



Weekly Economic Highlights

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Week Ending
1st March 2019

1. INTEREST RATES

Deposit Rates

During the week ending 1st March 2019, average deposit rates for savings deposits and deposits of 1-month and 3-month tenors remained unchanged for the 5th consecutive week, at 4.16%, 3.81% and 3.86%, respectively.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposits (%)	3-Month Deposits (%)
01-Feb-19	4.16	3.81	3.99
08-Feb-19	4.16	3.81	3.88
15-Feb-19	4.16	3.81	3.86
22-Feb-19	4.16	3.81	3.86
01-Mar-19	4.16	3.81	3.86

Source: Banking Institutions, 2019

Lending Rates

Commercial bank weighted lending rates for individual clients decreased by 0.33 percentage points to 9.20%, during the week under review. Weighted lending rates for corporate clients, however, increased from 7.30% in the previous week to 7.31%, during the same week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%)	
	Commercial Banks (weighted)	
	Individuals	Corporate clients
01-Feb-19	9.42	7.41
08-Feb-19	9.20	7.27
15-Feb-19	9.22	7.23
22-Feb-19	9.23	7.30
01-Mar-19	9.20	7.31

Source: Banking Institutions, 2019

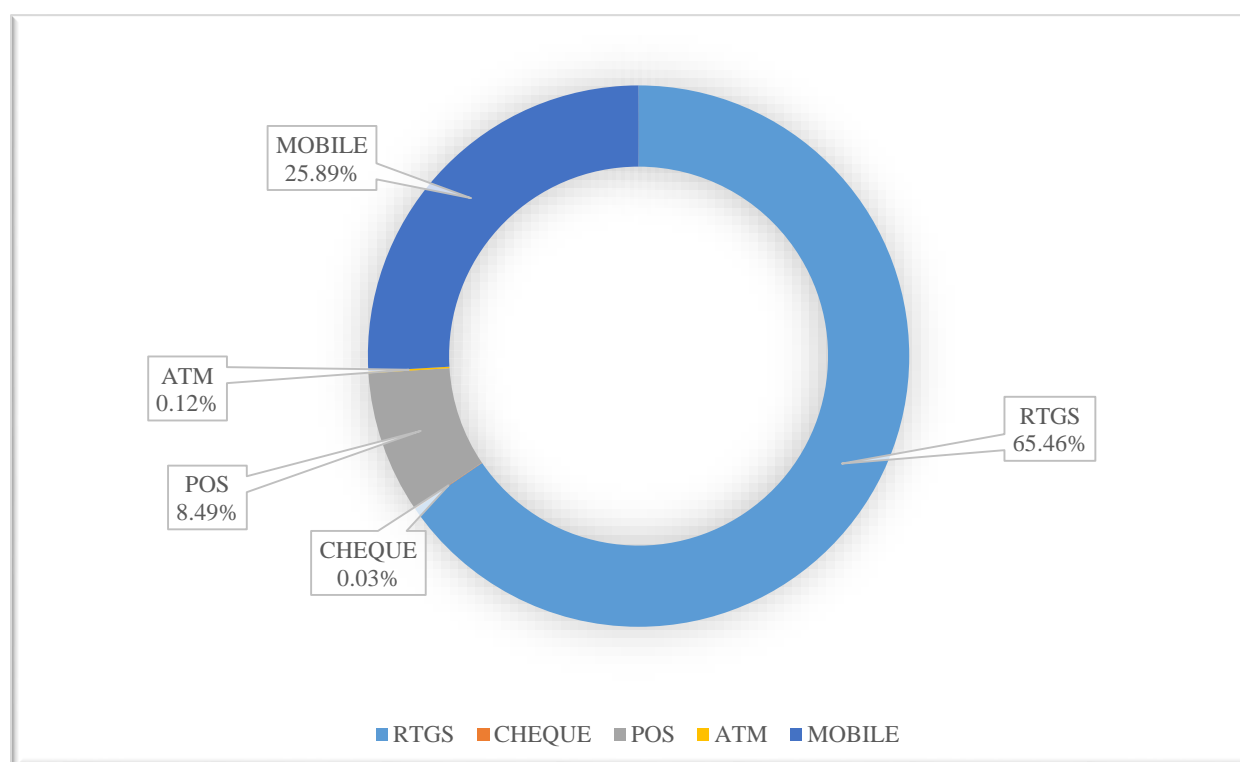
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 1st March 2019, transactions worth \$3.02 billion were processed through the National Payment System (NPS). This reflected a 15.6% increase from the previous week value of \$2.62 billion. Transactions processed through the Real Time Gross Settlement (RTGS) increased by 18.56%, from 1.67 billion in the previous week to \$1.98 billion, during the week under review.

The value of NPS transactions was distributed as follows: RTGS, 65.46%; Mobile, 25.89%; POS, 8.49%; ATM, 0.12%; and Cheque, 0.03%, as shown in Figure 1.

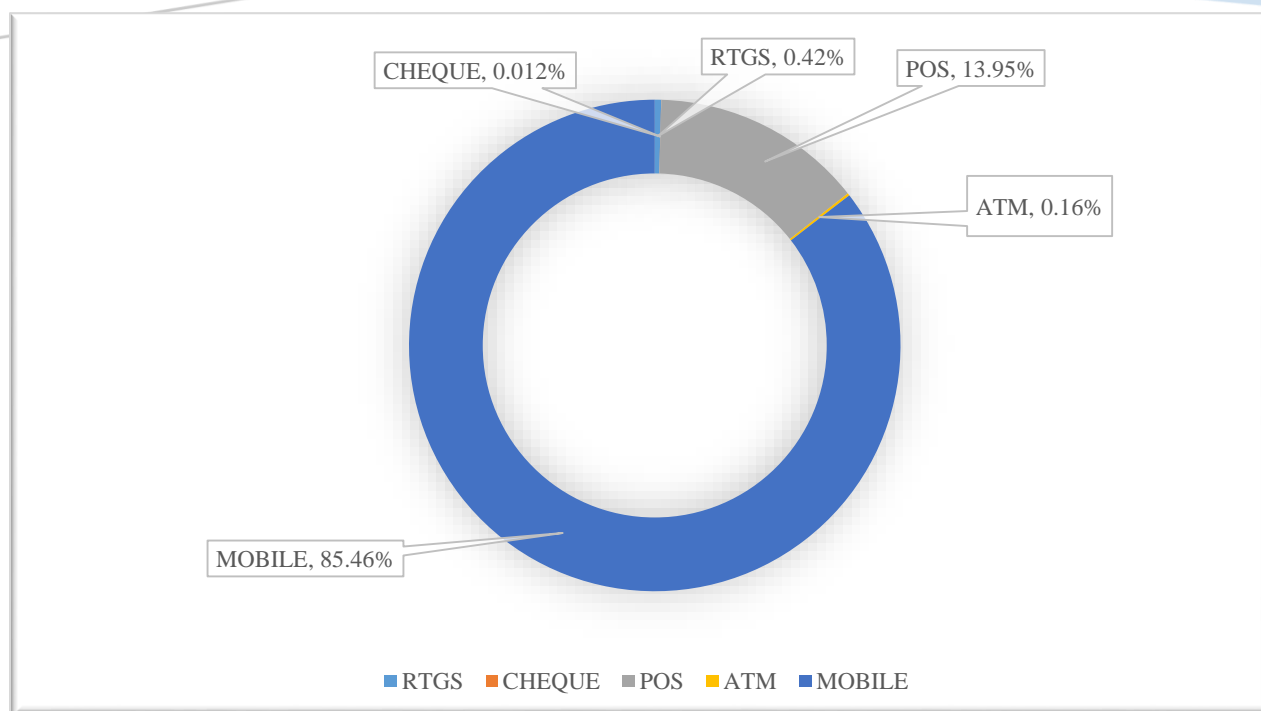
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

The volume of transactions processed through the NPS increased by 9.4%, from 31.8 million transactions in the previous week to 34.83 million. Mobile based transactions constituted 85.46% of the total volume transactions processed through the NPS; POS, 13.95%; RTGS, 0.42%; ATM, 0.16% and Cheque, 0.012%. Figure 2 shows the composition of NPS in volume terms.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2019

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 22 nd FEBRUARY 2019	WEEK ENDING 1 st MARCH 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN \$ (millions)				
RTGS	1,670.71	1,980.89	18.6%	65.46%
CHEQUE	0.84	1.03	21.6%	0.03%
POS	245.62	256.93	4.6%	8.49%
ATM	3.89	3.86	-0.9%	0.12%
MOBILE	697.01	783.45	12.4%	25.89%
TOTAL	2,618.08	3,026.07	15.6%	100%
VOLUMES				
RTGS	92,862	145,891	57.0%	0.42%
CHEQUE	3,361	4,142	23.2%	0.01%
POS	4,542,537	4,860,627	7.0%	13.95%
ATM	58,468	56,171	-3.9%	0.16%
MOBILE	27,156,873	29,768,653	9.6%	85.46%
TOTAL	31,854,101	34,833,274	9.4%	100%

Source: Reserve Bank of Zimbabwe, 2019

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average international commodity prices of gold, platinum, copper and nickel firmed, during the week ending 1st March 2019. Crude oil prices, however, retreated as shown in Table 4.

Table 4: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (18-22)	1,328.84	818.00	6,375.50	12,578.50	66.64
25- Feb	1324.73	807.00	6317.50	12374.00	66.24
26- Feb	1331.85	812.00	6289.00	12573.50	66.38
27- Feb	1333.15	823.00	6389.50	12461.00	67.02
28- Feb	1325.65	830.00	6506.00	12905.50	66.90
1- Feb	1330.10	851.50	6581.50	12881.00	64.70
Weekly Average (25-01)	1,329.10	824.70	6,416.70	12,639.00	66.25
Weekly Change (%)	<i>0.02</i>	<i>0.82</i>	<i>0.65</i>	<i>0.48</i>	<i>(0.58)</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

The average price of gold increased by 0.02%, from US\$1,328.84/oz. in the previous week to US\$1,329.10/oz., during the week ending 1st March 2019. A softer dollar, coupled with volatile stock markets increased the appeal of gold as a safe-haven investment asset.

Platinum

Platinum prices rose by 0.82%, to close at US\$824.70/oz. during the week under review, from a weekly average of US\$818.00/oz. in the previous week. The increase was underpinned by supply constraints and increased industrial use of the precious metal.

Copper

Copper prices firmed, compared to the levels recorded in the previous week, amid signs of delayed tariff hikes on Chinese goods by the US. Prices increased by 0.65% to US\$6,416.70/tonne, during the week under analysis, from US\$6,375.50/tonne in the previous week.

Nickel

Nickel prices rose by 0.48%, from a weekly average of US\$12,578.50/tonne registered in the previous week, to close the week under review at US\$12,639.00/tonne. Prices were supported by increased industrial demand from electric car manufacturers.

Crude Oil

The weekly average oil price declined by 0.58%, to close the week under analysis at US\$66.25/barrel. Prices retreated following rising US pressure against OPEC output cuts and lower global demand for the commodity.

EXCHANGE RATES

During the week ending 1st March 2019, the US dollar depreciated against the RTGS dollar, rand, pound Sterling, pula and euro.

Table 5: International Exchange Rates per US\$

	ZWL	ZAR	GBP	BWP	EURO
2019					
Weekly Average (18 - 22 Feb)	1.0000	14.0626	0.7748	10.6270	0.8842
25-Feb	2.5042	13.9090	0.7649	10.5374	0.8808
26-Feb	2.5001	13.8515	0.7601	10.5152	0.8807
27-Feb	2.5023	13.8467	0.7552	10.4987	0.8791
28-Feb	2.5005	13.9614	0.7518	10.5374	0.8793
1-Mar	2.5004	14.0743	0.7544	10.5876	0.8791
Weekly Average (25Feb -01 Mar)	2.5015	13.9286	0.7573	10.5853	0.8798
Appr(+)/Depr(-) (%) of the USD	<i>(1.500)</i>	<i>(0.0095)</i>	<i>(0.0226)</i>	<i>(0.0039)</i>	<i>(0.0049)</i>

4. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) registered losses during the week ending 1st March 2019. Consequently, the All share index and Top 10 indices declined by 4.52 points and 5.56 points to close at 148.42 points and 145.47 points, respectively.

The industrial index declined by 2.91% to close the week under analysis at 495.37 points, This was largely on account of share price losses for Edgars Stores Limited (19.76%); Old Mutual Zimbabwe (18.65%); Meikles Limited (13.33%); Padenga Holdings Limited (5.66%); and Delta Corporation Limited (5.36%). Partially offsetting the losses were gains registered in Unifreight Africa Limited (44.06%); Afdis Distillers Limited (8.88%); General Beltings Holdings (5.88%); Willdale Limited (4.17%); and Rainbow Tourism Group Limited (3.31%).

The mining index fell by 9.47 points, to close the week under review at 207.03 points. This emanated from share price losses for Bindura Nickel Corporation, (37.25%). RioZim Limited shares traded at the previous week price.

Table 6: Zimbabwe Stock Exchange Statistics

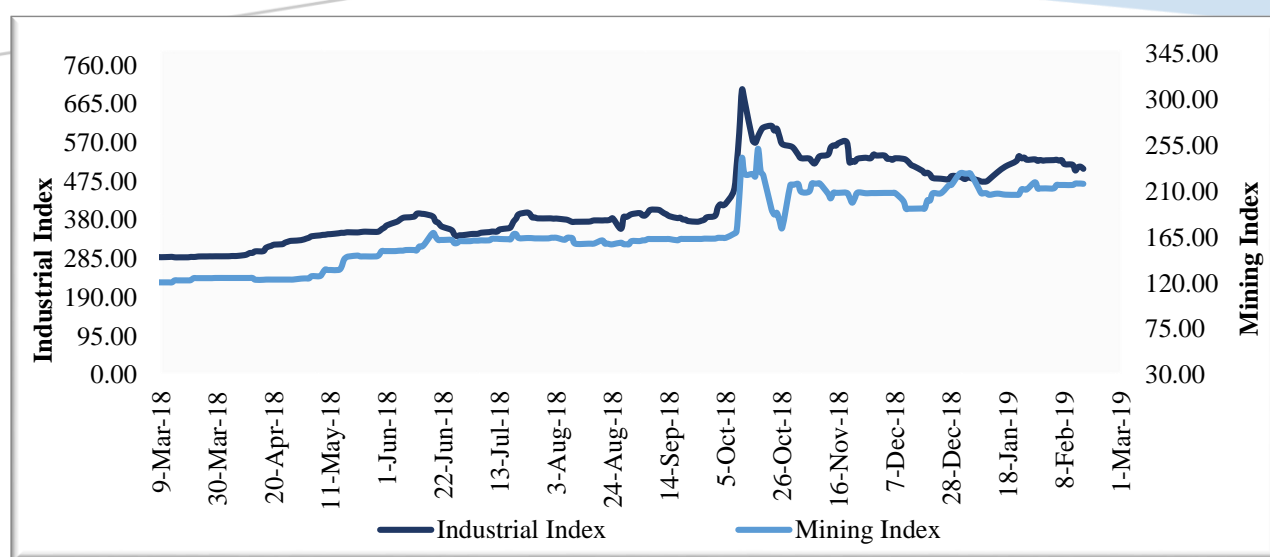
	All Share Index ² (points)	Top 10 index ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (US\$)	Market Turnover (US\$)	Volume of Shares
1-Feb-19	157.85	158.45	526.94	213.18	20,920,613,386	31,210,616	57,086,488
8-Feb-19	155.08	154.03	517.45	216.50	20,585,170,510	24,235,424	39,015,687
15-Feb-19	151.68	149.19	505.91	217.63	20,160,365,973	32,940,000	16,638,300
22-Feb-19	152.94	151.03	510.21	216.50	20,296,713,182	233,455,624	155,202,869
01-Mar-19	148.42	145.47	495.37	207.03	19,801,643,775	12,810,814	15,356,151
Weekly Change (%)	(2.96)	(3.68)	(2.91)	(4.37)	(2.44)	(94.51)	(90.11)

Source: Zimbabwe Stock Exchange (ZSE), 2019

² The All Share index shows the changing average value of shares of all companies on the market.

³ The Index is calculated using the market capitalisation method.

Figure 3: Zimbabwe Stock Exchange Indices

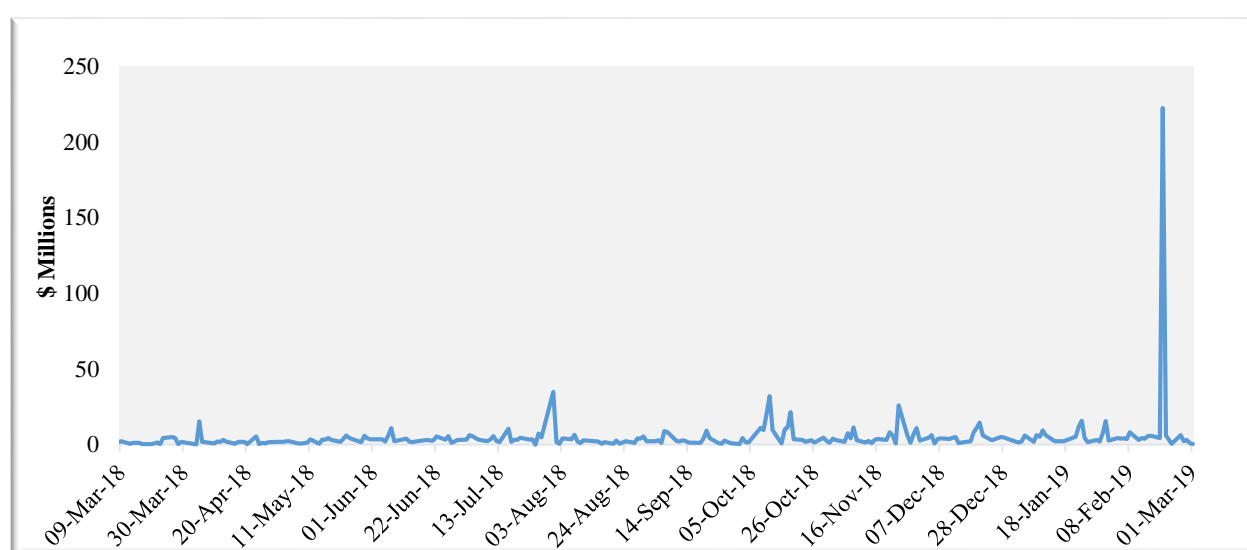


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

During the week ending 1st March 2019, the ZSE market turnover recorded a 94.51% decline, to close at \$12.8 million. In tandem, total volume of shares traded also declined by 90.11%, to close the week under review at 15.36 million shares. There were three block trades of 2 million Star Africa Limited shares, 1.4 million Cassava Smartech shares and 0.3 million Delta corporation shares that exchanged hands at 1.10 cents, 148.02 cents and 289.49 cents, respectively.

Figure 4: Daily Market Turnover

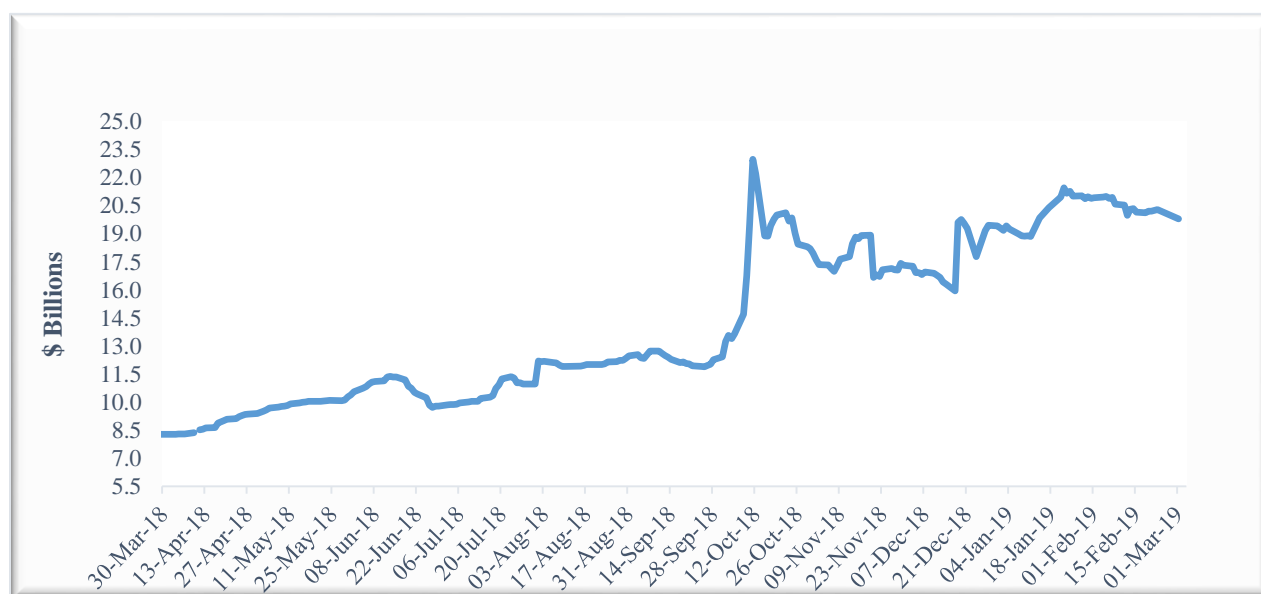


Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

ZSE market capitalisation decreased by 2.44%, to close the week under review at \$19.80 billion.

Figure 5: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

During the week under analysis, the JSE All Share index closed at 56,203.11 points, a 0.38% increase from 55,992.97 points recorded during the week ending 22nd February 2019. Likewise, JSE market capitalization recorded a 1.92% increase to close at R15.90 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillion)
01-Feb-19	53,930.14	12.97
08-Feb-19	53,244.18	14.93
15-Feb-19	54,628.41	15.38
22-Feb-19	55,992.97	15.60
01-Mar-19	56,203.11	15.90
% Change	0.38	1.92

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 201

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2019>

RESERVE BANK OF ZIMBABWE

8th MARCH 2019