



Weekly Economic Highlights

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Week Ending
22nd November 2019

1. INTEREST RATES

Deposit Rates

During the week ending 22nd November 2019, average deposit rates for deposits of 1-month and 3-month tenors increased by 0.06 and 0.05 percentage points to close at 5.15% and 5.37%, respectively. Average deposit rates for savings deposits, however, remained unchanged at 4.74%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
25-Oct-19	4.74	4.99	5.04
1-Nov-19	4.74	4.96	5.12
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

Source: Banking Institutions, 2019

Lending Rates

Commercial bank weighted lending rates for individual clients declined by 0.02 percentage points to close at 15.12%, during the week ending 22nd November 2019. Lending rates for corporate clients, however, increased by 0.09 percentage points, to close the week under analysis at 18.78%.

Table 2: Lending Rates

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
25-Oct-19	15.59	19.66
1-Nov-19	15.41	18.56
8-Nov-19	14.79	19.08
15-Nov-19	15.14	18.69
22-Nov-19	15.12	18.78

Source: Banking Institutions, 2019

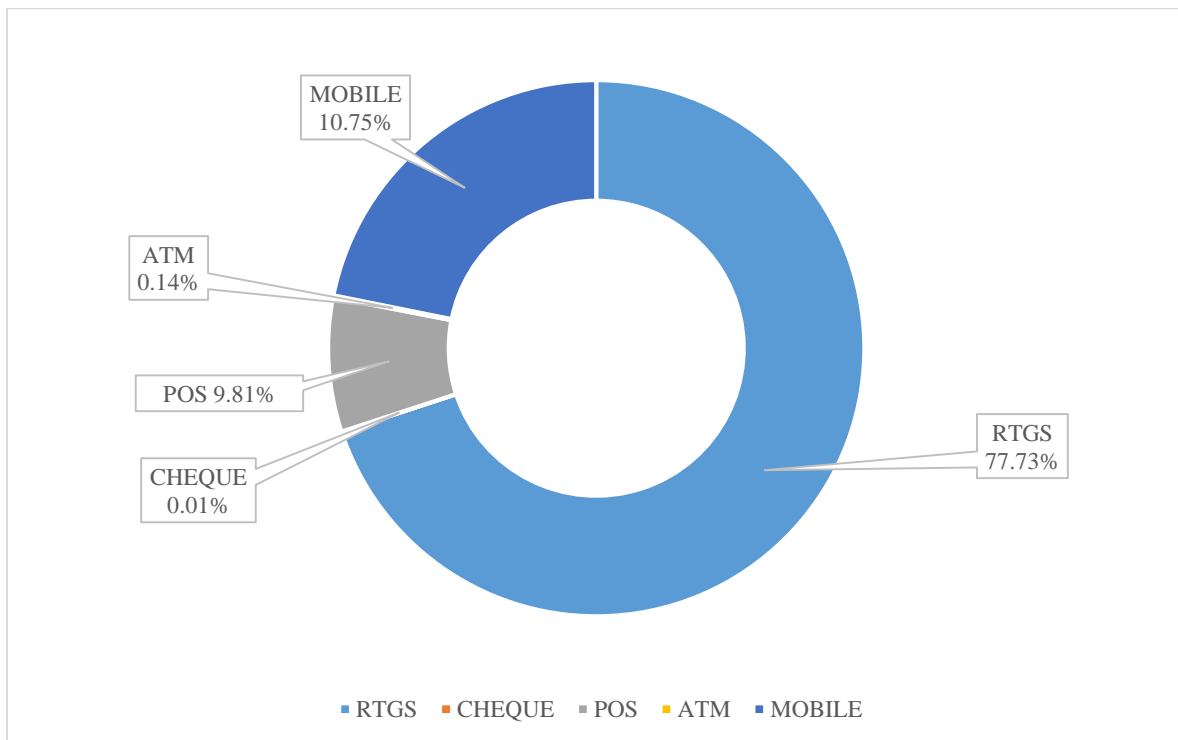
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 22nd November 2019, transactions processed through the National Payment System (NPS) declined by 21.97% to close at \$11.87 billion, from \$15.21 billion recorded in the previous week. RTGS transaction values fell by 13.31%, from \$10.65 billion in the previous week to \$9.23 billion, during the week under review.

The composition of NPS transaction values was as follows: RTGS, 77.73%; Mobile, 10.75%; point of Sale (POS), 9.81%; Automated Teller Machine (ATM), 0.14%; and Cheque, 0.01%, as shown in Figure 1.

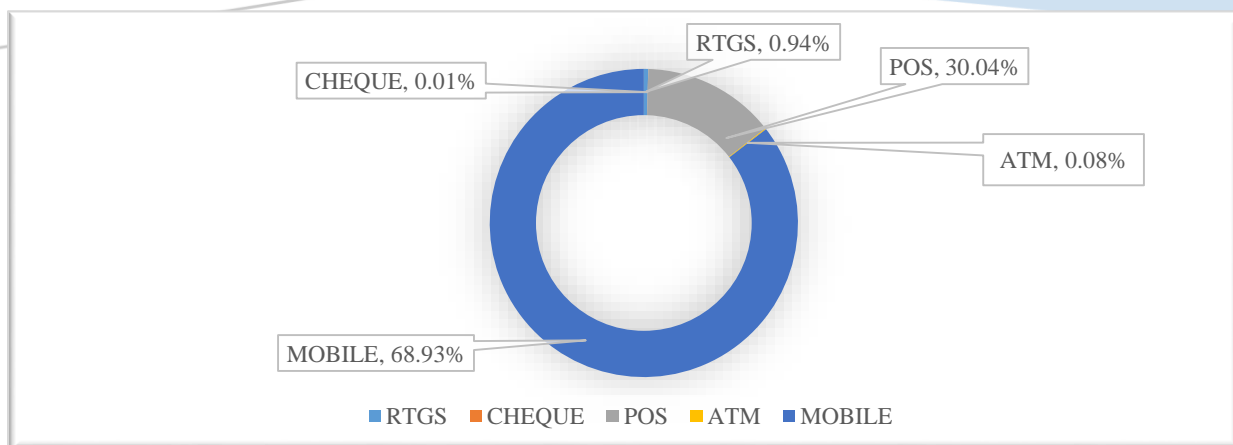
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

Total NPS transaction volumes decreased by 44.97% to close at 23.38 million transactions, during the week under analysis. Mobile based transaction volumes at 68.93% of the total, dominated NPS transaction volumes, followed by POS; 30.04%; RTGS, 0.94%; 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	WEEK ENDING	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
	15 th November 2019	22 nd November 2019		
	VALUES IN ZWL (millions)			
RTGS	10,645.46	9,228.61	-13.31%	77.73%
CHEQUE	0.95	0.88	-7.39%	0.01%
POS	1,229.73	1,350.31	9.81%	11.37%
ATM	18.27	16.96	-7.18%	0.14%
MOBILE	3,322.78	1,276.47	-61.58%	10.75%
TOTAL	15,217.19	11,873.23	-21.97%	100%
	VOLUMES			
RTGS	196,602	218,916	11.37%	0.94%
CHEQUE	2,744	2,596	-5.39%	0.01%
POS	5,950,947	7,023,314	18.02%	30.04%
ATM	40,594	18,729	-53.86%	0.08%
MOBILE	36,296,786	16,117,406	-55.60%	68.93%
TOTAL	42,487,673	23,381,006	-44.97%	100%

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold, platinum, copper and crude oil firmed. Nickel prices, however, retreated during the week under review, as shown in Table 3.

Table 3: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Brent Crude Oil
2019	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (11-15 Nov)	1,462.44	868.30	5,833.00	15,421.00	62.44
18-Nov	1,463.03	879.50	5,828.00	14,760.00	62.44
19-Nov	1,466.68	884.50	5,821.50	14,475.00	60.91
20-Nov	1,473.70	898.50	5,873.00	14,310.00	62.40
21-Nov	1,468.00	913.00	5,813.00	14,410.00	63.97
22-Nov	1,467.88	915.50	5,834.00	14,400.00	63.39
Weekly Average (18-22 Nov)	1,467.86	898.20	5,833.90	14,471.00	62.62
<i>Weekly Change (%)</i>	<i>0.37</i>	<i>3.44</i>	<i>0.02</i>	<i>(6.16)</i>	<i>0.29</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices firmed by 0.37% to close at US\$1,467.86/oz, during the week under analysis. The decision by the Federal Reserve to cut interest rates, led to a weaker US dollar, which boosted the investment demand for the precious metal.

Platinum

Platinum prices rose by 3.44%, from a weekly average price of US\$868.30/oz. recorded in the previous week, to close the week under review at US\$898.20/oz. This was underpinned by higher investment demand prospects for the precious metal.

Copper

Copper prices stood at US\$5,833.90/tonne, during the week under review, representing a 0.02% increase from US\$5,833.00/tonne recorded in the previous week. The increase followed prospects of simmering trade tensions between the US and China and a decline in stocks in the London Metal Exchange (LME) warehouses.

Nickel

Nickel prices registered a decline of 6.16%, from an average of US\$15,421.00/ tonne in the previous week to US\$14,471.00/tonne, during the week under review. This was partly attributable to excess supply conditions, amid indications of rising stockpiles in China.

Crude Oil

The weekly average price of crude oil rose by 0.29% to US\$62.62/barrel, during the week under review, as US-Sino trade tensions continued to weigh down global oil demand. The Organization of the Petroleum Exporting Countries (OPEC), however, agreed to reduce output to support prices.

4. EXCHANGE RATES

The ZWL depreciated against the rand; pound Sterling; pula; euro and the US dollar, during the week under review, as shown in Table 4. The local interbank market has, however, remained relatively stable.

Table 4: International Exchange Rates²

2019	ZAR	GBP	BWP	EURO	USD
Weekly Average (11 - 11 Nov)	1.0660	20.3998	1.4508	17.5087	15.8913
18-Nov	1.0871	20.6518	1.4700	17.6765	15.9877
19-Nov	1.0821	20.7613	1.4722	17.7495	16.0202
20-Nov	1.0865	20.7171	1.4766	17.7735	16.0505
21-Nov	1.0894	20.7861	1.4775	17.8093	16.0778
22-Nov	1.0969	20.8130	1.4811	17.8251	16.1073
Weekly Average (18 – 22 Nov)	1.0863	20.7291	1.4741	17.7522	16.0341
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>1.9</i>	<i>1.6</i>	<i>1.6</i>	<i>1.4</i>	<i>0.9</i>

Source: Reserve Bank of Zimbabwe, 2019

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

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was characterised by bearish sentiments, during the week under analysis. Resultantly, the All Share and Top 10 indices declined by 2.02% and 4.02%, to close the week under review at 241.44 and 217.97 points, respectively.

The industrial index declined by 2.21% to close the week at 803.64 points, from 821.77 points, recorded in the preceding week. This was largely attributable to share price losses for Willdale (35.14%); First Mutual Holdings Limited (20%); Dairibord Holdings Limited (19.58%); PPC Limited (14.65%) and Edgars Stores Limited (13.16%).

The mining index, however, increased by 9.55% to close at 341.56 points, mainly on account of increases in the share prices of Bindura Nickel Corporation Limited (BNC), (20.29%) and Riozim Limited, (3.79%).

Table 5: Zimbabwe Stock Exchange Statistics

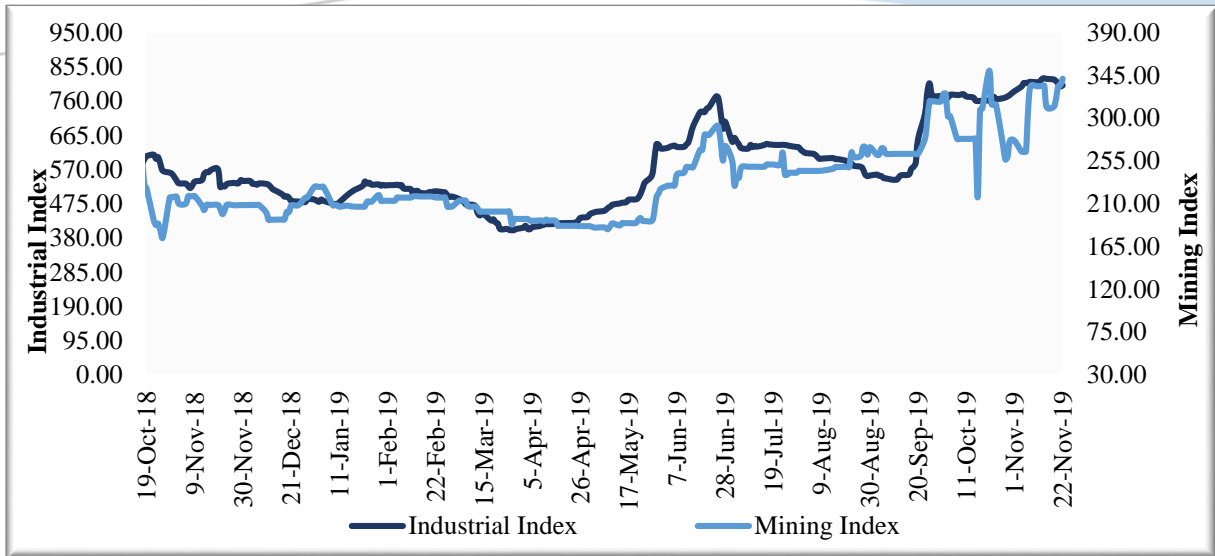
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
25-Oct-2019	229.80	210.70	765.51	311.14	30, 01	27.39	23.12
1-Nov-2019	235.89	276.31	787.70	276.31	30.80	82.80	118.01
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
Weekly Change (%)	(2.02)	(4.02)	(2.21)	9.55	(2.55)	12.38	121.40

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 1: Zimbabwe Stock Exchange Indices

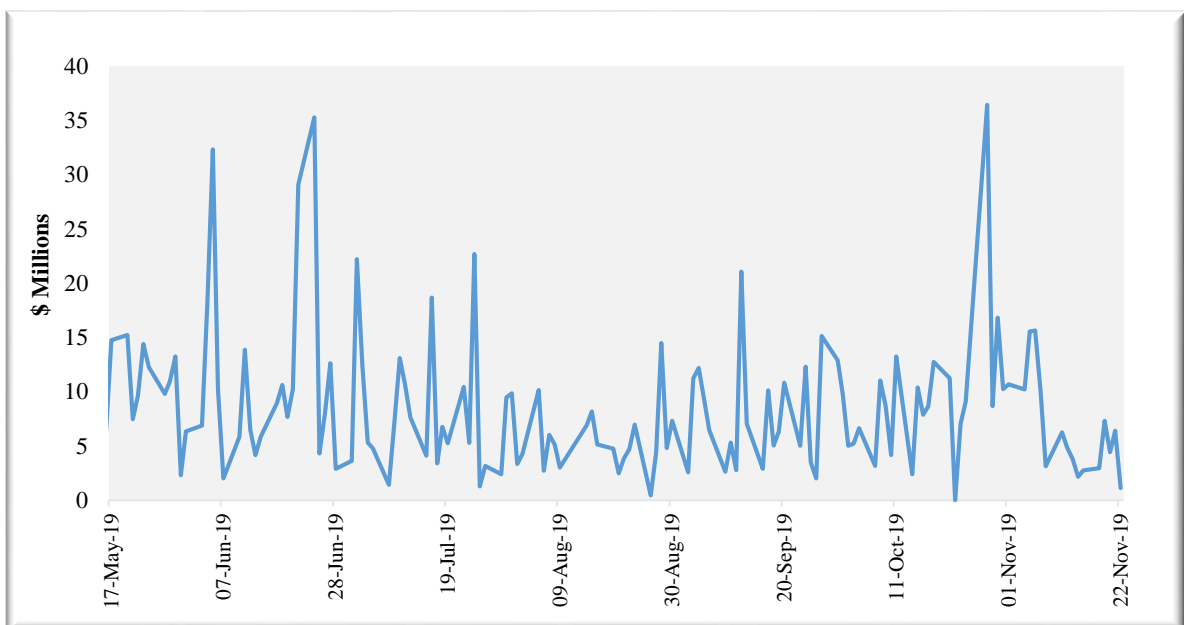


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE increased by 121.40%, to close at 42.53 million shares. Similarly, ZSE market turnover value rose by 12.38% to close at \$22.24 million, during the week under analysis.

Figure 2: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

ZSE market capitalisation decreased by 2.55%, from \$32.10 billion recorded in the preceding week to \$31.28 billion, during the week under review. This was largely underpinned by the decline in the industrial index.

Figure 3: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

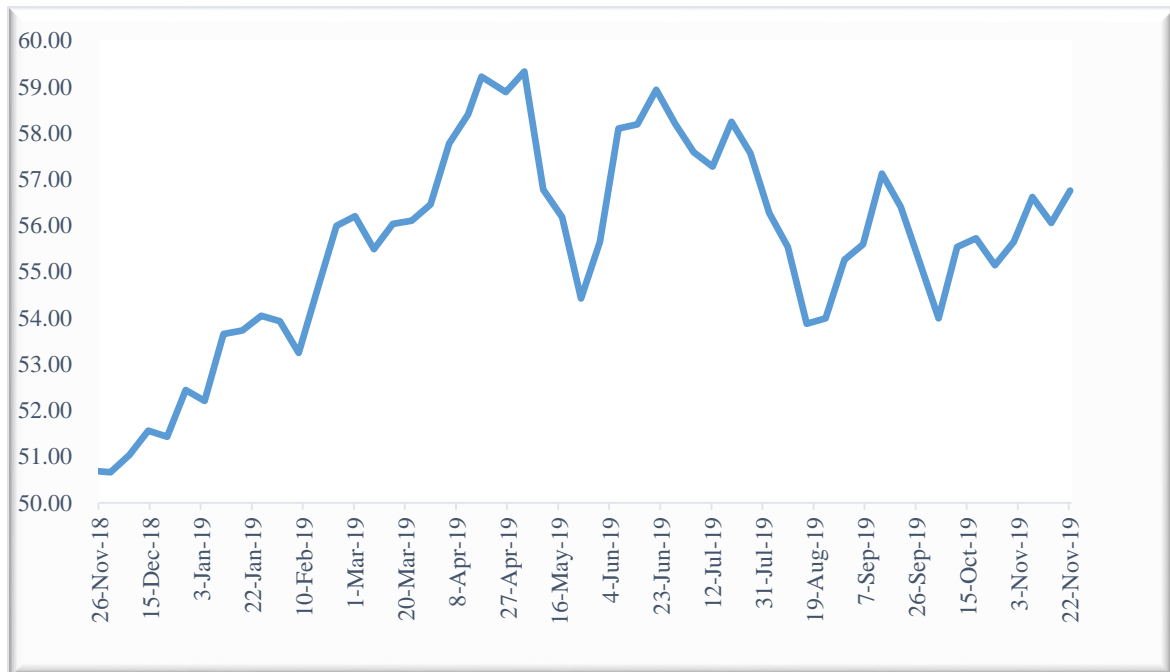
The JSE All Share Index stood at 56,759.62 points, during the week ending 22nd November 2019. This reflected a 1.26% increase from 55,141.98 points recorded in the previous week. Similarly, JSE market capitalization increased by 2.25% to R17.25 billion, during the same week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
25-Oct-19	55,141.98	16.87
1-Nov-19	56,650.01	17.25
8-Nov-19	56,617.02	17.23
15-Nov-19	56,054.77	17.05
22-Nov-19	56,759.62	17.25
% Change	1.26	1.17

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

Figure 4: Johannesburg Stock Exchange (JSE) All Share Index



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

RESERVE BANK OF ZIMBABWE

23RD NOVEMBER 2019