



Weekly Economic Highlights

TABLE OF CONTENTS

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

Week Ending
26th June 2020

1. INTEREST RATES

Deposit Rates

Minimum deposit rates for savings deposits and deposits of 1-month and 3-month tenors remained unchanged at 2.35%, 3.26% and 4.21%, respectively, during the week ending 26th June 2020. Similarly, maximum deposit rates for savings deposits and deposit of 1 month and 3-month tenors also remained unchanged at 5.19%, 6.56% and 7.22%, respectively, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
29-May-20	2.35	5.19	3.35	6.24	3.95	6.29
5-Jun-20	2.35	5.19	3.26	6.44	4.16	6.58
12-June-20	2.35	5.19	3.26	6.44	4.16	6.58
19-June-20	2.35	5.19	3.26	6.56	4.21	7.22
26-June-20	2.35	5.19	3.26	6.56	4.21	7.22

Source: Reserve Bank of Zimbabwe, 2020

Lending Rates

Minimum lending rates at commercial banks, for individual and corporate clients remained unchanged at 20.04% and 17.38%, respectively, during the week under review. During the same week, maximum commercial bank lending rates for individual and corporate clients remained unchanged at 34.05% and 40.65%, respectively. Table 2 shows commercial bank lending rates for the week under analysis.

Table 2: Lending Rates (per annum)

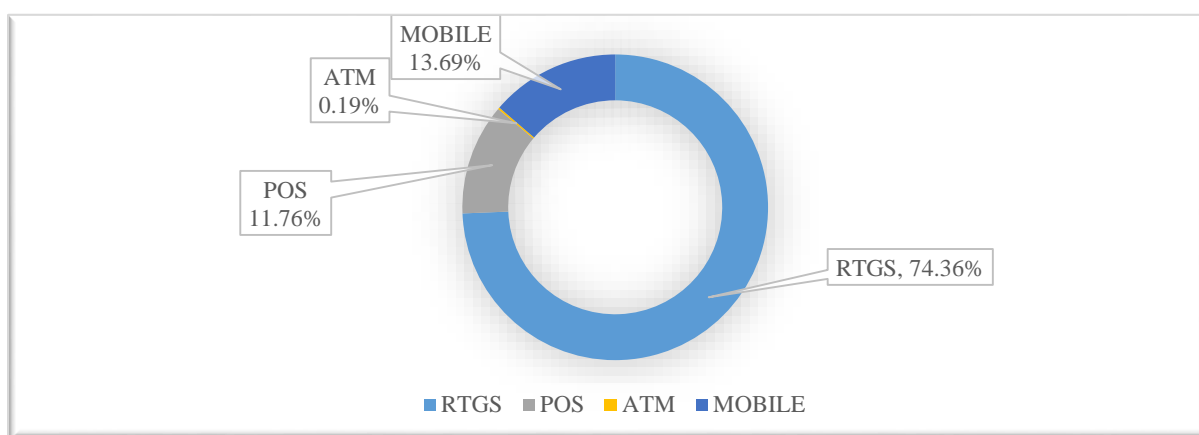
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
29-May-20	18.06	34.43	18.07	42.36
5- Jun-20	19.53	35.28	19.71	40.92
12- Jun-20	19.53	35.28	19.71	40.92
19- Jun-20	20.04	34.05	17.38	40.65
26- Jun-20	20.04	34.05	17.38	40.65

Source: Reserve Bank of Zimbabwe, 2020

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment Systems (NPS) processed transactions amounting to \$34.46 billion, during the week under review, a 19.83% increase from \$28.76 billion worth of transactions processed in the preceding week. Transactions processed through the Real Time Gross Settlement (RTGS) system rose by 20.39% to close at \$25.62 billion, during the week under review. In value terms, NPS transactions were distributed as follows: RTGS, 74.36%; Mobile, 13.69%; POS, 11.76% and ATM, 0.19%.

Figure 1: Composition of NPS Transactions in Value Terms

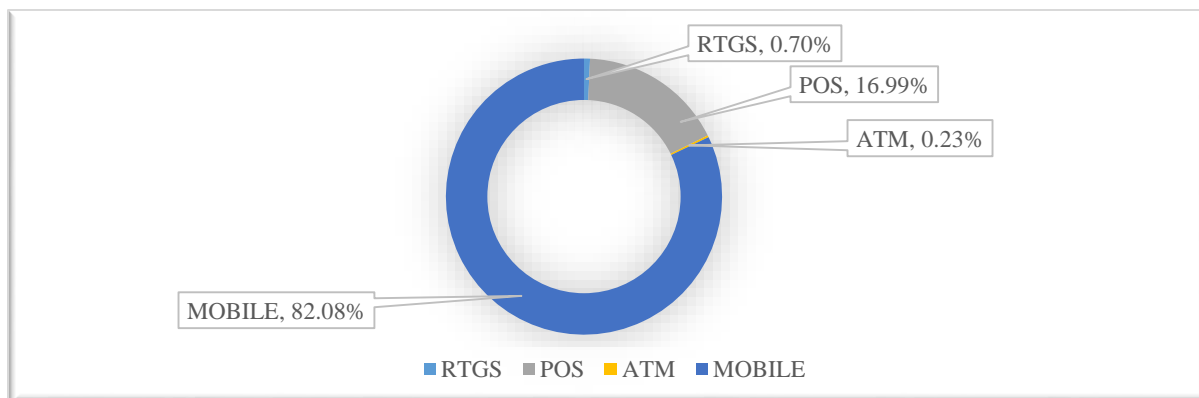


Source: Reserve Bank of Zimbabwe, 2020

NPS transaction volumes increased from 29.94 million transactions in the previous week to 31.33 million transactions, during the week under analysis. In volume terms, the NPS

transactions were distributed as follows: Mobile, 82.08%, POS, 16.99%; RTGS, 0.70%, and ATM, 0.23% as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2020

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING	WEEK ENDING	% CHANGE FROM LAST WEEK	PERCENTAGE OF TOTAL
	19-Jun-2020	26-Jun-2020		
	VALUES IN \$ (millions)			
RTGS	21,283.78	25,624.55	20.39%	74.36%
POS	3,238.92	4,053.81	25.23%	11.76%
ATM	39.50	64.97	64.49%	0.19%
MOBILE	4,199.99	4,719.06	12.35%	13.69%
TOTAL	28,762.19	34,462.39	19.83%	100%
	VOLUMES			
RTGS	177,081	219,196	23.78%	0.70%
POS	4,911,877	5,323,230	8.46%	16.99%
ATM	53,166	73,001	37.31%	0.23%
MOBILE	24,802,439	25,713,583	3.67%	82.08%
TOTAL	29,944,563	31,329,010	4.64%	100%

Source: Reserve Bank of Zimbabwe, 2020

3. TOBACCO SALES

As at 26th June 2020 or day 41 of the 2020 tobacco selling season, a cumulative total of 107.37 million kilograms of tobacco had been sold. This reflected an increase of 0.92%, compared to the cumulative total of 106.39 million kilograms of tobacco sold during the same period in 2019. In value terms, cumulative tobacco sales stood at US\$252.79 million, compared

to US\$191.68 million realised during the comparable period in the previous selling season. The golden leaf was sold at a higher price of US\$2.35 per kg, compared to US\$1.80 realised during the same period in 2019, as shown in Table 4.

Table 4: Weekly cumulative Tobacco Sales: Day 41 (26th June 2020)

	2019	2020	Variance (%)
Cumulative Quantity Sold (Million kgs)	106.39	107.37	0.92
Cumulative Average Price (US\$/kg)	1.80	2.35	30.67
Cumulative Value (US\$ million)	191.68	252.79	31.88

Source: Tobacco Industry and Marketing Board (TIMB), 2020

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 26th June 2020, the average international prices of gold, copper, and Brent crude oil increased, while prices of platinum and nickel fell, as shown in Table 5.

Table 5: International Commodity Prices

	Gold	Platinum	Copper	Nickel	Crude Oil
2020	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
weekly average (15-19 June)	1,722.62	814.50	5,754.80	12,789.60	41.16
22-Jun	1,753.65	809.00	5,825.00	12,625.00	43.28
23-Jun	1,762.75	823.50	5,895.00	12,541.00	42.50
24-Jun	1,770.88	818.50	5,871.00	12,510.00	40.21
25-Jun	1,757.55	802.00	5,880.50	12,386.00	41.42
26-Jun	1,754.85	800.50	5,985.50	12,709.00	40.22
weekly average (20-26 June)	1,759.94	810.70	5,891.40	12,554.20	41.53
Weekly Change (%)	2.2	-0.5	2.4	-1.84	0.9

Source: BBC, KITCO and Bloomberg 2020

Gold

The price of the yellow metal gained by 2.2%, from US\$1,722.62 per ounce in the previous week to US\$1,759.94 per ounce, during the week under review. Prices continued to be supported by the increase in the appeal of gold as a safe-haven asset.

Platinum

The weekly average price of platinum shed 0.5%, from US\$814.50 per ounce recorded in the previous week to US\$810.70 per ounce, during the week under review. South Africa's top platinum producer, Implats, returned to 85% capacity of pre-lockdown levels, an indication of the opening- up of economic activity and improvement in supply-side conditions.

Copper

Copper prices increased by 2.4%, from US\$5,754.80 per tonne recorded in the previous week to US\$5,891.40 per tonne in the week ending 26th June 2020. Prices were pushed up by the closure of refining and smelting processors in Chile, the world's top producer of the red metal, as coronavirus outbreaks negatively impacted on operations.

Nickel

Nickel prices declined by 1.84% on a weekly basis, from an average price of US\$12,789.60 per tonne recorded in the previous week to close at US\$12,554.20 per tonne, during the week under review.

Crude oil

The weekly average price of Brent crude oil increased by 0.9%, from US\$41.16 per barrel in the previous week to US\$41.53 per barrel, during the week under analysis. Optimism regarding the recovery in demand, amid the opening-up of economies, following months of lockdowns and the easing of other covid-19 induced travel and production restrictions supported the prices.

5. EXCHANGE RATES

The Reserve Bank of Zimbabwe conducted the inaugural foreign currency auction on the 23rd June 2020. Auction results indicated that the Zimbabwe dollar depreciated against the US dollar, South African rand, Pound sterling, Botswana pula and the euro, as shown in Table 6.

Table 6. International Exchange Rates¹

2020	USD	ZAR	GBP	BWP	EUR
Weekly Average (15-19 June)	25.0000	1.4507	31.3441	2.1315	28.1538
22-Jun	25.0000	1.4333	30.9238	2.1125	27.9800
23-Jun	25.0000	1.4422	31.1200	2.1250	28.1613
24-Jun	57.3582	3.3146	71.6518	4.8811	64.8176
25-Jun	57.3582	3.2927	71.2188	4.8754	64.5079
26-Jun	57.3582	3.3434	71.2819	4.8811	64.3587
Weekly Average (22-26 June)	37.7921	2.1781	46.9494	3.2076	42.4746
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	51.2	50.1	49.8	50.5	50.9

Source: Reserve Bank of Zimbabwe, 2020

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was bullish for the third consecutive week, inclusive of week ending 26th June 2020. This resulted in the Top 10; All Share; Small Cap and Medium Cap indices gaining 0.89%; 4.38%; 12.97%; and 8.29% to 1 232.79 points; 1 788.75 points; and 5 558.15 points, respectively. The Top 15 index, however, recorded a marginal decline of 0.43% to close at 1 412.84 points.

The mainstream index rose by 3.49% to close at 5 870.36 points, during the week under review. This was underpinned by share price increases for Rainbow Tourism Group Limited (74.96%); Powerspeed Electrical Limited (43.56%); NMBZ Holdings Limited (38.58%); Masimba Holdings Limited (37.62%); and ZB Financial Holdings Limited, (24.14%). Partially offsetting the gains in the industrial index were losses recorded in the share prices of First Mutual Holdings Limited, (14.80%), CBZ Holdings Limited, (11.50%), Edgars Stores Limited, (4.40%), Ariston Holdings Limited, (4.00%) and Old Mutual Zimbabwe Limited, (3.54%).

The resources index increased by 47.86% to close at 3 995.48 points, during the week under review. The gain in the resources index was a result of share price increases of 44.35% and 7.98% for Bindura Nickel Corporation Limited (BNC) and RioZim Limited, respectively.

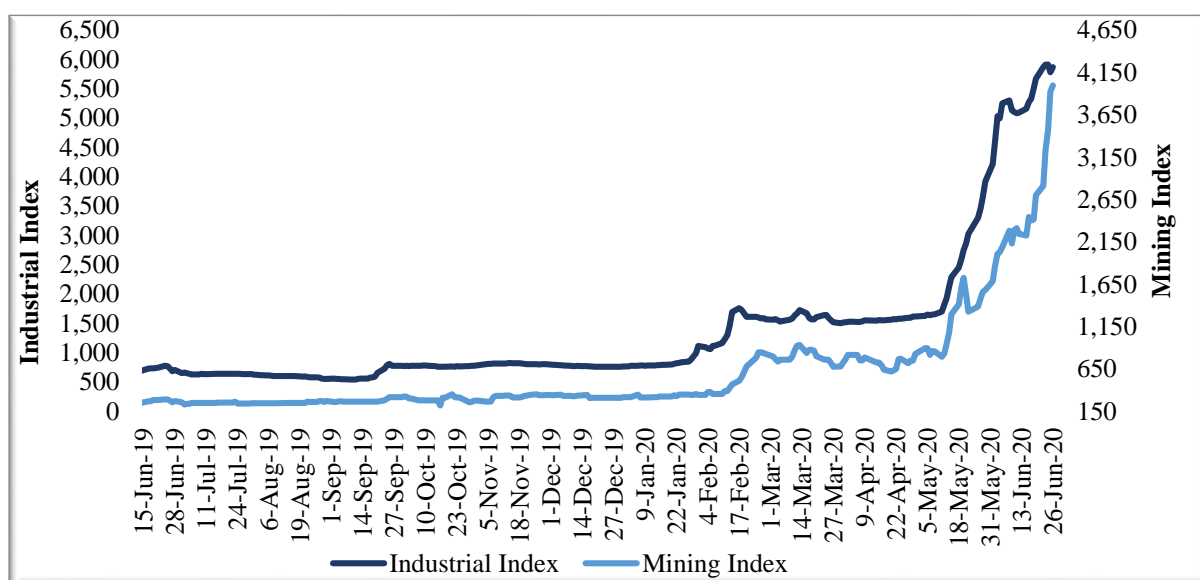
¹ Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

Table 7: Zimbabwe Stock Exchange Statistics²

	All Share Index points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Industrial Index (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
22-May-20	913.24	731.83	759.95	1,339.10	3,023.99	3,023.99	1,327.26	117.9	191.59	39.59
29-May-20	1,180.14	964.07	1,014.41	1,693.35	3,831.64	3,919.50	1,582.86	152.72	213.17	131.49
05-June-20	1,581.85	1,355.21	1,415.58	4,849.47	2,080.75	5,254.01	2,088.66	204.50	140.92	85.73
12-June-20	1,535.99	1,203.86	1,308.96	4,880.06	2,370.04	5,092.42	2,245.11	197.78	469.98	81.29
19-June-20	1,713.63	1,221.93	1,418.98	3,049.98	4,920.22	5672.5	2702.2	219.16	259.29	40.87
26-June-20	1 788.75	1 232.79	1 412.84	3 302.89	5 558.15	5 870.36	3 995.48	228.58	635.22	91.09
Weekly Change %	4.38	0.89	-0.43	8.29	12.97	3.49	47.86	4.30	144.98	122.87

Source: Zimbabwe Stock Exchange (ZSE), 2020

Figure 3: Zimbabwe Stock Exchange Indices



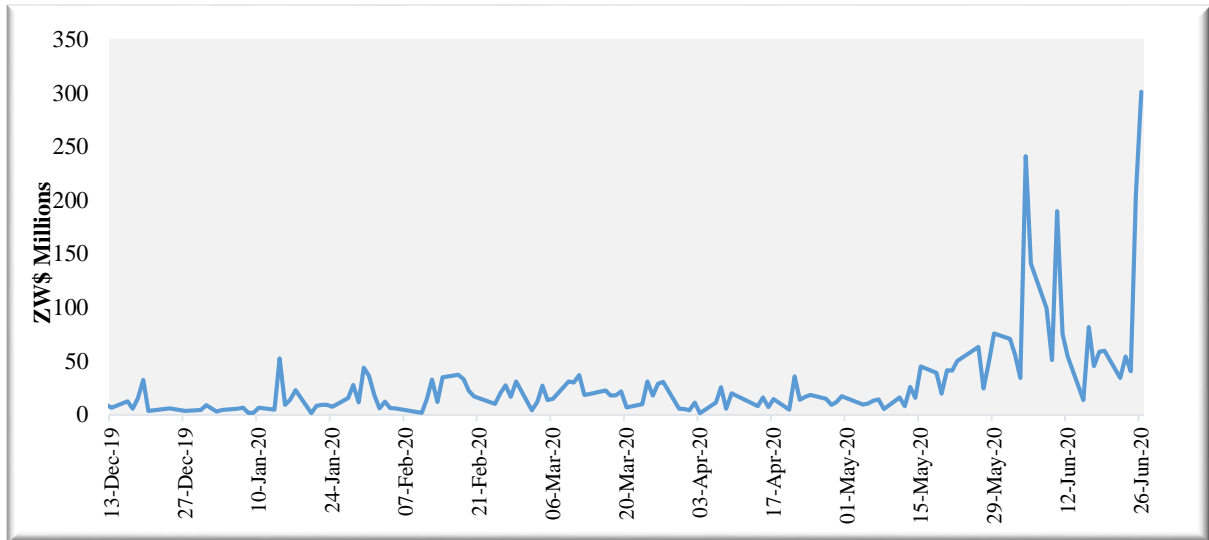
Source: Zimbabwe Stock Exchange, 2020

Market Turnover and Volume

During the week under review, the cumulative volume and value of shares traded on the ZSE increased by 122.87% and 144.98% to 91.09 million shares and \$635.22 million, respectively.

² The Zimbabwe Stock Exchange (ZSE) adopted the Global Industry Classification Standards, effective from 1 January 2020. The ZSE indices constitute the following categories; Top 10 Index; Top 15; Top 25; Medium cap and Small cap Indices.

Figure 4: Daily Market Turnover

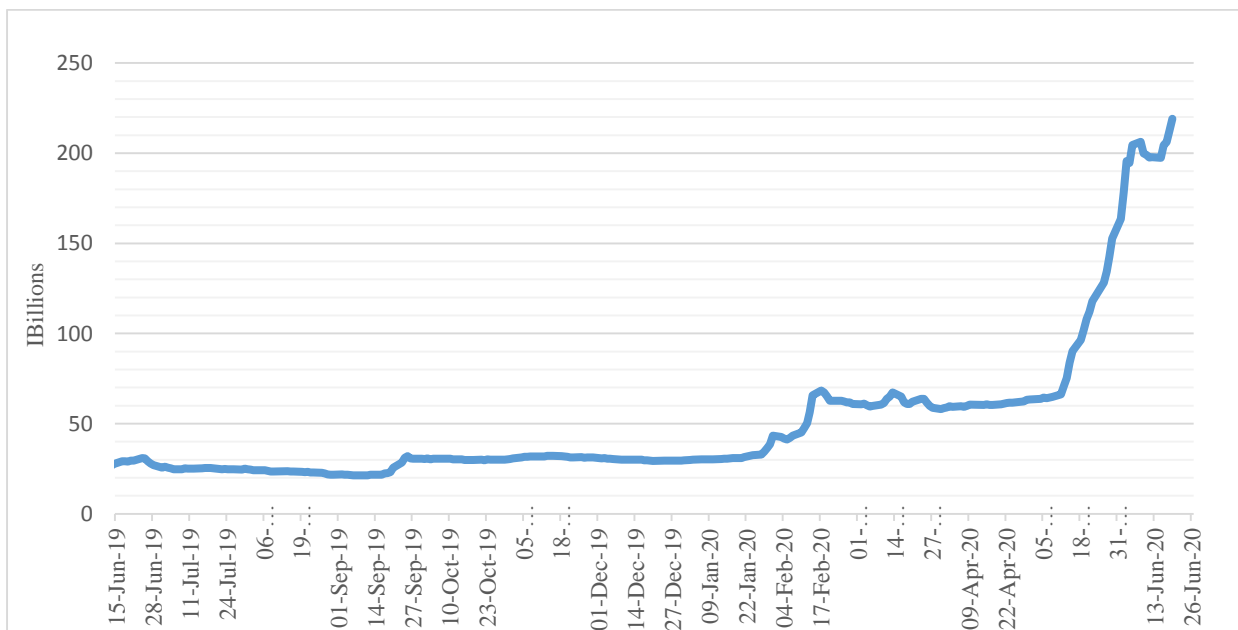


Source: Zimbabwe Stock Exchange, 2020

Market Capitalization

As a result of positive trading on the ZSE during the week under review, the local bourse gained \$9.42 billion, or 4.30% worth of capitalization, to close at \$228.58 billion.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2020

Johannesburg Stock Exchange (JSE) Developments

The JSE All Share Index fell by 1.06% to close at 53,648.05 points, during the week under review. Similarly, JSE market capitalisation registered a loss of 1.82% to close at R16.71 billion, during the same week.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index	Market Capitalization
	(points)	(ZAR billions)
22-May-20	50,147.21	15.90
29-May-20	50,483.00	16.08
05-June 20	54,722.38	17.12
12-June 20	53,639.64	16.71
19-June 20	54,224.40	17.02
26-June 20	53,648.05	16.71
% Change	-1.06	-1.82

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

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2020>

RESERVE BANK OF ZIMBABWE

31st JUNE 2020