



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
6th December 2019

1. INTEREST RATES

Deposit Rates

During the week ending 6th December, 2019, average deposit rates for deposits of 1-month tenor increased by 0.03 percentage points to close at 5.16%. Average deposit rates for deposits of 3-months tenor, however, declined by 0.03 percentage points to close at 5.46%. Savings deposits rates, however, remained unchanged at 4.74%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
8-Nov-19	4.74	4.97	5.13
15-Nov-19	4.74	5.09	5.32
22-Nov-19	4.74	5.15	5.37
29-Nov-19	4.74	5.13	5.49
6-Dec-19	4.74	5.16	5.46

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for both individual and corporate clients declined by 0.06 percentage points to close the week under review at 15.00% and 17.94%, respectively.

Table 2: Lending Rates

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
8-Nov-19	14.79	19.08
15-Nov-19	15.14	18.69
22-Nov-19	15.12	18.78
29-Nov-19	15.06	18.00
6-Dec-19	15.00	17.94

Source: Banking Institutions, 2019

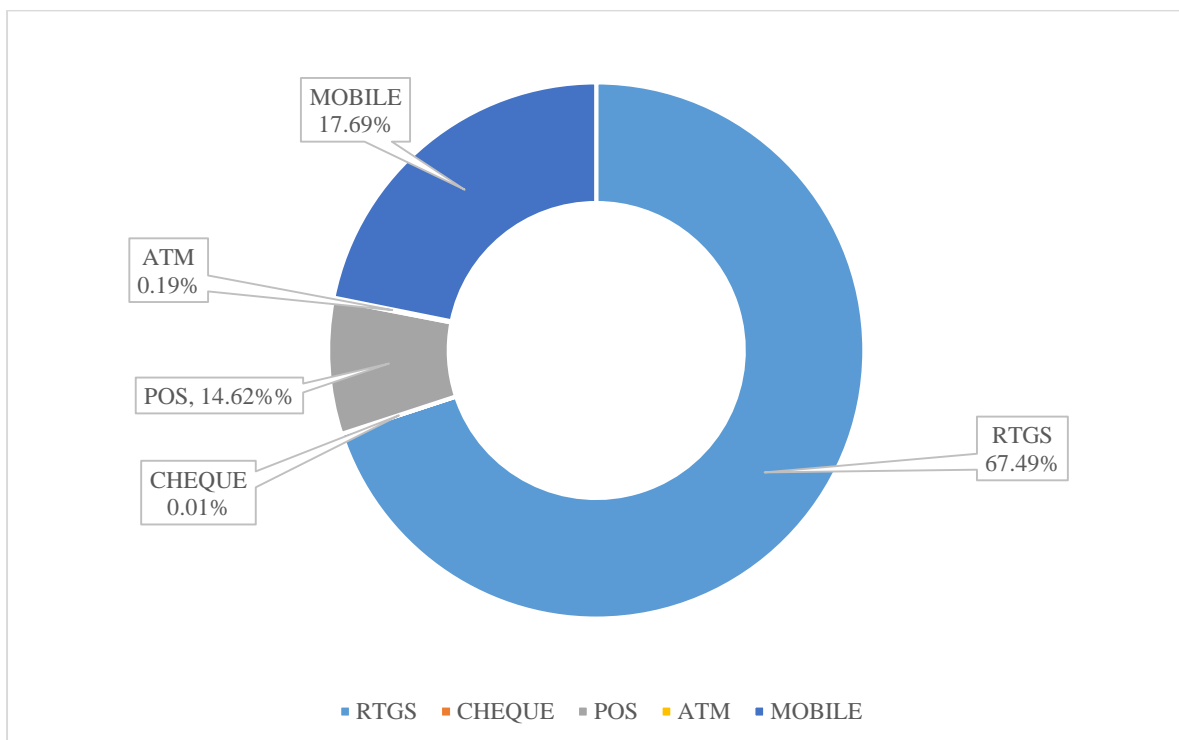
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) declined by 9.87% to close at \$12.84 billion, during the week ending 6th December 2019. This compares with the \$14.27 billion recorded in the previous week. RTGS transaction values declined by 16.83%, from \$10.42 billion in the previous week to \$8.87 billion, during the week under analysis.

As shown in Figure 1, the composition of NPS transaction values was as follows: RTGS, 67.49%; Mobile, 17.69%; point of Sale (POS), 14.62%; Automated Teller Machine (ATM), 0.19%; and Cheque, 0.01%.

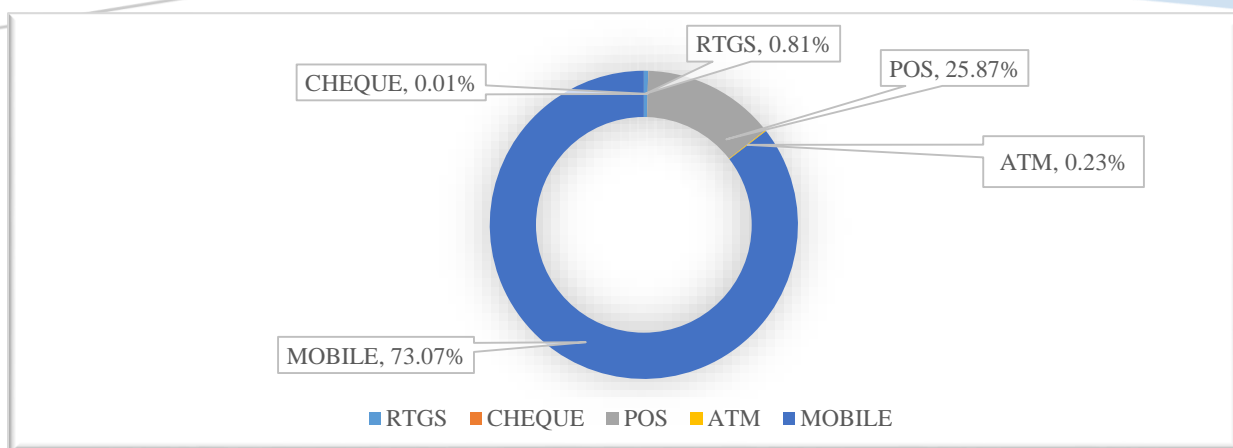
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

Total NPS transaction volumes stood at 33.19 million transactions, during the week under analysis, down by 2.44% from the previous week. Mobile based transactions accounted for 73.07% of the total NPS transaction volumes, followed by POS; 25.81%; RTGS, 0.79%; ATM, 0.23%; and Cheque, 0.01%, 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	WEEK ENDING	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
	29th Nov 19	6th Dec 19		
	VALUES IN ZWL (millions)			
RTGS	10,422.15	8,668.30	-16.83%	67.49%
CHEQUE	0.78	0.83	6.93%	0.01%
POS	1,723.90	1,877.69	8.92%	14.62%
ATM	17.31	23.8512616	37.84%	0.19%
MOBILE	2,101.61	2,272.27	8.12%	17.69%
TOTAL	14,265.74	12,842.94	-9.97%	100%
	VOLUMES			
RTGS	269,005	269,555	0.20%	0.81%
CHEQUE	2,153	2,278	5.81%	0.01%
POS	8,617,108	8,587,915	-0.34%	25.87%
ATM	38,891	78,005	100.57%	0.23%
MOBILE	25,098,701	24,256,216	-3.36%	73.07%
TOTAL	34,025,858	33,193,969	-2.44%	100%

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 6th December, 2019, the average weekly commodity prices of gold and platinum firmed, while nickel, copper and crude oil prices retreated, as shown in Table 5.

Table 3: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Brent Crude Oil
2019	<i>US\$/ounce</i>	<i>US\$/ounce</i>	<i>US\$/tonne</i>	<i>US\$/tonne</i>	<i>US\$/barrel</i>
Weekly average (25-29 November)	1,457.30	896.00	5,877.90	14,253.00	63.866
2-Dec	1,459.33	894.50	5,855.50	13,625.00	60.90
3-Dec	1,473.85	896.00	5,812.00	13,600.00	56.10
4-Dec	1,475.48	900.00	5,823.00	13,250.00	58.43
5-Dec	1,475.28	908.00	5,864.50	13,249.00	63.29
6-Dec	1,467.25	889.00	5,994.75	13,428.00	64.19
Weekly average (2-6 December)	1,470.24	897.50	5,869.95	13,430.40	60.58
Weekly Change (%)	<i>0.9</i>	<i>0.2</i>	<i>(0.1)</i>	<i>(5.9)</i>	<i>(5.1)</i>

Source: BBC, KITCO and Bloomberg 2019

Gold

Gold prices firmed by 0.9%, from a weekly average of US\$1,457.30/oz. in the previous week to close at US\$1,470.24/oz. , during the week under review. The precious metal rebounded on renewed safe haven demand prospects, amid fading optimism surrounding a U.S.-China trade deal. The US reiterated its stance on a deadline for a new round of U.S. tariffs on Chinese imports.

Platinum

Platinum prices closed the week under review at US\$897.50/oz., a decrease of 0.2% from an average of US\$896.00/oz. recorded in the previous week. This was underpinned by the depressed investment demand outlook for precious metals.

Copper

The weekly average price of the base metal declined by 0.1%, from US\$5,877.90/tonne recorded in the previous week to US\$5,869.90/ tonne, during the week under review. Prices retreated on account of subdued automobile sales in China, which sparked demand concerns for the metal in China, the world's largest consumer of copper. In addition, fading optimism

about a trade deal between the US and China weighed down the demand outlook for the base metal.

Nickel

Nickel prices retreated by 5.9% to close the week under analysis at US\$13,430.40/tonne. Prices softened, following faltering steel output from China and the waning impact of the Indonesian ore export ban.

Crude Oil

Brent crude oil prices declined by 5.1% to close at an average of US\$60.58/barrel, during the week under review. This followed weak Chinese export data, that exacerbated fears of a gloomy global demand outlook for crude oil.

EXCHANGE RATES

The week under review saw the ZWL depreciate against the euro; pound Sterling; rand; pula and US dollar.

Table 4: International Exchange Rates²

2019	EURO	GBP	ZAR	BWP	USD
Weekly Average (25 - 29 Nov)	16.6667	20.0000	1.0959	1.4871	16.1913
2-Dec	17.9346	21.0460	1.1058	1.5027	16.2901
3-Dec	18.0707	21.1189	1.1208	1.5094	16.3181
4-Dec	18.0884	21.2192	1.1162	1.5074	16.3319
5-Dec	18.1376	21.4567	1.1218	1.5135	16.3623
6-Dec	18.2013	21.5625	1.1194	1.5142	16.3880
Weekly Average (2-6 Dec)	18.0578	21.2102	1.1161	1.5082	16.3256
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	8.3	6.1	1.8	1.4	0.9

Source: Reserve Bank of Zimbabwe, 2019

² Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

4. EQUITY MARKETS

Bearish sentiments characterised the Zimbabwe Stock Exchange (ZSE), during the week ending 6th December, 2019. Consequently, the All Share and Top 10 Indices declined by 2.45% and 2.95% , to close the week at 234.91 and 209.91 points, respectively.

The Industrial index lost 2.41% to close at 782.04 points. This was, on the back of losses in African Sun Limited (33.33%); Dairibord Holdings Limited (30.52%); General Beltings Holdings Limited (20%); PPC Limited (18.31%) and OK Zimbabwe Limited (15.08%).

The mining index shed 3.73%, to close the week under analysis at 331.59 points. This was attributable to a 6.67% loss in the share price of Bindura Nickel Corporation Limited (BNC). The loss was, however, partially offset by a 0.36% gain in RioZim Limited.

Table 5: Zimbabwe Stock Exchange Statistics

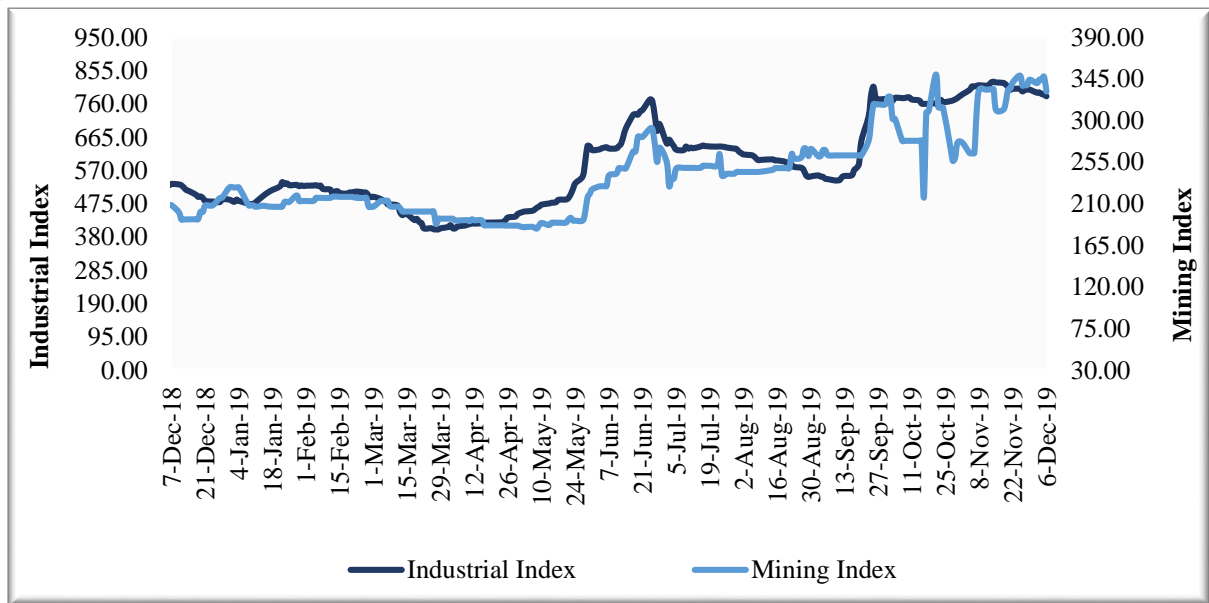
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
8-Nov-2019	244.32	224.39	813.70	333.46	31.81	54.52	27.33
15-Nov-2019	246.43	227.10	821.77	311.78	32.10	19.79	19.21
22-Nov-2019	241.44	217.97	803.64	341.56	31.28	22.24	42.53
29-Nov-2019	240.81	216.29	801.38	344.42	31.23	22.67	34.83
6-Dec-2019	234.91	209.91	782.04	331.59	30.41	45.15	29.17
Weekly Change (%)	-2.45	-2.95	-2.41	-3.73	-2.63	99.16	-16.25

Source: Zimbabwe Stock Exchange (ZSE), 2019

³ The All Share index shows the changing average value of shares of all companies on the market.

⁴ The Index is calculated using the market capitalisation method.

Figure 4: Zimbabwe Stock Exchange Indices

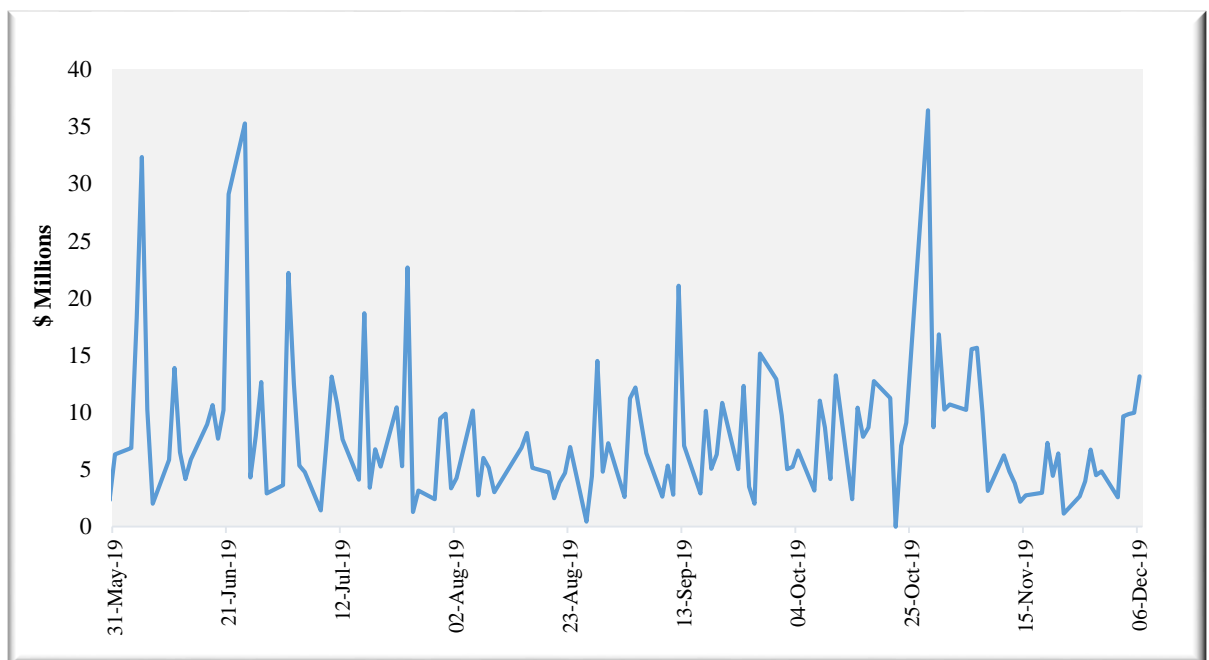


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE declined by 16.27%, to close at 29.17 million shares, during the week ending 6th December 2019. ZSE market turnover value, however, gained 99.14% to close at \$45.15 million, during the week under analysis

Figure 3: Daily Market Turnover

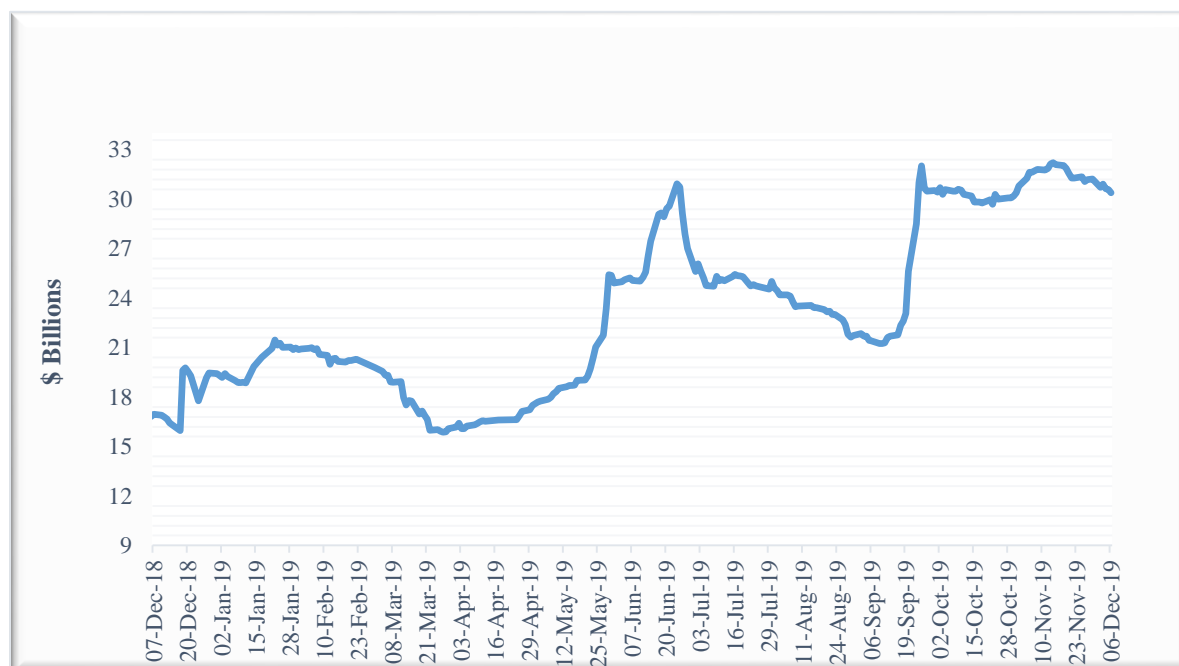


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

During the week under analysis, ZSE market capitalisation declined by 2.63% to close at \$30.41 billion, from \$31.23 billion recorded in the preceeding week.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

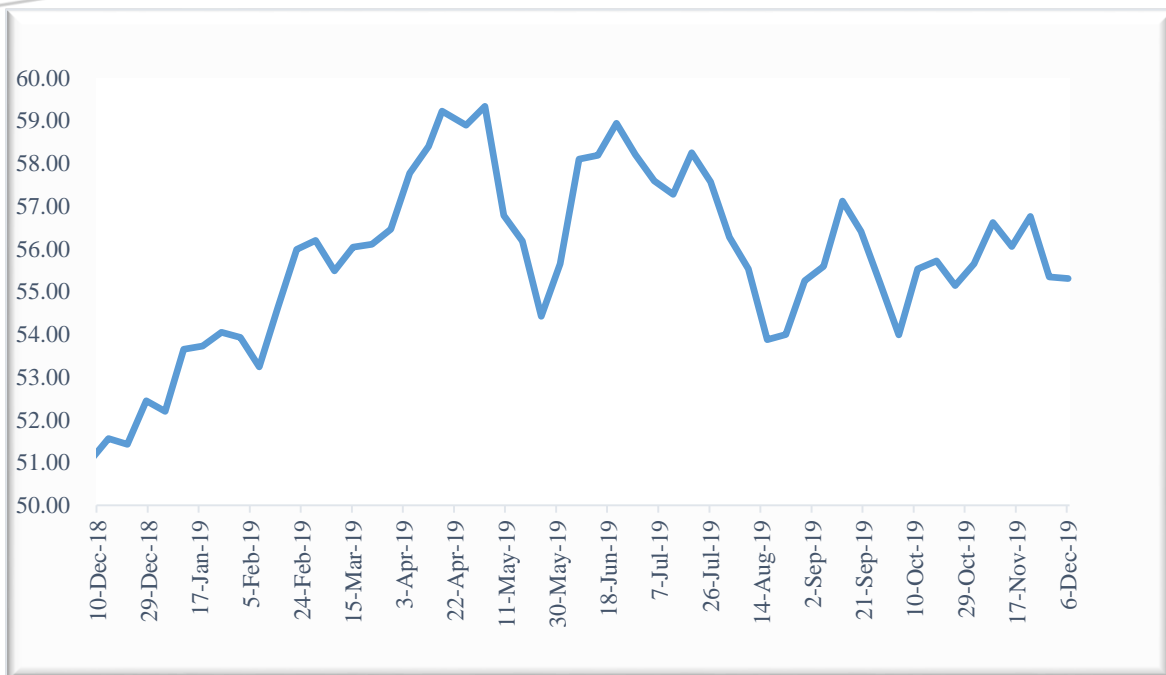
The JSE All Share Index declined by 0.08%, from 55,349.01 points in the previous week to 55,307.31 points, during week ending 6th December 2019. JSE market capitalization declined to R16.93 billion during the week under analysis, from R17.03 billion recorded during the previous week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
8-Nov-19	56,617.02	17.23
15-Nov-19	56,054.77	17.05
22-Nov-19	56,759.62	17.25
29-Nov-19	55,349.01	17.03
6-Dec-19	55,307.31	16.93
% Change	(0.08)	(0.59)

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

Figure 7: Johannesburg Stock Exchange (JSE) All Share Index (in Thousands)



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

RESERVE BANK OF ZIMBABWE

6TH DECEMBER 2019