SECOND QUARTER ENDING 30 JUNE 2016 HIGHLIGHTS REPORT

NATIONAL PAYMENT SYSTEMS

JUNE 2016

1. OVERVIEW

1.1 The value of transactions processed through the National Payment Systems in the second quarter ending 30 June 2016 increased by 12% to US$15.08 billion from US$13.47 billion recorded in the previous quarter ending 31 March 2016. The volumes also increased by 14% to 78.85 million from 69.37 million during the same period.

1.2 The Cheque, ATMs and Internet payment streams recorded decreases in values for the current quarter whilst RTGS, POS and mobile registered increases. However, the corresponding volumes registered increases except for ATMs when compared to quarter ending 31 March 2016.

1.3 The Table 1 below provides the statistical information on various payment streams for the first quarter ending 30 June 2016:

Table 1: Consolidated Transactional Activities

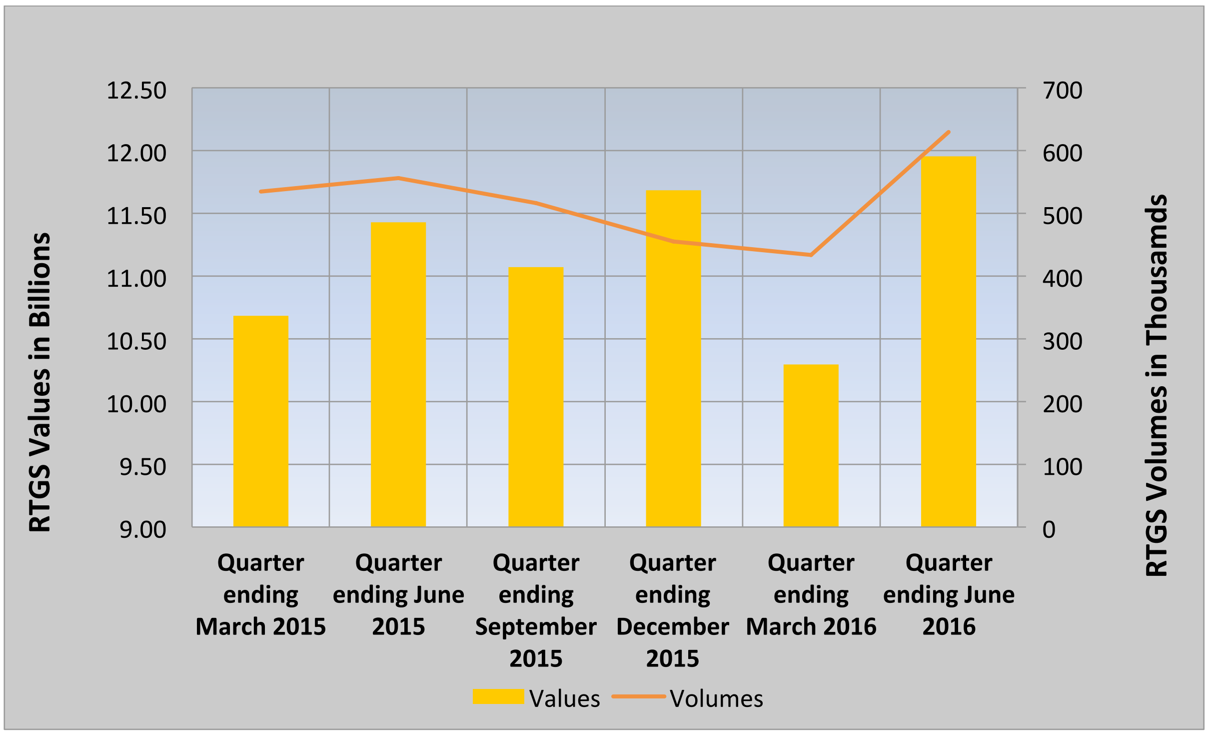
PAYMENT STREAM	QUARTER ENDING 31 DECEMBER 2015	FISRT QUARTER ENDING 31 MARCH 2016	SECOND QUARTER ENDING 30 JUNE 2016	CHANGE FROM LAST QUARTER	PROPORTION
	VALUES IN USD				
RTGS	11,683,814,325.51	10,294,241,536.86	11,955,748,940.92	16%	79.30%
CHEQUE	34,806,892.55	34,215,097.44	30,746,202.73	-10%	0.20%
POS	426,219,446.31	418,223,060.58	598,849,730.58	43%	3.97%
ATMS	1,093,945,683.47	932,463,323.48	582,289,818.49	-38%	3.86%
MOBILE	1,329,167,781.55	1,195,273,176.71	1,372,354,847.38	15%	9.10%
INTERNET	518,672,445.95	591,536,576.72	536,733,872.34	-9%	3.56%
TOTAL	**15,086,626,575.34**	**13,465,952,771.78**	**15,076,723,412.45**	12%	**100%**
	VOLUMES				
RTGS	454,907	433,141	629,173	45%	0.80%
CHEQUE	90,208	84,522	87,620	4%	0.11%
POS	3,861,062	4,074,087	7,946,373	95%	10.08%
ATMs	3,487,732	3,134,486	2,259,121	-28%	2.87%
MOBILE	66,460,949	61,481,299	67,700,733	10%	85.86%
INTERNET	157,978	166,320	229,331	38%	0.29%
TOTAL	**74,512,836**	**69,373,855**	**78,852,351**	14%	**100%**

2 LARGE VALUE PAYMENTS

ZIMBABWE ELECTRONIC TRANSFER AND SETTLEMENT SYSTEM ….

2.1 The value of transactions processed through the RTGS system for the second quarter ending 30 June 2016 increased by 16% to US$11.96 billion from US$10.29 billion recorded in quarter ending 31 March 2016 while the volume of transactions registered an increase of 45% to 629,173 from 433,141 as shown in figure 1 below.

Figure 1: Values and Volumes of RTGS Transactions



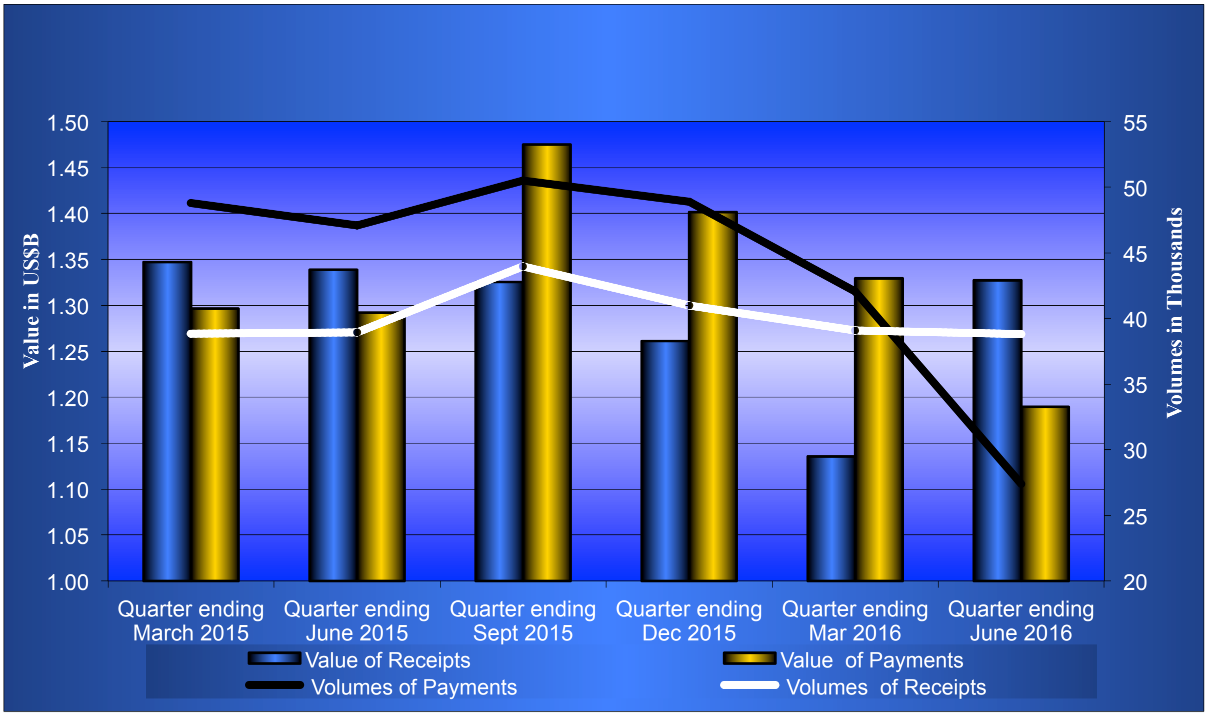
SWIFT Foreign Currency Transactions…..

2.2 SWIFT foreign currency payments decreased by 11% to US$1.19 billion for the quarter ending 30 June 2016 from US$1.33 billion in the previous quarter ending 31 March 2016. During the same period, SWIFT foreign currency receipts also increased by 17% to US$1.33 billion from US$1.14 billion as shown in Figure 2 below.

2.3 The net foreign currency inflows amounted to US$137.7 million during the quarter under review.

2.4 Trends in the quarterly transactions are as shown in Figure 2 below.

Figure 2: SWIFT Quarterly Foreign Currency Transactions

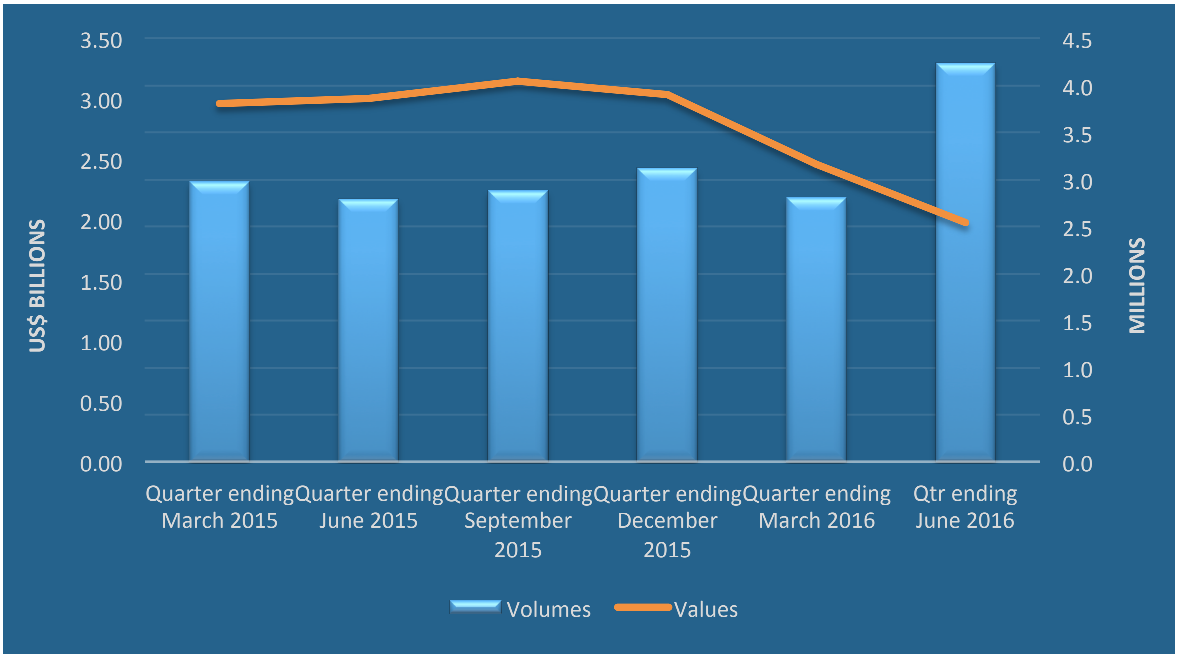


3 CASH

Over the Counter Cash Withdrawals….

3.1 The value of cash withdrawals decreased by 20% from USD2.46 billion during the quarter ending 31 March 2016 to USD1.98 billion recorded in quarter ending 31 June 2016. The corresponding volumes however increased by 51% from 2.81 million from 4.24 million as shown in Figure 3 below.

Figure 3: Over the Counter Cash Withdrawals



4 RETAIL PAYMENTS….

4.1 Figures 4 and 5 below show the trend in the values and volumes of retail transactions from quarter ending 31 March 2015 to quarter ending 30 June 2016 which showed that POS have now overtaken ATM transactions.

Figure 4: Values of Retail Transactions

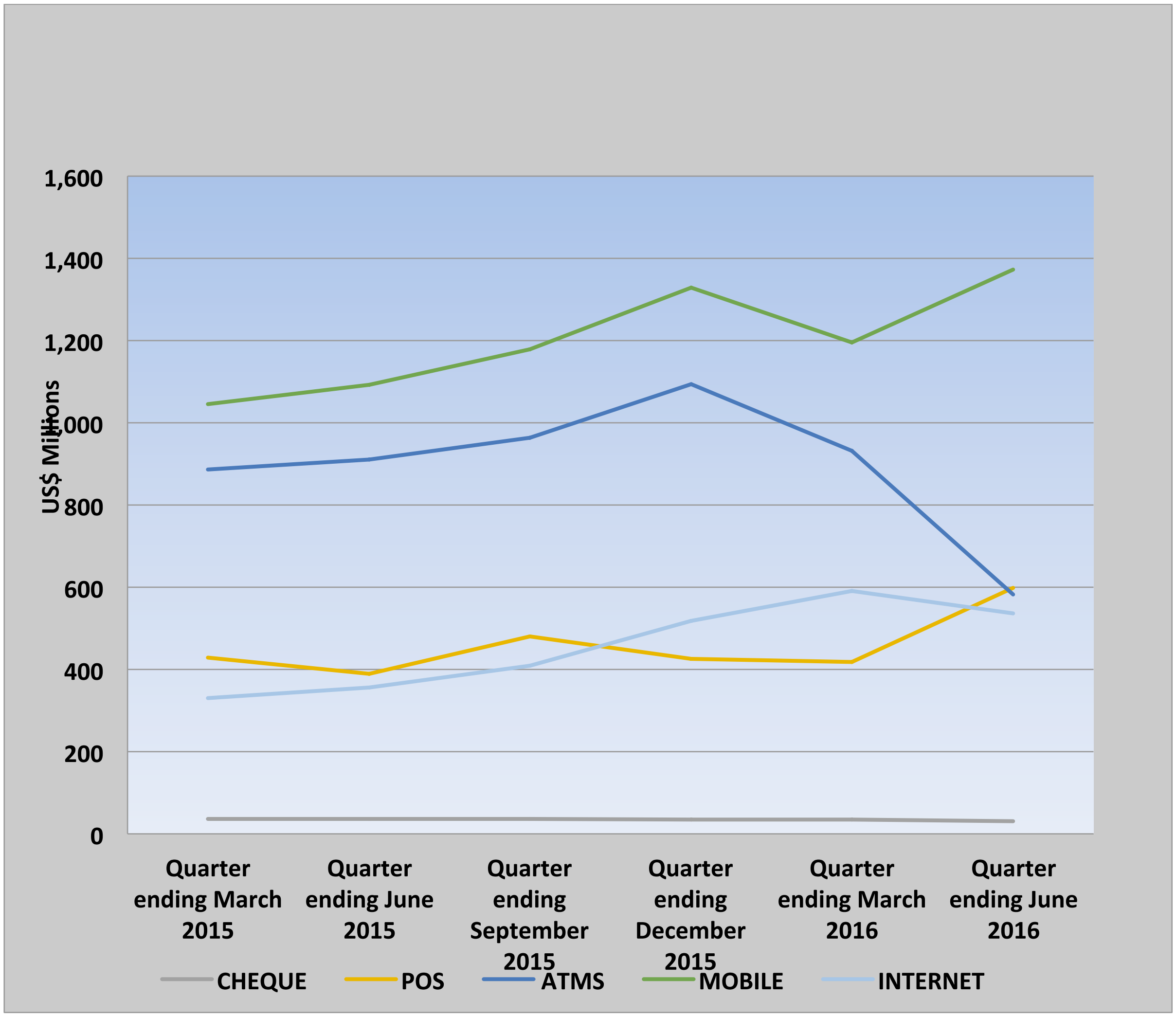
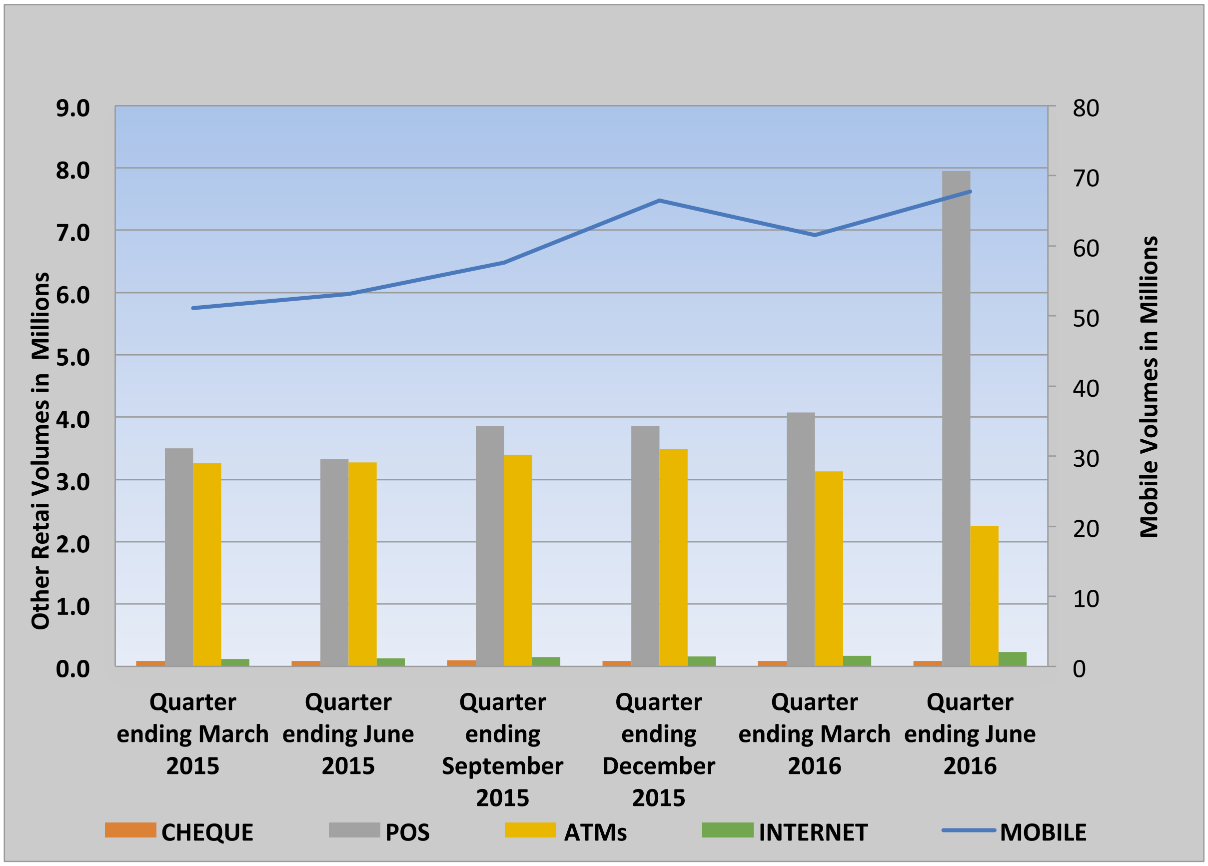


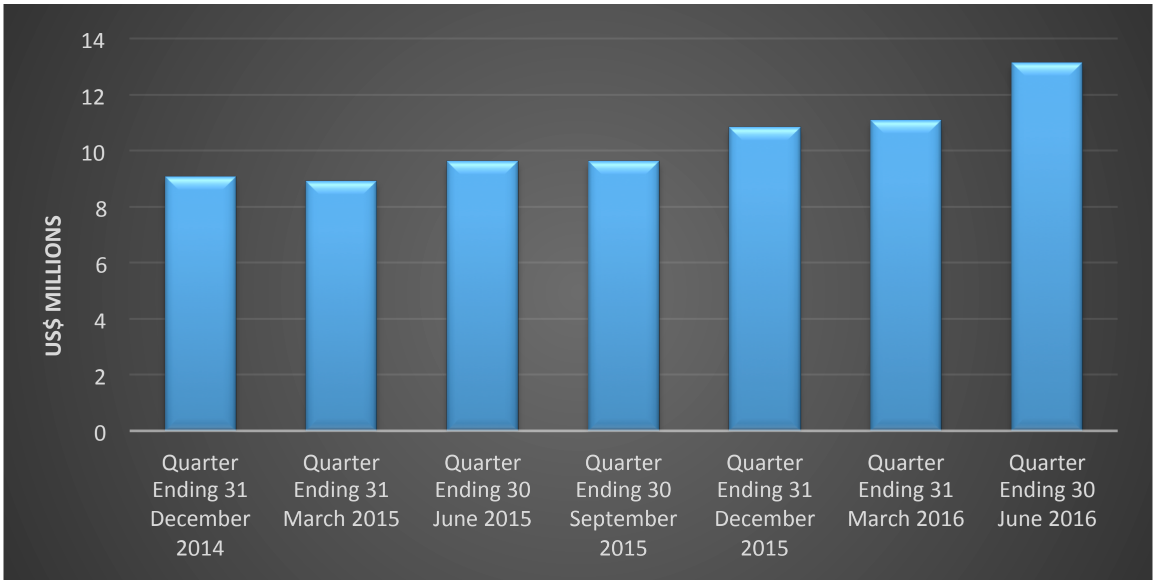
Figure 5: Volumes of Retail Transactions:



5 COLLATERAL….

5.1 The collateral figure comprises of Cheque and Zimswitch card payment streams. The value of collateral increased to USD13.15 million in the second quarter ending June 2016 from US$11.08 million recorded in the previous quarter ending March 2016 as shown in Figure 6 below.

Figure 6: Total Collateral



6 Access Points and Devices…..

6.1 Table 2 below shows the access points and devices from the quarter ending 31 March 2015 to the quarter ending 30 June 2016.

Table 2: Payment Systems Access Points and Devices

	First Quarter ending March 2015	Second Quarter ending June 2015	Second Quarter ending September 2015	Second Quarter ending December 2015	First Quarter ending March 2016	Second Quarter ending June 2016
Mobile Banking Agents	27,767	30,274	32,528	38,745	35,022	34,351
ATMs	546	536	545	556	541	548
POS	14,727	15,908	16,268	16,363	17,069	19,280
PAYMENT SYSTEMS ACCESS DEVICES						
Debit Cards	2,276,138	2,309,402	2,292,969	2,365,160	2,472,656	2,724,317
Credit Cards	10,111	10,531	10,809	10,854	13,036	14,299
Prepaid Cards	34,163	25,763	28,226	30,125	29,466	30,339
Active Mobile Banking Subscribers	4,185,007	4,012,335	4,306,198	4,683,959	3,576,540	3,212,561

Internet Banking Subscribers	85,278	89,018	96,983	108,662	109,669	115,478

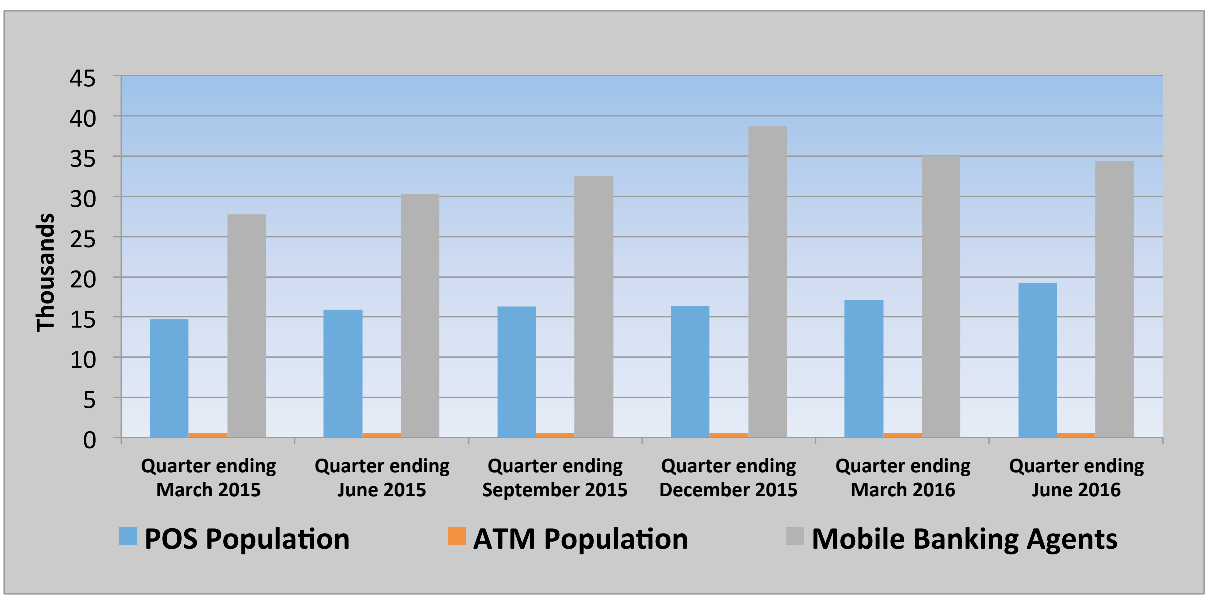
6.2 The mobile banking agents now stand at 34,351 in second quarter ending June 2016 from 35,022 reported in the quarter ending March 2016 attributable to the deactivation of dormant agents.

6.3 POS population increased to 19,280 from 17,069 while ATM population increased to 548 from 541.

6.4 Active mobile financial services subscribers were 3.2 million in the period under review from 3.6 registered in the previous quarter. The huge decrease is attributable to two mobile payment providers which have deregistered some dormant accounts (subscribers) in line with the regulatory requirements.

6.4.1 Figure 7 below shows the number of Access Points whilst Figures 8 and 9 show the number access devices.

Figure 7: Payment Access Points



Figures 8: Payment Access Devices

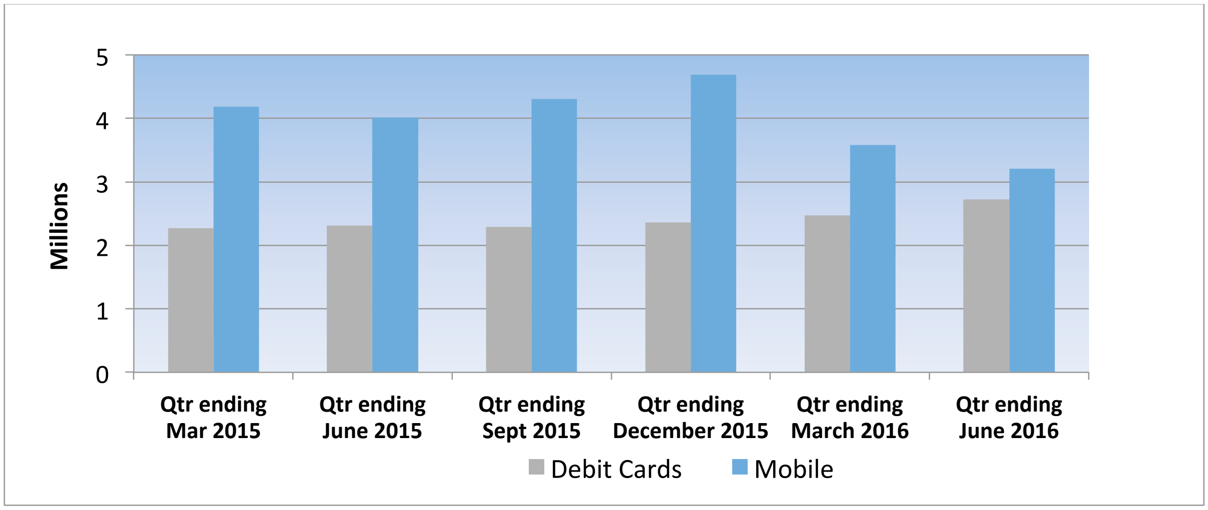
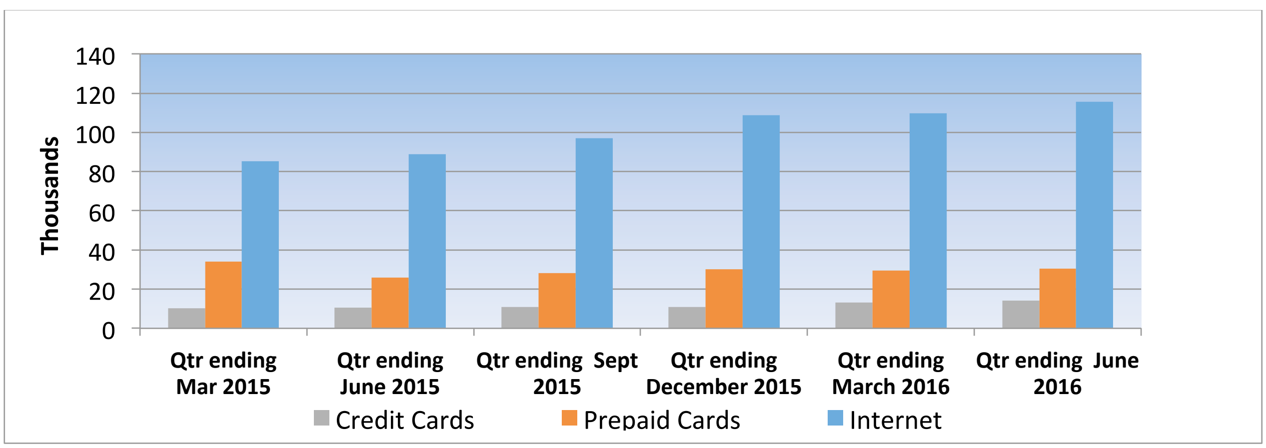


Figure 9: Access Devices (Cont)….



ooo0ooo

National Payment Systems Department
14 July 2016