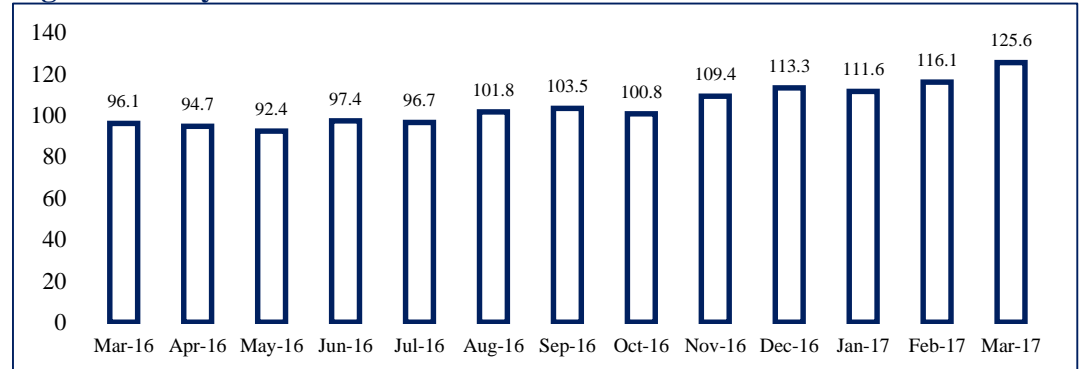


*... Improved business and labor market conditions lifted consumer confidence...*

**America - US Consumer confidence at 16-year high...**

According to the Conference Board, US consumer confidence index increased from 116.1 in February 2017 to 125.6 in March 2017, the highest level in 16 years. The Conference Board noted that consumers’ assessment of current business and labor market conditions improved in March 2017. In addition, consumers expressed greater optimism regarding the short term outlook for business, jobs and personal income prospects. **Fig.1** below outlines the monthly trend in consumer confidence index.

**Fig.1: Monthly trend in US consumer confidence index**



Source: The Conference Board

The pace of economic reforms, particularly on taxation and government spending, is expected to determine economic growth and level of consumer and business optimism.

**Africa – Kenya’s mobile-based bond at 50% subscription level...**

According to Kenya’s Treasury department, a 50% uptake was recorded as at 29 March 2017 for the recently launched government mobile-based special retail bond, M-Akiba. The 3-year infrastructure bond sale with 10% tax-free interest rate per annum worth Ksh150 million (c.US\$1.5 million), which opened on 23 March 2017 and closes on 10 April 2017, is targeted at widening government revenue sources from the traditional pool of banks and high net-worth individuals to include retail investors. In fact, policymakers set a minimum and maximum amount of Ksh3, 000 (c.US\$30) and Ksh140, 000 (c.US\$1,380) per day using a mobile phone. As such, a total of 61,000 Kenyans have registered and purchased bonds on the platform through M-Pesa and Airtel Money. The Treasury expects to sell another mobile based-bond worth Ksh4.85 billion (c.US\$48 million) in June 2017. Going forward, Kenya’s focus on innovation and financial inclusion is expected to promote a culture of savings and inclusive growth.

**Zimbabwe – Mobile money transactions subdued in Q4...**

According to the Postal and Telecommunications Regulatory Authority of Zimbabwe “Potraz”, the number of mobile transactions fell by 35% from US\$441.9 million in the third quarter “Q3” of 2016 to US\$286.7 million in Q4 2016. Potraz attributed the decline to the cash challenges witnessed in the economy. As indicated in **Table 1** across, the number of active subscribers and active agents also declined by 0.9% and 7.4% to 3.31 million and 30,318 agents, respectively, in Q4 2016. Albeit the obtaining cash challenges, usage of mobile money is expected to increase in line with the central bank’s thrust towards plastic money.

**Table 1: Mobile Transactions**

	Q3 2016	Q4 2016	% Change
Active subscribers (m)	3.33	3.30	-0.9%
No. of active agents	32,733	30,318	-7.4%
Cash-In transactions (US\$m)	441.88	286.69	-35.1%
Cash-Out transactions (US\$m)	430.05	279.06	-35.1%

Source: Potraz

... Cumulative tobacco sales at US\$52.5 million as at 31 March 2017...

### Tobacco Sales Update

Cumulative sales for the period to 31 March 2017 show that total volume and value traded increased by 38.3% and 43.7% to 20 million kgs and US\$52.5 million, respectively, when compared to the 2016 marketing season. Meanwhile, the average price for the current season increased by 3.6% to US\$2.62/kg, lifted by the higher prices from contract farming. **Table 2** below outlines the cumulative tobacco sales statistics as at 31 March 2017 (*latest available data*).

**Table 2: Tobacco Marketing Statistics as at 31 March 2017 (Day 13)**

Seasonal	Total Auction	Total Contract	Total 2017	Total 2016	Change (%)
Mass sold (million kg)	4.17	15.83	20.00	14.46	38.3%
Value (US\$ million)	10.56	41.91	52.48	36.52	43.7%
Average Price (US\$/kg)	2.53	2.65	2.62	2.53	3.6%
Rejected %	11.51%	5.91%	7.23%	7.51%	0.3
Highest Price (US\$/kg)	4.99	6.00	6.00	5.60	7.1%
Lowest Price (US\$/kg)	0.10	0.10	0.10	0.10	-
Average bale weight (kg)	69.0	76.0	74.0	82.0	-9.8%

Source: TIMB

### Markets Summary

#### **1. Equities**

On the Zimbabwe Stock Exchange, the industrial and mining indices advanced by 1.4% and 9.2% to end the week at 138.96 and 58.56, respectively. Gains registered by Delta and Innscor were the major market movers. Meanwhile, weekly turnover declined by 75.1% to US\$2.93 million with offshore investors closing as net sellers. Elsewhere, regional and global markets recorded mixed trades. US markets (Dow Jones) advanced by 0.3% supported by the positive consumer confidence report. **Table 3** below outlines the local as well as major regional and global equities markets' performance as at 31 March 2017.

**Table 3: Local, Regional and Global Stock Market Performance**

Domestic	24-Mar-17	31-Mar-17	Weekly change (%)	Previous week change(%)	YTD Change (%)
Industrial Index	137.08	138.96	1.4%	-0.3%	-3.9%
Mining Index	53.63	58.56	9.2%	0.1%	0.1%
Mkt cap - US\$mln	3.81	3.87	1.5%	-0.3%	-3.4%
Turnover - US\$mln	11.79	2.93	-75.1%	93.9%	
<b>African</b>					
Botswana	9,179.10	9,225.22	0.5%	0.4%	-1.9%
Ghana	1,890.51	1,865.01	-1.3%	0.6%	10.4%
Kenya	130.61	130.51	-0.1%	3.2%	-2.1%
Malawi	14,602.22	14,577.62	-0.2%	3.5%	9.4%
South Africa	51,816.31	52,056.06	0.5%	-1.4%	2.8%
Nigeria	25,454.93	25,516.34	0.2%	-0.8%	-5.1%
Zambia	4,406.47	4,414.49	0.2%	2.3%	5.2%
Mauritius	1,923.47	1,933.37	0.5%	0.2%	6.9%
<b>Global</b>					
U.S. - Dow	20,596.72	20,663.22	0.3%	-1.5%	4.6%
U.S. - S&P500	2,343.98	2,362.72	0.8%	-1.4%	5.5%
U.K. - FTSE 100	7,336.82	7,322.92	-0.2%	-1.2%	2.5%
Japan - NIKKEI 225	18,974.24	18,997.45	0.1%	-2.8%	-0.6%
China - Shanghai Index	3,267.18	3,222.51	-1.4%	0.9%	3.8%

Source: Various

...Industrial index advanced by 1.4% to 138.96...

...Oil prices driven by a larger-than-expected drawdown in the US...

## 2. Commodities

Mixed trades were recorded in commodities. On the upside, oil prices rose by 4.0% to US\$52.83/b driven by larger-than-expected drawdowns in US stockpiles and growing expectations that OPEC members would extend the production-cut agreement. Conversely, sugar prices fell by 5.4% to US\$16.76/p on excess supply concerns (**Table 4**).

**Table 4: Commodities Price Performance**

Commodities	23-Mar-17	31-Mar-17	Weekly change (%)	Previous week change (%)	YTD Change (%)
<b>Metals</b>					
Gold - US\$/oz	1,247.50	1,244.85	-0.21%	1.5%	8.6%
Platinum - US\$/oz	961.00	950.00	-1.14%	0.2%	4.6%
Copper - US\$/t	5,782.00	5,860.00	1.35%	-2.2%	6.5%
Nickel - US\$/t	9,920.00	9,935.00	0.15%	-3.6%	-0.7%
Oil - US\$/b	50.80	52.83	4.00%	-1.9%	-7.0%
<b>Agricultural</b>					
Wheat - US\$/t	156.25	156.71	0.29%	-2.6%	4.3%
Soybeans - US\$/t	368.07	354.94	-3.57%	-2.6%	-7.5%
Sugar - US\$/pound	17.71	16.76	-5.36%	-2.5%	-14.1%
Cotton - US\$/pound	77.47	77.33	-0.18%	-1.1%	9.5%

Source: Various

....US dollar strengthens on consumer confidence data...

## 3. Currencies

The US dollar recovered lost ground supported by the consumer confidence data for March 2017. As a result, the dollar index rose by 1.1% to end the week at 100.45. Elsewhere, the euro weakened by 0.3% on expectations that the European Central Bank will maintain a loose monetary policy stance. On the other hand, the South African rand declined by 7.6% to ZAR13.40/US\$ dragged by a cabinet reshuffle that saw changes at the Treasury. **Table 5** below outlines currencies performance as at 31 March 2017.

**Table 5: Currencies Performance**

Currencies	24-Mar-17	31-Mar-17	Weekly change (%)	Previous week change (%)	YTD Change (%)
USD/ZAR	12.4619	13.4037	7.6%	-2.2%	-1.8%
USD/BWP	10.0647	10.3034	2.4%	-0.9%	-2.1%
USD/ZMK	9.4947	9.6186	1.3%	-0.2%	-1.9%
USD/NGN	313.4000	309.0990	-1.4%	0.5%	2.0%
USD/GBP	0.8004	0.8007	0.0%	-1.0%	-1.5%
USD/EUR	0.9269	0.9361	1.0%	-0.3%	-1.4%
USD/JPY	111.131	111.75	0.6%	-1.8%	-4.3%
USD/CNY	6.8874	6.8905	0.0%	-0.2%	-0.8%
Dollar Index - DXY	99.38	100.45	1.1%	-0.9%	-1.7%

Source: Oanda

## Week Ahead

Date	Event	Period	Forecast	Previous
<b>Local</b>				
27-Apr-17	CBZ AGM, 3pm, Meikles Hotel			
27-Apr-17	Old Mutual Zimbabwe AGM, 3pm, Meikles			
<b>Regional and International</b>				
04-Apr-17	ECB President Mr Draghi Speech			
05-Apr-17	South Africa Standard Bank PMI	Mar-17		50.50
05-Apr-17	Euro Markit Composite PMI	Mar-17	56.70	56.70
05-Apr-17	US ADP Nonfarm Employment change	Mar-17	185k	298k
06-Apr-17	US Jobless Claims		251k	258k
07-Apr-17	UK Bank of England Governor Carney Speech			
07-Apr-17	US Unemployment Rate	Mar-17	4.70%	4.70%

Source: Various

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