



# Weekly Economic Highlights

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Week Ending  
3<sup>rd</sup> December 2021

## 1. INTEREST RATES

### Deposit Rates

Minimum deposit rates for savings deposits were unchanged, during the week ending 3<sup>rd</sup> December 2021. Increases were, however, recorded for minimum deposits rates on deposits of 1- month and 3- month tenors. Maximum deposit rates for savings deposits and deposits of 3-month tenor were unchanged at previous week levels, while maximum deposits rates for deposits of 1 month tenor registered an increase, during the same week, 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-Nov-21	2.79	5.29	8.06	12.67	9.08	13.92
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

Source: Reserve Bank of Zimbabwe, 2021

### Lending Rates

During the week under review, commercial bank minimum and maximum lending rates for individual clients declined. Increases in commercial bank minimum and maximum lending rates for corporate clients were, however, recorded during same week, as shown in Table 2.

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

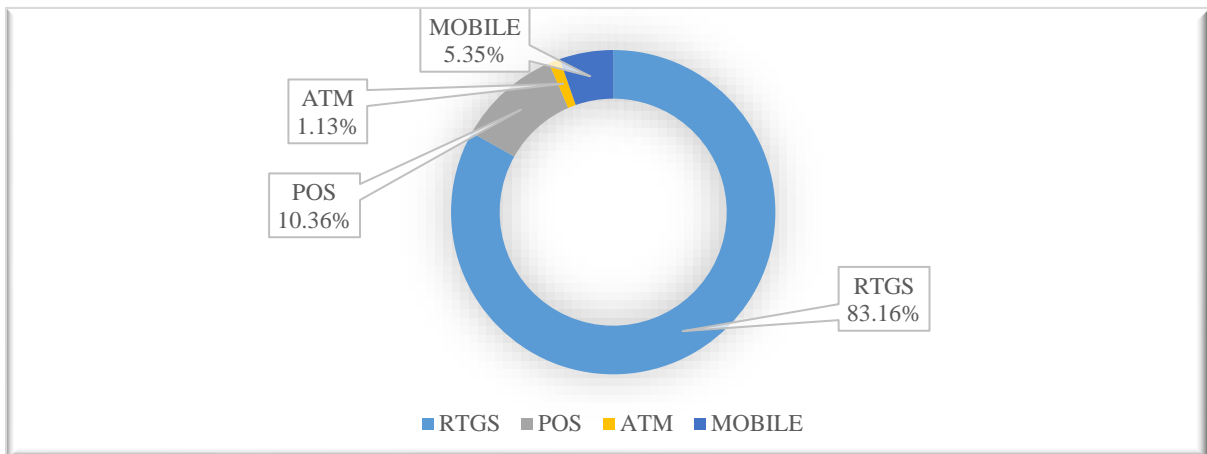
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
5-Nov-21	39.20	58.55	43.97	59.14
12-Nov-21	39.20	58.55	43.97	59.14
19-Nov-21	39.13	58.74	38.10	64.38
26-Nov-21	39.13	58.74	38.10	64.38
3-Dec-21	38.79	58.67	38.14	64.47

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) declined by 6.46% to \$166.01 billion, from \$177.46 billion in the previous week. Real Time Gross Settlement (RTGS) transactions fell by 10.06%, from \$153.49 billion in the preceding week to \$138.05 billion, during the week under review. In values terms, the NPS transactions were distributed as follows: RTGS, 83.16%, POS, 10.36%; Mobile, 5.35%; and ATM, 1.13%.

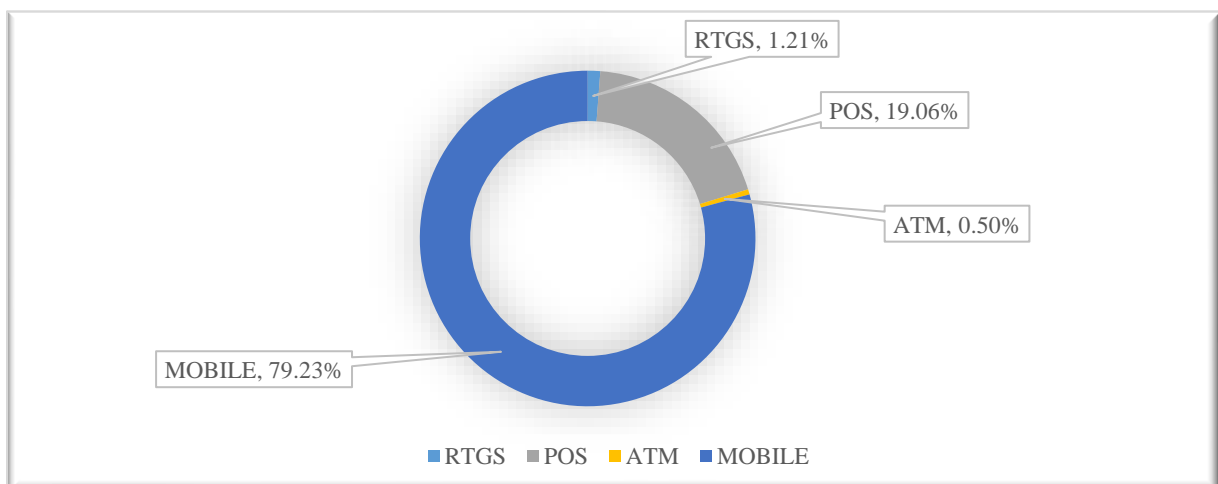
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2021

NPS transaction volumes stood at 24.89 million in the same week, up by 3.03% from the previous week. In proportions, NPS transaction volumes were distributed as follows: Mobile, 79.23%; POS, 19.06%; RTGS, 1.21%; and ATM, 0.50%, 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 26 <sup>th</sup> November 2021	WEEK ENDING 3 <sup>rd</sup> December 2021	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	153,488.93	138,045.50	-10.06%	83.16%
POS	14,507.46	17,199.48	18.56%	10.36%
ATM	1,035.47	1,877.35	81.30%	1.13%
MOBILE	8,429.43	8,882.77	5.38%	5.35%
<b>TOTAL</b>	<b>177,461.30</b>	<b>166,005.10</b>	<b>-6.46%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	290,714	300,407	3.33%	1.21%
POS	4,147,837	4,744,056	14.37%	19.06%
ATM	106,716	125,427	17.53%	0.50%
MOBILE	19,616,871	19,724,661	0.55%	79.23%
<b>TOTAL</b>	<b>24,162,138</b>	<b>24,894,551</b>	<b>3.03%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2021

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, platinum, copper, nickel, and crude oil retreated during the week ending 3<sup>rd</sup> December 2021. This was largely driven by growing concerns over the potential adverse impact of the new and fast spreading Omicron Covid-19 variant on global economic recovery. Table 1 shows the developments in selected commodity prices, during the week under review.

**Table 4: Metal and Crude Oil Prices for the week ending 3<sup>rd</sup> December 2021**

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (22 - 26 November)</b>	<b>1,800.59</b>	<b>991.40</b>	<b>9,793.90</b>	<b>20,661.00</b>	<b>79.67</b>
<b>29-Nov</b>	1,790.48	970.00	9,751.00	20,350.00	73.70
<b>30-Nov</b>	1,801.00	945.50	9,605.00	20,190.00	74.14
<b>1-Dec</b>	1,788.03	950.00	9,571.00	20,410.00	67.66
<b>2-Dec</b>	1,770.35	939.50	9,520.00	20,190.00	70.74
<b>3-Dec</b>	1,770.53	942.00	9,513.00	20,290.00	71.20
<b>Weekly Average (29 Nov - 3 Dec)</b>	<b>1,784.08</b>	<b>949.40</b>	<b>9,592.00</b>	<b>20,286.00</b>	<b>71.49</b>
<b>Weekly Change (%)</b>	-0.9	-4.2	-2.1	-1.8	-10.3

Source: BBC, KITCO and Bloomberg, 2021

#### Gold

In the week under review, gold prices remained subdued, as investors weighed the potential impact of an accelerated tapering of stimulus by the U.S. Federal Reserve, after economic data

suggested that the labour market was rapidly tightening. Bullion prices fell by 0.9%, from a weekly average of US\$1,800.59 per ounce in the previous week, to US\$1,784.08 per ounce during the week ending 3<sup>rd</sup> December 2021.

### **Platinum**

Platinum prices remained in negative territory, due to subdued demand for the metal after a global shortage of semi-conductor chips that are used in the automotive sub-sector. In addition, prices were further weighed down by projections of a wider surplus in 2021, by the World Platinum Investment Council (WPIC). Prices fell by 4.2%, from a weekly average of US\$991.40 per ounce to US\$949.40 per ounce, during the week under analysis.

### **Copper**

Copper prices retreated on concerns that the new Covid-19 variant would slow down economic recovery, threatening the global demand for metals. Prices eased by 2.1%, from a weekly average of US\$9,793.90 per tonne in the previous week, to US\$9,592.00 per tonne during the week ending 3<sup>rd</sup> December 2021.

### **Nickel**

Nickel prices retreated during the week under review, falling by 1.8% from a weekly average of US\$20,661.00 per tonne in the previous week to US\$20,286.00 per tonne, amid fears of waning demand as new Covid-19 Omicron variant cases continued to surge globally.

### **Brent Crude Oil**

Crude oil prices fell by 10.3%, from US\$79.67 per barrel in the previous week to US\$71.49 per barrel, during the week ending 3<sup>rd</sup> December 2021. Prices declined amid lingering market uncertainties about the severity of the recently identified Covid-19 Omicron variant. The looming imminence of the imposition of national lockdowns in Europe also raised concerns about prospects of real economic growth as well growth in the demand for oil.

## **4. EXCHANGE RATE DEVELOPMENTS**

The Zimbabwe dollar (ZW\$) remained stable during the week under review, moving from an average of ZW\$105.6796 per US\$1 in the previous week to close at an average of ZW\$105.6795 per US\$1. 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 (22 - 26 November)</b>	<b>105.6796</b>	<b>6.6451</b>	<b>141.3234</b>	<b>26.85</b>	<b>118.782</b>
<b>29-Nov</b>	105.6684	6.5402	140.8512	8.9137	119.1359
<b>30-Nov</b>	105.6684	6.5402	140.8512	8.9137	119.1359
<b>1-Dec</b>	105.6869	6.6867	140.7945	9.0686	119.7516
<b>2-Dec</b>	105.6869	6.6867	140.7945	9.0686	119.7516
<b>3-Dec</b>	105.6869	6.6867	140.7945	9.0686	119.7516
<b>Weekly Average (29 Nov - 3 Dec)</b>	<b>105.6795</b>	<b>6.6281</b>	<b>140.8172</b>	<b>9.0066</b>	<b>119.5053</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	<i>0.0</i>	<i>-0.3</i>	<i>-0.4</i>	<i>-66.5</i>	<i>0.6</i>

Source: Reserve Bank of Zimbabwe, 2021

## 5. EQUITY MARKETS

During the week ended 3<sup>rd</sup> December 2021, the Zimbabwe Stock Exchange (ZSE) recovered from the previous week losses, with all major indices registering gains. The All Share, Top 10 and Top 15 indices added 1.65%, 3.09% and 1.95% to close at 10 890.02 points, 6 878.02 points and 7 566.82 points, respectively.

The increase in the mainstream index was, in part, underpinned by share prices gains in Econet Wireless Zimbabwe Limited (44.01%), Unifreight Africa Limited (17.95%), TSL Limited (13.64%), Meikles Limited (10.03%) and Amalgamated Regional Trading (ART) (9.53%). Gains in the mainstream index were partially offset by share price losses for British American Tobacco Zimbabwe (7.99%), National Foods Holdings Limited (7.18%), African Sun Limited (6.49%), Cassava Smartech Zimbabwe Limited (5.91%) and Edgars Stores Limited (4.53%).

The resources index rose by 7.34% to close at 7 477.53 points. This partly emanated from a 12.36% increase in the share price for Bindura Nickel Corporation Limited (BNC). RioZim Limited shares traded at the previous week price level.

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

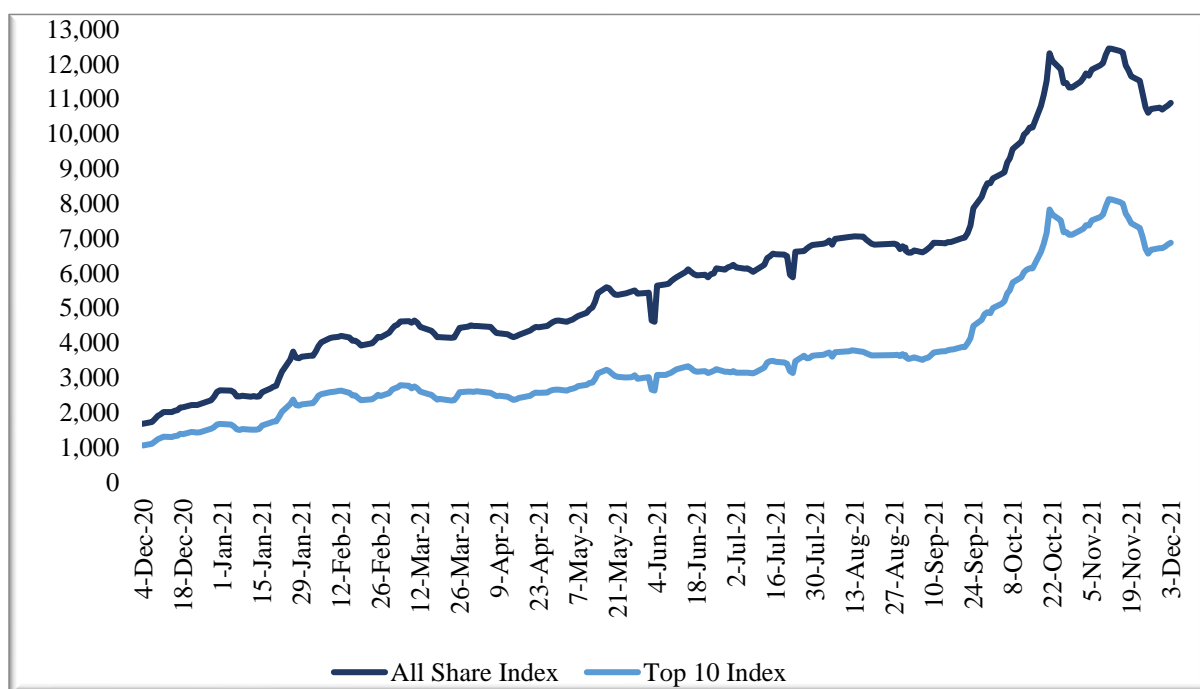
**Table 6: Zimbabwe Stock Exchange Statistics<sup>2</sup>**

	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>29-Oct-21</b>	11,329.48	7,104.99	7,900.36	21,942.11	330,018.90	6,652.04	1,378.23	781.45	19.22
<b>5-Nov-21</b>	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
<b>12-Nov-21</b>	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
<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>% Change</b>	<b>1.65</b>	<b>3.09</b>	<b>1.95</b>	<b>-1.82</b>	<b>-1.33</b>	<b>7.34</b>	<b>3.56</b>	<b>153.18</b>	<b>-76.31</b>

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows the trend in daily market turnover for the period from 4<sup>th</sup> December 2020 to 3<sup>rd</sup> December 2021.

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



Source: Zimbabwe Stock Exchange, 2021

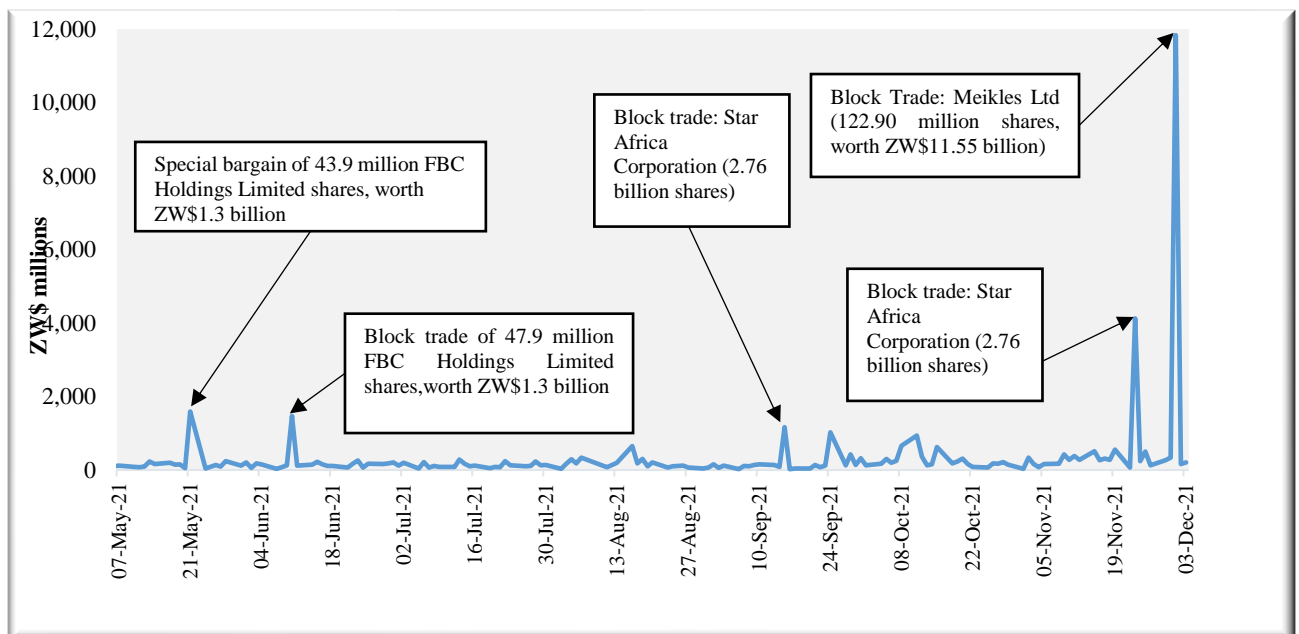
<sup>2</sup> The Zimbabwe Stock Exchange (ZSE) adopted the Global Industry Classification Standards, effective from 1 January 2020. The ZSE indices constitute the following categories; Top 10 Index; Top 15; Top 25; Medium cap and Small cap Indices.

## Market Turnover and Volume

The cumulative value of shares traded on the ZSE increased by 153.18% to close at ZW\$12.80 billion, despite the 76.31% fall in the volume of shares traded to 153.13 million shares. The increase in market turnover was largely on account of a negotiated deal, in which 122.90 million Meikles Limited shares exchanged hands at ZW\$94 per share.

Figure 4 shows the trend in daily market turnover for the period from 7<sup>th</sup> May 2021 to 3<sup>th</sup> December 2021.

**Figure 4: Daily Market Turnover**



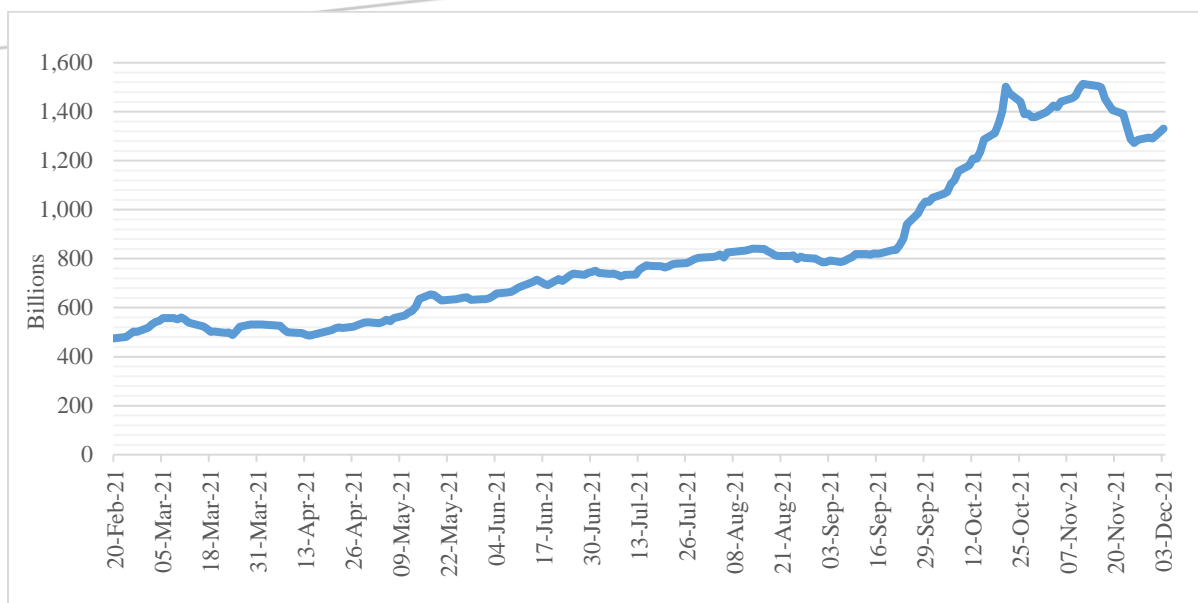
Source: Zimbabwe Stock Exchange, 2021

## Market Capitalization

ZSE market capitalization gained ZW\$45.70 billion, or 3.56% worth of capitalization to close at ZW\$1 330.59 billion, compared to the previous week's position of ZW\$1 284.90 billion. Figure 5 shows market capitalization developments for the period from 20<sup>th</sup> February 2021 to 3<sup>rd</sup> December 2021.



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



Source: Zimbabwe Stock Exchange, 2021

### Johannesburg Stock Exchange (JSE) Developments

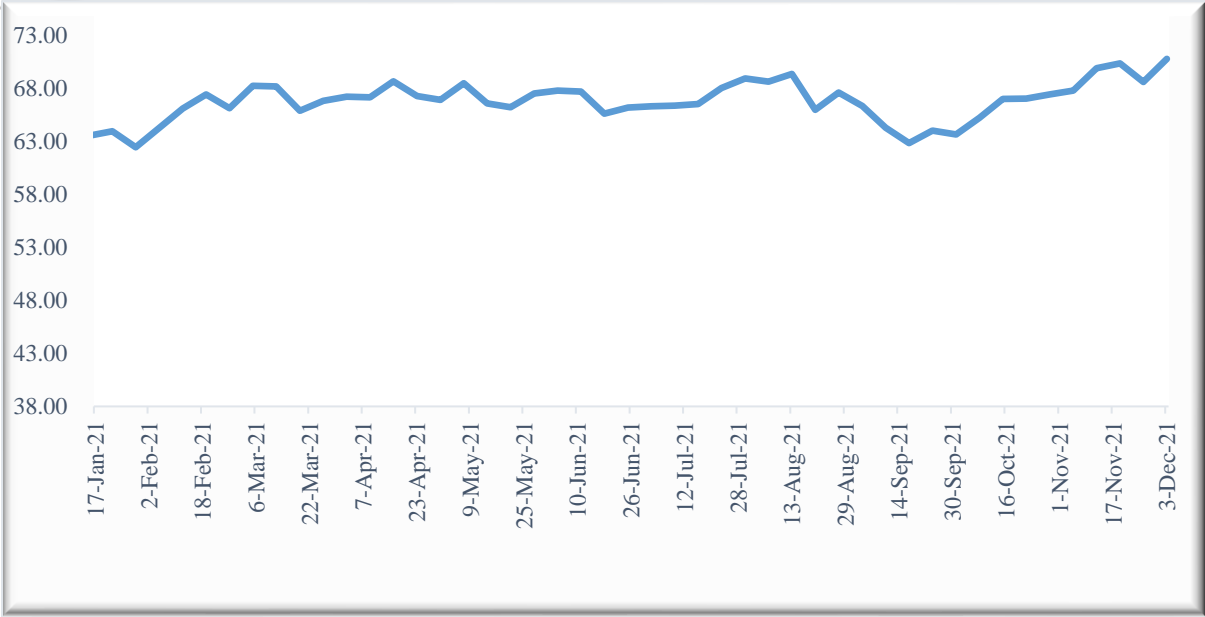
The Johannesburg Stock Exchange (JSE) All Share Index increased by 3.20% to close at 70,807.60 points, during the week under analysis. JSE market capitalization also increased marginally by 0.72%, to close at ZAR19.67 trillion in the same period.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
<b>29-Oct-21</b>	67,464.69	19.47
<b>5-Nov-21</b>	67,825.34	19.25
<b>12-Nov-21</b>	69,921.37	19.68
<b>19-Nov-21</b>	70,376.42	19.94
<b>26-Nov-21</b>	68,614.98	19.53
<b>3-Dec-21</b>	70,807.60	19.67
<b>% Change</b>	<b>3.20</b>	<b>0.72</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			
	12-Nov-21	19-Nov-21	26-Nov-21	3-Dec-21	12-Nov-21	19-Nov-21	26-Nov-21	3-Dec-21
<b>Total Bids (US\$ dollars)</b>	41,737,520.60	36,228,651.92	35,823,599.17	32,681,877.66	11,081,207.54	5,520,428.32	6,126,934.27	6,466,518.27
<b>Amount Allotted (US\$ dollars)</b>	35,792,885.54	36,228,651.92	35,823,599.17	32,681,877.66	11,081,207.54	5,520,428.32	6,126,934.27	6,466,518.27
<b>Highest Rate</b>	115.00	120	120	120	115	120	122	125
<b>Lowest Bid Rate</b>	97.14	99	99.3	100	96	98	97	100
<b>Lowest Bid Rate Allotted</b>	97.14	99	99.3	100	96	98	97	100
<b>Weighted Average Rate</b>	99.9301	105.6965	105.6684	105.6896	99.9301	105.6965	105.6684	105.6896
<b>Number of Bids Received</b>	732	623	653	604	1283	881	913	923
<b>Number of Bids Rejected</b>	101	203	274	236	45	188	312	311

*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			
	12-Nov-21	19-Nov-21	26-Nov-21	3-Dec-21	12-Nov-21	19-Nov-21	26-Nov-21	3-Dec-21
<b>Raw Materials</b>	13,440,963.00	17,774,247.85	14,665,382.00	12,886,823.83	2,680,358.38	1,405,954.73	1,805,198.95	2,027,946.14
<b>Machinery and Equipment</b>	11,276,442.00	8,131,714.77	10,492,426.53	9,563,903.99	3,906,669.62	1,922,137.75	2,044,693.46	2,134,470.16
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	2,755,134.32	2,722,912.23	3,931,085.91	3,098,825.50	1,621,803.73	918,202.29	890,596.01	813,235.15
<b>Pharmaceuticals and Chemicals</b>	2,070,566.65	1,797,632.32	1,392,699.64	1,830,950.66	554,207.68	239,740.13	251,806.52	344,411.39
<b>Services (Loans, Dividends and Disinvestments)</b>	2,391,255.59	2,333,735.28	2,143,797.77	1,972,011.01	1,030,215.16	452,103.47	532,299.17	549,730.63
<b>Retail and Distribution</b>	2,717,413.32	2,392,568.40	2,455,681.47	2,506,916.23	1,033,587.14	444,542.24	475,846.20	467,852.29
<b>Fuel, Electricity and Gas</b>	61,963.54	55,497.02	0.00	160,008.59	31,605.49	16837.16	0.00	0.00
<b>Paper and Packaging</b>	1,079,147.12	1,020,344.05	742,525.85	662,437.85	222,760.34	120,964.55	126,493.96	128,872.51
<b>TOTAL</b>	<b>35,792,885.54</b>	<b>36,228,651.92</b>	<b>35,823,599.17</b>	<b>32,681,877.66</b>	<b>11,081,207.54</b>	<b>5,520,482.32</b>	<b>6,126,934.27</b>	<b>6,466,518.27</b>

Source: Reserve Bank of Zimbabwe, 2021