



Weekly Economic Highlights

Table of Contents

1. INTEREST RATES.....	1
2. CLEARING AND SETTLEMENT ACTIVITY	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS.....	3
4. EXCHANGE RATES.....	5
5. EQUITY MARKETS.....	6

Week Ending
18th October 2019

1. INTEREST RATES

Deposit Rates

Average deposit rates for both 1-month and 3-months deposits increased by 0.01 percentage points to close at 4.97% and 5.13%, respectively, during the week ending 8th November 2019. Savings deposits rate, however, remained unchanged at 4.74%.

Table 1: Average Deposit Rates (per annum)

Date	Savings Deposits (%)	1-Month Deposit (%)	3-Month Deposit (%)
11-Oct-19	4.74	5.01	5.09
18-Oct-19	4.74	4.99	5.09
25-Oct-19	4.74	4.99	5.04
1-Nov-19	4.74	4.96	5.12
8-Nov-19	4.74	4.97	5.13

Source: Banking Institutions, 2019

Lending Rates

Weighted commercial bank lending rates for corporate clients increased by 0.52 percentage points to close at 19.08%, during the week under review. Commercial bank lending rates for individual clients, however, eased by 0.62 percentage points to close at 14.79%, during the same week.

Table 2: Lending Rates

Date	Lending Rates ¹ (%) Commercial Banks (weighted)	
	Individuals	Corporate Clients
11-Oct-19	11.17	17.46
18-Oct-19	15.62	19.46
25-Oct-19	15.59	19.66
1-Nov-19	15.41	18.56
8-Nov-19	14.79	19.08

Source: Banking Institutions, 2019

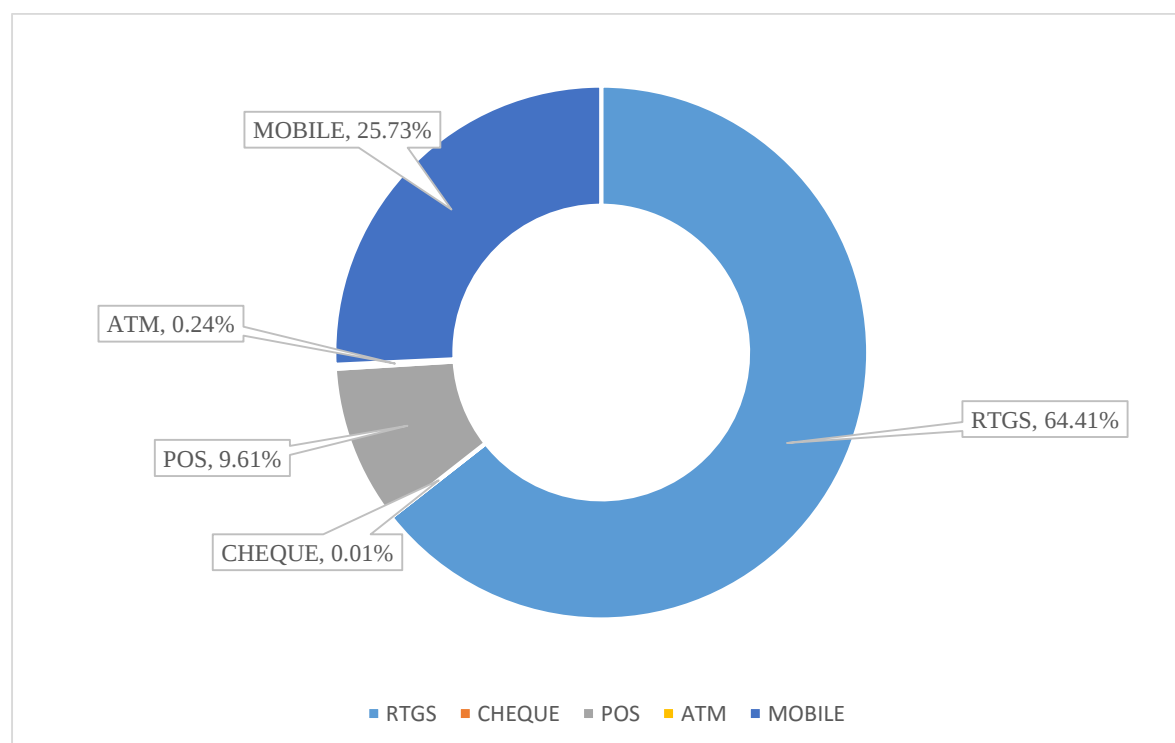
¹ Minimum weighted lending rates offered by commercial banks.

2. CLEARING AND SETTLEMENT ACTIVITY

A total of 46.84 million transactions, valued at \$13.67 billion, were processed through the National Payment Systems (NPS), during the week ending 8th November 2019. This compares unfavourably with the 49.61 million transactions, valued at \$14.32 billion, processed in the previous week.

The composition of NPS transaction values was as follows: RTGS, 64.41%; Mobile, 25.73%; Point of Sale (POS), 9.61%; Automated Teller Machine (ATM), 0.24%; and Cheque, 0.01%, as shown in Figure 1.

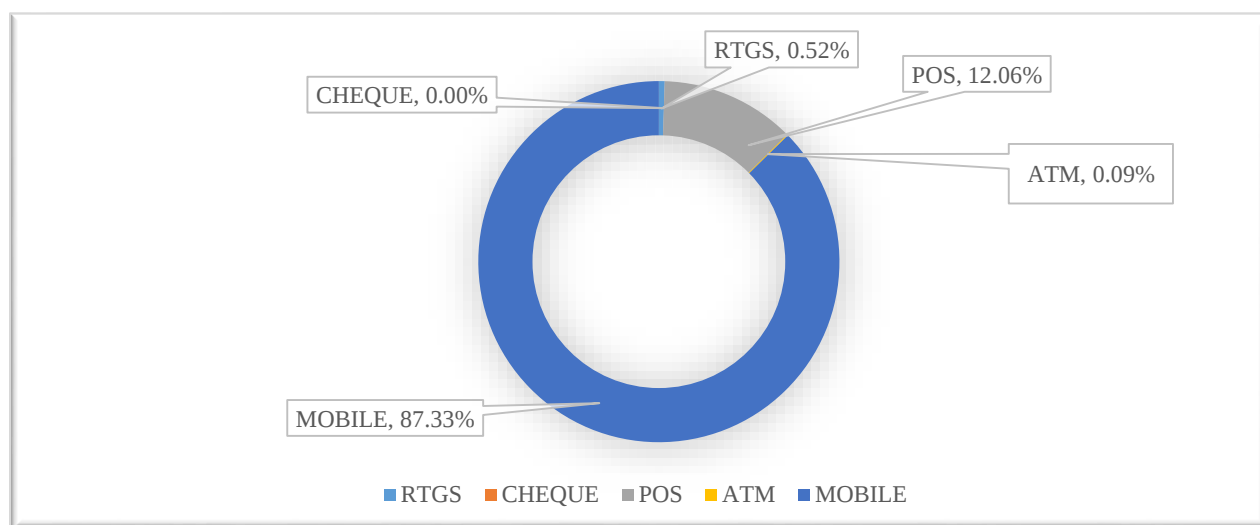
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2019

The volume of NPS transactions was weighed down by significant declines in Mobile and POS transactions, which accounted for 87.3% and 12.1%, respectively, of the total volume of transactions processed through the system. Other payment platforms accounted for the following proportions of the NPS transaction volumes; RTGS, 0.52% and ATM, 0.09%.

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 1 st November 2019	WEEK ENDING 8 th November 2019	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
VALUES IN ZWL (millions)				
RTGS	9,750.26	8,808.12	-9.66%	64.41%
CHEQUE	0.85	0.74	-13.63%	0.01%
POS	1,233.32	1,313.49	6.50%	9.61%
ATM	18.71	33.30	77.94%	0.24%
MOBILE	3,318.73	3,518.42	6.02%	25.73%
TOTAL	14,321.88	13,674.07	-4.52%	100%
VOLUMES				
RTGS	285,485	242,463	-15.07%	0.52%
CHEQUE	2,610	2,244	-14.02%	0.00%
POS	6,509,008	5,648,451	-13.22%	12.06%
ATM	14,403	40,594	181.84%	0.09%
MOBILE	42,797,893	40,901,963	-4.43%	87.33%
TOTAL	49,609,399	46,835,715	-5.59%	100%

Source: Reserve Bank of Zimbabwe, 2019.

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 8th November 2019, average weekly prices of platinum, copper and Brent crude oil firmed, while gold and nickel prices retreated, as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Brent Crude Oil
2019	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
weekly average (28-1 November)	1,499.52	923.80	5,859.99	16,749.00	60.91
4-Nov	1,509.33	950.50	5,846.45	16,324.00	62.13
5-Nov	1,496.78	930.50	5,880.00	16,235.00	62.12
6-Nov	1,487.30	929.00	5,913.50	16,390.00	61.74
7-Nov	1,484.18	930.50	5,991.50	16,305.00	61.74
8-Nov	1,465.50	930.50	5,951.50	16,190.00	61.37
weekly average (4-8 November)	1,488.62	934.20	5,916.59	16,288.80	61.82
Weekly Change (%)	<i>(0.7)</i>	<i>1.1</i>	<i>1.0</i>	<i>(2.7)</i>	<i>1.5</i>

Source: BBC, KITCO and Bloomberg, 2019

Gold

Gold prices retreated by 0.7%, from a weekly average of US\$1,499.52/oz. in the previous week to close at US\$1,488.62/oz close, during the week under review. The softening of prices was on account of low demand for the precious metal, following the rapid rise in U.S. Treasury yields, which strengthened the US dollar.

Platinum

Platinum prices closed the week under review at US\$934.20/oz., an increase of 1.1% from an average of US\$923.80/oz. recorded in the previous week. This was underpinned by fears of supply disruptions, following reports of a deadlock in wage talks between Anglo American Platinum and South Africa's main platinum mining union, a development which is likely to lead to an industrial action.

Copper

The weekly average price of the base metal increased by 1%, from US\$5,859.99/tonne recorded in the previous week to US\$5,916.59/ tonne, during the week under review. This was on the back of optimism regarding US-China trade talks and the fading fears of a global economic slowdown. These developments improved the demand prospects for copper.

Nickel

Nickel prices retreated by 2.7%, from an average of US\$16,749.00/ tonne in the previous week to US\$16,288.80/tonne, during the week under ending 8th November 2019. Prices softened, occasioned by rising stockpiles in China's exchange warehouses, as Indonesia, the top ore producer resumed exports.

Crude Oil

Brent crude oil prices rose by 1.5% to close at US\$61.82/barrel, during the week under review. This compares with the average of US\$60.91/barrel, recorded in the previous week. Rising optimism surrounding the US-China trade talks, following positive progress towards a trade deal, raised hopes for an end to a long dispute that has weighed down global economic growth and the demand for oil.

EXCHANGE RATES

The week under review saw the ZWL depreciate against the pound Sterling; pula; rand; and US dollar. The local unit, however, appreciated against the euro, during the week under review. The interbank market has remained relatively stable over the past few weeks.

Table 6: International Exchange Rates²

2019	GBP	BWP	ZAR	USD	EURO
Weekly Average (28 Oct- 1 Nov)	20.1149	1.4414	1.0639	15.7439	18.4171
4-Nov	20.3565	1.4352	1.0608	15.7376	17.5741
5-Nov	20.3157	1.4495	1.0676	15.7725	17.5484
6-Nov	20.3555	1.4493	1.0712	15.8058	17.4994
7-Nov	20.3491	1.4525	1.0680	15.8396	17.5193
8-Nov	20.3171	1.4573	1.0753	15.8573	17.5247
Weekly Average (28 Oct- 1 Nov)	20.3442	1.4466	1.0669	15.7889	17.5353
Appr(-)/Depr(+) (%) of the ZWL	1.1	0.4	0.3	0.3	-4.8

Source: Reserve Bank of Zimbabwe, 2019

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

4. EQUITY MARKETS

During the week under review, the ZSE was bullish and this, in large part, led to an 8.43 points gain in the All Share Index, to close the week at 244.32 points. The top 10 index, however, declined by 3.57% to close at 224.39 points, from 235.89 points in the previous week.

The Industrial index gained 26 percentage points to close at 813.70 points, underpinned by share price increases for First Mutual Properties Limited, 37.50%; PPC Limited, 31.89%; Masimba Holding Limited, 25.00%; Starafrika Corporation Limited, 20.00%; and OK Zimbabwe Limited, 15.86%.

The mining index also gained 20.68%, to close the week under analysis at 333.46 points. This was attributable to increases in the share prices for Bindura Nickel Corporation, 29.23% and Rio Zimbabwe Limited, 16.28%.

Table 7: Zimbabwe Stock Exchange Statistics

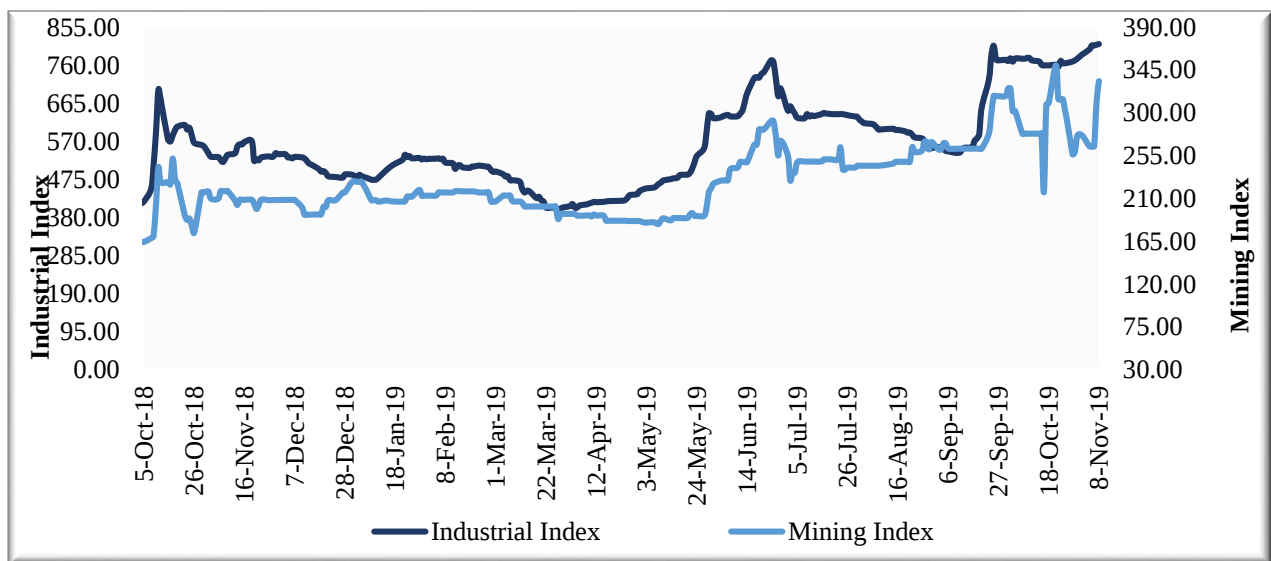
	All Share Index ³ (points)	Top 10 index ⁴ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
11-Oct-2019	231.53	215.18	772.90	278.28	30,29	40.23	34.41
18-Oct-2019	228.19	208.80	760.26	310.18	29,78	42.03	19.71
25-Oct-2019	229.80	210.70	765.51	311.14	30, 01	27.39	23.12
1-Nov-2019	235.89	276.31	787.70	276.31	30.80	82.80	118.01
8-Nov-2019	244.32	224.39	813.70	333.46	31.81	54.52	27.33
Weekly Change (%)	3.57	-18.79	3.30	20.68	3.26	34.15	-76.84

Source: Zimbabwe Stock Exchange (ZSE), 2019

³ The All Share index shows the changing average value of shares of all companies on the market.

⁴ The Index is calculated using the market capitalisation method.

Figure 4: Zimbabwe Stock Exchange Indices

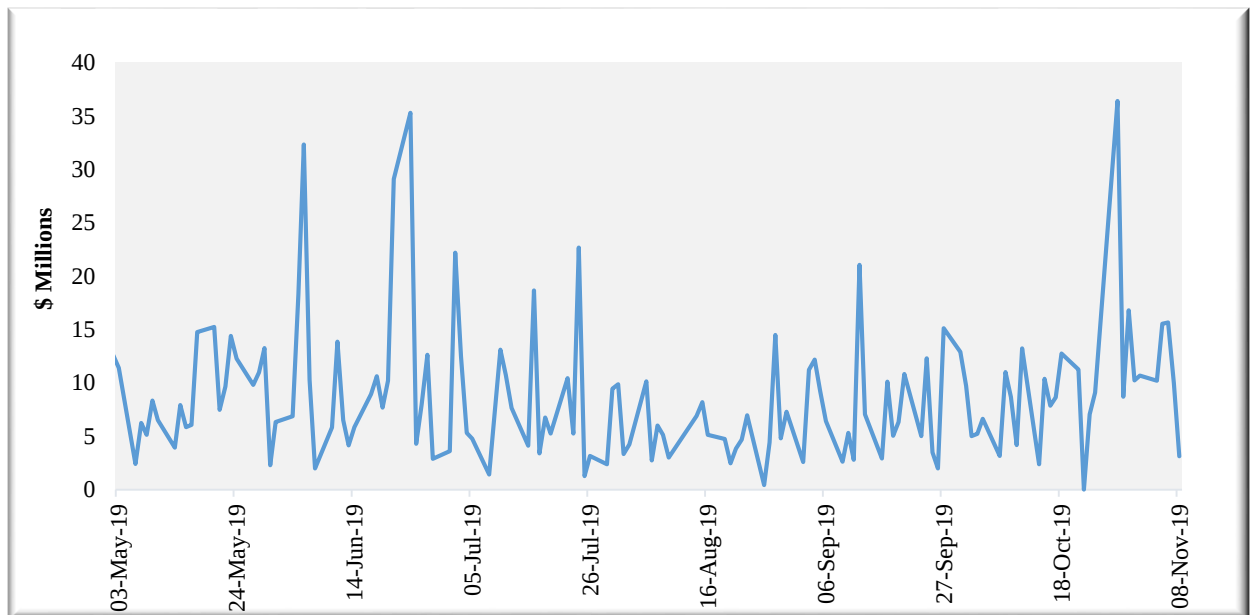


Source: Zimbabwe Stock Exchange, 2019

Market Turnover and Volume

ZSE market turnover value decreased by 76.84%, from \$82.80 million recorded in the previous week, to \$54.52 million in the week under analysis. The cumulative total volume of shares traded, however, declined by 34.16% to close the week ending 8th November 2019 at 27.33 million shares.

Figure 5: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2019

Market Capitalization

During the week under analysis, ZSE market capitalisation registered an increase of 3.26% to close at \$31.81 billion, from \$30.80 billion recorded in the preceeding week.

Figure 6: Daily Market Capitalization



Source: Zimbabwe Stock Exchange, 2019

Johannesburg Stock Exchange (JSE) Developments

The JSE All Share Index declined by 0.06%, from 55,650.1 points in the previous week to 56,617.19 points, during week ending 8th November 2019. JSE market capitalization also declined by 0.12% to R17.23 billion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR billion)
11-Oct-19	55,537.02	17.06
18-Oct-19	55,722.19	17.37
25-Oct-19	55,141.98	16.87
1-Nov-19	56,650.01	17.25
8-Nov-19	56,617.02	17.23
% Change	-0.06	-0.12

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

Figure 7: Johannesburg Stock Exchange (JSE) All Share Index (in Thousands)



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

RESERVE BANK OF ZIMBABWE

14TH NOVEMBER 2019