



# Weekly Economic Highlights

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Week Ending  
2<sup>nd</sup> April 2021

## 1. INTEREST RATES

### Deposit Rates

The week ending 1<sup>st</sup> April 2021 saw minimum and maximum deposit rates for all classes of deposits remain unchanged at previous week levels, 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 (%)
5-Mar-21	1.57	4.24	5.00	9.88	6.08	11.43
12-Mar-21	1.57	4.04	5.14	10.66	6.95	11.65
19-Mar-21	1.57	4.04	5.15	10.66	6.95	11.65
26-Mar-21	1.57	4.04	5.19	10.83	6.79	11.80
2-Apr-21	1.57	4.04	5.19	10.83	6.79	11.80

Source: Reserve Bank of Zimbabwe, 2021

### Lending Rates

During the week under review, minimum and maximum lending rates for individual and commercial clients remained largely unchanged, compared to the previous week, as shown in Table 2.

**Table 2: Lending Rates (per annum)**

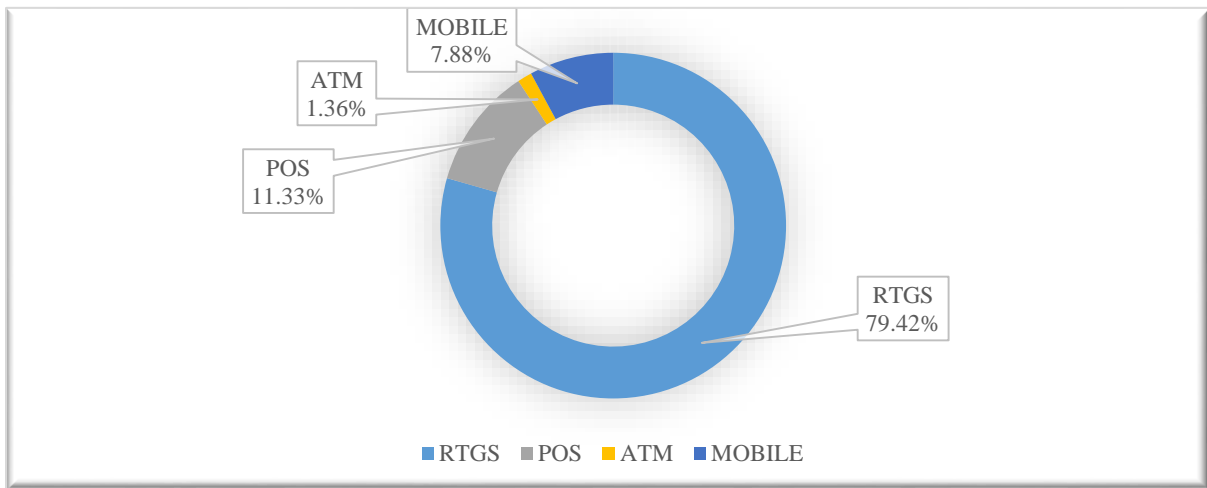
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
5-Mar-21	36.67	52.01	21.36	58.43
12-Mar-21	34.54	55.70	22.38	59.26
19-Mar-21	34.54	55.70	22.38	59.26
26-Mar-21	35.83	55.77	22.61	59.03
2-April-21	35.83	55.77	22.61	59.03

Source: Reserve Bank of Zimbabwe, 2021

## 2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) declined from ZW\$93.45 billion in the previous week to close at ZW\$84.34 billion, during the week under review. Real Time Gross Settlement (RTGS) transactions fell by 13.38% to close at ZW\$66.96 billion, during the same week. The distribution of NPS transaction values was as follows: RTGS, 79.42%; POS, 11.33%; Mobile, 7.88% and ATM, 1.36%.

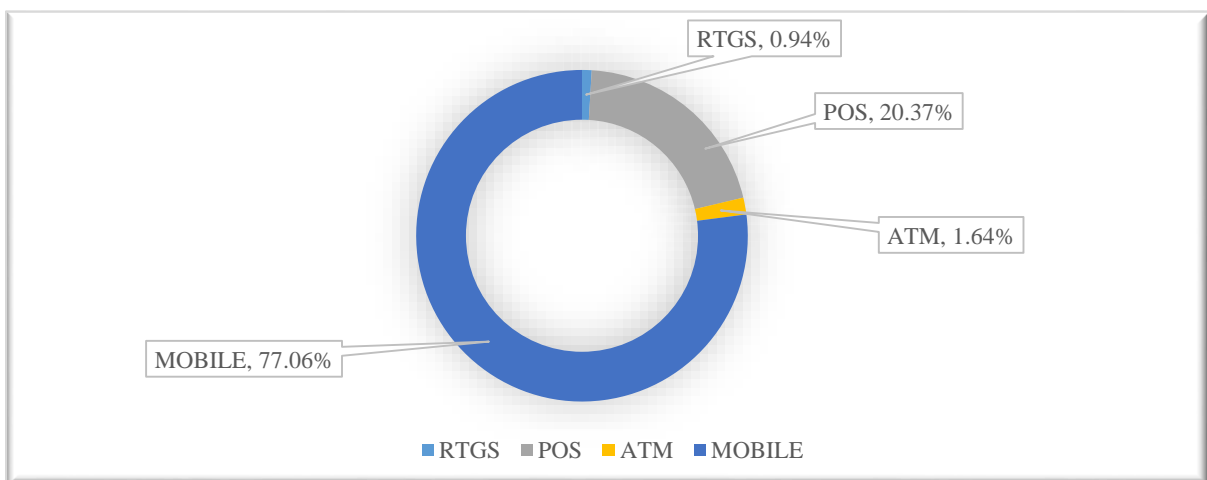
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2021

The volume of NPS transactions was 3.67% higher to close at 24.52 million, during the week of analysis. NPS transaction volumes were distributed as follows: Mobile, 77.06%; POS, 20.37%; ATM, 1.64% and RTGS, 0.94%.

**Figure 2: Composition of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe, 2021

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 26 <sup>th</sup> MARCH 2021	WEEK ENDING 2 <sup>nd</sup> APRIL 2021	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	77,301.88	66,956.26	-13.38%	79.42%
POS	8,858.84	9,555.19	7.86%	11.33%
ATM	610.18	1,147.84	88.11%	1.36%
MOBILE	6,682.21	6,645.11	-0.56%	7.88%
<b>TOTAL</b>	<b>93,453.12</b>	<b>84,304.40</b>	<b>-9.79%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	276,265	229,403	-16.96%	0.94%
POS	4,517,585	4,994,746	10.56%	20.37%
ATM	313,973	401,699	27.94%	1.64%
MOBILE	18,546,040	18,896,977	1.89%	77.06%
<b>TOTAL</b>	<b>23,653,863</b>	<b>24,522,825</b>	<b>3.67%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2021

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The international commodity prices for gold, copper and nickel declined, while platinum and crude oil prices rose, during the week under review. Table 4 shows developments in selected commodity prices, during the period under analysis.

**Table 4: Metal and Crude Oil Prices for the week-ending 1<sup>st</sup> April 2021**

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (22-26 March)</b>	<b>1,732.57</b>	<b>1,173.60</b>	<b>8,968.00</b>	<b>16,264.60</b>	<b>62.82</b>
<b>29-Mar</b>	1,714.95	1,181.50	8,942.50	16,259.00	65.02
<b>30-Mar</b>	1,690.33	1,172.50	8,788.50	16,327.00	64.48
<b>31-Mar</b>	1,688.20	1,178.00	8,850.50	16,098.00	64.08
<b>1-Apr</b>	1,720.95	1,194.00	8,768.00	16,001.00	64.65
<b>Weekly Average (29 March – 1 April)</b>	<b>1,703.61</b>	<b>1,181.50</b>	<b>8,837.38</b>	<b>16,171.25</b>	<b>64.56</b>
<b>Weekly Change (%)</b>	<b>-1.8</b>	<b>0.7</b>	<b>-1.5</b>	<b>-0.6</b>	<b>2.8</b>

Source: BBC, KITCO and Bloomberg, 2021

#### Gold

Gold extended losses during the week, as the pace of the vaccine roll-out in the US, coupled with plans for further stimulus measures boosted the US dollar. This development dampened the precious metal's safe haven appeal, as investors shifted to the strengthening dollar. Against

this backdrop, the weekly average prices for the yellow metal eased by a 1.8%, from US\$1,732.57 per ounce in the prior week to US\$1,703.61 per ounce, during the week ending 2<sup>nd</sup> April 2021.

### **Platinum**

Platinum prices rose by 0.7%, from US\$1,173.60 per ounce in the previous week to US\$1,181.50 per ounce, during the week under review. This was largely driven by prospects of strong industrial demand, particularly in the automobile sector, where the metal used in catalytic converters that curb harmful emissions.

### **Copper**

Weekly average copper prices fell by 1.5%, from US\$8,968.00 per tonne in the previous week to US\$8,837.38 per tonne, during the week ending 2<sup>st</sup> April 2021. This was amid rising stockpiles, notably in China, the world's largest consumer of the red metal, signaling weakening demand from the Asian giant.

### **Nickel**

Nickel prices declined by 0.6%, from a weekly average of US\$16,264.60 per ounce in the previous week to US\$16,171.25 per tonne, during the week under review. This was on account of a stronger US dollar.

### **Brent Crude Oil**

Brent crude oil prices firmed by 2.8%, from a weekly average of US\$62.82 per barrel in the preceding week to US\$64.56 per barrel, during the week under analysis. Prices rose over the possibility of the disruption of global supplies of crude oil products, as a giant container ship blocked the Suez Canal. The increase was a rebound from the sharp decline that followed concerns that fresh coronavirus lockdowns in Europe would hurt demand.

## **4. EXCHANGE RATE DEVELOPMENTS**

On the foreign exchange auction market, the Zimbabwe dollar remained relatively stable, marginally depreciating by 0.2% against the US dollar, from ZW\$84.065 per US\$1 in the previous week to an average of ZW\$84.2599 per US\$1, during the week under review, as shown in Table 5.

**Table 5: International Exchange Rates<sup>1</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2021</b>					
<b>Weekly Average (22-26 March)</b>	<b>84.065</b>	<b>5.645</b>	<b>115.754</b>	<b>7.6353</b>	<b>99.6395</b>
<b>29-Mar</b>	84.1197	5.5913	115.8247	7.6046	99.0847
<b>30-Mar</b>	84.1197	5.6481	115.8752	7.5964	98.9459
<b>31-Mar</b>	84.4001	5.6513	115.8435	7.6131	98.8411
<b>1-Apr</b>	84.4001	5.6964	116.0926	7.6302	98.8875
<b>Weekly Average (29 March - 1 April)</b>	<b>84.2599</b>	<b>5.6468</b>	<b>115.9090</b>	<b>7.6111</b>	<b>98.9398</b>
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.2</i>	<i>0.03</i>	<i>0.1</i>	<i>-0.3</i>	<i>-0.7</i>

Source: Reserve Bank of Zimbabwe, 2021

## 5. EQUITY MARKETS

During the week ending 1<sup>st</sup> April 2021, the Zimbabwe Stock Exchange (ZSE) continued on a positive trajectory for the second consecutive week, gaining 56.28 points on the All Shares Index. The Top 10 and Top 15 indices registered gains of 1.17% and 0.96%, to close at 2 610.46 points and 2 977.97 points, respectively.

Gains in the market indices emanated from increases in Zeco Holdings Limited (50%), African Sun Limited (21.62%), Econet Wireless Zimbabwe Limited (21.31%), Simbisa Brands Limited (18.55%) and Willdale Limited (17.94%). Partially offsetting the gains were declines in the share prices of Amalgamated Regional Trading (ART) (10.64%), Dairibord Holdings Limited (10.57%), Starafrika Corporation Limited (9.72%), Unifreight Africa Limited (9.38%) and First Mutual Properties Limited (9.17%).

The mining index was 3.87% lower to close at 5 317.90 points, during the week under review. Losses in the resources index were underpinned by a 10.02% decline in the share price for Bindura Nickel Corporation Limited. RioZim Limited shares, however, maintained their previous week trading price.

<sup>1</sup> Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

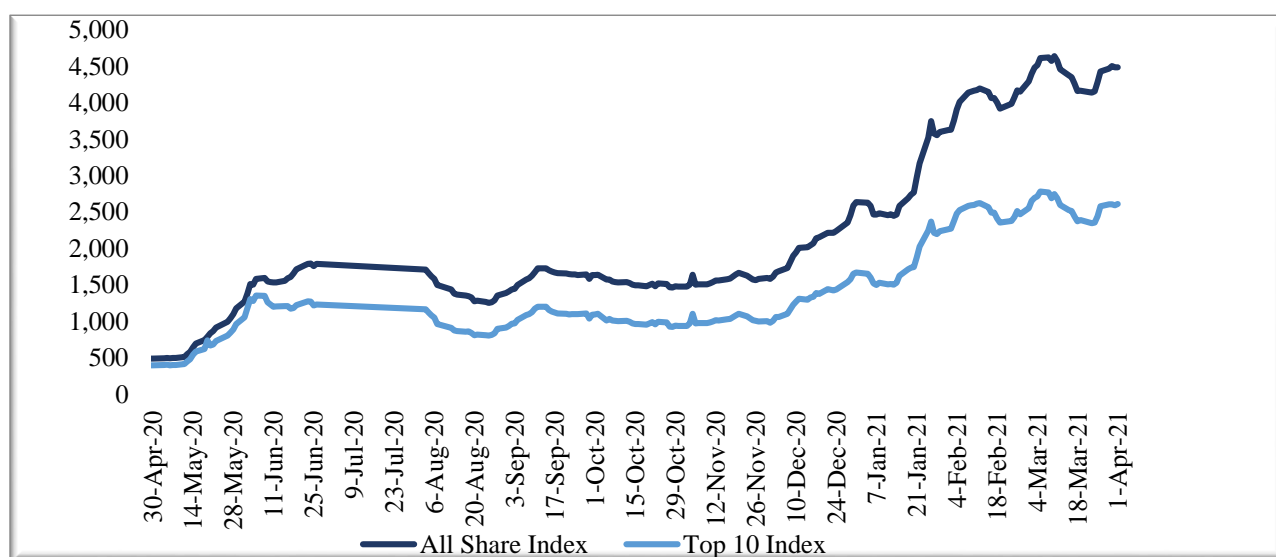
**Table 6: Zimbabwe Stock Exchange Statistics<sup>2</sup>**

	All Share Index Points	Top 10 index (points)	Top 15 Index <sup>3</sup> points	Medium Cap <sup>3</sup> (points)	Small Cap <sup>3</sup> (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
<b>26-Feb-21</b>	4154.37	2 469.42	2 847.26	9 697.12	26 164.14	6 683.44	501.18	380.53	44.06
<b>5-March-21</b>	4 615.87	2 781.34	3 181.89	10 442.02	34 496.32	6 756.94	557.13	471.56	37.48
<b>12-March-21</b>	4 461.41	2 600.17	2 995.51	10 576.56	42 963.35	5 798.04	538.68	2 993.15	81.93
<b>19-March-21</b>	4 168.14	2 391.23	2 762.25	10 082.42	44 875.78	5 984.98	502.30	331.53	35.33
<b>26- March-21</b>	4 432.50	2 580.33	2 949.65	10 487.48	47 327.53	5 532.09	521.69	463.29	27.89
<b>1-April-21</b>	4 488.78	2 610.46	2 977.97	10 640.47	47 749.22	5 317.90	530.80	322.54	30.59
<b>% Change</b>	<b>1.27</b>	<b>1.17</b>	<b>0.96</b>	<b>1.46</b>	<b>0.89</b>	<b>-3.87</b>	<b>1.75</b>	<b>-30.38</b>	<b>9.67</b>

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows developments in the ZSE’s All Share and Top 10 indices for the period from 30<sup>th</sup> April 2020 to 1<sup>st</sup> April 2021.

**Figure 3: Zimbabwe Stock Exchange All Share and Top 10 Indices**



Source: Zimbabwe Stock Exchange, 2021

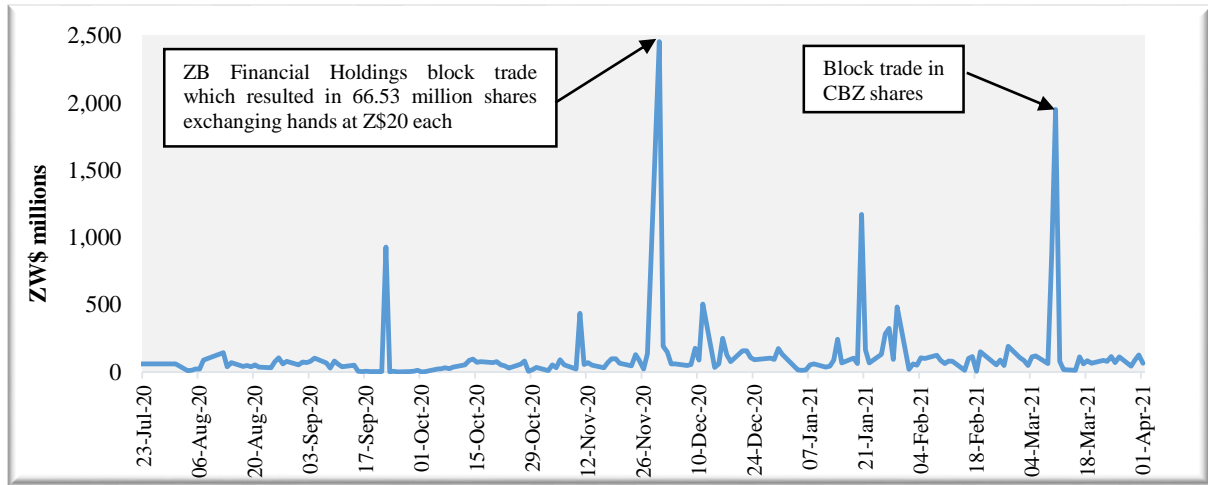
### Market Turnover and Volume

The cumulative volume of shares traded on the ZSE increased by 9.67% to 30.59 million shares, while turnover value declined by 30.38% to ZW\$322.54 million, during the week under

<sup>2</sup> 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.

review. Figure 3 shows the trend in daily market turnover for the period from 23<sup>rd</sup> July 2020 to 1<sup>st</sup> April 2021.

**Figure 4: Daily Market Turnover**

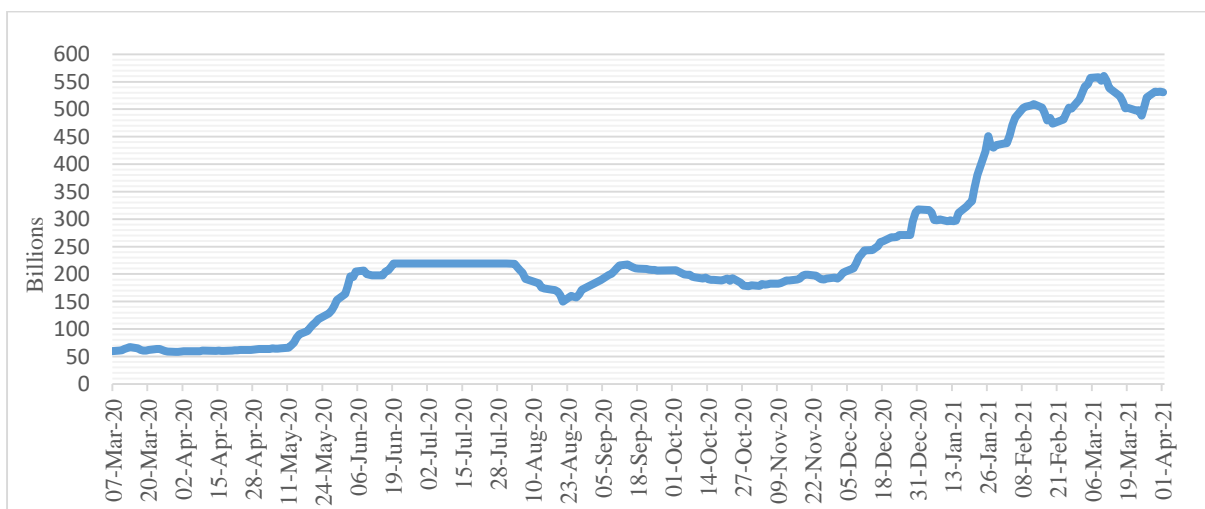


Source: Zimbabwe Stock Exchange, 2021

### Market Capitalization

In line with the developments on the ZSE during the week under review, the local bourse gained ZW\$9.12 billion, or 1.75% worth of market capitalisation to close at ZW\$530.80 billion, compared to ZW\$521.69 billion recorded in the previous week. Figure 3 shows market capitalization developments for the period from 7<sup>th</sup> March 2020 to 1<sup>st</sup> April 2021.

**Figure 5: Daily Market Capitalization in ZW\$ billions**



Source: Zimbabwe Stock Exchange, 2021



## Johannesburg Stock Exchange (JSE) Developments

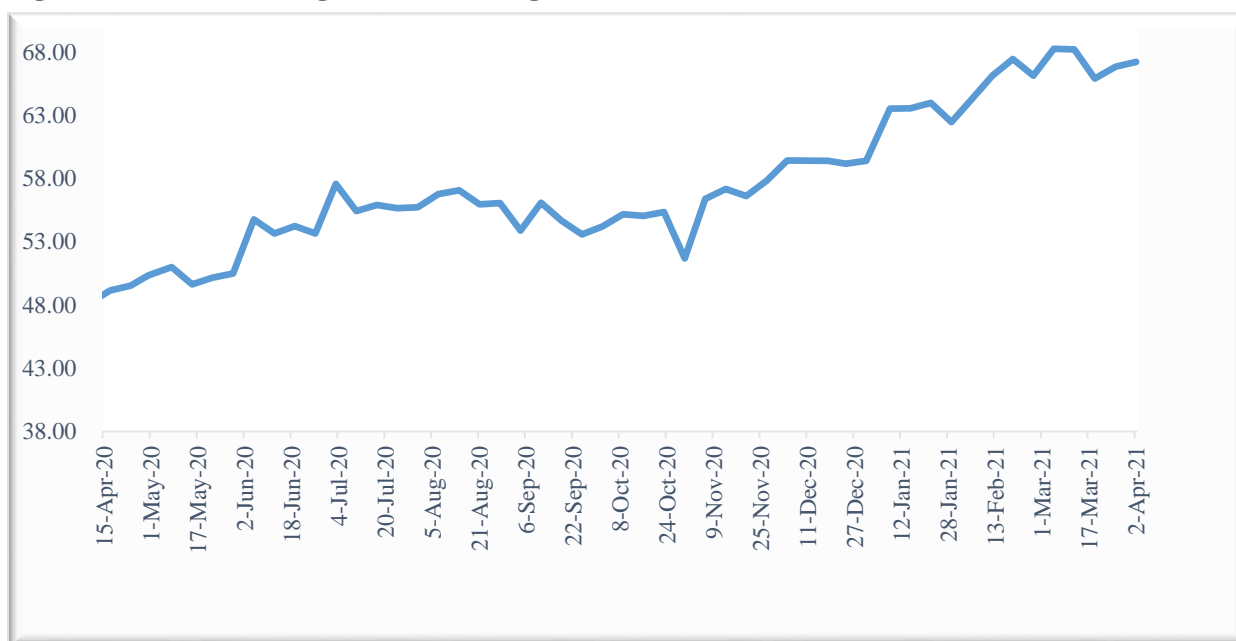
The Johannesburg Stock Exchange (JSE) All share index registered a marginal increase of 0.60% to close at 67,236.31 points, during the week under review. Similarly, JSE market capitalization rose by 0.31%, from ZAR19.35 trillion in the previous week to close at ZAR19.41 trillion.

**Table 7: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
26-February-21	66,138.05	19.04
5-March-21	68,271.19	19.53
12-March-21	68,209.86	19.47
19-March-21	65,911.27	19.09
26-March-21	66,833.99	19.35
2-April-21	67,236.31	19.41
<b>% Change</b>	<b>0.60</b>	<b>0.31</b>

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,2021>

**RESERVE BANK OF ZIMBABWE**

## APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX<sup>3</sup> AND SMEFX<sup>4</sup>

	MAINFX				SMEFX			
	9-Mar-21	16-Mar-21	23-Mar-21	30-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21	30-Mar-21
<b>Total Bids (US\$ dollars)</b>	34,171,927.42	32,064,981.88	32,481,729.79	32,185,461.06	2,971,567.57	3,233,262.22	3,076,458.88	3,583,457.16
<b>Amount Allotted (US\$ dollars)</b>	34,171,927.42	32,064,981.88	32,481,729.79	32,185,461.06	2,971,567.57	3,233,262.22	3,076,458.88	3,583,457.16
<b>Highest Rate</b>	86	87	87	87.5	86	87	87	87.5
<b>Lowest Rate</b>	82	82	82	82	82	82	82	82
<b>Lowest Accepted Rate</b>	82	82	82	82	82	82	82	82
<b>Weighted Average Rate</b>	83.9827	83.9830	84.1197	84.4001	83.9827	83.9830	84.1197	84.4001
<b>Number of Bids Received</b>	371	351	333	344	241	288	298	300
<b>Number of Bids Rejected</b>	73	59	49	68	36	59	75	47

*Source: Reserve Bank of Zimbabwe, 2021*

<sup>3</sup> Main Foreign Currency Auction

<sup>4</sup> Small and Medium Enterprises Foreign Currency Auction

**APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE**

Purpose	MAINFX				SMEFX			
	9-Mar-21	16-Mar-21	23-Mar-21	30-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21	30-Mar-21
<b>Raw Materials</b>	15,720,208.45	13,999,784.64	12,858,202.23	15,506,292.00	658,141.19	933,399.68	647,271.01	863,671.91
<b>Machinery and Equipment</b>	5,336,512.45	5,294,452.73	7,552,382.07	5,554,725.50	618,280.19	546,537.60	753,623.16	727,234.26
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	2,893,994.60	2,810,988.48	2,800,516.37	2,530,389.92	566,806.87	608,270.01	596,217.67	765,857.48
<b>Pharmaceuticals and Chemicals</b>	2,303,755.38	2,177,432.40	2,458,057.02	2,034,427.64	231,964.61	201,157.69	248,116.41	381,707.66
<b>Services (Loans, Dividends and Disinvestments)</b>	2,061,071.82	2,046,664.56	1,778,752.93	2,096,811.56	281,116.43	277,336.10	223,842.94	342,653.71
<b>Retail and Distribution</b>	2,951,055.68	2,485,750.31	1,991,575.08	1,867,442.03	195,839.97	294,729.60	256,744.48	282,478.40
<b>Fuel, Electricity and Gas</b>	2,439,825.38	2,687,940.58	2,698,269.73	2,139,094.89	257,000.94	278,180.34	274,677.93	134,905.24
<b>Paper and Packaging</b>	465,503.66	561,968.18	343,974.36	456,277.52	162,417.37	93,651.20	75,965.28	84,948.50
<b>TOTAL</b>	<b>34,171,927.42</b>	<b>32,064,981.88</b>	<b>32,481,729.79</b>	<b>32,185,461.06</b>	<b>2,971,567.57</b>	<b>3,233,262.22</b>	<b>3,076,458.88</b>	<b>3,583,457.16</b>

*Source: Reserve Bank of Zimbabwe, 2021*