



Weekly Economic Highlights

Table of Contents

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

Week Ending
28th September 2018

1. INTEREST RATES

Deposit Rates

During the week ending 28th September 2018, average deposit rates for savings deposits and deposits of 1-month tenor remained unchanged from previous week levels. Deposit rates for deposits of 3-month tenor, however, declined to close the week under review at 3.94%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Months Deposits (%)
31-Aug-18	4.22	3.51	3.95
07-Sept-18	4.10	3.45	3.96
14-Sept-18	3.88	3.57	3.99
21-Sept-18	3.88	3.60	3.99
28-Sept-18	3.88	3.60	3.94

Source: Banking Institutions, 2018

Lending Rates

Commercial bank weighted lending rates for individual clients closed the week under review at 9.56%, up from 9.54% in the previous week. Weighted lending rates for corporate clients, however, decreased to 7.11% during the week under review, from 7.24% registered during the previous week, as shown in Table 2.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
31-Aug-18	9.87	7.10
07-Sept-18	9.53	7.18
14-Sept-18	9.43	7.24
21-Sept-18	9.54	7.24
28-Sept-18	9.56	7.11

Source: Banking Institutions, 2018

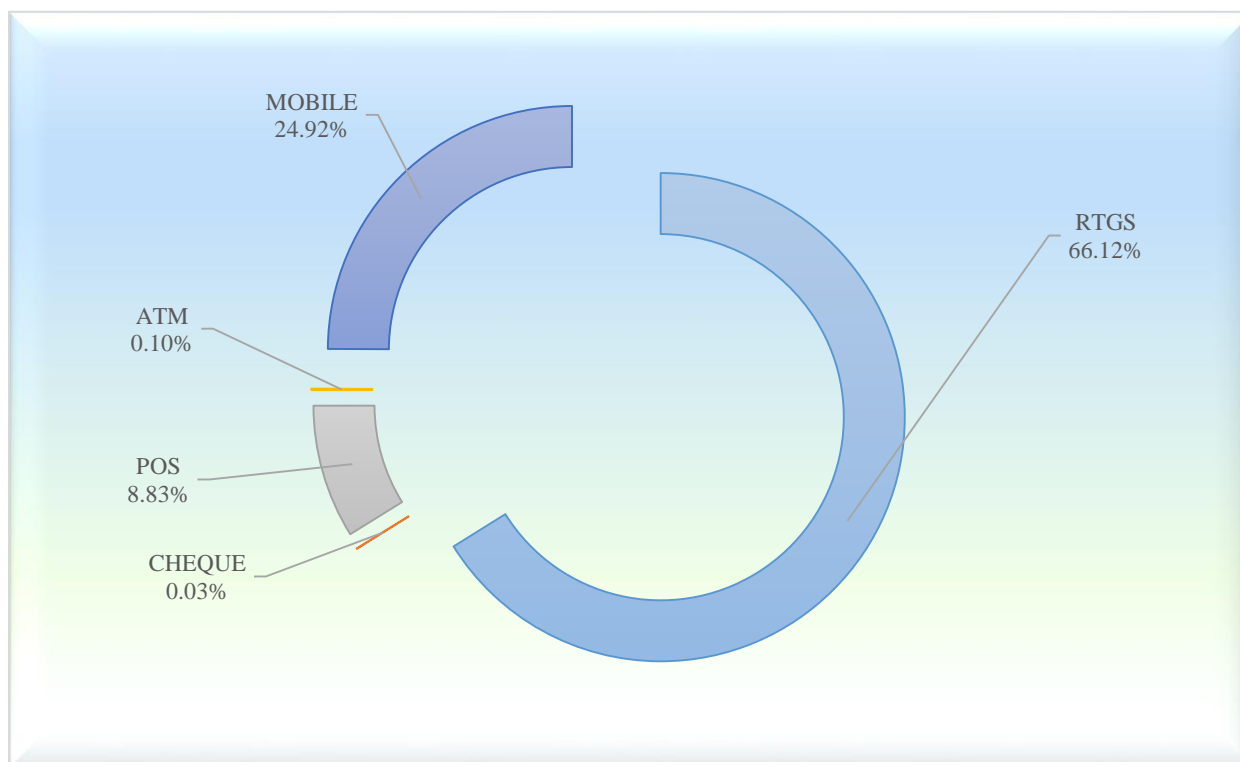
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment System (NPS) amounted to US\$3.20 billion, during the week ending 28th September 2018, up from US\$2.80 billion registered in the previous week. During the same week, transactions processed through the Real Time Gross Settlement (RTGS) system increased by 16.5% to close the week at US\$2.12 billion.

In value terms, NPS transactions were distributed as follows: RTGS, 66.12%; Mobile, 24.92%; Point of Sale (POS), 8.83%; Automated Teller Machines (ATMs), 0.10%; and Cheque, 0.03%, as shown in Figure 1.

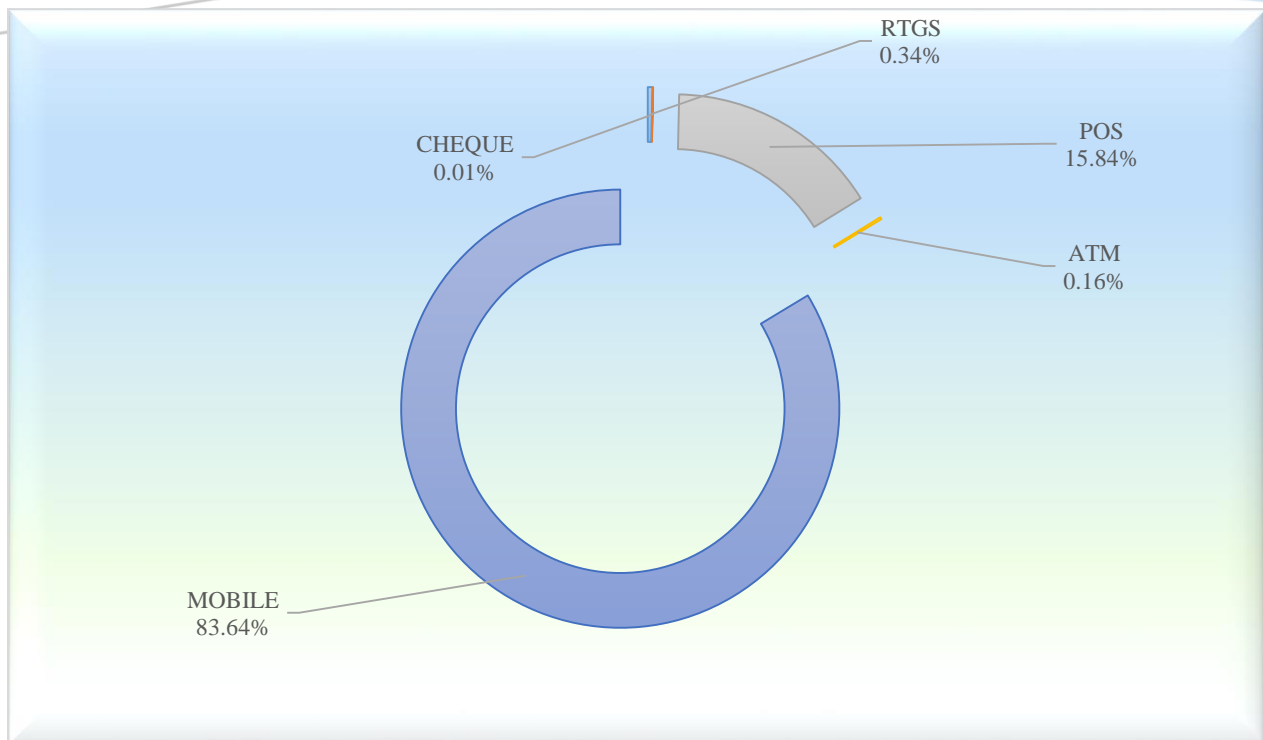
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2018

The total volume of transactions processed through the NPS increased from 41.8 million transactions in the previous week, to 43.7 million transactions during the week under review. Mobile transactions contributed 83.64% of the total volume of NPS transactions, followed by POS, 15.84%; RTGS, 0.34%; ATMs, 0.16%; and Cheque, 0.01%, 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 21 st SEPTEMBER 2018	WEEK ENDING 28 th SEPTEMBER 2018	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN US\$ (millions)				
RTGS	1,817.94	2,117.58	16.5%	66.12%
CHEQUE	1.05	0.94	-9.9%	0.03%
POS	264.75	282.89	6.9%	8.83%
ATM	2.49	3.25	30.8%	0.10%
MOBILE	710.52	798.20	12.3%	24.92%
TOTAL	2,796.74	3,202.87	14.5%	100%
VOLUMES				
RTGS	115,293	150,645	30.7%	0.34%
CHEQUE	5,065	4,652	-8.2%	0.01%
POS	6,751,537	6,917,209	2.5%	15.84%
ATM	55,103	70,852	28.6%	0.16%
MOBILE	34,830,839	36,526,432	4.9%	83.64%
TOTAL	41,757,837	43,669,790	4.6%	100%

Source: Reserve Bank of Zimbabwe, 2018

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of crude oil, copper, nickel and platinum firmed during the week ending 28th September 2018. Gold prices, however, decreased during the same week, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2018	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (17- 21 Sept)	1,202.76	816.30	6,039.20	12,469.00	79.04
24-Sep	1,200.75	828.00	6,304.00	13,060.00	81.99
25-Sep	1,200.68	828.50	6,225.00	12,825.00	81.77
26-Sep	1,196.53	825.00	6,279.00	12,880.00	82.21
27-Sep	1,190.70	820.50	6,262.00	12,775.00	81.90
28-Sep	1,185.38	813.00	6,206.00	12,600.00	82.00
Weekly Average (24- 28 Sept)	1,194.81	823.00	6,255.20	12,828.00	81.97
<i>Weekly Change (%)</i>	<i>(0.7)</i>	<i>0.8</i>	<i>3.6</i>	<i>2.9</i>	<i>3.7</i>

Source: BBC, KITCO and Bloomberg

Gold

Gold prices retreated by 0.7%, from a weekly average of US\$1,202.76/oz. recorded in the previous week to US\$1,194.81/oz., during the week under review. A hike in US interest rates by the US Federal Reserve weighed down on the price of the yellow metal, as investors shifted their demand from gold to interest bearing assets.

Platinum

Platinum prices gained by 0.8%, to close the week under analysis at US\$823.00/oz. The prices were supported by a weakening US dollar.

Copper

Copper prices registered a 3.6% increase, from US\$6,039.20/ton in the previous week to US\$6,255.20/ton, during the week under analysis. This was on the back of anticipations of supply disruptions, following an announcement on mining tax hikes in 2019, by Zambian Authorities.

Nickel

Nickel prices closed the week under review at US\$12,828.00/ton, up from US\$12,469.00/ton in the previous week. The prices were supported by an increase in demand, following a joint venture by Chinese firms, to produce battery grade nickel chemicals used in electric motor vehicle batteries.

Crude Oil

Crude oil prices firmed by 3.7%, to close the week under review at an average of US\$81.97/barrel. US sanctions against Iran, a major supplier of oil, continued to support oil prices, as the market tightened.

4. EXCHANGE RATES

During the week ending 28th September 2018, the US dollar depreciated against the rand, pula, euro and pound Sterling. The greenback weakened amidst US trade tariffs on Chinese products, which came into effect during the week under review.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
Weekly Average (17 - 21 September)	14.7399	0.7678	10.8876	0.8614
24-Sep	14.3930	0.7647	10.6440	0.8516
25-Sep	14.3612	0.7630	10.6157	0.8513
26-Sep	14.3519	0.7591	10.6610	0.8502
b27-Sep	14.1800	0.7615	10.6270	0.8543
28-Sep	14.1017	0.7642	10.5820	0.8588
Weekly Average (24 - 28 September)	14.2776	0.7625	10.6259	0.8533
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-3.14</i>	<i>-0.69</i>	<i>-2.40</i>	<i>-0.94</i>

Source: Reuters, 2018

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was on a positive trajectory, with the All Share Index gaining by 2.47%, to close the week ending 28th September 2018 at 115.12 points. The industrial index closed the week under review at 386.97 points, a 2.49% increase from 377.58 points registered in the previous week. Gains registered in share prices of Unifreight Africa Limited (42.86%); Star Africa Corporation (39.06%); Cafca Limited (19.70%); GetBucks Financial Services (14.11%) and Meikles Limited (11.11%), underpinned the rise.

Similarly, the mining index registered a 0.20% increase, to close the week under review at 163.76 points. This followed a 0.65% gain in the Bindura Nickel Corporation share price. RioZim traded at the previous week price. Falgold and Hwange Colliery Company did not register any trades, during the week under review.

Table 6: Zimbabwe Stock Exchange Statistics

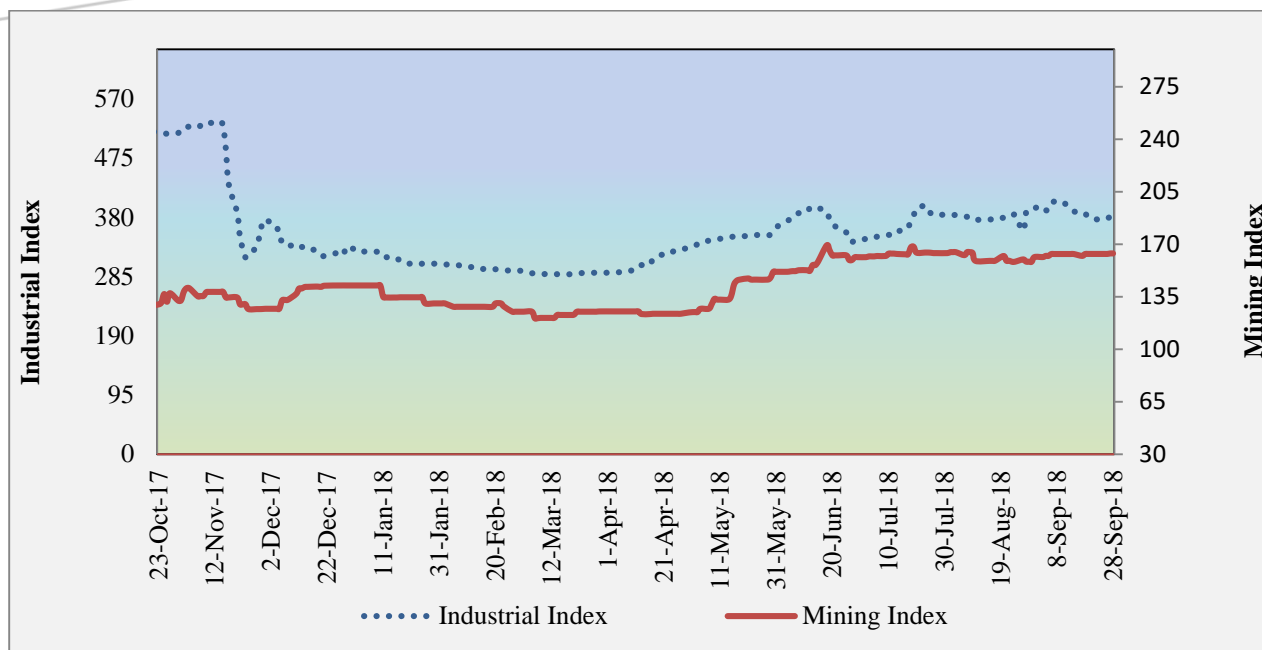
	All Share Index ² (points)	Top 10 index ³ (Points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
31-August-18	117.33	121.69	394.64	161.34	12,475,445,852	16,933,213	26,753,658
07-September-18	120.50	124.87	405.31	163.37	12,737,425,803	23,337,621	82,761,555
14-September-18	115.91	118.71	389.68	163.38	12,268,928,064	11,193,572	46,819,514
21-September-18	112.35	113.77	377.58	163.44	11,951,472,881	19,768,934	78,454,959
28-September-18	115.12	117.60	386.97	163.76	12,265,508,935	6,807,520	18,459,390
Weekly Change (%)	2.47	3.37	2.49	0.20	2.63	(65.56)	(76.47)

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

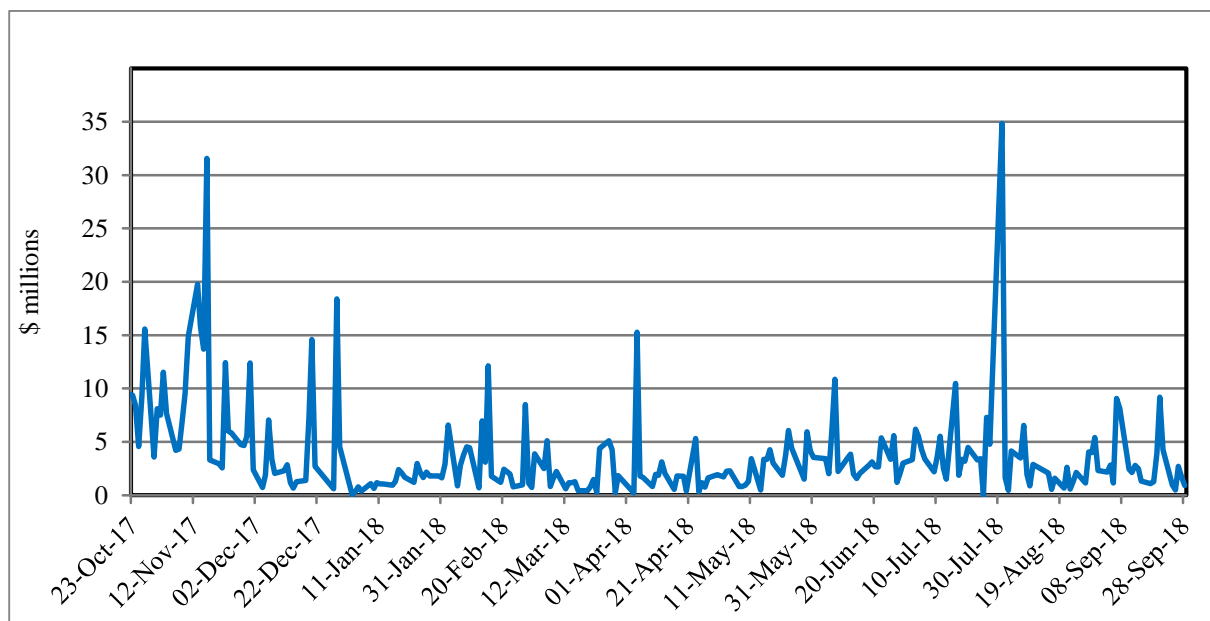


Source: Zimbabwe Stock Exchange, 2018

Market Turnover and Volume

The volume of shares traded on the ZSE decreased by 76.47%, to close the week ending 28th September 2018 at 18.46 million shares. In tandem, the market turnover decreased by 65.56% to US\$6.81 million, from US\$19.77 million recorded in the previous week.

Figure 4: Market Turnover

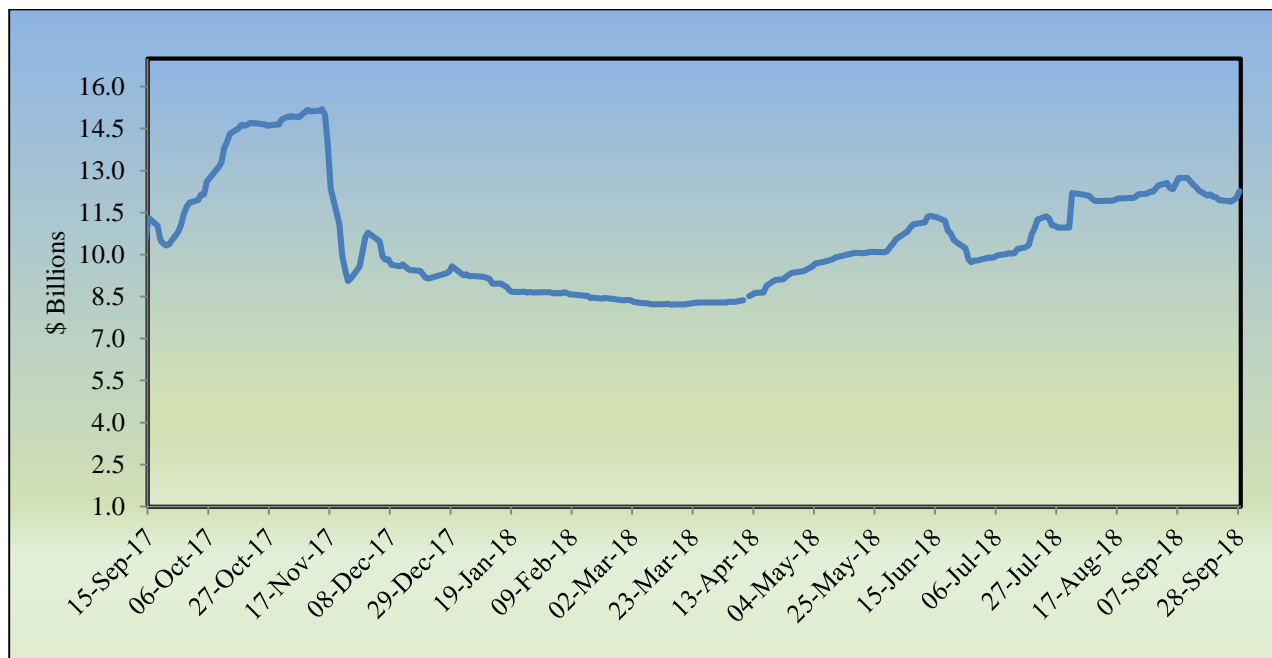


Source: Zimbabwe Stock Exchange, 2018

Market Capitalization

ZSE market capitalization stood at US\$12.27 billion, a 2.63% increase from the US\$11.95 billion recorded in the previous week.

Figure 5: Market Capitalization



Source: Zimbabwe Stock Exchange, 2018

Johannesburg Stock Exchange (JSE) Developments

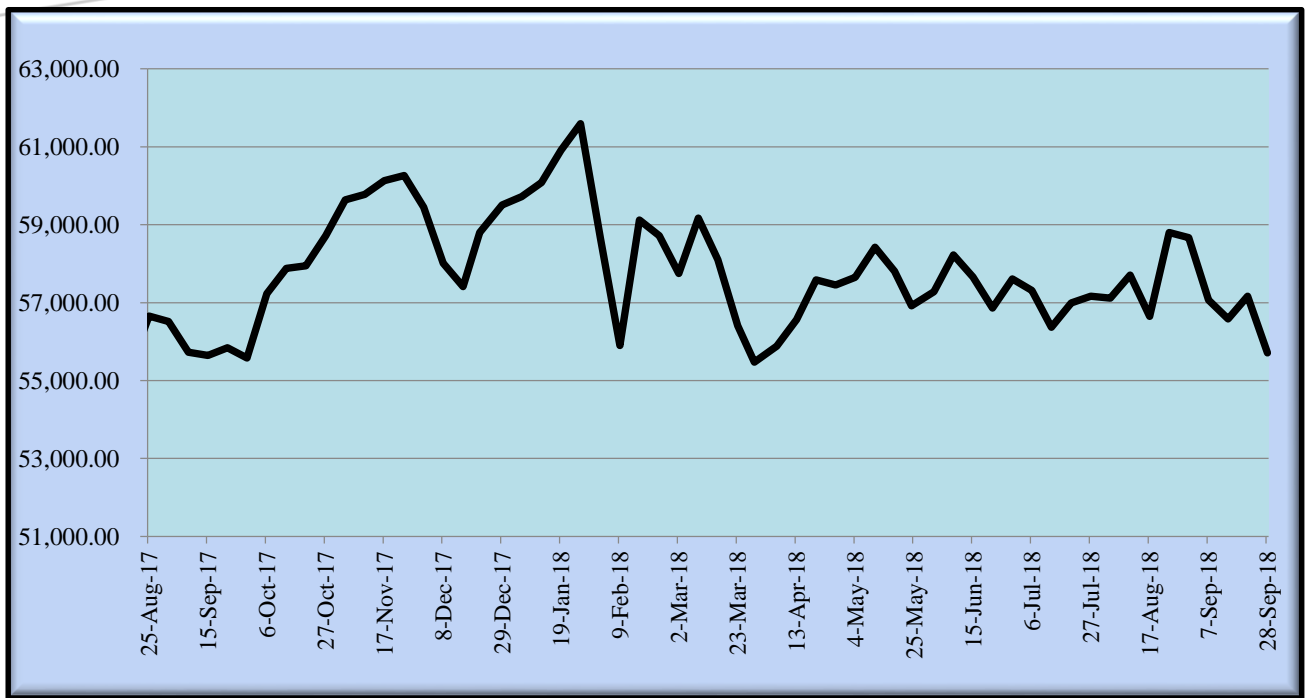
During the week ending 28th September 2018, the JSE All Share Index decreased to 55,708.47 points, from 57,164.25 points in the previous week. JSE market capitalisation declined by 2.60%, from R14.63 trillion in the previous week to R14.25 trillion, during the week under review.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
31-Aug-18	58,668.48	14.94
07-Sep-18	57,068.45	14.68
14-Sep-18	56,581.88	14.56
21-Sep-18	57,164.25	14.63
28-Sep-18	55,708.47	14.25
% Change	-2.55	-2.60

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

5th OCTOBER 2018