Vol. 23 No. 17

Weekly Economic Highlights

Week Ending
30th April 2021

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1. INTEREST RATES

Deposit Rates

During the week ending 30th April 2021, minimum and maximum deposit rates for all classes of deposits remained unchanged at the 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 (%)
2-Apr-21	1.57	4.04	5.19	10.83	6.79	11.80
9-Apr-21	1.57	4.04	5.03	11.19	6.84	11.87
16-Apr-21	1.57	4.04	5.03	11.09	6.84	11.87
23-Apr-21	1.57	4.04	5.03	10.71	6.82	11.78
30-Apr-21	1.57	4.04	5.03	10.71	6.82	11.78

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Commercial bank minimum and maximum lending rates for individuals and commercial clients remained unchanged, during the week under review, as shown in Table 2.

Table 2: Lending Rates (per annum)

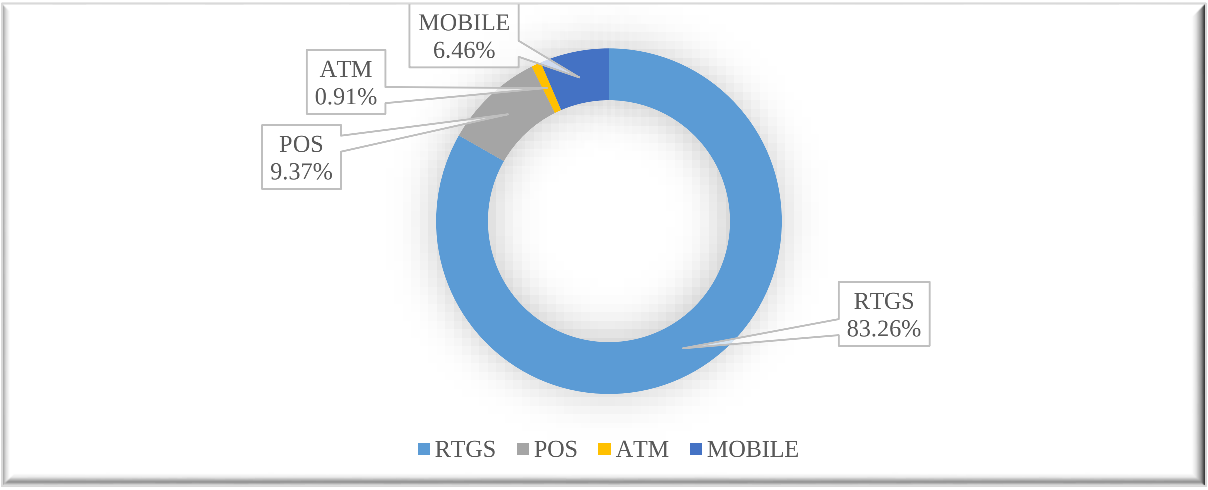
Date	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
	Individual Clients		Corporate Clients	
2-April-21	35.83	55.77	22.61	59.03
9-Apr-21	35.34	57.28	22.32	59.39
16-Apr-21	35.34	57.28	22.32	59.39
23-Apr-21	35.22	57.08	22.59	59.75
30-Apr-21	35.22	57.08	22.59	59.75

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions amounting to ZW$96.81 billion were processed through the National Payment System (NPS) as at the close of the week ending 30th April 2021, up from ZW$73.22 billion in the previous week. Real Time Gross Settlement (RTGS) transactions rose by 32.25% to close at ZW$80.60 billion, during the same week. In value terms, the distribution of NPS transactions was as follows: RTGS, 83.26%; POS, 9.37%; Mobile, 6.46% and ATM, 0.91%.

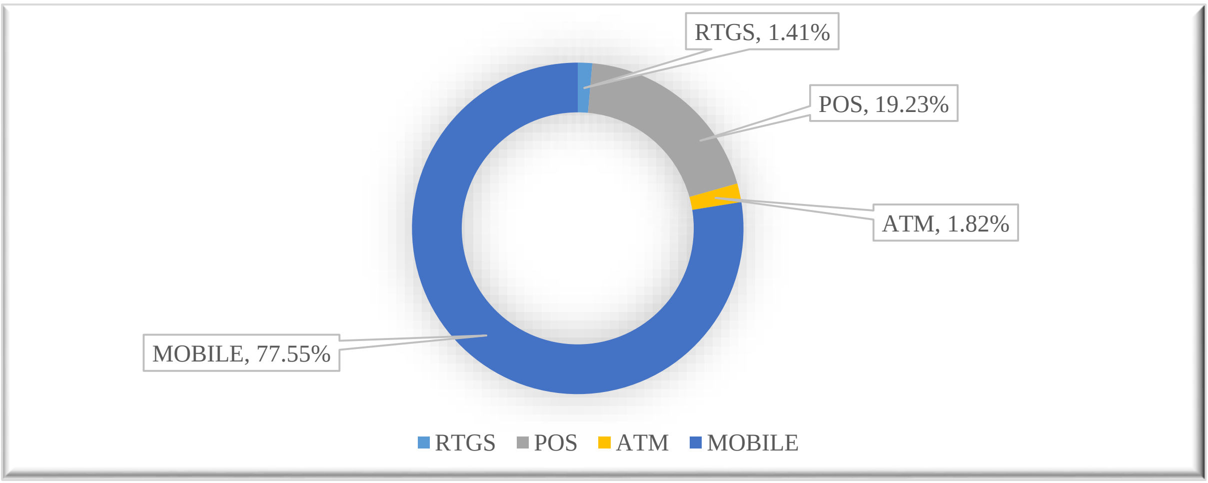
Figure 1: Composition of NPS Transactions in Value Terms



88Source: Reserve Bank of Zimbabwe, 2021

NPS transaction volumes were 11.82% higher, closing the week under review at 23.11 million transactions. The NPS transaction volumes were distributed as follows: Mobile, 77.55%; POS, 19.23%; ATM, 1.82% and RTGS, 1.41%.

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 23rd APRIL 2021	WEEK ENDING 30th APRIL 2021	% CHANGE FROM LAST WEEK	PROPORTION %
	Values in ZW$ Millions			
RTGS	59,596.94	80,604.93	35.25%	83.26%
POS	7,877.24	9,069.74	15.14%	9.37%
ATM	526.26	884.82	68.14%	0.91%
MOBILE	5,223.98	6,253.83	19.71%	6.46%
TOTAL	**73,224.41**	**96,813.32**	**32.21%**	**100%**
	Volumes			
RTGS	177,770	325,352	83.02%	1.41%
POS	4,110,237	4,444,641	8.14%	19.23%
ATM	375,940	420,139	11.76%	1.82%
MOBILE	16,006,899	17,924,170	11.98%	77.55%
TOTAL	**20,670,846**	**23,114,302**	**11.82%**	**100%**

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 30th April 2021, the international prices for platinum, copper, nickel, and crude oil firmed. Gold prices, however, retreated as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week-ending 30th April 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US$/ounce	US$/ounce	US$/tonne	US$/tonne	US$/barrel
Weekly Average (19 – 23 April)	**1,782.60**	**1,208.20**	**9,443.00**	**16,080.20**	**66.03**
26-Apr	1,776.50	1,233.00	9,758.00	16,449.00	65.95
27-Apr	1,782.08	1,242.00	9,898.50	16,914.00	66.46
28-Apr	1,768.18	1,220.50	9,832.50	17,223.00	66.96
29-Apr	1,768.65	1,215.50	9,990.00	17,433.00	67.79
30-Apr	1,768.23	1,213.50	9,919.00	17,477.00	66.44
Weekly Average (26 – 30 April)	**1,772.73**	**1,224.90**	**9,879.60**	**17,099.20**	**66.72**
Weekly Change (%)	*-0.6*	*1.4*	*4.6*	*6.3*	*1.0*

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices retreated marginally during the week, weighed down by the US Federal Reserve's decision to maintain interest rates and its bond-buying program steady after its policy meeting. The US Federal Reserve indicated that although the US economy was poised for strong growth, there was still need for its support to aid economic recovery. Resultantly, the price of the yellow metal eased by 0.6%, from a weekly average of US$1,782.60 per ounce in the previous week to US$1,772.73 per ounce, during the week ending 30th April 2021.

Platinum

Platinum prices remained buoyant, as the metal continued to get support from strong industrial demand. The strong demand recovery largely emanated from tightening emissions controls, especially in Europe and China. Platinum is predominantly used for emissions control mechanisms in diesel engine vehicles. Against this backdrop, the average platinum price rose by 1.4% to close the week under review at US$1,224.90 per ounce.

Copper

Copper prices continued on a positive trajectory, gaining by 4.6% from a weekly average of US$9,443.00 per ounce in the previous week to US$9,879.60 per tonne, during the week under analysis. The red metal has benefited from a push toward cleaner energy sources, a development which boosted consumption of the metal, widely used in electric vehicles and solar power systems.

Nickel

Nickel prices rebounded during the week ending 30th April 2021, driven by strong demand, particularly in China's stainless steel industries. This followed reports of robust factory activity in the economy of the Asian giant, during the first quarter of 2021. Accordingly, prices firmed by 6.3%, from a weekly average of US$16,080.20 per ounce in the prior week to US$17,099.20 per tonne, during the week under review.

Brent Crude Oil

The average price of crude oil also rose by 0.1%, from a weekly average of US$66.03 per barrel in the previous week to US$66.72 per barrel, during the week under analysis. The increase was underpinned by signs of global economic recovery and bullish forecasts of recovery in the demand of the commodity. Concerns of rising COVID-19 cases in India, Japan and Brazil, however, capped the increase.

4. EXCHANGE RATE DEVELOPMENTS

During the week ending 30th April 2021, the Zimbabwe dollar (ZW$) traded steadily against the US dollar, easing by 0.01% against the greenback, from an average of ZW$84.4826 per US$1 in the previous week to ZW$84.4950 per 1 US$1. Developments in selected exchange rates are shown in Table 5.

Table 5: International Exchange Rates[1]

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (20 - 23 April)	**84.4826**	**5.9198**	**117.6780**	**7.8119**	**101.6993**
26-Apr	84.4826	5.9189	117.4351	7.8236	102.2958
27-Apr	84.4826	5.9207	117.3759	7.8191	102.0170
28-Apr	84.5032	5.8720	117.3329	7.8171	102.0210
29-Apr	84.5032	5.9400	117.9497	7.7918	102.5744
30-Apr	84.5032	5.9648	119.1619	7.9053	103.6217
Weekly Average (26 – 30 April)	**84.4950**	**5.9233**	**117.8511**	**7.8314**	**102.5060**
Appr(-)/Depr(+) (%) of the ZWL	*0.01*	*0.1*	*0.1*	*0.2*	*0.8*

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was bullish, with most major indices registering gains, during the week ending 30th April 2021. Resultantly, the All Share, Top 10 and Top 15 indices increased by 4.43%, 3.76%, and 3.59% to close at 4 641.11 points, 2 660.37 points and 3 023.66 points, respectively.

Market indices were supported by increases in share prices for Nampak Zimbabwe Limited (45.84%), Lafarge Cement Zimbabwe Limited (25.00%), Getbucks Financial Holdings Limited (20.00%), ZB Financial Holdings Limited (18.42%) and Almagamated Regional Trading (Art) (17.91%). The aforementioned gains were partially offset by declines in the share prices of Starafrica corporation Limited (14.34%), National Tyre Services Limited (11.11%), Medtech Holdings Limited (10.62%), Ariston Holdings Limited (6.08%) and Zimplow Holdings Limited (2.53%).

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

The mining index rose by 6.0% to 5 061.28 points during the week under analysis. This was largely underpinned by an increase of 8.98% in the share price for Bindura Nickel Corporation Limited. Share prices for RioZim Limited remained static.

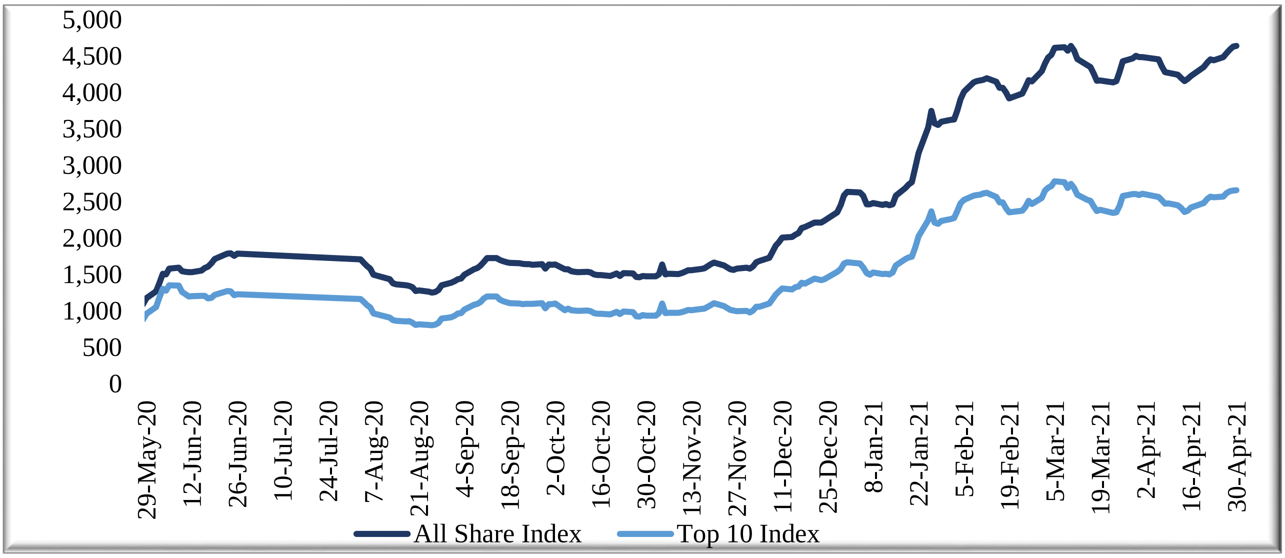
Table 6: Zimbabwe Stock Exchange Statistics[2]

	All Share Index Points	Top 10 index (points)	Top 15 Index[3] points	Medium Cap[3] (points)	Small Cap[3] (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
26- March-21	4 432.50	2 580.33	2 949.65	10 487.48	47 327.53	5 532.09	521.69	463.29	27.89
1-April-21	4 488.78	2 610.46	2 977.97	10 640.47	47 749.22	5 317.90	530.80	322.54	30.59
9-April-21	4 270.34	2 479.11	2 790.88	10 117.07	47 343.47	5 587.95	498.88	581.52	56.84
16-April-21	4 226.47	2 421.68	2 757.75	10 225.21	46 792.22	5 296.93	493.10	679.26	36.22
23-April-21	4 444.19	2 563.85	2 918.92	10 706.35	43 231.89	4 774.73	517.58	811.04	70.70
30-April-21	4 641.11	2 660.37	3 023.66	11 330.52	43 054.55	5 061.28	540.75	939.24	50.20
% Change	**4.43**	**3.76**	**3.59**	**5.83**	**-0.41**	**6.00**	**4.48**	**15.81**	**-29.00**

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 1 shows developments on the ZSE's All Share, Top 10 and mining indices for the period from the 29th May 2020 to the 30th April 2021.

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



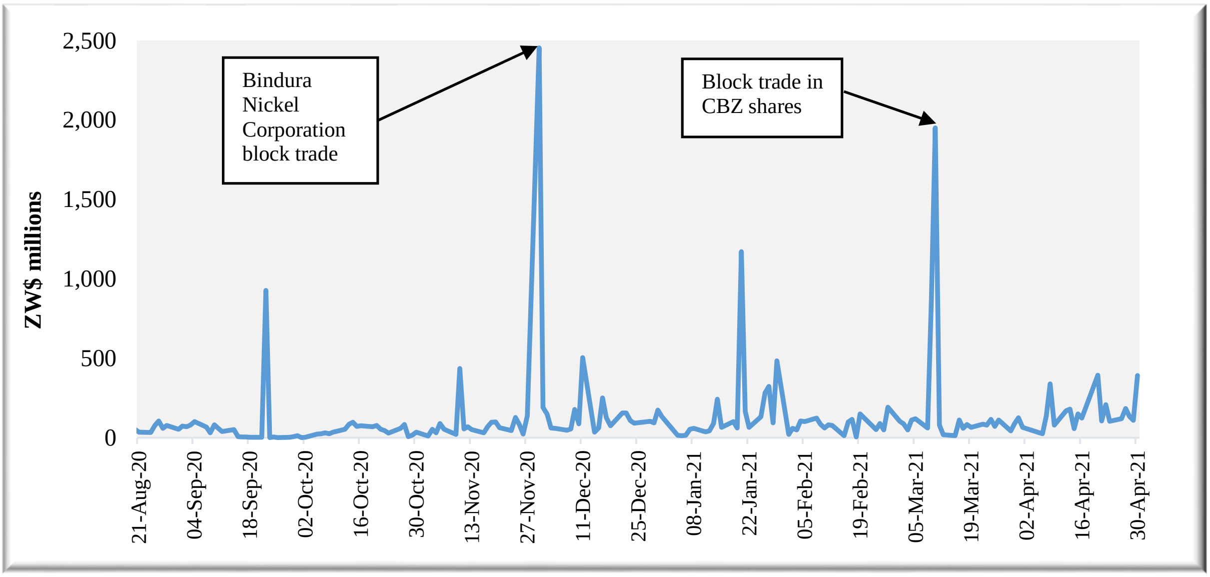
Source: Zimbabwe Stock Exchange, 2021

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.

Market Turnover and Volume

Despite improved trading activity during the week under review, the cumulative volume of shares traded decreased by 29.0% to 50.20 million shares. The value of shares traded, however, increased by 15.81% to ZW$939.24 million. Figure 2 shows the trend in daily market turnover for the period from 21st Aug 2020 to 30th April 2021.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

Following positive trading on the ZSE, the local bourse gained ZW$23.17 billion, or 4.48% worth of market capitalisation to close at ZW$540.75 billion, during the week ending 30th April 2021. This compares with market capitalisation of ZW$517.58 billion recorded in the previous week.

Figure 5: Daily Market Capitalization in ZW$ billions

Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

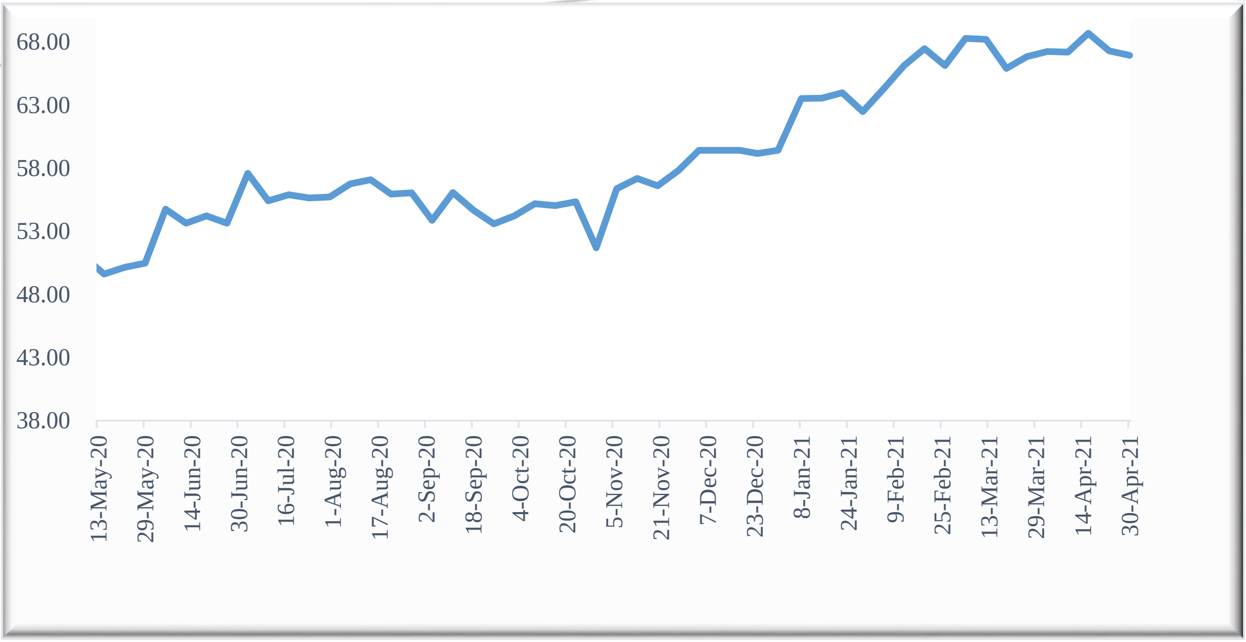
During the week ending 30th April 2021, the Johannesburg Stock Exchange (JSE) All share index registered losses to close at 66,937 points, from 67,295.74 points in the previous week. Similarly, JSE market capitalization declined by 0.10% to close at ZAR19.31 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
26-March-21	66,833.99	19.35
2-April-21	67,236.31	19.41
9-April-21	67,191.27	19.34
16-April-21	68,698.78	19.63
23-April-21	67,295.74	19.33
30-April-21	66,937.00	19.31
% Change	**-0.53**	**-0.10**

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[3] AND SMEFX[4]

	MAINFX				SMEFX			
	9-Apr-21	16-Apr-21	23-Apr-21	30-Apr-21	9-Apr-21	16-Apr-21	23-Apr-21	30-Apr-21
Total Bids (US$ dollars)	23,191,023.66	29,174,807.16	30,207,699.94	31,387,680.99	2,059,745.29	3,749,275.87	3,900,835.28	4,385,395.92
Amount Allotted (US$ dollars)	23,191,023.66	29,174,807.16	30,207,699.94	31,387,680.99	2,059,745.29	3,749,275.87	3,900,835.28	4,385,395.92
Highest Rate	87	87	89	87.3	87.5	87.5	88	88
Lowest Rate	82	82	82	82	82	82	82	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	84.3970	84.4827	84.4826	84.5032	84.3970	84.4827	84.4826	84.5032
Number of Bids Received	226	316	332	335	171	298	310	352
Number of Bids Rejected	36	49	65	70	27	41	57	59

Source: Reserve Bank of Zimbabwe, 2021

[3] Main Foreign Currency Auction

[4] Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	9-Apr-21	16-Apr-21	23-Apr-21	30-Apr-21	9-Apr-21	16-Apr-21	23-Apr-21	30-Apr-21
Raw Materials	11,049,489.74	13,631,643.45	12,258,325.81	12,746,653.11	532,813.59	1,045,035.55	1,030,911.59	990,218.19
Machinery and Equipment	4,671,962.75	5,573,039.47	5,698,750.65	5,526,550.37	387,153.98	709,343.36	773,605.26	934,414.01
Consumables (Incl. Spares, Tyres, Packaging)	1,681,657.81	1,464,270.32	2,726,391.14	2,358,267.78	507,803.04	962,300.09	733,886.14	1,124,974.63
Pharmaceuticals and Chemicals	1,082,138.71	1,908,556.73	1,518,160.80	1,624,061.22	133,365.58	163,698.61	409,657.02	297,221.30
Services (Loans, Dividends and Disinvestments)	1,752,384.92	2,410,695.77	2,241,848.94	2,018,322.78	162,158.26	223,047.33	304,363.14	265,386.45
Retail and Distribution	1,423,411.02	2,319,489.46	2,786,171.86	2,609,517.37	156,723.84	366,024.43	277,714.13	355,253.43
Fuel, Electricity and Gas	1,258,426.38	1,747,149.46	2,186,334.60	3,348,728.98	119,937.00	176,263.34	215,992.65	265,435.96
Paper and Packaging	271,552.33	119,962.50	791,716.14	1,155,579.38	59,790.00	103,563.16	154,705.35	152,491.95
TOTAL	**23,191,023.66**	**29,174,807.16**	**30,207,699.94**	**31,387,680.99**	**2,059,745.29**	**3,749,275.87**	**3,900,835.28**	**4,385,395.92**

Source: Reserve Bank of Zimbabwe, 2021