



# Weekly Economic Highlights

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Week Ending  
24<sup>th</sup> December 2021

## 1. INTEREST RATES

### Deposit Rates

Minimum and maximum deposit rates for all classes of deposits remained unchanged at previous week levels, during the week ending 24<sup>th</sup> December 2021, 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 (%)
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
17-Dec-21	3.04	5.26	11.38	14.33	11.72	15.05
24-Dec-21	3.04	5.26	11.38	14.33	11.72	15.05

Source: Reserve Bank of Zimbabwe, 2021

### Lending Rates

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

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

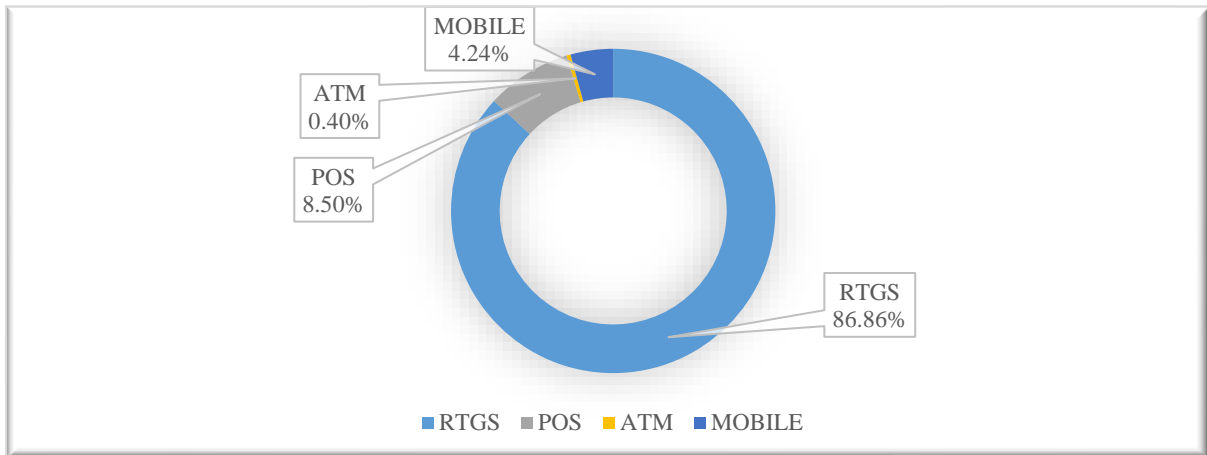
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
26-Nov-21	39.13	58.74	38.10	64.38
3-Dec-21	38.79	58.67	38.14	64.47
10-Dec-21	38.79	58.67	38.14	64.47
17-Dec-21	38.97	58.60	38.20	63.89
24-Dec-21	38.97	58.60	38.20	63.89

Source: Reserve Bank of Zimbabwe, 2021

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, the value of transactions processed through the National Payment Systems (NPS) increased by 4.51% to \$221.56 billion. Real Time Gross Settlement (RTGS) transaction rose by 2.51% to \$192.44 billion, during the same week. In proportions, NPS transaction values were distributed as follows: RTGS, 86.86%, POS, 8.50%; Mobile, 4.24%; and ATM, 0.40%.

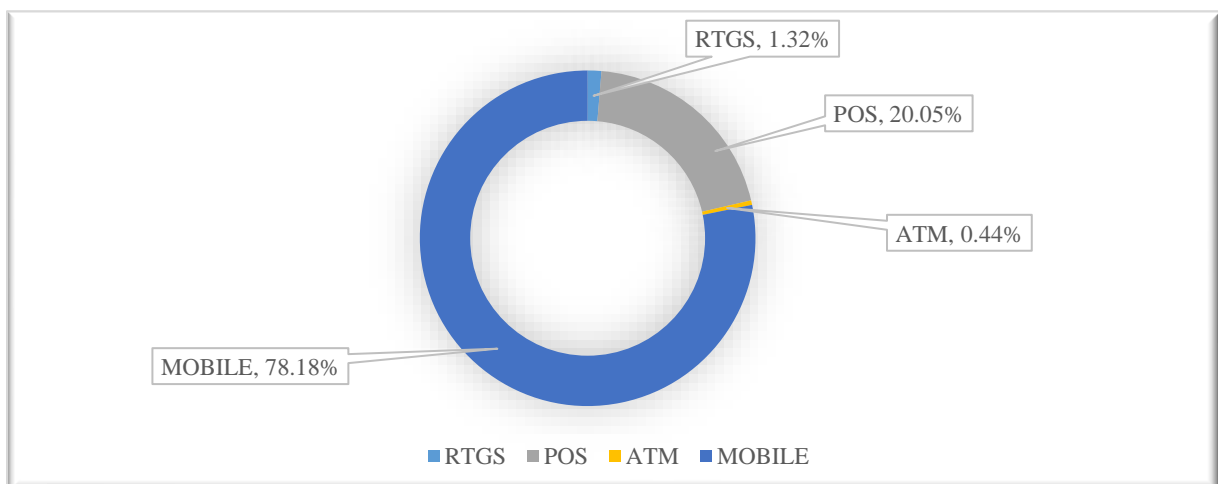
**Figure 1: Composition of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe, 2021*

The volume of NPS transactions increased by 2.36% to \$24.43 million, during the week ending 24<sup>th</sup> December 2021. In volume terms, the NPS transactions were distributed as follows: Mobile, 78.18%; POS, 20.05%; RTGS, 1.32%; and ATM, 0.44%, 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 17 <sup>th</sup> December 2021	WEEK ENDING 24 <sup>th</sup> December 2021	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	187,726.07	192,440.38	2.51%	86.86%
POS	14,799.96	18,838.63	27.29%	8.50%
ATM	1,118.71	875.52	-21.74%	0.40%
MOBILE	8,360.71	9,403.43	12.47%	4.24%
<b>TOTAL</b>	<b>212,005.45</b>	<b>221,557.96</b>	<b>4.51%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	283,522	331,034	16.76%	1.32%
POS	4,126,192	5,012,936	21.49%	20.05%
ATM	92,659	110,699	19.47%	0.44%
MOBILE	19,925,193	19,548,847	-1.89%	78.18%
<b>TOTAL</b>	<b>24,427,566</b>	<b>25,003,516</b>	<b>2.36%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2021

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, platinum, copper, nickel, and Brent Crude oil, firmed during the week ending 24<sup>th</sup> December 2021, largely driven by a weaker US dollar. Table 4 shows the developments in commodity prices, during the week under review.

**Table 4: Metal and Crude Oil Prices for the week ending 24<sup>th</sup> December 2021**

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (13 – 17 December)</b>	<b>1,786.56</b>	<b>925.90</b>	<b>9,475.55</b>	<b>19,626.00</b>	<b>73.77</b>
<b>20-Dec</b>	1,796.85	925.00	9,467.00	19,752.00	71.83
<b>21-Dec</b>	1,794.80	941.00	9,463.00	19,422.00	73.92
<b>22-Dec</b>	1,790.90	944.00	9,559.00	19,712.00	74.84
<b>23-Dec</b>	1,805.38	972.00	9,639.00	20,050.00	76.13
<b>24-Dec</b>	1,786.05	972.00	9,605.30	20,103.00	75.86
<b>Weekly Average (20 - 24 December)</b>	<b>1,794.80</b>	<b>950.80</b>	<b>9,546.66</b>	<b>19,807.80</b>	<b>74.52</b>
<b>Weekly Change (%)</b>	<i>0.5</i>	<i>2.7</i>	<i>0.8</i>	<i>0.9</i>	<i>1.0</i>

Source: BBC, KITCO and Bloomberg, 2021

#### Gold

Gold prices increased by 0.5%, from a weekly average of US\$1,786.56 per ounce in the preceding week to US\$1,794.80 per ounce, during the week under analysis. The appeal of the yellow metal was bolstered by a combination of rising US inflation and a weaker US dollar.

## **Platinum**

Platinum prices firmed, on renewed optimism about global economic recovery, amid easing concerns over the Covid-19 Omicron variant. In addition, the price of the metal was also supported by prospects of strong investment demand, as investors shifted from a weaker US dollar and other riskier assets. Prices rose by 2.7%, from a weekly average of US\$925.90 per ounce in the previous week to US\$950.80 per ounce, during the week under review.

## **Copper**

Copper prices further strengthened on account of a weaker US dollar, as investors became more optimistic about the global economic outlook, after reports showed that the Covid-19 Omicron variant was less virulent than the previous variants. As a result, prices increased by 0.8%, from a weekly average of US\$9,475.55 per tonne in the previous week to US\$9,546.66 per tonne, during the week ending 24<sup>th</sup> December 2021.

## **Nickel**

Nickel prices rebounded on account of a weaker US dollar and worries about tight supplies, at a time when global nickel inventories were low. Prices gained by 0.9%, from a weekly average of US\$19,626.00 per tonne in the previous week to US\$19,807.80 per tonne, during the week ending 24<sup>th</sup> December 2021.

## **Brent Crude Oil**

Brent crude oil prices rebounded after US government data showed that crude oil inventories had dwindled in the previous week. Prices rose by 1.0%, from a weekly average of US\$73.77 per barrel in the preceding week to US\$74.52 per barrel, during the week under analysis.

## **4. EXCHANGE RATE DEVELOPMENTS**

The exchange rate of the Zimbabwe dollar (ZWS) against the greenback remained unchanged, during the week under analysis, following the suspension of activities on the foreign exchange auction during the festive season. The developments in selected exchange rates are shown in Table 5.

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

	USD	ZAR	GBP	BWP	EURO
<b>2021</b>					
<b>Weekly Average (13 – 17 December)</b>	<b>108.6678</b>	<b>6.7852</b>	<b>144.014</b>	<b>9.2307</b>	<b>122.7295</b>
<b>20-Dec</b>	108.6660	6.8143	143.6950	9.2429	122.2549
<b>21-Dec</b>	108.6660	6.8776	143.5805	9.2484	122.5808
<b>23-Dec</b>	108.6660	6.9132	145.0746	9.2374	123.2493
<b>24-Dec</b>	108.6660	6.9493	145.6017	9.3131	123.1406
<b>Weekly Average (20 - 24 December)</b>	<b>108.6660</b>	<b>6.8886</b>	<b>144.4879</b>	<b>9.2605</b>	<b>122.8064</b>
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.0</i>	<i>1.5</i>	<i>0.3</i>	<i>0.3</i>	<i>0.1</i>

Source: Reserve Bank of Zimbabwe, 2021

## 5. EQUITY MARKETS

During the week ended 24<sup>th</sup> December 2021, there was mixed trading activity on the Zimbabwe Stock Exchange (ZSE). The All Share, Top 10 and Top 15 indices shed 0.19%, 0.10% and 0.43% to close at 9 895.68 points, 6 130.95 points and 6 760.90 points, respectively.

The marginal gain in the mainstream index was a result of share price increase for Zeco Holdings Limited (100%), First Capital Bank Limited (18.19%), Fidelity Life Assurance Limited (18.18%), Meikles Limited (17.01%) and Amalgamated Regional Trading (ART) (13.33%). Partially offsetting the aforementioned gains were losses in share prices of Medtech Holdings Limited (32.69%), Edgars Stores Limited (18%), NMBZ Holdings Limited (14.42%), Getbucks Financial Services Limited (14.29%) and FBC Holdings Limited (12.75%).

The resources index, however, gained by 1.00% to close at 7 739.08 points. The rise in the mining index emanated from a 2.63% increase in the share price for RioZim Limited.

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

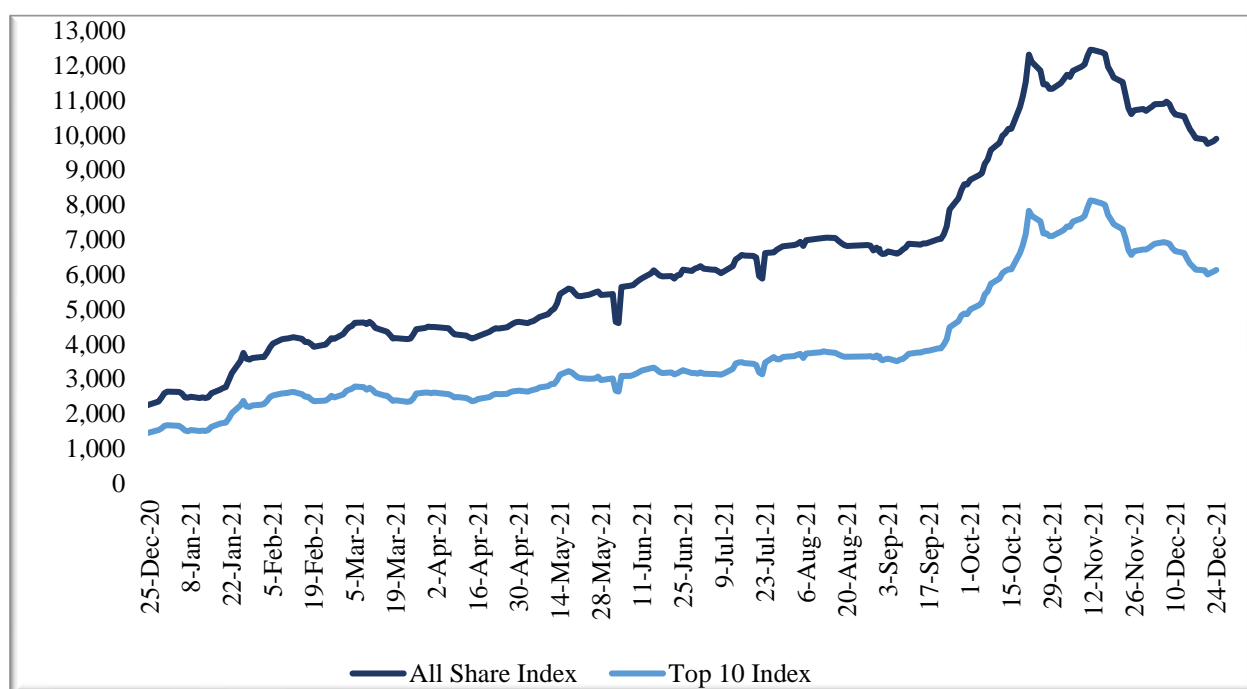
**Table 6: Zimbabwe Stock Exchange Statistics<sup>2</sup>**

	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 billion)	Market Turnover (ZWL million)	Volume of Shares (million)
<b>19-Nov-21</b>	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
<b>26-Nov-21</b>	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
<b>3-Dec-21</b>	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
<b>10-Dec-21</b>	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
<b>17-Dec-21</b>	9,914.76	6,137.22	6,789.95	19,394.51	374,354.08	7,662.79	1,200.44	757.57	10.83
<b>24-Dec-21</b>	9,895.68	6,130.95	6,760.90	19,334.87	380,623.83	7,739.08	1,203.99	2,747.06	44.19
<b>% Change</b>	<b>-0.19</b>	<b>-0.10</b>	<b>-0.43</b>	<b>-0.31</b>	<b>1.67</b>	<b>1.00</b>	<b>0.30</b>	<b>262.61</b>	<b>308.03</b>

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows the trend in daily market turnover for the period from 24<sup>th</sup> December 2020 to 24<sup>th</sup> December 2021.

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



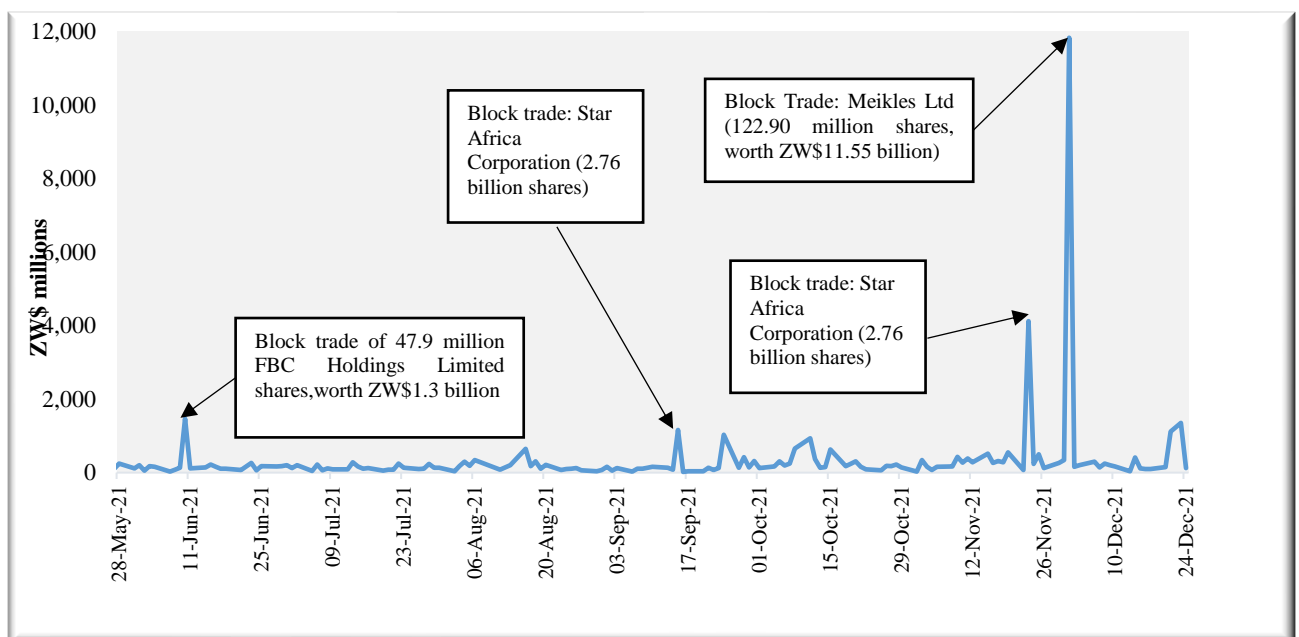
Source: Zimbabwe Stock Exchange, 2021

<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.

## Market Turnover and Volume

The cumulative volume and value of shares traded increased by 308% and 262.61% to 44.19 million shares and ZW\$2.75 billion, respectively. The surge in market turnover was largely informed by a negotiated deal, in which 8.71 million ZB Financial Holdings Limited shares exchanged hands at ZW\$77 each. Figure 4 shows the trend in daily market turnover for the period from 28<sup>th</sup> May 2021 to 24<sup>th</sup> December 2021.

**Figure 4: Daily Market Turnover**



Source: Zimbabwe Stock Exchange, 2021

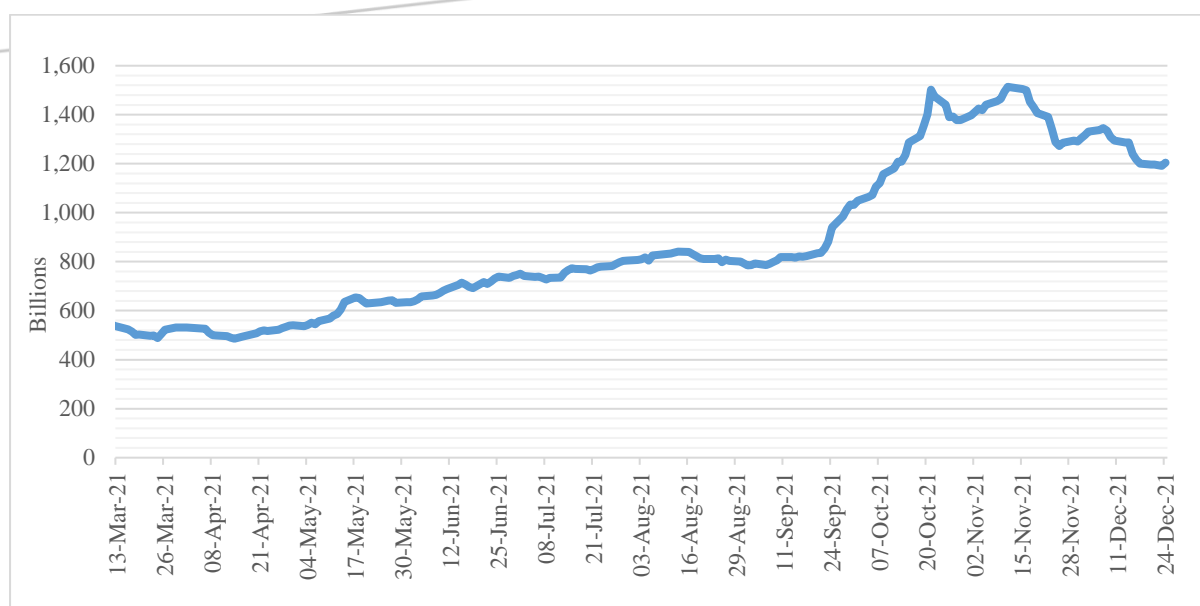
## Market Capitalization

As a result of improved trading activity on the local bourse, the market gained ZW\$3.55 billion, or 0.30% worth of capitalization to close at ZW\$1 203.99 billion, during the week under review, compared to the previous week position of ZW\$1 200.44 billion.

Figure 5 shows market capitalization developments for the period 6<sup>th</sup> March 2021 to 10<sup>th</sup> December 2021.



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



Source: Zimbabwe Stock Exchange, 2021

### Johannesburg Stock Exchange (JSE) Developments

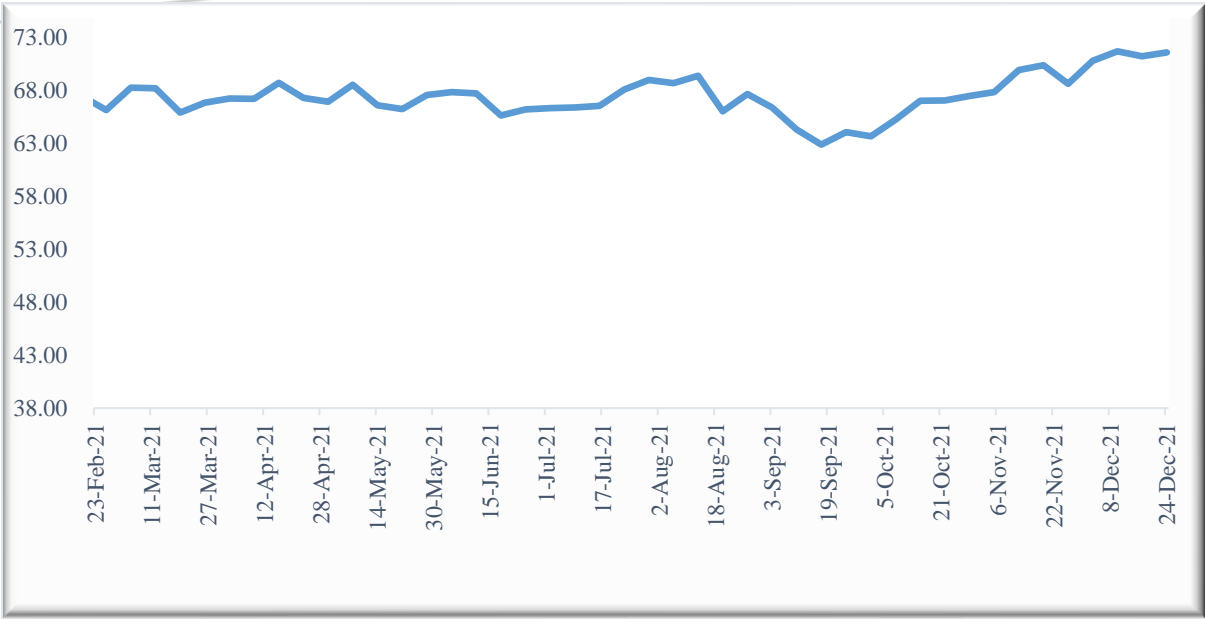
During the week ending 24<sup>th</sup> December 2021, the Johannesburg Stock Exchange (JSE) All Share Index increased by 0.152% higher to 71,570.64 points, from 71,203.13 points in the preceding week. JSE market capitalization increased by 1.11%, to close at ZAR20.03 trillion in the same week.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
17-Dec-21	71,203.13	19.81
24-Dec-21	71,570.64	20.03
<b>% Change</b>	<b>0.52</b>	<b>1.11</b>

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 MAINFX<sup>3</sup> AND SMEFX<sup>4</sup>

	MAINFX				SMEFX			
	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21
<b>Total Bids (US\$ dollars)</b>	35,823,599.17	32,681,877.66	34,672,497.78	35,102,236.84	6,126,934.27	6,466,518.27	6,147,829.66	6,675,670.74
<b>Amount Allotted (US\$ dollars)</b>	35,823,599.17	32,681,877.66	34,672,497.78	35,102,236.84	6,126,934.27	6,466,518.27	6,147,829.66	6,675,670.74
<b>Highest Rate</b>	120	120	125	125	122	125	125	126
<b>Lowest Bid Rate</b>	99.3	100	100	102	97	100	100	100
<b>Lowest Bid Rate Allotted</b>	99.3	100	100	102	97	100	100	100
<b>Weighted Average Rate</b>	105.6684	105.6896	108.6678	108.6660	105.6684	105.6896	108.6678	108.6660
<b>Number of Bids Received</b>	653	604	521	526	913	923	770	758
<b>Number of Bids Rejected</b>	274	236	117	114	312	311	210	125

*Source: Reserve Bank of Zimbabwe, 2021*

*\*The last foreign currency auction for 2021 was on 14<sup>th</sup> December 2021 and the first foreign currency auction for 2022 will be on 11<sup>th</sup> January 2022*

<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			
	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21
<b>Raw Materials</b>	14,665,382.00	12,886,823.83	14,048,652.00	15,570,248.34	1,805,198.95	2,027,946.14	1,763,630.63	2,018,353.38
<b>Machinery and Equipment</b>	10,492,426.53	9,563,903.99	10,549,444.22	9,488,158.89	2,044,693.46	2,134,470.16	2,286,330.76	2,311,651.63
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	3,931,085.91	3,098,825.50	3,081,031.44	2,834,278.31	890,596.01	813,235.15	637,511.53	802,046.62
<b>Pharmaceuticals and Chemicals</b>	1,392,699.64	1,830,950.66	1,476,312.67	1,345,307.98	251,806.52	344,411.39	351,252.03	328,024.72
<b>Services (Loans, Dividends and Disinvestments)</b>	2,143,797.77	1,972,011.01	1,994,435.40	2,214,287.84	532,299.17	549,730.63	497,741.21	575,449.58
<b>Retail and Distribution</b>	2,455,681.47	2,506,916.23	2,850,071.31	2,637,477.63	475,846.20	467,852.29	458,991.16	423,215.30
<b>Fuel, Electricity and Gas</b>	0.00	160,008.59	0.00	0.00	0.00	0.00	9,970.00	32,201.34
<b>Paper and Packaging</b>	742,525.85	662,437.85	672,550.74	1,012,477.85	126,493.96	128,872.51	142,402.34	184,728.17
<b>TOTAL</b>	<b>35,823,599.17</b>	<b>32,681,877.66</b>	<b>34,672,497.78</b>	<b>35,102,236.84</b>	<b>6,126,934.27</b>	<b>6,466,518.27</b>	<b>6,147,829.66</b>	<b>6,675,670.74</b>

*Source: Reserve Bank of Zimbabwe, 2021*

\* The last foreign currency auction for 2021 was on 14<sup>th</sup> December 2021 and the first foreign currency auction for 2022 will be on 11<sup>th</sup> January 2022