



Weekly Economic Highlights

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Week Ending
22nd March 2019

1. INTEREST RATES

Deposit Rates

Average deposit rates for deposits of 3-month tenor increased by 4.9 percentage points to 4.07%, during the week under review. Deposit rates for deposits of 1-month tenor, however, decreased from 3.78% in the previous week to 3.74%. Savings deposit rates remained unchanged at 4.16%, during the same week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
22-Feb-19	4.16	3.81	3.86
01-Mar-19	4.16	3.81	3.86
08-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

Source: Banking Institutions, 2019

Lending Rates

During the week ending 22nd March 2019, commercial bank weighted lending rates for corporates increased by 0.1 percentage points to 7.30%. Lending rates for individual clients, however, remained unchanged at 9.22%.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
22-Feb-19	9.23	7.30
01-Mar-19	9.20	7.31
08-Mar-19	9.22	7.29
15-Mar-19	9.22	7.29
22-Mar-19	9.22	7.30

Source: Banking Institutions, 2019

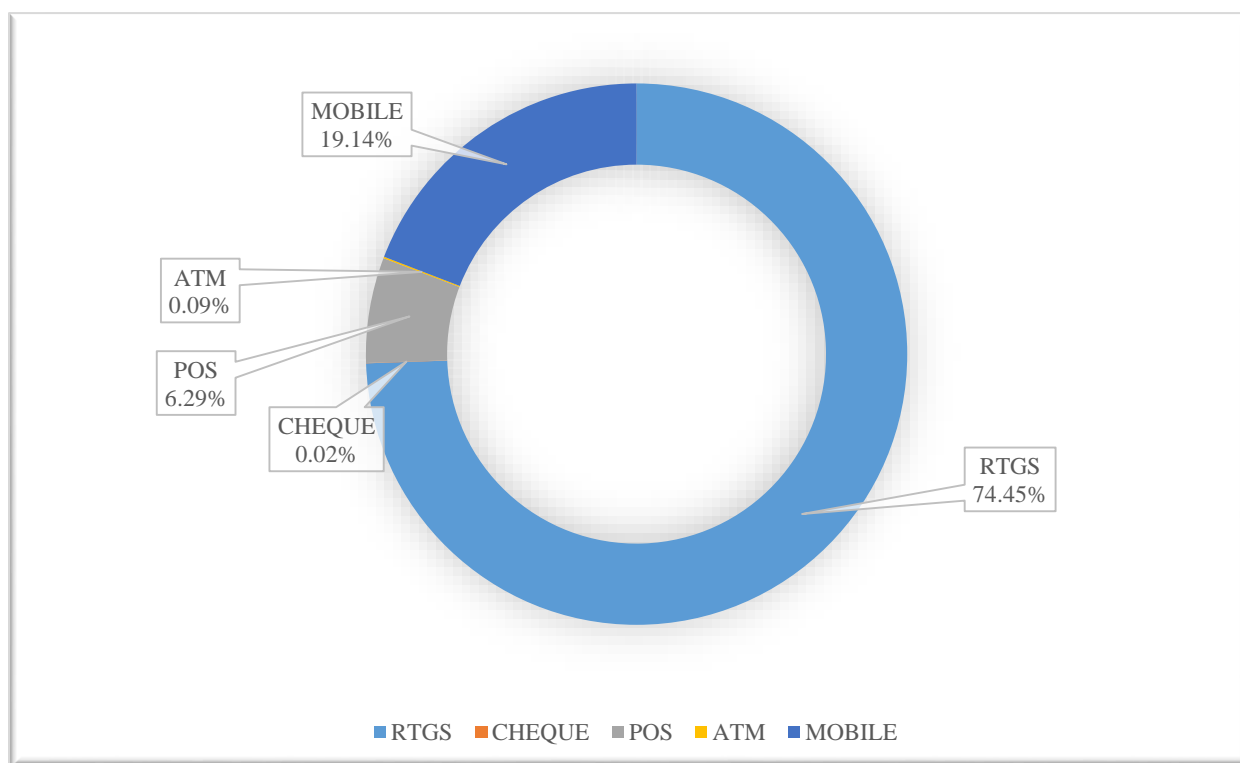
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The week under review saw the total value of transactions processed through the National Payments System (NPS) increase by 22.5%, to close the week at \$3.7 billion. This was mainly on account of RTGS transactions whose transaction values increased by 29.2% to \$2.8 billion, during the same week.

The distribution of NPS transactions, in value terms, was as follows: RTGS, 74.45%; Mobile, 19.14%; POS, 6.29%; ATM, 0.09%; and Cheque 0.02%, as shown in Figure 1.

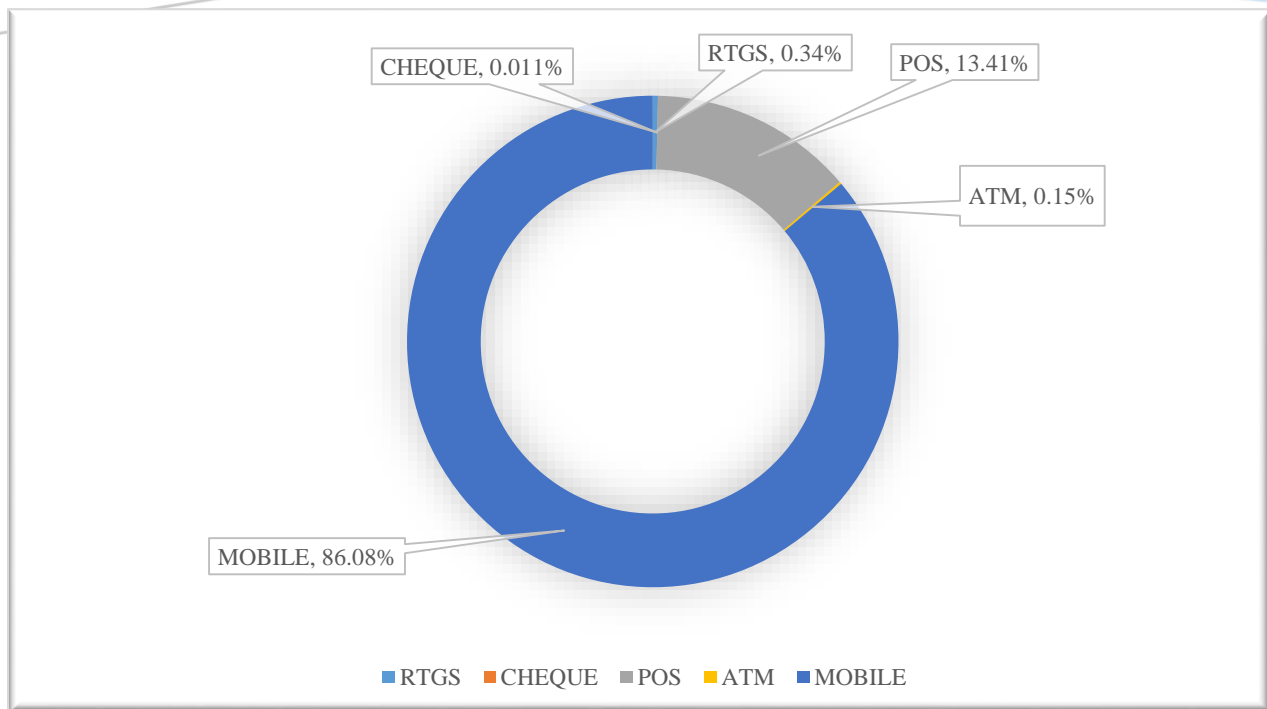
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

The corresponding NPS volumes also increased by 7.3%, to close the week under review at 32,85 million transactions. Mobile transactions accounted for the highest share of NPS volumes at 86.08%, followed by POS, 13.41%; RTGS, 0.34%; ATM, 0.15%; and Cheque, 0.011%. This is 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 15 th March 2019	WEEK ENDING 22 nd MARCH 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	2,156.06	2,786.32	29.2%	74.45%
CHEQUE	1.08	0.89	-17.6%	0.02%
POS	256.52	235.49	-8.2%	6.29%
ATM	3.31	3.46	4.4%	0.09%
MOBILE	637.83	716.44	12.3%	19.14%
TOTAL	3,054.81	3,742.60	22.5%	100%
VOLUMES				
RTGS	115,278	112,584	-2.3%	0.34%
CHEQUE	4,208	3,601	-14.4%	0.011%
POS	4,743,228	4,405,301	-7.1%	13.41%
ATM	53,357	50,235	-5.9%	0.15%
MOBILE	25,703,961	28,279,589	10.0%	86.08%
TOTAL	30,620,032	32,851,310	7.3%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, the international weekly average prices of copper and nickel retreated. Platinum, gold, and crude oil prices, however, firmed, 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
Weekly Average (11Mar-15Mar)	1,299.94	830.30	6,444.98	12,975.35	67.16
18-Mar	1,305.48	838.50	6,471.33	12,902.00	67.62
19-Mar	1,308.03	845.00	6,467.00	13,040.00	67.67
20-Mar	1,303.35	859.00	6,340.50	12,660.00	68.57
21-Mar	1,313.45	870.50	6,442.50	12,930.00	67.84
22-Mar	1,311.20	855.50	6,374.15	12,873.00	66.67
weekly average (18Mar-22Mar)	1,306.91	849.80	6,423.41	12,896.73	67.59
Weekly Change (%)	<i>0.5</i>	<i>2.4</i>	<i>(0.3)</i>	<i>(0.6)</i>	<i>0.6</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices firmed by 0.5%, from US\$1,299.94/oz. in the previous week to an average of US\$1,306.91/oz., during the week under review. The price increase was hugely demand driven, as investors reacted to fears of a global economic slowdown, following the release of weak economic data for the Eurozone.

Platinum

Platinum prices rebounded from previous week losses, gaining 2.4% to register an weekly average of US\$849.80/oz. Prospects of robust investment demand for exchange-traded funds (ETFs) as investors shunned interest bearing assets, amid fears of decelerating global economic activity, helped the metal prices to recover.

Copper

Copper prices declined by 0.3%, to a weekly average of US\$6,423.41/tonne. The base metal price retreated on mainly on account of worries concerning a weak global economic outlook, mirrored in subdued European and U.S.manufacturing data.

Nickel

Nickel prices fell by 0.6%, from a weekly average of US\$12,975.35/tonne in the week ending 15th March 2019, to US\$12,896.73/tonne during the week under review. The decline was underpinned by the lack of progress in the on-going United States-China trade talks.

Crude Oil

Brent crude oil prices surged by 0.6%, from a weekly average of US\$67.16/barrel in the previous week to US\$67.59/barrel, during the week under review. The increase was hugely supply-driven, occasioned by production cuts led by the Organisation of Petroleum Exporting member countries.

EXCHANGE RATES

The US dollar continued to appreciate against the RTGS\$, gaining by a further 7.39%, during the week under review. The greenback, however, depreciated against the rand, pula, euro and pound Sterling, due to concerns over a possible recession in the United States.

Table 5: International Exchange Rates per US\$

	ZWL	ZAR	GBP	BWP	EURO
2019					
Weekly Average (11-15Mar)	2.6498	14.4160	0.7603	10.7181	0.8863
18-Mar	2.7590	14.4328	0.7532	10.7354	0.8821
19-Mar	2.7704	14.4176	0.7535	10.7066	0.8813
20-Mar	2.8554	14.5041	0.7544	10.7296	0.8811
21-Mar	2.9039	13.8362	0.7649	10.5374	0.8784
22-Mar	2.9399	14.2205	0.7609	10.6383	0.8789
Weekly Average (18-22 Mar)	2.8457	14.2822	0.7574	10.6695	0.8804
<i>Appr(+)/Depr(-) (%) against the USD</i>	7.39	(0.93)	(0.39)	(0.45)	(0.68)

4. EQUITY MARKETS

The local bourse continued performing on a negative trend, for the fourth consecutive week. Consequently, the All Share Index lost 12.16 points to close the week under review at 121.56 points. The Top 10 Index shed 15.21 points to close at 113.32 points.

The industrial index shed 41.06 points to close the week ending 22nd March 2019 at 404.89 points. Heavy losses were recorded by the technology giant Econet Wireless Zimbabwe Limited (20.93%), followed by Seed Co International Limited (20.73); Cassava Smartech Zimbabwe Limited (20.21%); Dawn Properties Limited (20.00%) and Seed Co Limited (19.89%). Partially offsetting the losses in the industrial index were gains by CBZ Holdings Limited (6.76%); Masimba Holdings (6.17%); Hippo Valley Estates Limited (5.99%); Padenga (5.29%) and Unifreight Africa Limited (0.80%).

The mining index, however, remained unchanged at 201.72 points, as Bindura Nickel Corporation and RioZim share prices remained non-movers.

Table 6: Zimbabwe Stock Exchange Statistics

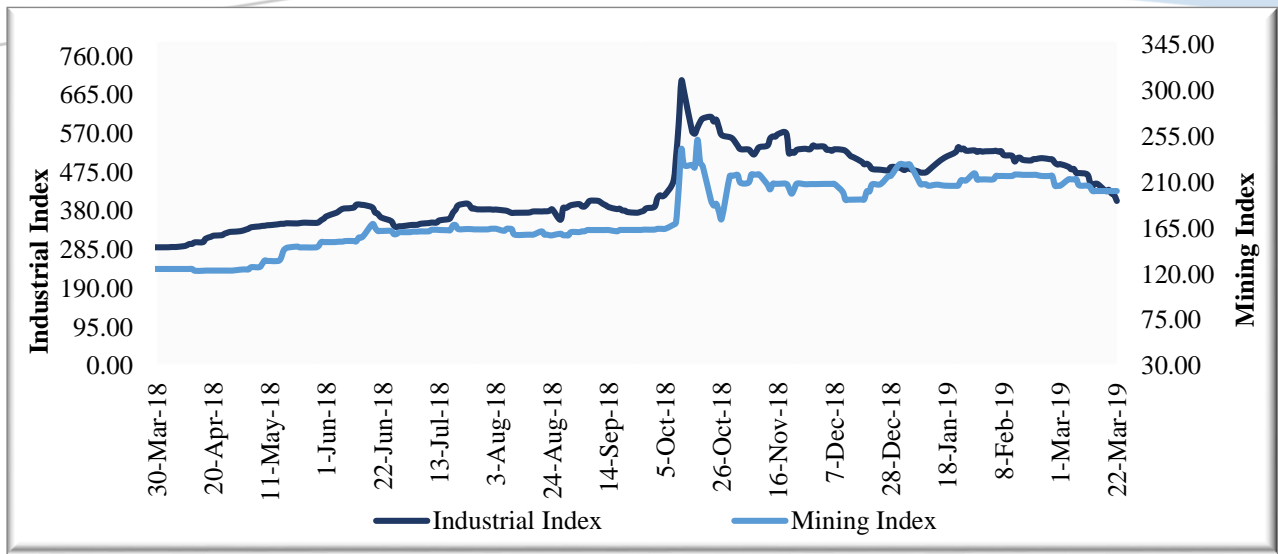
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
22-Feb-19	152.94	151.03	510.21	216.50	20,296,713,182	233,455,624	155,202,869
01-Mar-19	148.42	145.47	495.37	207.03	19,801,643,775	12,810,814	15,356,151
08-Mar-19	141.93	139.84	473.43	207.34	18,900,227,300	19,767,282	23,404,659
15-Mar-19	133.72	128.53	445.95	201.72	17,760,572,971	12,626,851	14,103,578
22-Mar-19	121.56	113.32	404.89	201.72	15,997,165,999	14,358,069	48,036,051
Weekly Change (%)	(9.09)	(11.83)	(9.21)	0.00	(9.93)	(13.71)	(240.59)

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 3: Zimbabwe Stock Exchange Indices

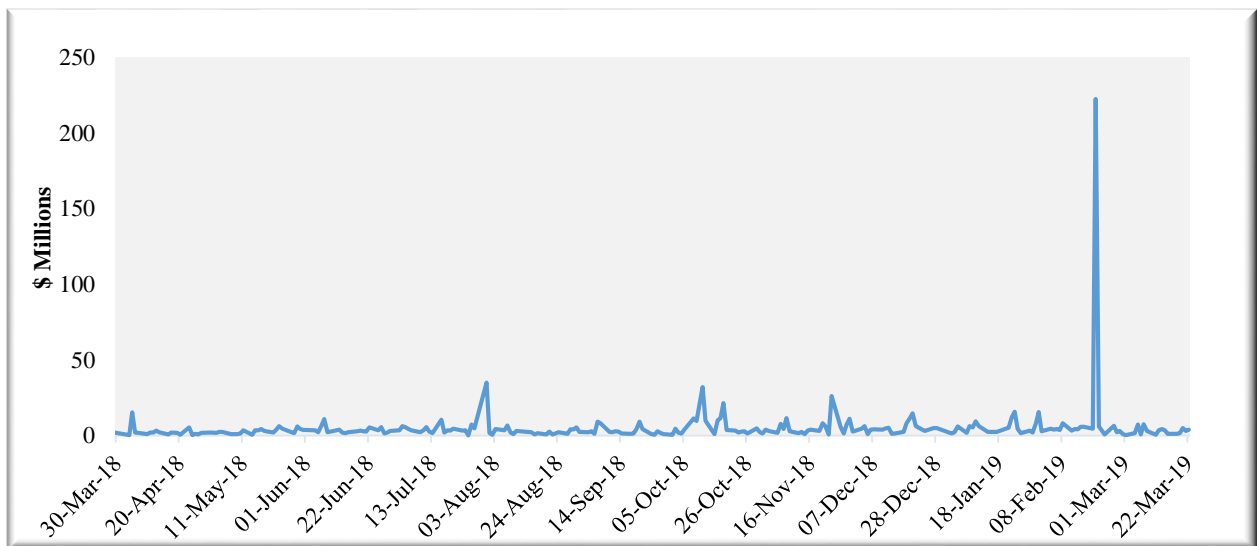


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The cumulative volume of shares traded on the local bourse increased by 240.59% to 48.04 million, with the corresponding value of the shares increasing by 13.71% to \$14.36 million, during the week under review.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

In line with the negative developments on the counters, ZSE market capitalization fell by 9.93%, to close the week ending 22nd March 2019 at \$15.99 billion.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

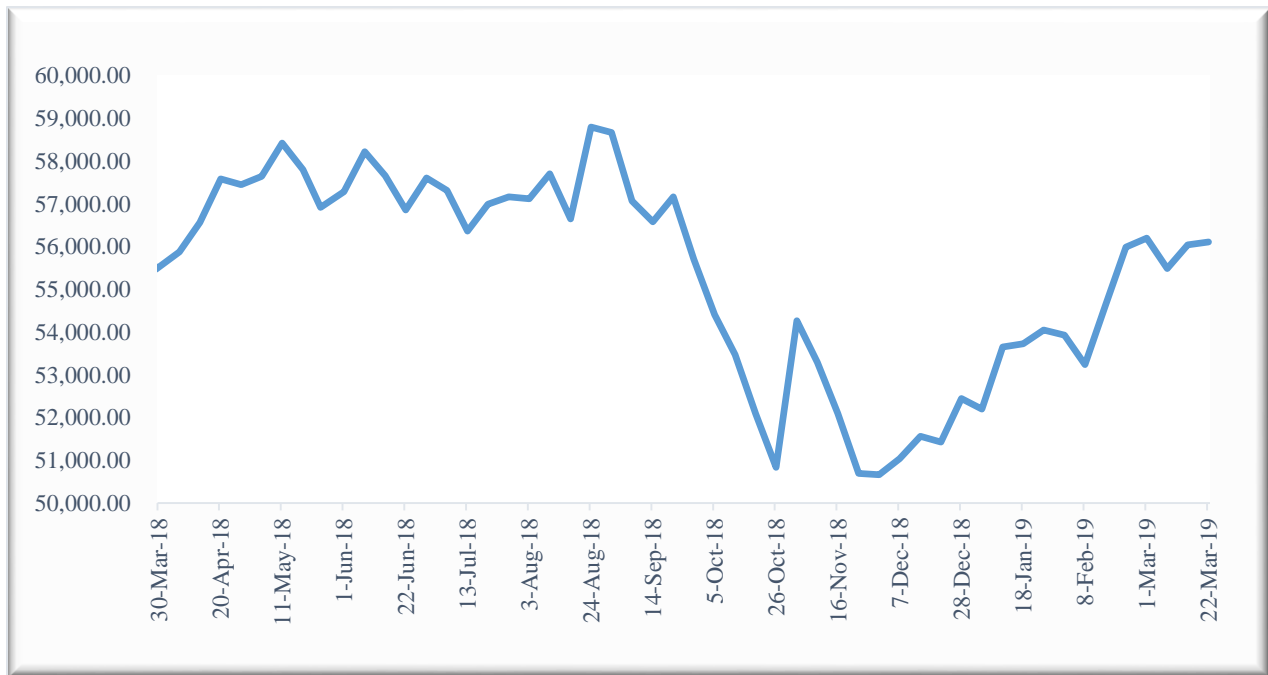
The JSE All Share Index increased from 56,040.21 points in the previous week, to close the week under review at 56,107.48 points. Market capitalization also rose by 0.37% to R16.01 billion in the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
22-Feb-19	55,992.97	15.60
01-Mar-19	56,203.11	15.90
08-Mar-19	55,488.79	15.81
15-Mar-19	56,040.21	16.01
22-Mar-19	56,107.48	16,07
% Change	0.12	0.37

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

29TH MARCH 2019