



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS.....	4
4. EXCHANGE RATES.....	5
5. EQUITY MARKETS.....	6

Week Ending
22nd February 2019

1. INTEREST RATES

Deposit Rates

Average deposit rates for savings deposits and deposits of 1-month and 3-month tenors remained unchanged at 4.16%, 3.81% and 3.86%, respectively during the week ending 22nd February 2019.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
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
22-Feb-19	4.16	3.81	3.86

Source: Banking Institutions, 2019

Lending Rates

Weighted lending rates for individual clients increased by 0.01 percentage points to 9.23%, during the week under review. Commercial bank weighted lending rates for corporate clients increased from 7.23% in the previous week, to 7.30% during the week under review.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
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
22-Feb-19	9.23	7.30

Source: Banking Institutions, 2019

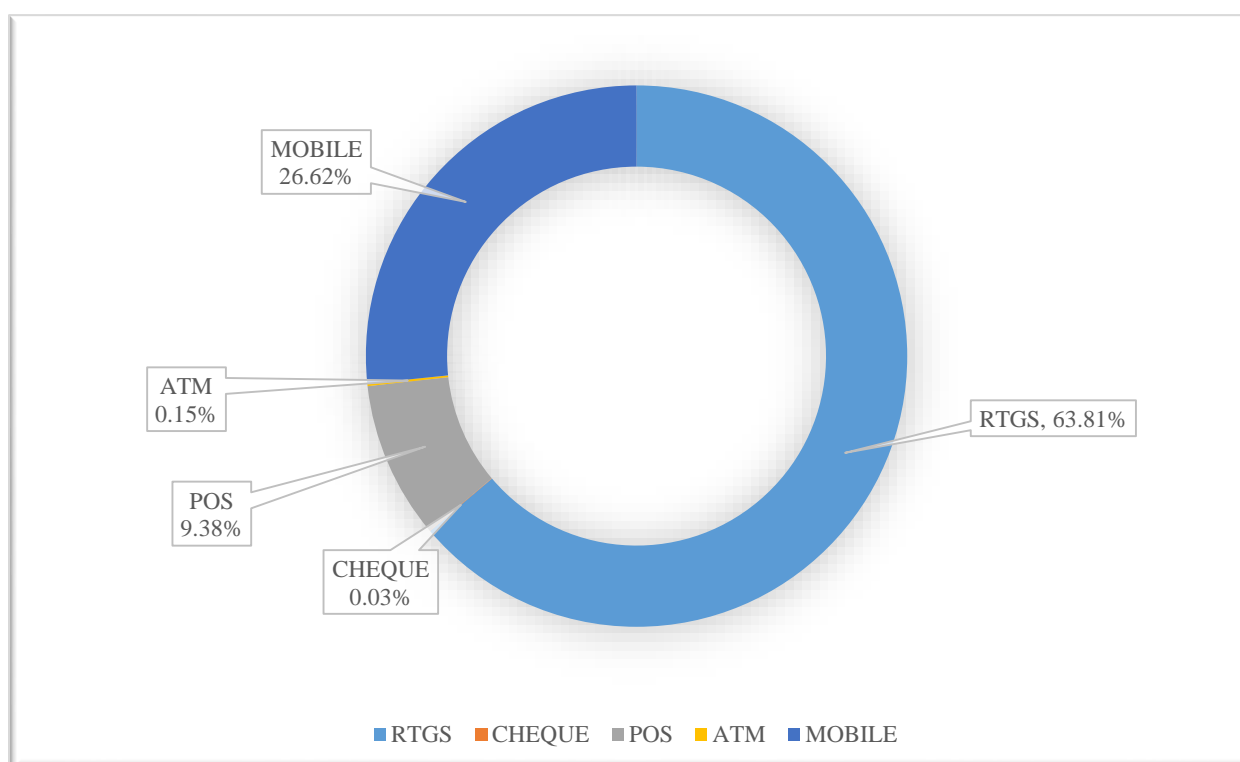
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payments System (NPS) decreased by 28.3%, to close the week under review at US\$2.62 billion. This was mainly driven by a 39.4% decrease in the value of RTGS transactions, from US\$2.75 billion in the previous week to US\$1.67 billion, during the week ending 22nd February 2019.

The distribution of NPS transactions in value terms was as follows: RTGS, 63.81%; Mobile, 26.62%; POS, 9.38%; ATM, 0.15%; and Cheque, 0.03%, as shown in Figure 1.

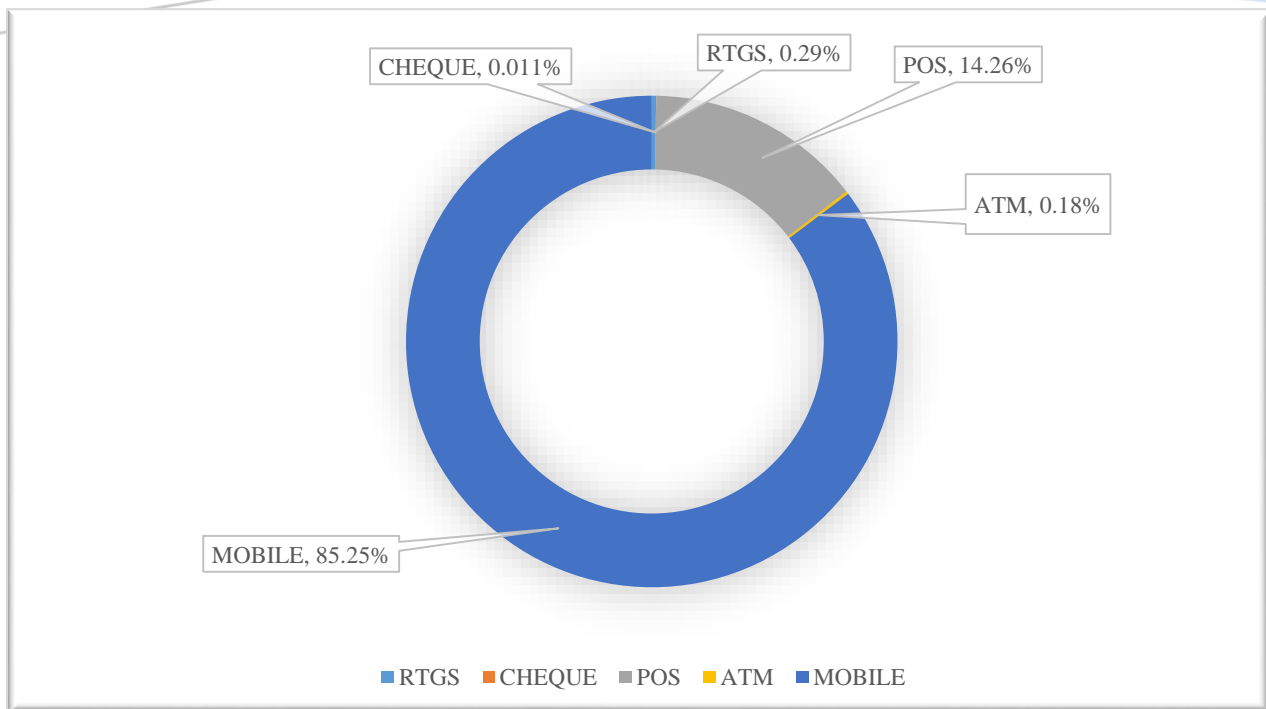
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

NPS transaction volumes increased by 0.5%, to close the week ending 22nd February 2019 at 31.85 million transactions. In terms of contributions to the total volume of NPS transactions, Mobile transactions were highest at 85.25%, followed by POS, 14.26%; RTGS, 0.29%; ATM, 0.18%; and Cheque, 0.011%, 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 15 th FEBRUARY 2019	WEEK ENDING 22 th FEBRUARY 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	2,754.91	1,670.71	-39.4%	63.81%
CHEQUE	1.07	0.84	-21.3%	0.03%
POS	251.78	245.62	-2.4%	9.38%
ATM	3.47	3.89	12.3%	0.15%
MOBILE	639.11	697.01	9.1%	26.62%
TOTAL	3,650.34	2,618.09	-28.3%	100%
VOLUMES				
RTGS	106,928	92,862	-13.2%	0.29%
CHEQUE	4,752	3,361	-29.3%	0.011%
POS	4,424,989	4,542,537	2.7%	14.26%
ATM	56,956	58,468	2.7%	0.18%
MOBILE	27,092,790	27,156,873	0.2%	85.25%
TOTAL	31,686,415	31,854,101	0.5%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Weekly average international commodity prices of gold, platinum, copper, nickel and crude oil, firmed during the week under review, 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 (11-15 Feb)	1,311.04	771.81	6,162.00	12,442.80	64.08
18-Feb	1,324.73	807.00	6,317.50	12,374.00	66.24
19-Feb	1,331.85	812.00	6,289.00	12,573.50	66.38
20-Feb	1,344.75	823.00	6,346.50	12,765.00	67.08
21-Feb	1,333.15	823.00	6,389.50	12,461.00	67.02
22-Feb	1,325.65	830.00	6,506.00	12,905.50	66.90
Weekly Average (18-22 Feb)	1,332.03	819.00	6,369.70	12,615.80	66.72
Weekly Change (%)	<i>1.6</i>	<i>6.1</i>	<i>3.4</i>	<i>1.4</i>	<i>4.1</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices rose by 1.6% to an average of US\$1 332.03/oz, from US\$1 311.04/oz recorded in the previous week. The price of the precious metal increased on account of a weaker U.S. dollar. In addition, optimism about a breakthrough in U.S. and China trade talks supported the demand for the yellow metal as a safe haven asset.

Platinum

Platinum prices firmed by 6.1%, from a weekly average of US\$771.81/oz recorded in the previous week to US\$819.00/oz, during the week under analysis. Prices rose on the prospects of positive investment demand, combined with a contraction in supply, chiefly from the South African mining sector.

Copper

Copper prices firmed by 3.4%, to a weekly average of US\$6,369.70/tonne. The base metal price was on a positive trajectory, due to a weaker dollar and optimism on the ongoing US-China trade negotiations.

Nickel

Nickel prices rose by 1.4%, from a weekly average of US\$12 442.80/tonne registered in the previous week, to close the week under review at an average of US\$12 615.80/tonne. Prices were supported by a softer US dollar.

Crude Oil

Crude oil prices increased by 4.1% to close at US\$66.72/barrel, during the week under review, from an average of US\$64.08/barrel in the previous week. This was underpinned by tight market supply conditions, as the Organization of Petroleum Exporting Countries continued to cut production.

EXCHANGE RATES

During the week ending 22nd February 2019, the US dollar registered gains against the rand and the pula. The greenback, however, depreciated against the pound Sterling and euro.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2019				
Weekly Average (11-15 Feb)	13.8653	0.7768	10.5467	0.885
18-Feb	13.6037	0.7579	10.4987	0.8760
19-Feb	13.6752	0.7604	10.4275	0.8749
20-Feb	13.5896	0.7638	10.4167	0.8739
22-Feb	13.3350	0.7618	10.3093	0.8692
Weekly Average (18-22 Feb)	14.0537	0.7706	10.6158	0.8831
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>1.36</i>	<i>(0.80)</i>	<i>0.66</i>	<i>(0.22)</i>

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was bullish during the week under analysis. Resultantly, the All Share index gained 1.26 points to close at 152.9 points. The Top index also gained by 1.84 points to close the week at 151.03 points.

The industrial index closed the week under analysis at 510.21 points, a 0.85% increase from 505.91 points registered in the previous week. This was attributable to share price gains recorded for Willdale Limited, (19.01%); Meikles Limited, (15.38%); Masimba Holdings Limited, (6.25%); Delta, (3.65%); and Cassava Smartech Zimbabwe Limited, (1.99%). Partially offsetting the aforementioned gains were share price losses for Mashonaland Holdings (19.25%), Dawn Properties, (9.75%); TSL Limited, (3.57%); OK Zimbabwe Limited, (1.93%) and Zimbabwe Newspapers, (1.15%).

The mining index, however, lost 1.13 points to close the week under review at 216.50 points. This emanated from a 1.64% loss in the Bindura Nickel Corporation Limited share price. RioZim Limited remained inactive in the same week.

Table 6: Zimbabwe Stock Exchange Statistics

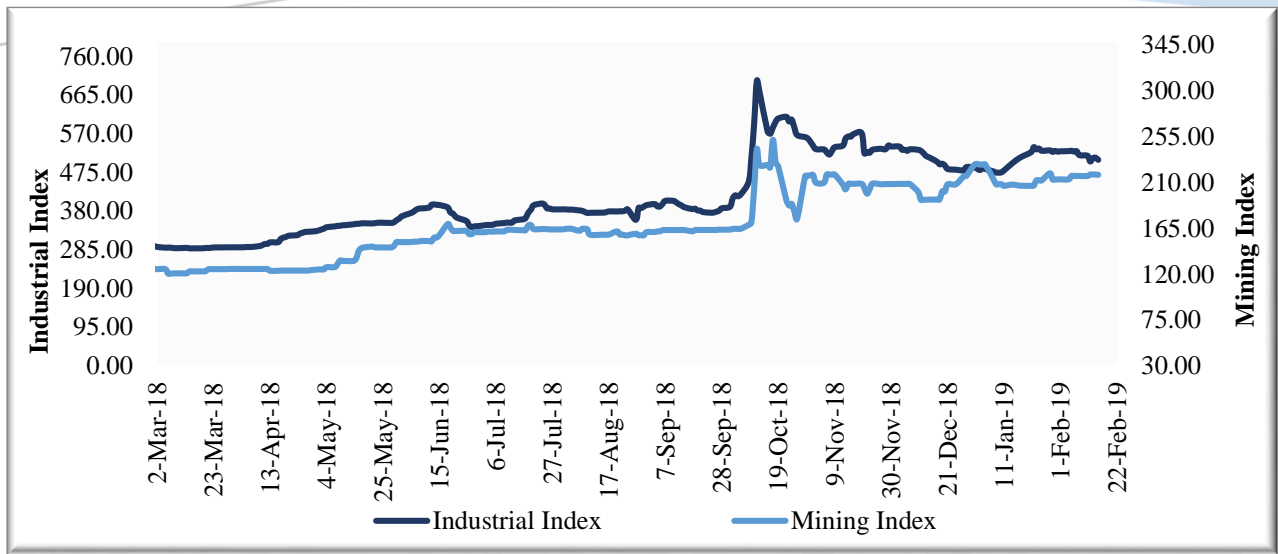
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
25-Jan-19	158.22	159.43	528.21	212.19	21,021,109,642	38,971,353	20,517,712
1-Feb-19	157.85	158.45	526.94	213.18	20,920,613,386	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	32,940,000	16,638,300
22-Feb-19	152.94	151.03	510.21	216.50	20,296,713,182	233,455,624	155,202,869
Weekly Change (%)	0.83	1.23	0.85	(0.52)	0.68	608.73	832.80

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

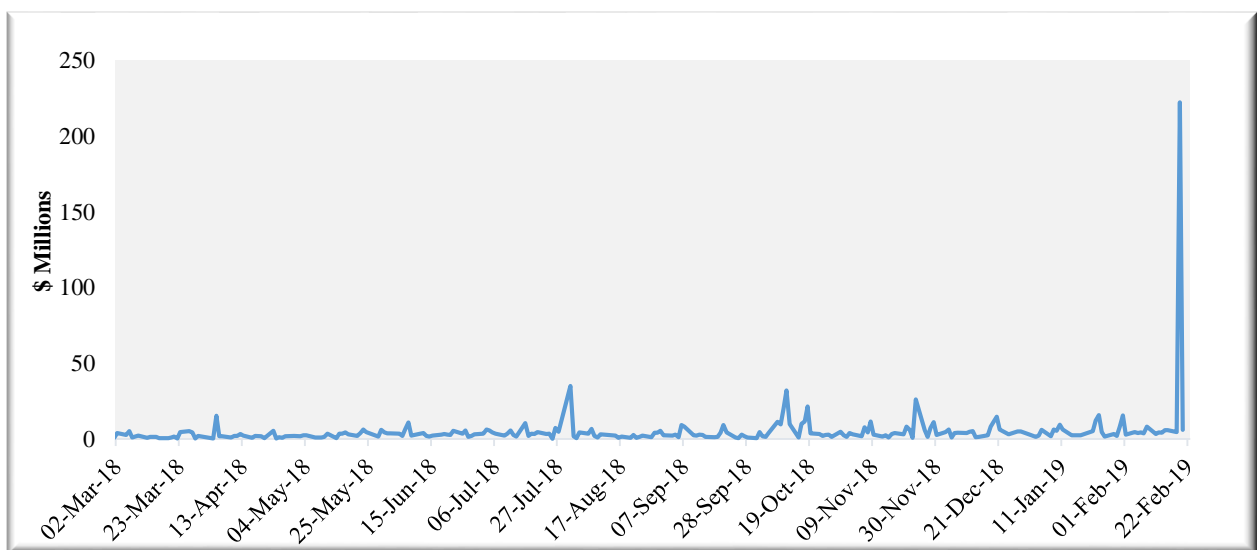


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

Trading on the ZSE was dominated by high activity in selected blue-chip counters. The ZSE registered block trades of 81 million Econet shares, 66 million Cassava Smartech shares and 1 million Delta Corporation shares that exchanged hands at 146.29 cents, 145.50 cents and 289.53 cents, respectively. Cumulative market turnover increased by 608.77% to US\$233.46 million, during the week under review. In tandem, the cumulative volume of shares increased by 832.80% to 155.20 million shares.

Figure 4: Daily Market Turnover

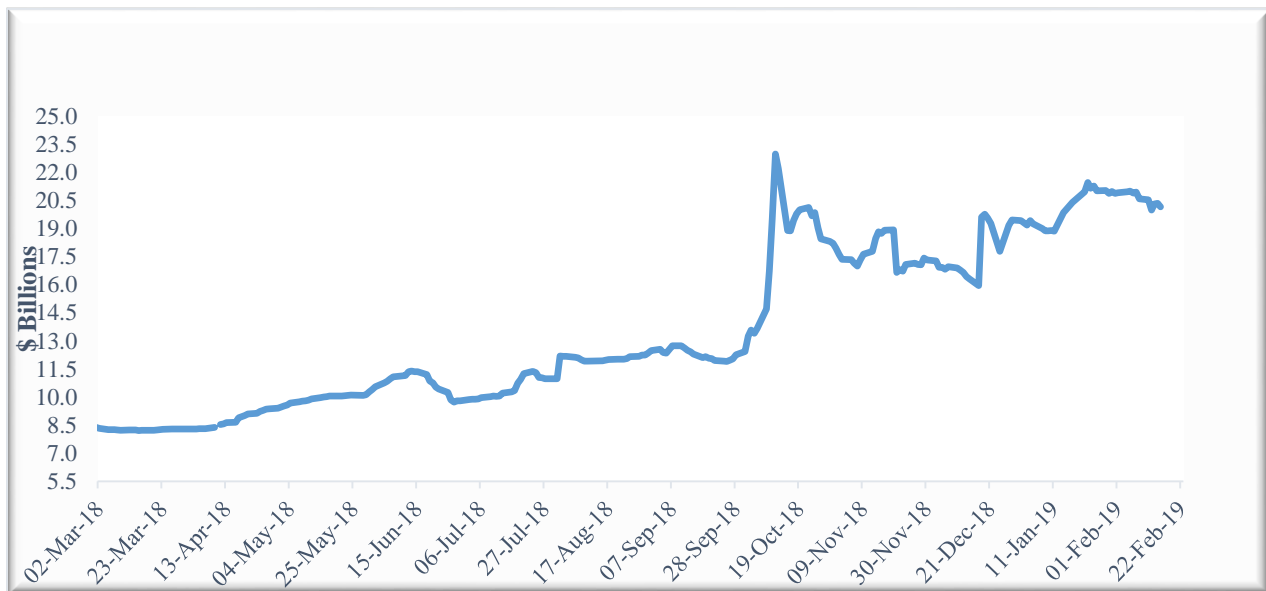


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

During the week ending 22nd February 2019, ZSE market capitalization rose by 0.68% to close at US\$20.30 billion. This followed gains in both industrial and mining indices.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

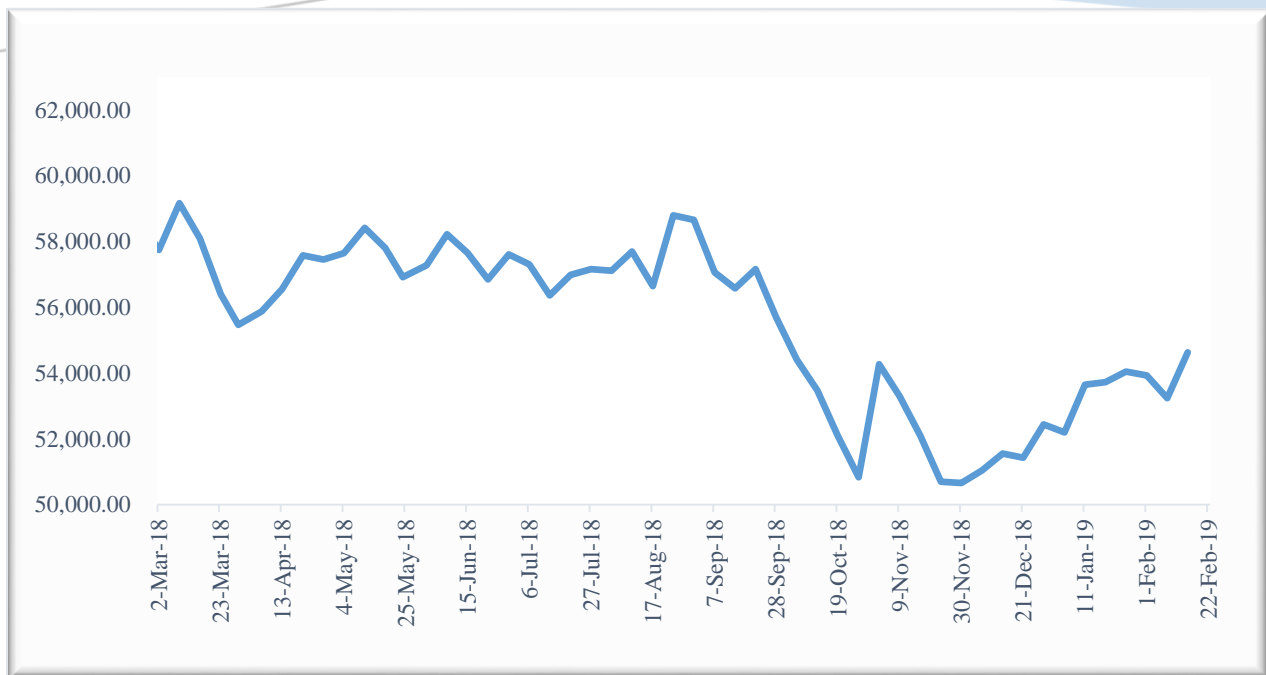
The JSE All Share index closed the week under review a 55,992.97 points, up from 54,628.41 points recorded in the previous week. Likewise, JSE market capitalization recorded a 1.43% increase, to close at R15.60 trillion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
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
22-Feb-19	55,992.97	15.60
% Change	2.50	1.43

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

01ST MARCH 2019