



Weekly Economic Highlights

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Week Ending
14th February 2020

1. INTEREST RATES

Deposit Rates

Minimum deposit rates for deposits of 1-month and 3-month tenors gained 0.03 and 0.26 percentage points, to close the week ending 14th February 2020 at 2.82% and 3.63%, respectively. The minimum deposit rates for savings deposits, however, remained unchanged at 2.36%.

Maximum deposit rates for deposits of 1-month and 3-month tenors rose by 0.15 and 0.06 percentage points to close the week under review at 5.37% and 5.53%, respectively. Maximum deposit rates for savings deposits, however, remained unchanged at 4.74%.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum	Maximum	Minimum	Maximum	Minimum	Maximum
17-Jan-20	2.36	4.74	2.84	5.22	3.37	5.47
24-Jan-20	2.36	4.74	2.82	5.24	3.37	5.47
31-Jan-20	2.36	4.74	2.88	5.24	3.37	5.47
7-Feb-20	2.36	4.74	2.79	5.22	3.37	5.47
14-Feb-20	2.36	4.74	2.82	5.37	3.63	5.53

Source: Banking Institutions, 2020

Lending Rates

Commercial bank minimum lending rates for individual clients declined by 0.34 percentage points to close the week at 16.14%. Minimum lending rates for corporate clients, however, remained unchanged at 16.76%. During the same week, maximum lending rates for individual clients fell by 0.15 percentage points to 31.16%, while maximum lending rates for corporate clients gained 0.16 percentage points to close the week at 37.20%.

Table 2: Lending Rates

Date	Individual lending rates (%)		Corporates lending rates (%)	
	Minimum %	Maximum	Minimum	Maximum
17-Jan-20	16.57	31.99	18.05	37.46
24-Jan-20	16.49	31.95	17.93	37.18
31-Jan-20	16.56	32.11	17.20	37.16
7-Feb-20	16.48	31.31	16.76	37.04
14-Feb-20	16.14	31.16	16.76	37.20

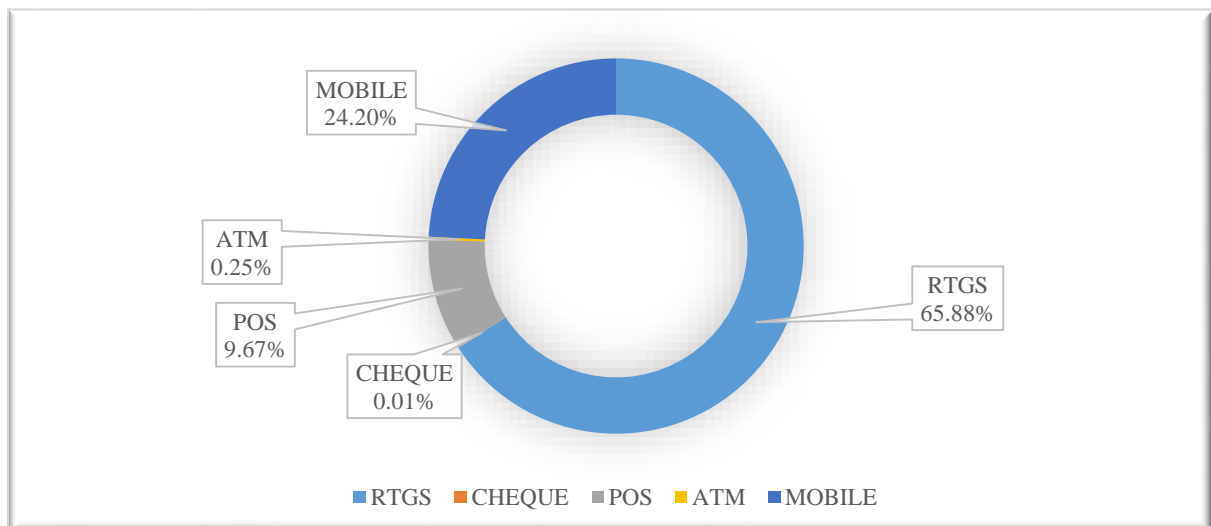
Source: Banking Institutions, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) increased by 11.09% to close the week ending 14th February 2020 at \$16.36 billion, up from \$14.73 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 21.76% to close at \$10.76 billion, during the same week.

RTGS transaction dominated the NPS at 65.88% of the total value, followed by Mobile, 24.20%; Point of Sale (POS), 9.67%; Automated Teller Machine (ATM), 0.25%; and Cheque, 0.01%, as shown in Figure 1.

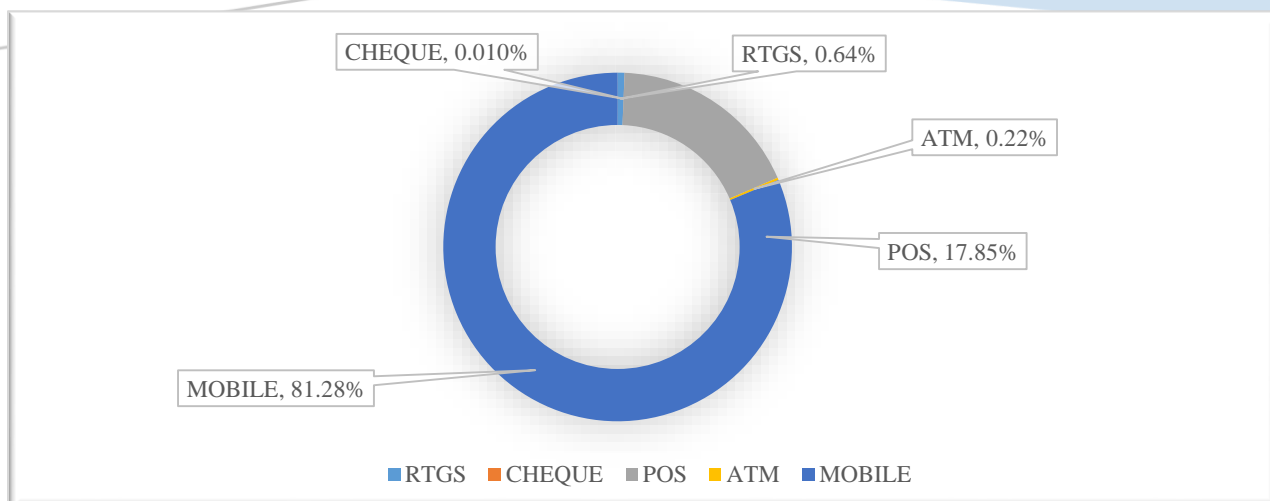
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

Total NPS transaction volumes decreased by 4.51%, to close at 33.95 million transactions. Mobile based transactions accounted for, 81.28% of NPS transaction volumes; POS, 17.85%; RTGS 0.64%; ATM, 0.22%, 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
	7-Jan-20	14-Feb-20		
	VALUES IN Z\$ (millions)			
RTGS	8,849.60	10,775.02	21.76	65.88
CHEQUE	1.30	1.28	-1.80	0.01
POS	1,795.31	1,580.88	-11.94	9.67
ATM	46.53	41.55	-10.70	0.25
MOBILE	4,030.37	3,957.67	-1.80	24.20
TOTAL	14,723.11	16,356.40	11.09	100
	VOLUMES			
RTGS	248,772	235,982	-7.91	0.64
CHEQUE	2,392	2,383	6.84	0.01
POS	6,533,187	6,733,296	-10	17.85
ATM	91,920	76,024	-1.79	0.22
MOBILE	26,490,043	28,501,194	-3.19	81.28
TOTAL	33,366,314	35,548,879	-4.51	100

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 14th February 2020, the international commodity prices of gold, copper, nickel and crude oil firmed. Platinum prices, however, retreated, during the same week, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2020	<i>US\$/ounce</i>	<i>US\$/ounce</i>	<i>US\$/tonne</i>	<i>US\$/tonne</i>	<i>US\$/barrel</i>
weekly average (3-7 Feb)	1,565.77	970	5,636.30	12,870.40	55.006
<i>10-Feb</i>	<i>1,573.63</i>	<i>968.5</i>	<i>5,641.75</i>	<i>12,824.50</i>	<i>54.01</i>
<i>11-Feb</i>	<i>1,569.10</i>	<i>964.5</i>	<i>5,707.25</i>	<i>13,026.50</i>	<i>55.14</i>
<i>12-Feb</i>	<i>1,565.23</i>	<i>949</i>	<i>5,744.00</i>	<i>13,059.50</i>	<i>55.66</i>
<i>13-Feb</i>	<i>1,575.03</i>	<i>965</i>	<i>5,771.25</i>	<i>13,163.50</i>	<i>56.45</i>
<i>14-Feb</i>	<i>1,578.88</i>	<i>972</i>	<i>5,745.75</i>	<i>12,958.00</i>	<i>57.23</i>
weekly average (10-14 Feb)	1,572.37	963.8	5,722.00	13,006.40	55.7
<i>Weekly Change (%)</i>	<i>0.4</i>	<i>-0.6</i>	<i>1.5</i>	<i>1.1</i>	<i>1.3</i>

Source: BBC, KITCO and Bloomberg 2020

Gold

The price of gold gained 0.4% to US\$1,572.37/oz, during the week under analysis. Prices rebounded on renewed safe haven demand prospects of the yellow metal, amid rising worries about the economic impact of the coronavirus outbreak.

Platinum

Platinum prices closed the week under review at US\$963.8/oz, a decrease of 0.6% from an average of US\$970.00/oz recorded in the previous week. This followed the slowdown in demand from the automobile industry, mainly in South Korea, amid the escalation of the logistical challenges in sourcing parts in the epidemic hit China.

Copper

Copper prices stood at US\$5,722.00/tonne during the week under review, representing a 1.5% increase from US\$5,636.30/tonne recorded in the previous week. A recovery in demand occasioned by the reduction in the number of new coronavirus cases and growing confidence in containment measures being implemented by the Chinese authorities, buoyed the prices.

Nickel

The price of nickel increased by 1.1%, from US\$12,870.40/tonne in the previous week to US\$13,006.40/tonne, during the week under review. The increase was due to the tight supply conditions in Indonesia, coupled with the financial stimulus package from the Central Bank of China, which is expected to boost the demand outlook for the base metal.

Crude Oil

Crude oil price rose by 1.3%, from a weekly average of US\$55.06/barrel in the previous week to US\$55.7/barrel, during the week under review. The re-opening of some factories in China signaled a marginal recovery in demand prospects for crude oil, resulting in a boost in prices.

EXCHANGE RATES

The week under analysis saw the Zimbabwe dollar appreciate against the euro; US dollar; pound Sterling; rand and pula, as shown in Table 5.

Table 5: International Exchange Rates¹

2020	EURO	USD	GBP	ZAR	BWP
Weekly Average (3-7 Feb)	0.9064	17.4454	0.7678	14.8586	10.9338
<i>10-Feb</i>	<i>0.9128</i>	<i>17.5434</i>	<i>0.775</i>	<i>14.9928</i>	<i>11.0375</i>
<i>11-Feb</i>	<i>0.9165</i>	<i>17.5806</i>	<i>0.7742</i>	<i>14.9521</i>	<i>11.0011</i>
<i>12-Feb</i>	<i>0.9163</i>	<i>17.6379</i>	<i>0.7713</i>	<i>14.7882</i>	<i>10.929</i>
<i>13-Feb</i>	<i>0.92</i>	<i>17.6769</i>	<i>0.7723</i>	<i>14.9523</i>	<i>10.9769</i>
<i>14-Feb</i>	<i>0.9229</i>	<i>17.7095</i>	<i>0.7666</i>	<i>14.9345</i>	<i>10.9649</i>
Weekly Average (10-14 Feb)	0.9177	17.6297	0.7719	14.924	10.9819
<i>Appr(+)/Depr(-) (%)</i>	<i>1.2</i>	<i>1.1</i>	<i>0.5</i>	<i>0.4</i>	<i>0.4</i>

Source: Reserve Bank of Zimbabwe, 2020

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

4. EQUITY MARKETS

Bullish sentiment characterised the Zimbabwe Stock Exchange (ZSE), during the week ending 14th February 2020. Resultantly, the All Share and Top 10 indices gained 51.14% and 56.57% to close the week under review at 505.85 and 475.94 points, respectively. Medium Cap and Small Cap indices added 39.04% and 26.71%, to close the week at 544.95 and 1089.16 points, respectively.

The industrial index increased by 51.24% to close the week at 1690.91 points, from 1118 points recorded in the preceding week. This was largely attributed to share price gains for Zimre Holdings Limited, (115.00%); Cafca Limited, (107.12%); OK Zimbabwe Limited, (98.20%); Meikles Limited, (97.43%) and Dawn Properties Limited (92.00%).

The mining index increased by 32.82% to close the week under review at 468.35 points. This was mainly on account of the share price increase for Riozim Limited and Bindura Nickel Cooperation Limited.

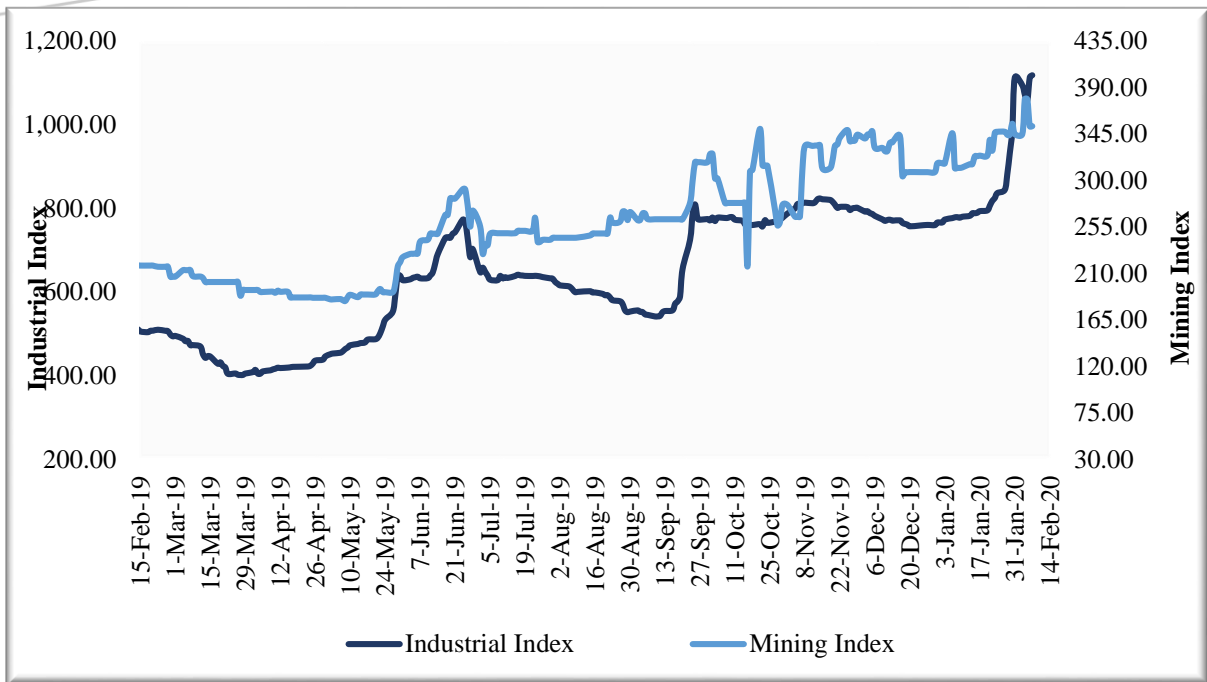
Table 6: Zimbabwe Stock Exchange Statistics³

	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)
17-Jan-2020	238.19	210.93	212.28	293.53	678.65	793.43	324.13	30.85	103.97	65.48
24-Jan-2020	251.26	221.05	222.58	313.81	726.71	836.54	347.19	32.58	35.73	33.09
31-Jan-2020	332.90	313.32	308.10	355.88	831.08	1112.72	344.92	43.43	135.39	62.05
07-Feb-2020	334.69	303.98	303.55	391.95	859.55	1118.00	352.62	43.35	48.53	21.96
14-Feb-2020	505.85	475.94	472.79	544.95	1089.16	1690.91	468.35	65.75	96.25	35.12
Weekly Change (%)	51.14	56.57	55.75	39.04	26.71	51.24	32.82	51.67	98.33	59.95

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

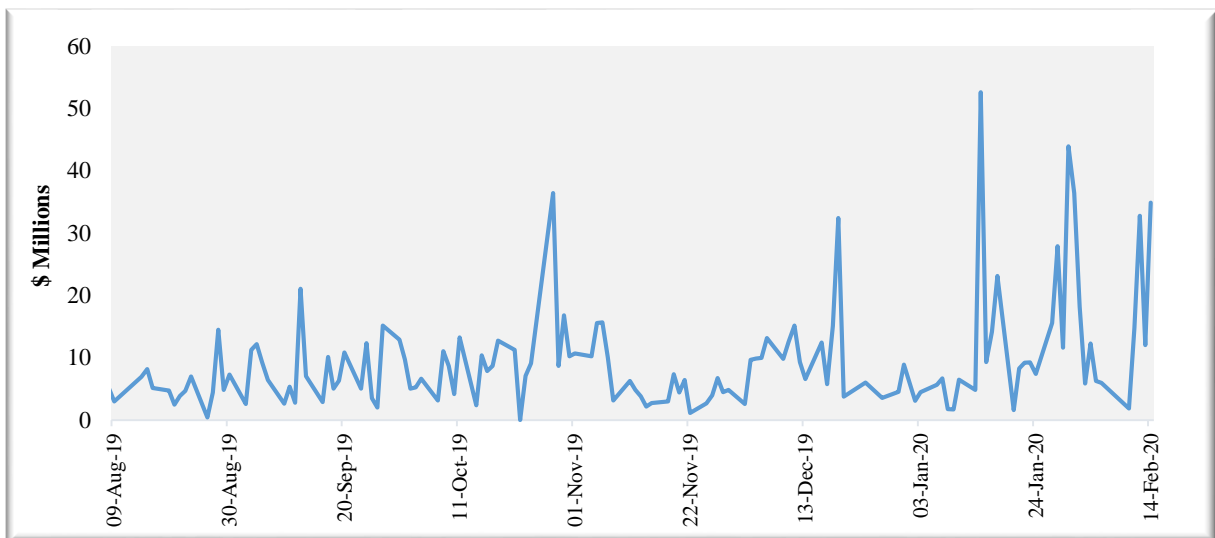


Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE increased by 59.95% to close at 35.12 million shares, during the week under review. In tandem, the ZSE market turnover value rose by 98.33% to close at \$96.25 million, during the same week.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

ZSE market capitalisation stood at \$65.75 billion, during the week under analysis. This was 51.67% up from the \$43.35 billion recorded in the previous week.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

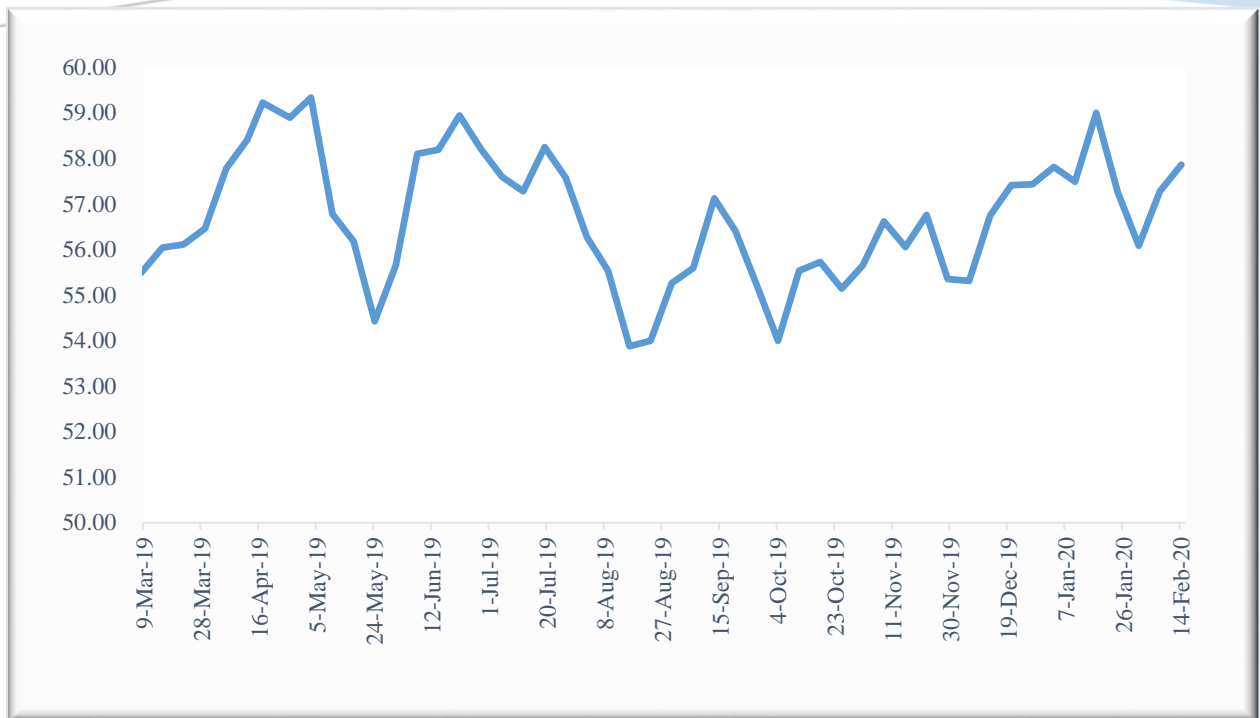
The JSE All Share Index gained 1.02%, from 57,276.49 points recorded in the previous to 57,861.76 points, during the week ending 14th February 2020. JSE market capitalization increased by 0.34% to ZAR17.78 billion during the week under analysis, up from ZAR17.72 billion recorded in the previous week

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
17-Jan-20	59,001.87	18.06
24-Jan-20	57,261.04	17.57
31-Jan-20	56,079.54	17.39
7-Feb-20	57,276.49	17.72
14-Feb-20	57,861.76	17.78
% Change	1.02	0.34

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

12TH FEBRUARY 2020