



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY.....	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS...4	
5. EXCHANGE RATES.....	6
6. EQUITY MARKETS.....	7

Week Ending
8th December 2017

1. INTEREST RATES

Deposit Rates

During the week ending 08th December 2017, average deposit rates for savings deposits increased to 4.22%, from 4.10% in the previous week. Average deposit rates for deposits of 1 month and 3 months tenor, however, remain unchanged at 3.84% and 4.11%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
10-November-17	4.22	4.02	4.14
17-November-17	4.22	4.02	4.14
24-November-17	4.10	3.89	4.14
01-December-17	4.10	3.84	4.11
08-December-17	4.22	3.84	4.11

Source: Banking Institutions, 2017

Lending Rates

Commercial bank weighted lending rates for individual clients fell by 0.3 percentage points to 9.34% during the week under analysis. Weighted lending rates for corporate clients closed the same week at 7.03%, a 0.02 percentage point's increase from 7.01% recorded in the previous week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
10-November-17	9.69	7.09
17-November-17	9.69	7.06
24-November-17	9.66	7.03
01-December-17	9.64	7.01
08-December-17	9.34	7.03

Source: Banking Institutions, 2017

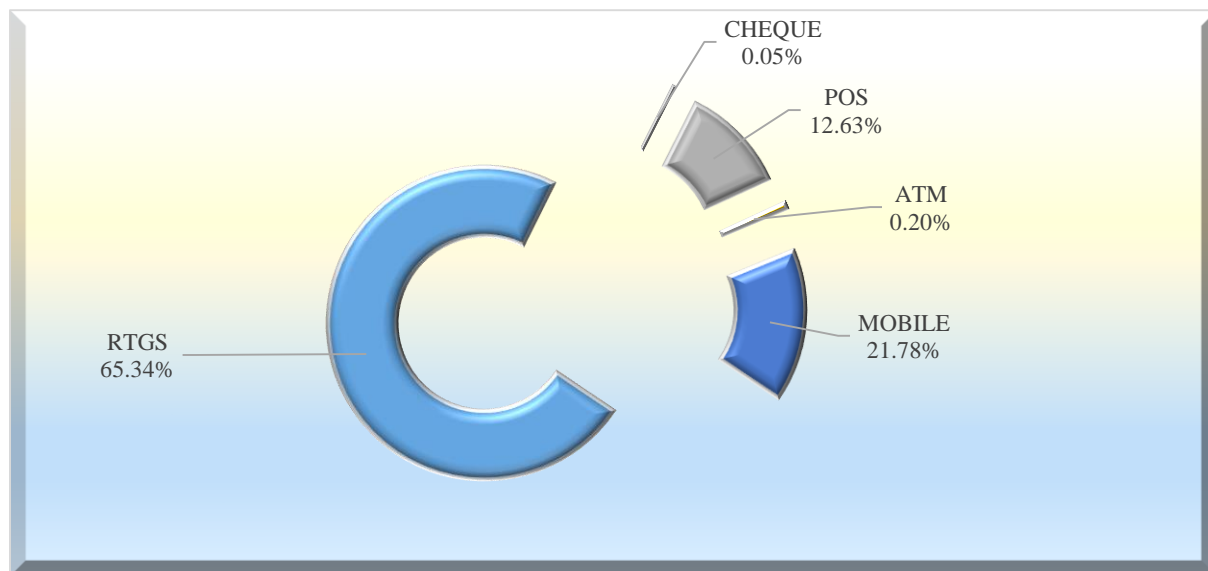
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 08th December 2017, the total value of transactions processed through the National Payment Systems (NPS) stood at US\$2 046.94 million, a 6% increase from US\$1 936.17 million recorded in the previous week. Real Time Gross Settlement (RTGS) transactions registered a 10% decrease, from US\$1 478.22 million in the previous week, to US\$1 337.38 million during the week under analysis.

The NPS was dominated by RTGS transactions which contributed 65.34% of the total value of transactions, followed by Mobile, 21.78%; Point of Sale (POS), 12.63%; Automated Teller Machines (ATMs), 0.20%; and Cheque, 0.05%, as shown in Figure 1.

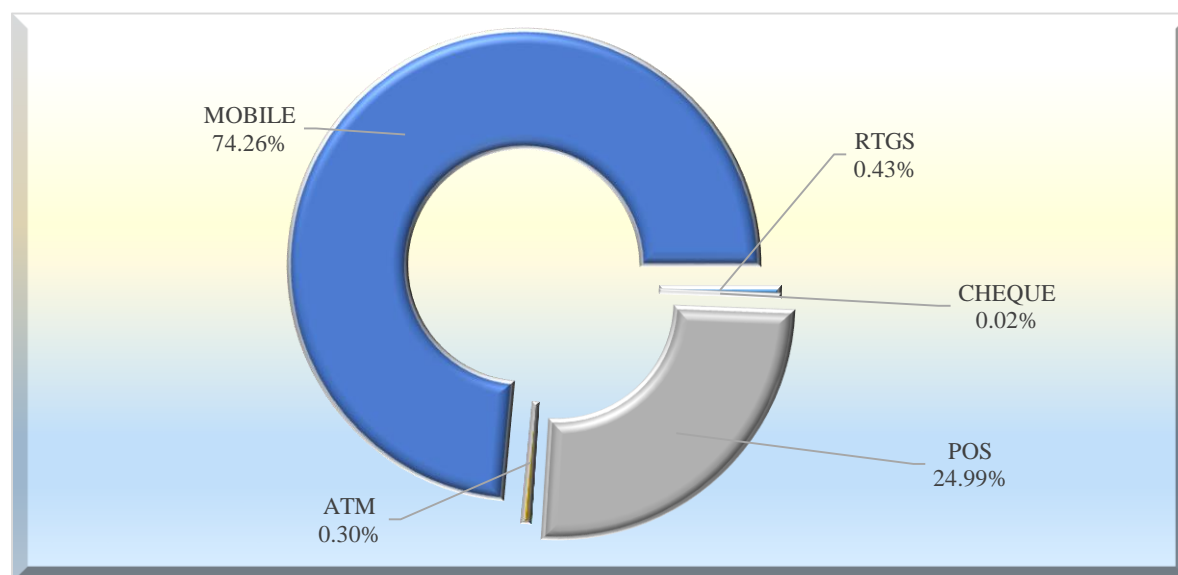
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2017

NPS transaction volumes amounted to 31 473 283 during the week under review, up from 20 826 614 transactions registered in the previous week. In terms of volumes, the NPS transactions were distributed as follows: Mobile, 74.26%; POS, 24.99%; RTGS, 0.43%; ATMs, 0.30%; 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 01 December 2017	WEEK ENDING 08 December 2017	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN USD (millions)				
RTGS	1,478.22	1,337.38	-10%	65.34%
CHEQUE	1.00	1.02	1%	0.05%
POS	230.43	258.49	12%	12.63%
ATMS	3.43	4.13	20%	0.20%
MOBILE	223.08	445.92	100%	21.78%
TOTAL	1,936.17	2,046.94	6%	100%
VOLUMES				
RTGS	151,721	135,870	-10%	0.43%
CHEQUE	5,565	5,599	1%	0.02%
POS	6,897,603	7,865,023	14%	24.99%
ATMs	76,674	93,834	22%	0.30%
MOBILE	13,695,051	23,372,957	71%	74.26%
TOTAL	20,826,614	31,473,283	51%	100%

Source: Reserve Bank of Zimbabwe, 2017

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Average international commodity prices of gold, platinum, copper, nickel and crude oil retreated during the week ending 08th December 2017, 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 (27 Nov - 01 Dec)	1,287.58	943.20	6,835.20	11,480.00	63.22
4-Dec	1,275.35	930.00	6,844.00	11,350.00	62.42
5-Dec	1,272.70	920.00	6,844.00	11,290.00	62.65
6-Dec	1,266.03	909.50	6,528.50	10,815.00	61.18
7-Dec	1,255.90	900.00	6,568.50	10,820.00	62.11
8-Dec	1,248.25	938.50	6,569.00	10,955.00	63.66
Week ending (04 - 08 Dec)	1,263.65	919.60	6,670.80	11,046.00	62.40
<i>Weekly Change (%)</i>	<i>(1.9)</i>	<i>(2.5)</i>	<i>(2.4)</i>	<i>(3.8)</i>	<i>(1.3)</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices declined by 1.9%, from a weekly average of US\$1 287.58/oz recorded in the previous week to US\$1 263.65/oz during the week under review. Prices were weighed down by investors' anticipation of higher interest rates amid progress on US tax reforms overhaul.

Platinum

Platinum prices fell by 2.5%, to close the week under analysis at US\$919.60/oz from a weekly average of US\$943.20/oz recorded in the previous week. This was on the back of declines in investment demand for the metal, following a brighter US interest rate outlook.

Copper

Copper prices slumped by 2.4%, from US\$6 835.20/ton registered in the previous week, to close the week under review at US\$6 670.80/ton. The price decline was on account of rising global stockpiles and slowing demand from China, the world's largest consumer of the metal.

Nickel

Nickel prices closed the week ending 08th December 2017 at a weekly average of US\$11 046.00/ton, from US\$11 480.00/ton recorded in the previous week. Prices were mainly weighed down by suppressed global demand for the metal.

Crude Oil

Crude oil prices declined by 1.3%, to close the week under review at US\$62.40/barrel from US\$63.22/barrel in the previous week. This was on the back of rising U.S shale oil production offsetting efforts to cut global supplies by the Organisation of Petroleum Exporting Countries (OPEC) members.

5. EXCHANGE RATES

The US dollar weakened against the rand, pound Sterling and pula by 1.3%; 0.3%; and 0.2%, respectively, during the week ending 8th December 2017. The weakening of the green back was occasioned by prospects of strong economic growth and tighter monetary policy outside the U.S. The greenback, however, appreciated against the euro by 0.6% during the same week, as shown in Table 5.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2017				
Weekly Average (27 Nov - 01 Dec)	13.7898	0.7460	10.3467	0.8408
4-Dec	13.7736	0.7426	10.3252	0.8425
5-Dec	13.5138	0.7424	10.3359	0.8424
6-Dec	13.4763	0.7445	10.3093	0.8447
7-Dec	13.5311	0.7476	10.2934	0.8476
8-Dec	13.7388	0.7413	10.3413	0.8502
Weekly Average (04 - 08 Dec)	13.6067	0.7437	10.3210	0.8455
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-1.3</i>	<i>-0.3</i>	<i>-0.2</i>	<i>0.6</i>

Source: Reuters, 2017

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) registered losses, during the week ending 08th December 2017. The industrial index declined by 10.17% to close the week at 335.95 points. This was largely attributable to profit takings in some mid-cap and heavyweight counters. The industrial index was weighed down by losses recorded in Delta (22.42%); Old Mutual (20.62%); TSL (19.89%); British American Tobacco (19.77%); and Simbisa Brands (18.63%). Partially offsetting these losses were gains in Zimre Holdings (20.00%); Meikles (9.13%); Turnall Holdings (5.56%); CFI Holdings (0.74%); and PPC (0.19%).

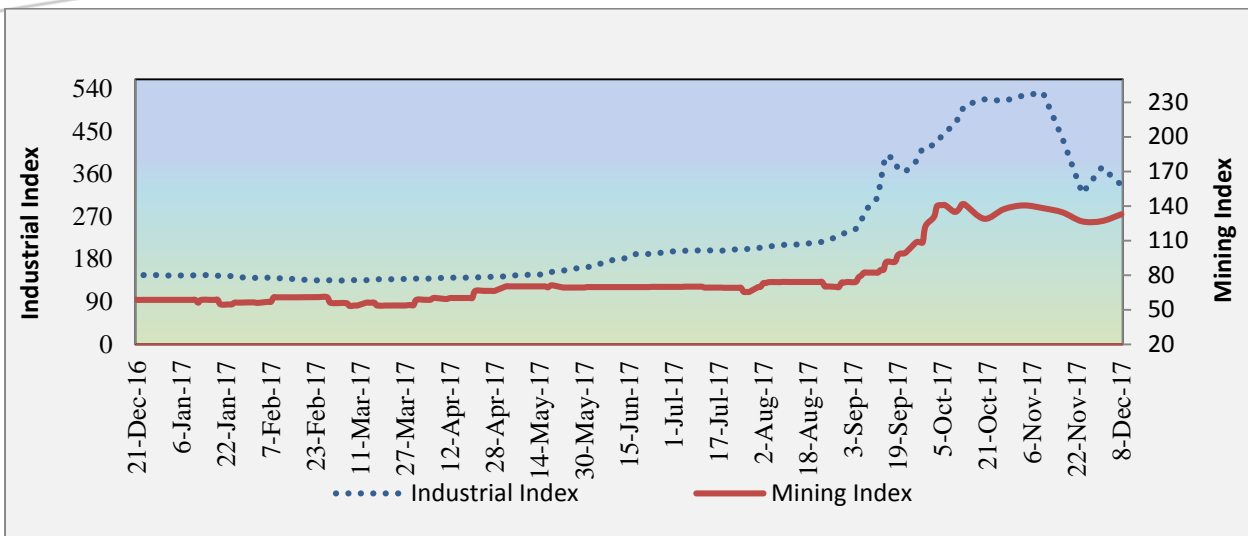
The mining index, however, increased by 4.67%, to close the week under review at 132.79 points. This was attributable to a 21.13% and 0.01% share price gains in Bindura Nickel Corporation and RioZim, respectively. Hwange Colliery Company traded at the previous weeks' price level, while Falgold remained inactive during the week under analysis.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
17-November-17	432.72	134.40	12,347,479,764	84,087,123	48,932,558
24-November-17	318.65	126.63	9,149,537,933	29,750,805	39,005,975
01-December-17	373.97	126.86	10,701,500,114	27,337,864	35,499,533
08-December-17	335.95	132.79	9,642,567,695	15,057,824	308,112,492
Weekly Change (%)	-10.17	4.67	-9.90	-44.92	767.93

Source: Zimbabwe Stock Exchange (ZSE), 2017

Figure 3 : Zimbabwe Stock Exchange Indices

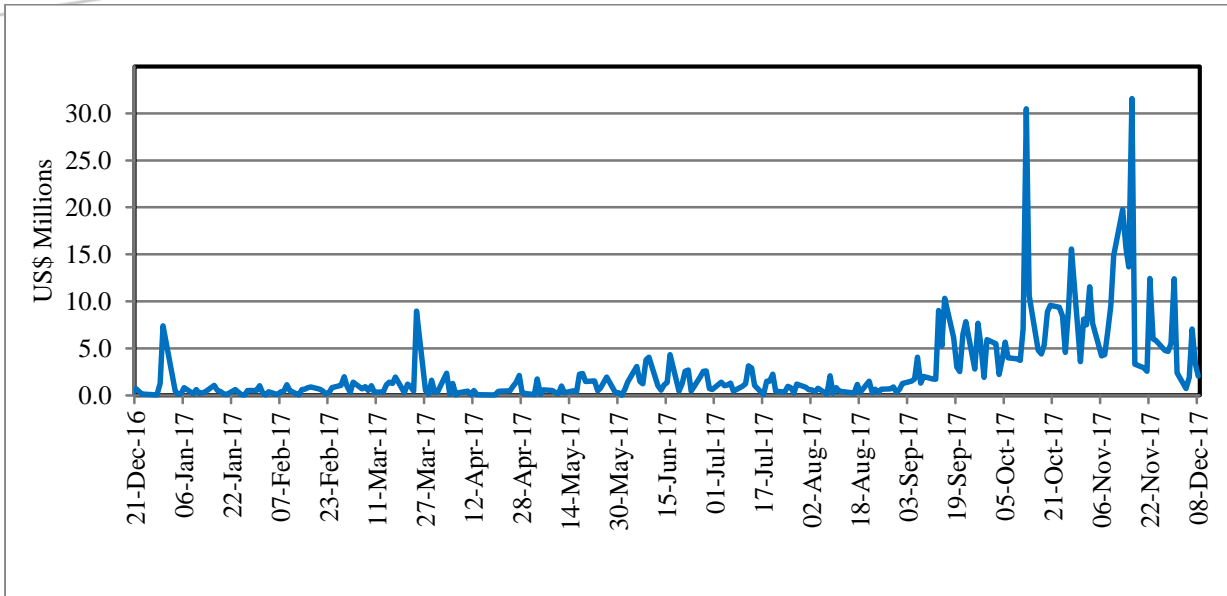


Source: Zimbabwe Stock exchange, 2017

Market Turnover and Volume

Despite the losses recorded on the local bourse, the volume of shares traded increased by 767.93%, from 35 499 533 shares in the previous week to 308 112 492 shares during the week under review, anchored by the FMHL acquisition of 50.89% NSSA shareholding in Nicos Diamond on 6th December 2017. Market turnover, however, declined by 44.92%, to close the week under analysis at US\$15.06 million. This was largely due to trading activity concentrated in low-tier and mid-cap counters.

Figure 4: Daily Market turnover

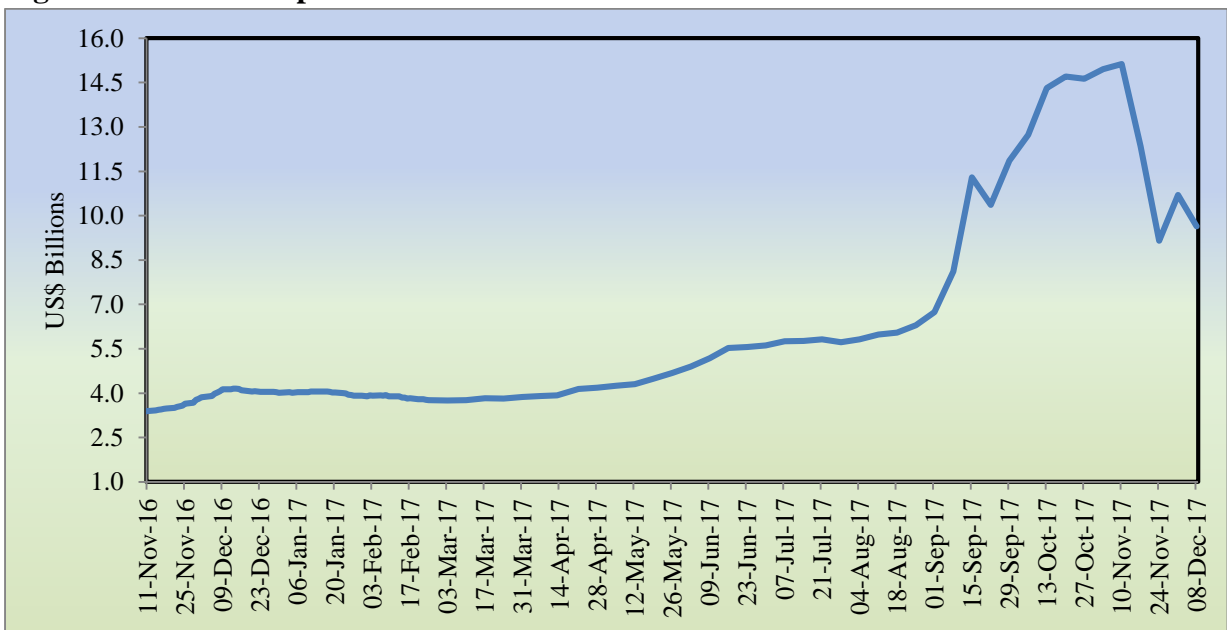


Source: Zimbabwe Stock Exchange, 2017

Market Capitalization

ZSE market capitalisation decreased by 9.90%, to US\$9.64 billion during the week ending 08th December 2017, from US\$10.70 billion recorded in the previous week. This was attributable to losses in heavyweight counters.

Figure 5 : Market Capitalization



Source: Zimbabwe Stock Exchange, 2017

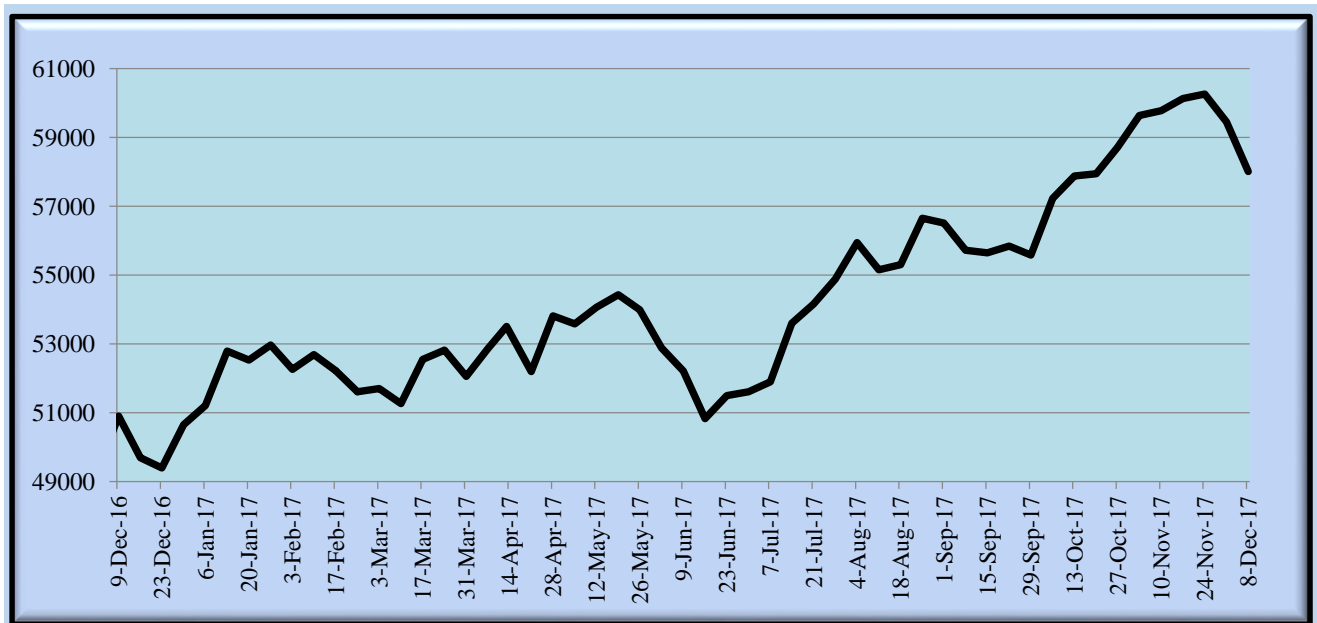
Johannesburg Stock Exchange (JSE) Development

During the week ending 08th December 2017, the JSE All Share index decreased by 2.42%, from 59 449.38 points in the prior week to 58 012.31 points during the week under review. Market capitalization also declined by 2.52%, to close the same week at R15.47 trillion.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
17-November-17	60 128.92	16.13
24-November-17	60 323.95	16.26
01-December-17	59 449.38	15.87
08-December-17	58 012.31	15.47
% Change	-2.42	-2.52

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

15TH DECEMBER 2017