



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
20th March 2020

1. INTEREST RATES

Deposit Rates

During the week under review, minimum deposit rates for savings deposits and deposits of 1-month and 3-month tenors remained unchanged at 2.36%, 2.82% and 3.82%, respectively.

Maximum deposit rates for savings deposits, deposits of 1-month and 3-month tenors also 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 (%)
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
6-Mar-20	2.36	4.74	2.82	6.06	3.79	7.82
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

Source: Reserve Bank of Zimbabwe, 2020

Lending Rates

Minimum lending rates at commercial banks for individual clients softened to 18.76%, during the week under review, from 18.91% recorded in the previous week. Commercial bank minimum lending rates for corporate clients, however, increased by 0.5 percentage points to close at 17.87%. Maximum lending rates for individual clients increased to 33.11%, during the week ending 20th March 2020, while those for corporate clients declined to 37.25%, during the same week, as shown in Table 2.

Table 2: Lending Rates (per annum)

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
20-Feb-20	16.89	31.56	16.55	37.40
28-Feb-20	16.92	31.66	16.68	37.23
6-Mar-20	18.72	32.98	17.19	37.37
13-Mar-20	18.91	32.89	17.37	37.32
20-Mar-20	18.76	33.11	17.87	37.25

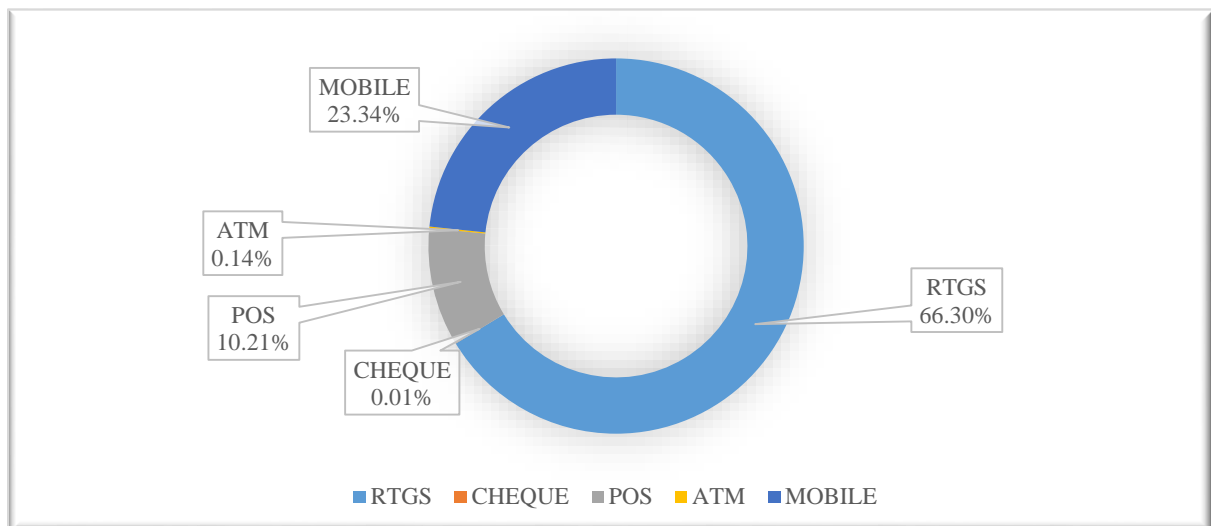
Source: Reserve Bank of Zimbabwe, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, the total value of transactions processed through the National Payment Systems (NPS) increased to \$21.24 billion, from \$20.08 billion recorded in the previous week. RTGS transactions amounted to \$14.08 billion, an 8.44% increase from \$12.99 billion recorded during the week ending 13th March 2020.

In values terms, the distribution of NPS transactions was as follows: RTGS, 66.30%; Mobile, 23.34%; Point of Sale (POS), 10.21%; Automated Teller Machine (ATM), 0.14%; and Cheque, 0.01%, as shown in Figure 1.

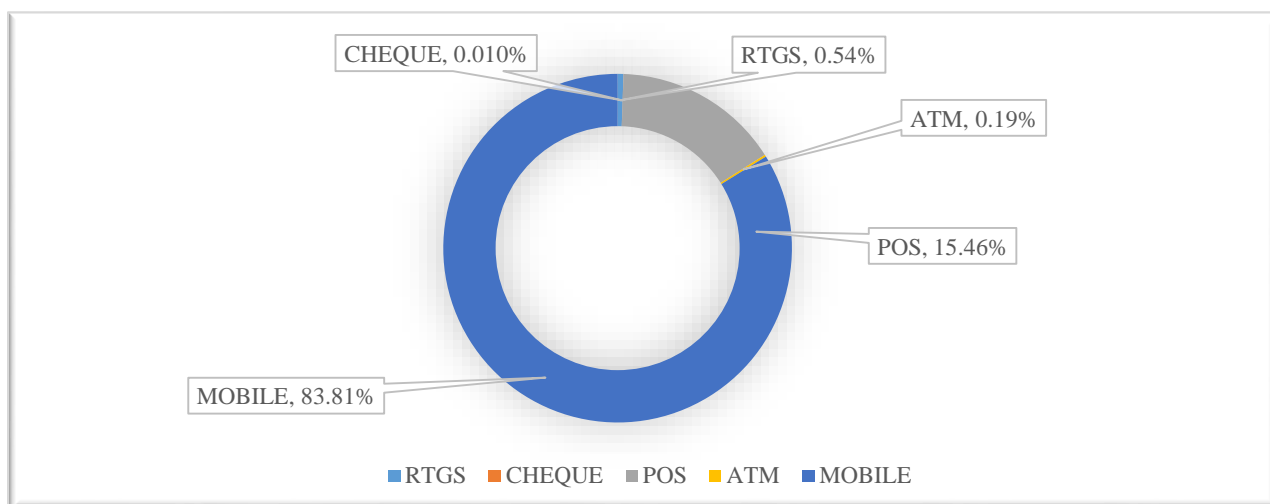
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

NPS transaction volumes rose by 4.56%, from 38.21 million in the previous week to 39.94 million, during the week under review. In volume terms, the NPS transactions were distributed as follows: Mobile, 83.81%; POS, 15.46%; ATM, 0.19%; RTGS 0.54%; 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
	13-Mar-20	20-Mar-20		
	VALUES IN Z\$ (millions)			
RTGS	12,988.23	14,084.67	8.44%	66.30%
CHEQUE	1.24	1.28	3.08%	0.01%
POS	2,014.58	2,168.78	7.65%	10.21%
ATM	46.67	29.41	-36.99%	0.14%
MOBILE	5,031.50	4,958.86	-1.44%	23.34%
TOTAL	20,082.23	21,243.00	10.11%	100%
	VOLUMES			
RTGS	224,891	216,382	-3.78%	0.54%
CHEQUE	2,119	2,235	5.47%	0.01%
POS	6,421,265	6,175,731	-3.82%	15.46%
ATM	72,083	74,159	2.88%	0.19%
MOBILE	31,427,387	33,477,758	6.33%	83.81%
TOTAL	38,147,745	39,946,265	4.56%	100%

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average prices for all commodities in the selected basket retreated during the week under review, as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Brent Crude Oil
2020	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
weekly average (9-13 Mar)	1,633.68	849.90	5,486.70	12,330.40	34.99
16-Mar	1,496.18	695.00	5,268.50	11,925.50	31.10
17-Mar	1,504.28	646.00	5,127.50	11,828.00	28.57
18-Mar	1,502.10	641.50	4,860.20	11,318.00	26.18
19-Mar	1,477.48	600.00	4,803.25	11,209.00	29.13
20-Mar	1,499.43	621.00	4,693.25	11,250.00	26.28
weekly average (16-20 Mar)	1,495.89	640.70	4,950.54	11,506.10	28.25
Weekly Change (%)	<i>(8.4)</i>	<i>(24.6)</i>	<i>(9.8)</i>	<i>(6.7)</i>	<i>(19.3)</i>

Source: BBC, KITCO and Bloomberg 2020

Gold

The weekly average price of gold fell by 8.4%, from US\$1,633.68 per ounce in the previous week to US\$1,495.89 per ounce, during the week under review. The slump in the yellow metal was largely underpinned by concerns over the demand outlook for gold as a safe haven asset, on the back of the escalation of the COVID-19 pandemic.

Platinum

Platinum prices fell by 24.6%, from US\$ 849.90 per ounce in the preceding week to US\$ 640.70 per ounce, during the week ending 20 March 2020. Prices were hit by a significant sell-off, amid the uncertainty created by the unrelenting global coronavirus pandemic. Further downward pressure on prices came from the supply-side as expectations that the outbreak of COVID-19 in South Africa would have a significant impact on the global supply of platinum. On the demand-side, the closure of major automobile producers in Europe also weighed down prices.

Copper

Copper prices slumped by 9.8%, from US\$5,486.70 per tonne in the previous week to US\$4,950.54 per tonne, during the week under analysis. Prices declined as major producers reduced output, against the background of possible lockdowns by major consumers of the base metal, to contain the spread of COVID-19 virus.

Nickel

Likewise, due to the same global concerns about the coronavirus, nickel prices also slid by 6.7%, from US\$12,330.40 per tonne in the previous week to US\$11,506.10 per tonne, during the week under analysis.

Crude Oil

Crude oil prices registered a decline of 19.3% amid the escalation of the global price war, with Saudi Arabia continuing to supply crude oil in a market characterized by a glut. On the demand side, the rapid global spread of the coronavirus and the imposition of severe travel restrictions further dampened the demand for crude oil. Resultantly, average crude oil prices plunged from US\$34.99 per barrel in the preceding week to US\$28.25 per barrel, during the week under analysis.

4. EXCHANGE RATES

During the week ending 20th March 2020, the Zimbabwe dollar (ZWL) weakened against the US dollar; euro, pula, rand and pound Sterling, as shown in Table 5.

Table 5. International Exchange Rates¹

2020	USD	ZAR	GBP	BWP	EURO
Weekly Average (9-13 Mar)	18.2596	1.1338	23.6699	1.6273	20.7198
16-Mar	18.4283	1.1213	22.7423	1.6125	20.5124
17-Mar	18.4592	1.1171	22.6162	1.6059	20.6383
18-Mar	23.4943	1.4099	28.4434	2.0370	25.9401
19-Mar	24.5749	1.4042	28.2414	2.1036	26.7866
20-Mar	24.9052	1.4378	29.0768	2.1045	26.8005
Weekly Average (16-20 Mar)	21.9724	1.2981	26.2240	1.8927	24.1356
Appr(-)/Depr(+) (%) of the ZWL	<i>20.3</i>	<i>14.5</i>	<i>10.8</i>	<i>16.3</i>	<i>16.5</i>

¹ 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 bearish and registered losses across the board, during the week ending 13th March 2020. The All Share, Top 10, Top 15, Medium Cap and Small Cap indices shed 7.24%, 9.63%, 9.15%, 2.29% and 8.26%; to close at 484.37, 402.84, 415.38, 679.68 and 1 385.95 points, respectively.

The industrial index declined by 7.07% to close at 1 604.13 points, during the week under review. This was underpinned by share price losses for Amalgamated Regional Trading (ART) (40.28%), Edgars Stores Limited (24%), Turnall Holdings Limited (20%), Meikles Limited (19.30%) and Willdale Limited (18.13%). Partially offsetting the aforementioned losses were gains in share prices for Zimre Property Investments Limited (52.38%), FBC Holdings Limited (20.79%), First Mutual Holdings Limited (18.93%), Nampak Zimbabwe Limited (11.11%) and Mashonaland Holdings Limited (6.41%).

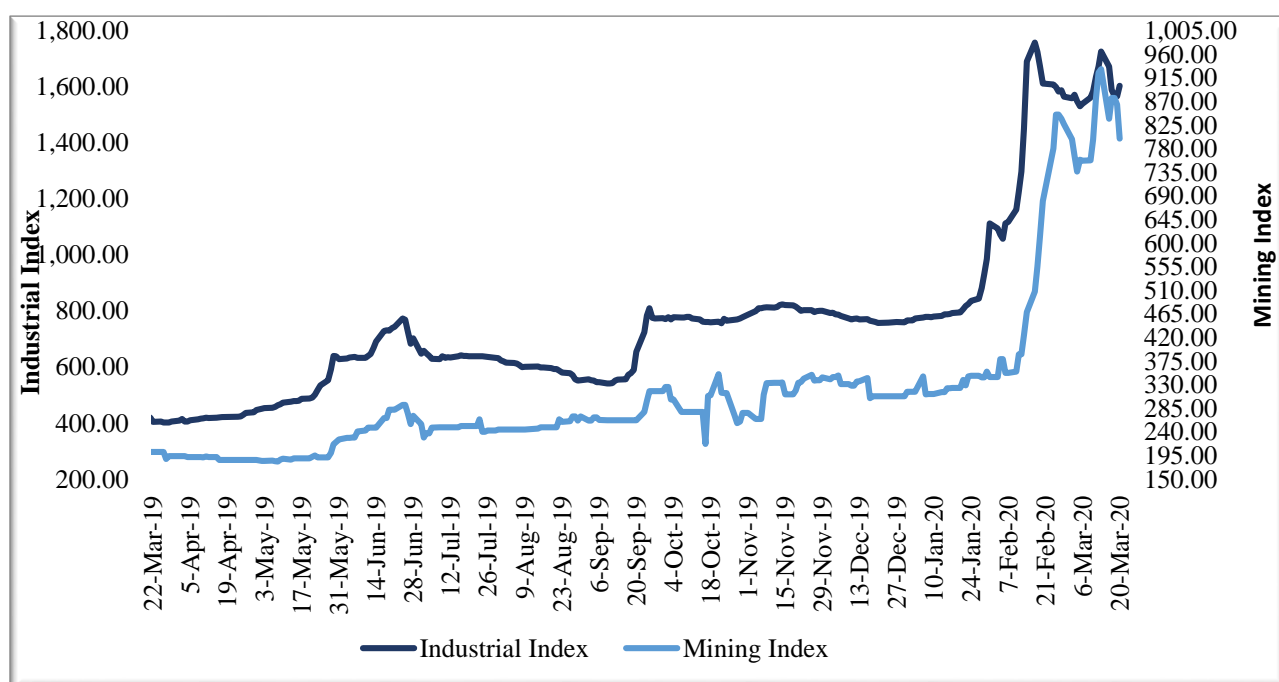
The mining index also declined by 14.24% to close at 799.36 points, from 932.07 points recorded in the previous week. This largely emanated from share prices loss for Bindura Nickel Corporation Limited, 10.69% (BNC). RioZim, however, traded at the previous week price level, albeit on thin volumes.

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)
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
6-Mar-20	464.81	390.45	401.35	630.05	1579.58	1539.90	757.10	59.84	71.99	59.83
13-Mar-20	522.20	445.76	457.21	1510.77	695.58	1726.12	932.07	67.25	135.61	43.31
20-Mar-20	484.37	402.84	415.38	1385.95	679.68	1604.13	799.36	62.17	87.54	91.36
Weekly Change (%)	7.24	-9.63	-9.15	-8.26	-2.29	-7.07	-14.24	-7.55	-35.45	110.95

Source: Zimbabwe Stock Exchange (ZSE), 2020

Figure 3: Zimbabwe Stock Exchange Indices



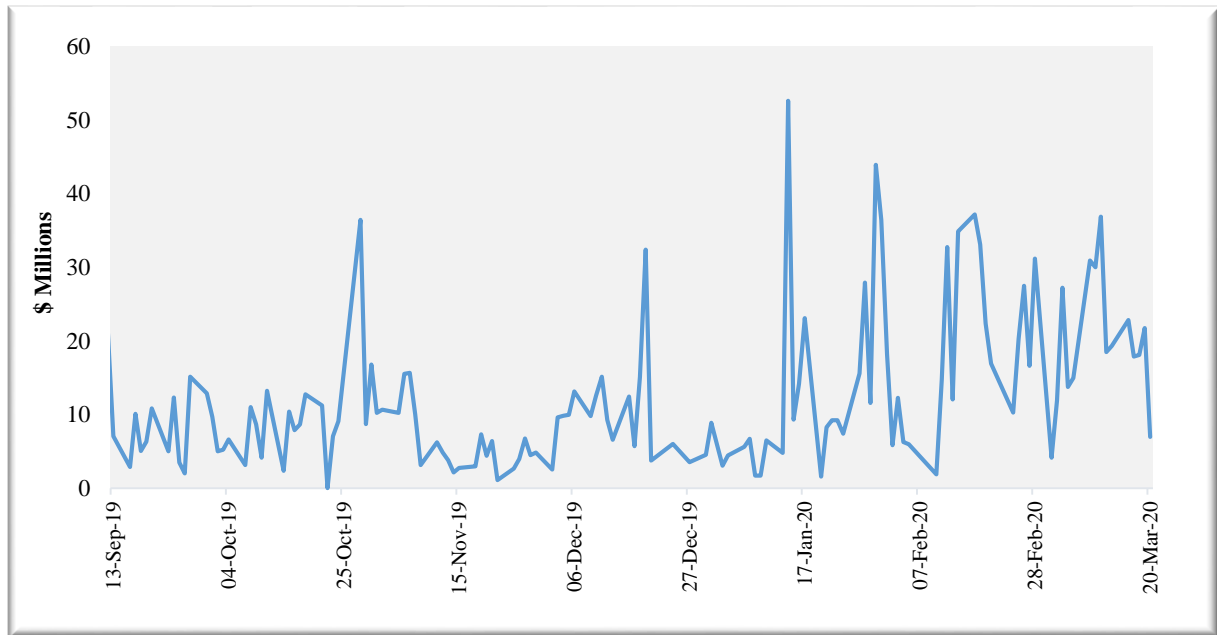
Source: Zimbabwe Stock Exchange, 2020

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.

Market Turnover and Volume

Trading activity on the ZSE was largely concentrated in low-tier counters. The cumulative volume of shares traded increased by 110.95% to close at 91.36 million shares, during the week under analysis. Market turnover value, however, declined by 35.45% to close at \$87.54 million during the week under review, from \$135.61 million realised in the previous week.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

During the week under analysis, ZSE market capitalisation declined by 7.55% to close at \$62.17 billion. This was underpinned by losses in both the industrial and mining indices.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

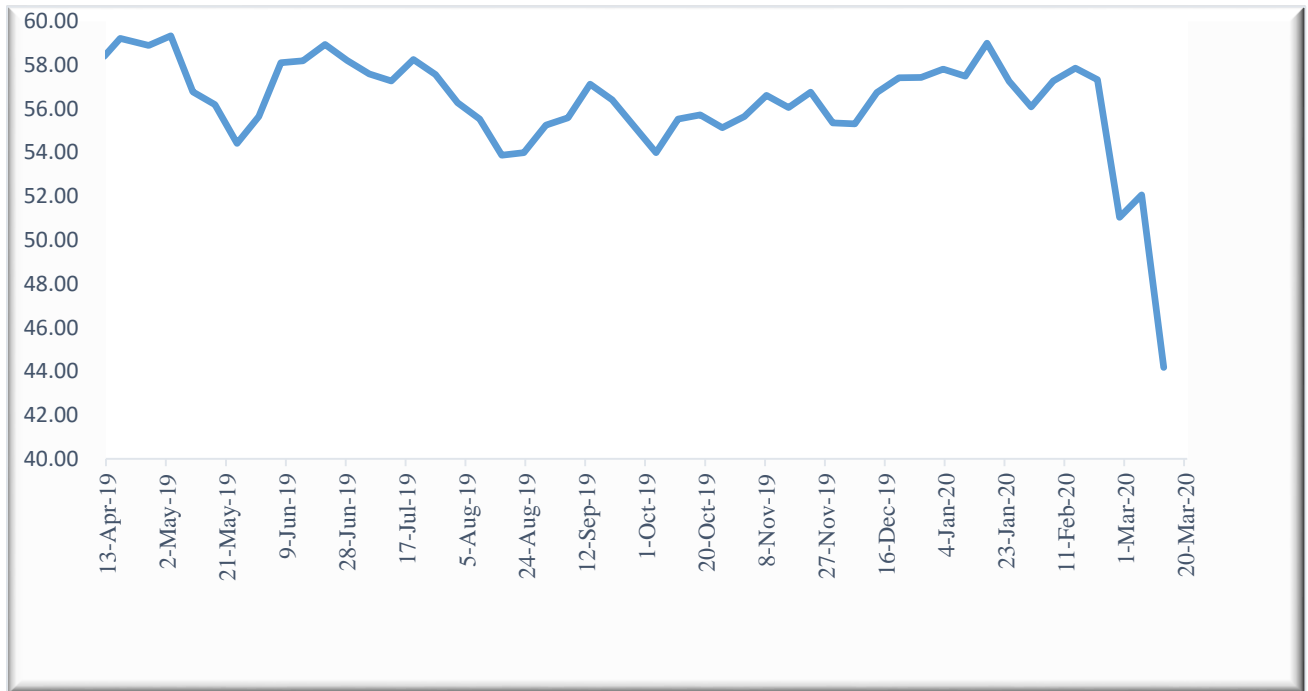
The JSE All Share Index declined by 8.84% to close at 40,272.00 points, during the week under review. JSE market capitalization, however, increased by 21.83% to close at R16.07 billion, from R13.19 billion recorded in the preceding week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization 8 (ZAR billions)
21-Feb-20	57,336.21	17.82
28-Feb-20	51,038.18	15.78
6-Mar-20	52,064.72	16.02
13-Mar-20	44,177.63	13.19
20-Mar-20	40,272.00	16.07
% Change	-8.84	21.83

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

26th MARCH 2020