



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
28th February 2020

1. INTEREST RATES

Deposit Rates

Minimum deposit rates for savings deposits, deposits of 1-month and 3-month tenors remained unchanged at 2.36%, 2.82% and 3.36%, respectively, during the week ending 28th February 2020. Similarly, maximum deposit rates for savings deposits, deposits of 1-month and 3-month tenors also remained unchanged at 4.74%, 5.51% and 5.53%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
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
20-Feb-20	2.36	4.74	2.82	5.51	3.63	5.53
28-Feb-20	2.36	4.74	2.82	5.51	3.36	5.53

Source: Reserve Bank of Zimbabwe, 2020

Lending Rates

The week under review saw commercial bank minimum lending rates for individual and corporate clients increase by 0.01 and 0.13 percentage points to close at 16.92% and 16.68%, respectively. During the same week, maximum lending rates for individual clients rose by 0.1 percentage points to close at 31.66%. Maximum lending rates for corporate clients, however, registered a decrease of 0.17 percentage points to close the same week at 37.23%.

Table 2: Lending Rates (per annum)

Date	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
31-Jan-20	16.56	32.11	17.2	37.16
7-Feb-20	16.48	31.31	16.76	37.04
14-Feb-20	16.14	31.16	16.76	37.20
20-Feb-20	16.89	31.56	16.55	37.40
28-Feb-20	16.92	31.66	16.68	37.23

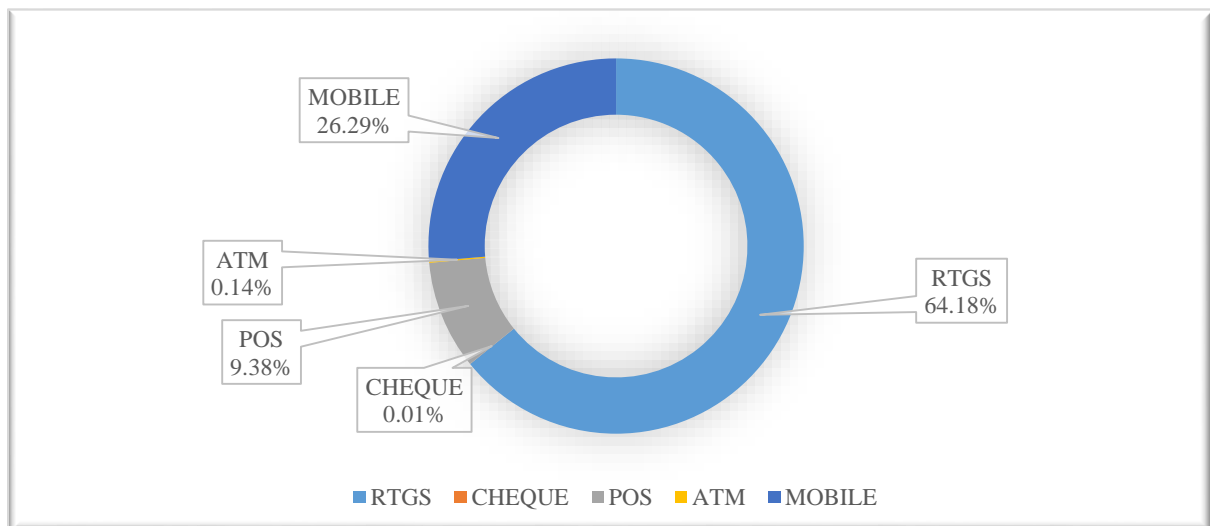
Source: Reserve Bank of Zimbabwe, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) stood at \$18.38 billion, during the week ending 28th February 2020, up from \$15.47 billion registered in the previous week. Transactions processed through the Real Time Gross Settlement (RTGS) system registered a 21.42% increase in value, to close the week under analysis at \$11.79 billion.

The distribution of NPS transactions, in value terms, was as follows: RTGS, 64.18%; Mobile, 26.29%; Point of Sale (POS), 9.38%; Automated Teller Machine (ATM), 0.14%; and Cheque, 0.01%, as shown in Figure 1.

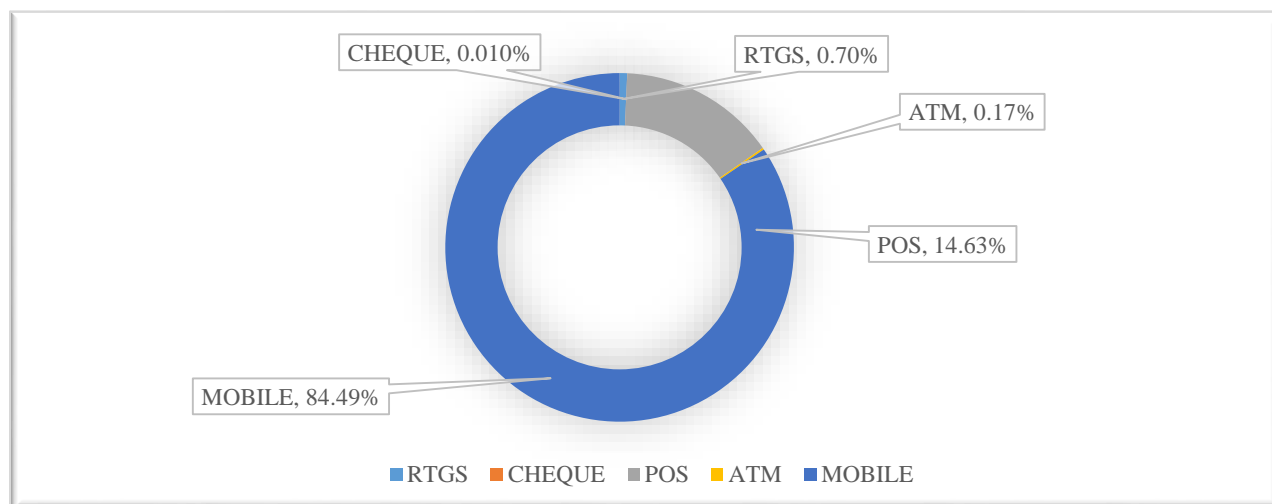
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

Total NPS transaction volumes increased by 12.50%, from 36.59 million registered in the preceding week to 41.16 million, during the week under review. The NPS transaction volumes were distributed as follows: Mobile, 84.49%; POS, 14.63%; ATM, 0.17% RTGS 0.70%; and Cheque, 0.01%, 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
	21-Feb-20	28-Feb-20		
	VALUES IN Z\$ (millions)			
RTGS	9,712.31	11,792.34	21.42	64.18
CHEQUE	0.98	1.10	12.75	0.01
POS	1,744.88	1,724.51	-1.17	9.38
ATM	22.60	25.64	13.47	0.14
MOBILE	3,984.44	4,831.69	21.26	26.29
TOTAL	15,465.20	18,375.28	18.82	100
	VOLUMES			
RTGS	173,145	289,674	67.30	0.70
CHEQUE	1,935	2,005	3.62	0.00
POS	6,178,350	6,023,402	-2.51	14.63
ATM	63,251	68,378	8.11	0.17
MOBILE	30,170,663	34,778,760	15.27	84.49
TOTAL	36,587,344	41,162,219	12.50	100

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 28th February 2020, prices of platinum, copper, nickel and crude oil retreated. Gold prices, however, firmed 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 (17-20 Feb)	1,605.92	984.60	5,758.55	12,738.30	58.19
<i>24-Feb</i>	<i>1,677.00</i>	<i>969.00</i>	<i>5,663.25</i>	<i>12,368.50</i>	<i>56.78</i>
<i>25-Feb</i>	<i>1,653.10</i>	<i>963.5</i>	<i>5,663.00</i>	<i>12,437.00</i>	<i>54.85</i>
<i>26-Feb</i>	<i>1,641.43</i>	<i>925.50</i>	<i>5,633.75</i>	<i>12,412.50</i>	<i>52.61</i>
<i>27-Feb</i>	<i>1,649.30</i>	<i>914.5</i>	<i>5,636.25</i>	<i>12,301.50</i>	<i>51.01</i>
<i>28-Feb</i>	<i>1,618.10</i>	<i>875.5</i>	<i>5,568.75</i>	<i>12,147.00</i>	<i>51.39</i>
Weekly average (24-28 Feb)	1,647.79	929.6	5,633.00	12,333.30	53.33
Weekly Change (%)	2.6	-5.6	-2.2	-3.2	-8.4

Source: BBC, KITCO and Bloomberg 2020

Gold

Gold prices firmed by 2.6%, to close the week under analysis at US\$1,647.79/oz. The increase was largely on account of investor preferences for safe haven assets, amid mounting fears of the global impact of the coronavirus epidemic.

Platinum

Platinum prices closed the week under review at US\$929.6/oz, a 5.6% decline from US\$984.60/oz registered in the previous week. The fall was partly attributed to a slowdown in manufacturing activities, particularly in the automotive industry in China, due to the outbreak of coronavirus epidemic.

Copper

Copper prices declined by 2.2% to US\$5,633.00/tonne, during the week under review, from US\$5,726.90/tonne recorded in the preceding week. The decrease followed the uncertainty in demand for the base metal, as the number of coronavirus cases outside China increased, exerting downward pressure on the price.

Nickel

Nickel prices retreated by 3.2%, to close the week under analysis at US\$12,333.30/tonne, from US\$12,738.30/tonne recorded in the previous week. Subdued demand for the base metal, on the back of steady supplies, weighed prices down.

Crude Oil

The price of crude oil fell by 8.4%, to close the week under analysis at US\$53.33/barrel. This followed concerns over the global contagion effects of the coronavirus epidemic, which subdued demand and outweighed the effect of production cuts by major oil producers.

4. EXCHANGE RATES

The ZWL depreciated against the euro; US dollar; pound Sterling and pula, during the week under review. An appreciation of the local unit against the rand, was, however, recorded during the same week, as shown in Table 5.

Table 5. International Exchange Rates¹

2020	EUR	USD	GBP	BWP	ZAR
<i>Weekly Average (17-20Feb)</i>	<i>19.2294</i>	<i>17.7783</i>	<i>23.0525</i>	<i>1.6133</i>	<i>1.1854</i>
<i>24-Feb</i>	<i>19.3162</i>	<i>17.8523</i>	<i>23.1044</i>	<i>1.6138</i>	<i>1.1839</i>
<i>25-Feb</i>	<i>19.3952</i>	<i>17.8725</i>	<i>23.1082</i>	<i>1.613</i>	<i>1.1811</i>
<i>26-Feb</i>	<i>19.4566</i>	<i>17.8953</i>	<i>23.2504</i>	<i>1.6168</i>	<i>1.1752</i>
<i>27-Feb</i>	<i>19.5669</i>	<i>17.9365</i>	<i>23.1936</i>	<i>1.6205</i>	<i>1.1723</i>
<i>28-Feb</i>	<i>19.75</i>	<i>17.9594</i>	<i>23.1362</i>	<i>1.6055</i>	<i>1.1504</i>
<i>Weekly Average (24-28 Feb)</i>	<i>19.4337</i>	<i>17.8892</i>	<i>23.1642</i>	<i>1.616</i>	<i>1.1781</i>
<i>Appr(-)/Depr(+)(%) of the ZWL</i>	<i>1.1</i>	<i>0.6</i>	<i>0.5</i>	<i>0.2</i>	<i>-0.6</i>

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

Mixed trading activity characterised the Zimbabwe Stock Exchange (ZSE), during the week ending 28th February 2020. Consequently, the All Share, Top 10 and Top 15 indices declined by 2.46% and 5.21% and 4.52%, to close the week under review at 473.13; 399.69; and 409.42 points, respectively. Medium Cap and Small Cap indices, however, increased by 2.62% and 6.55%, to close the week at 638.23 and 1,493.28 points, respectively.

The industrial index closed at 1,564.98 points during the week under review, a 2.89% fall from 1,611.56 points recorded in the previous week. Share price losses for Willdale Limited, (31.31%); Zimre Holdings Limited, (19.95%); TSL Limited, (17.24%); Dawn Properties Limited, (13.94%) and Medtech Holdings Limited, (13.22%), drove the decline.

The mining index stood at 826.73 points, during the week under review, representing a 21.50% increase from 680.44 points, recorded in the previous week. This was a result of share price gains for Riozim Limited and Bindura Nickel Cooperation Limited.

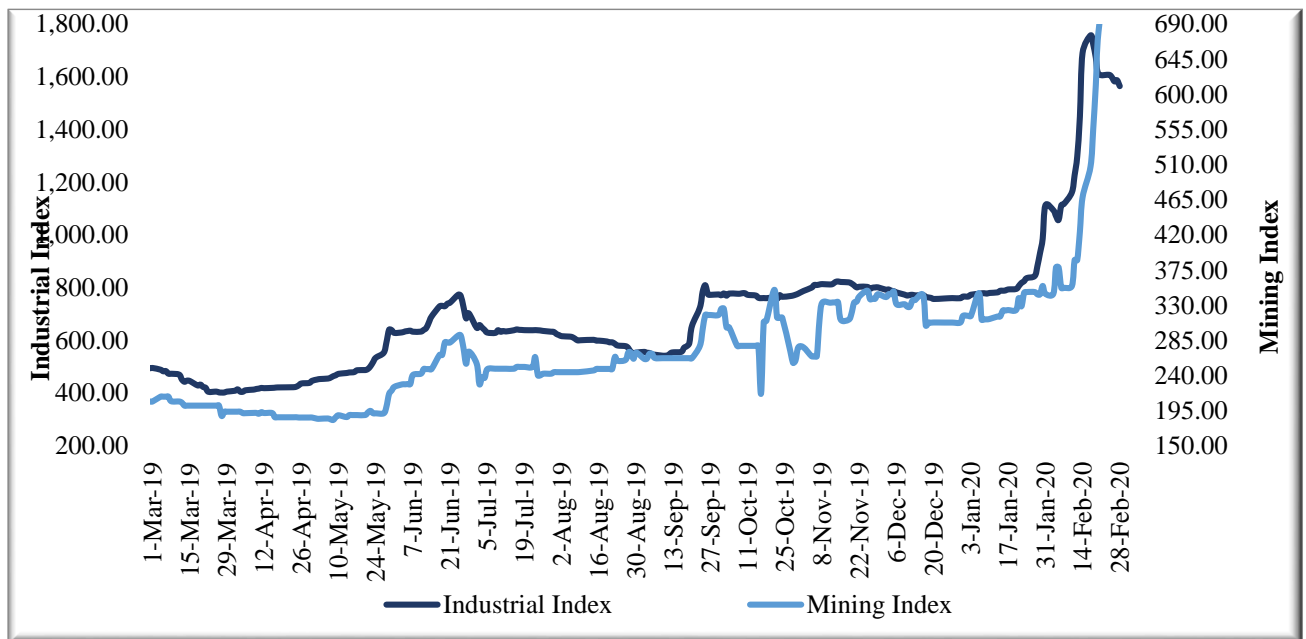
Table 6: Zimbabwe Stock Exchange Statistics³

	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)
31-Jan-20	332.90	313.32	308.10	355.88	831.08	1112.72	344.92	43.43	135.39	62.05
07-Feb-20	334.69	303.98	303.55	391.95	859.55	1118.00	352.62	43.35	48.53	21.96
14-Feb-20	505.85	476.94	472.79	544.95	1089.16	1690.91	468.35	65.75	96.25	35.12
20-Feb-20	485.05	421.68	428.79	621.92	1401.50	1611.50	680.44	62.70	109.53	78.42
28-Feb-20	473.13	399.69	409.42	638.23	1493.28	1564.98	826.73	60.99	105.81	37.18
Weekly Change (%)	-2.46	-5.21	-4.52	2.62	6.56	-2.89	21.50	-2.73	-3.40	-52.59

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

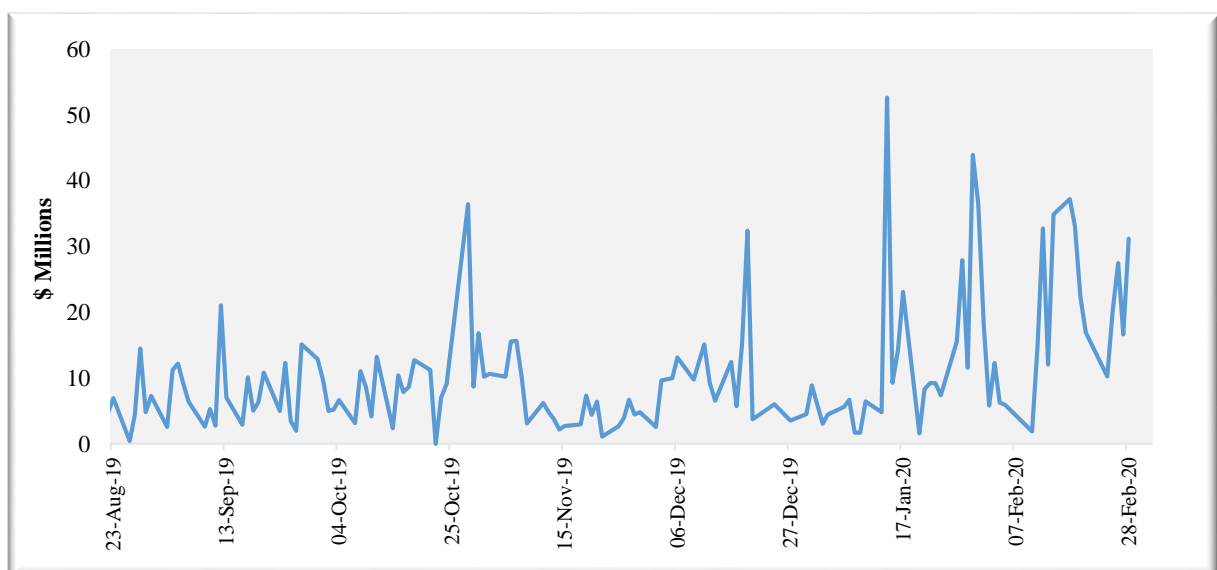


Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

The total volumes and values of shares traded on the ZSE decreased by 52.59% and 3.40% to close the week at 37.18 million shares and \$105.81 million, respectively.

Figure 4: Daily Market Turnover

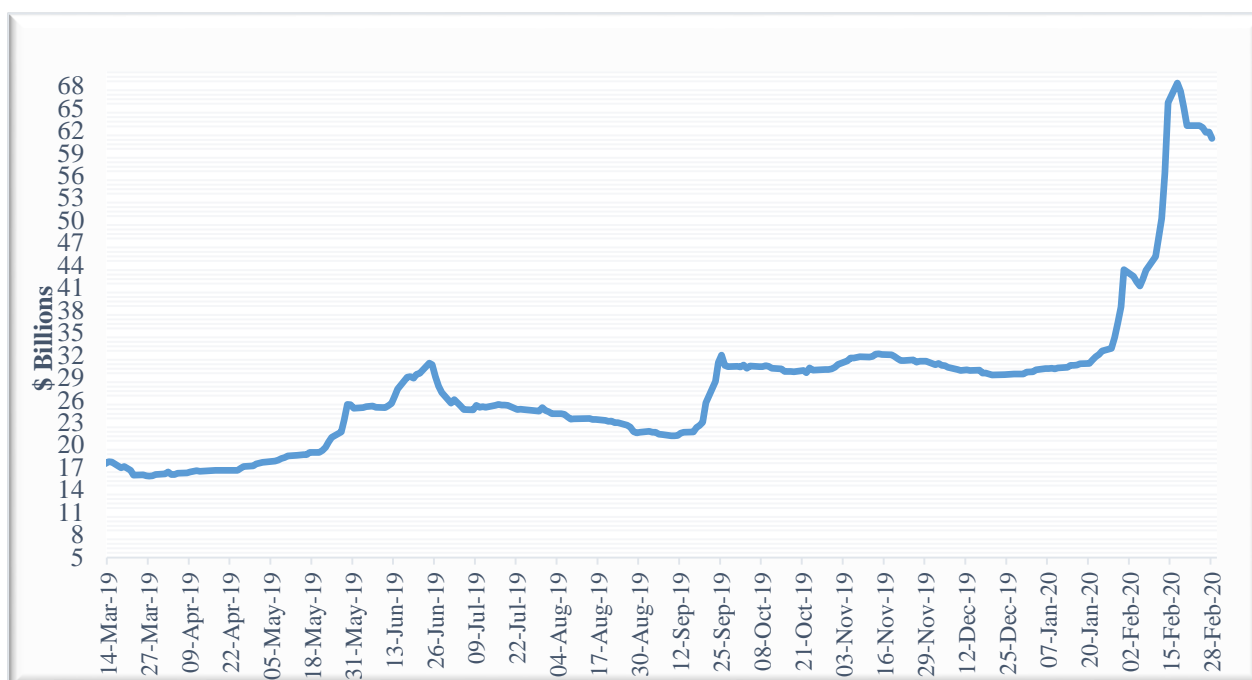


Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

ZSE market capitalisation decreased by 2.73%, from the previous week value of \$62.70 billion, to close the week ending 28th February 2020 at \$60.99 billion.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

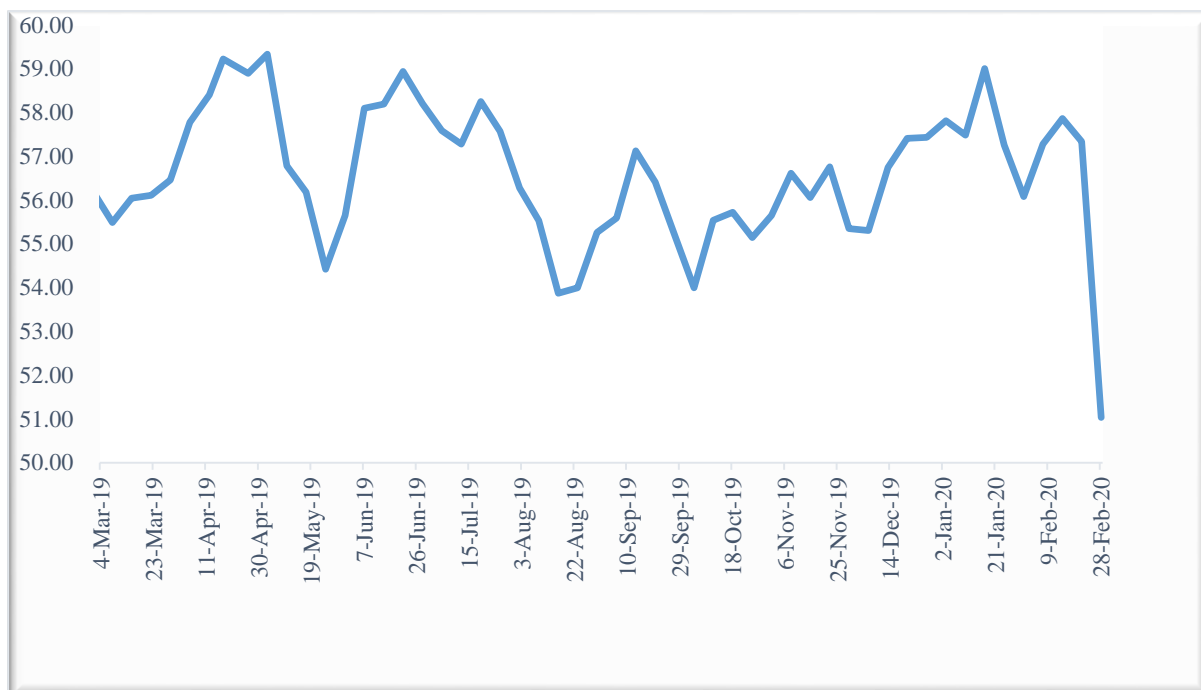
The JSE market capitalization decreased to ZAR15.78 billion, during the week under review, from ZAR17.82 recorded in the previous week. Similarly, the JSE All Share Index declined by 10.98% to close the week at 51,038.18 points.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization 8 (ZAR billions)
31-Jan-20	56,079.54	17.39
7-Feb-20	57,276.49	17.72
14-Feb-20	57,861.76	17.78
21-Feb-20	57,336.21	17.82
28-Feb-20	51,038.18	15.78
% Change	-10.98	-11.45

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

4TH MARCH 2020