



Weekly Economic Highlights

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Week Ending
15 November 2019

1. INTEREST RATES

Deposit Rates

During the week ending 15th November 2019, average deposit rates for 1-month and 3-month deposits increased by 0.12 and 0.19 percentage points to close at 5.09% and 5.32%, respectively. Savings deposit rates, however, remained unchanged at 4.74%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
18-Oct-19	4.74	4.99	5.09
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

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for individual clients increased by 0.35 percentage points, to close at 15.14%, during the week under analysis. Lending rates for corporate clients, however, fell by 0.39 percentage points to close at 18.69%, during the same week.

Table 2: Lending Rates³⁷

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
18-Oct-19	15.62	19.46
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

Source: Banking Institutions, 2019

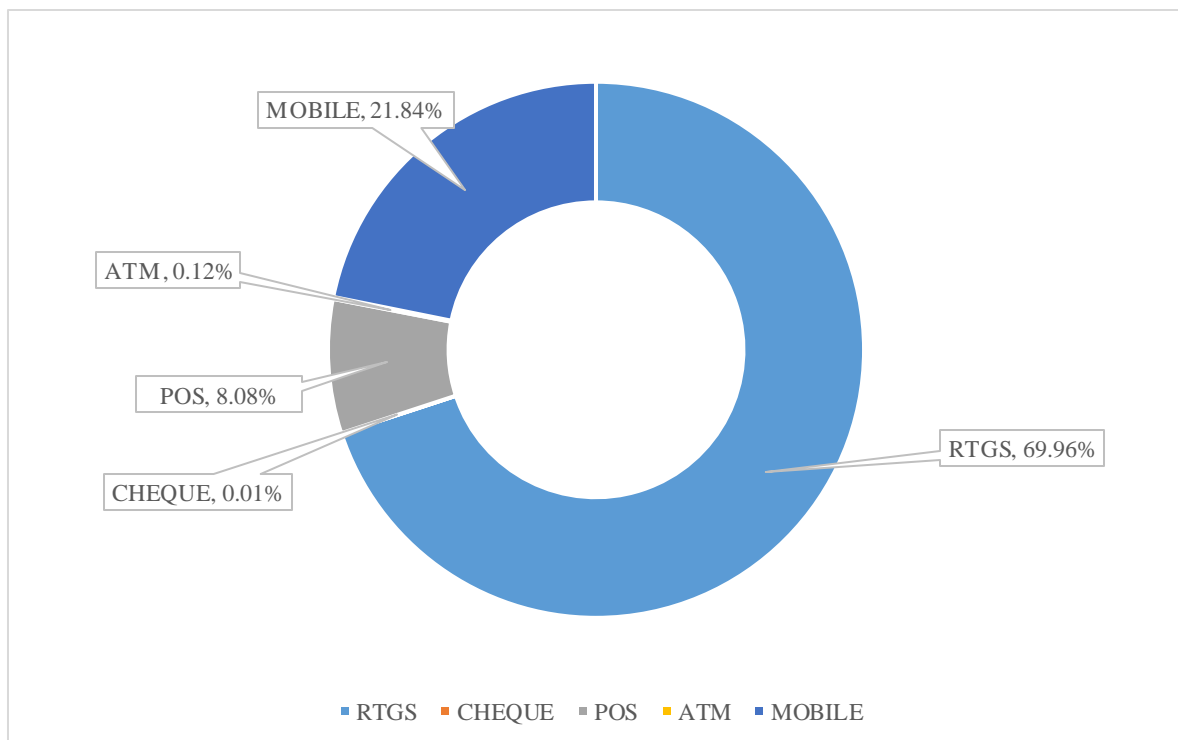
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The week under review saw transactions processed through the National Payment System (NPS) increase by 11.28% to close at \$15.21 billion, from \$13.67 billion recorded in the previous week. RTGS transaction values increased by 20.9%, from \$8.8 billion in the previous week to \$10.6 billion, during the week under review.

The NPS transaction values were distributed as follows: RTGS, 69.96%; Mobile, 21.84%; point of Sale (POS), 8.08%; Automated Teller Machine (ATM), 0.12%; and Cheque, 0.01%, as shown in Figure 1.

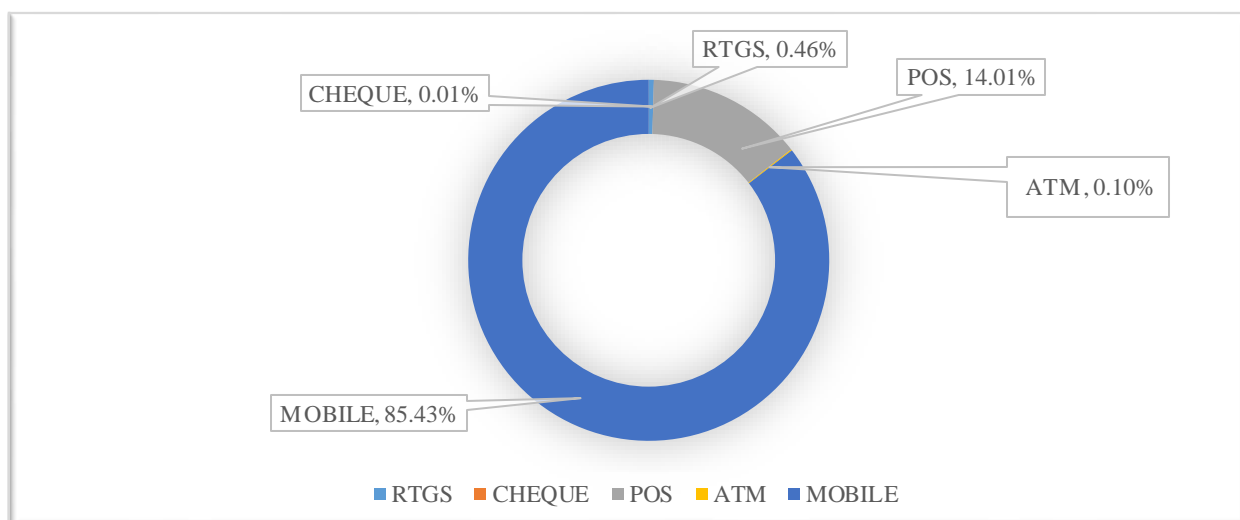
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

Total NPS transaction volumes declined by 9.23%, to close at 42.49 million transactions, during the week under analysis. Mobile based transactions accounted for 85.43% of the NPS transaction volumes, followed by POS; 14.01%; RTGS, 0.46%; 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	WEEK ENDING	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
	8 th November 2019	15 th November 2019		
VALUES IN ZWL (millions)				
RTGS	8,808.12	10,645.46	20.86%	69.96%
CHEQUE	0.74	0.95	28.94%	0.01%
POS	1,313.49	1,229.73	-6.38%	8.08%
ATM	33.30	18.27	-45.14%	0.12%
MOBILE	3,518.42	3,322.78	-5.56%	21.84%
TOTAL	13,674.07	15,217.19	11.29%	100%
VOLUMES				
RTGS	242,463	196,602	-18.91%	0.46%
CHEQUE	2,244	2,744	22.28%	0.01%
POS	5,648,451	5,950,947	5.36%	14.01%
ATM	14,403	40,594	181.84%	0.10%
MOBILE	40,901,963	36,296,786	-11.26%	85.43%
	46,809,524	42,487,673	-9.23%	100%

Source: Reserve Bank of Zimbabwe

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of gold, platinum, copper and nickel retreated, during the week under review. Crude oil prices, however, firmed during the same week, as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Brent Crude Oil
2019	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
weekly average (4-8 November)	1,488.62	934.20	5,916.59	16,288.80	61.82
11-Nov	1,462.10	891.00	5,857.00	15,730.00	62.18
12-Nov	1,453.53	882.50	5,838.00	15,500.00	62.06
13-Nov	1,463.18	837.50	5,823.00	15,530.00	62.37
14-Nov	1,467.15	857.00	5,835.00	15,355.00	62.28
15-Nov	1,466.25	873.50	5,812.00	14,990.00	63.30
weekly average (11-15 November)	1,462.44	868.30	5,833.00	15,421.00	62.44
Weekly Change (%)	<i>(1.8)</i>	<i>(7.1)</i>	<i>(1.4)</i>	<i>(5.3)</i>	<i>1.0</i>

Source: BBC, KITCO and Bloomberg 2019

Gold

The price of gold slumped by 1.8% to close at US\$1,462.44/oz, during the week ending 15th November 2019. This was underpinned by the loss of investor appetite for gold as a safe haven asset, following the on-going US-China trade war. In addition the hawkish signals from the U.S. Federal Reserve, on further interest rate cuts, citing growth in the U.S. economy, a strong labor market and steady inflation weighed down gold prices.

Platinum

Platinum prices retreated by 7.1%, from a weekly average of US\$934.20/oz. recorded in the previous week, to close the week under review at US\$868.30/oz. This followed waning demand for platinum, as investors shifted to palladium in anticipation of a surge in prices of the latter.

Copper

Copper prices declined by 1.4%, from a weekly average of US\$5,916.59/tonne in the week ending 8th November 2019 to an average price of US\$5,833.00/tonne, during the week under

review. Concerns over the economic slowdown in China, the world's top consumer of the base metal, weighed down the prices .

Nickel

Nickel prices, retreated by 5.3%, from an average of US\$16,288.88/ tonne in the previous week to US\$15,421.00/tonne, during the week under review. This was, partly, underpinned by rising inventories as well as a slow down in demand from stainless steel producers.

Crude Oil

Average weekly prices of crude oil rose by 1%, to close at US\$62.44/barrel during the week under review, from the price of the previous week, which averaged US\$61.82/barrel. Positive comments from the U.S Federal Reserve Chair and the Organization of Petroleum Exporting Countries, ahead of weekly report on U.S. stockpiles, buoyed crude oil prices.

EXCHANGE RATES

The week under review saw the Zimbabwe dollar depreciate against the pound Sterling; US dollar; pula and rand. An appreciation of the local unit was, however, recorded against the euro, as shown in Table 6.

Table 6: International Exchange Rates²

2019	USD	ZAR	GBP	BWP	EURO
Weekly Average (1- 8 Nov)	15.7439	1.0639	20.1149	1.4414	18.4171
11-Nov	15.8527	1.0641	20.2875	1.4537	17.4768
12-Nov	15.8742	1.0673	20.4221	1.4493	17.5179
13-Nov	15.9037	1.0655	20.4338	1.4504	17.5163
14-Nov	15.9344	1.0671	20.4557	1.4500	17.5238
15-Nov	15.9631	1.0791	20.5548	1.4622	17.5953
Weekly Average (8t- 15 Nov)	15.90562	1.06862	20.43078	20.43078	1.45312
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>0.9</i>	<i>0.2</i>	<i>1.4</i>	<i>0.7</i>	<i>-4.9</i>

Source: Reserve Bank of Zimbabwe, 2019

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

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was characterised by bullish sentiment, during the week under review. Resultantly, the All Share and Top 10 Indices gained 2.11 and 2.71 percentage points, to close the week at 246.43 and 227.10 points, respectively.

The industrial index gained 8.07 percentage points to close at 821.77 points, during the week under analysis. This was underpinned by share price increases for Medtech Holdings Limited (100%); First Mutual Properties Limited (19.1%); Mashonaland Holdings Limited; (14.29%); Ariston Holdings Limited (13.75%) and, OK Zimbabwe Limited (12.72%).

The mining index, however, declined by 21.86 percentage points to close at 311.78 points, during the week ending 25th October 2019. This was attributable to a share price loss for Bindura Nickel Corporation (16.67%).

Table 7: Zimbabwe Stock Exchange Statistics

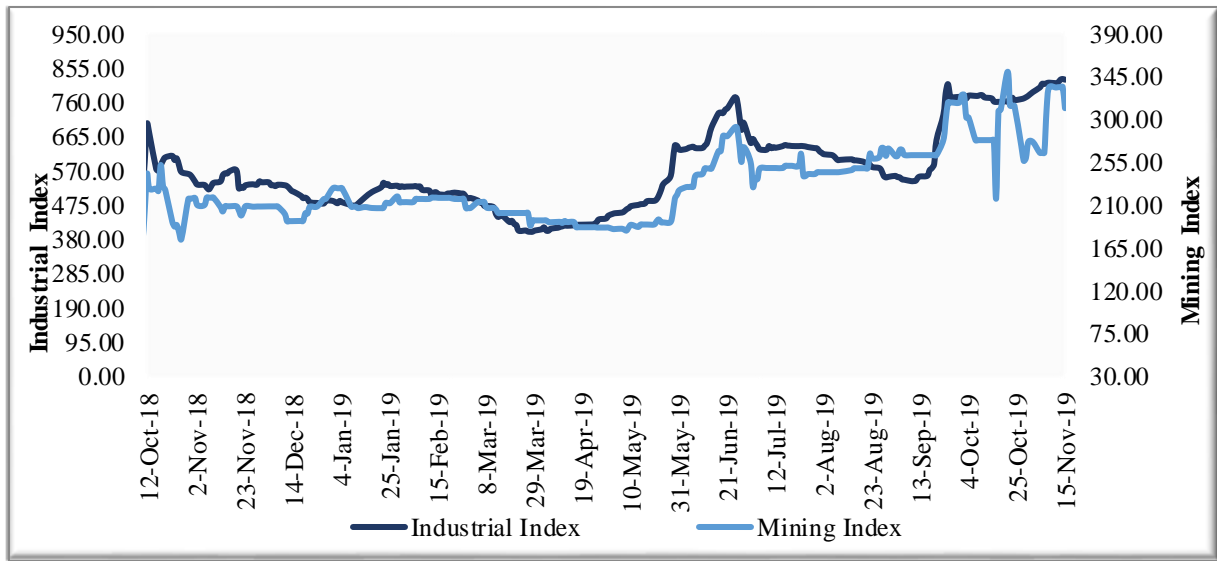
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
18-Oct-2019	228.19	208.80	760.26	310.18	29,78	42.03	19.71
25-Oct-2019	229.80	210.70	765.51	311.14	30, 01	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
Weekly Change (%)	0.86	1.21	0.99	-6.50	0.91	-63.70	-29.71

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

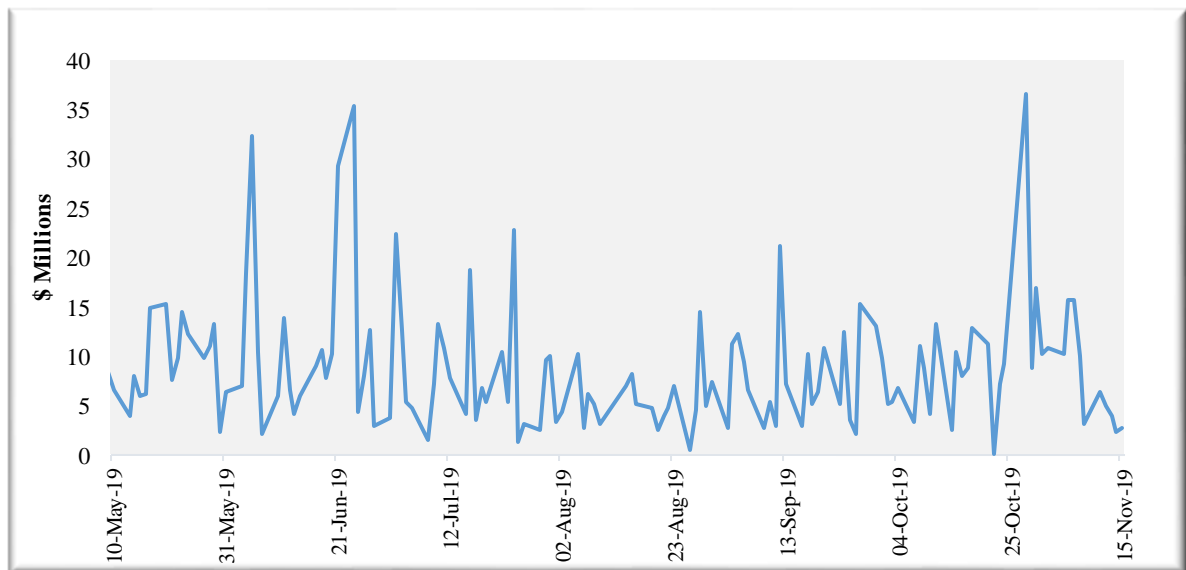


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE fell by 29.71% to 19.21 million shares, during the week under review. Concomittantly, ZSE market turnover value declined by 63.71%, to close the same week at \$19.79 million.

Figure 5: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

ZSE market capitalisation registered an increase of 0.91% to \$32.10 billion, during the week under review, from \$31.81 billion recorded in the preceding week.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

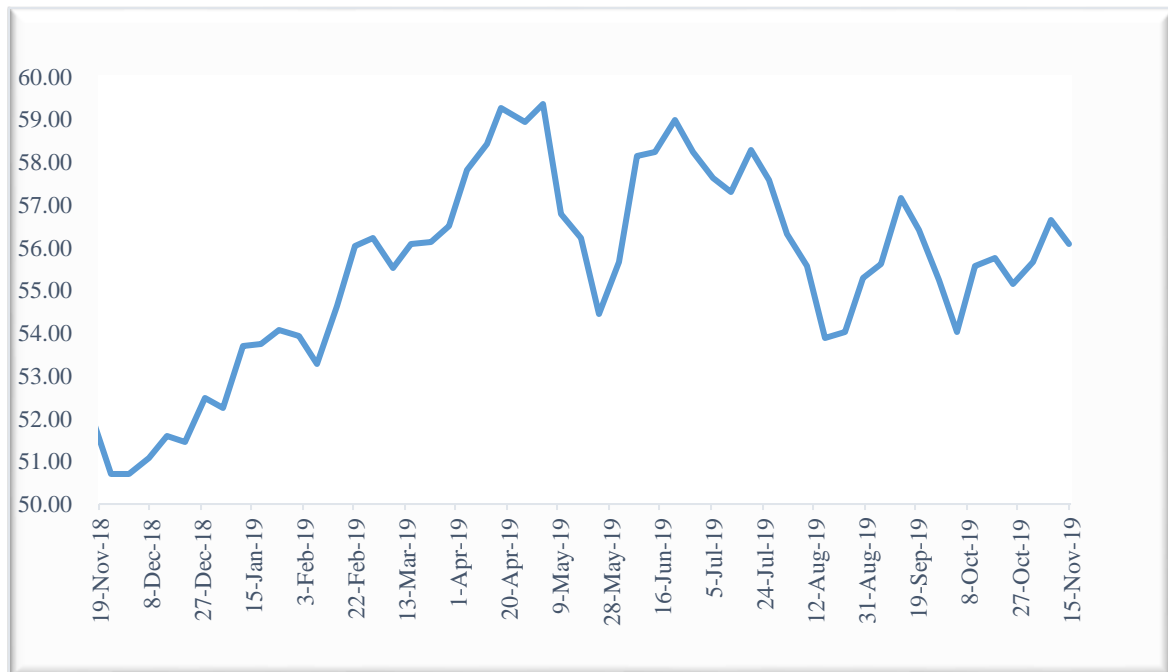
The JSE All Share Index declined by 0.99% to close at 56,054.77 points, during week ending 15th November 2019, from 56,617.19 points in the previous week. Similarly, JSE market capitalization lost 1.04%, to end the week at R17.05 billion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
18-Oct-19	55,722.19	17.37
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
% Change	-0.99	-1.04

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

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

21ST NOVEMBER 2019