



Weekly Economic Highlights

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Week Ending
9th July 2021

1. INTEREST RATES

Deposit Rates

During the week ending 9th July 2021, average deposit rates quoted by commercial banks remained unchanged from the previous week levels for all classes of deposits, 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 (%)
11- June-21	1.57	4.24	5.42	10.77	6.89	11.72
18-June-21	1.57	4.24	5.42	10.77	6.89	11.72
25-June -21	1.57	4.24	5.42	10.77	6.89	11.72
2-July-21	1.57	4.24	5.42	10.77	7.00	11.83
9-July-2021	1.57	4.24	5.42	10.77	7.00	11.83

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Average minimum and maximum commercial bank lending rates for both individual and corporate clients remained unchanged at preceding week levels, as shown in Table 2.

Table 2: Lending Rates (per annum)

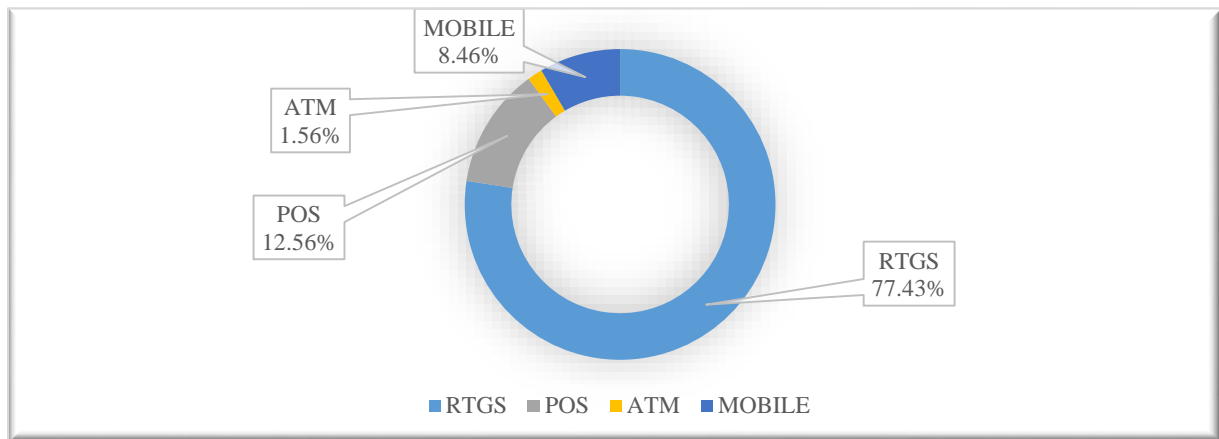
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
11-June-21	36.03	57.05	21.81	59.79
18-June-21	36.25	57.04	22.46	59.66
25-June-21	36.25	57.04	22.46	59.66
2-July-21	36.11	56.78	21.91	59.60
9-July-2021	36.11	56.78	21.91	59.60

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) stood at \$95.43 billion, during the week ending 9th July 2021. This represented a decrease of 28.92% from \$134.26 billion worth of transactions processed in the preceding week. Transactions processed through the Real Time Gross Settlement (RTGS) system accounted for the highest proportion of values processed at 77.43%. Other payment platforms registered the following proportions: POS, 12.56%; Mobile, 8.46%; and ATM, 1.56%.

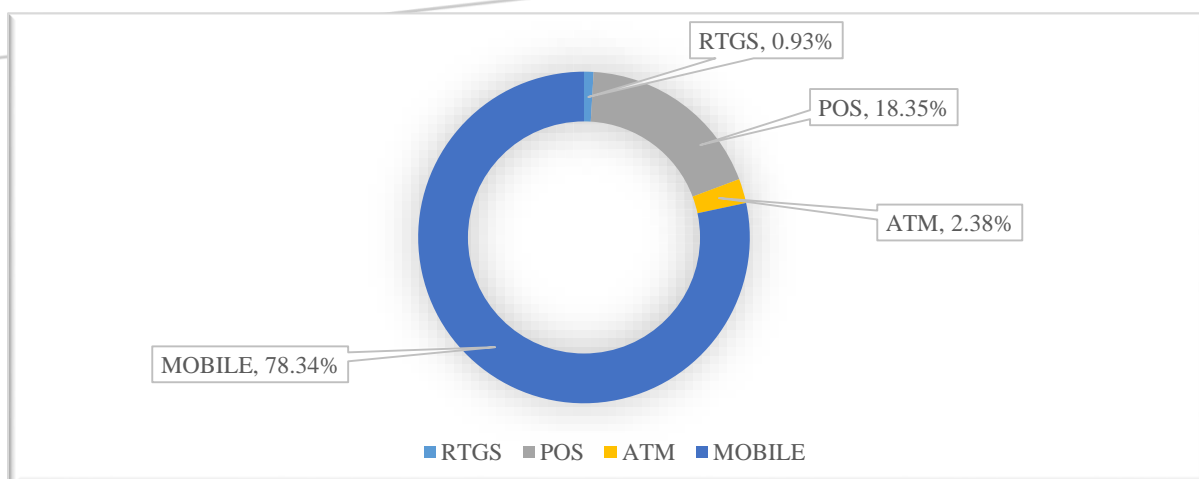
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

NPS transaction volumes increased by 4.79%, from 28.6 million transactions in the previous week to 24.79 million transactions, during the week under review. The distribution of the NPS transaction volumes was as follows: Mobile, 78.34%; POS, 18.35%; RTGS, 0.93%; and ATM, 2.38%, 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 2 nd July 2021	WEEK ENDING 9 th July 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	113,788.05	73,887.37	-35.07%	77.43%
POS	12,247.20	11,984.14	-2.15%	12.56%
ATM	1,207.92	1,488.76	23.25%	1.56%
MOBILE	7,021.79	8,069.66	14.92%	8.46%
TOTAL	134,264.96	95,429.93	-28.92%	100%
Volumes				
RTGS	289,587	230,923	-20.26%	0.93%
POS	4,651,527	4,549,994	-2.18%	18.35%
ATM	508,866	589,724	15.89%	2.38%
MOBILE	18,210,906	19,422,861	6.66%	78.34%
TOTAL	23,660,886	24,793,502	4.79%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. TOBACCO SALES

As at 9th July 2021, or day 66 of the 2021 tobacco selling season, a cumulative total of 186.66 million kilograms of tobacco had been sold. This was 16.83% higher than the cumulative total of 159.79 million kilograms sold during the comparable period in 2020. The cumulative value of the golden leaf sold during the period under analysis amounted to US\$515.91 million. This reflected an increase of 30.94%, from US\$393.99 million realized in the same period in 2020, as shown in Table 4.

Table 4: Weekly Cumulative Tobacco Sales: Day 66 (9th July 2021)

	2020	2021	Variance (%)
Cumulative Quantity Sold (million kgs)	159,778,516	186,661,304	16.83
Average Price(US\$/kg)	2.47	2.76	12.09
Cumulative value (US\$ million)	393,993,020	515,908,897	30.94

Source: Tobacco Industry and Marketing Board (TIMB), 2021

The golden leaf fetched a higher price of US\$2.76/kg, compared to the US\$2.47/kg realized during the same period in 2020.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, prices of gold, platinum, copper and nickel increased. Brent crude oil, however, retreated by a marginal 0.04 percent. Table 5 shows the developments in selected commodity prices, during the week ending 9th July 2021.

Table 5: Metal and Crude Oil Prices for the week-ending 9th July 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (28 June-2 July)	1,772.57	1,082.40	9,316.50	18,248.80	75.03
5-Jul	1,791.15	1,100.50	9,432.00	18,370.00	77.43
6-Jul	1,808.83	1,108.00	9,528.00	18,541.00	74.39
7-Jul	1,804.45	1,093.50	9,451.50	18,309.00	73.50
8-Jul	1,808.98	1,074.50	9,264.50	18,180.00	74.09
9-Jul	1,804.70	1,085.50	9,437.50	18,673.00	75.58
Weekly Average (5-9July)	1,803.62	1,092.40	9,422.70	18,414.60	75.00
Weekly Change (%)	1.8	0.9	1.1	0.9	-0.04

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices rebounded during the week, bolstered by a softer US dollar and concerns that the rapid spread of the Delta variant of the coronavirus could slow global economic recovery. In addition, easing US treasury yields also boosted the yellow metal's safe-haven appeal.

Resultantly, prices gained by 1.8%, from a weekly average of US\$1,772.57 per ounce in the previous week to an average of US\$1,803.62 per ounce, during the week under analysis.

Platinum

Platinum prices continued on a positive trajectory during the week, gaining by 0.9%, from a weekly average of US\$1,082.40 per ounce in the preceding week to US\$1,092.40 per ounce, during the week ending 9th July 2021. Prices were supported by a weaker US dollar and the attendant easing of US treasury yields, a development which boosted prospects of strong investment demand for the metal.

Copper

Copper prices strengthened on account of a weaker US dollar and the lower than expected amount of stockpiles released by China, the top base metal consumer. In addition, prices were also supported by hopes of stronger demand for base metals in the US, amid a sustained economic recovery. Prices rose by 1.1%, from a weekly average of US\$9,316.50 per tonne in the previous week to US\$9,422.70 per tonne, during the week under review.

Nickel

Nickel prices continued to trend upwards, mainly supported by a weaker US dollar and strong growth in demand in the spot market, from alloy makers. However, expectations of higher supplies and slowing demand in China, the top consumer of the base metal limited the gains. Prices gained by 0.9%, to close the week under analysis at an average of US\$18,414.60 per tonne.

Brent Crude Oil

Brent Crude oil prices remained relatively steady, amid anxiety that supply may rise after the collapse of talks among major producers. The prices marginally declined by 0.04%, from a weekly average of US\$75.03 per barrel in the previous week to US\$75.00 per barrel, during the week ending 9th July 2021.

5. EXCHANGE RATE DEVELOPMENTS

On the foreign exchange auction market, the Zimbabwe dollar (ZW\$) traded at an average of ZW\$85.4396 per US\$1 during the week ending 9th July 2021. This represented a marginal 0.1%

depreciation from ZW\$85.3764 per US\$1 in the previous week. The developments in selected exchange rates are shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (28 June-2 July)	85.3764	5.9672	118.1843	7.8307	101.5064
5-Jul	85.2455	5.9934	118.0981	7.7872	101.2868
6-Jul	85.4234	6.0060	118.6021	7.7741	101.4662
7-Jul	85.5097	5.9648	118.0847	7.7950	101.1452
8-Jul	85.5097	5.9613	117.9094	7.7820	100.9314
9-Jul	85.5097	5.9737	117.8497	7.7777	101.2010
Weekly Average (5-9 July)	85.4396	5.9798	118.1088	7.7832	101.2061
Appr(-)/Depr(+) (%) of the ZWL	0.1	0.2	-0.1	-0.6	-0.3

Source: Reserve Bank of Zimbabwe, 2021

6. EQUITY MARKETS

During the week ending 9th July 2021, the Zimbabwe Stock Exchange (ZSE) was characterized by bearish sentiments. Resultantly, the All Share and Medium Cap indices shed 1.20% and 3.64% to close at 6 094.95 points and 16 448.20 points, respectively. The Top 10 and Small Cap indices, however, gained by 0.54% and 2.95% to close at 3 164.59 points and 218 047.66 points, respectively.

The decline in the market indices was a result of share price losses for General Beltings Holdings Limited (28.56%), Getbucks Financial Holdings Limited (18.70%), First Capital Bank Limited (7.78%), Dairibord Holdings Limited (6.94%) and Amalgamated Regional Trading (ART) Holdings Limited (4.66%). Partially offsetting the aforementioned losses were gains in the share prices of Zimplot Holdings Limited (32.73%), Fidelity Life Assurance Limited (15.94%), Edgars Stores Limited (15.94%), Masimba Holdings Limited (12.84%) and NMBZ Holdings Limited (8.53).

The mining index also declined by 4.28% to close at 6 081.31 points. This was largely accounted for by a 6.94% loss in the share price for Bindura Nickel Corporation Limited, which was partially offset by a 1.53% share price gain for RioZim Limited.

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

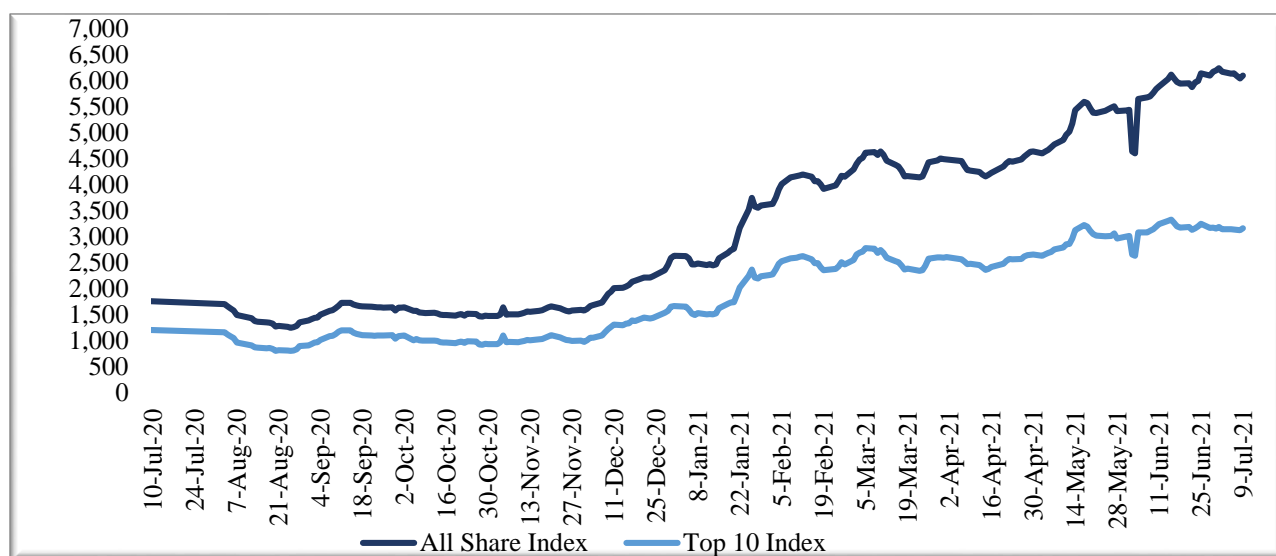
Table 7: Zimbabwe Stock Exchange Statistics²

	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 million)	Market Turnover (ZWL million)	Volume of Shares (million)
4-Jun-21	5,646.12	3,082.87	3,506.58	14,704.50	74,079.26	6,665.61	658.65	716.39	52.60
11-June21	5,891.40	3,241.52	3,650.18	14,996.19	99,408.18	6,049.18	681.28	1820.56	120.43
18-June 21	5,941.21	3,172.69	3,607.32	15,626.42	116,880.97	6,665.61	691.99	743.88	39.09
25-June-21	6,138.69	3,247.86	3,724.42	16,505.89	159,118.65	6,308.43	738.70	743.61	45.71
02-July-21	6,169.15	3,147.49	3,651.12	17,070.05	211,801.65	6,353.05	741.76	874.08	64.41
9-July-21	6,094.95	3,164.59	3,667.86	16,448.20	218,047.66	6,081.31	734.01	527.81	29.97
% Change	-1.20	0.54	0.46	-3.64	2.95	-4.28	-1.04	-39.61	-53.47

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows developments on the ZSE’s All Share, Top 10 and mining indices from the 10th July 2020 to 9th July 2021.

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



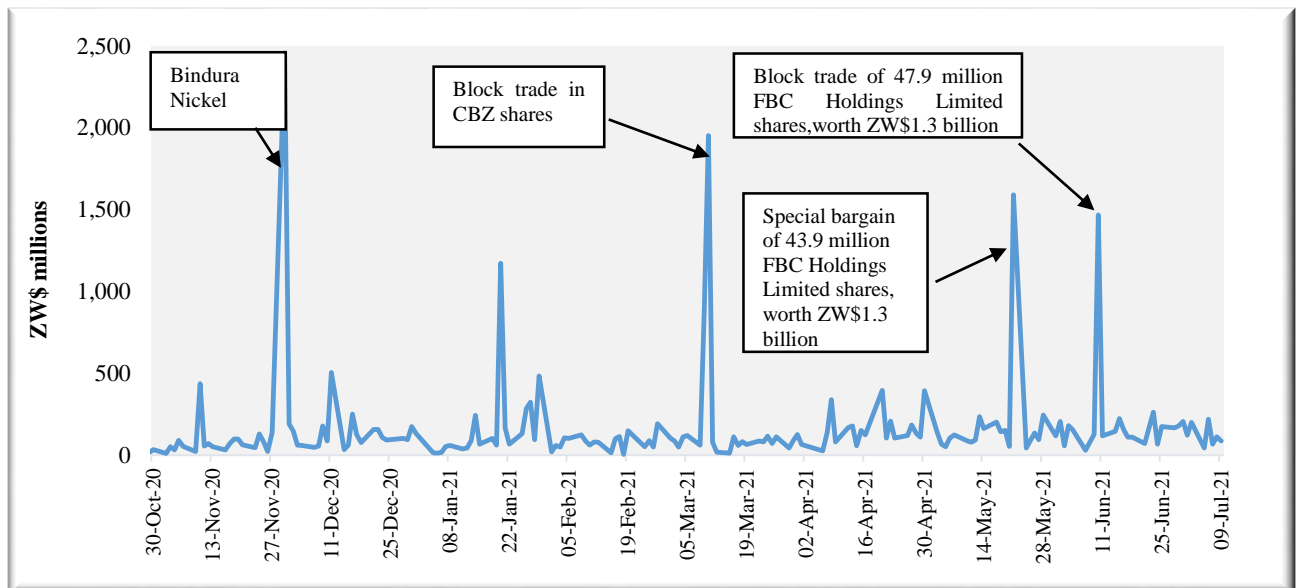
Source: Zimbabwe Stock Exchange, 2021

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 declined by 53.47% and 39.61% to close at 29.97 million shares and ZW\$527.81 million, respectively. Figure 4 shows the trend in daily market turnover for the period 30th October 2020 to 9th July 2021.

Figure 4: Daily Market Turnover

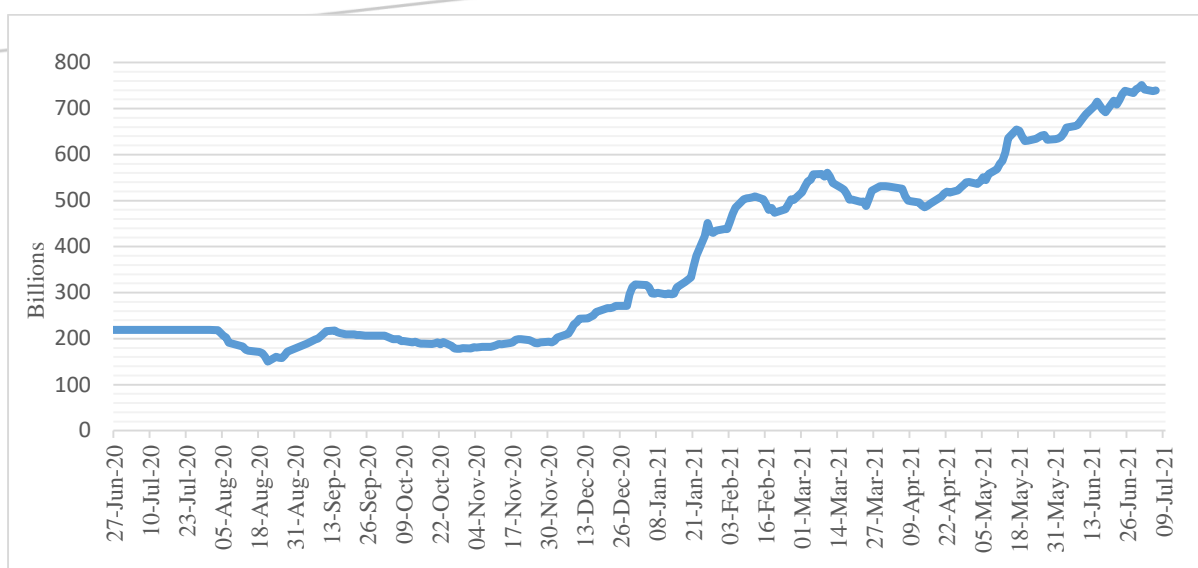


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The ZSE lost ZW\$7.75 billion, or 1.04% worth of capitalization to close at ZW\$734.01 billion, during the week ending 9th July 2021. Figure 5 shows market capitalization developments for the period 27th June 2020 to 9th July 2021.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

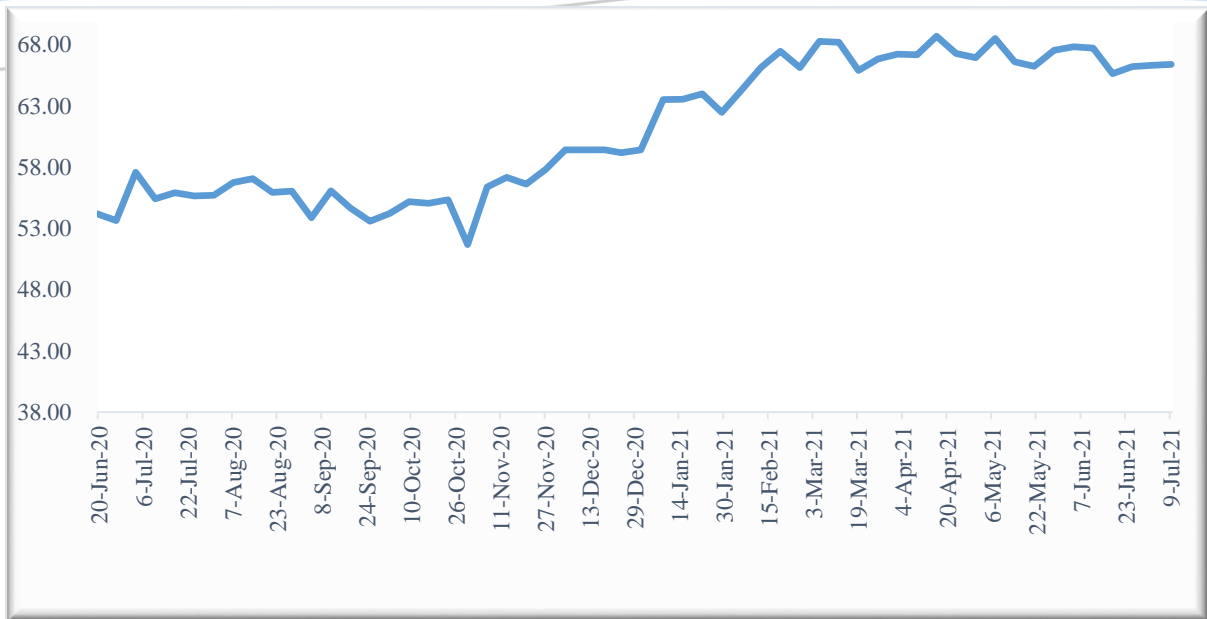
The Johannesburg Stock Exchange (JSE) All Share Index marginally increased by 0.09%, from 66 323.76 points recorded in the previous week to 66 385.57 points, at the close of the reporting week. However, JSE market capitalization declined by 0.96%, from ZAR18.76 trillion in the week ending 2nd July 2021 to ZAR18.58 trillion, during the week under analysis.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
4-June-21	67,825.02	18.95
11-June-21	67,723.91	19.04
18-June-21	65,635.23	18.64
25-June-21	66,215.47	18.74
2-July-21	66,323.76	18.76
9-July-21	66,385.57	18.58
% Change	0.09	-0.96

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 MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	18-June-21	25-June-21	2-July-21	9-July-21	18-June-21	25-June-21	2-July-21	9-July-21
Total Bids (US\$ dollars)	38,979,127.69	36,952,648.91	33,935,720.53	34,558,007.09	7,934,235.31	7,805,948.50	8,038,987.65	7,749,452.73
Amount Allotted (US\$ dollars)	38,979,127.69	36,952,648.91	33,935,720.53	34,558,007.09	7,934,235.31	7,805,948.50	8,038,987.65	7,749,452.73
Highest Rate	90	90	90	90	90	90	90	90
Lowest Bid Rate	82	82	82	82	82	82	82	82
Lowest Bid Rate Allotted	82	82	82	82	82	82	82	82
Weighted Average Rate	85.2455	85.3664	85.4234	85.5097	85.2455	85.3664	85.4234	85.5097
Number of Bids Received	451	409	370	376	546	537	563	539
Number of Bids Rejected	54	37	39	39	25	29	43	36

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			
	18-June-21	25-June-21	2-July-21	9-July-21	18-June-21	25-June-21	2-July-21	9-July-21
Raw Materials	14,488,442.38	14,483,454.34	12,510,369.51	14,077,599.22	1,844,866.44	1,909,453.06	1,819,236.56	1,729,385.55
Machinery and Equipment	8,093,703.75	8,283,239.11	7,122,086.30	7,016,303.27	1,983,854.14	1,975,881.39	1,844,933.53	1,972,893.91
Consumables (Incl. Spares, Tyres, Packaging)	3,906,651.15	2,568,998.59	3,507,267.12	3,065,060.23	2,053,997.77	1,937,073.90	2,006,995.45	1,975,402.78
Pharmaceuticals and Chemicals	3,616,210.02	3,814,738.43	3,461,003.73	3,702,409.64	397,982.97	344,133.59	499,888.66	394,855.68
Services (Loans, Dividends and Disinvestments)	2,303,990.07	1,863,690.12	1,814,912.16	1,320,644.89	631,633.35	509,698.84	578,174.75	511,375.65
Retail and Distribution	3,446,719.93	3,469,710.01	2,888,414.87	3,210,048.87	580,585.47	689,849.28	783,172.37	655,316.87
Fuel, Electricity and Gas	2,182,124.53	1,317,791.03	1,630,588.39	1,333,354.93	117,050.01	156,771.88	194,334.69	158,059.75
Paper and Packaging	941,285.86	1,151,027.28	1,001,078.45	832,586.04	324,265.16	283,086.56	312,251.64	352,162.54
TOTAL	38,979,127.69	36,952,648.91	33,935,720.53	34,558,007.09	7,934,235.31	7,805,948.50	8,038,987.65	7,749,452.73

Source: Reserve Bank of Zimbabwe, 2021