



Weekly Economic Highlights

Table of Contents

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

Week Ending
19 JULY 2019

1. INTEREST RATES

Deposit Rates

During the week ending 19th July 2019, average deposit rates for savings deposits and deposits of 3 month tenor remained unchanged at 4.16% and 4.43%, respectively. Deposits of 1 month tenor, however, decreased from 4.37% in the previous week to 3.97%, during the week under review.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
21-Jun-19	3.91	4.06	4.27
28-Jun-19	4.16	4.06	4.27
5-Jul-19	4.16	4.16	4.27
12-Jul-19	4.16	4.37	4.43
19-Jul-19	4.16	3.97	4.43

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for corporate clients decreased to 8.39%, during the week under review, from 8.49% in the previous week. Lending rates for individual clients closed the week at 9.56%, a 0.5 percentage point increase from 9.51% recorded in the previous week.

Table 2: Lending Rates

Date	Lending Rates (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
21-Jun-19	9.18	7.21
28-Jun-19	9.15	7.67
5-Jul-19	9.08	7.37
12-Jul-19	9.51	8.49
19-Jul-19	9.56	8.39

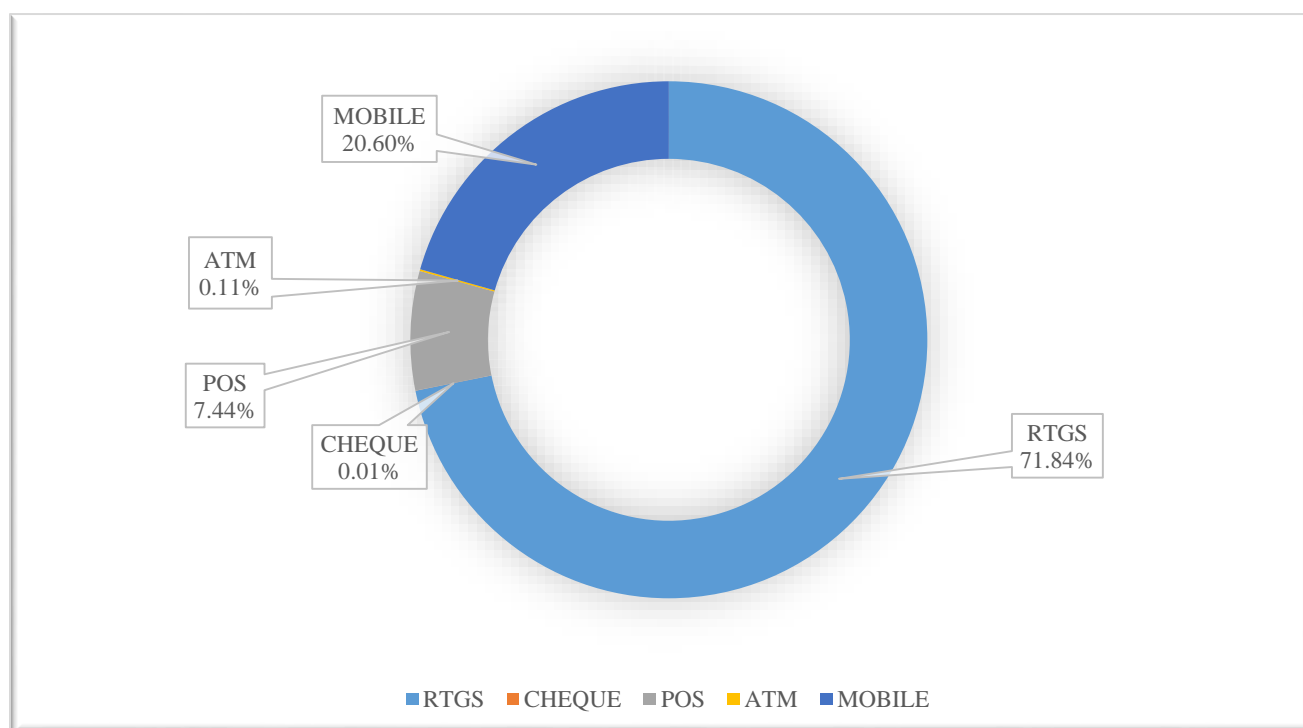
Source: Banking Institutions, 2019

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 19th May 2019, the total value of transactions processed through the National Payment System (NPS) decreased by 17.27%, to close the week at \$7 billion. Real Time Gross Settlement (RTGS) system transaction values declined by 21.06%, to close the week under review at \$5.03 billion.

In value terms, NPS transactions were distributed as follows: RTGS, 71.84%; Mobile, 20.60%; Point Of Sale (POS), 7.44%; Automated Teller Machine (ATMs), 0.11%; and cheque, 0.01%, as shown in Figure 1.

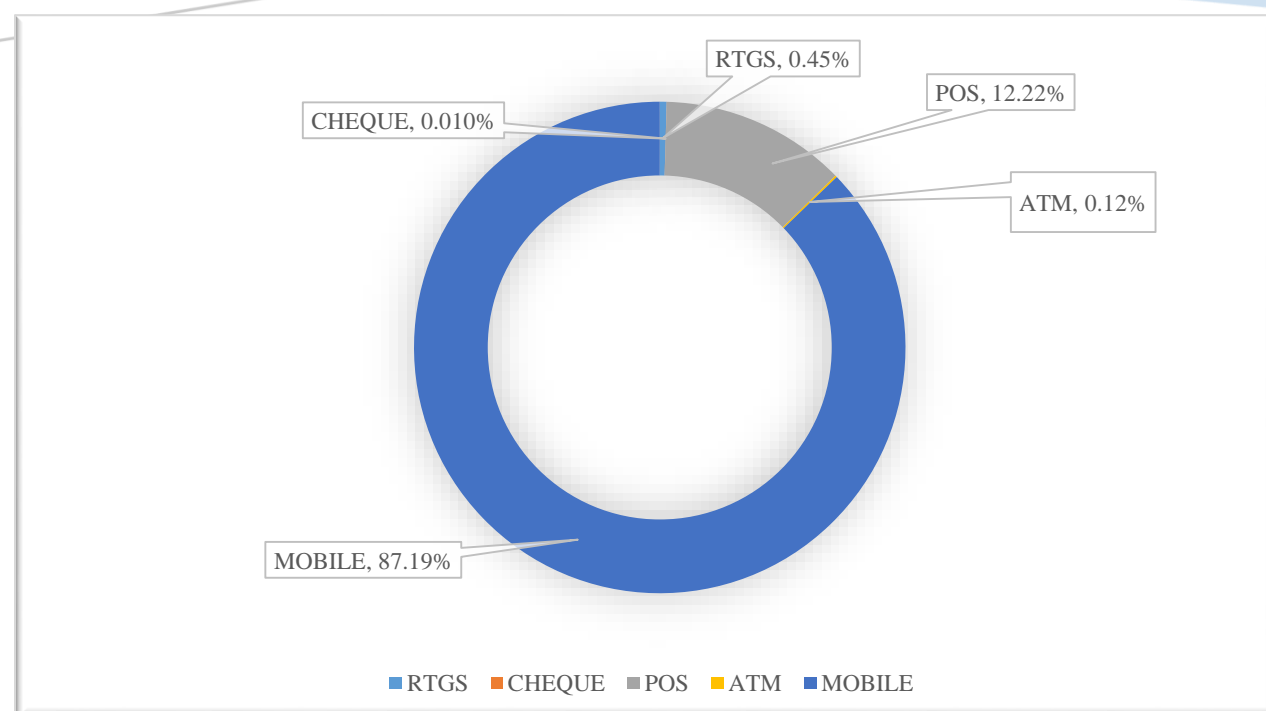
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

NPS transaction volumes decreased by 13.97%, to close the week under review at 36.4 million transactions. Mobile-based transactions constituted the largest proportion of NPS transaction volumes at 87.19% of the total volume of transactions, followed by POS, 12.22%; RTGS, 0.455%; ATM, 0.12%; 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 12 th JULY 2019	WEEK ENDING 19 th JULY 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	6,372.89	5,030.79	-21.06%	71.84%
CHEQUE	0.87482	0.87879	0.45%	0.01%
POS	523.526	521.283	-0.43%	7.44%
ATM	8.89793	7.50816	-15.62%	0.11%
MOBILE	1,558.44	1,442.54	-7.44%	20.60%
TOTAL	8,464.63	7,003.00	-17.27%	100%
VOLUMES				
RTGS	191,554	178,652	-6.74%	0.49%
CHEQUE	3,245	3,289	1.36%	0.01%
POS	5,167,967	4,982,032	-3.60%	13.70%
ATM	51,822	37,336	-27.95%	0.10%
MOBILE	36,869,440	31,175,907	-15.44%	85.70%
TOTAL	42,284,028	36,377,216	-13.97%	100%

Source: Reserve Bank of Zimbabwe, 2019.

3. TOBACCO SALES

As at 19th July 2019 or day 84 of the 2019 tobacco selling season, an aggregate of 233.63 million kilograms of tobacco had been sold. This represented a 2% decline, compared to the 239.24 million kilograms sold during the comparable period in 2018. The cumulative value of tobacco sold, at US\$699.13 million, was 34% lower than what was realized in the comparable period in 2018.

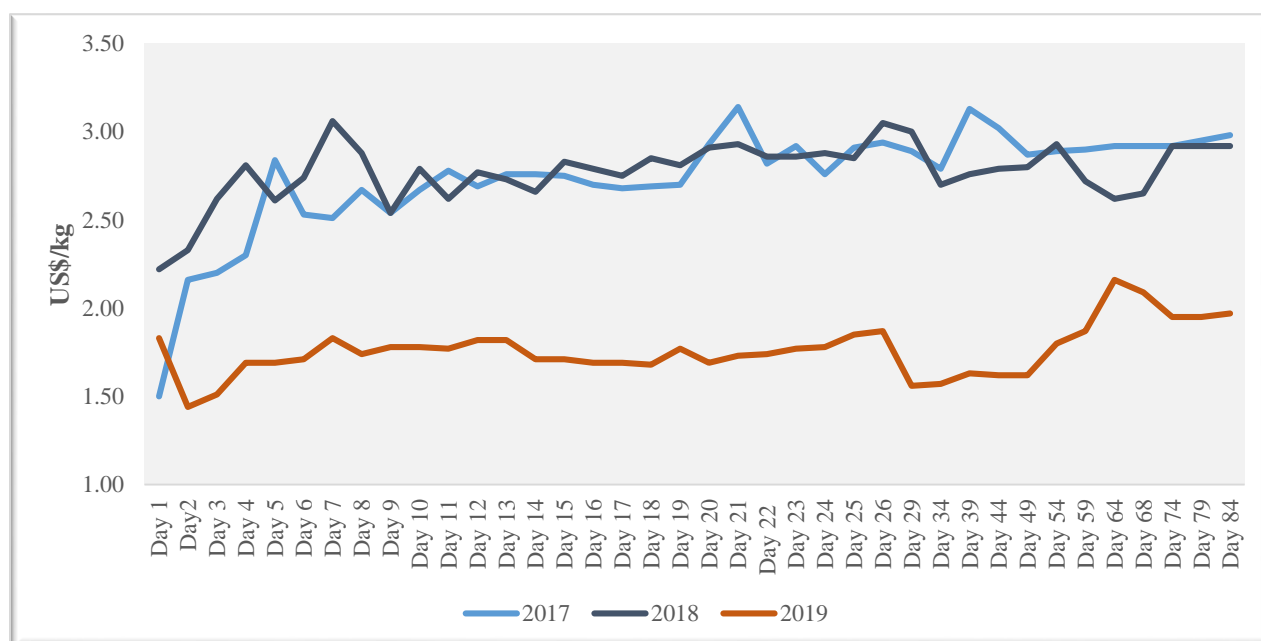
Table 4: Weekly Cumulative Tobacco Sales: Day 84 (19th July 2019)

	2018	2019	Variance (%)
Cumulative Quantity Sold (million kgs)	239.24	233.63	(2.00)
Cumulative Average Price(US\$/kg)	2.92	1.97	(33.00)
Cumulative value (US\$ million)	699.13	460.73	(34.00)

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

The average price of the golden leaf stood at US\$1.97/kg, down from the average selling price of US\$2.92/kg, realized during the same period in 2018.

Figure 3: Average Tobacco Daily Price (US\$)



Source: TIMB and ZTA, 2019

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and nickel firmed, during the week ending 19th July 2019. Crude oil prices, however, declined as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	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 (08-12July)	1,403.83	815.80	5,899.70	12,969.60	65.90
15-Jul	1,414.33	841.00	5,999.00	13,585.00	66.50
16-Jul	1,412.98	843.50	5,946.50	13,864.00	64.61
17-Jul	1,405.58	836.00	5,922.00	14,334.00	63.75
18-Jul	1,419.18	846.50	5,952.00	14,892.00	62.77
19-Jul	1,438.38	855.50	6,065.25	14,588.00	63.47
Weekly Average (15-19July)	1,418.09	844.50	5,976.95	14,252.60	64.22
Weekly Change (%)	<i>1.0</i>	<i>3.5</i>	<i>1.3</i>	<i>9.9</i>	<i>(2.6)</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices closed the week ending 19th July 2019 at an average of US\$1,418.09/oz, up from US\$1,403.83/oz, recorded in the previous week. The increase was largely attributable to a weaker US dollar, which boosted the demand for the metal as an investment asset.

Platinum

Platinum prices rose by 3.5% to a weekly average of US\$844.50/oz., from US\$815.80 recorded in the previous week. A weaker US dollar boosted the demand for the precious metal as a safe haven asset.

Copper

Copper prices increased by 1.3%, from a weekly average of US\$5,899.70/tonne in the previous week to US\$5,976.95/tonne, during the week under analysis. This followed higher global demand for the base metal, occasioned by a positive outlook for the Chinese economy.

Nickel

Nickel prices registered a 9.9% increase to close at US\$14,252.60/tonne, during the week under review. Global demand for nickel, a key component in the car industry, increased due to the expected shift from gas-powered vehicles to electric powered vehicles in the medium to long term.

Crude Oil

Weekly average prices for brent crude oil retreated by 2.6%, from US\$65.90/barrel in the week ending 12th July 2019 to US\$ 64.22/barrel, during the week under review. The decline was, in part, due to the rising anticipation of higher crude oil supply in the Gulf of Mexico.

EXCHANGE RATES

During the week ending 19th July 2019, the Zimbabwe dollar weakened against the rand, pula, euro, US dollar and pound Sterling, as shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2019					
Weekly Average (08-12July)	8.6869	0.6166	10.8715	0.8165	9.7640
15-Jul	8.7709	0.6289	11.0245	0.8297	9.8878
16-Jul	8.8205	0.6348	11.0366	0.8309	9.9301
17-Jul	8.8392	0.6324	10.9774	0.8348	9.9131
18-Jul	8.8538	0.6322	11.0136	0.8353	9.9534
19-Jul	8.8633	0.6395	11.1057	0.8402	9.9765
Weekly Average (15-19July)	8.8295	0.6336	11.0315	0.8342	9.9322
Weekly Change (%)	<i>1.64</i>	<i>2.75</i>	<i>1.47</i>	<i>2.16</i>	<i>1.72</i>

Source: Reserve Bank of Zimbabwe, 2019

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

5. EQUITY MARKETS

During the week ending 19th July 2019, the Zimbabwe Stock Exchange (ZSE) was characterized by bullish sentiment. Consequently, the All Share Index gained 0.78 points to close at 191.47 points, while the Top 10 index gained 1.26 points to close the same week at 183.22 points.

The mainstream index increased by 0.77% to 638.82 points, during the week under review. This followed share price gains registered by General Beltings Holdings Ltd (20.00%), Zimre Holdings Limited (20.00%); OK Zimbabwe Ltd (12.17%); Masimba Holdings Ltd (10.89%); and Portland Pretoria Cement Ltd (4.84%); Partially offsetting the aforementioned gains were share price losses at Edgars Stores Ltd (20.00%); Amalgamated Regional Trading (15.79%); Willdale Ltd (12.50%); British American Tobacco Zimbabwe (8.95%); and Meikles Ltd (14.42).

The resources index closed the week under analysis at 251.30 points, up from 248.97 points in the previous week. Largely contributing to the increase in the mining index was a 1,32% gain in the share price of Riozim Limited. Bindura, however, traded at the previous week price level.

Table 7: Zimbabwe Stock Exchange Statistics

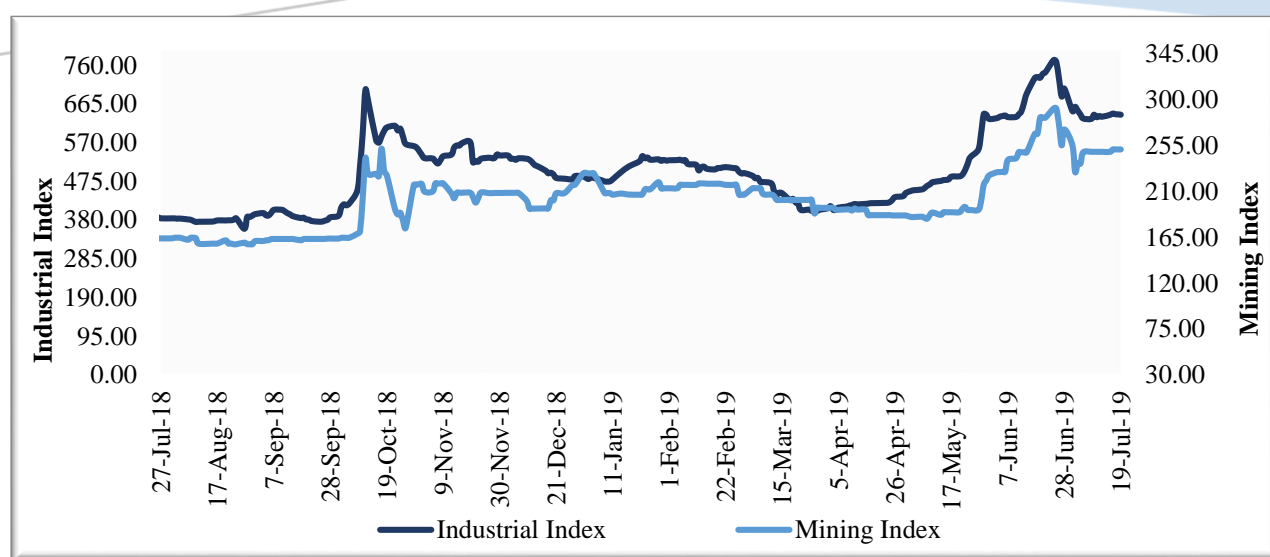
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$ million)	Market Turnover (US\$ million)	Volume of Shares (million)
21-June-19	222.73	217.73	743.60	282.64	29,589	93.75	66.52
28-June-19	204.75	197.21	683.51	255.26	27,017	63.05	93.67
5-July-19	188.70	178.57	629.60	248.50	24,773	48.38	47.54
12-July-19	189.98	180.94	633.92	248.97	25,062	39.99	30.49
19-July-19	191.47	183.22	638.82	251.30	25,309	38.17	30.15
Weekly Change (%)	0.78	1.26	0.77	0.94	0.99	-4.55	-1.13

Source: Zimbabwe Stock Exchange (ZSE), 2019

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 4: Zimbabwe Stock Exchange Indices

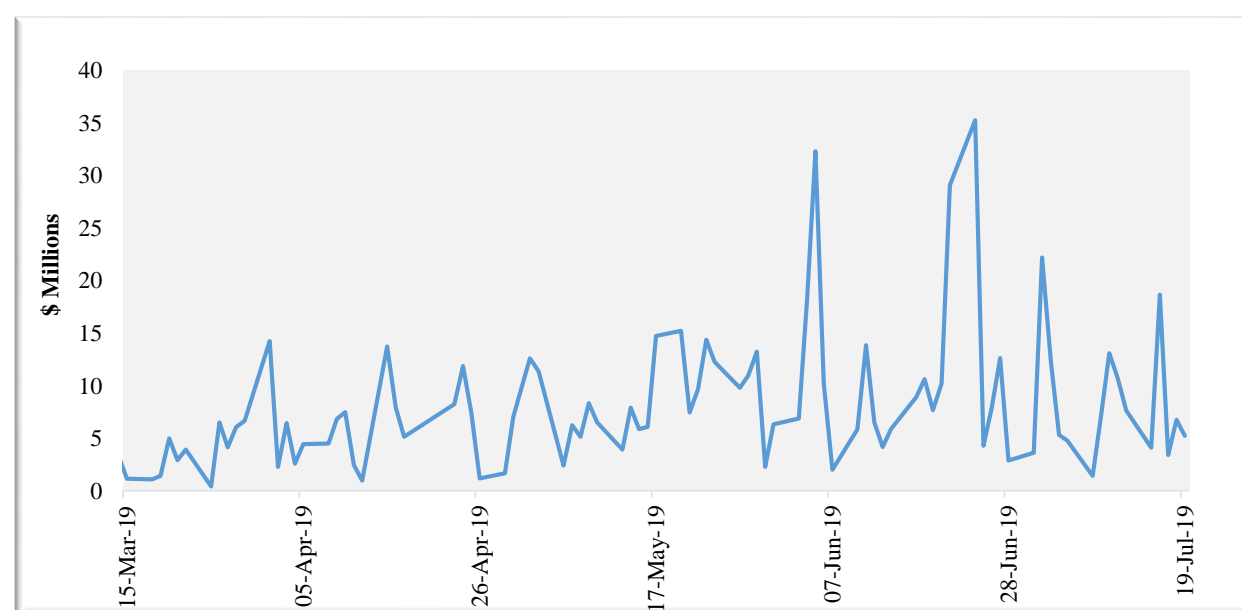


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

ZSE market turnover decreased by 4.56%, from \$39.99 million at the close of the previous week, to end the week under review at \$38.17 million. The volume of shares traded also declined by 1.13%, to close the week at 30.15 million shares.

Figure 5: Daily Market Turnover

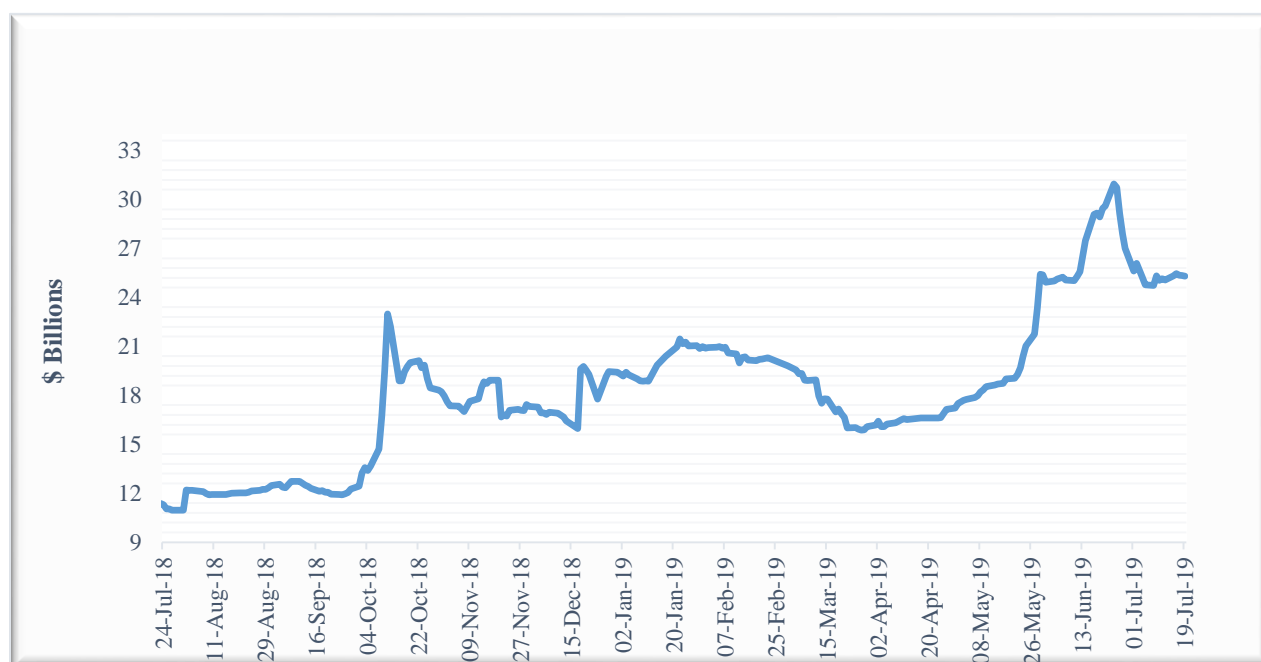


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

Positive trading activity on the local bourse resulted in a \$246.50 million increase in market capitalisation to US\$25.3 billion, during the week under review.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

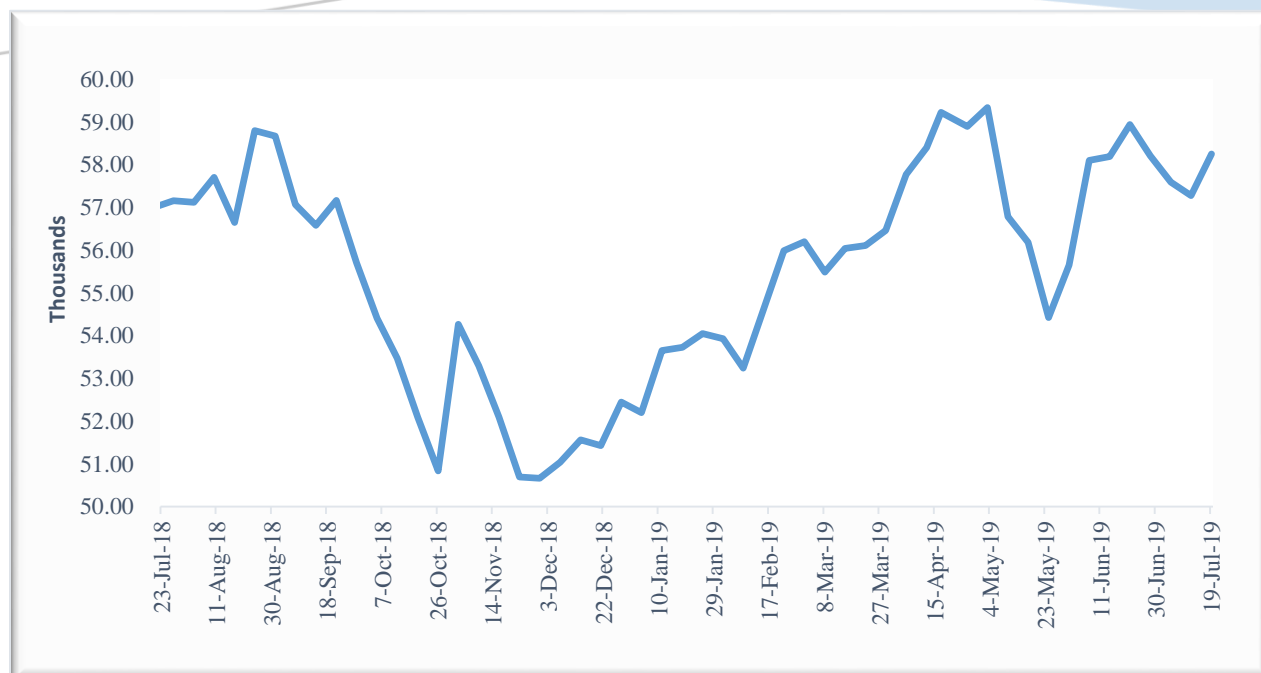
The JSE All Share Index registered a 1.70% increase, from 57,277.35 points in the previous week to 58,248.73 points, during the week under review. JSE market capitalization also increased by 1.99%, to close at R16.41 billion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
21-Jun-19	58,941.47	16.51
28-Jun-19	58,203.84	16.24
05-Jul-19	57,589.82	16.34
12-Jul-19	57,277.35	16.09
19-Jul-19	58,248.73	16.41
% Change	1.70	1.99

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

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



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

RESERVE BANK OF ZIMBABWE

26TH JULY 2019