



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
17th MAY 2019

1. INTEREST RATES

Deposit Rates

During the week ending 17th May 2019, average deposit rates for savings deposits and deposits of 1 month and 3 month tenors, remained unchanged at 4.16%, 3.90% and 4.17%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
17-Apr-19	4.16	3.95	4.20
26-Apr-19	4.16	3.95	4.17
3-May-19	4.16	3.90	4.17
10-May-19	4.16	3.90	4.17
17-May-19	4.16	3.90	4.17

Source: Banking Institutions, 2019

Lending Rates

Commercial bank weighted lending rates for individual and corporate clients also remained unchanged at 9.32% and 7.31%, respectively, during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
17-Apr-19	9.21	7.31
26-Apr-19	9.30	7.38
3-May-19	9.34	7.35
10-May-19	9.32	7.31
17-May-19	9.32	7.31

Source: Banking Institutions, 2019

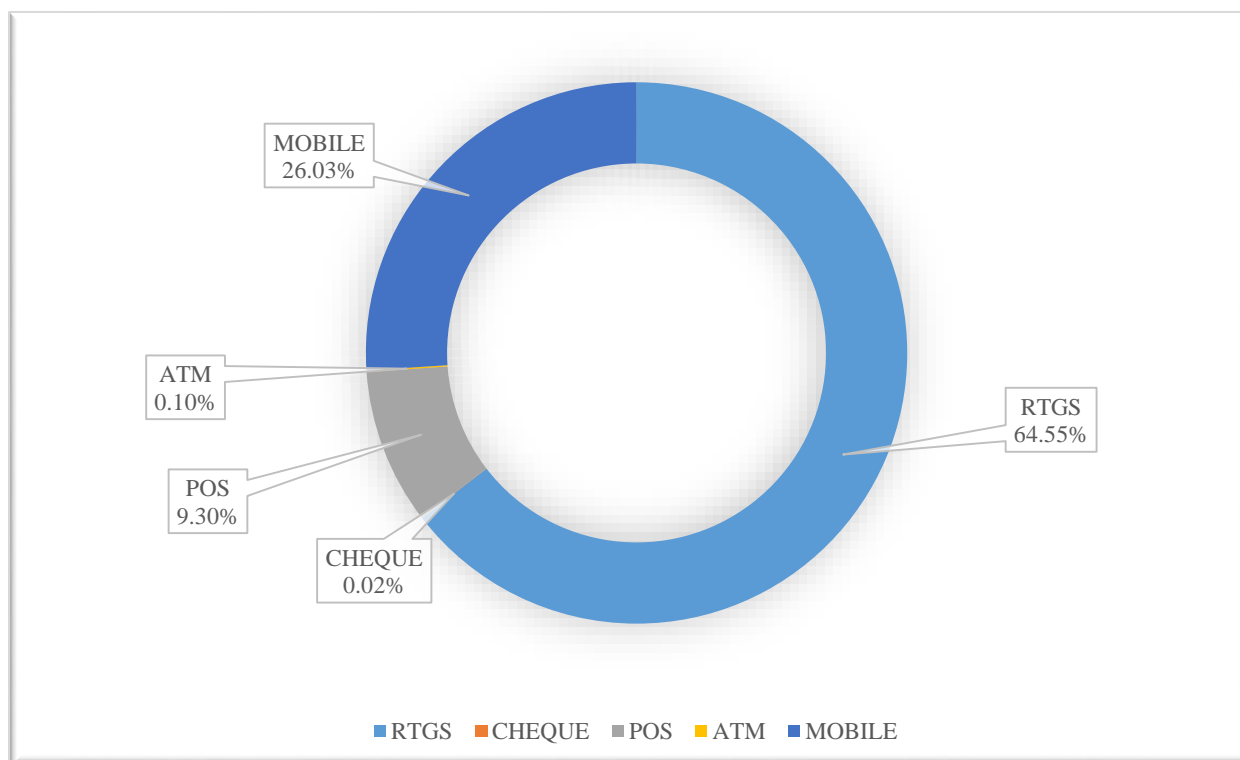
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) increased from \$4.3 billion in the previous week to \$4.6 billion, during the week under review. Transactions processed through the Real Time Gross Settlement (RTGS) system, which accounted for the largest proportion of the total value of NPS transactions, increased by 7.51% to close the week at \$2.97 billion.

RTGS payments accounted for 64.55% of the total value of transactions processed through the NPS, followed by Mobile, 26.03%; Point of Sale (POS), 9.30%; Automated Teller Machines (ATMs), 0.10%; and cheque transactions, 0.02%, as shown in Figure 1.

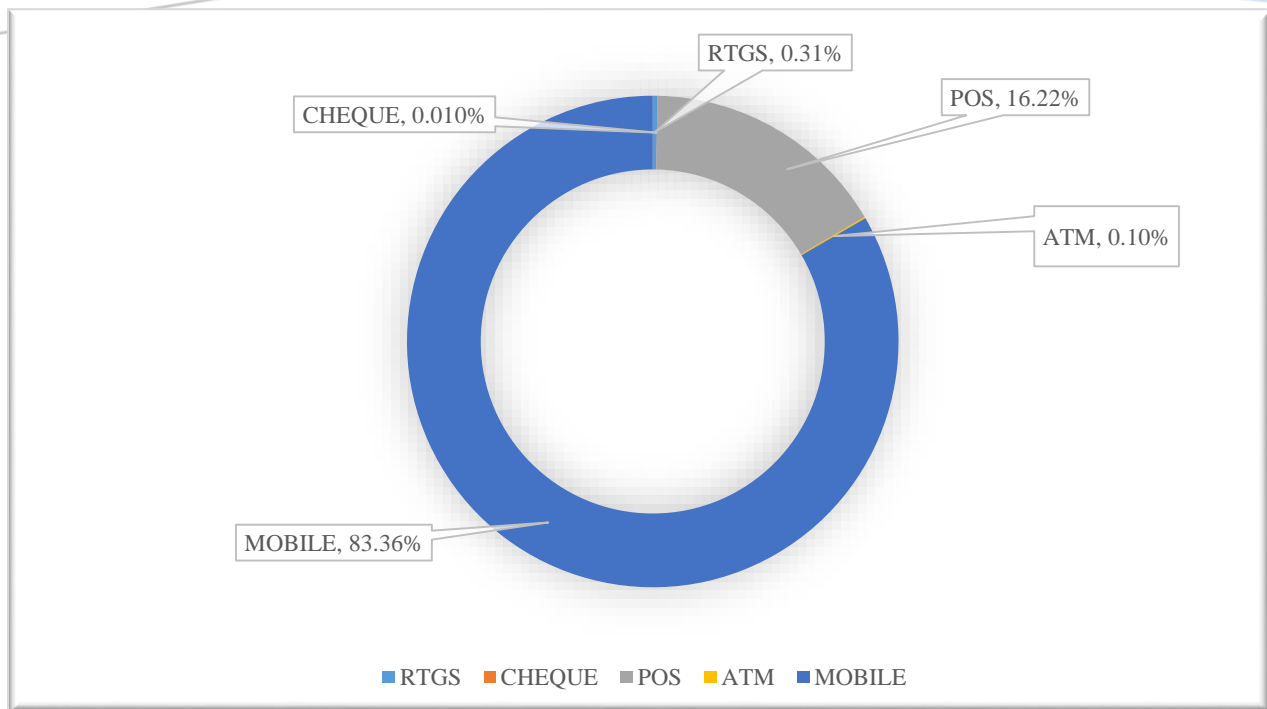
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

NPS transaction volumes increased by 6.84%, to close the week under review at 41.7 million. The NPS transaction volumes were distributed as follows; Mobile, 83.36%; POS, 16.22%; RTGS, 0.31%; ATM, 0.10%; 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 10 th April 2019	WEEK ENDING 17 th May 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (Millions)				
RTGS	2,757.94	2,965.01	7.51	64.55%
CHEQUE	0.795	1.11	39.42	0.02%
POS	413.37	427.27	3.36	9.30%
ATM	4.94	4.55	-7.93	0.10%
MOBILE	1,140.64	1,195.62	4.82	26.03%
TOTAL	4,317.68	4,593.56	6.39	100%
VOLUMES				
RTGS	160,660	131,190	-18.34	0.31%
CHEQUE	2,943	3,911	32.89	0.01%
POS	6,098,965	6,764,190	10.91	16.22%
ATM	34,908	41,226	18.10	0.10%
MOBILE	32,741,750	34,768,059	6.19	83.36%
TOTAL	39,039,226	41,708,576	6.84	100%

Source: Reserve Bank of Zimbabwe, 2019

3. TOBACCO SALES

A cumulative total of 353,401 kilograms of tobacco had been sold as at 17th May 2019 or day 39 of the 2019 tobacco selling season. This compares with the 429,966 kilograms sold during the same period in 2018. Tobacco sales stood at a total cumulative value of US\$575.8 million. This represented a 51.5% decline from US\$1,186.4 million realized during the corresponding period in 2018.

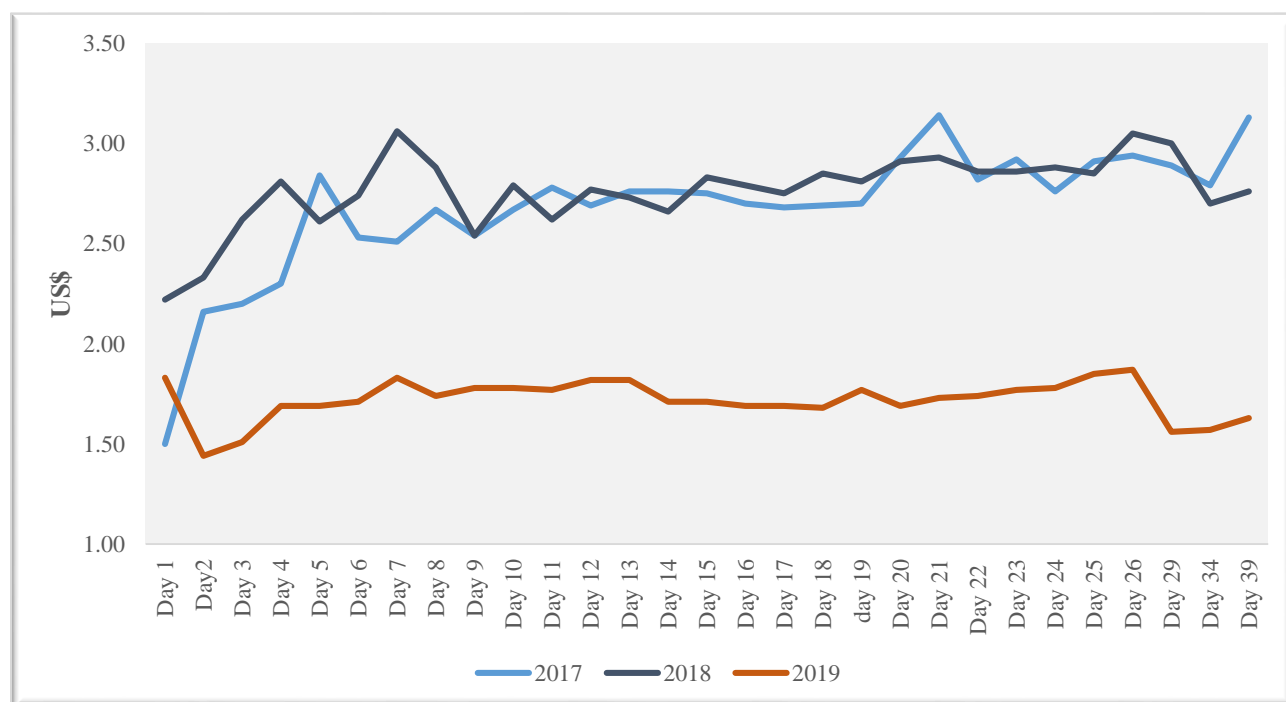
Table 4: Cumulative Tobacco Sales: Day 39 (17th May 2019)

	2018	2019	Variance (%)
Cumulative Quantity Sold (kgs)	429,966	353,401	(17.8)
Cumulative Average Price(US\$/kg)	2.76	1.63	(41.0)
Cumulative Value (US\$ million)	1,186.4	575.8	(51.5)

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

The average selling price for the golden leaf stood at US\$1.63/kg, during the week under review, a 41% decrease from US\$2.76/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, nickel and crude oil firmed, during the week ending 17th May 2019. Platinum and copper prices, however, declined, as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2019	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
weekly average (6-10 May)	1,285.67	862.20	6,093.73	11,852.90	70.46
13-May	1,289.28	856.50	5,995.00	11,728.00	70.51
14-May	1,298.00	856.00	6,011.50	11,912.00	70.97
15-May	1,299.00	848.00	6,046.75	12,149.00	72.11
16-May	1,297.63	845.00	6,086.00	11,912.00	72.68
17-May	1,283.30	824.50	6,057.00	12,000.00	73.11
weekly average (13-17 May)	1,293.44	846.00	6,039.25	11,940.20	71.88
Weekly Change (%)	0.6	(1.9)	(0.9)	0.7	2.0

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices closed the week ending 17th May 2018 at a weekly average of US\$1,293.44/oz., up from US\$1,285.67/oz., recorded in previous week. This followed a weaker US dollar and unattractive returns on the global equities market during the week. In addition, concerns about slowing global growth and the escalation of trade disputes between the US and China also bolstered the safe haven demand for the yellow metal.

Platinum

Platinum prices declined by 1.9%, from a weekly average of US\$862.20/oz in the previous week to US\$846.00/oz., during the week under review. Prices were weighed down by slackening investment demand for the metal from the automotive industries, following a drop in car sales in US, Europe and China.

Copper

Copper prices were on a negative trajectory, declining by 0.9%, to close the week at an average of US\$6,039.25/tonne. This was due to the on-going trade tensions between the US and China.

Nickel

Nickel prices firmed by 0.7%, from US\$11,852.90/ton in the previous week to US\$11,940.20/ton, during the week under review. Prices rose following reports that the BHP Group had announced plans to expand its nickel sulphide operations, amid an expected boom in demand for the metal used in the manufacturing of electric vehicle batteries.

Crude Oil

Crude oil prices continued on a positive trajectory, gaining by 2% to close the week under review at an average of US\$71.88/barrel. Prices increased due to continuous production cuts by OPEC member countries.

EXCHANGE RATE

The ZWL depreciated against the US dollar, South African rand, British pound and Botswana pula, during the week under review. It, however, appreciated against the euro, during the same period.

Table 6: International Exchange Rates per ZWL

	USD	ZAR	GBP	BWP	EURO
2019					
Weekly Average (6-10 May)	3.3010	0.2288	4.3189	0.3069	3.8824
13-May	3.3393	0.2349	4.3442	0.3129	3.7498
14-May	3.3393	0.2349	4.3442	0.3129	3.7498
15-May	3.3884	0.2380	4.3757	0.3171	3.7988
16-May	3.4413	0.2416	4.4201	0.3219	3.8574
17-May	3.4528	0.2410	4.4172	0.3228	3.8590
Weekly Average (13-17 May)	3.3771	0.2374	4.3710	0.3162	3.7890
Appr(-)/Depr(+)(%) of the ZWL	2.31	3.76	1.21	3.03	(2.41)

Source: Reserve Bank of Zimbabwe, 2019

5. EQUITY MARKETS

During the week ending 17th May 2019, the Zimbabwe Stock Exchange (ZSE) continued on an upward trajectory. Resultantly, ZSE All Share Index and the Top 10 Index both increased by 4.03 percentage points and 2.88 percentage points to close at 145.65 and 137.50 points, respectively. Gains were recorded in both the industrial and mining indices.

The industrial index increased by 2.87% to close the week under review at 486.76 points. This was largely attributable to share price gains recorded for Rainbow Tourism Group Limited (50.00%); Medtech Holdings Limited (36.84%); Getbucks Financial Services Limited (20.00%); Proplastics Limited (20.00%); and African Sun Limited (16.67%). Partially offsetting the gains were losses at First Mutual Properties Limited (13.85%); Lafarge Cement Zimbabwe Limited (12.93%); Powerspeed Electrical Limited (11.01%); Unifreight Africa Limited (8.09%); and First Mutual Holdings Limited (4.41%).

The mining index rose by 0.13% to close the week under review at 189.63 points. Bindura Nickel Corporation and Riozim Limited, however, traded at the previous week price levels.

Table 7: Zimbabwe Stock Exchange Statistics

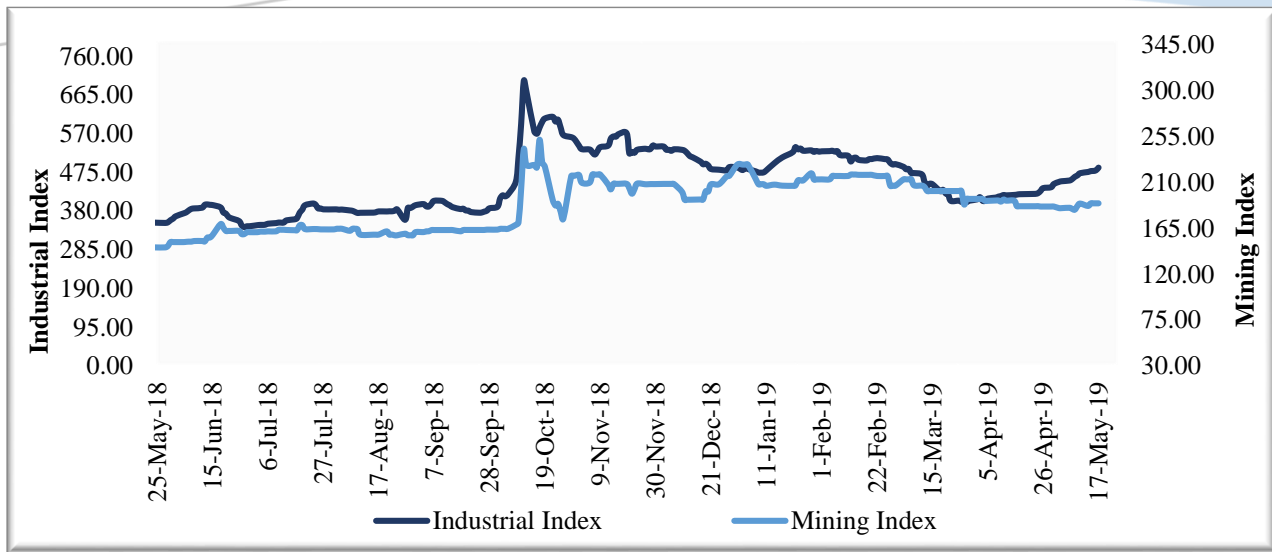
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
17-Apr-19	126.28	119.80	421.48	186.78	16,616,405,792	26,802,911	39,307,722
26-Apr-19	130.73	124.30	436.50	186.47	17,140,792,759	28,706,189	40,461,683
3-May-19	135.70	129.54	453.38	184.91	17,759,403,066	32,719,194	25,962,033
10-May-19	141.62	134.62	473.16	189.39	18,535,907,025	28,643,253	64,239,780
17-May-19	145.65	137.50	486.76	189.63	19,011,308,157	38,529,072	78,837,346
Weekly Change (%)	2.85	2.14	2.87	0.13	2.56	34.51	22.72

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

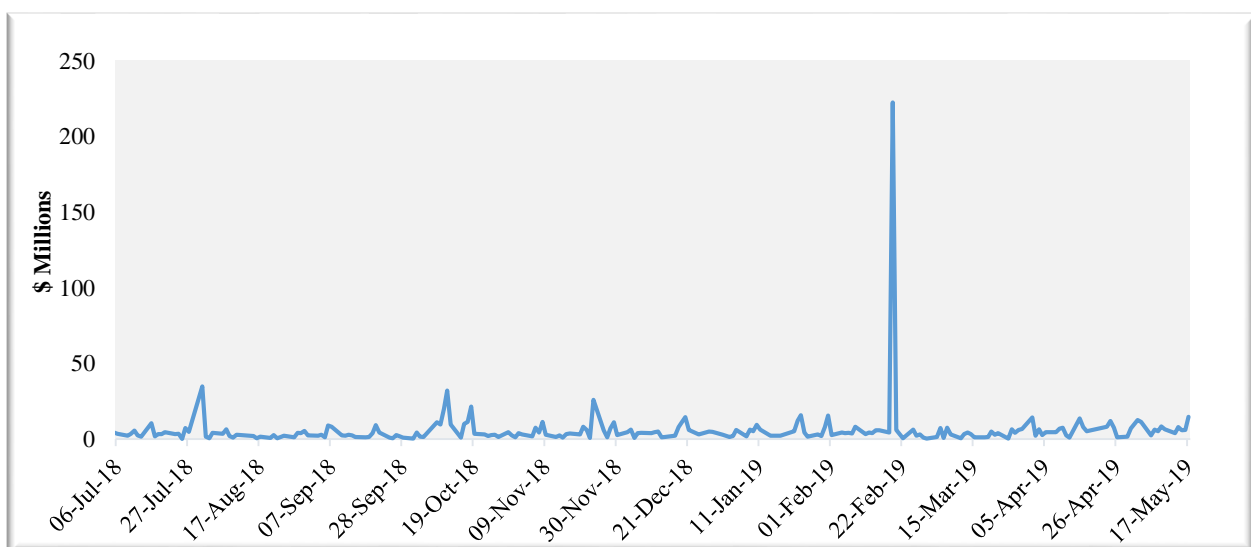


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The volume of shares traded on the ZSE increased by 22.72%, from 64.24 million shares in the previous week to 78.84 million shares, during the week under review. In tandem, market turnover increased by 34.51%, to close the week at \$38.53 million.

Figure 5: Daily Market Turnover

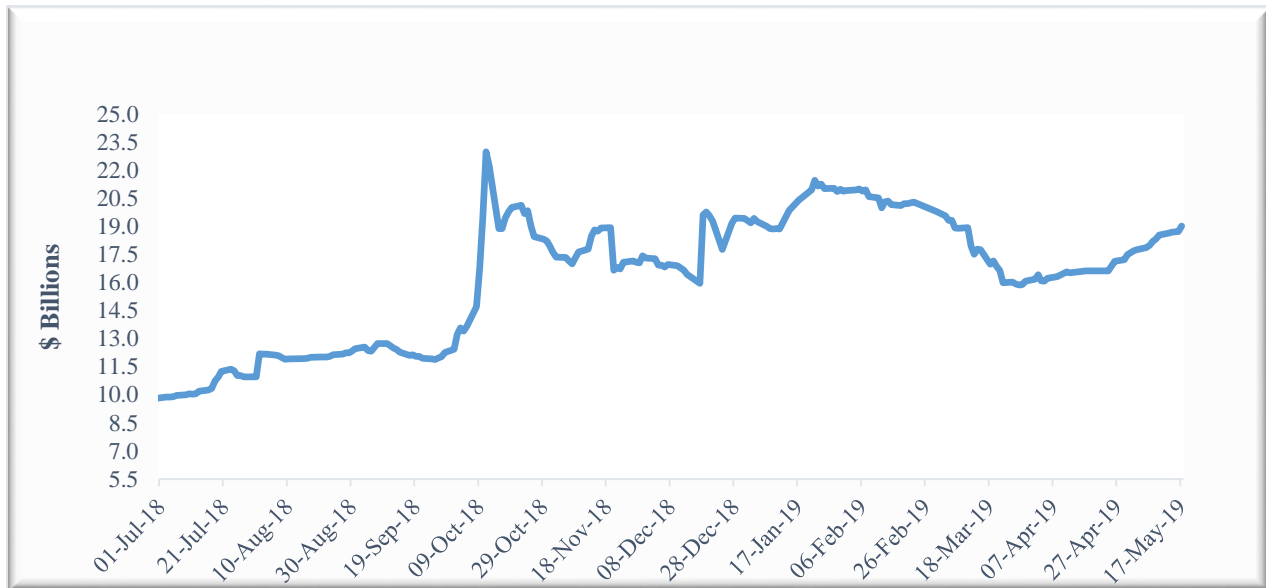


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

The ZSE market capitalisation increased by 2.56% to close at \$19.01 billion, during the week under review. This was underpinned by gains in both the industrial and resources indices.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

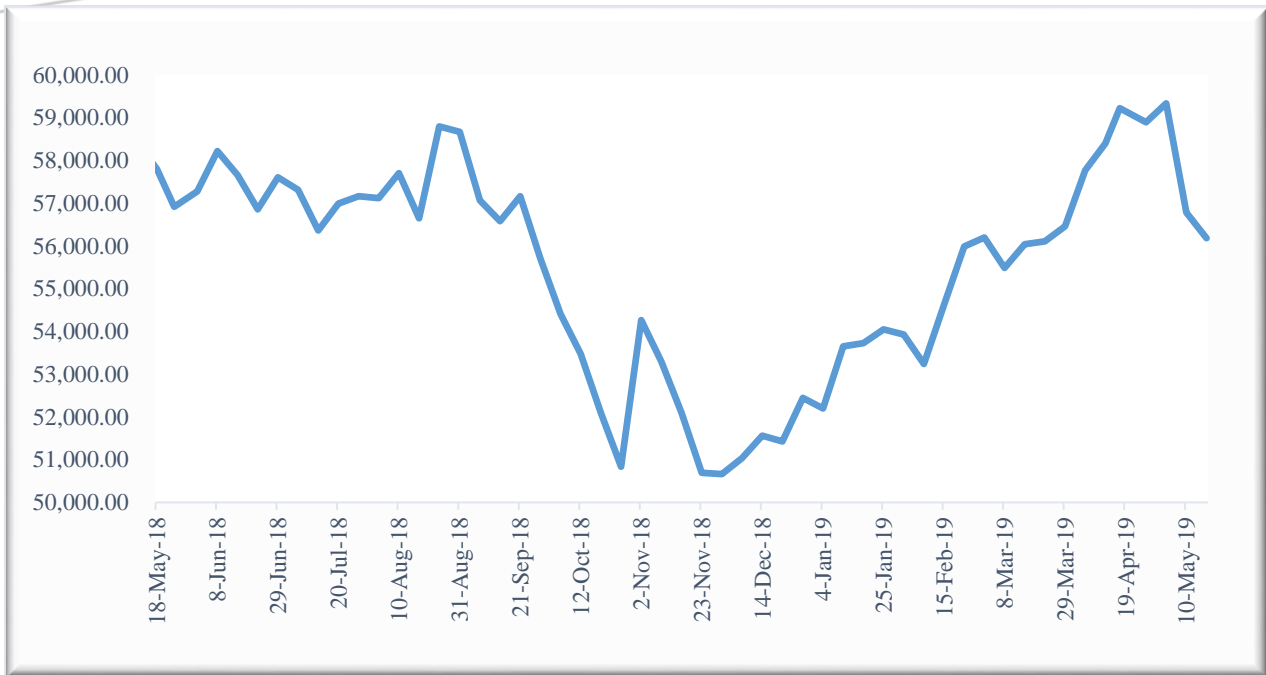
The JSE All Share Index fell by 1.05% to close at 56,183.21 points, during the week ending 17th May 2019. JSE Market capitalisation also declined by 0.38% to R15.89 billion, during same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
17-Apr-19	59,222.47	16.71
26-Apr-19	58,894.19	16.57
3-May-19	59,335.90	16.67
10-May-19	56,780.75	15.95
17-May-19	56,183.21	15.89
% Change	(1.05)	(0.38)

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

24th MAY 2019