



Weekly Economic Highlights

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Week Ending
3rd MAY 2019

1. INTEREST RATES

Deposit Rates

During the week ending 3rd May 2019, average deposit rates for deposits of 1-month tenor decreased by 0.05 percentage points to 3.90%. Saving deposits and deposits of 3-month tenor, however, remained unchanged at 4.16% and 4.17%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
05-Apr-19	4.16	3.76	4.09
12-Apr-19	4.16	3.76	4.09
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

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for corporate clients decreased by 0.03 percentage points to 7.35%, during the week under review. The week under review saw individuals borrow from commercial banks at weighted lending rates of 9.34%.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
05-Apr-19	9.22	7.31
12-Apr-19	9.21	7.31
17-Apr-19	9.21	7.31
26-Apr-19	9.30	7.38
3-May-19	9.34	7.35

Source: Banking Institutions, 2019

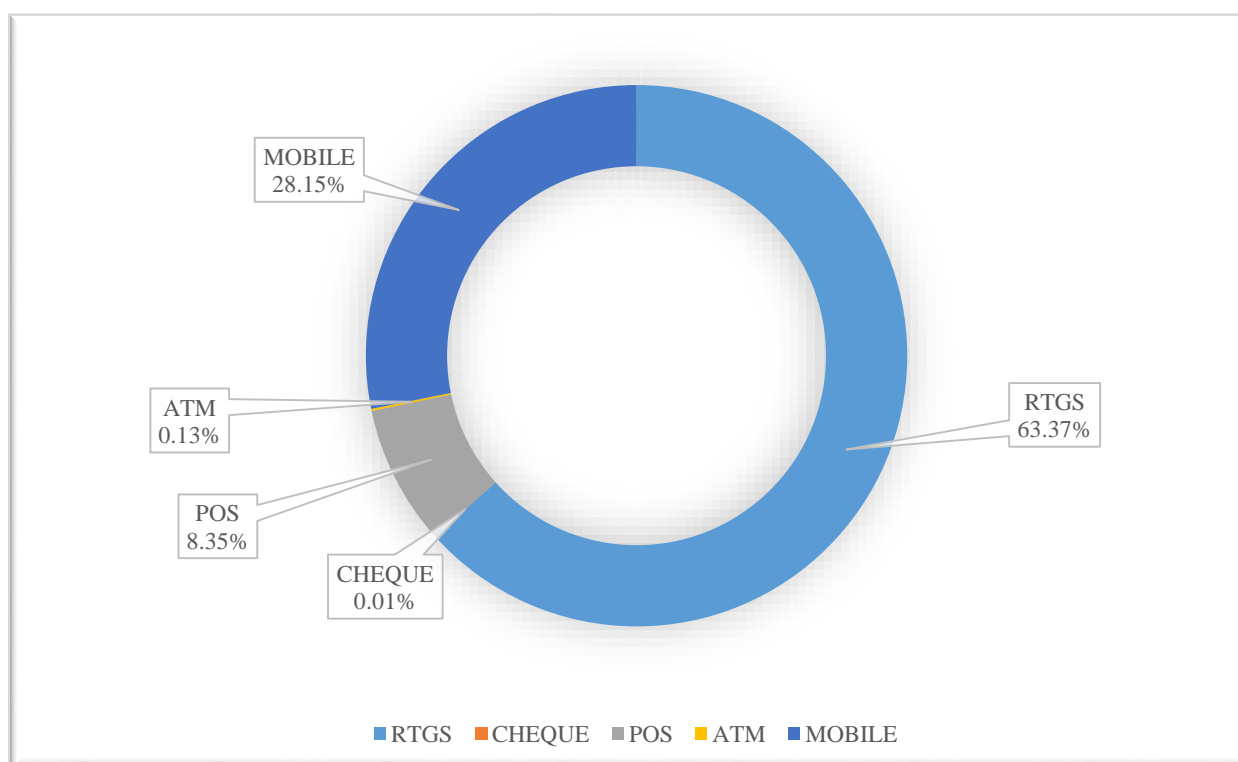
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment System (NPS) increased by 29.76% to \$4.02 billion during the week ending 3rd May 2019, from \$3.24 billion in the previous week. This followed a 28.93% increase in the value of transactions processed through the Real Time Gross Settlement (RTGS) system to \$2.67 billion, during the week under analysis.

The NPS transaction values were distributed as follows: RTGS, 63.37%; Mobile, 28.15%; Point of Sale (POS), 8.35%; Automated Teller Machines (ATMs), 0.13%; and Cheque, 0.01%, as shown in Figure 1.

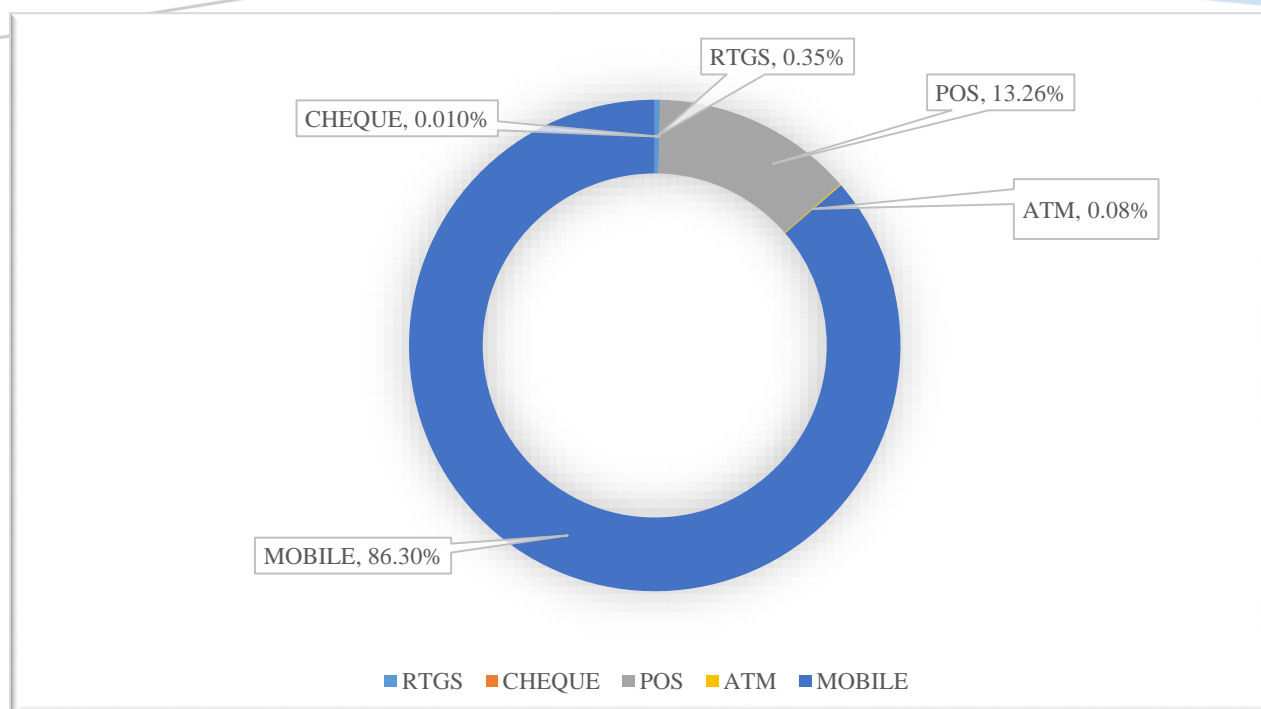
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

During the week under review, transaction volumes processed through the NPS amounted to 42.3 million, a 15.6% decline from 35.7 million transactions recorded in the previous week. The distribution of transaction volumes was as follows: Mobile, 86.30%; POS, 13.26%; RTGS, 0.35%; ATM, 0.08%; 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 26 th April 2019	WEEK ENDING 3 rd May 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (Millions)				
RTGS	2,067.80	2,665.95	28.93%	63.37%
CHEQUE	0.55	0.53	-2.38%	0.01%
POS	257.02	351.15	36.63%	8.35%
ATM	2.83	5.34	88.65%	0.13%
MOBILE	914.13	1,184.19	29.54%	28.15%
TOTAL	3,242.33	4,207.17	29.76%	100%
VOLUMES				
RTGS	109,018	147,485	35.28%	0.35%
CHEQUE	2,221	2,206	-0.68%	0.01%
POS	4,498,710	5,607,045	24.64%	13.26%
ATM	32,671	34,191	4.65%	0.08%
MOBILE	31,030,912	36,493,369	17.60%	86.30%
TOTAL	35,673,532	42,284,296	18.53%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. TOBACCO SALES

A cumulative total of 524,726 kilograms of tobacco had been sold as at day 29 of the tobacco selling season. This was a 31.9% decrease from the 770,884 kilograms sold during the same period in 2018. In value terms, tobacco sales registered a 64.6% decrease to US\$820,039 million, from US\$2,313,439 million realized during the corresponding period in 2018.

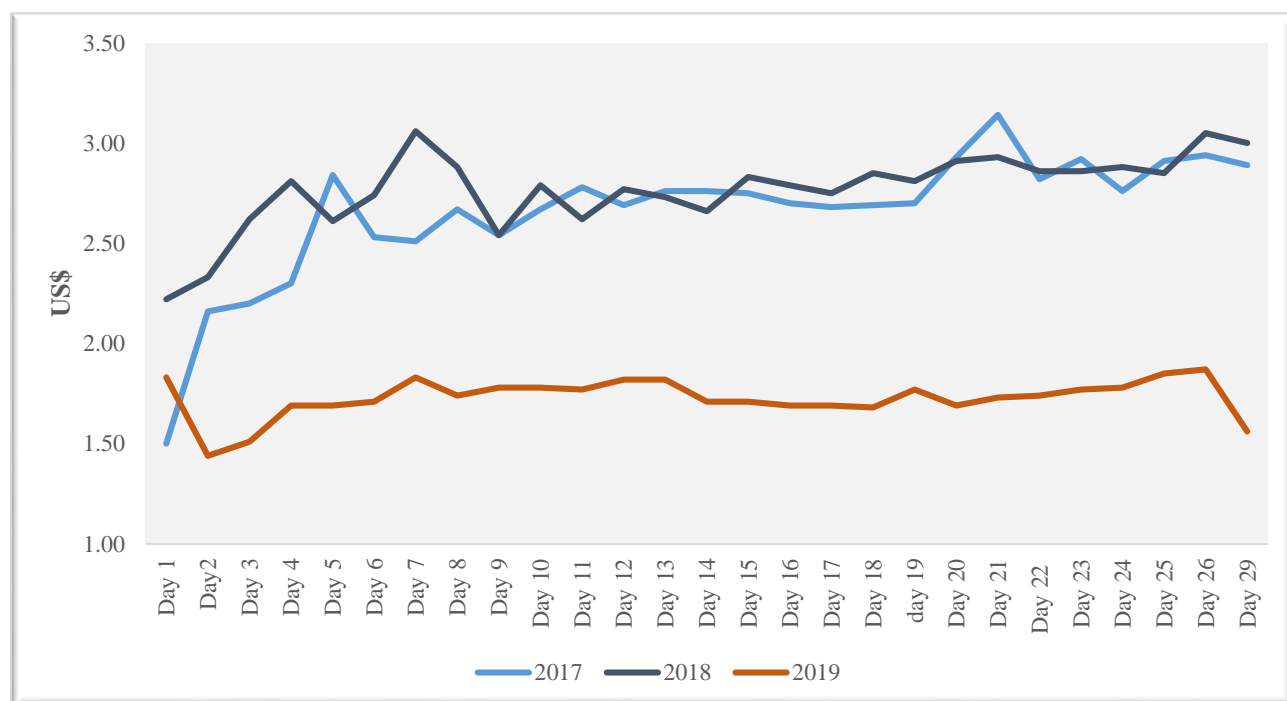
Table 4: Cumulative Tobacco Sales: Day 29 (3rd May 2019)

	2018	2019	Variance (%)
Cumulative Quantity Sold (kgs)	770,884	524,726	(31.9)
Cumulative Average Price(US\$/kg)	3.00	1.56	(47.9)
Cumulative Value (US\$ million)	2,313,439	820,039	(64.6)

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

The average price of the golden leaf stood at US\$1.56/kg, compared to US\$3.00/kg for the same period in 2018.

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



Source:TIMB and ZTA, 2019

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Declines in the average international commodity prices of platinum, copper, nickel and crude oil were recorded, during the week under analysis. Gold prices, however, went up during the same week, 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 (22 Apr-26 Apr)	1,276.59	886.88	6,400.04	12,310.38	73.50
29-Apr	1,280.83	895.50	6,415.00	12,323.00	72.51
30-Apr	1,283.73	893.50	6,432.00	12,355.00	72.56
1-May	1,282.80	881.50	6,222.75	12,100.00	71.46
2-May	1,274.20	859.50	6,172.00	12,099.50	70.28
3-May	1,274.30	854.00	6,234.25	12,147.50	69.28
weekly average (29 Apr-3 May)	1,279.17	876.80	6,295.20	12,205.00	71.22
Weekly Change (%)	0.2	(1.1)	(1.6)	(0.9)	(3.1)

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold price increased by 0.2%, from US\$1,276.59 /oz. in the previous week to US\$1,279.17 /oz., during the week ending 3rd May 2019. This was largely due to a weaker US dollar, which boosted the demand for the precious metal as a safe haven asset.

Platinum

Platinum prices averaged US\$886.88/oz., representing a 1.1% decline from the previous week. Slackening demand from jewelers, particularly in Asia, dampened the demand for the precious metal.

Copper

Copper prices delined from US\$6400.04/tonne in the previous week to US\$6295.20/tonne, during the week under review. This followed low global demand for the base metal.

Nickel

Nickel prices registered a 0.9% fall, from a weekly average of US\$12,310.38/tonne in the previous week to US\$12,205/tonne, during the week ending 3rd May 2019.

Crude Oil

Crude oil prices stood at US\$71.22/barrel during the week under analysis, down from an average of US\$73.50/barrel in the previous week. An increase in US stockpiles exerted downward pressure on prices.

EXCHANGE RATE

During the week ending 3rd May 2019, the ZWL depreciated against the USD, South African rand, pound Sterling, pula and euro, as shown in Table 6.

Table 6: International Exchange Rates per ZWL²

	USD	ZAR	GBP	BWP	EURO
2019					
Weekly Average (23 Apr-26 Apr)	0.3096	4.4344	0.2359	3.3190	0.2767
29-Apr	0.3073	4.4144	0.2376	3.3014	0.2754
30-Apr	0.3066	4.3959	0.2369	3.2992	0.2740
2-May	0.3063	4.4195	0.2347	3.2803	0.2734
3-May	0.3042	4.4199	0.2334	3.2787	0.2724
Weekly Average (29 Apr-3 May)	0.3061	4.4124	0.2357	3.2899	0.2738
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-1.13</i>	<i>-0.50</i>	<i>-0.11</i>	<i>-0.88</i>	<i>-1.06</i>

Source: Reserve Bank of Zimbabwe, 2019

² Indirect quote - the amount of foreign currency needed to exchange for 1 unit of domestic currency.

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was generally bullish, during the week ending 3rd May 2019. Resultantly, the All Share and Top 10 Indices increased to 135.70 points and 129.54 points, respectively. The industrial index increased by 3.87% to 453.38 points, from 436.50 points recorded in the previous week. This emanated from increases in share prices for Rainbow Tourism Group (20.17%); Mashonaland Holdings (20.33%); Edgars Stores Limited (18.18%); Old Mutual Zimbabwe (11.57%); and Padenga Holding Limited (11.57%). The gains were, however, partially offset by share price losses for First Mutual Properties (-7.54%); Turnall Holdings Limited (-6.98%); First Mutual Holdings Limited (-4.41%); Nampak Zimbabwe Limited (-0.40%); and Cassava Smartech Zimbabwe Limited (-0.17%).

The resources index closed the week under analysis at 184.91 points, down from 186.47 points in the previous week. Largely contributing to the decline in the mining index, was the 1.14% loss in the share price of Riozim Limited.

Table 7: Zimbabwe Stock Exchange Statistics

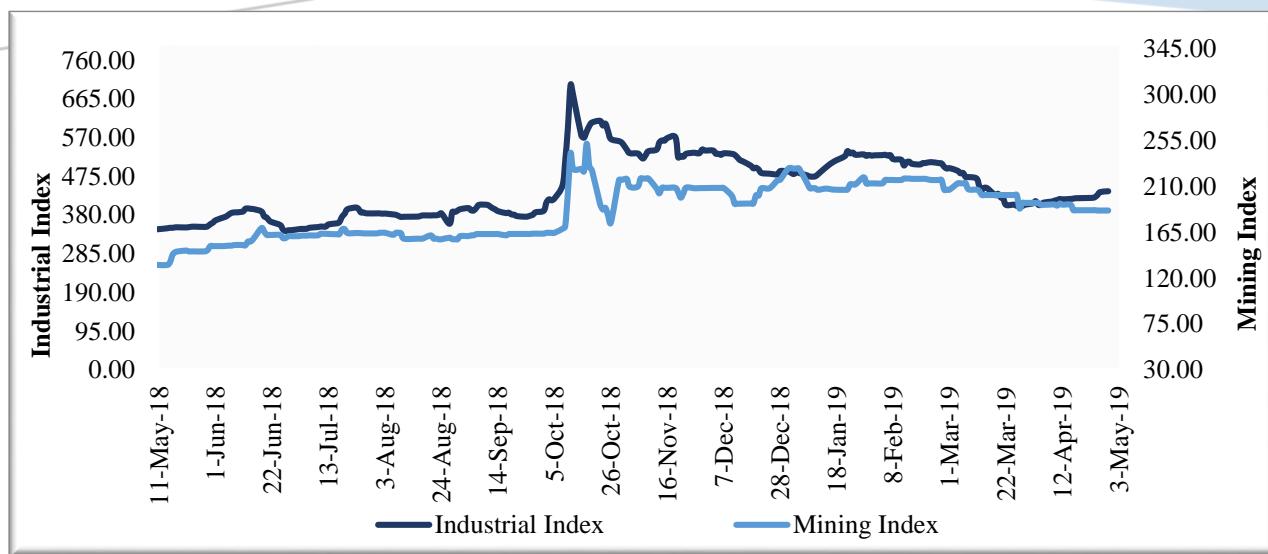
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
05-Apr-19	123.16	116.17	410.71	192.06	16,231,279,762	29,994,220	28,525,476
12-Apr-19	125.51	119.08	418.65	192.23	16,523,960,264	22,311,532	16,435,215
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
Weekly Change (%)	3.80	4.22	3.87	(0.84)	3.16	13.98	(35.84)

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

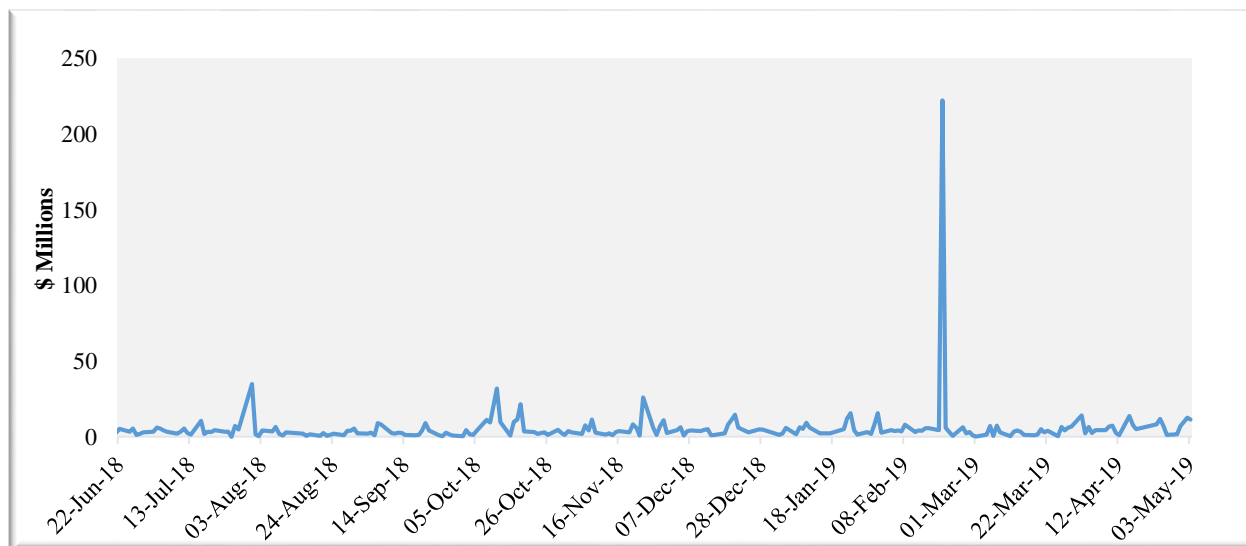


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

ZSE market turnover closed the week ending 3rd May 2019 at \$32.72 million. Similarly, the volume of shares traded also increased by 35.84%, to close the week at 25.96 million shares.

Figure 5: Daily Market Turnover

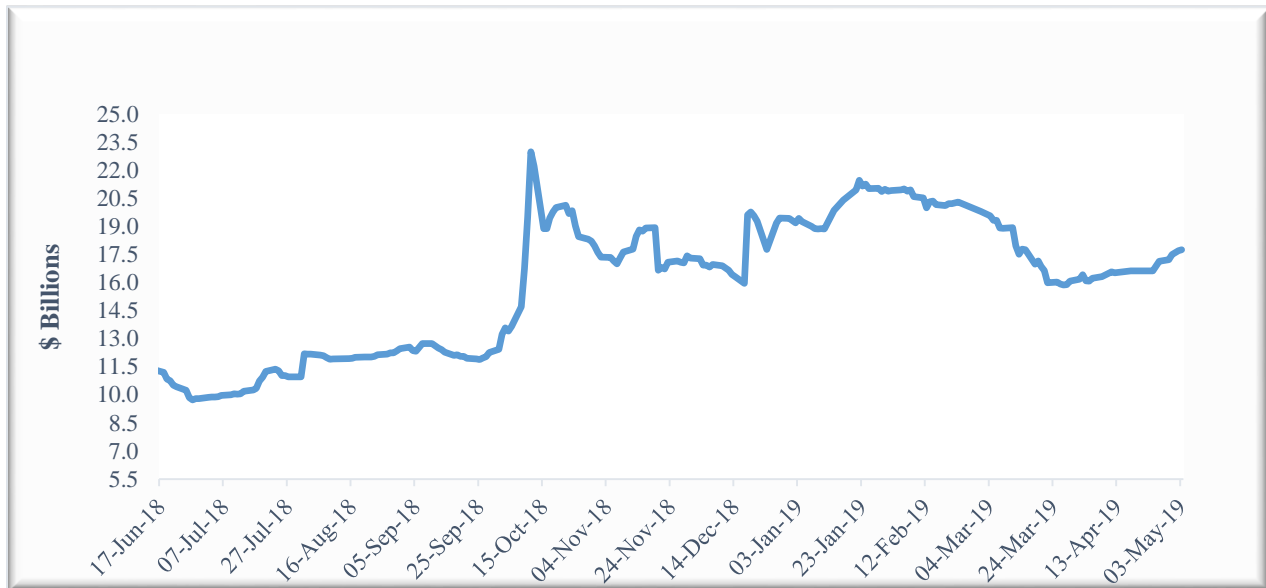


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

The ZSE gained \$613.61 million worth of capitalization to close the week under review at \$17.76 billion, owing to positive trading activity on the local bourse.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

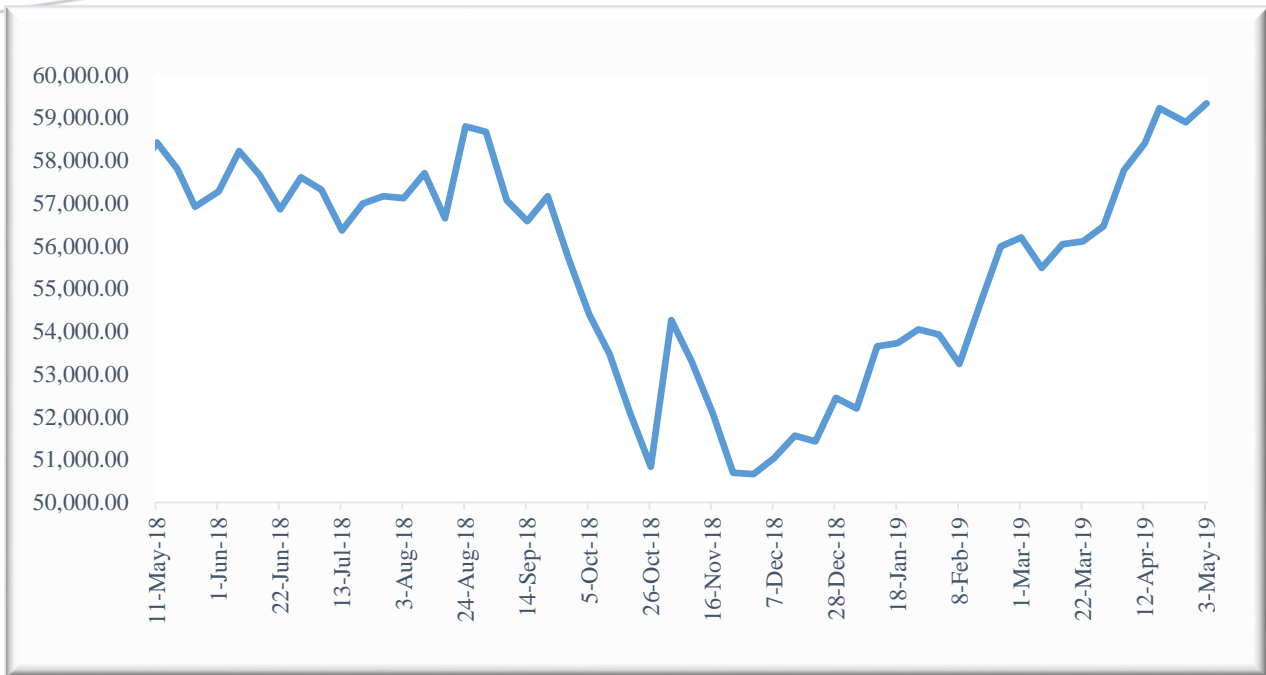
The JSE All Share Index registered a 0.75% increase, from 58,894.19 points in the previous week to 59,335.90 points, during the week ending 3rd May 2019. JSE Market capitalisation also increased by 0.60%, to close at R16.67 trillion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
05-Apr-19	57,776.36	16.42
12-Apr-19	58,405.30	16.52
17-Apr-19	59,222.47	16.71
26-Apr-19	58,894.19	16.57
3-May-19	59,335.90	16.67
% Change	0.75	0.60

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

10th MAY 2019