

LOCAL MARKET

1. ZMW traded down with interbank trade at 9.89-94. We are seeing increase in corporate demand and bit sluggish supply after corporate having paid the advance tax to ZRA. The monetary policy statement tomorrow is either likely to be status quo or move to hawkish stance. We believe dovish stance is over.

2. Current account aggregate balances of ZMW were at K 0.6 bn. Interbank rate was at 10.07 and interbank volume was at K543 mn. We saw some restriction in domestic kwacha liquidity leading to higher interbank volume and rates.

USD ZMW Exchange rate with Eurobond Price and Copper



USDZMW Curncy (USD-ZMW Cross Rate) Graph 19 3 Days 3 Minutes Copyright© 2018 Bloomberg Finance L.P. 15-May-2018 09:24:52

INTERNATIONAL MARKET

1. Gold was trading slower at 1311. This indicates slight risk-on but geopolitical risk still lingers. Dollar index DXY inched up slightly to 92.66. LME copper was down to 6885 on inventory position. Brent is at 78. EURUSD is at 1.19, GBP at 1.3550, ZAR after big rally came down slightly and is at 12.35 now. US 10 year yield is above level of 3%.

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EXCHANGE RATES

| PAIR | BID | OFFER | |
|---------|-------|-------|---|
| USD/ZMW | 9.89 | 10.08 | ▲ |
| GBP/ZMW | 13.45 | 13.71 | ↔ |
| EUR/ZMW | 11.84 | 12.07 | ▲ |
| ZAR/ZMW | 0.807 | 0.822 | ↔ |
| USD/INR | NA | 65.8 | ↔ |

KEY MACROECONOMIC INDICATORS

| | |
|-------------------|-----------|
| POLICY RATE | 9.75% |
| GDP | \$25.2 bn |
| EXTERNAL DEBT | \$7.57bn |
| GDP GROWTH (2017) | 3.30% |
| Fiscal deficit | 7.90% |
| TRADE BAL(MAR) | K632 mn |
| INFLATION(Y/Y) | 7.4% |

IZB FOREX DEPOSIT RATES USD

| | |
|-----|-------|
| 3M | 1% |
| 6M | 2% |
| 12M | 2.50% |
| 24M | 3.00% |

COMMODITY PRICES

| COMMODITY | PRICES | |
|------------|---------|---|
| OIL(BRENT) | 78 | ▲ |
| COPPER | \$6,885 | ▼ |
| GOLD | 1311 | ▼ |

10YR GOVT BONDS YIELDS

| COUNTRY | YIELD | |
|---------|-------|---|
| USA | 3.02% | ▼ |
| UK | 1.49% | ▼ |
| GERMANY | 0.62% | ▼ |
| FRANCE | 0.85% | ▼ |
| JAPAN | 0.06% | ▼ |
| INDIA | 7.84% | ▼ |
| RSA | 8.39% | ▼ |

EQUITY MARKETS

| INDEX | VALUE | |
|------------|-------|---|
| DOW JONES | 24899 | ▲ |
| FTSE 100 | 7711 | ▼ |
| DAX30 | 13281 | ↔ |
| NIKKEI1225 | 22510 | ▲ |
| NIFTY 50 | 10873 | ▲ |
| SSE | 3191 | ▲ |

T BILLS

| TENOR | YIELD | |
|-------|--------|---|
| 91 | 10.00% | ↔ |
| 182 | 13.01% | ↔ |
| 273 | 12.90% | ↔ |
| 364 | 17.70% | ↔ |

ZAMBIA GOVT BONDS

| TENOR | YIELD | |
|-------|--------|---|
| 2YR | 16.40% | ↔ |
| 3YR | 17.90% | ↔ |
| 5YR | 17.90% | ↔ |
| 7YR | 18.98% | ↔ |
| 10YR | 19.00% | ▲ |
| 15YR | 18.50% | ↔ |

LIBOR RATES

| TENOR | USD | GBP |
|-------|-------|-------|
| ON | 1.71% | 0.28% |
| 1M | 1.92% | 0.51% |
| 3M | 2.36% | 0.71% |
| 6M | 2.52% | 0.83% |

BOZ O/N WEIGHTED INTERBANK RATE

| PREVIOUS | CURRENT |
|----------|---------|
| 10.00% | 10.07% |

BANKS AGGR CURRENT ACCOUNT BALANCE

| PREVIOUS | CURRENT |
|----------|---------|
| K500Mn | K626Mn |

O/N INTERBANK VOLUME

| PREVIOUS | CURRENT |
|----------|---------|
| K433Mn | K541Mn |