



Weekly Economic Highlights

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Week Ending
06 September 2019

1. INTEREST RATES

Deposit Rates

During the week ending 6th September 2019, average deposit rates for savings deposits and deposits of 1-month and 3-month tenors decreased by 0.11; 0.03; and 0.06 percentage points, to close at 3.91%, 4.87% and 4.81%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
9-Aug-19	4.16	3.99	4.43
16-Aug-19	4.16	3.99	4.51
23-Aug-19	4.27	4.78	4.79
30-Aug-19	4.02	4.90	4.87
6-Sept-19	3.91	4.87	4.81

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for corporate clients stood at 17.87%, during the week under review, down from 18.43% in the previous week. Lending rates for individual clients closed the week at 14.92%, a 0.55 percentage points increase from 14.37% recorded in the previous week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
9-Aug-19	9.56	8.60
16-Aug-19	14.33	16.55
23-Aug-19	14.24	16.77
30-Aug-19	14.37	18.43
6-Sept-19	14.92	17.87

Source: Banking Institutions, 2019

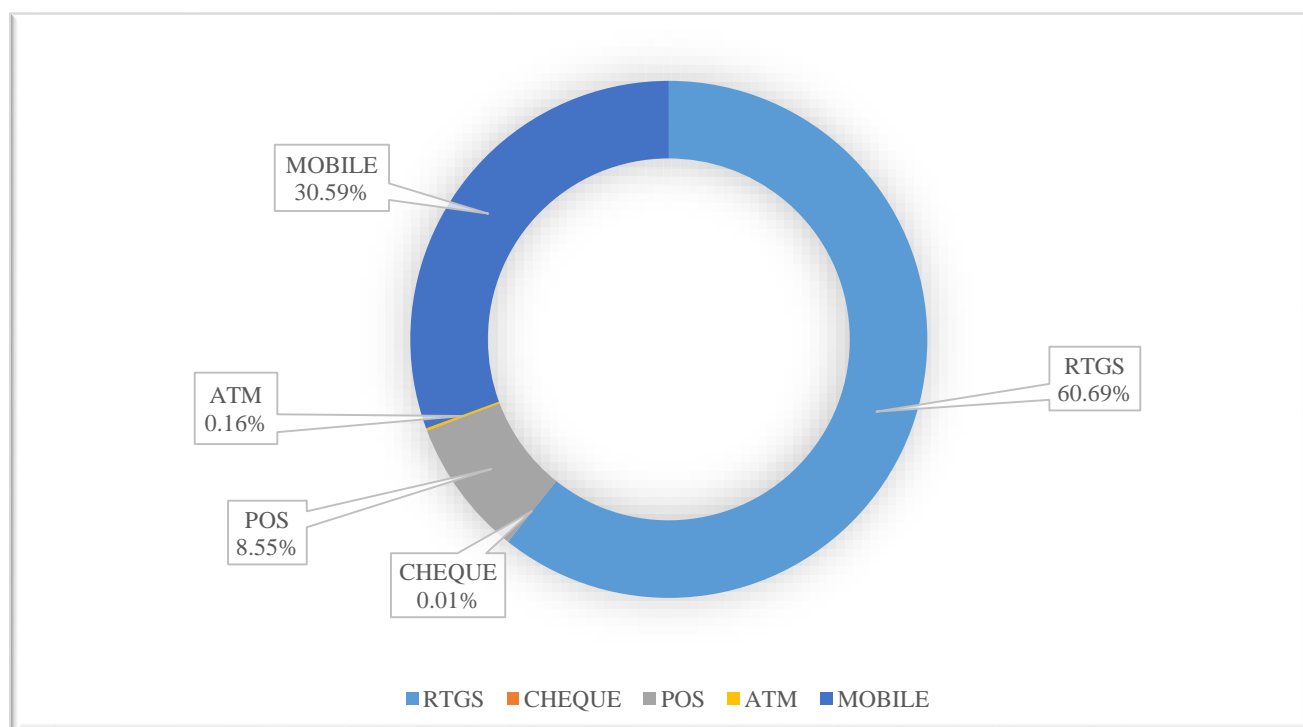
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) increased by 4.21% to \$9.82 billion during the week ending 6th September 2019. Real Time Gross Settlement (RTGS) system transaction values, declined by 7.77%, to close at \$5.96 billion during the same week.

The distribution of NPS transaction values was as follows: RTGS, 60.69%; Mobile, 30.59%; Point of Sale (POS), 8.55%; Automated Teller Machine (ATM), 0.16% and cheque, 0.01%, as shown in Figure 1.

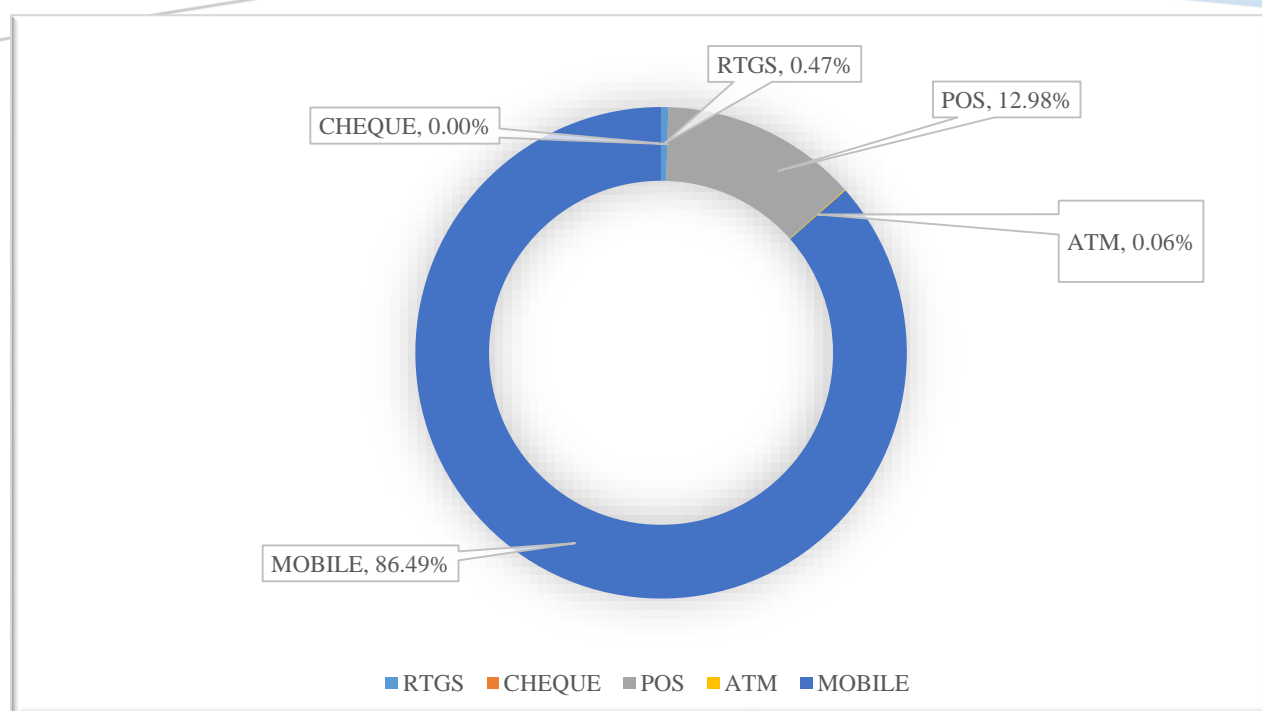
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

The volume of NPS transactions increased by 26.16%, from 40.99 million transactions registered in the previous week to close at 51.72 million transactions, during the week ending 6th September 2019. The NPS transaction volumes were distributed as follows: Mobile, 86.49%; POS, 12.98%; RTGS, 0.47%; ATM, 0.06%, and cheque, 0%, 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 30 th AUGUST 2019	WEEK ENDING 6 th SEPTEMBER 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	6,464.22	5,961.88	-7.77	60.69
CHEQUE	0.56	0.54	-4.73	0.01
POS	738.44	839.59	13.70	8.55
ATM	10.82	16.17	49.33	0.16
MOBILE	2,212.91	3,005.39	35.81	30.59
TOTAL	9,426.97	9,823.58	4.21	100
VOLUMES				
RTGS	258,418	245,071	-5.16	0.47
CHEQUE	2,039	2,066	1.32	0.00
POS	5,996,942	6,712,902	11.94	12.98
ATM	23,540	29,990	27.40	0.06
MOBILE	34,718,558	44,733,697	28.85	86.49
TOTAL	40,999,497	51,723,726	26.16	100

Source: Reserve Bank of Zimbabwe, 2019.

3. TOBACCO SALES

As at 6th September 2019 or day 117 of the 2019 tobacco selling season, a cumulative total of 258.18 million kilograms of tobacco had been sold. The quantity sold was 2.22% higher than the cumulative total of 252.58 million kilograms sold during the same period in 2018.

Cumulatively, the value of tobacco sold registered a 28.85% decrease to US\$524.63 million in 2019, from US\$737.40 million realized during the corresponding period in 2018.

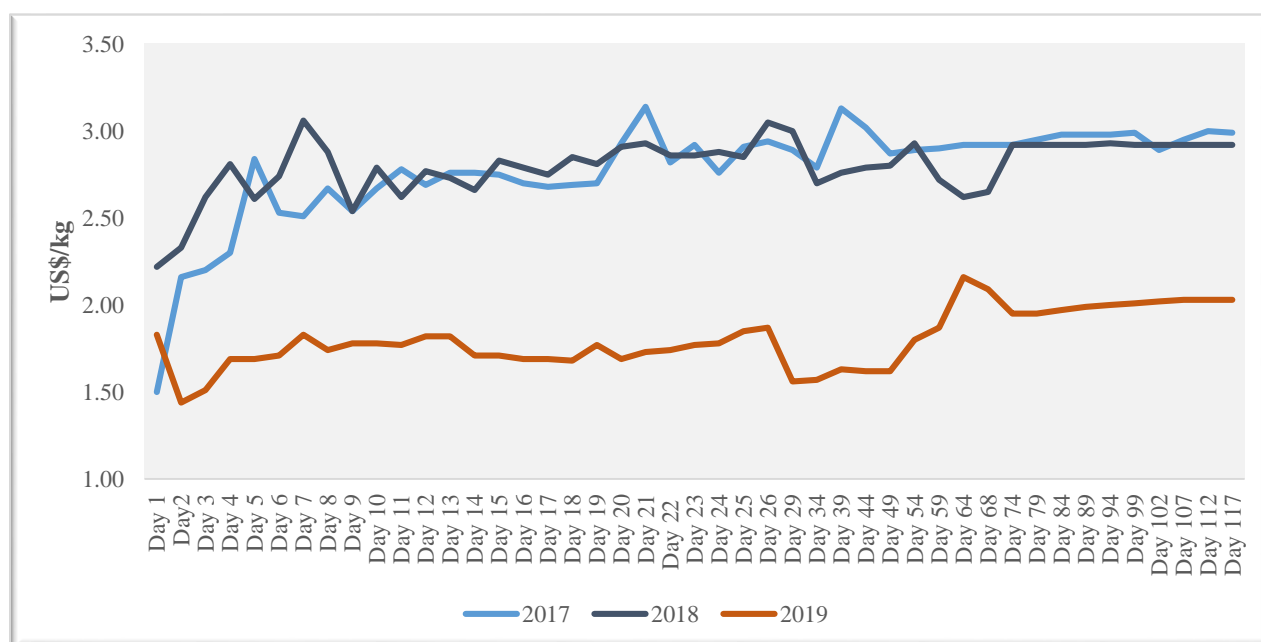
Table 4: Weekly Cumulative Tobacco Sales: Day 117 (6th of September 2019)

	2018	2019	Variance (%)
Cumulative Quantity Sold (million kg)	252.58	258.18	2.22
Cumulative Average Price(US\$/kg)	2.92	2.03	(30.40)
Cumulative value (US\$ million)	737.40	524.63	(28.85)

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

The golden leaf was sold at an average price of US\$2.92/kg, during the week ending 6th September 2019, compared to the US\$2.03/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

During the week under review, the international commodity prices of platinum, copper, nickel and crude oil firmed, while gold prices retreated, as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2019	<i>US\$/ounce</i>	<i>US\$/ounce</i>	<i>US\$/tonne</i>	<i>US\$/tonne</i>	<i>US\$/barrel</i>
weekly average (27-30August)	1,534.44	896.75	5,664.44	16,651.00	59.67
2-Sep	1,524.65	932.00	5,588.50	18,008.00	58.69
3-Sep	1,535.15	941.00	5,582.50	17,925.00	58.48
4-Sep	1,542.45	972.50	5,725.25	18,095.00	60.77
5-Sep	1,535.85	979.00	5,818.00	17,502.00	60.94
6-Sep	1,514.33	943.50	5,802.25	17,983.00	62.15
weekly average (2-6 September)	1,530.49	953.60	5,703.30	17,902.60	60.21
Weekly Change (%)	-0.3	6.3	0.7	7.5	0.9

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices retreated by 0.3% from a weekly of US\$1,534.44/oz. in the previous week to close at US\$1,530.49/oz during the week under review. This was on account of a stronger US dollar, on the back of an escalation of the US-China trade war and uncertainties pertaining to Brexit.

Platinum

Platinum prices rose by 6.3% to close at US\$953.60/oz, during the week ending 6th September 2019, from US\$896.75/oz registered in the previous week. The gains were largely on account of an increase in the industrial demand for the precious metal.

Copper

The weekly average prices of copper increased by 0.7%, from US\$5,664.44/tonne in the previous week to US\$5,703.30/tonne, during the week under review. Prices were supported by robust U.S. manufacturing data, which pointed to a positive demand outlook for the base metal in the country.

Nickel

Nickel prices firmed by 7.5% to US\$17,902.60/tonne, during the week under review. This compares with an average of US\$16,651.00/tonne recorded in the previous week. Similar to copper, positive expectations pointed to a positive demand outlook for the base metal.

Crude Oil

Brent crude oil prices firmed by 0.9%, to close at US\$60.21 per barrel during the week under review, from a weekly average of US\$59.67 per barrel in the previous week. This was underpinned by concerns about high global crude oil demand, amid the uncertainties surrounding the US and China trade war.

EXCHANGE RATES

During the week under review, the ZWL depreciated against the rand, pula, US dollar, sterling pound, and euro, as shown in Table 6.

Table 6: International Exchange Rates²

	USD	ZAR	GBP	BWP	EURO
2019					
Weekly Average (26-30 August)	10.5120	0.6833	12.8226	0.9458	11.6288
2-Sep	10.8366	0.7135	13.1789	0.9796	11.9089
3-Sep	10.9647	0.7192	13.1696	0.9890	12.0019
4-Sep	11.0191	0.7309	13.3408	0.9945	12.0951
5-Sep	11.1115	0.7532	13.6021	1.0156	12.2527
6-Sep	11.1722	0.7512	13.7736	1.0200	12.3408
Weekly Average (2-6 September)	11.0208	0.7336	13.4130	0.9997	12.1199
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>4.84</i>	<i>7.37</i>	<i>4.60</i>	<i>5.70</i>	<i>4.22</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) All Share Index declined by 1.39% to close the week under review at 164.05 points. Similarly, the Top 10 Index recorded a loss of 1.28%, to close the same week at 146.16 points.

The mainstream index decreased by 1.42% to 545.75 points, during the week under review. This followed share price losses registered by First Mutual Holdings Limited, (17.65%); Medtech Holdings Limited, (14.63%); Meikles Limited, (6.67%); Delta Corporation Limited, (5.14%); and Econet Wireless Zimbabwe Limited, (4.56%). The losses were partially offset by gains at Ariston Holdings Limited, (20%); Zimbabwe Newspapers (1980), (20%); Rainbow Tourism Group Limited, (14.66%); OK Zimbabwe Limited, (7.32%), and Bindura Nickel Corporation, (4.95%).

The resources index declined to 262.69 points, during the week under analysis, from 269.55 points in the previous week. This was, in part, on account of share declines in Riozim Limited, 1.80%.

Table 7: Zimbabwe Stock Exchange Statistics

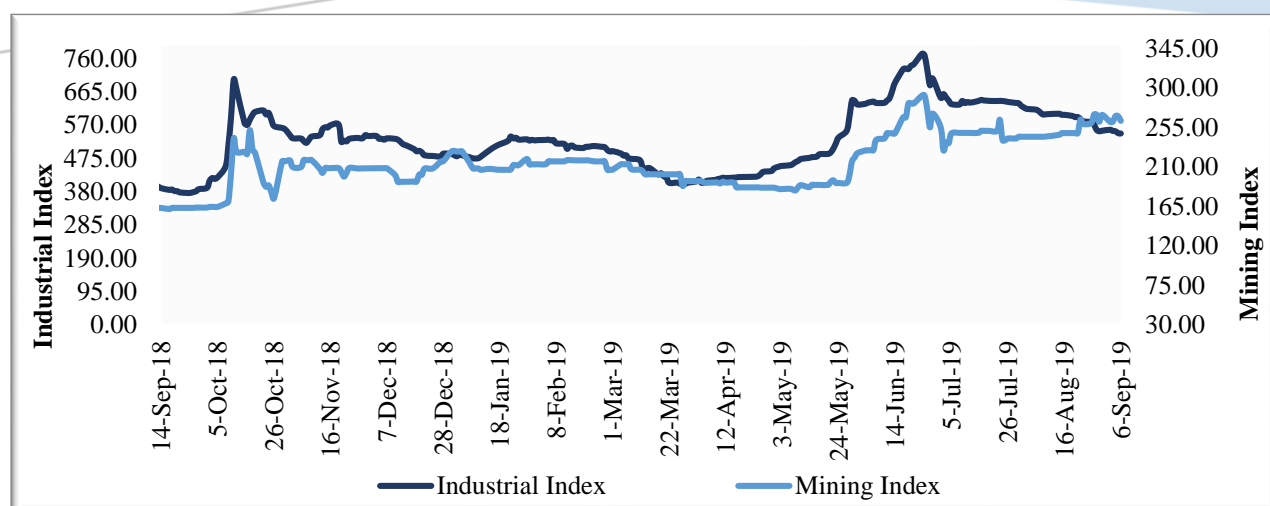
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$ million)	Market Turnover (US\$ million)	Volume of Shares (million)
9-Aug-19	180.05	166.67	600.56	244.79	23,518	27.03	20.67
16-Aug-19	179.70	165.66	599.18	248.74	23,425	20.25	14.47
23-Aug-19	174.33	158.69	580.60	259.15	23,008	22.72	32.75
30-Aug-19	166.36	148.06	553.59	269.55	21,742	31.45	39.10
6-Sep-2019	164.05	146.16	545.75	262.69	21,400	41.67	193.22
Weekly Change (%)	(1.39)	(1.28)	(1.42)	(2.54)	(1.57)	32.48	394.21

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

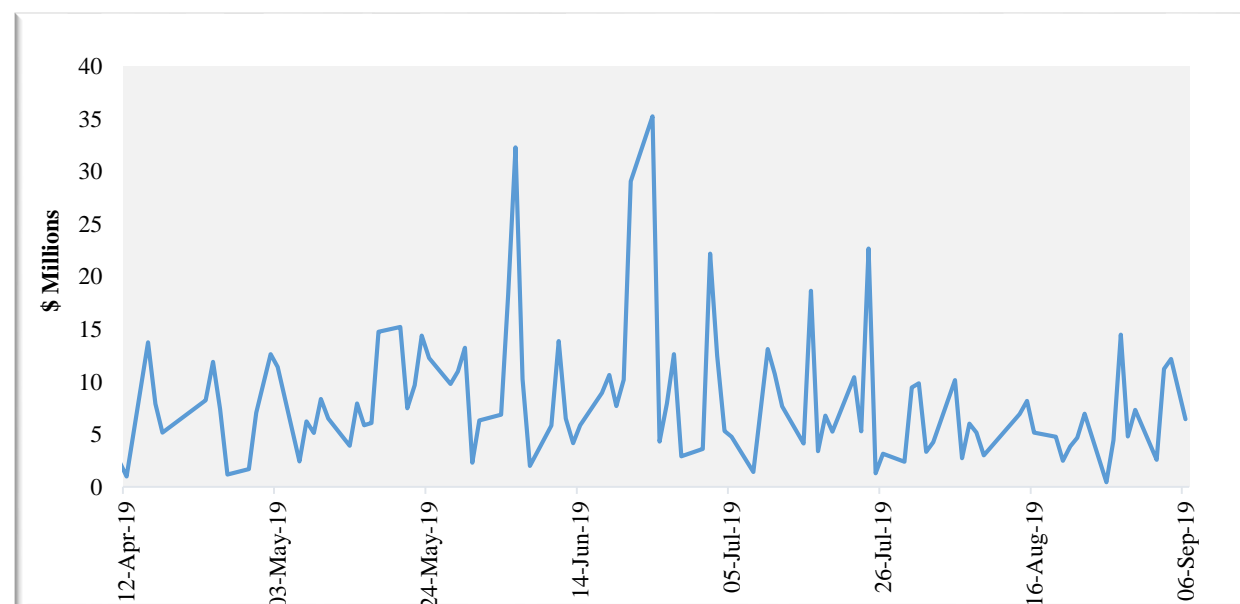


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

ZSE market turnover increased by 32.48%, from \$31.45 million in the previous week to \$41.67 million, during the week under analysis. The volume of shares traded increased by 394.21%, to close at 193.22 million shares in the same week.

Figure 5: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019.

Market Capitalization

During the week under review, ZSE market capitalisation registered a decline of 1.57% or \$341.32 million worth of market capitalisation to close at \$21.40 billion.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

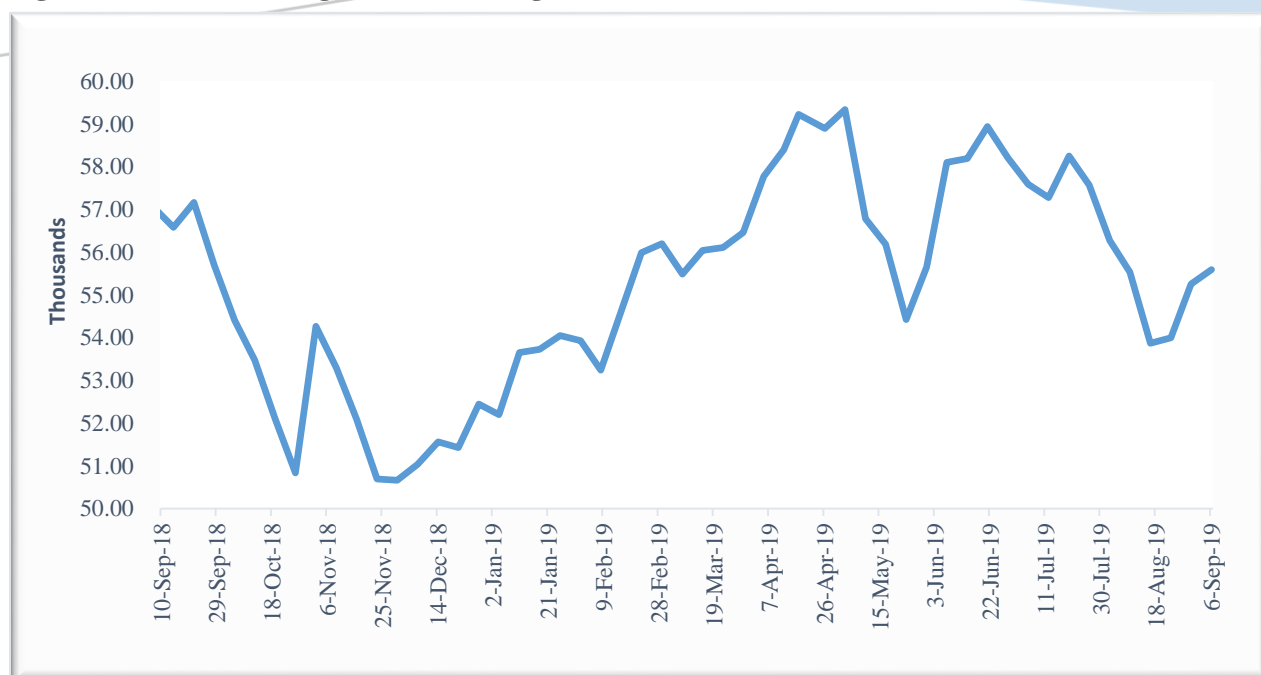
The JSE All Share index increased to 55,591.09 points during the week under review, reflecting a 0.6% increase from 55,259.57 points in the previous week. JSE market capitalization, however, declined by 0.19%, from R16.04 billion recorded in the previous week, to R16.01 billion, during the week under review.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
9-Aug-19	55,535.24	16.13
16-Aug-19	53,874.52	15.79
23-Aug-19	53,995.82	15.80
30-Aug-19	55,259.57	16.04
6-Sept-19	55,591.09	16.01
% Change	0.60	(0.19)

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

13th SEPTEMBER 2019