

...Rebound in manufacturing and services PMI for Mar 2019...

Asia –Recovery in China’s manufacturing activity...

According to the National Bureau of Statistics, the purchasing managers index “PMI” rose to 50.5 in Mar 2019, compared to 49.2 in Feb 2019. NBS cited that the surprise jump, marking the first expansion in four months, was driven by growth in factory output and new orders. A reading above 50 indicates expansion, whilst that below 50 denotes contraction. Meanwhile, the services PMI also rose from 54.3 to 54.8, over the same period. Going forward, market expectations anticipate slower growth in China for 2019 pulled by the ongoing trade war with the US that has seen the former’s export orders shrinking for the 10th consecutive month.

...Nigeria lowers policy rate to 13.5%...

Africa – Nigeria lowers policy rate...

The Central Bank of Nigeria “CBN” lowered its policy rate by 50 basis points to 13.5% noting “with great satisfaction” the continued decline in inflation, the stability of the naira’s exchange rate, robust level of reserves and positive economic growth forecasts for 2019. In fact, annual inflation eased to 11.31% in Feb 2019, whilst economic growth rose by an annual 2.4% in Q4 2018, up from 1.81% in Q3 2018 supported by growth in the non-oil sector. Going forward, the CBN highlighted the need “for monetary policy to explore necessary steps for enhancing growth, reducing unemployment and diversifying the base of the economy away from the oil sector.”

Zimbabwe–26 firms licenses to operate as bureau de change...

The Reserve Bank of Zimbabwe issued licenses to 26 institutions to operate as Bureau de Change. **Table 1** below outlines the licensed institutions in line with the foreign exchange guidelines in the 2019 Monetary Policy Statement.

Table 1: Licensed Bureau de Change

FreDEX Financial Services	Campion Forex Services t/a Hand2hand Transfers
Getbucks Microfinance Bank	Direct Connect Financial Services
MyCash Financial Services	Stalrett Pvt Ltd
Access Finance	Julisim Pvt Ltd
FMC Finance	Success Microfinance Bank
Transformation Financial Services	Send Money Home Pvt Ltd
Elizabeth Florist t/a TSD Bureau de Change	Kuva Sanchez
Zimbabwe Posts Pvt Ltd	Sahara Forex Bureau Pvt Ltd
Quest Financial Services	Express Financial Services
Proex Bureau De Change	Easylink Money Transfer
Zimexpress	Linsa Investments t/a Bate Bureau de Change
Fungioliv Investments	Kaah Financial Services
Kwik Forex	

Source: RBZ

... RBZ licenses 26 firms for bureau de change ...

...slow start for the 2018/19 tobacco-marketing season...

Tobacco Marketing Season Update

Cumulative sales for the period to 28 March 2019 show that total volume and value traded declined by 92% and 95% to 0.45 million kgs and US\$0.74 million, respectively, when compared to the 2018 marketing season. **Table 2** below outlines the cumulative tobacco sales statistics as at 28 March 2019 (*latest available data*).

Table 2: Tobacco Marketing Statistics as at 28 March 2019 (Day 7)

Seasonal	Total Auction	Total Contract	Total 2019	Total 2018	Change (%)
Mass sold (kg)	450,076	-	450,076	5,413,440	-91.7%
Value (US\$)	744,033	-	744,033	14,927,529	-95.0%
Average Price (US\$/kg)	1.65	-	1.65	2.76	-40.2%
Rejected %	20.86%	-	20.86%	7.56%	(13.3)
Highest Price (US\$/kg)	4.50	-	4.50	5.60	-19.6%
Lowest Price (US\$/kg)	0.30	-	0.30	0.10	200.0%
Average bale weight (kg)	70.0	-	70.0	80.0	-12.5%

Source: TIMB

Markets Summary

1. Equities

On the Zimbabwe Stock Exchange “ZSE”, the All Share Index recovered by a marginal 0.1% to 121.66 ending the 4-week losing streak. Meanwhile, weekly turnover improved by 65.5% to RTGS\$23.8 million sustained by deals recorded in Cassava, Delta and Old Mutual. Elsewhere, most regional and global markets traded in the positive territory. US and European markets were driven by renewed trade optimism. **Table 3** below outlines the local as well as major regional and global equities markets’ performance as at 29 March 2019.

Table 3: Local, Regional and Global Stock Market Performance

Domestic	22-Mar-19	29-Mar-19	Weekly change (%)	Previous week change(%)	YTD Change (%)
All Share Index	121.56	121.66	0.1%	-9.1%	-16.8%
Industrial Index	404.89	405.57	0.2%	-9.2%	-16.7%
Mining Index	201.72	193.98	-3.8%	0.0%	-14.8%
Top 10 Index	113.32	114.61	1.1%	-11.8%	-21.0%
Mkt cap - US\$mln	16.00	16.08	0.5%	-9.9%	-17.2%
Turnover - US\$mln	14.36	23.76	65.5%	13.7%	
African					
Botswana	7,878.98	7,885.57	0.1%	0.0%	0.4%
Ghana	2,402.17	2,416.54	0.6%	-0.6%	-3.2%
Kenya	160.00	157.66	-1.5%	1.2%	12.3%
Malawi	27,445.85	27,440.56	0.0%	0.0%	-5.3%
South Africa	56,107.48	56,462.55	0.6%	0.1%	7.1%
Nigeria	31,139.35	31,041.42	-0.3%	0.0%	-1.2%
Zambia	5,566.56	5,599.94	0.6%	-0.8%	6.7%
Mauritius	2,171.92	2,164.78	-0.3%	-1.1%	-2.4%
Global					
U.S. - Dow	25,502.32	25,928.68	1.7%	-1.3%	11.2%
U.S. - S&P500	2,800.71	2,834.40	1.2%	-0.8%	13.1%
U.K. - FTSE 100	7,207.59	7,279.19	1.0%	-0.3%	8.2%
Japan - NIKKEI 225	20,977.11	21,506.64	2.5%	-2.8%	7.5%
China - Shanghai Index	3,104.15	3,090.76	-0.4%	0.5%	23.9%

Source: Various

...All share index advanced by a marginal 0.1%...

2. Commodities

Mixed trades were registered among major commodities. On the upside, oil prices advanced by 2.0% to US\$68.4/b due to the anticipated supply-constraints in Venezuela and Iran. On the other hand, gold prices fell by 1.1% below the key \$1,300 psychological mark dragged by a relatively strong US dollar and some profit taking - **Table 4** below.

Table 4: Commodities Price Performance

Commodities	22-Mar-19	29-Mar-19	Weekly change (%)	Previous Week Change (%)	YTD Change (%)
Metals					
Gold - US\$/oz	1,309.60	1,295.15	-1.1%	1.1%	1.3%
Platinum - US\$/oz	858.00	850.00	-0.9%	2.4%	6.3%
Copper - US\$/t	6,312.00	6,482.50	2.7%	-1.9%	8.7%
Nickel - US\$/t	12,920.00	13,010.00	0.7%	0.7%	22.9%
Oil - US\$/b	67.03	68.39	2.0%	-0.2%	27.1%
Agricultural					
Wheat - US\$/t	170.86	168.75	-1.2%	1.0%	-8.7%
Soybeans - US\$/t	339.78	336.02	-1.1%	-0.6%	1.3%
Sugar - US\$/pound	12.57	12.53	-0.3%	0.4%	4.2%
Cotton - US\$/pound	76.58	77.61	1.3%	1.4%	7.5%

Source: Various

Meanwhile, according to the Grain Marketing Board, local prices remained unchanged at \$390/t, \$630t and \$780/t for maize, wheat and soyabeans, respectively.

3. Currencies

The US dollar traded stronger for the second consecutive week largely benefitting from the British pound slide after parliament for the third time rejected Prime Minister Theresa May's proposed deal to pull Britain out of the European Union. Thus, the US dollar index advanced by 0.6% to end the week at 97.24. Elsewhere, the South African rand fell by 1.1% to ZAR14.5/US\$ as sentiment toward emerging market currencies was soured by a slide in the Turkish lira. **Table 5** below outlines currencies performance as at 29 March 2019.

Table 5: Currencies Performance

Currencies	22-Mar-19	29-Mar-19	Weekly change (%)	Previous week change (%)	YTD Change (%)
USD/RTGS\$ (mid-rate)	3.0159	3.0445	0.9%	7.8%	21.8%
USD/ZAR	14.3581	14.5109	1.1%	-0.6%	3.7%
USD/BWP	10.4473	10.5788	1.3%	-0.6%	2.1%
USD/ZMK	11.9884	12.1311	1.2%	0.3%	1.9%
USD/NGN	359.2400	359.0080	-0.1%	-0.1%	-0.5%
USD/GBP	0.7596	0.7663	0.9%	0.8%	-0.1%
USD/EUR	0.8829	0.8907	0.9%	0.0%	1.0%
USD/JPY	110.341	110.769	0.4%	-1.1%	0.0%
USD/CNY	6.7087	6.7151	0.1%	-0.1%	0.0%
Dollar Index - DXY	96.64	97.24	0.6%	0.1%	0.8%

Source: Oanda

...gold falls below the US\$1,300 psychological point...

...South African rand slides to a 3-month low...

Looking Ahead

Date	Event	Period	Forecast	Previous
Local				
Regional and International				
02-Apr-19	UK Construction PMI	Mar-19	49.8	49.5
03-Apr-19	SA Standard Bank PMI	Mar-19		50.2
03-Apr-19	US ADP Nonfarm Employment Change	Mar-19	184k	183k
04-Apr-19	India Interest Rate Decision	Mar-19		6.25%
05-Apr-19	US Unemployment Rate	Mar-19	3.80%	3.80%

Source: Various

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