



Weekly Economic Highlights

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Week Ending
15th February 2019

1. INTEREST RATES

Deposit Rates

Average deposit rates for deposits of 3-month tenor decreased by 0.02 percentage points to 3.86%, during the week under review. Deposit rates for saving deposits and deposits of 1-month tenor, however, remained unchanged at 4.16% and 3.81%, respectively

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
18-Jan-19	4.16	3.81	3.88
25-Jan-19	4.16	3.81	3.99
01-Feb-19	4.16	3.81	3.99
08-Feb-19	4.16	3.81	3.88
15-Feb-19	4.16	3.81	3.86

Source: Banking Institutions, 2019

Lending Rates

Commercial bank weighted lending rates for individual clients increased by 0.02 percentage points to 9.22%, during the week ending 15th February 2019. Weighted lending rates for corporate clients, however, declined from 7.27% in the previous week, to 7.23% during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
18-Jan-19	9.28	7.30
25-Jan-19	9.47	7.40
01-Feb-19	9.42	7.41
08-Feb-19	9.20	7.27
15-Feb-19	9.22	7.23

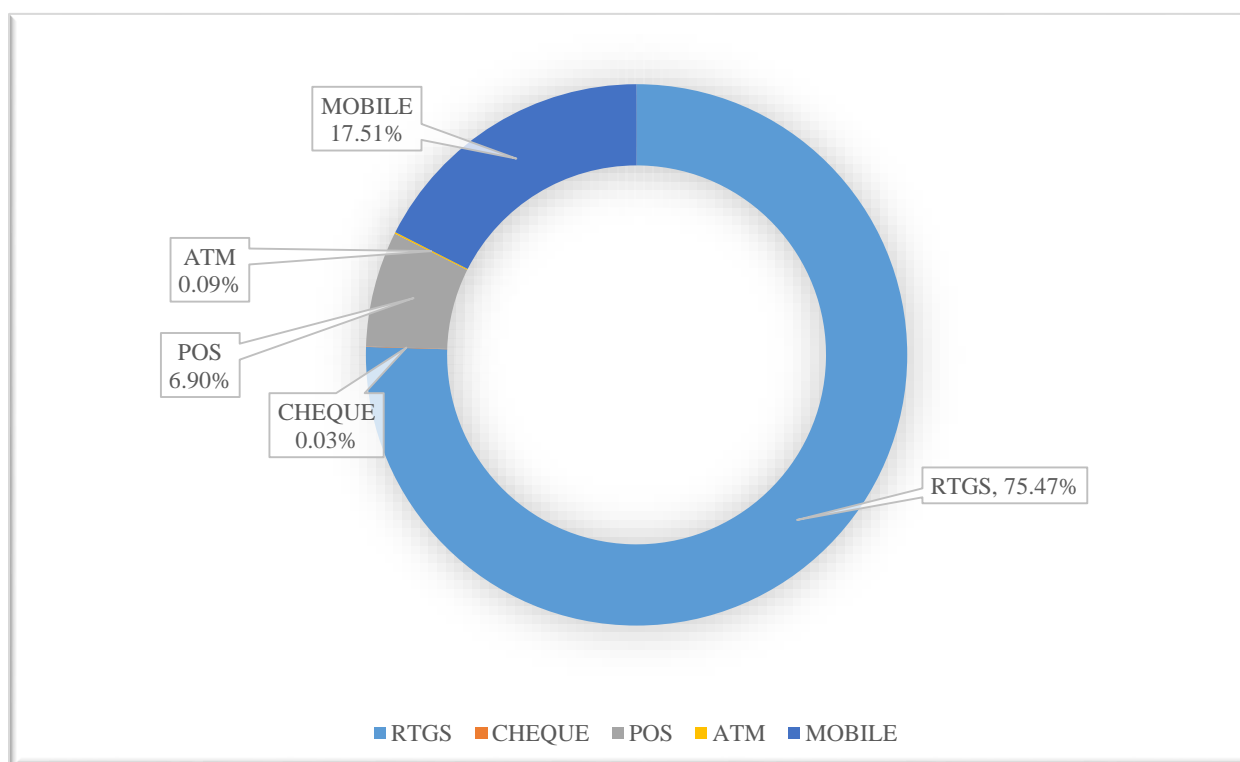
Source: Banking Institutions, 2019

¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 15th February 2019, the aggregate value of transactions processed through the National Payment Systems was US\$3.65 billion, representing a 24% increase from the previous week value of US\$2.94 billion. In terms of proportions, the Real Time Gross Settlement (RTGS) system constituted 75.47%, of the NPS transactions followed by mobile, 17.51%; Point of Sale, 6.90%; Automated Teller Machines, 0.09% and Cheque, 0.03% of the total transaction value, as shown in Table 1.

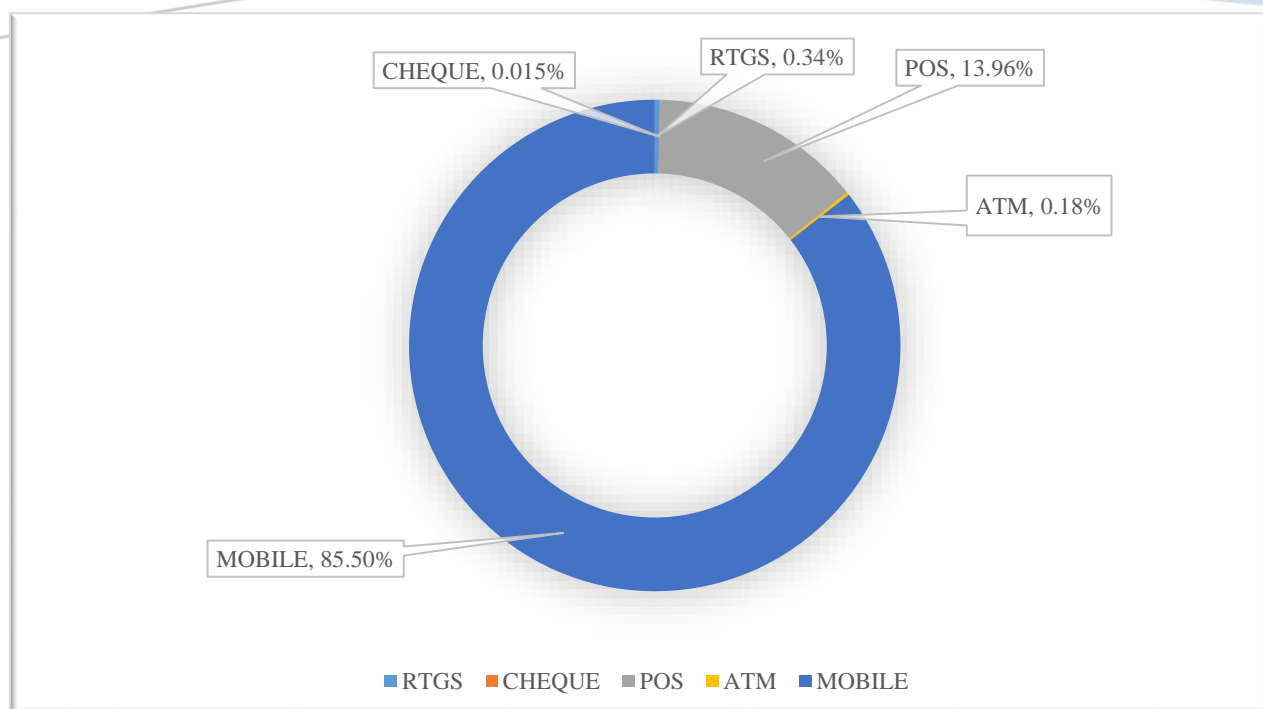
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

Total transaction volumes processed through the NPS amounted to 31.69 million, representing an 8.4% decrease from 34.58 million transactions processed in the previous week. The NPS transaction volumes were distributed as follows: Mobile, 85.50%; POS, 13.96%; RTGS, 0.34%; ATMs, 0.18%; and Cheque 0.015%, 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 8 st FEBRUARY 2019	WEEK ENDING 15 th FEBRUARY 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	1,910.93	2,754.91	44.2%	75.47%
CHEQUE	1,080.41	1,072.10	-0.7%	0.03%
POS	288.37	251.78	-12.7%	6.90%
ATM	5.63	3.47	-38.4%	0.09%
MOBILE	732.25	639.11	-12.7%	17.51%
TOTAL	2,938.32	3,650.33	24.2%	100%
VOLUMES				
RTGS	118,407	106,928	-9.8%	0.34%
CHEQUE	4,094	4,752	16.1%	0.015%
POS	5,223,794	4,424,989	-15.3%	13.96%
ATM	68,453	56,956	-16.8%	0.18%
MOBILE	29,162,712	29,092,79	-7.1%	85.50%
TOTAL	34,577,460	31,686.415	-8.4%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international weekly average prices of copper, gold, platinum and nickel, declined during the week under review. Crude oil prices, however, increased during the same week, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2019	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (4-8 Feb)	1,312.59	811.50	6,198.70	12,813.25	61.94
11-Feb	1306.58	791.00	6154.00	12695.00	61.80
12-Feb	1310.80	787.50	6150.00	12420.00	62.94
13-Feb	1311.98	789.50	6138.00	12309.00	64.34
14-Feb	1308.55	783.00	6144.00	12375.00	64.84
15-Feb	1317.28	708.07	6224.00	12415.00	66.50
Weekly Average (11-15 Feb)	1,311.04	771.81	6,162.00	12,442.80	64.08
Weekly Change (%)	<i>(0.1)</i>	<i>(4.9)</i>	<i>(0.6)</i>	<i>(2.9)</i>	<i>3.5</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

The price of gold retreated by 0.1%, from a weekly average price of US\$1,312.59/oz. to US\$1,311.04/oz., during the week under review. The fall in the average gold price was mainly on account of a stronger U.S. dollar, coupled with lower interest rates.

Platinum

Similarly, platinum prices continued on a decline, shedding off 4.9% from previous week average of US\$811.50/oz. to US\$771.81/oz., during the week under review. The decline in demand was partly attributable to a stronger US dollar.

Copper

Copper prices declined by 0.6%, from US\$6,198.70/ton in the previous week to US\$6,162.00/ton during the week under review. Prices declined amid investor concerns over the slowdown in the Chinese economy, the world's top consumer of the base metal.

Nickel

Nickel prices declined by 2.9%, from a weekly average of US\$12,813.25/ton in the previous week to US\$12,442.80/ton, during the week under review. The Vale's dam disaster in Brazil adversely affected nickel production, resulting in reduction in the output of the base metal.

Crude Oil

The price of unrefined petroleum rose by 3.5% to close the week under review at an average of US\$64.08/barrel, from US\$61.94/barrel in the previous week. The increase was supported by tight supply, mainly on account of production cuts by OPEC member states. Notably, Saudi Arabia pledged to cut its crude output beyond the limits agreed with OPEC producers. The tightening market is also getting support from a steep decline in production by producers in Libya, Iran, and Venezuela.

EXCHANGE RATES

The US dollar appreciated against the euro, South African rand, Botswana pula and pound Sterling, during the week ending 15th February 2019. The appreciation of the greenback was driven by safe haven demand, amid BREXIT worries as well as optimism from the US-China Trade talks.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2019				
Weekly Average (4-8 Feb)	13.4788	0.7699	10.3736	0.8487
11-Feb	13.6140	0.7735	10.4603	0.8834
12-Feb	13.7859	0.7774	10.5263	0.8866
13-Feb	13.7158	0.7747	10.5042	0.8820
14-Feb	14.0550	0.7771	10.6157	0.8866
15-Feb	14.1556	0.7815	10.6270	0.8862
Weekly Average (11-15 Feb)	13.8653	0.7768	10.5467	0.8850
<i>Appr(+)/Depr(-) (%) of the USD</i>	2.87	0.91	1.67	4.27

4. EQUITY MARKETS

During the week ending 15th February 2019, the Zimbabwe Stock Exchange (ZSE) continued on a bearish run, with the All Share Index losing 3.4 points to close the week at 151.68 points. The Top 10 Index dipped 3.14%, to close the week at 149.19 points.

The industrial index lost 11.54 points, from 517.45 points in the previous week to close the week under review at 505.91 points. Notable share price losses were recorded for Edgars Stores Limited, (19.19%); Inncor Africa Limited, (14.29%); Meikles Limited, (13.33%); and Delta Corporation Limited, (12.12%). The losses were partially offset by gains in National Foods Holdings Limited, (53.00%); Medtech Holding Limited, (50.00%); Zimbabwe Newspapers, (27.94%); and Unfreight Africa Limited, (19.79%).

The mining index increased by 0.52%, from 216.50, points recorded in the previous week to 217.63 points, during the week under review. The increase was attributable to the share price gains for Bindura Nickel Corporation, 1.66%.

Table 6: Zimbabwe Stock Exchange Statistics

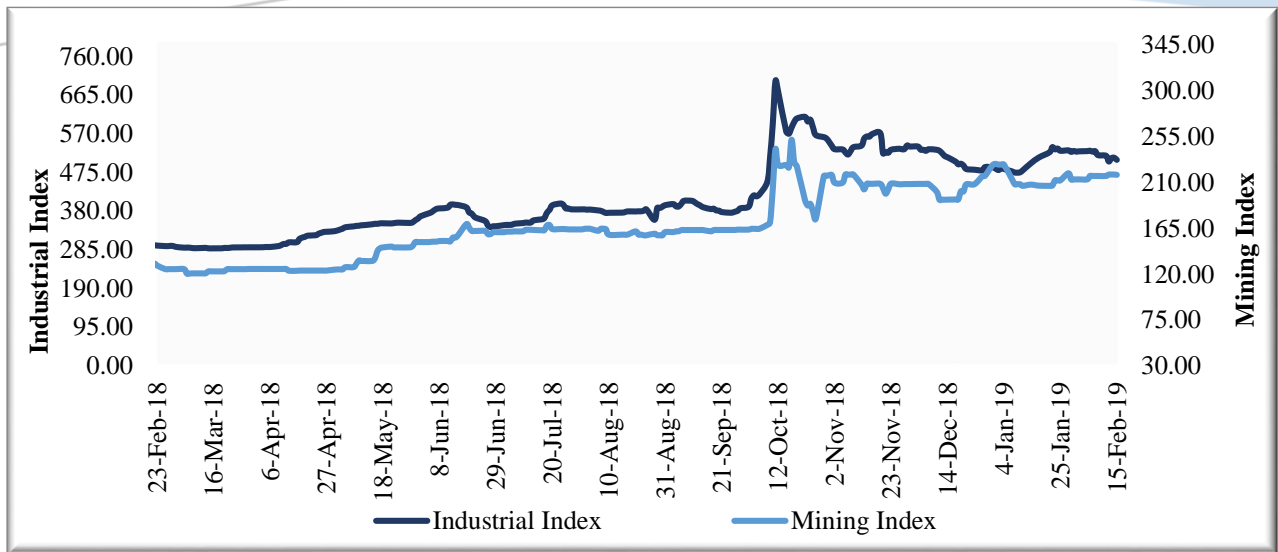
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
17-Jan-19	153.25	154	511.67	207	20,406,804,890	4,610,529	3,801,536
25-Jan-19	158.22	159.43	528.21	212.19	21,021,109,642	38,971,353	20,517,712
1-Feb-19	157.85	158.45	526.94	213.18	20,920,613,386	31,210,616	57,086,488
8-Feb-19	155.08	154.03	517.45	216.50	20,585,170,510	24,235,424	39,015,687
15-Feb-19	151.68	149.19	505.91	217.63	20,160,365,973	32,938,280	16,638,300
Weekly Change (%)	(2.19)	(3.14)	(2.23)	0.52	(2.06)	35.91	(57.35)

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 3: Zimbabwe Stock Exchange Indices

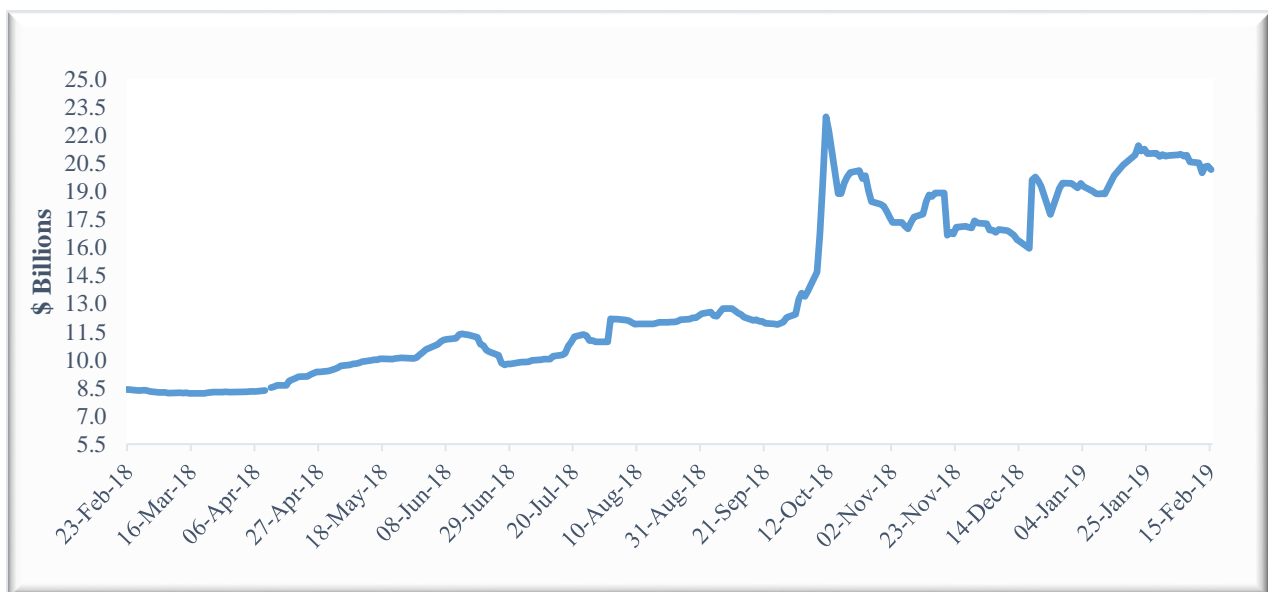


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

During the week under review, trading activity on the ZSE was concentrated in blue-chip counters. This resulted in a 35.91% increase in the value of shares traded to \$32.94 million, compared to \$24.24 million realized during the previous week. Market turnover, however, declined by 57.35 %, to close at 16.638 million shares from 39.02 million shares that were traded in the previous week.

Figure 4: Daily Market Turnover

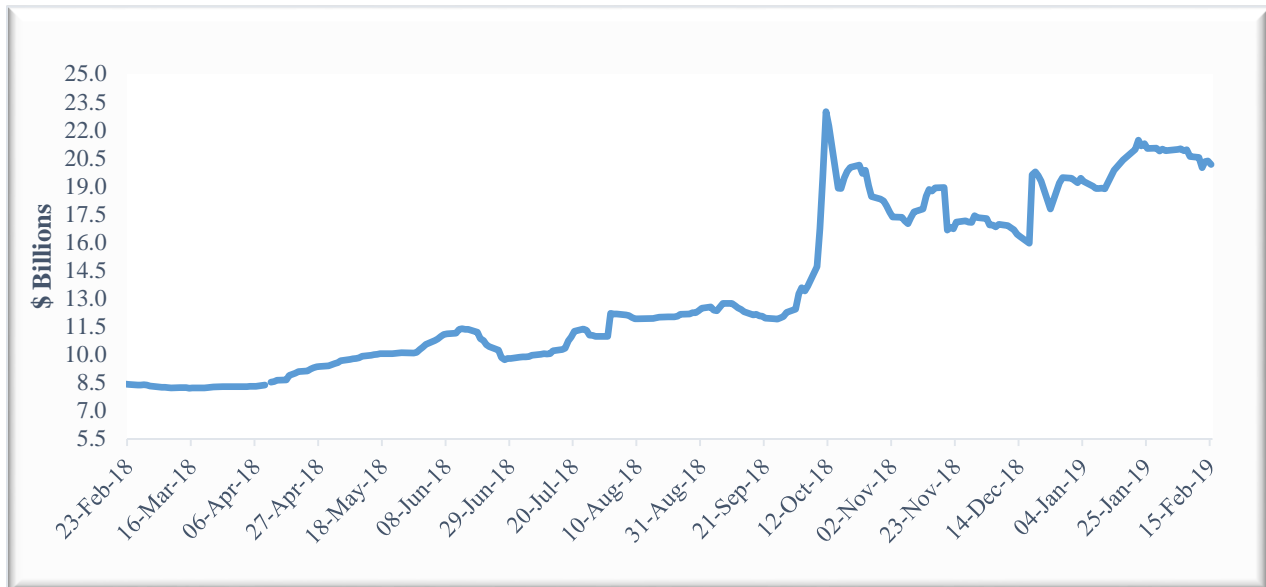


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

ZSE market capitalization decreased by 2.06%, from US\$20.59 billion in the previous week to US\$20,16 billion, during the week ending 15 February 2019.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

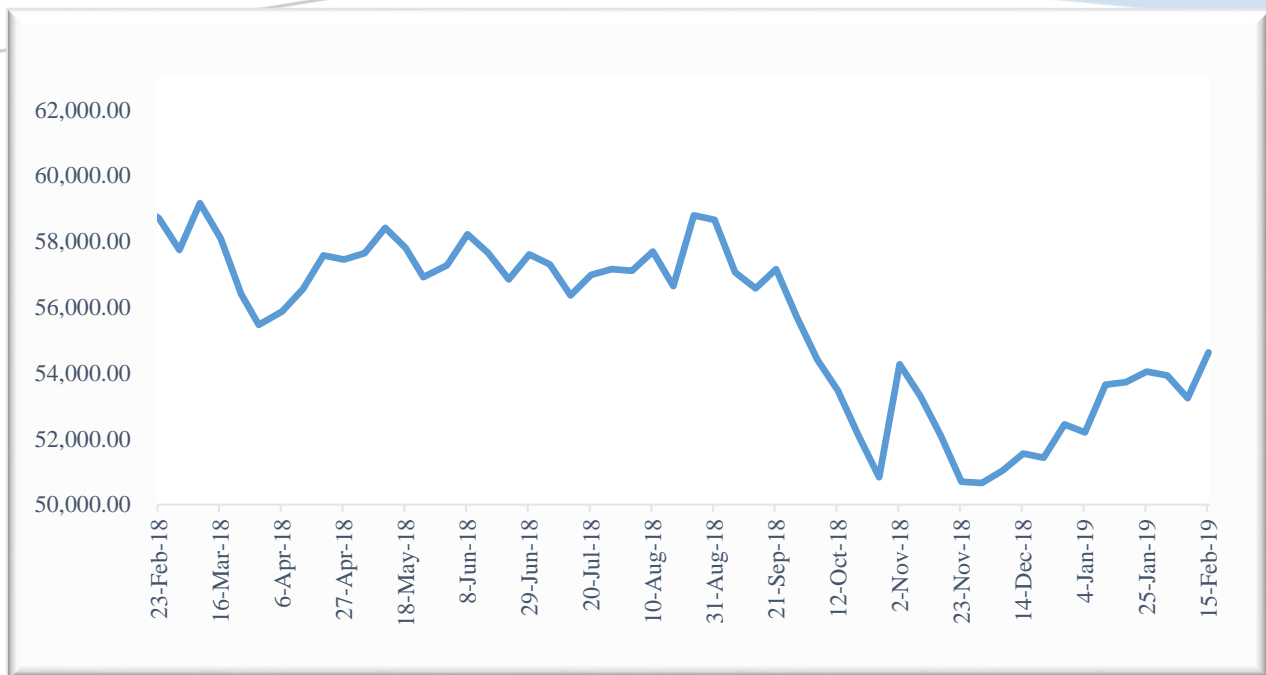
The JSE All Share index closed the week under review at 54,628.41 points, up from 53,244.18 points recorded in the previous week. Likewise, JSE market capitalization recorded a 3.01% increase, to close at R15.38 trillion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
18-Jan-19	53,731.50	12.88
25-Jan-19	54,050.23	12.85
01-Feb-19	53,930.14	12.97
08-Feb-19	53,244.18	14.93
15-Feb-19	54,628.41	15.38
% Change	2.60	3.01

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

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



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

RESERVE BANK OF ZIMBABWE

15th FEBRUARY 2019