



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
8th February 2019

1. INTEREST RATES

Deposit Rates

The average deposit rates for deposits of 3-month tenor declined to 3.88%, during the week under review. Deposit rates for saving deposits and deposits of 1-month tenor, however, remained unchanged for the fifth consecutive week.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
11-Jan-19	4.16	3.81	3.86
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

Source: Banking Institutions, 2019

Lending Rates

Commercial bank weighted lending rates for corporates fell by 0.14 percentage points to 7.27%. Similarly, weighted lending rates for individual clients dropped from 9.42% during the previous week, to 9.20% in the week ending 8th February 2019.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
11-Jan-19	9.27	7.27
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

Source: Banking Institutions, 2019

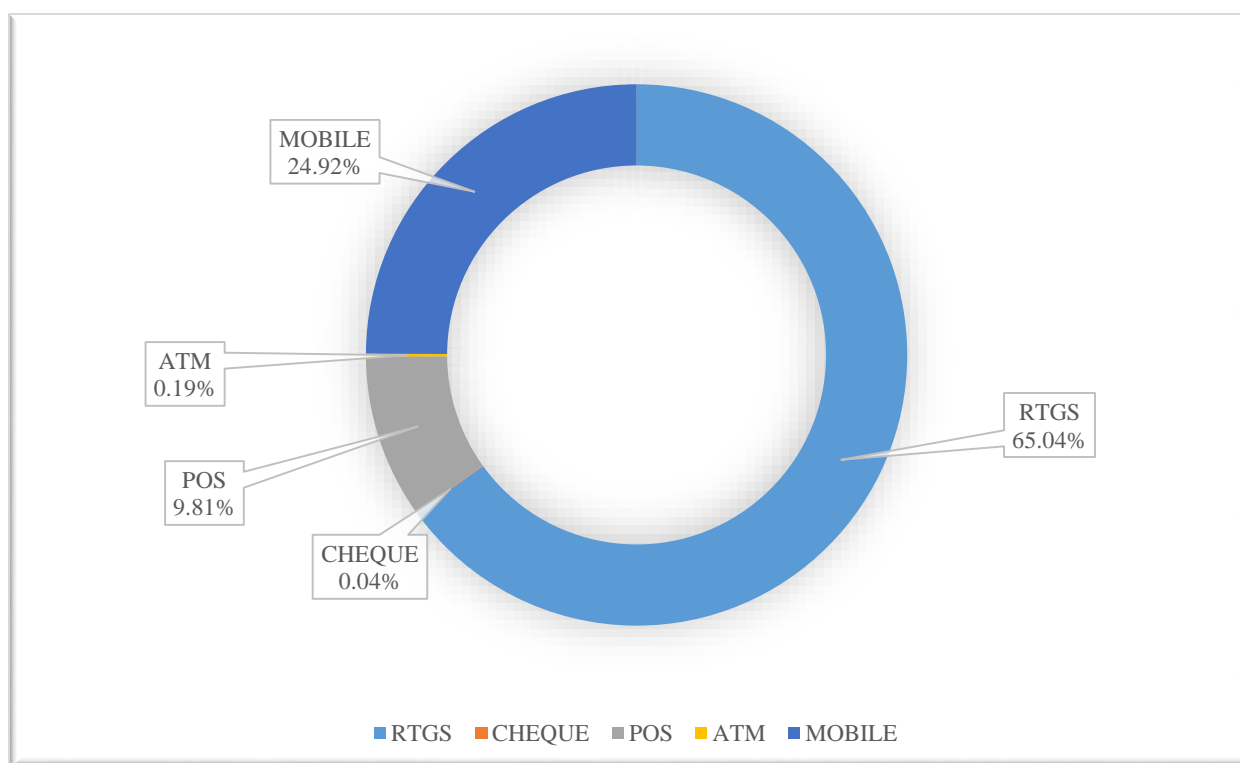
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) stood at US\$2.94 billion, during the week ending 8th February 2019, up from US\$ 2.84 billion recorded in the previous week. Likewise, the value of transactions processed through Real Time Gross Settlement (RTGS) system increased by 3.5% to US\$ 1.91 billion, during the week under review.

RTGS system transactions accounted for 65.04% of the total value of transactions processed through the NPS, followed by Mobile; 24.92%; Point of Sale (POS), 9.81%; Automated Teller Machines (ATMs), 0.19%; and Cheques, 0.04%, as shown in Figure 1.

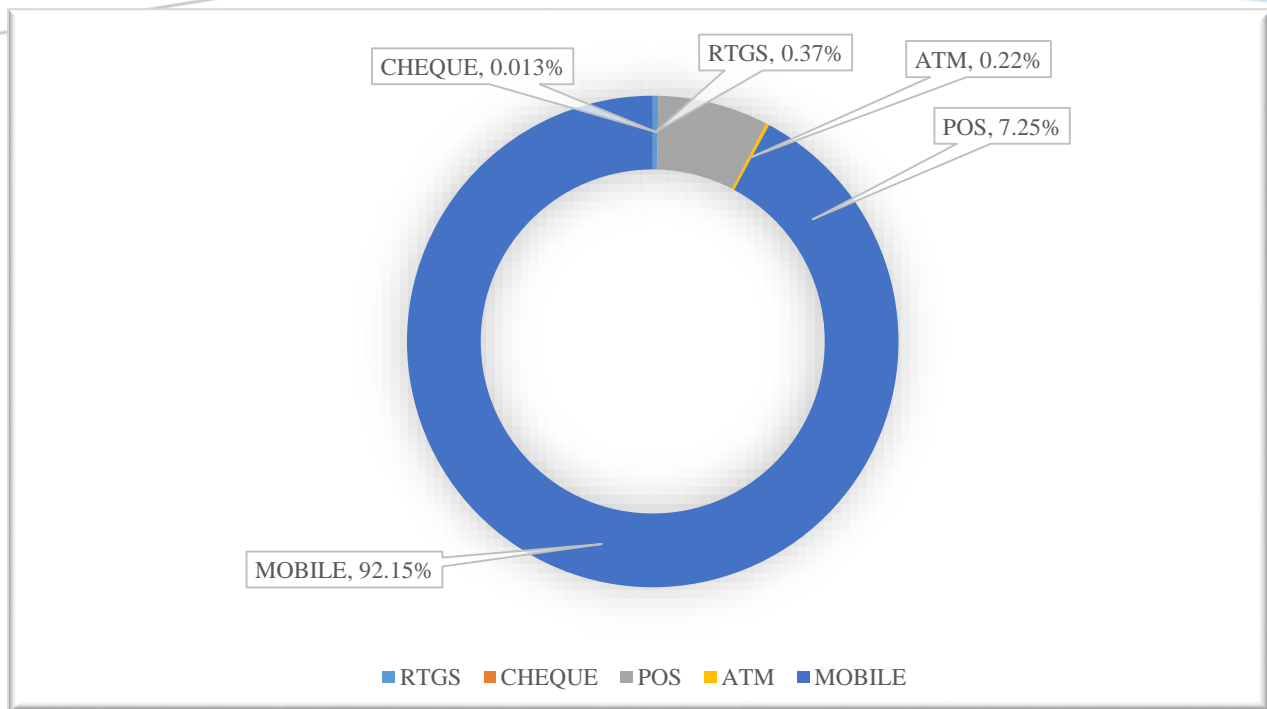
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

NPS transaction volumes declined by 9.1% to 31.65 million transactions, during the week under review. This compares with 34.81 million transactions recorded during the week ending 1st February 2019. Mobile based transactions accounted for 92.15% of the total volume of NPS transactions; POS, 7.25%; RTGS, 0.37%; ATMs, 0.22%; and Cheque 0.013%, 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 1 st FEBRUARY 2019	WEEK ENDING 8 th FEBRUARY 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	1,839.38	1,910.98	3.9%	65.04%
CHEQUE	1,093.94	1,080.41	-1.2%	0.04%
POS	284.97	288.37	1.2%	9.81%
ATM	5.07	5.63	11.1%	0.19%
MOBILE	707.83	732.25	3.5%	24.92%
TOTAL	2,838.35	2,938.32	3.5%	100%
VOLUMES				
RTGS	125,661	118,407	-5.8%	0.37%
CHEQUE	4,277	4,094	-4.3%	0.013%
POS	4,975,244	2,293,794	-53.9%	7.25%
ATM	63,970	68,453	7.0%	0.22%
MOBILE	29,639,782	29,162,704	-1.6%	92.15%
TOTAL	34,808,934	31,647,452	-9.1%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international weekly average prices of gold and platinum retreated, during the week ending 8th February 2019. Copper, nickel and crude oil prices, however, firmed in 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 (28-1Feb)	1,312.79	817.00	6,073.70	12,068.00	61.80
4-Feb	1,311.58	817.50	6,116.00	12,690.00	62.63
5-Feb	1,314.10	821.00	6,231.00	13,040.00	61.69
6-Feb	1,311.58	817.00	6,230.50	13,025.00	62.44
7-Feb	1,314.10	805.00	6,235.75	12,824.50	61.41
8-Feb	1,311.58	797.00	6,180.25	12,486.75	61.51
Weekly Average (4-8 Feb)	1,312.59	811.50	6,198.70	12,813.25	61.94
Weekly Change (%)	<i>(0.02)</i>	<i>(0.7)</i>	<i>2.1</i>	<i>6.2</i>	<i>0.2</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices registered a marginal decline of 0.02%, from US\$1,312.79 /oz. in the previous week, to a weekly average price of US\$1,312.59 /oz during the week under review. Prices stayed above the US\$1,300/oz. as investors awaited the outcome of the US-China trade negotiations.

Platinum

The weekly average platinum price retreated by 0.7% to US\$811.50/oz, compared to an average of US\$817.00/oz in the previous week. Tighter regulations implemented around the world, following the diesel emission scandal, have steadily eroded the attractiveness of the metal to investors.

Copper

The price of copper increased by 2.1%, from US\$6,073.70/tonne in the week ending 1st February 2019 to US\$6,198.70, during the week under review. The increase was supported by optimism about the outcome of US-China trade talks.

Nickel

Nickel prices went up 6.2%, from US\$12,068.00/tonne in the previous week to US\$12,813.25/tonne, during the week under review. The base metal price increased amid concerns that supply could tighten as the Brazilian Miner Vale, the world's top nickel producer, could face closure due to safety concerns.

Crude Oil

Global supply bottlenecks occasioned by US sanctions on Venezuela and production cuts by the Organization of Petroleum Exporting Countries continued to support higher oil prices, during the week under review. Crude oil prices rose by a marginal 0.2%, to close the week at an average of US\$61.94/barrel.

EXCHANGE RATES

During the week ending 8th February, the US dollar depreciated against the rand, pula, euro and pound Sterling. The dollar slipped after the U.S. Fed Res signaled that further interest rate hikes could be shelved.

Table 5: International Exchange Rates per US\$

	ZAR	GBP	BWP	EURO
2019				
Weekly Average(28Jan-1Feb)	13.4998	0.8707	10.3859	0.9275
4-Feb	13.3793	0.7650	10.3146	0.8738
5-Feb	13.3993	0.7670	10.3466	0.8746
6-Feb	13.4036	0.7718	10.3627	0.8772
7-Feb	13.5614	0.7733	10.4004	0.7361
8-Feb	13.6504	0.7723	10.4439	0.8819
Weekly Average (4-8 Feb)	13.4788	0.7699	10.3736	0.8487
<i>Appr(+)/Depr(-) (%) of the USD</i>	<i>-0.16</i>	<i>-11.59</i>	<i>-0.12</i>	<i>-8.49</i>

4. EQUITY MARKETS

During the week ending 8th February 2019, bearish sentiments continued to characterize the Zimbabwe Stock Exchange (ZSE). As a result, the All Share Index shed 2.77 points to close at 155.08 points, while the Top 10 Index dipped 2.79% to close the week at 154.03 points.

The industrial index closed at 517.45 points during the week ending 8th February 2019, down from 526.94 points recorded in the previous week. The decline was driven by share price losses at PPC Limited, (14.29); Masimba Holdings Limited, (11.11%); Meikles Limited, (7.69); Old Mutual, (5.34); and Axia Corporation Limited (4.16%). Partially offsetting the losses were share price gains at Dairibord Holdings Limited (26.52%), Unifreight Africa Limited (20%), TSL Limited (14.75%), Zimbabwe Newspapers (13.33%) and ZB Financial Holdings (10.56%).

The resources index gained 1.56%, to close the week under review at 216.50 points. Share price gains at Bindura Nickel Corporation Limited, (5%) underpinned the upward movement in the mining index.

Table 6: Zimbabwe Stock Exchange Statistics

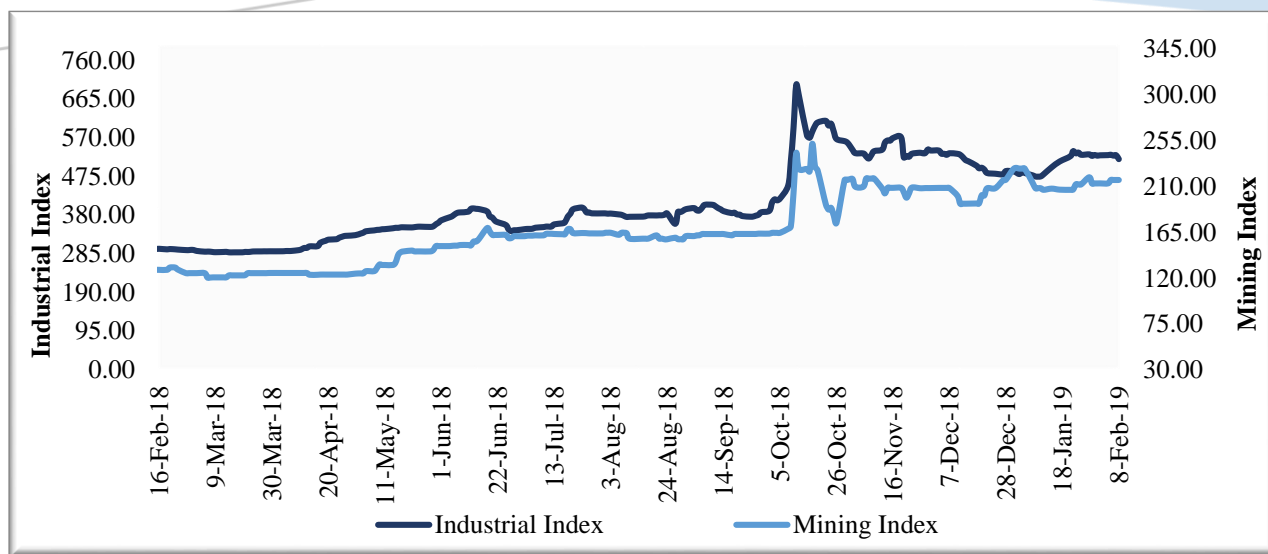
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
11-Jan-19	143.90	142.86	480.10	206.84	18,863,675,601	28,782,407	14,360,823
17-Jan-19	153.25	154	511.67	207	20,406,804,890	4,610,529	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
Weekly Change (%)	(1.75)	(2.79)	(1.80)	1.56	(1.60)	(22.35)	(31.66)

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

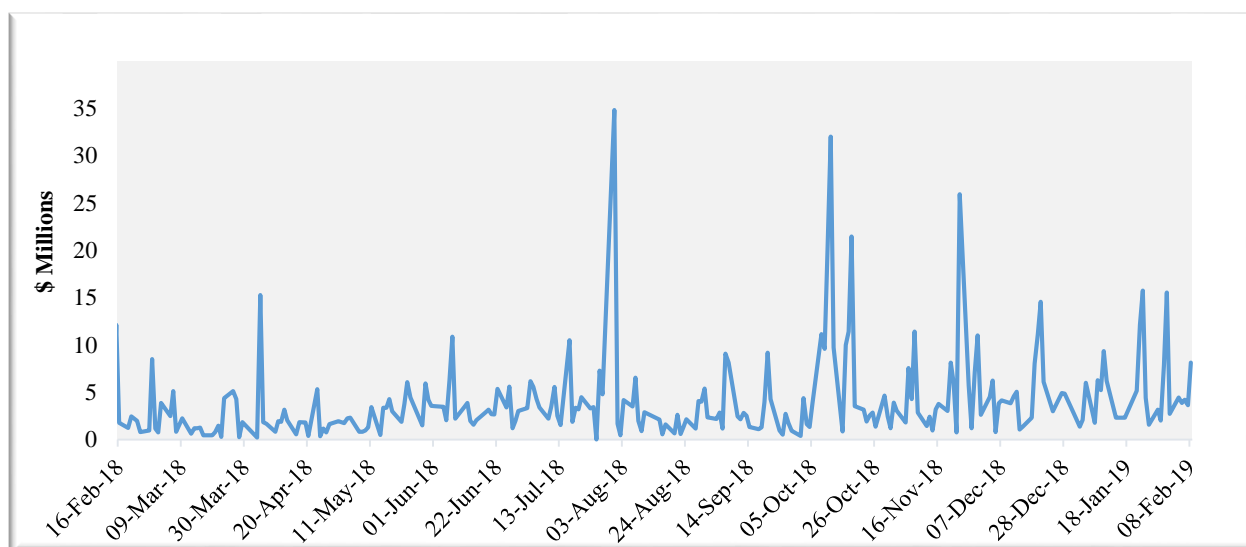


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

The value of shares traded on the ZSE fell by 22.35%, from US\$31.21 million recorded in the previous week to US\$24.24 million, during week under review. In tandem, the cumulative volume of shares traded declined from 57.09 million shares in the previous week to 39.02 million shares, during the week ending 8th February 2019.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

ZSE market capitalization stood at US\$20.59 billion, during the week under review, down from US\$20.92 billion recorded in the previous week.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

The JSE All Share Index shed 1.27%, to close the week at 53,244.18 points, during the week under review. On the other hand, market capitalisation rose to ZAR15.11 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
11-Jan-19	53,653.38	12.81
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
% Change	(1.27)	15.11

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