



Weekly Economic Highlights

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Week Ending
29th March 2018

1. INTEREST RATES

Deposit Rates

During the week ending 29th March 2018, average deposit rates on savings deposits and deposits of 1 month and 3 month tenors remained unchanged at 4.22%, 3.43% and 3.74%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
02-March-18	3.97	3.34	3.63
09-March-18	3.97	3.34	3.63
16-March-18	4.35	3.81	4.09
23-March-18	4.22	3.43	3.74
29-March-18	4.22	3.43	3.74

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients declined by 0.27 percentage points to 9.37%, during the week ending 29th March 2017. Weighted lending rates for corporate clients, however, increased by 0.07 percentage points to close at 7.05% in the same week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
02-March-18	9.57	6.94
09-March-18	9.57	6.94
16-March-18	9.35	6.98
23-March-18	9.64	6.98
29-March-18	9.37	7.05

Source: Banking Institutions, 2018

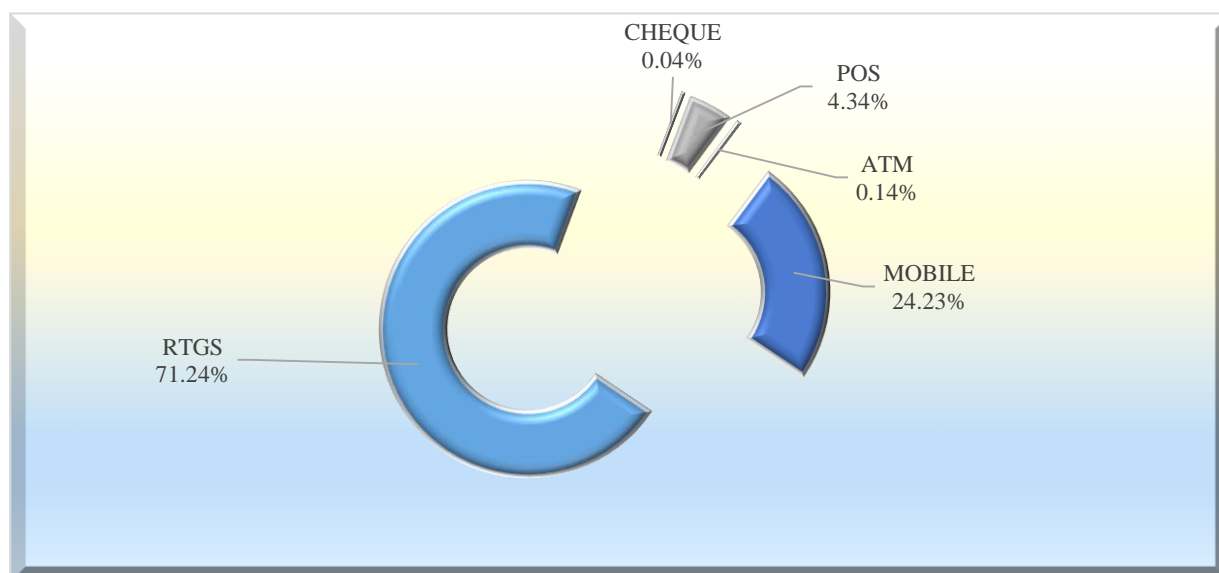
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) declined from US\$ 2,423.23 million recorded in the previous week to US\$ 2,137.56 million, during the week ending 29th March 2018. Transactions processed through the Real Time Gross Settlement (RTGS) system decreased by 14.5%, to close the week under analysis at US\$ 1,522.84 million.

The total value of transactions processed through the NPS was distributed as follows: RTGS, 71.24%; Mobile, 24.23%; Point of Sale (POS), 4.34%; Automated Teller Machines (ATMs), 0.14% and cheque transactions, 0.04%.

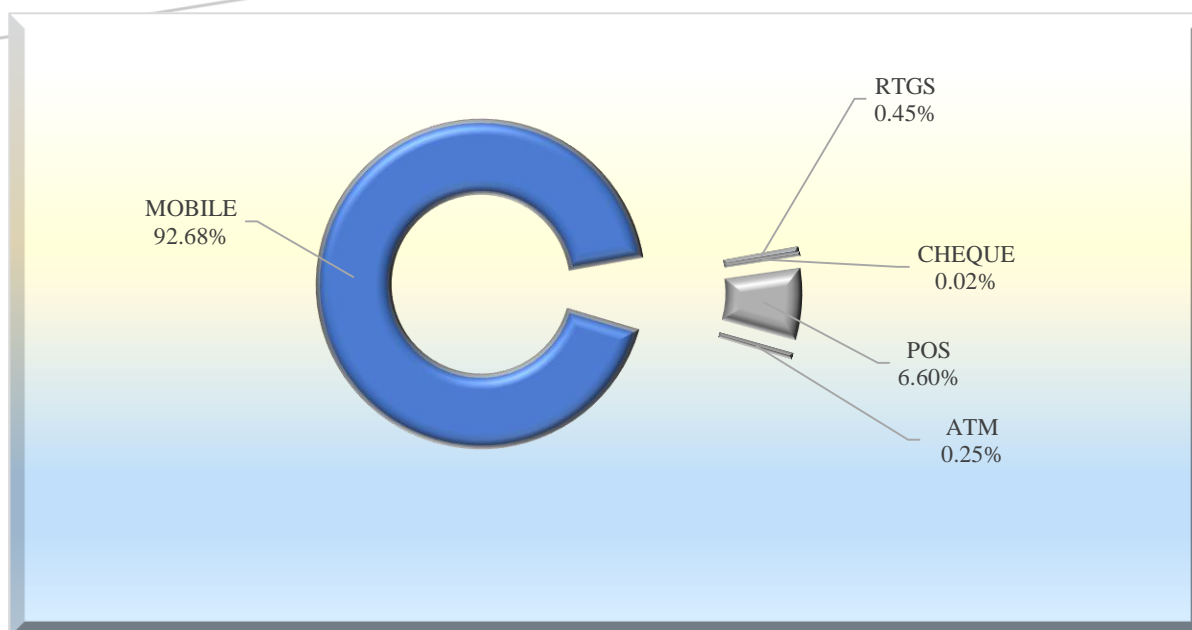
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

In volume terms, NPS transactions decreased by 3%, from 28,760,800 in the previous week to close the week under review at 27,932,678 transactions. Mobile-based transactions accounted for 92.68% of the total volume of transactions, followed by POS, 6.60%; RTGS, 0.45%; ATM, 0.25% and Cheque 0.02%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2018

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 23 rd March 2018	WEEK ENDING 29 th March 2018	CHANGE FROM LAST WEEK	PROPORTION
VALUES IN US\$ (millions)				
RTGS	1,780.62	1,522.84	-14.5%	71.24%
CHEQUE	1.02	0.78	-24%	0.04%
POS	197.02	92.87	-53%	4.34%
ATM	3.26	3.08	-6%	0.14%
MOBILE	441.34	518.00	17%	24.23%
TOTAL	2,423.23	2,137.56	-12%	100%
VOLUMES				
RTGS	110,282	126,514	15%	0.45%
CHEQUE	5,385	4,201	-22%	0.02%
POS	5,800,954	1,844,220	-68.2%	6.60%
ATMs	73,407	70,070	-5%	0.25%
MOBILE	22,770,772	25,887,673	14%	92.68%
TOTAL	28,760,800	27,932,678	-3%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. TOBACCO SALES

A cumulative total of 5 255 350 kilograms of tobacco had been sold as at 29th March 2018 or day 7 of the 2018 tobacco selling season. The quantity sold was 34.47% lower than the cumulative total of 8 020 041 kilograms sold during the same period in 2017

The cumulative sales value amounted to US\$14.54 million, compared to US\$18.93 million realized during the corresponding period in 2017. The golden leaf, however, fetched a higher average price of US\$2.77/kg, compared to the US\$2.36/kg realized during the same period in 2017.

Table 4: Cumulative Tobacco Sales: Day 7 (29 March 2018)

	2017	2018	Variance (%)
Cumulative Quantity Sold (kgs)	8,020,041	5,255,350	(34.47)
Cumulative Average Price(US\$/kg)	2.36	2.77	17.19
Cumulative Value (US\$ million)	18,934,337	14,539,830	(23.21)

Source: Tobacco Industry and Marketing Board (TIMB), 2018

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of platinum, copper and nickel softened, while gold and crude oil prices firmed during the week ending 29th March 2018, as shown in Table 4.

Table 4: Metal and Crude Oil Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
Weekly Average (19 - 23 Mar)	1,324.01	950.00	6,785.60	13,402.40	68.53
26-Mar	1,350.40	950.00	6,593.50	12,935.00	70.07
27-Mar	1,346.05	953.00	6,686.50	13,095.00	69.48
28-Mar	1,341.05	940.50	6,659.50	12,980.00	68.99
29-Mar	1,323.88	936.00	6,678.00	13,040.00	67.74
Weekly Average (26 - 29 Mar)	1,340.34	944.88	6,654.38	13,012.50	69.07
Weekly Change (%)	1.2	(0.5)	(1.9)	(2.9)	0.8

Source: BBC, KITCO and Bloomberg 2018

Gold

Gold prices increased 1.2%, from US\$1,324.01/oz. in the previous week to US\$ 1,340.34/oz, during the week under analysis. This was, in large part, on account of the strengthening safe haven demand for the precious metal.

Platinum

Platinum prices retreated by 0.5% to a weekly average of US\$944.88/oz, during the week under review. Prices were weighed down by slackening global demand for the metal.

Copper

Copper prices decreased by 1.9%, to close the week under review at an average of US\$6,654.38/ton. This was partly attributable to sustained sluggish seasonal demand, against a background of ample supply on the global market.

Nickel

Nickel prices declined by 2.9%, from a weekly average of US\$13,402.40/tonne in the previous week to US\$13,012.50/tonne, during the week under review. Prices weakened as demand from alloy makers fell, due to tariffs imposed on steel imports by the Trump Administration.

Crude Oil

Crude oil prices increased by 0.8%, from US\$68.53/barrel in the previous week to US\$69.07/barrel, during the week under review. This was as a result of tight supply conditions exerted by OPEC and high crude oil demand during the Easter holidays. In addition, heightened geopolitical tensions between the USA and Iran also exerted upward pressure on oil prices.

4. EXCHANGE RATES

During the week ending 29th March 2018, the US dollar depreciated against the euro, pound sterling, pula and rand. This followed a lower than anticipated Federal Reserve interest rate hike.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2018				
Weekly Average (19 - 23 Mar)	11.9381	0.7120	9.5971	0.8123
26-Mar	11.6753	0.7063	9.5193	0.8084
27-Mar	11.6475	0.7028	9.4607	0.8033
28-Mar	11.6493	0.7044	9.4607	0.8058
29-Mar	11.7552	0.7099	9.5238	0.8110
Weekly Average (26 - 29 Mar)	11.6818	0.7059	9.4911	0.8071
<i>Appr(+)/Depr(-) (%) of the USD</i>	-2.1	-0.9	-1.1	-0.6

Source: Reuters, 2018

5. EQUITY MARKETS

The gains on the ZSE continued, with the All Share Index increasing by 0.13% to close the week under review at 86.98 points. The week under analysis saw the industrial index close at 291.00 points, 0.13% up from 290.62 points in the previous week. This followed gains in Cafca Limited (9.09%), Simbisa (4.41%), Art (3.69%), Dairibord Holdings Limited (1.77%) and Innscor (1.57%).

Similarly, the mining index increased by 0.14%, to close the week ending 29th March 2018 at 125.09 points. This was largely driven by a 0.21% share price increase in RioZim. Bindura Nickel Corporation (BNC), Hwange Colliery Company (HCC) and Falgold, however, remained inactive during the same week.

Table 6: Zimbabwe Stock Exchange (ZSE) Statistics

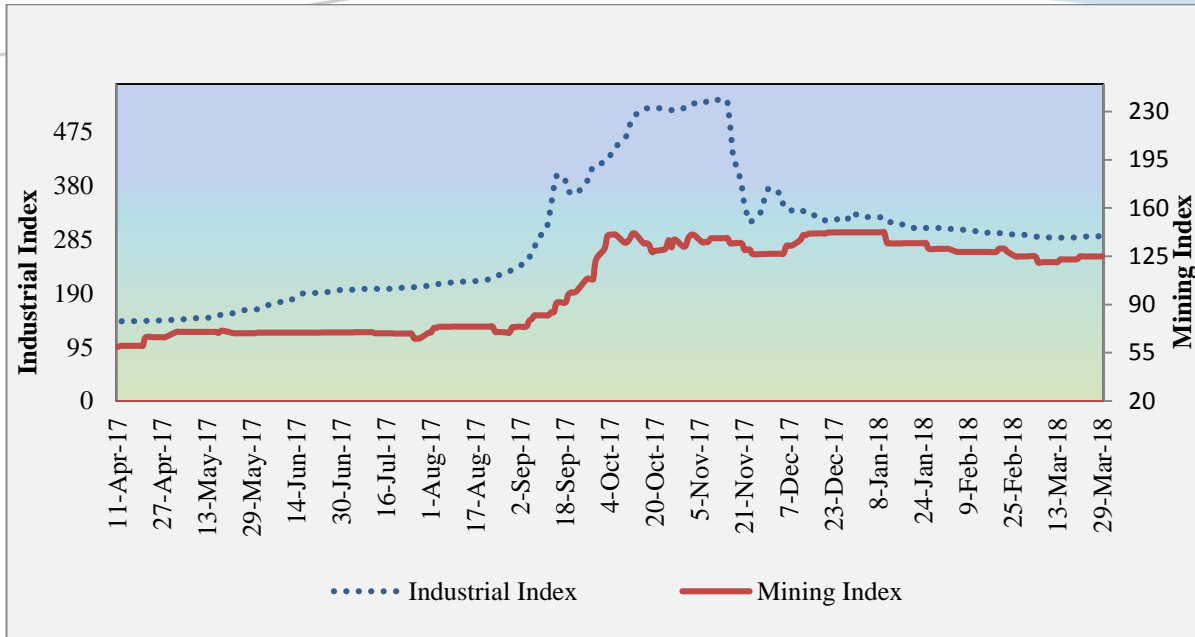
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
02-March-18	87.26	86.05	291.95	124.91	8,316,594,858	15,209,231	80,052,036
09-March-18	86.25	84.96	288.77	120.76	8,220,533,455	12,241,097	54 871 045
16-March-18	86.20	84.73	288.48	122.73	8,215,505,712	4,694,497	18 625 829
23-March-18	86.87	85.21	290.62	124.91	8,279,282,091	7,338,638	8,193,604
29-March-18	86.98	85.71	291.00	125.09	8,290,413,094	11,457,783	16,603,363
Weekly Change (%)	0.13	0.59	0.13	0.14	0.10	56.13	102.64

Source: Zimbabwe Stock Exchange (ZSE), 2018

² The All share Index shows the changing average value of shares of all companies on the market.

³ The Index is calculated using the market capitalisation method.

Figure 3: Zimbabwe Stock Exchange Indices

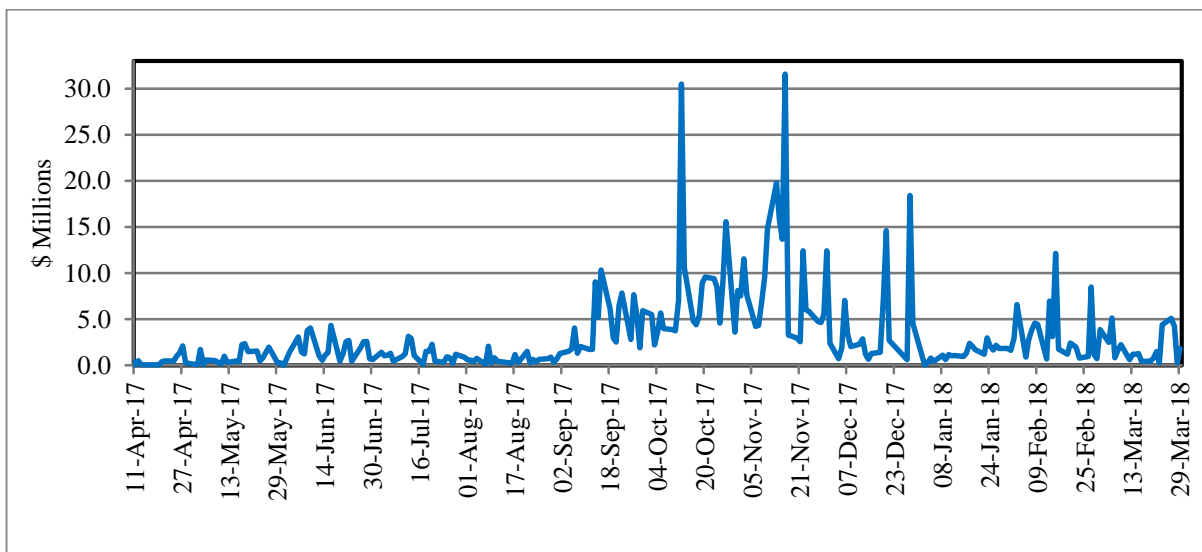


Source: Zimbabwe Stock exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE registered a 102.64% decline, to close the week ending 29th of March 2018 at 16,603,363 shares, from 8,193,604 shares registered in the previous week. Consequently, the ZSE market turnover also declined by 56.13% to close at US\$11.46 million during the same week.

Figure 4: Daily Market turnover

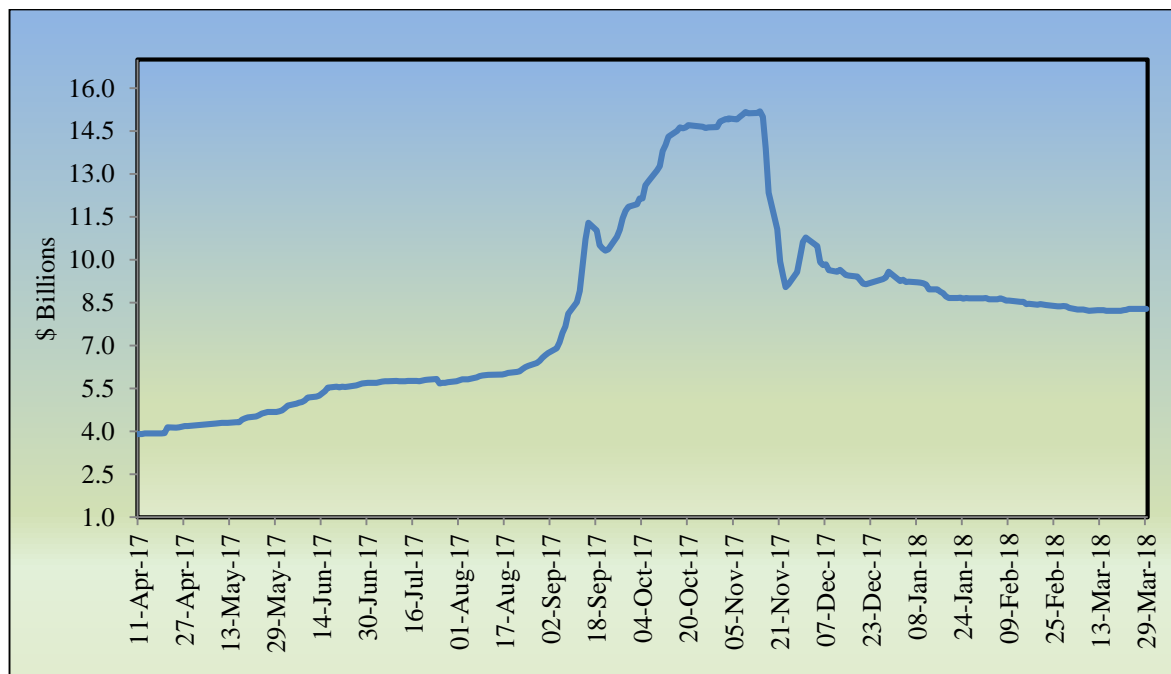


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

In line with developments on the local bourse, market capitalization registered a 0.10% increase to close the week under review at \$8.29 billion.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

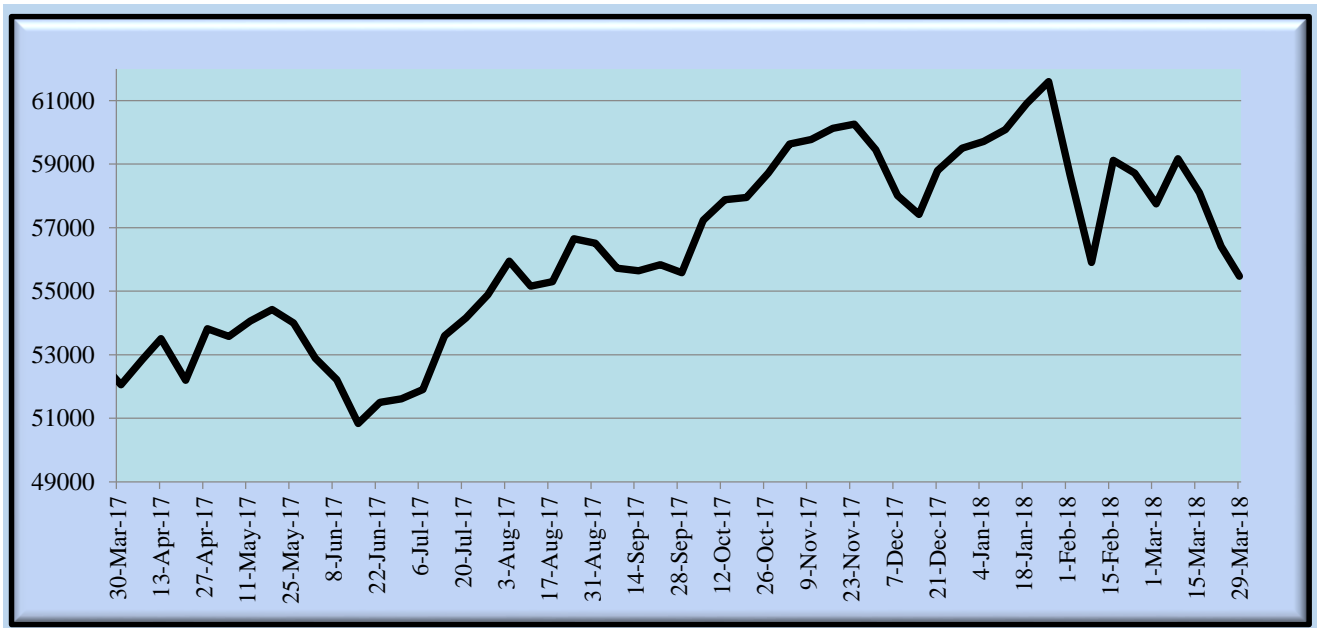
Johannesburg Stock Exchange (JSE) Developments

The JSE All Share index registered a 1.65% decline, from 56405.64 points in the previous week to 55474.52 points, during week ending 29th March 2018. In tandem, the JSE market capitalization also decreased from R14.31 trillion in the previous week, to R14.29 trillion during the week under analysis.

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
02-March-18	57 744.70	14.74
09-March-18	59 169.23	15.01
16-March-18	58 101.02	14.90
23-March-18	56 405.64	14.31
29-March-18	55 474.52	14.29
% Change	(1.65)	(0.14)

Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2018>

RESERVE BANK OF ZIMBABWE

6TH APRIL 2018