



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
27th March 2020

1. INTEREST RATES

Deposit Rates

During the week under review, minimum deposit rates for savings deposits and deposits of 3-month tenor remained unchanged at 2.36% and 3.82%, respectively. Minimum deposit rates for deposits of 1-month tenor, however, increased by 0.3 percentage points to close at 3.12% during the same week.

Maximum deposit 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 (%)
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
27-Mar-20	2.36	4.74	3.12	6.12	3.82	6.16

Source: Reserve Bank of Zimbabwe, 2020

Lending Rates

During the week ending 27th March 2020, minimum commercial bank lending rates for individual and corporate clients softened to 17.82% and 17.39%, from 18.76% and 17.87%, respectively, in the previous week. Maximum lending rates for individual clients rose from 33.11% in the previous week, to 33.34% during the week under review. Commercial bank maximum lending rates for corporate clients, however, fell by 0.05 percentage points to close at 37.20% in the same week, as shown in Table 2.

Table 2: Lending Rates (per annum)

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
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
27-Mar-20	18.72	33.34	17.39	37.20

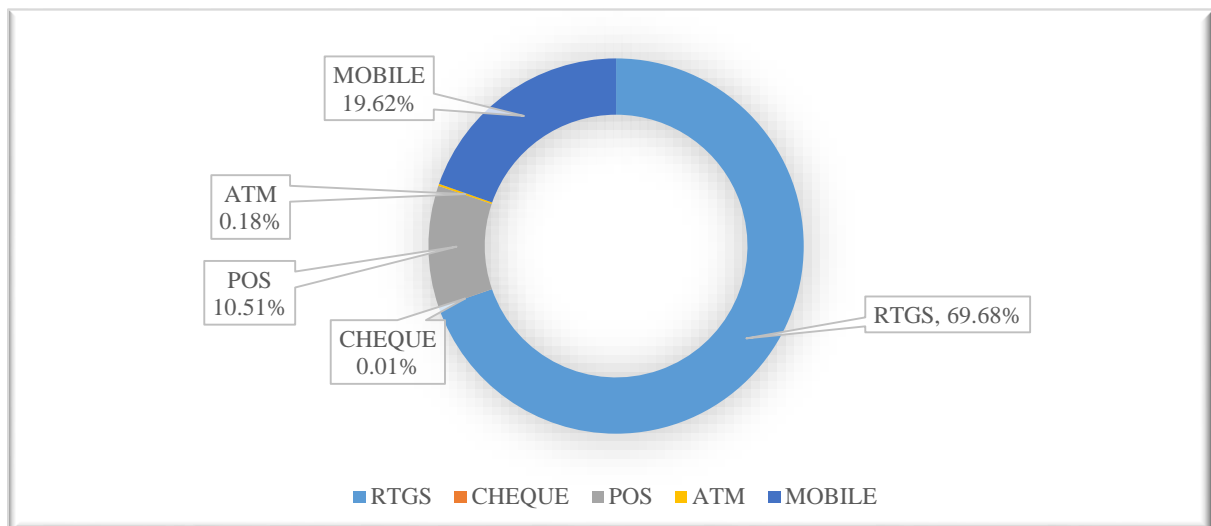
Source: Reserve Bank of Zimbabwe, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) rose by 14.55% to close at \$24.78 billion, during the week ending 27th March 2020. RTGS transactions increased from \$14.08 billion in the previous week to \$16.96 billion, during the week under review.

In value terms, the composition of NPS transactions was as follows: RTGS, 69.68%; Mobile, 19.62%; Point of Sale (POS), 10.51%; Automated Teller Machine (ATM), 0.18%; and Cheque, 0.01%, as shown in Figure 1.

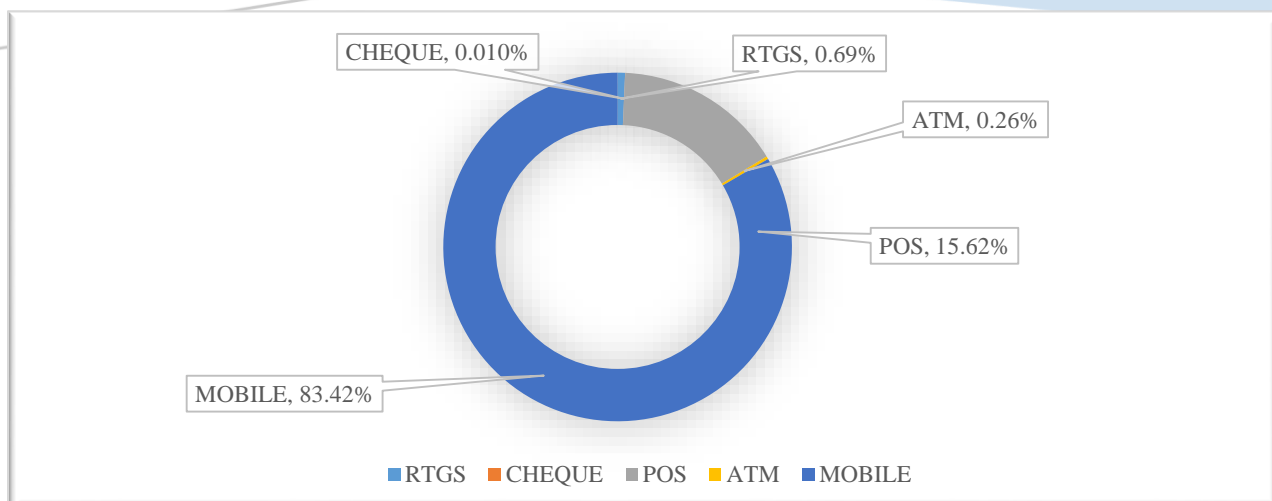
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2020

During the week under review, the volume of NPS transactions stood at 40.70 million, a 1.88% increase from 39.94 million recorded in the preceding week. NPS transactions volumes were distributed as follows: Mobile, 83.42%; POS, 15.62%; ATM, 0.26%; RTGS 0.69%; 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	27-Mar-20		
VALUES IN Z\$ (millions)				
RTGS	14,084.67	16,956.99	20.39%	69.68%
CHEQUE	1.28	0.44	-65.65%	0.01%
POS	2,168.78	2,558.15	17.95%	10.51%
ATM	29.41	43.39	47.56%	0.18%
MOBILE	4,958.86	4,775.12	-3.71%	19.62%
TOTAL	20,082.23	24,775.12	14.55%	100%
VOLUMES				
RTGS	216,382	282,345	30.48%	0.69%
CHEQUE	2,235	652,000	-70.83%	0.01%
POS	6,175,731	6,356,524	2.93%	16.52%
ATM	74,159	107,127	44.46%	0.26%
MOBILE	33,477,758	33,950,346	1.41%	83.42%
TOTAL	39,946,265	40,696,994	1.88%	100%

Source: Reserve Bank of Zimbabwe, 2020

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 27th March 2020, average weekly prices for gold and platinum increased, while those for copper, nickel and crude oil declined, 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 (16-20 Mar)	1,495.89	640.70	4,950.54	11,506.10	28.25
23-Mar	1,509.95	620.50	4,588.00	10,829.00	27.97
24-Mar	1,602.63	681.50	4,789.50	11,075.00	27.80
25-Mar	1,613.20	728.00	4,754.00	11,175.00	27.11
26-Mar	1,627.45	736.00	4,775.50	11,221.00	26.28
27-Mar	1,619.25	745.00	4,774.00	11,225.00	22.89
weekly average (23-27 Mar)	1,594.50	702.20	4,736.20	11,105.00	26.41
Weekly Change (%)	6.6	9.6	(4.3)	(3.5)	(6.5)

Source: BBC, KITCO and Bloomberg 2020

Gold

Gold prices rose by 6.6%, from US\$1,495.89 per ounce in the previous week to US\$1,594.50 per ounce, during the week under review. The bullion prices were partly supported by a weaker US dollar, following the rise in unemployment statistics in the USA, on the back of the COVID-19 induced economic slowdown.

Platinum

The weekly average price of platinum also recovered from the previous week losses and registered a 9.6% increase, from US\$640.70 per ounce in the previous week to close at US\$702.20 per ounce, during the week under analysis. This was partly on account of supply concerns, following the announcement of a nation-wide lockdown in South Africa, the world's top producer of the precious metal.

Copper

Nickel prices fell by 4.3%, from US\$4,950.54 per tonne in the previous week to US\$4,736.20 per tonne, during the week under analysis. The closure of mines, smelters and key ports continued to cause disruptions to global supply chains, thereby weighing down investor sentiments and further dampening the demand outlook for base metals such as copper.

Nickel

Weekly average prices of nickel also slid by 3.5%, from US\$11,506.10 per tonne in the previous week to US\$11,105.00 per tonne, during the week under review. Prices were weighed down by weak global demand, on the back of COVID 19 induced lockdowns and disruptions in nickel global value chains.

Crude Oil

Crude oil prices continued on a downward path, amid a persistence in oversupply conditions emanating from a global price war between Russia and Saudi Arabia, which continued to exert downward pressure on prices. In addition, widespread lockdowns across the world which have resulted in air and road transport restrictions, deepened concerns about the possibility of a global recession and this also dampened the demand outlook for crude oil. Consequently, the weekly average price of crude oil fell by 6.5%, to close at US\$ 26.41 per barrel, during the week ending 27th May 2020.

4. EXCHANGE RATES

During the week ending 27th March 2020, the Zimbabwe dollar (ZWL) weakened against the US dollar (USD), Euro (EUR), pound Sterling (GBP), pula (BWP) and the rand (ZAR), as shown in Table 5.

Table 5. International Exchange Rates¹

	USD	ZAR	GBP	BWP	EUR
2020					
Weekly Average (16-20 Mar)	21.9724	1.2981	26.2240	1.8927	24.1356
23-Mar	25.2153	1.4251	29.5372	2.1307	27.1430
24-Mar	25.5300	1.4459	29.6773	2.1295	27.5465
25-Mar	25.8819	1.4763	30.6286	2.1689	27.9964
26-Mar	26.1186	1.5032	30.9427	2.2018	28.4914
27-Mar	25.0000	1.4342	30.5650	2.1188	27.6175
Weekly Average (23-27 Mar)	25.5425	1.4564	30.2598	2.1495	27.7515
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	16.2	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

On the final day of trading during the same week, the central bank fixed the official exchange rate at ZWL25 to US\$1, for purposes of achieving pricing certainty in the domestic economy, in the wake of the escalation of the COVID-19 pandemic.

5. EQUITY MARKETS

During the week ending 27th March 2020, the Zimbabwe Stock Exchange (ZSE) was characterised by bearish sentiments. The All Share, Top 10, Top 15, Medium Cap and Small Cap indices registered declines of 5.47%, 7.64%, 6.76%, 2.51% and 1.63% to close at 457.88; 372.07; 387.32; 1351.15; and 668.62 points, respectively.

The industrial index decreased by -5.24% to close at 1 520.01 points, during the week under review from 1 604.13 points in the previous week. This was on account of losses in share prices of Econet Wireless, (16.45%); Old Mutual Zimbabwe (16.19%), OK Zimbabwe Limited, (13.54)%, Delta Corporation, (10.34%), Cassava Smartech, (8.95%), Hippo Valley Estates Limited, (7.70%). Partially offsetting losses were share price gains for First Mutual Properties Limited, (30.12%), Zimre Property Investments Limited, (14.53%) and Dairibord Holdings Limited, 10.53%.

The mining index declined by 15.40% to 676.25 points, from 799.36 points recorded in the preceding week. This followed a share prices loss for Bindura Nickel Corporation Limited.

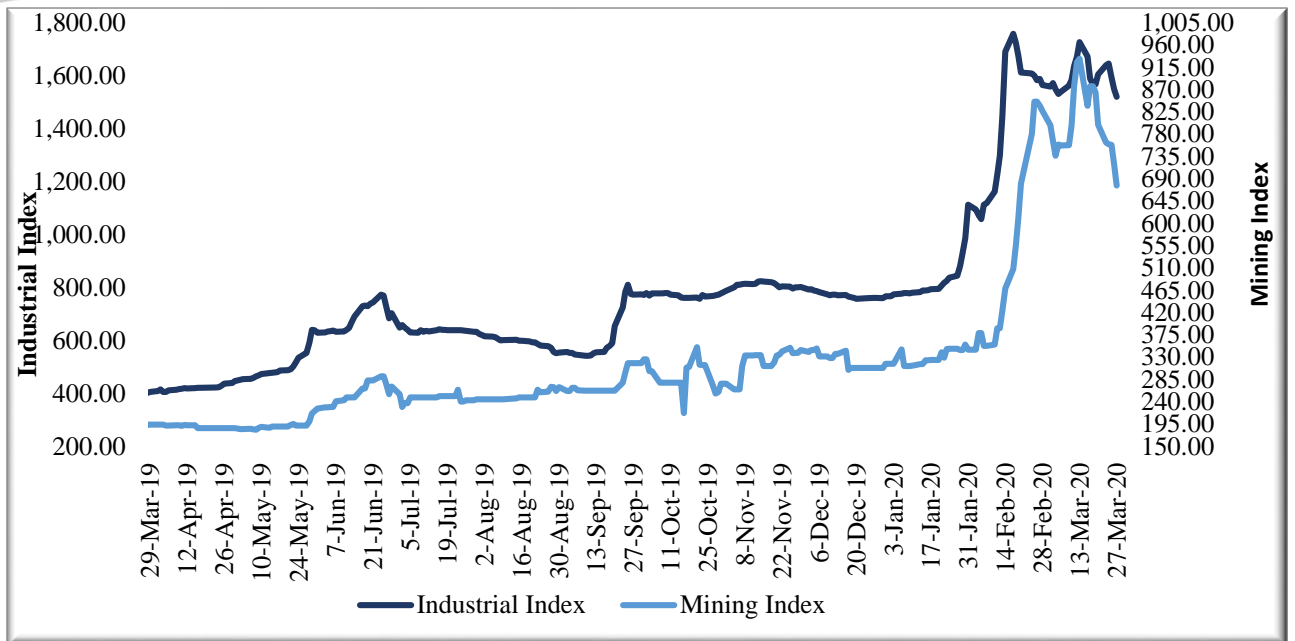
Table 6: Zimbabwe Stock Exchange Statistics³

	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)
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
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
Weekly Change (%)	-5.47	-7.64	-6.76	-2.51	-1.63	-5.24	-15.40	-5.39	35.69	-55.86

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

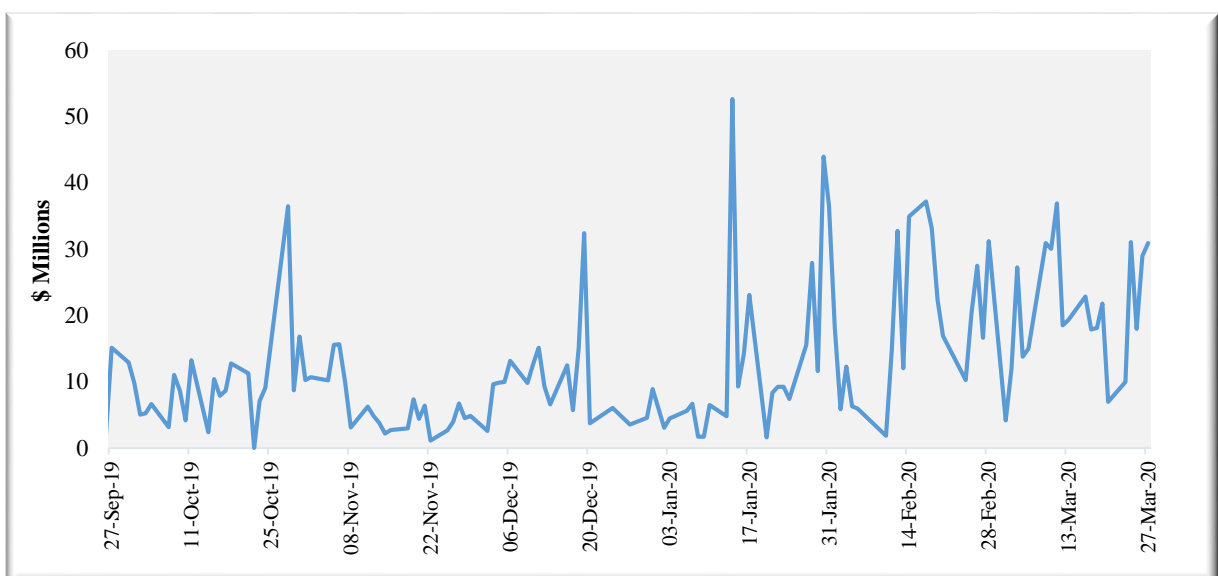


Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

ZSE cumulative share volumes fell by 55.86%, from 91.36 million shares in the previous week to close at 40.33 million shares, during the week under analysis. Market turnover value, however, increased by 35.70% to close at \$118.78 million during the same week.

Figure 4: Daily Market Turnover

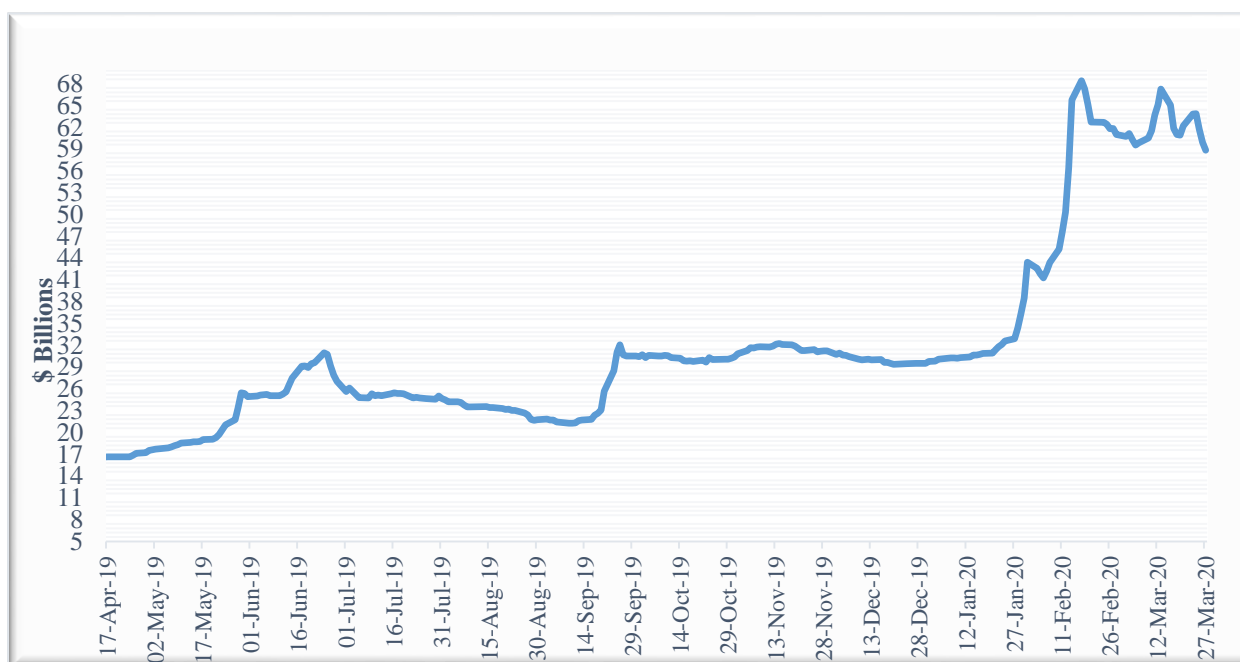


Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

ZSE market capitalisation stood at \$58.82 billion during the week ending 27th March 2020, a 5.39% decline from \$62.17 billion recorded in the previous week. This was underpinned by losses in some small, mid cap and heavy weight counters.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

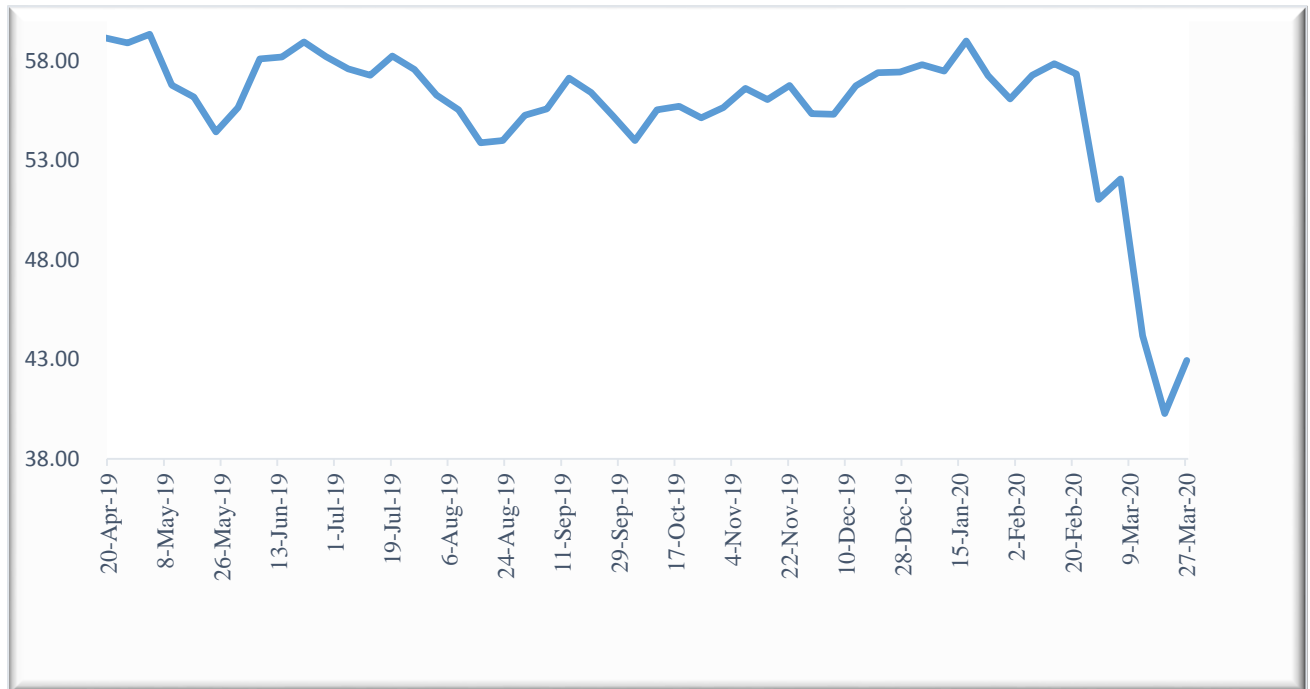
During the week ending 27th March 2020, the JSE All Share Index registered a gain of 6.6% to close at 42,946.83 points, from 40,272.00 points in the previous week. JSE market capitalization, however, decreased by 13.2% to close at R13.95 billion in the same week.

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
27-Mar-20	42,946.83	13.95
% Change	6.6	(13.2)

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

3rd APRIL 2020