17</b>	137.08	53.63	3,812,496,830	11,791,989	74,396,040
<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>Weekly Change (%)</b>	<b>0.81</b>	<b>2.66</b>	<b>0.85</b>	<b>37.58</b>	<b>(60.91)</b>

Source: Zimbabwe Stock Exchange (ZSE), 2017.

**Figure 3 : Zimbabwe Stock Exchange Indices**

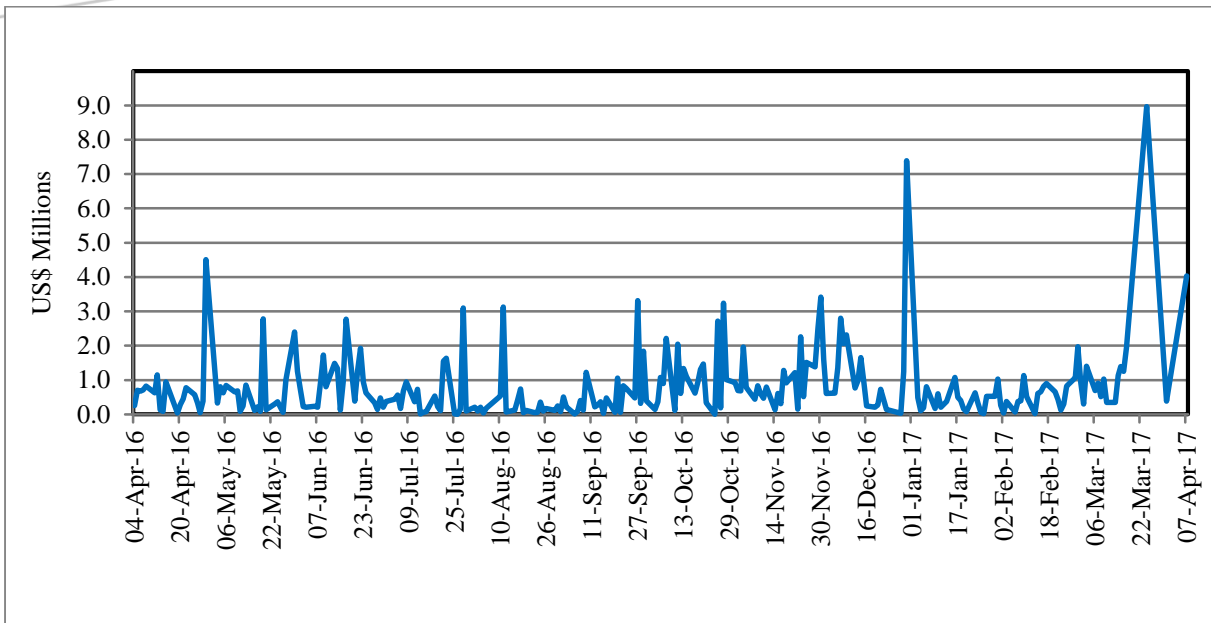


Source: Zimbabwe Stock exchange

### Market Turnover and Volume

The ZSE market turnover declined by 22.85%, from US\$2.93 million in the previous week to US\$2.93 million during the week ending 7<sup>th</sup> April 2017. This was largely due to notable trading activity in blue-chip counters such as Barclays Bank of Zimbabwe, Axia Corporation Limited, Delta Corporation Limited and SeedCo Limited. The volume of shares traded, however, declined by 60.91% to close at 6 467 470 shares in the same week.

**Figure 4: Daily Market turnover**

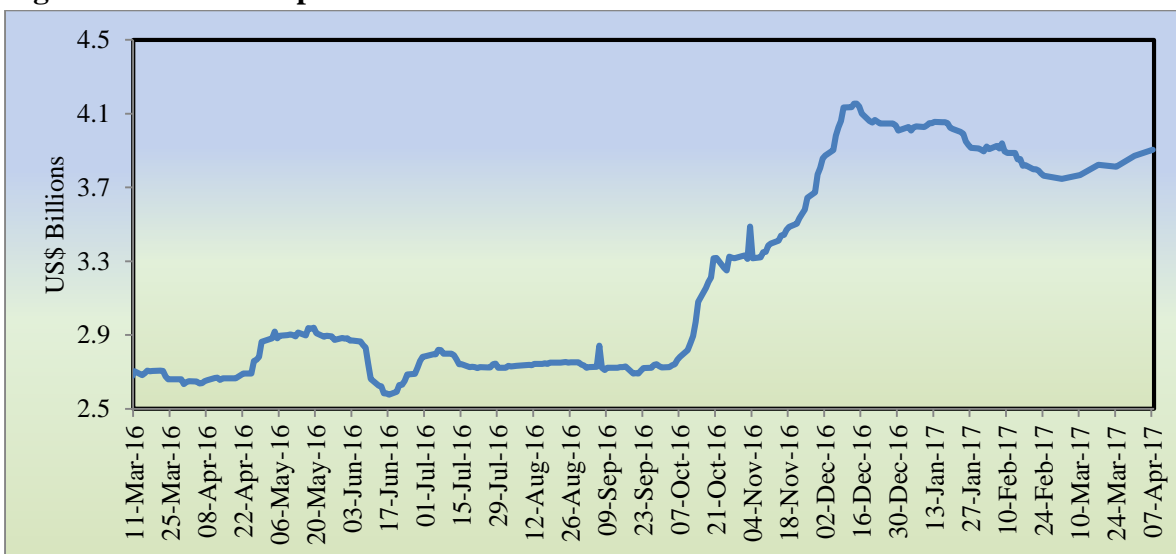


Source: Zimbabwe Stock Exchange, 2017

### Market Capitalization

During the week under review, the ZSE market capitalization stood at US\$3.90 billion, a 0.85% gain from the US\$3.87 billion recorded in the previous week. This was largely due to gains in both the industrial and mining indices.

**Figure 5 : Market Capitalization**



Source: Zimbabwe Stock Exchange, 2017

## Johannesburg Stock Exchange (JSE) Developments

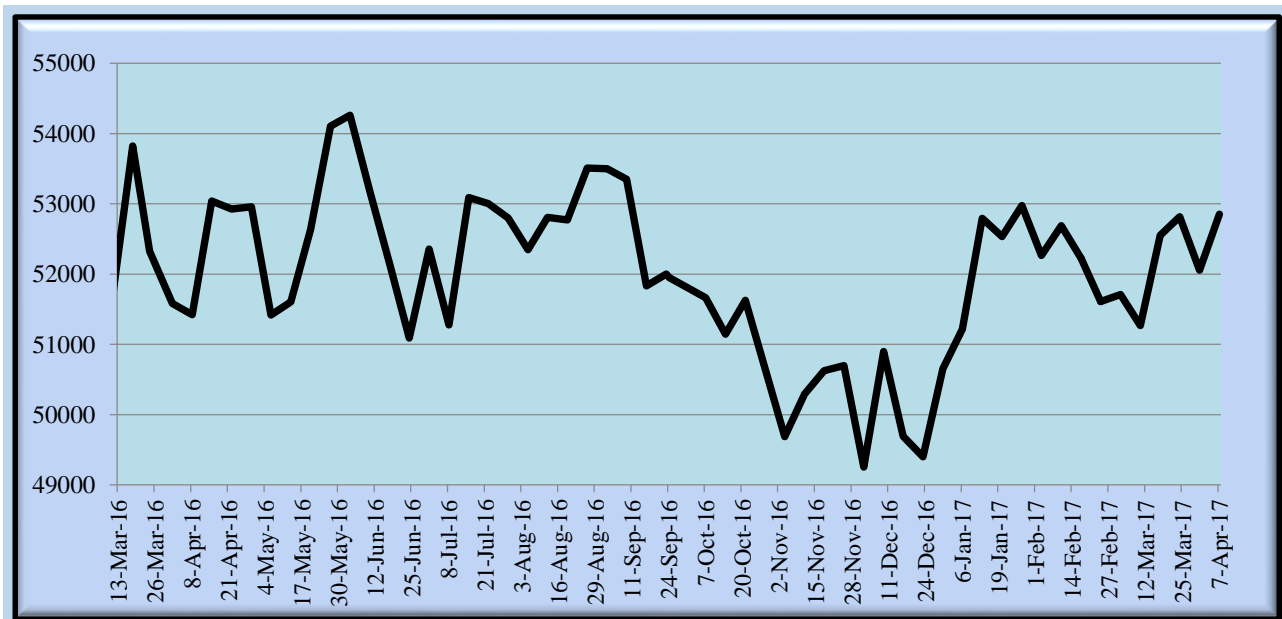
The JSE All share index increased by 1.53% to 52 853.36 points during the week ending 7<sup>th</sup> April 2017. Similarly, JSE market capitalization rose by 2.03%, to close the week under review at R14.09 trillion.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
03-March-17	51 708.61	13.59
10-March-17	51 269.54	13.46
17-March-17	52 550.99	13.77
24-March-17	52 816.33	13.49
31-March-17	52 056.06	13.81
07-April-17	<b>52 853.36</b>	<b>14.09</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

13<sup>th</sup> APRIL 2017