



Weekly Economic Highlights

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Week Ending
9th April 2020

1. INTEREST RATES

Deposit Rates

During the week ending 9th April 2020, minimum deposit rates for savings deposits and deposits of 1-month tenor remained unchanged at 2.36%, and 2.82%, respectively. Minimum deposit rates for deposits of 3-month tenor, however, softened by 0.03 percentage points to close at 3.79%, during the same week. Maximum deposits rates for savings deposits, deposits of 1-month and 3-month tenors, remained unchanged at 4.74%, 6.12% and 6.16%, respectively, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
13-Mar-20	2.36	4.74	2.82	6.12	3.82	6.16
20-Mar-20	2.36	4.74	2.82	6.12	3.82	6.16
27-Mar-20	2.36	4.74	3.12	6.12	3.82	6.16
3-April-20	2.36	4.74	3.12	6.12	3.82	6.16
9-April-20	2.36	4.74	3.12	6.12	3.79	6.16

Source: Reserve Bank of Zimbabwe, 2020

Lending Rates

Commercial bank minimum lending rates for individual and corporate clients declined to 19.00% and 16.86%, respectively, during the week ending 9th April 2020. Maximum lending rates for individual and corporate clients closed the week under analysis at 33.12% and 37.19%, from 34.29% and 37.08%, respectively, as shown in Table 2.

Table 2: Lending Rates (per annum)

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
13-Mar-20	18.91	32.89	17.37	37.32
20-Mar-20	18.76	33.11	17.87	37.25
27-Mar-20	19.65	34.29	17.21	37.08
3-Apr-20	19.65	34.29	17.21	37.08
9-Apr-20	19.00	33.12	16.86	37.19

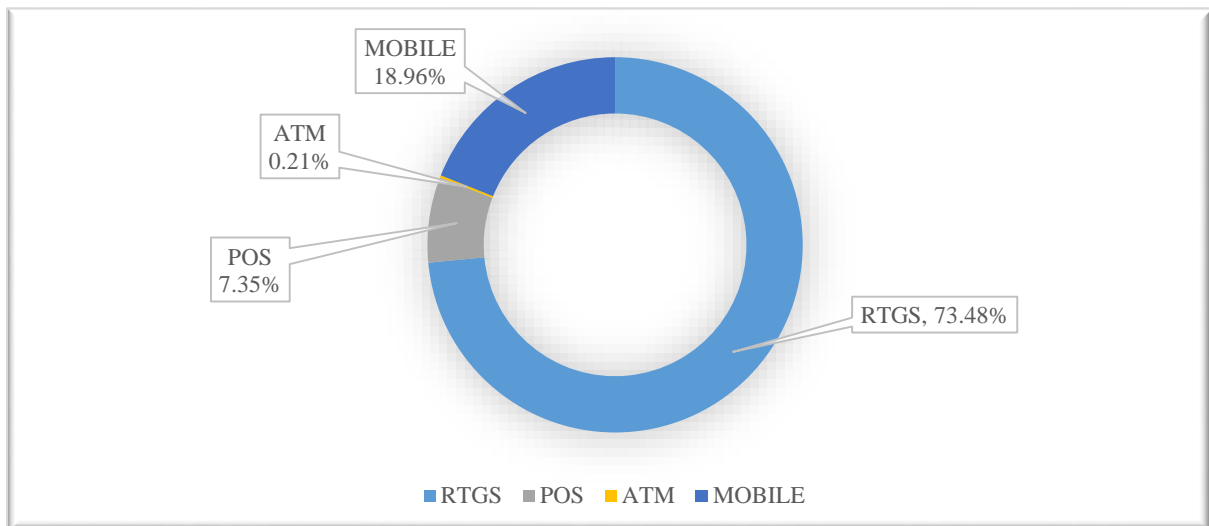
Source: Reserve Bank of Zimbabwe, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) amounted to \$13.49 billion during the week under analysis, down from \$16.98 billion recorded during the week ending 3rd April 2020. RTGS transactions decreased from \$11.62 billion, in the previous week to close at \$9.91 billion, during the week under review.

The composition of NPS transaction values as follows: RTGS, 73.48%; Mobile, 18.96%; Point of Sale (POS), 7.35%; and Automated Teller Machine (ATM), 0.21%, as shown in Figure 1.

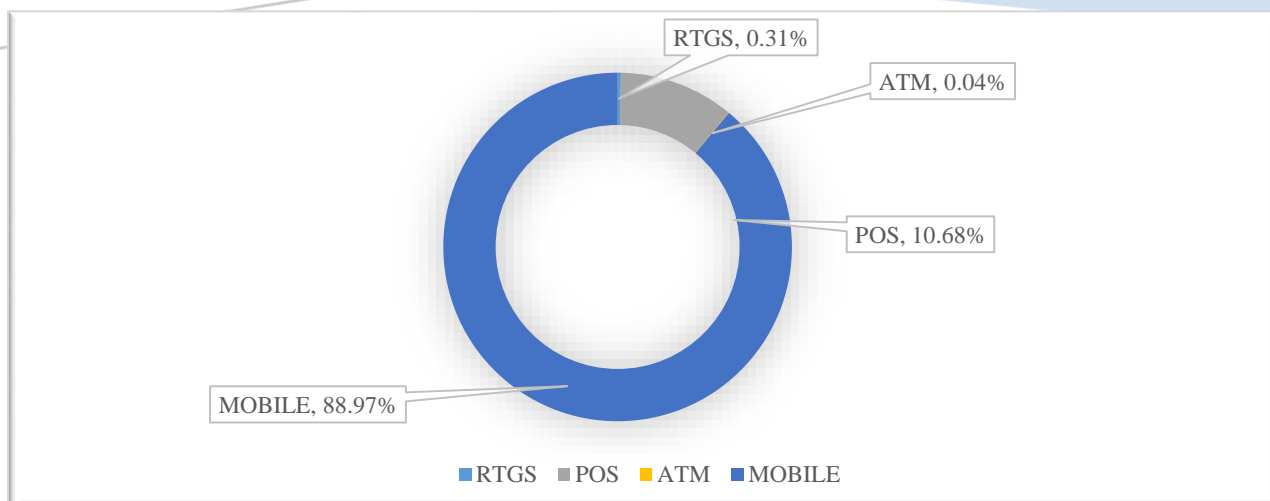
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

During the week under review, NPS transaction volumes fell by 16.81%, to close at 25.45 million, from 30.60 million in the preceding week. The volumes of NPS transactions were dominated by mobile based transactions at Mobile, 88.97%, followed by POS, 16.08%; ATM, 0.04%; and RTGS 0.31%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2020

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING	WEEK ENDING	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
	3-Apr-20	10-Apr-20		
	VALUES IN \$ (millions)			
RTGS	11,617.42	9,909.78	-14.70%	73.48%
CHEQUE	0.00	0.00	0.00%	0.00%
POS	2,581.28	991.09	-61.61%	7.35%
ATM	159.04	28.34	-82.18%	0.21%
MOBILE	2,623.68	2,556.97	-2.54%	18.96%
TOTAL	16,981.424	13,486.17	-20.58%	100%
	VOLUMES			
RTGS	150,613	78,656	-47.78%	0.31%
CHEQUE	0.00	0.00	0.00%	0.00%
POS	6,151,554	2,719.51	-55.79%	10.68%
ATM	97,213	10,513	-89.19%	0.04%
MOBILE	24,197,603	22,644,125	-6.42%	88.97%
TOTAL	30,596,983	25,452,803	-16.81%	100%

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 9th April 2020, weekly average prices for gold, platinum, copper, nickel and crude oil registered increases for the second consecutive week, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2020	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly average (30th Mar-3rd Apr)	1,605.49	721.20	4,803.40	11,203.24	28.19
6-Apr	1,642.45	732.50	4,867.00	11,162.00	33.80
7-Apr	1,650.73	743.00	5,067.00	11,350.00	32.25
8-Apr	1,648.43	738.00	4,994.00	11,426.50	33.34
9-Apr	1,671.58	735.50	4,963.50	11,457.00	31.48
Weekly average (6th -9th Apr)	1,653.29	737.25	4,972.88	11,348.88	32.72
Weekly Change (%)	3.0	2.2	3.5	1.3	16.1

Source: BBC, KITCO and Bloomberg 2020

Gold

Weekly average gold prices firmed by 3.0% to US\$ 1,653.29 per ounce, from US\$ 1,605.49 per ounce in the previous week. The increase was buoyed by robust safe haven demand, on the back of concerns about a gloomy global economic outlook.

Platinum

Platinum prices registered an increase of 2.2%, to close at a weekly average price of US\$737.25 per ounce in the week ending 9th April 2020. The gains were, in part, on account of tight global supply conditions due to the coronavirus induced lockdown in South Africa, the world's top producer of platinum.

Copper

Weekly average prices of copper gained 3.5%, from US\$4,803.40 per tonne in the previous week to US\$4,972.88 per tonne, during the week ending 9th April 2020. The increase was underpinned by tight supply-conditions that continued to be induced by global lockdowns, which limit access to ports, particularly for copper belt miners. Prices were also further buoyed by optimism about the recovery in demand in China, following the resumption of construction activities and the re-opening of factories.

Nickel

Nickel prices rose from US\$11,203.24 per tonne during the previous week, to close at US\$11,348.88 per tonne, during the week under review. Coronavirus containment measures in the Philippines, the world's second largest producer, contributed to tight market conditions for the base metal leading to an increase in price. Prices were also boosted by a rise in demand, following an increase in economic activity in China.

Crude Oil

Brent crude oil prices registered a 16.1% gain to close at a weekly average price of US\$32.72 per barrel, from US\$28.19 per barrel recorded in the previous week. The increase was occasioned by rising investor expectations of significant production cuts by the Organization of the Petroleum Exporting Countries (OPEC) and non-OPEC producers. The market, however, continues to face significant downside risks emanating from the collapse in global demand due to the deleterious effects of the coronavirus pandemic.

4. EXCHANGE RATES

During the week ending 9th April 2020, the Zimbabwean dollar exchange rate vis-à-vis the US dollar remained unchanged, reflecting the exchange rate peg authorities put in place to contain market volatility. The local unit, however, softened against the South African rand, the pound Sterling, Botswana pula and euro, as shown in Table 5.

Table 5. International Exchange Rates¹

2020	USD	ZAR	GBP	BWP	EUR
Weekly Average (30th Mar-3rd Apr)	25.0000	1.3787	30.9341	2.0882	27.4306
6-Apr	25.0000	1.3074	30.6513	2.0250	27.0425
7-Apr	25.0000	1.3581	30.7064	2.0450	27.0688
8-Apr	25.0000	1.3650	30.8163	2.0700	27.1500
9-Apr	25.0000	1.3699	30.9175	2.0750	27.1250
Weekly Average (6-9 Apr)	25.0000	1.3496	30.7725	2.0536	27.0965
Appr(-)/Depr(+) (%) of the ZWL	0.0	14.5	10.8	16.3	16.5

Source: Reserve Bank of Zimbabwe, 2020

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

5. EQUITY MARKETS

Trading on the Zimbabwe Stock Exchange (ZSE) was bullish, during the week ended 9th April 2020. Small Cap, Top 10, Top 15 and All Share indices gained 3.17%; 2.61%; 1.54% and 1.32%, to close at 1 262.80; 387.37; 402.0; and 467.82 points, respectively. The Medium Cap index, however, registered a loss of 1.11% to end the same week at 664.79 points.

The industrial index also increased by 1.44% to close at 1 548.94 points. This was on account of share prices losses in TSL Limited (22.97%); Ariston Holdings Limited (19.60%); Amalgamated Regional Trading (16.33%); Seed Co Limited (11.14%); and Meikles Limited (11.11%). Share price gains for Dawn Properties Limited (44.00%); Powerspeed Electrical Limited (43.75%); Dairiboard Holdings Limited (33.33%); Fidelity Life Assurance Limited (18.39%); and Mashonaland Holdings Limited (17.72%), partially offset the losses.

The resources index declined by 4.10% to close at 783.61 points, during the week under review. The share prices loss of 20.12% in Bindura Nickel Corporation Limited (BNC) contributed to the decline in the mining index.

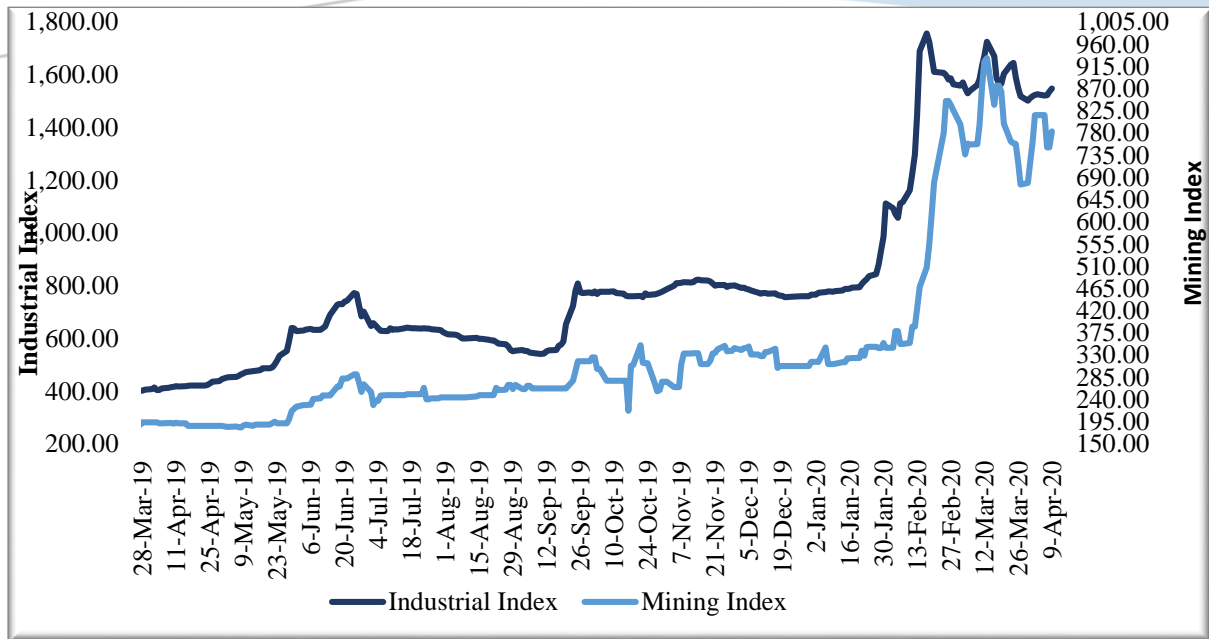
Table 6: Zimbabwe Stock Exchange Statistics³

	All Share Index points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
28-Feb-20	473.13	399.69	409.42	638.23	1493.28	1564.98	826.73	60.99	105.81	37.18
6-Mar-20	464.81	390.45	401.35	630.05	1579.58	1539.90	757.10	59.84	71.99	59.83
20-Mar-20	484.37	402.84	415.38	1385.95	679.68	1604.13	799.36	62.17	87.54	91.36
27-Mar-20	457.88	372.07	387.32	1351.15	668.62	1520.01	676.25	58.82	118.78	40.33
3-Apr-20	461.73	377.52	395.89	1224.00	672.25	1526.90	817.15	59.36	28.42	7.69
9-Apr-20	467.82	387.37	402.00	664.79	1262.80	1548.94	783.61	60.53	62.98	35.36
Weekly Change (%)	1.32	2.61	1.54	-1.11	3.17	1.44	-4.10	1.97	121.63	360.08

Source: Zimbabwe Stock Exchange (ZSE), 2020

³ The Zimbabwe Stock Exchange (ZSE) adopted the Global Industry Classification Standards, effective from 1 January 2020. The ZSE indices constitute the following categories: Top 10 Index; Top 15; Top 25; Medium cap and Small cap Indices.

Figure 3: Zimbabwe Stock Exchange Indices

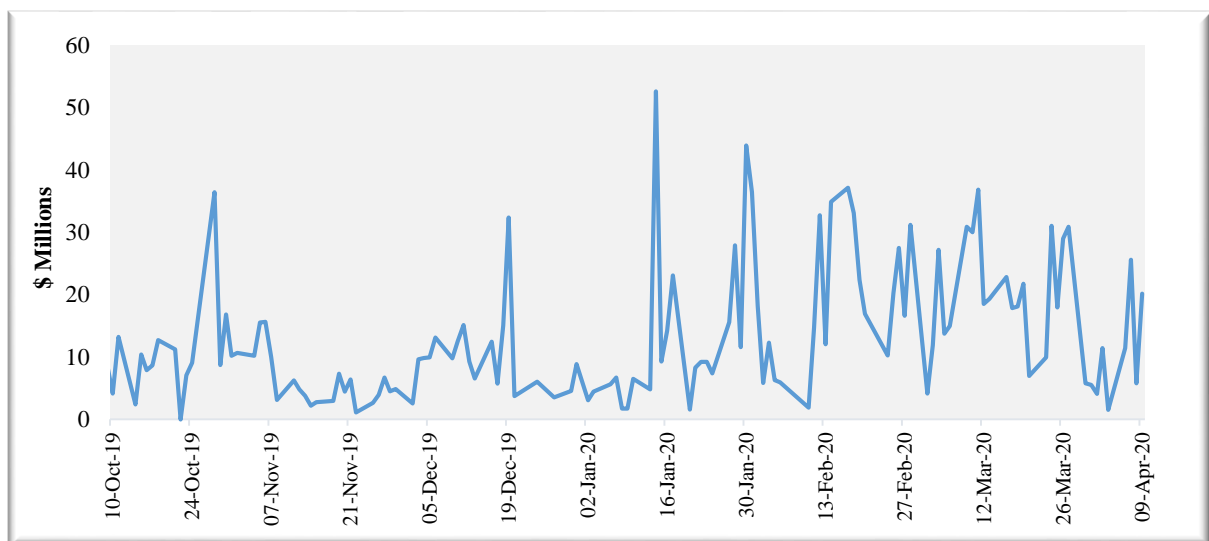


Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE increased by 360.08% to close at 35.36 million shares, during the week under review. In tandem, ZSE market turnover value increased by 121.63% to close at \$62.98 million, from \$28.42 million recorded in the previous week.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

Market capitalisation on the local bourse rose by \$1.17 billion to close at \$60.53 billion, during the week under review. This followed positive trading.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

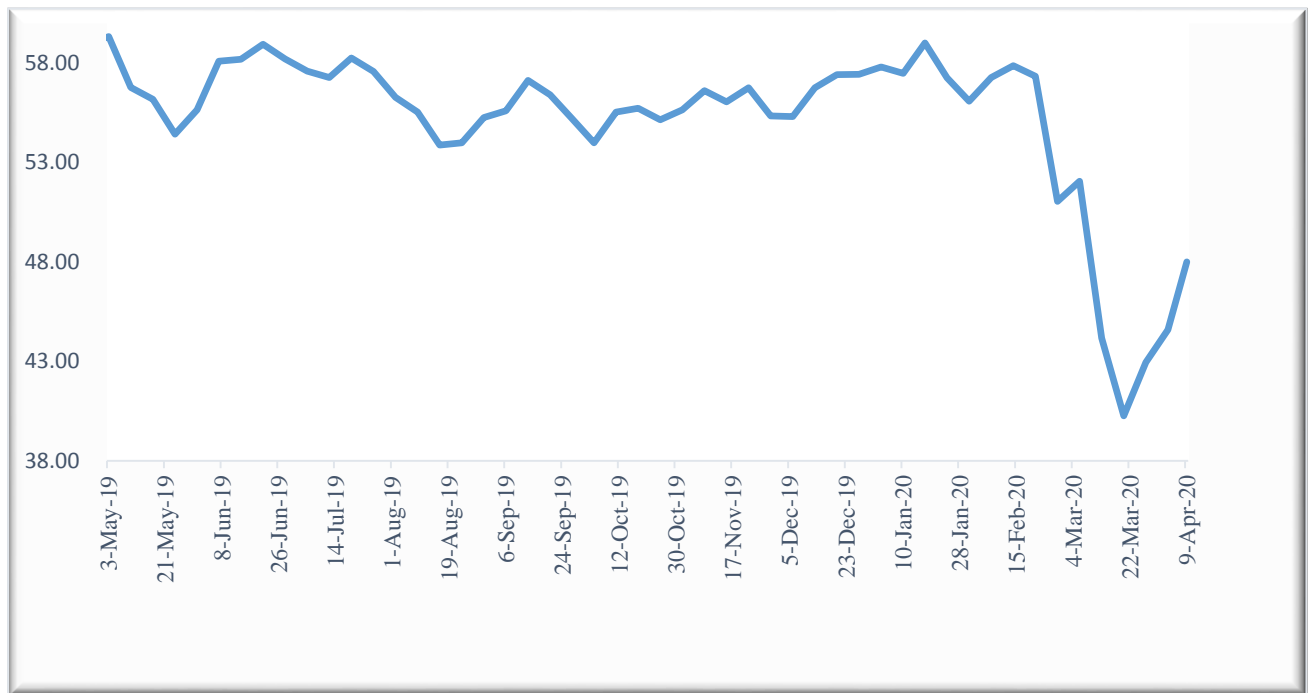
The JSE All Share Index registered a 7.65% increase, to close the week under analysis at 48,011.56 points. JSE market capitalization also posted a 5.12% rise to ZAR15.41 billion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization 8 (ZAR billions)
6-Mar-20	52,064.72	16.02
13-Mar-20	44,177.63	13.19
20-Mar-20	40,272.00	16.07
27-Mar-20	42,946.83	13.95
3-Apr-20	44,598.70	14.66
9-Apr-20	48,011.56	15.41
% Change	7.65%	5.12%

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

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



Source: <https://www.jse.co.za/services/market-data/market-statistics,2020>

RESERVE BANK OF ZIMBABWE

17th APRIL 2020