



Weekly Economic Highlights

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Week Ending
17th January 2020

1. INTEREST RATES

Deposit Rates

During the week ending 17th January 2020, average deposit rates for savings deposits and deposits of 1-month tenor remained unchanged at 4.74% and 5.22%, respectively. Deposit rates of 3-month tenor, however, increased by 0.01% to close the week at 5.47%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
20-Dec-19	4.74	5.16	5.46
27-Dec-19	4.74	5.16	5.46
3-Jan-20	4.74	5.22	5.46
10-Jan-20	4.74	5.22	5.46
17-Jan-20	4.74	5.22	5.47

Source: Banking Institutions, 2020

Lending Rates

Commercial bank weighted lending rates for individual and corporate clients increased by 0.53 and 0.05 percentage points, to close the week under review at 16.57% and 18.05%, respectively.

Table 2: Lending Rates

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
20-Dec-19	16.17	18.62
27-Dec-19	16.08	18.31
3-Jan-20	16.13	18.03
10-Jan-20	16.04	17.99
17-Jan-20	16.57	18.05

Source: Banking Institutions, 2020

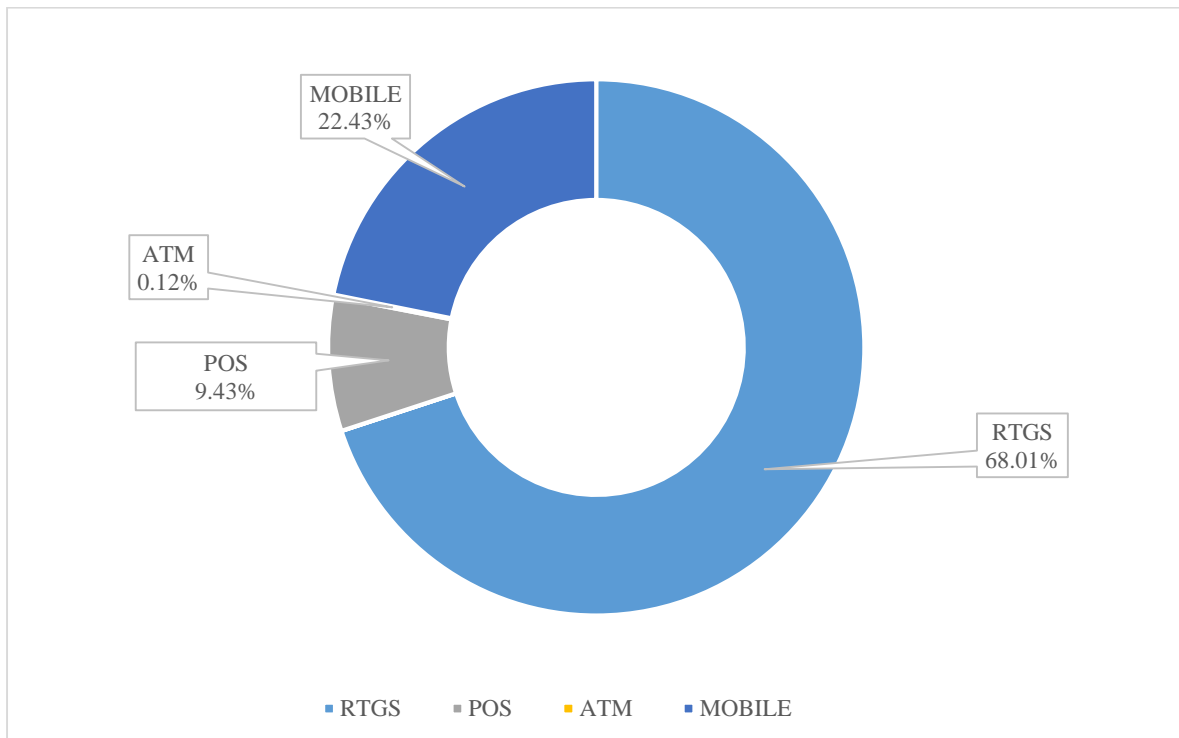
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

Transaction values processed through the National Payment System (NPS) increased by 2.62% to close at \$17.62 billion, during the week ending 17th January 2020. RTGS transaction values amounted to \$11.99 billion during the week under analysis, an increase of 2.37% from \$11.71 billion recorded in the previous week.

The composition of NPS transactions values was as follows: RTGS, 68.01%; Mobile, 22.43%; Point of Sale (POS), 9.43%; Automated Teller Machine (ATM), 0.12%; and Cheque, 0.01%, as shown in Figure 1.

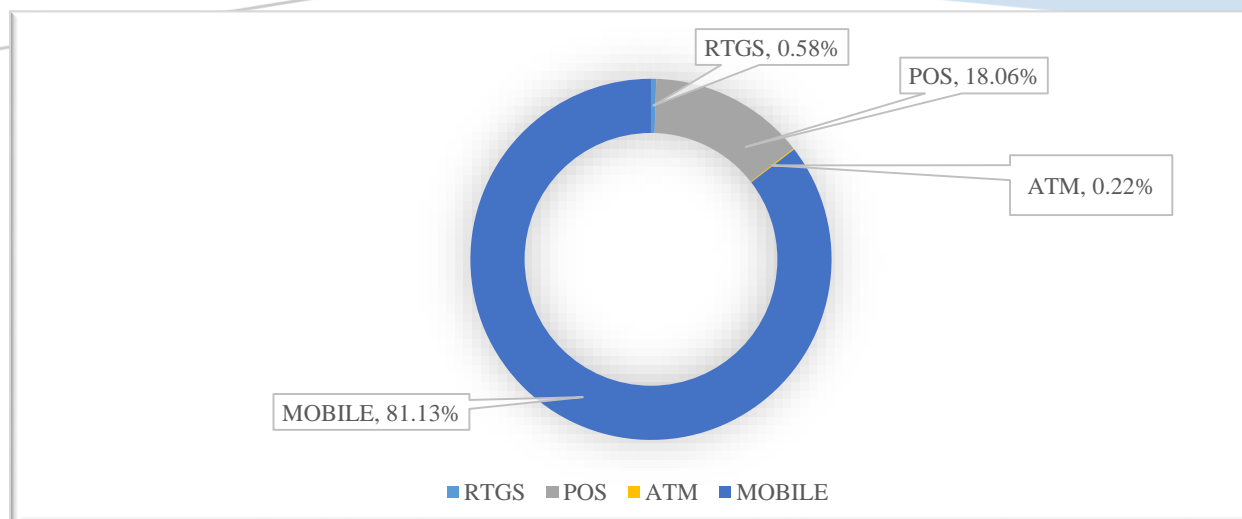
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

Total NPS transaction volumes increased by 8.89%, to close at 34.18 million transactions during the week under review. The NPS transaction volumes were distributed as follows: Mobile, 81.13%; POS, 18.06%; RTGS, 0.58%; and 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
	10-Jan-20	17-Jan-20		
	VALUES IN ZWL (millions)			
RTGS	11,709.05	11,986.63	2.37	68.01
CHEQUE	0.50	0.97	94.00	0.00
POS	1,422.11	1,662.46	16.90	9.43
ATM	21.56	21.26	-1.39	0.12
MOBILE	4,022.38	3,954.22	-1.69	22.43
TOTAL	17,175.61	17,625.54	2.62	100
	VOLUMES			
RTGS	200,646	199,751	-0.45	0.58
CHEQUE	1,625	1,812	11.51	0.01
POS	6,025,243	6,172,250	2.44	18.06
ATM	53,014	75,783	42.95	0.22
MOBILE	25,106,733	27,728,343	10.44	81.13
TOTAL	31,387,261	34,177,939	8.89	100

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices of gold and crude oil retreated, during the week ending 17th January, 2020. Platinum, copper and nickel prices, however, firmed during the same period, 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 (6-10 Jan)	1,564.01	973.75	6,146.35	13,941.40	66.69
13-Jan	<i>1,550.13</i>	<i>972.5</i>	<i>6,265.00</i>	<i>14,200.00</i>	<i>64.2</i>
14-Jan	<i>1,545.03</i>	<i>972</i>	<i>6,276.50</i>	<i>13,791.00</i>	<i>64.36</i>
15-Jan	<i>1,550.45</i>	<i>1005.5</i>	<i>6,265.50</i>	<i>14,250.00</i>	<i>64.36</i>
16-Jan	<i>1,554.88</i>	<i>1025</i>	<i>6,240.00</i>	<i>13,715.00</i>	<i>64.63</i>
17-Jan	<i>1,557.05</i>	<i>1016</i>	<i>6,241.25</i>	<i>13,851.00</i>	<i>65.7</i>
weekly average (13-17 Jan)	1,551.51	998.2	6,257.65	13,961.40	64.65
<i>Weekly Change (%)</i>	<i>-0.8</i>	<i>2.5</i>	<i>1.8</i>	<i>0.1</i>	<i>-3.1</i>

Source: BBC, KITCO and Bloomberg 2020

Gold

Gold prices slumped by 0.8% to close at US\$1,551.20/oz., during the week under review. This followed improved performance in stock markets, bolstered by optimism from the signing of the US-China phase one trade deal, which dampened the appeal of bullion as a safe haven asset.

Platinum

Platinum prices gained by 2.5%, from a weekly average price of US\$973.75/oz. in the previous week, to close the week under review at US\$998.20/oz. This was underpinned by the rebound in the automotive industry where the mineral is used as a catalyst in emission control mechanisms for diesel cars, coupled with simmering supply concerns in South Africa.

Copper

The price of copper averaged US\$6,257.65/tonne, during the week under review, representing a 1.8% increase from US\$6,146.35/tonne recorded in the previous week. This was on account of an improved demand outlook, particularly in China and the optimism surrounding the US-China trade interim deal.

Nickel

Nickel prices rose marginally by 0.1%, from an average of US\$13,941.40 / tonne in the previous week to US\$13,961.40/tonne, during the week under review. The increase was moderated by signs of ample supplies, particularly reports of rising stockpiles of the base metal.

Crude Oil

The weekly average price of crude oil dropped by 3.1% to US\$64.65/barrel, during the week under review. This was attributable to sluggish economic growth in China, the world biggest importer of crude oil. In addition, rising U.S. inventories and signs of ample supply exerted downward pressure on oil prices.

4. EXCHANGE RATES

The Zimbabwe dollar depreciated against the US dollar; euro; pula; pound Sterling and rand during the week under review, as shown in Table 5.

Table 5: International Exchange Rates²

2020	USD	EURO	BWP	GBP	ZAR
Weekly Average (6-10 Jan)	16.9162	18.8528	1.5837	22.1799	1.1867
<i>13-Jan</i>	<i>17.0056</i>	<i>18.9298</i>	<i>1.59</i>	<i>22.1625</i>	<i>1.1876</i>
<i>14-Jan</i>	<i>17.032</i>	<i>18.9685</i>	<i>1.5839</i>	<i>22.1305</i>	<i>1.1839</i>
<i>15-Jan</i>	<i>17.0662</i>	<i>19.0024</i>	<i>1.5923</i>	<i>22.2406</i>	<i>1.1887</i>
<i>16-Jan</i>	<i>17.1001</i>	<i>19.0649</i>	<i>1.5894</i>	<i>22.2943</i>	<i>1.1878</i>
<i>17-Jan</i>	<i>17.1295</i>	<i>19.0745</i>	<i>1.5956</i>	<i>22.396</i>	<i>1.19</i>
Weekly Average (13-17 Jan)	17.0667	19.008	1.5902	22.2448	1.1876
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>0.9</i>	<i>0.8</i>	<i>0.4</i>	<i>0.3</i>	<i>0.1</i>

Source: Reserve Bank of Zimbabwe, 2020

² Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was characterized by bullish sentiment, during the week ending 17th January 2020. Resultantly, the All Share, Top 10 and Top 15 indices gained 1.75%, 1.20% and 1.30%, to close the week under review at 238.19, 210.93 and 212.28 points, respectively. Medium Cap and Small Cap indices grew by 2.60% and 6.69%, to close the same week at 293.53 and 678.65 points, respectively.

The industrial index gained 1.71% to close the week at 793.43 points, from 780.09 points, recorded in the preceding week. This followed share price increases for Willdale Limited (27.84%); Dairibord Holdings Limited (23.04%); Powerspeed Electrical Limited (22.5%); Edgars Stores Limited (20%) and Zimplot Holdings Limited (19.83%).

The mining index added 3.66% to close at 324.13 points, during the week under review. This was attributable to a share price increase for Bindura Nickel Corporation (BNC).

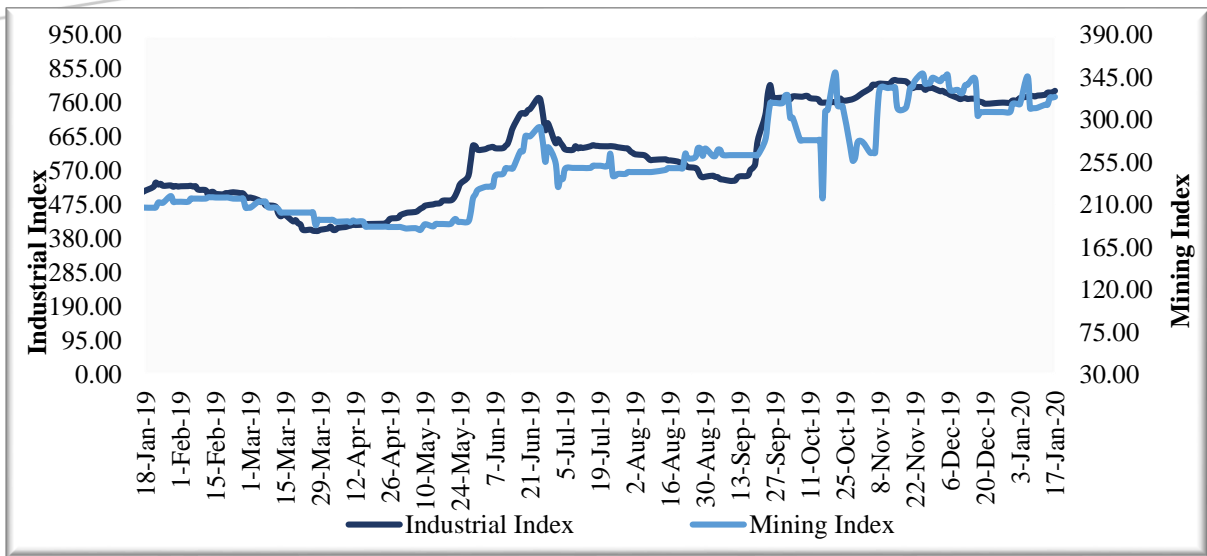
Table 6: Zimbabwe Stock Exchange Statistics³

	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)
20-Dec-19	227.26	200.18	-	-	-	757.22	308.2	29.37	69.4	123.77
27-Dec-19	228.24	200.98	-	-	-	760.52	308.11	29.49	9.58	3.96
3-Jan-20	232.17	206.37	-	-	-	773.41	316.66	30.05	20.93	11.02
10-Jan-20	234.1	208.43	209.55	286.09	636.12	780.09	312.68	30.29	22.25	14.32
17-Jan-20	238.19	210.93	212.28	293.53	678.65	793.43	324.13	30.85	103.97	65.48
Weekly Change (%)	1.75	1.20	1.30	2.60	6.69	1.71	3.66	1.85	367.28	357.26

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

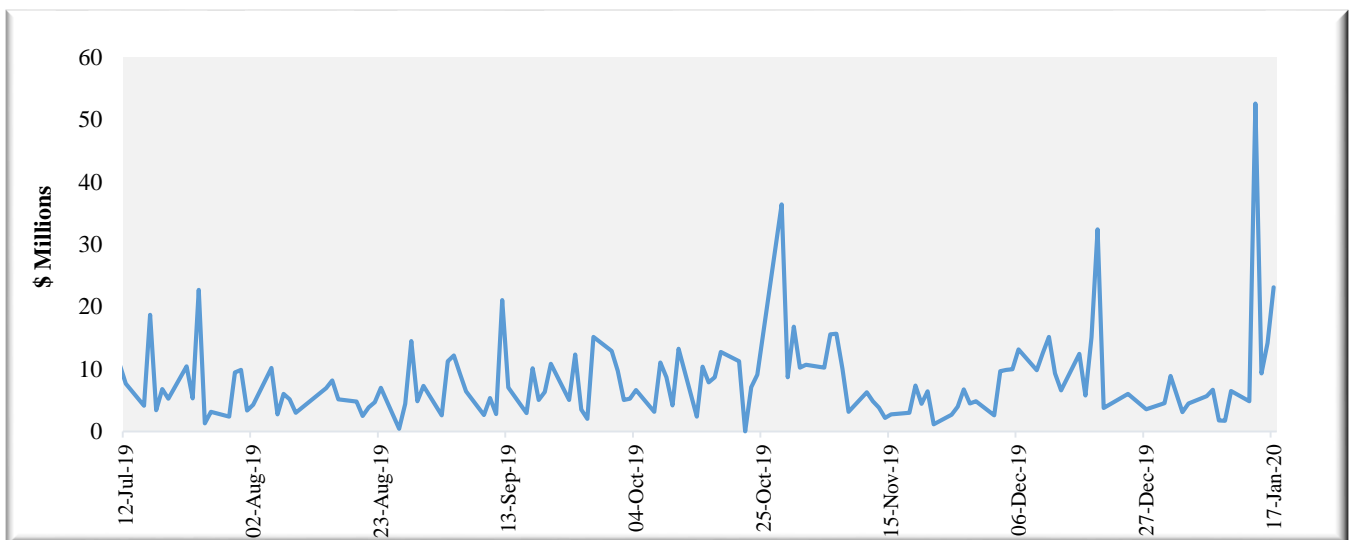


Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

The total volume of shares traded on the ZSE rose by 357.29%, to close at 65.48 million shares during the week under review. Similarly, ZSE market turnover value increased by 367.35% to close at \$103.97 million, during the same period.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

ZSE market capitalisation increased by 1.84%, from \$30.29 billion recorded in the preceding week to \$30.85 billion, during the week under review. The increase was associated with gains in the Industrial, Top 10 and Top 15 indices.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

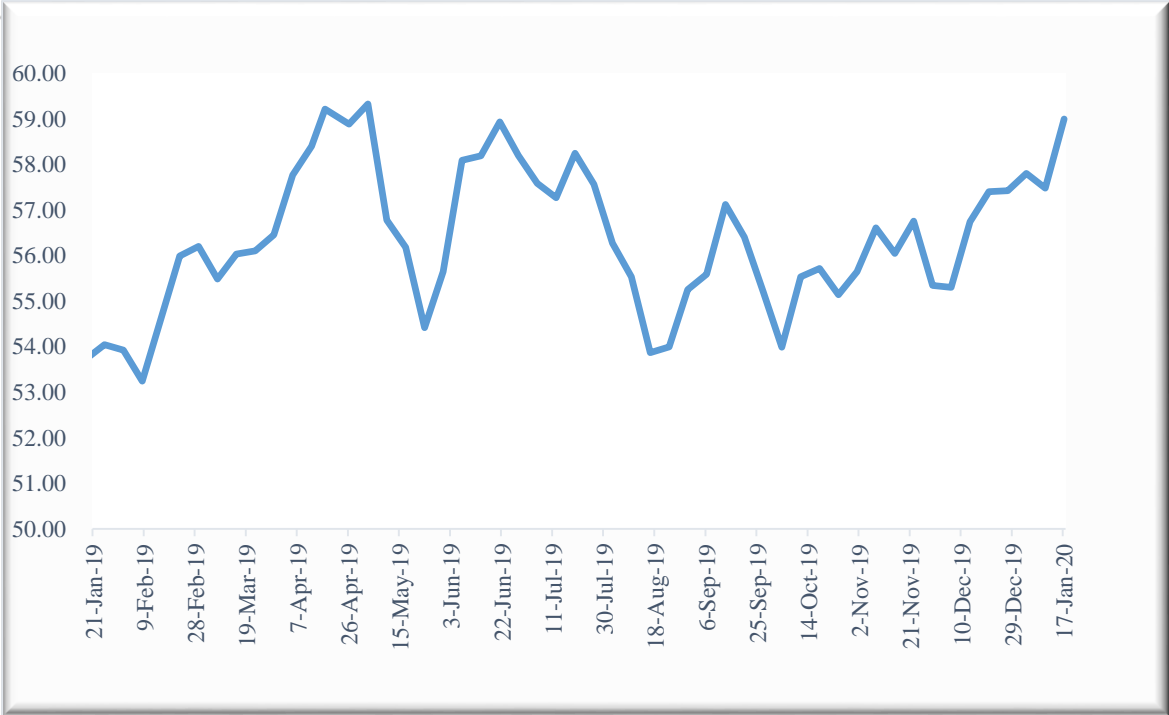
The JSE All Share Index stood at 59,001.87 points, during the week under analysis. This represented a 2.64% gain from 57,484.84 points recorded in the previous week. Similarly, the JSE market capitalization rose by 1.63% to R18.06 billion during the same week.

Table 6: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index	Market Capitalization
	(points)	(ZAR billion)
20-Dec-19	57,411.21	17.52
27-Dec-19	57,430.70	17.55
3-Jan-20	57,810.00	17.7
10-Jan-20	57,484.84	17.77
17-Jan-20	59,001.87	18.06
% Change	2.64	1.63

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
23RD JANUARY 2020