



# Weekly Economic Highlights

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Week Ending  
5<sup>TH</sup> APRIL 2019

## 1. INTEREST RATES

### Deposit Rates

During the week ending 5<sup>th</sup> April 2019, average deposit rates for savings deposits and deposits of 1 month and 3 month tenors, remained unchanged at 4.16%, 3.76% and 4.09%, respectively.

**Table 1: Average Deposit Rates (per annum)**

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
8-Mar-19	4.16	3.78	3.88
15-Mar-19	4.16	3.78	3.88
22-Mar-19	4.16	3.74	4.07
29-Mar-19	4.16	3.76	4.09
05-Apr-19	4.16	3.76	4.09

Source: Banking Institutions, 2019

### Lending Rates

Commercial bank weighted lending rates for individual closed the week under review at 9.22%, a 0.1 percentage point reduction from 9.23% recorded during the previous week. Lending rates for corporate clients, however, remained unchanged at 7.31%.

**Table 2: Lending Rates**

Date	Lending Rates <sup>1</sup> (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
08-Mar-19	9.22	7.29
15-Mar-19	9.22	7.29
22-Mar-19	9.22	7.30
29-Mar-19	9.23	7.31
05-Apr-19	<b>9.22</b>	7.31

Source: Banking Institutions, 2019

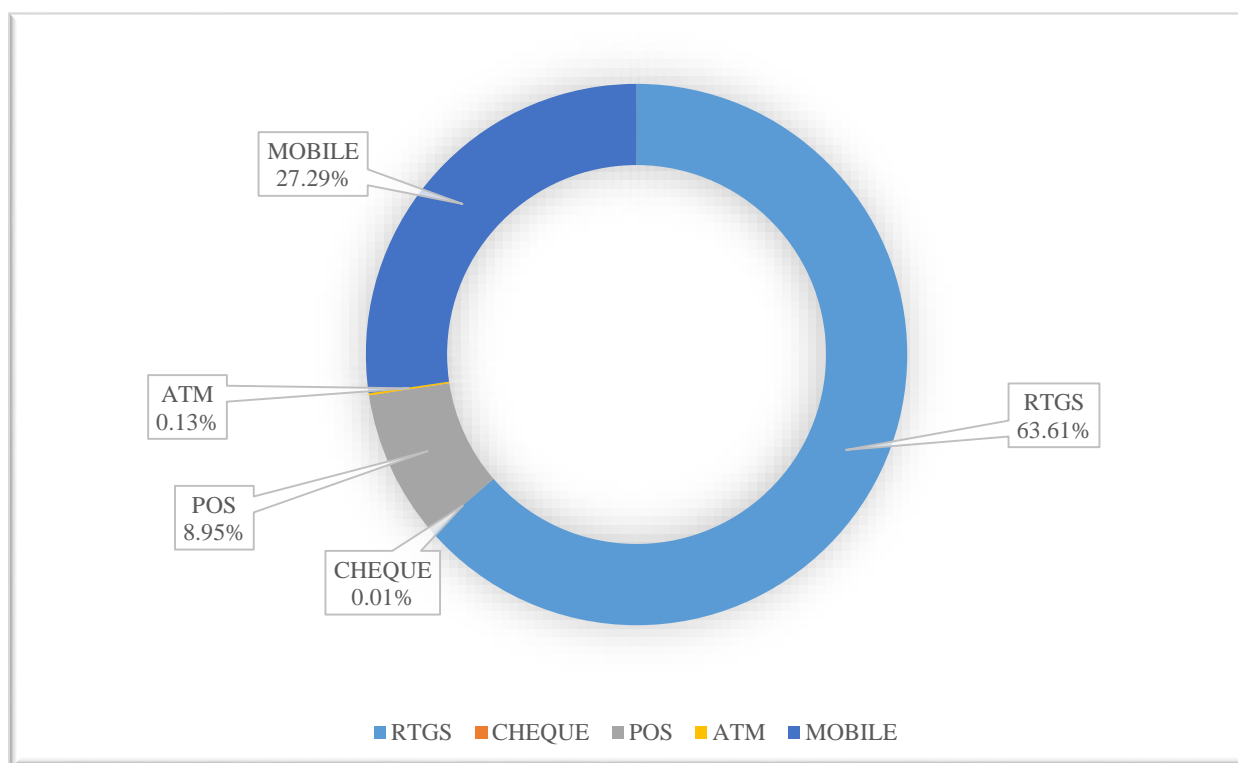
<sup>1</sup> Minimum weighted lending rates offered by commercial banks.

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) during the week under review stood at \$3.33 billion, reflecting a decrease of 13.95% from \$3.87 billion recorded in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system declined by 23.1% to close the week under review at \$2.12 billion, from \$2.75 billion recorded during the week ending 29<sup>th</sup> March 2019.

RTGS payments accounted for 63.61% of the total value of transactions processed through the NPS, followed by Mobile, 27.29; Point of Sale (POS), 8.95%; Automated Teller Machines (ATMs), 0.13% and cheque transactions, 0.01%.

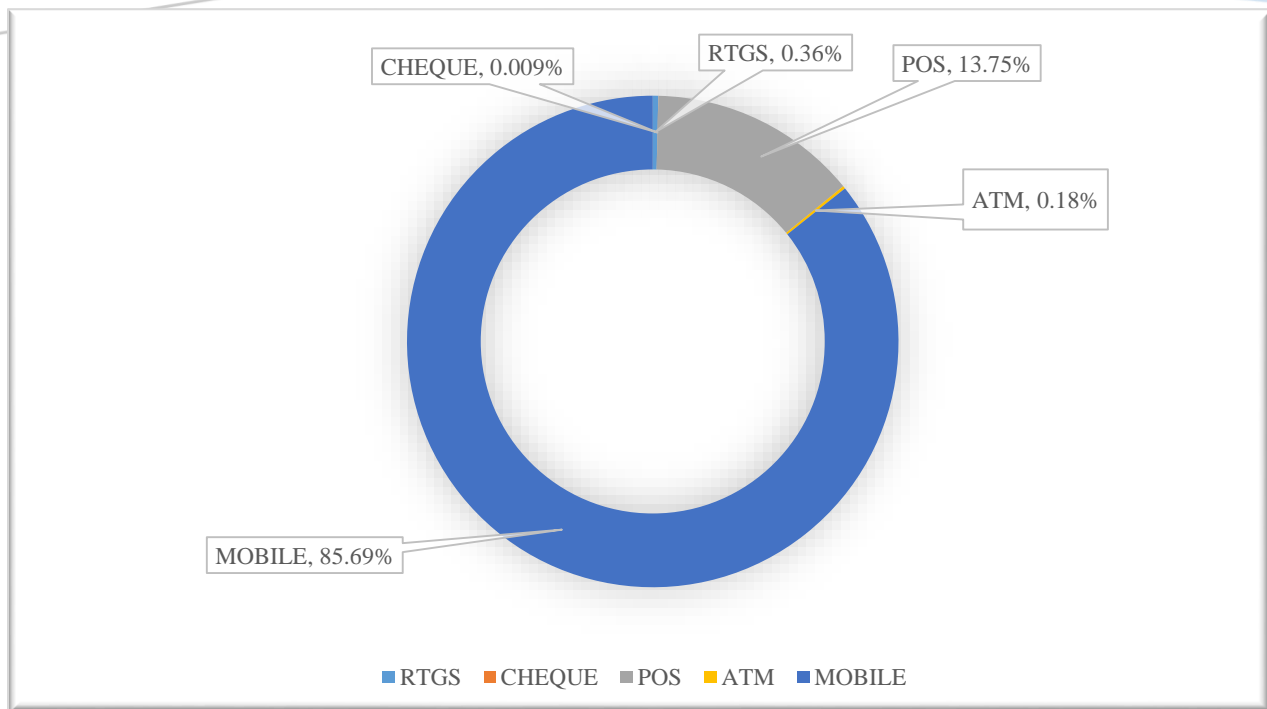
**Figure 1: Composition of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe, 2019*

The total volume of NPS transactions registered a 12.9% increase to close the week under review at 38.68 million transactions. NPS transaction volumes were distributed as follows: Mobile, 85.69; POS, 13.75%; RTGS, 0.36%; ATM, 0.18%; and Cheque, 0.009%, as shown in Figure 2.

**Figure 2: Composition of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe, 2019

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 22 <sup>nd</sup> March 2019	WEEK ENDING 29 <sup>th</sup> MARCH 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
<b>VALUES IN \$ (millions)</b>				
<b>RTGS</b>	2,754.40	2,119.01	-23.1%	63.61%
<b>CHEQUE</b>	0.80	0.81	0.7%	0.02%
<b>POS</b>	263.59	298.22	13.1%	8.95%
<b>ATM</b>	3.97	4.21	6.2%	0.13%
<b>MOBILE</b>	846.26	908.91	7.4%	27.28%
<b>TOTAL</b>	<b>3,869.01</b>	<b>3,331.16</b>	<b>-13.9%</b>	<b>100%</b>
<b>VOLUMES</b>				
<b>RTGS</b>	135,080	141,149	4.5%	0.36%
<b>CHEQUE</b>	3,105	3,348	7.8%	0.009%
<b>POS</b>	4,708,287	5,320,663	13.0%	13.75%
<b>ATM</b>	58,102	70,336	21.1%	0.18%
<b>MOBILE</b>	29,348,497	33,147,946	12.9%	85.69%
<b>TOTAL</b>	<b>34,253,071</b>	<b>38,683,442</b>	<b>12.9%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2019

### 3. TOBACCO SALES

As at 5<sup>th</sup> April 2019, the 13th day of the 2019 tobacco selling season, a cumulative total of 156,082 kilograms of tobacco were sold. The quantity sold was 69.2% lower than the cumulative total of 506,342 kilograms sold during the same period in 2018.

The cumulative value of tobacco sales declined to US\$253,076 million, from US\$1,372,277 million realized during the corresponding period in 2018. Consequently, the golden leaf realized a lower average price of US\$1.62/kg, compared to the US\$2.71/kg attained during the same period in 2018.

**Table 4: Cumulative Tobacco Sales: Day 13 (5<sup>th</sup> April 2019)**

	2018	2019	Variance (%)
<b>Cumulative Quantity Sold (kgs)</b>	506,342	156,082	(69.2)
<b>Cumulative Average Price(US\$/kg)</b>	2.71	1.62	(40.2)
<b>Cumulative Value (US\$ million)</b>	1,372,277	253,076	(81.6)

Source: Tobacco Industry and Marketing Board (TIMB), 2019

### 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity average prices of platinum, copper, nickel and crude oil firmed, whilst the weekly average price of gold subdued, as shown in Table 4.

**Table 4: International Commodity Prices**

	Gold	Platinum	Copper	Nickel	Crude Oil
	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>weekly average (25 Mar-29 Mar)</b>	<b>1,308.70</b>	<b>853.10</b>	<b>6,373.43</b>	<b>12,895.60</b>	<b>67.94</b>
<b>1-Apr</b>	1,292.70	850.50	6,522.00	13,019.00	69.18
<b>2-Apr</b>	1,288.75	848.00	6,418.00	13,071.50	69.71
<b>3-Apr</b>	1,291.15	861.00	6,485.50	13,260.00	69.32
<b>4-Apr</b>	1,287.38	882.00	6,444.00	13,071.50	69.17
<b>5-Apr</b>	1,288.68	905.50	6,385.50	12,966.00	70.58
<b>weekly average (01 Apr-05 Apr)</b>	<b>1,289.73</b>	<b>869.40</b>	<b>6,451.00</b>	<b>13,077.60</b>	<b>69.69</b>
<b>Weekly Change (%)</b>	<i>(1.45)</i>	<i>1.91</i>	<i>1.22</i>	<i>1.41</i>	<i>2.58</i>

Source: BBC, KITCO and Bloomberg, 2019

## **Gold**

The prices of the precious metal declined by 1.5%, from a weekly average of US\$1,308.70/oz. in the previous week, to US\$1,289.73/oz., during the week under review. Gold prices declined amid strong performance in stocks due to an anticipated positive economic performance in the short term.

## **Platinum**

Platinum prices, on the other hand, rose by 1.9% from a weekly average price of US\$853.10/oz. to US\$869.40/oz, on account of industrial demand from automobile industries.

## **Copper**

Copper prices closed the week under review at a weekly average of US\$6,451.00/tonne, registering a 1.2% increase from US\$6,3737.43/tonne in the previous week. The prices were underpinned by speculative buying that was fueled by optimism about a rebound in China's economy and a weaker dollar.

## **Nickel**

Nickel prices surged by 1.4% from US\$12,895.60/tonne in the previous week to US\$13,077.60/tonne, during the week under review. This was on the back of new stimulus measures in China, one of the top consumers of metal, and an anticipation of positive outcomes from the U.S.-China trade deal talks.

## **Crude Oil**

Brent crude oil weekly average prices firmed by 2.4% from a US\$67.94/barrel to US\$69.59/barrel during the week under review. This was occasioned by optimism about a rebound in the Chinese economy, a development that eased global demand concerns. In addition, supply might be disrupted due to possibility of additional sanctions on Iran and Venezuela.

## EXCHANGE RATES

During the week under review, the US dollar appreciated against the RTGS dollar; euro; pound Sterling. However, it depreciated against the rand and pula.

**Table 5: International Exchange Rates per US\$**

	ZWL	ZAR	GBP	BWP	EURO
<b>2019</b>					
<b>Weekly Average (25-29 Mar)</b>	<b>2.9839</b>	<b>14.5050</b>	<b>0.7596</b>	<b>10.7379</b>	<b>0.8872</b>
<b>1-Apr</b>	3.0231	14.3113	0.7661	10.5042	0.8898
<b>2-Apr</b>	3.0289	14.1957	0.7647	10.6383	0.8921
<b>3-Apr</b>	3.0396	14.1398	0.7610	10.6724	0.8907
<b>4-Apr</b>	3.0628	14.1506	0.7589	10.6270	0.8893
<b>5-Apr</b>	3.0909	14.1435	0.7626	10.6270	0.8906
<b>Weekly Average (25-29 Mar)</b>	<b>3.0491</b>	<b>14.1882</b>	<b>0.7626</b>	<b>10.6138</b>	<b>0.8905</b>
<i>Appr(+)/Depr(-) (%) against the USD</i>	2.18	(2.18)	0.40	(1.16)	0.37

## 5. EQUITY MARKETS

During the week ending 5<sup>th</sup> April 2019, the Zimbabwe Stock Exchange (ZSE) continued trading on a positive trajectory. Subsequently, the All Share Index gained 1.5 points to close at 123.16 points while the Top 10 Index gained 1.56 points to close at 116.17 points.

The mainstream index gained 5.14 points from 405.57 to close the week under review at 410.71 points. This was mainly driven by share price gains registered in Willdale Limited (15.79%); Dawn Properties Limited (8.33%); African Sun Limited (6.67%); CBZ Holdings Limited (6.55%) and Cassava Smartech Zimbabwe Limited (6.38%). The aforementioned gains were, however, marginally offsetted by losses in the share prices in National Foods Holdings Limited (20%), NMBZ Holdings Limited (7.74%), PPC Limited (3.60%), Ariston Holdings Limited (1.02%) and Seed Co Limited (0.70%).

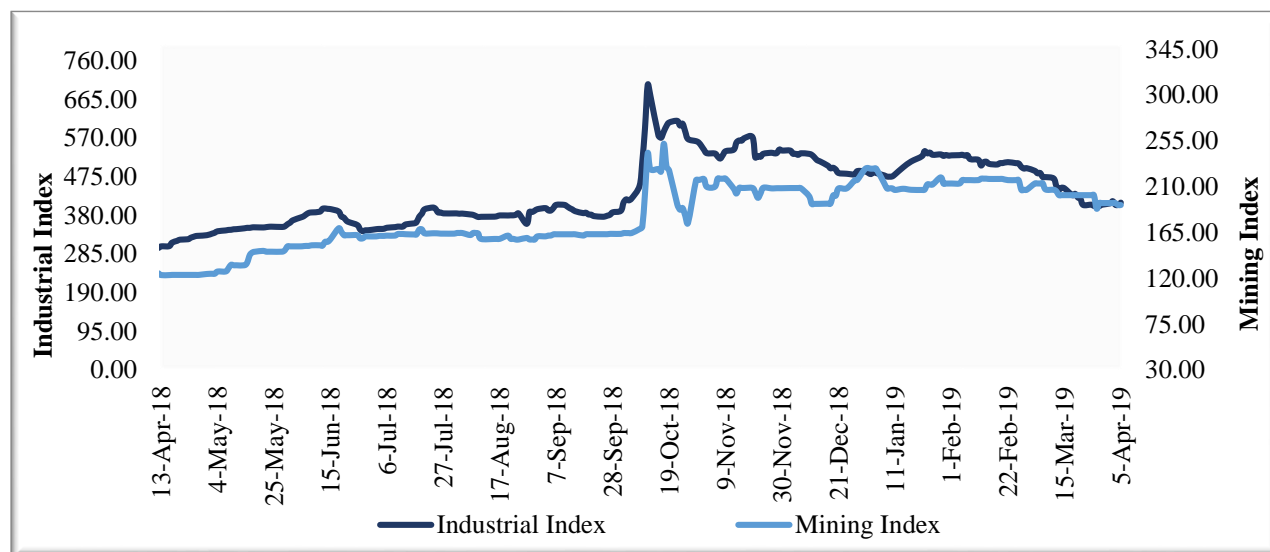
The mining index, however, declined by 1.92 points from 193.98 to close the week under analysis at 192.06 points, as Bindura Nickel Corporation lost 3.79%. RioZim Limited remained inactive.

**Table 6: Zimbabwe Stock Exchange Statistics**

	All Share Index <sup>2</sup> (points)	Top 10 index <sup>3</sup> (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
<b>08-Mar-19</b>	141.93	139.84	473.43	207.34	18,900,227,300	19,767,282	15,356,151
<b>15-Mar-19</b>	133.72	128.53	445.95	201.72	17,760,572,971	12,626,851	23,404,659
<b>22-Mar-19</b>	121.56	113.32	404.89	201.72	15,997,165,999	14,358,069	14,103,578
<b>29-Mar-19</b>	121.66	114.61	405.57	193.98	16,084,866,459	23,761,920	37,630,561
<b>05-Apr-19</b>	123.16	116.17	410.71	192.06	16,231,279,762	29,994,220	28,525,476
<b>Weekly Change (%)</b>	<b>1.23</b>	<b>1.36</b>	<b>1.27</b>	<b>(0.99)</b>	<b>0.91</b>	<b>26.23</b>	<b>(24.20)</b>

Source: Zimbabwe Stock Exchange (ZSE), 2019

**Figure 3: Zimbabwe Stock Exchange Indices**



Source: Zimbabwe Stock Exchange, 2019

### Market Turnover and Volume

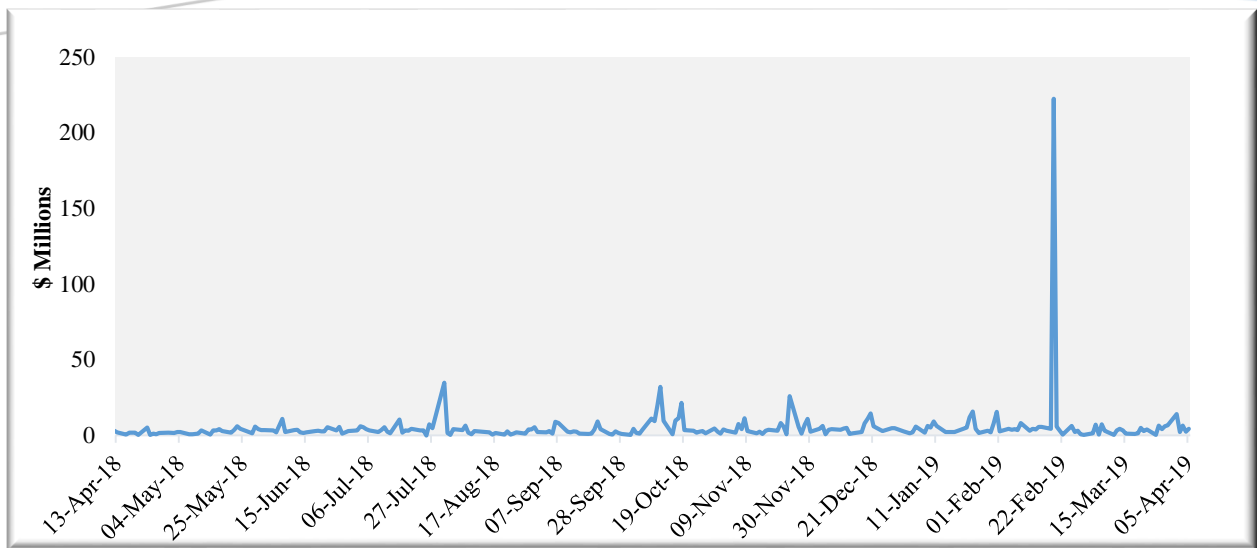
The weekly cumulative volume of trades on the ZSE plummeted by 24.20%, from 37.63 million shares in the previous week to 28.53 million shares, during the week under review. The cumulative value of trades, however, increased by 26.23% to \$29.99 million, during the week under review.

<sup>2</sup> The All Share index shows the changing average value of shares of all companies on the market.

<sup>3</sup> The Index is calculated using the market capitalisation method.



**Figure 4: Daily Market Turnover**

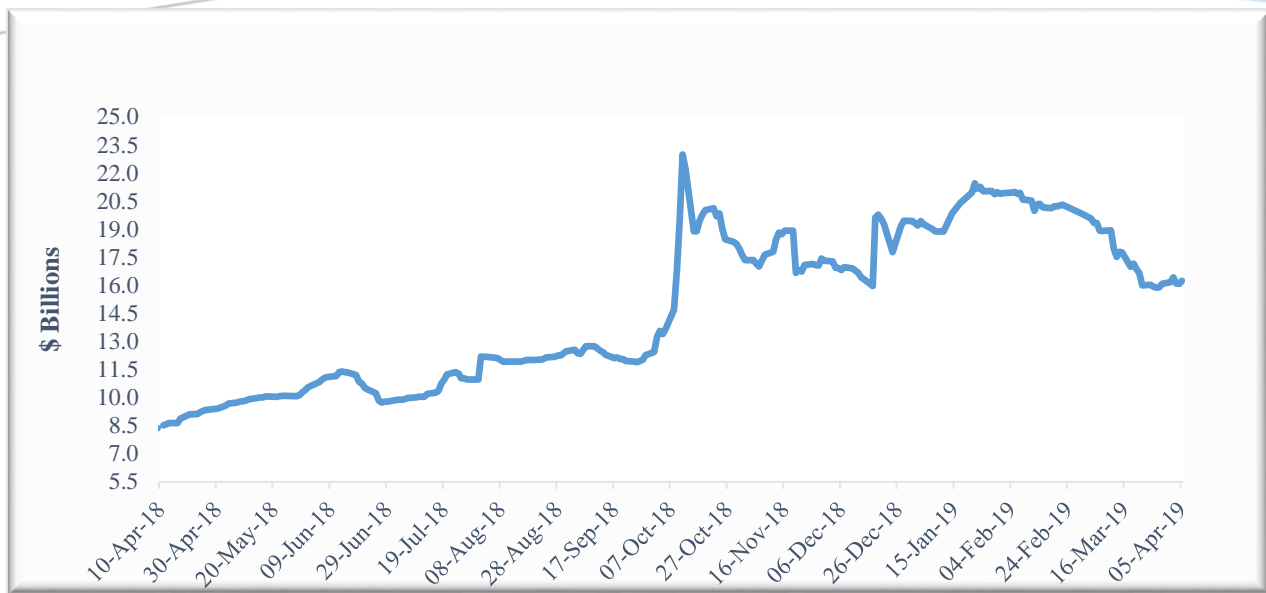


Source: Zimbabwe Stock Exchange, 2019

### **Market Capitalization**

The ZSE gained \$146.41 million worth of capitalization from 16.08 billion , to close the week under analysis at \$16.23 billion.

**Figure 5: Daily Market Capitalization**



Source: Zimbabwe Stock Exchange, 2019

### Johannesburg Stock Exchange (JSE) Developments

The JSE All Share Index increased by 2.33%, from 56,462.55 points recorded in the previous week, to close the week under review at 57,776.36 points. JSE market capitalization, also gained 1.48% and close the week at 16.42 billion.

**Table 7: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR billion)
<b>08-Mar-19</b>	55,488.79	15.8
<b>15-Mar-19</b>	56,040.21	16.01
<b>22-Mar-19</b>	56,107.48	16.07
<b>29-Mar-19</b>	56,462.55	16.18
<b>05-Apr-19</b>	57,776.36	16.42
<b>% Change</b>	<b>2.33</b>	<b>1.48</b>

Source: <https://www.jse.co.za/services/market-data/market-statistics,2019>

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



Source: <https://www.jse.co.za/services/market-data/market-statistics,2019>

**RESERVE BANK OF ZIMBABWE**

**12<sup>TH</sup> APRIL 2019**