



Weekly Economic Highlights

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Week Ending
10th December 2021

1. INTEREST RATES

Deposit Rates

During the week ending 10th December 2021, minimum and maximum deposit rates for all classes of deposits remained largely unchanged, 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 (%)
12-Nov-21	2.79	5.29	8.06	12.67	9.08	13.92
19-Nov-21	2.96	5.33	10.47	13.34	10.71	15.05
26-Nov-21	2.96	5.33	10.47	13.34	10.71	15.05
3-Dec-21	2.96	5.33	10.75	14.17	11.11	15.05
10-Dec-21	2.96	5.33	10.75	14.17	11.11	15.05

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Commercial bank minimum and maximum lending rates for both individual and corporate clients also remained unchanged, during the week under review, as shown in Table 2.

Table 2: Lending Rates (per annum)

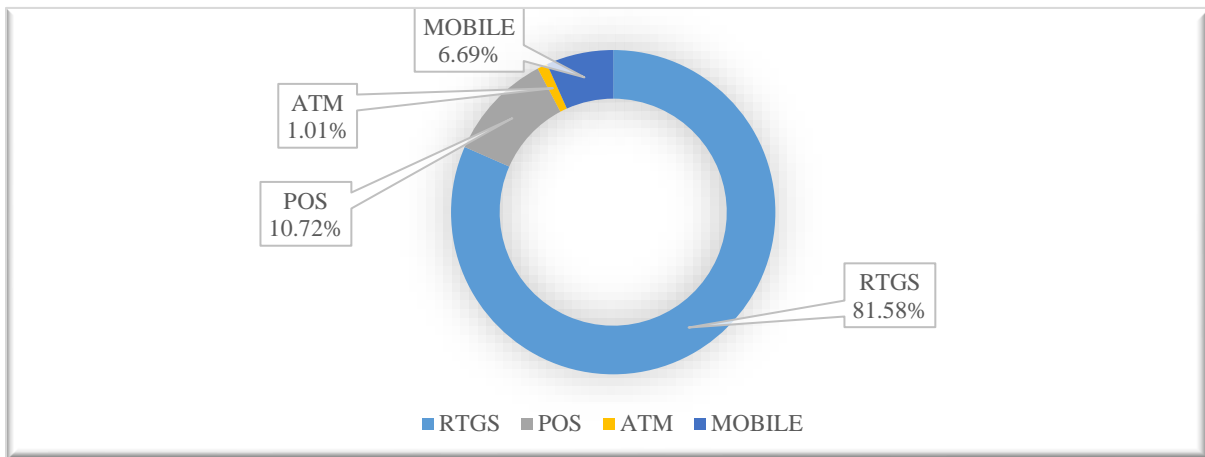
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
12-Nov-21	39.20	58.55	43.97	59.14
19-Nov-21	39.13	58.74	38.10	64.38
26-Nov-21	39.13	58.74	38.10	64.38
3-Dec-21	38.79	58.67	38.14	64.47
10-Dec-21	38.79	58.67	38.14	64.47

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) stood at \$159.66 billion during the week under review, down by 3.82% from \$166.01 billion recorded during the week ending 3rd December 2021. Real Time Gross Settlement (RTGS) transaction values declined by 5.65% to close at \$130.25 billion, during the same week. The NPS transaction values were distributed as follows: RTGS, 81.58%, POS, 10.72%; Mobile, 6.69%; and ATM, 1.01%.

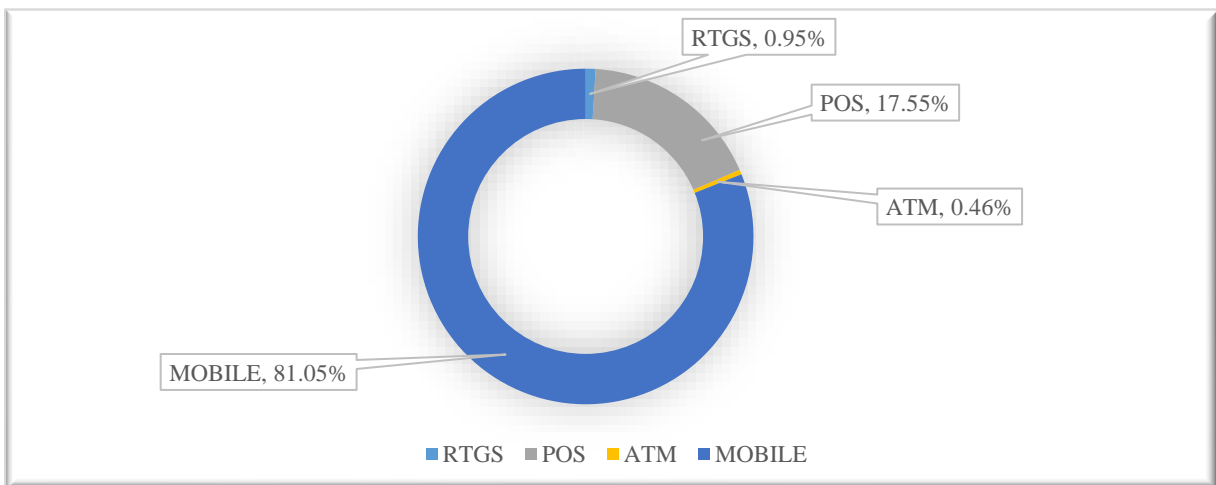
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The week under analysis saw NPS transaction volumes increase by 10.54%, from 24.89 million in the previous week to close at 27.62 million. NPS transaction volumes were distributed as follows: Mobile, 81.05%; POS, 17.55%; RTGS, 0.95%; and ATM, 0.46%, as shown in Figure 2.

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 3 rd December 2021	WEEK ENDING 10 th December 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	138,045.50	130,245.35	-5.65%	81.58%
POS	17,199.48	17,122.34	-0.45%	10.72%
ATM	1,877.35	1,614.79	-13.99%	1.01%
MOBILE	8,882.77	10,673.77	20.16%	6.69%
TOTAL	166,005.10	159,656.24	-3.82%	100%
Volumes				
RTGS	300,407	261,006	-13.12%	0.95%
POS	4,744,056	4,846,193	2.15%	17.55%
ATM	125,427	126,320	0.71%	0.46%
MOBILE	19,724,661	22,383,805	13.48%	81.05%
TOTAL	24,894,551	27,617,324	10.94%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, international commodity prices for gold, platinum, copper, and nickel retreated. Brent crude oil prices, however, firmed. Table 4 shows the developments in international commodity prices, during the week ending 10th December 2021.

Table 4: Metal and Crude Oil Prices for the week ending 10th December 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (29 Nov – 3 December)	1,784.08	949.40	9,592.00	20,286.00	71.49
6-Dec	1,779.94	933.00	9,526.00	19,980.00	73.54
7-Dec	1,780.50	951.00	9,647.00	20,305.00	75.10
8-Dec	1,786.80	955.00	9,256.50	19,200.00	75.10
9-Dec	1,779.78	947.00	9,422.00	19,445.00	74.21
10-Dec	1,775.83	943.50	9,422.00	19,445.00	75.27
Weekly Average (6 - 10 December)	1,780.57	945.90	9,454.70	19,675.00	74.64
Weekly Change (%)	-0.2	-0.4	-1.4	-3.0	4.4

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices continued in negative territory, largely on account of a stronger US dollar and investor expectations that the US Federal Reserve would accelerate stimulus tapering, amid growing concerns about rising inflation. Prices declined by 0.2%, from a weekly average of

US\$1,784.08 per ounce in the preceding week to an average of US\$1,780.57 per ounce, during the week under review.

Platinum

Platinum prices retreated due to subdued demand for the metal, on the back of the persistent global shortage of semi-conductor chips, which led to a cut in production in automotive industries. Platinum is predominantly used in emissions control systems that reduce harmful emissions from internal combustion engine vehicles. The investment demand outlook for metals was further dented by a stronger US dollar. Prices fell by 0.4%, from a weekly average of US\$949.40 per ounce to US\$945.90 per ounce, during the week under review.

Copper

Copper prices fell by 1.4%, from a weekly average of US\$9,592.00 per tonne in the week ending 3rd December 2021, to US\$9,454.70 per tonne during the week ending 10th December 2021. A stronger greenback made US dollar priced commodities more expensive to holders of other currencies, weighing down on copper prices

Nickel

Nickel prices declined by 3.0%, from a weekly average of US\$20,286.00 per tonne in the previous week to US\$19,675.00 per tonne, during the week under analysis. The decline in the base metal price was underpinned by a stronger US dollar and weak demand, particularly from the stainless-steel sub-sector.

Brent Crude Oil

Brent crude oil prices firmed, buoyed by easing concerns over the potential adverse impact of the Omicron coronavirus variant, on global economic growth and the demand for fuel. The delay in Iran nuclear talks also supported oil prices, as it signified the delay in the return of Iranian oil into the world market. Weekly average crude oil prices increased by 4.4%, from US\$71.49 per barrel in the previous week to US\$74.64 per barrel, during the week under review.

4. EXCHANGE RATE DEVELOPMENTS

During the week ending 10th December 2021, the Zimbabwe dollar (ZW\$) depreciated against the US dollar by 1.7%, from an average of ZW\$105.6795 per US\$1 in the previous week to close the week at an average of ZW\$107.4765 per US\$1. The developments in selected exchange rates are shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (29 Nov – 3 Dec)	105.6795	6.6281	140.8172	9.0066	119.5053
6-Dec	105.6896	6.5854	139.8543	8.9790	119.3027
7-Dec	105.6896	6.6578	140.4146	8.9790	119.3027
8-Dec	108.6678	6.8587	144.0338	8.9790	119.3027
9-Dec	108.6678	6.9085	143.5557	8.9790	119.3027
10-Dec	108.6678	6.7958	143.6752	8.9790	119.3027
Weekly Average (6 - 10 December)	107.4765	6.7612	142.3067	8.9790	119.3027
Appr(-)/Depr(+) (%) of the ZWL	<i>1.7</i>	<i>2.0</i>	<i>1.1</i>	<i>-0.3</i>	<i>-0.2</i>

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

During the week ended 10th December 2021, the Zimbabwe Stock Exchange (ZSE) exhibited bearish sentiments, resulting in all major indices registering losses. The All Share, Top 10 and Top 15 indices shed 2.69%, 3.05% and 2.96% to close at 10 596.90 points, 6 668.26 points and 7 342.72 points, respectively.

The decline in the mainstream index was a result of share price losses for General Beltings Holdings Limited (17.50%), Medtech Holdings Limited Class B (11.11%), African Distillers Limited (10.28%), Simbisa Brands Limited (7.41%) and Fidelity Life Assurance Limited (4.17%). The losses were partially offset by gains in share prices for Getbucks Financial Services Limited (22.22%), National Foods Holdings Limited (9.09%), Turnall Holdings Limited (9.09%), African Sun Limited (8.41%) and Axia Corporation Limited (6.94%).

The resources index, however, gained 1.46% to close at 7 586.54 points. The rise in the mining index emanated from a 2.34% increase in the share price for Bindura Nickel Corporation Limited (BNC). Shares for RioZim Limited traded at the same price as in the previous week.

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

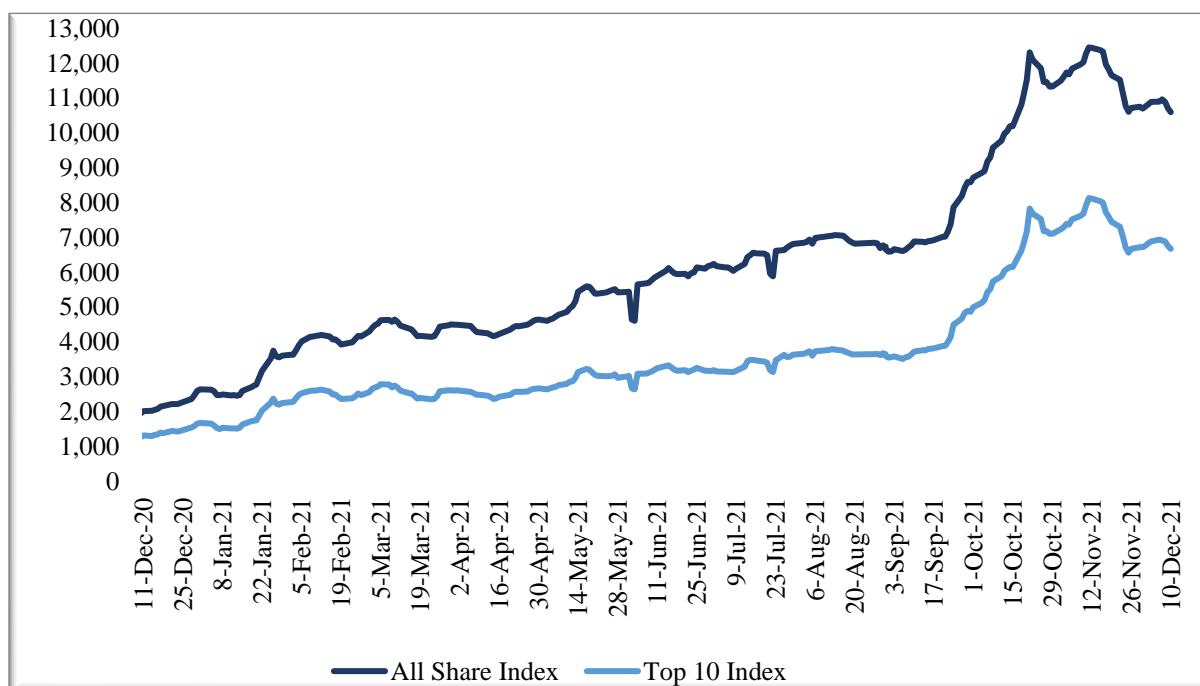
Table 6: Zimbabwe Stock Exchange Statistics²

	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL billion)	Market Turnover (ZWL million)	Volume of Shares (million)
5-Nov-21	11,846.33	7,513.24	8,298.69	22,207.30	369,643.93	6,841.96	1,441.02	760.67	19.66
12-Nov-21	12,442.42	8,112.62	8,877.14	21,678.17	398,342.34	6,858.49	1,511.70	1,529.89	39.13
19-Nov-21	11,650.82	7,439.12	8,204.46	21,385.45	404,665.76	6,798.82	1,406.85	1,930.09	66.28
26-Nov-21	10,712.88	6,671.57	7,422.06	20,833.19	398,010.12	6,966.06	1,284.90	5,056.70	646.33
3-Dec-21	10,890.02	6,878.02	7,566.82	20,453.96	392,728.15	7,477.53	1,330.59	12,802.37	153.13
10-Dec-21	10,596.90	6,668.26	7,342.72	20,037.53	386,608.45	7,586.54	1,293.94	1,044.56	13.55
% Change	-2.69	-3.05	-2.96	-2.04	-1.56	1.46	-2.75	-91.84	-91.15

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows the trend in daily market turnover for the period 11th December 2020 to 10th December 2021.

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



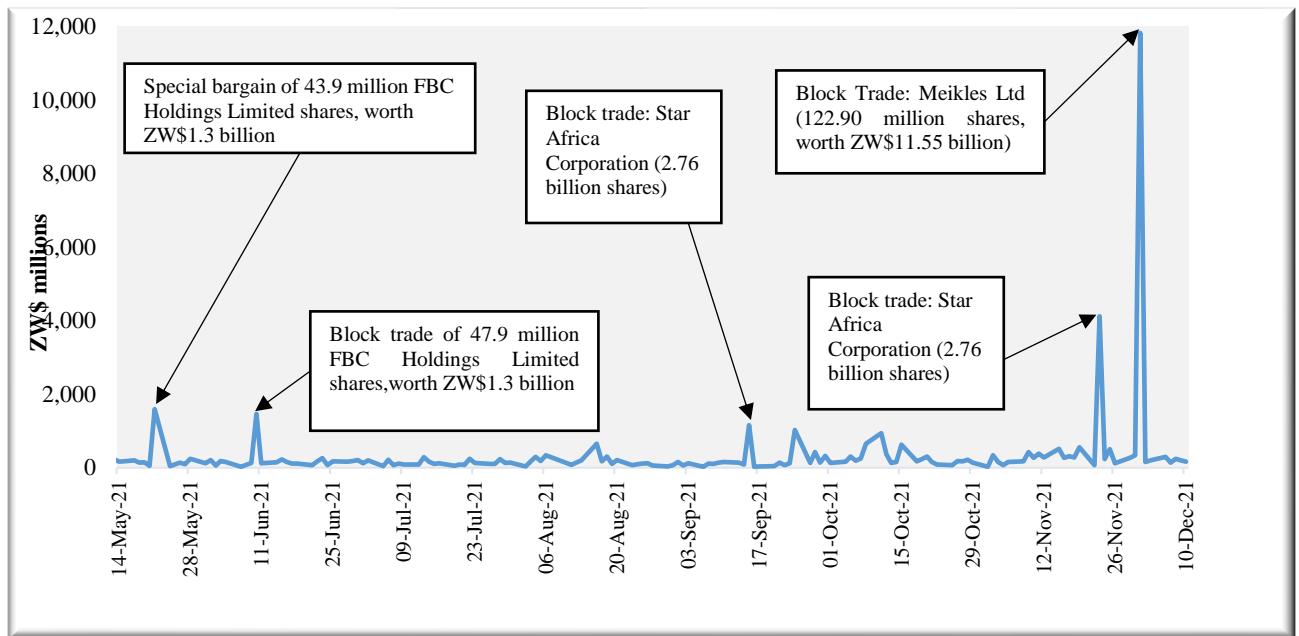
Source: Zimbabwe Stock Exchange, 2021

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

As a consequence of subdued trading activity during the week under review, the cumulative volume and value of shares traded on the ZSE declined by 91.15% and 91.84% to 13.55 million shares and ZW\$1.04 billion, respectively. Figure 4 shows the trend in daily market turnover for the period from 14th May 2021 to 10th December 2021.

Figure 4: Daily Market Turnover



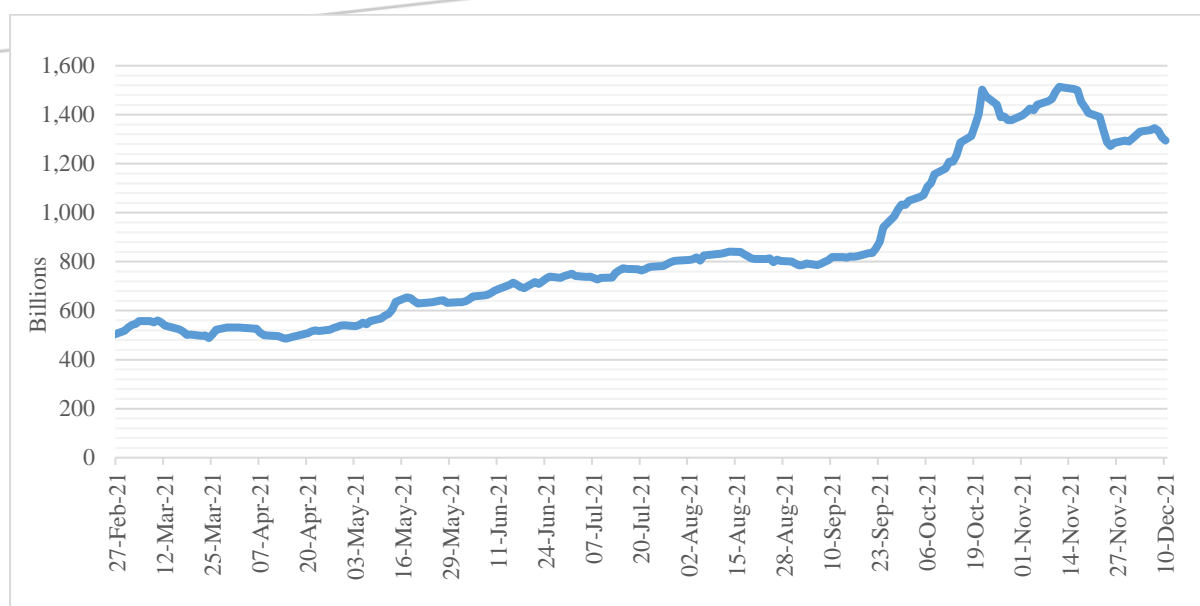
Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

In line with the developments on the local bourse, the market lost ZW\$36.65 billion, or 2.75% worth of capitalization to close at ZW\$1 293.94 billion, during the week under review, compared to the previous week's position of ZW\$1 330.59 billion.

Figure 5 shows market capitalization developments for the period 27th February 2021 to 10th December 2021.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

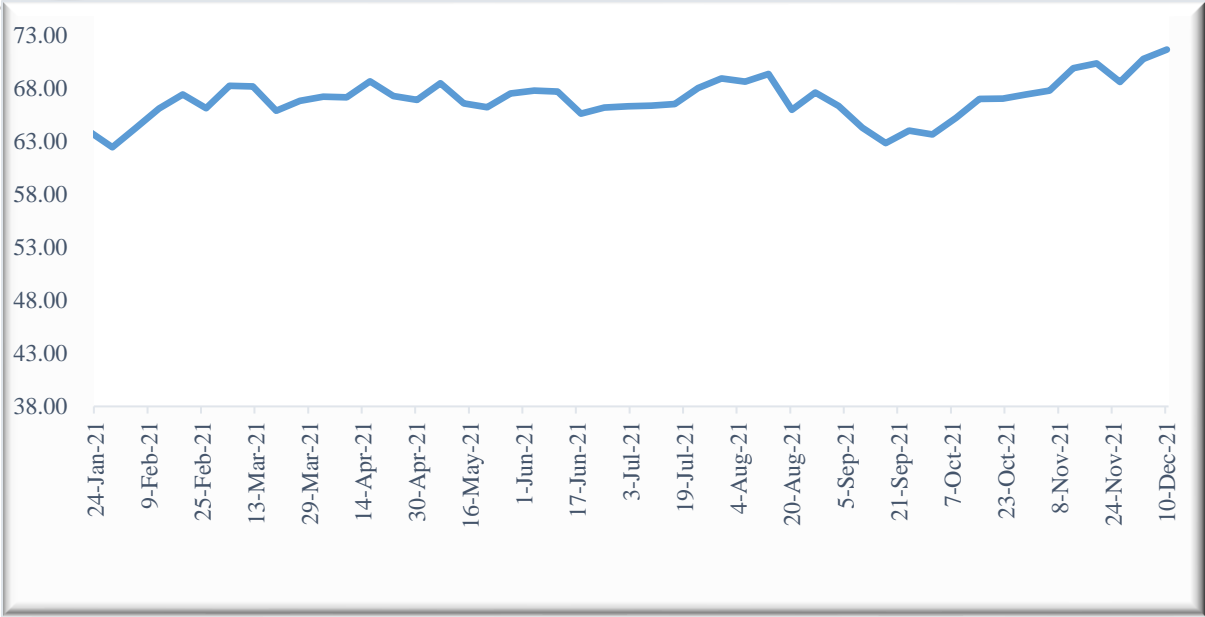
During the week under analysis, the Johannesburg Stock Exchange (JSE) All Share Index increased by 1.24% to 71,686.33 points, from 70,807.60 points in the previous week. JSE market capitalization rose by 1.88% to close at ZAR20.04 trillion in the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
5-Nov-21	67,825.34	19.25
12-Nov-21	69,921.37	19.68
19-Nov-21	70,376.42	19.94
26-Nov-21	68,614.98	19.53
3-Dec-21	70,807.60	19.67
10-Dec-21	71,686.33	20.04
% Change	1.24	1.88

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2021

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 MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	19-Nov-21	26-Nov-21	3-Dec-21	10-Dec-21	19-Nov-21	26-Nov-21	3-Dec-21	10-Dec-21
Total Bids (US\$ dollars)	36,228,651.92	35,823,599.17	32,681,877.66	34,672,497.78	5,520,428.32	6,126,934.27	6,466,518.27	6,147,829.66
Amount Allotted (US\$ dollars)	36,228,651.92	35,823,599.17	32,681,877.66	34,672,497.78	5,520,428.32	6,126,934.27	6,466,518.27	6,147,829.66
Highest Rate	120	120	120	125	120	122	125	125
Lowest Bid Rate	99	99.3	100	100	98	97	100	100
Lowest Bid Rate Allotted	99	99.3	100	100	98	97	100	100
Weighted Average Rate	105.6965	105.6684	105.6896	108.6678	105.6965	105.6684	105.6896	108.6678
Number of Bids Received	623	653	604	521	881	913	923	770
Number of Bids Rejected	203	274	236	117	188	312	311	210

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			
	19-Nov-21	26-Nov-21	3-Dec-21	10-Dec-21	19-Nov-21	26-Nov-21	3-Dec-21	10-Dec-21
Raw Materials	17,774,247.85	14,665,382.00	12,886,823.83	14,048,652.00	1,405,954.73	1,805,198.95	2,027,946.14	1,763,630.63
Machinery and Equipment	8,131,714.77	10,492,426.53	9,563,903.99	10,549,444.22	1,922,137.75	2,044,693.46	2,134,470.16	2,286,330.76
Consumables (Incl. Spares, Tyres, Packaging)	2,722,912.23	3,931,085.91	3,098,825.50	3,081,031.44	918,202.29	890,596.01	813,235.15	637,511.53
Pharmaceuticals and Chemicals	1,797,632.32	1,392,699.64	1,830,950.66	1,476,312.67	239,740.13	251,806.52	344,411.39	351,252.03
Services (Loans, Dividends and Disinvestments)	2,333,735.28	2,143,797.77	1,972,011.01	1,994,435.40	452,103.47	532,299.17	549,730.63	497,741.21
Retail and Distribution	2,392,568.40	2,455,681.47	2,506,916.23	2,850,071.31	444,542.24	475,846.20	467,852.29	458,991.16
Fuel, Electricity and Gas	55,497.02	0.00	160,008.59	0.00	16837.16	0.00	0.00	9,970.00
Paper and Packaging	1,020,344.05	742,525.85	662,437.85	672,550.74	120,964.55	126,493.96	128,872.51	142,402.34
TOTAL	36,228,651.92	35,823,599.17	32,681,877.66	34,672,497.78	5,520,482.32	6,126,934.27	6,466,518.27	6,147,829.66

Source: Reserve Bank of Zimbabwe, 2021