



Weekly Economic Highlights

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Week Ending
11th June 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates, across all classes of deposits, remained at previous week levels, during the week ending 11th June 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 (%)
14-May-21	1.57	4.04	5.19	10.83	6.89	11.67
21-May-21	1.57	4.04	5.19	10.83	6.89	11.72
28-May-21	1.57	4.04	5.19	10.83	6.89	11.72
4-Jun-21	1.57	4.24	5.42	10.77	6.89	11.72
11- June-21	1.57	4.24	5.42	10.77	6.89	11.72

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

The week under review saw commercial bank minimum and maximum lending rates for both individual and corporate clients remain unchanged, as shown in Table 2.

Table 2: Lending Rates (per annum)

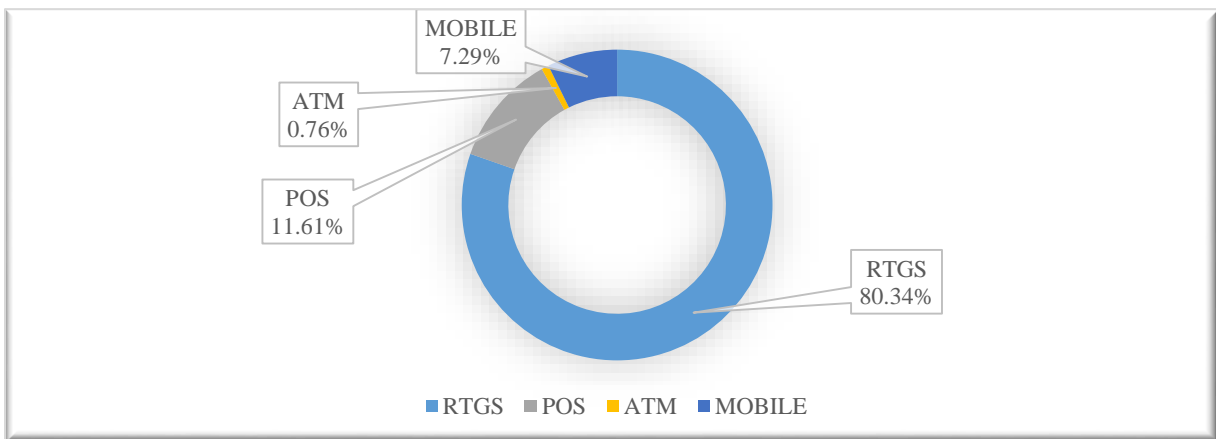
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
14-May-21	35.91	57.17	22.49	59.80
21-May-21	34.84	56.21	21.76	59.67
28-May-21	34.84	56.21	21.76	59.67
4-Jun-21	36.03	57.05	21.81	59.79
11-June-21	36.03	57.05	21.81	59.79

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, transactions processed through the National Payment System (NPS) amounted to ZW\$102.16 billion. This was a 13.73% decrease from ZW\$118,41 billion recorded during the week ending 4th June 2021. Real Time Gross Settlement (RTGS) transactions decreased by 16.53% to close at ZW\$82.07 billion. The NPS transaction values were distributed as follows: RTGS, 80.34%; POS, 11.61%; Mobile, 7.29% and ATM, 0.76%.

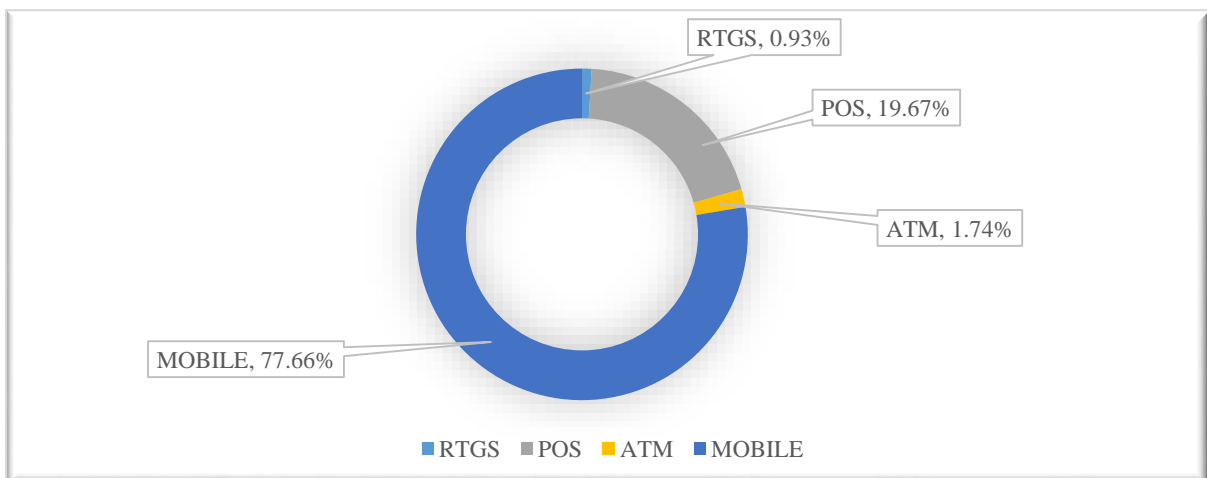
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The volume of NPS transactions increased from 24,33 million in the previous week to close at 24,72 million, during the week under analysis. In terms of distribution, NPS transaction volumes were dominated by Mobile transactions at 77.66%, followed by POS, 19.67%; ATM, 1.74% and RTGS, 0.93%.

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 4 th June 2021	WEEK ENDING 8 th June 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	98,326.62	82,070.01	-16.53%	80.34%
POS	11,941.76	11,861.83	-0.67%	11.61%
ATM	1,134.92	779,326	-31.33%	0.76%
MOBILE	7,006.78	7,445.07	6.26%	7.29%
TOTAL	118,410.07	102,156.32	-13.73%	100%
Volumes				
RTGS	271,421	229,359	-15.50%	0.93%
POS	5,007,494	4,862,572	-2.89%	19.67%
ATM	411,778	430,484	4.54%	1.74%
MOBILE	18,639,153	19,192,930	2.97%	77.66%
TOTAL	24,329,846	24,715,345	1.58%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. TOBACCO SALES

A cumulative total of 151 million kilograms of tobacco had been sold as at day 46 of the tobacco selling season. This was a 23.59% increase from the 122.2 million kilograms sold during the same period in 2020. In value terms, tobacco sales registered a 41.13% increase to US\$410.64 million, from US\$290.97 million realized during the corresponding period in 2020.

Table 4: Weekly Cumulative Tobacco Sales: Day 46 (11th June 2021)

	2020	2021	Variance (%)
Cumulative Quantity Sold (million kgs)	122,177,209	150,993,886	23.59
Average Price(US\$/kg)	2.38	2.72	14.20
Cumulative value (US\$ million)	290,968,020	410,642,670	41.13

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

The golden leaf was sold at a price of US\$2.72 dollars per kilogram during the period under review. This reflected a 14.20% increase, compared to US\$2.38 dollars per kilogram recorded during the same period in 2020.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

In global commodity markets, prices for gold, platinum, copper and nickel declined, while crude oil prices firmed, during the week ending 11th June 2021. Commodity prices were mainly influenced by a strengthening US dollar, as investors expected the US Federal Reserve to start tapering its monetary support. The evolution in selected commodity prices during the week under review is shown in Table 5.

Table 5: Metal and Crude Oil Prices for the week-ending 11th June 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (31 May - 4 June)	1,891.40	1,178.55	10,078.75	17,957.75	70.97
7-Jun	1,885.23	1,168.50	9,848.00	17,625.00	70.87
8-Jun	1,892.60	1,167.00	9,878.50	17,828.00	72.76
9-Jun	1,892.53	1,158.00	9,877.00	18,088.00	71.73
10-Jun	1,885.33	1,141.50	9,808.50	17,783.00	72.62
11-Jun	1,886.50	1,154.50	10,029.00	18,303.00	72.69
Weekly Average (7-11 June)	1,888.44	1,157.90	9,888.20	17,925.40	72.13
Weekly Change (%)	-0.2	-1.8	-1.9	-0.2	1.6

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices retreated on account of a stronger US dollar, which curbed the appeal of the non-interest-bearing precious metal. The US dollar was boosted by upbeat consumer sentiment data in the US, the world's largest economy. Against this backdrop, the weekly average price of the yellow metal eased by 0.2%, from a weekly average of US\$1,891.40 per ounce in the previous week to US\$1,888.44 per ounce, during the week ending 11th June 2021.

Platinum

Platinum prices continued on a negative trajectory, as the move by China to cut demand for commodities, in order to contain raw material costs, amid inflation fears, continued to weigh down on industrial metal prices. As a result, weekly average prices of platinum retreated by 1.8%, from a weekly average of US\$1,178.55 per ounce in the previous week to US\$1,157.90 per ounce, during the week under review.

Copper

Copper prices were down by 1.9%, from a weekly average of US\$10,078.75 per tonne in the previous week to US\$9,888.20 per tonne, during the week under analysis. The slowdown in copper prices was driven by a stronger US dollar, which made prices more expensive to holders of other currencies. In addition, prices were also suppressed by investors' move to unwind their bullish bets as evidence of demand weakness mounted in China, the metal's top consumer.

Nickel

Similar to developments in copper prices, nickel prices retreated by 0.2%, from a weekly average of US\$17,957.75 per tonne in the prior week to US\$17,925.40 per tonne, during the week under review. This was on account of a strengthening US dollar and investor concerns about sluggish demand in China.

Brent Crude Oil

Brent Crude oil prices sustained a bullish run on expectations of strong demand recovery, as the pandemic receded and global demand soared. In addition, the decision by the Organisation of Petroleum Exporting Countries (OPEC) to commit to their production cuts continued to support oil prices. Accordingly, crude oil weekly average prices rose by 1.6%, from US\$70.97 per barrel to US\$72.13 per barrel, during the week under analysis.

5. EXCHANGE RATE DEVELOPMENTS

During the week ending 11th June 2021, the Zimbabwe dollar (ZWS) depreciated by 0.2% against the US dollar, from an average of ZW\$84.7495 per US\$1 in the previous week to close the week under review at ZW\$84.9496 per US\$1. The developments in selected exchange rates are shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (31 May - 4 June)	84.7495	6.1892	120.1199	7.983	103.2801
7-Jun	84.7653	6.3131	119.7651	8.0194	103.0619
8-Jun	84.7653	6.2637	120.0320	8.0276	103.2654
9-Jun	85.0724	6.2676	120.4158	8.0269	103.6141
10-Jun	85.0724	6.1939	120.0074	8.0482	103.4908
11-Jun	85.0724	6.2637	120.6455	8.0269	103.6820
Weekly Average (7-11 June)	84.9496	6.2604	120.1731	8.0298	103.4228
<i>Appr(-)/Depr(+)(%) of the ZWL</i>	<i>0.24</i>	<i>1.15</i>	<i>0.04</i>	<i>0.59</i>	<i>0.14</i>

Source: Reserve Bank of Zimbabwe, 2021

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

6. EQUITY MARKETS

The week ending 11th June 2021 saw the Zimbabwe Stock Exchange (ZSE) continue on a positive trajectory for the third consecutive week, resulting in all major indices registering gains. The All Share, Top 10 and Medium Cap indices gained 4.34%, 5.15%, and 1.98% to close at 5 891.40 points, 3 241.52 points and 14 996.19 points, respectively.

The increase in the market indices emanated from share price gains for Getbucks Financial Services Limited (74.67%), African Sun Limited (55.17%), ZB Financial Holdings Limited (45.92%), Hippo Valley Estates Limited (21.16%) and National Tyre Services Limited (11.78%). Partially offsetting the gains were declines in the share prices of First Mutual Properties Limited (14.92%), NMBZ Holdings Limited (9.58%), Cafca Limited (5.30%), Nampak Zimbabwe Limited (5.10%) and TSL Limited (4.76%).

The mining index, however, shed 9.25% to close at 6 049.18 points, during the week under analysis. This emanated from respective declines of 14.97% and 6.30% in share prices of RioZim Limited and Bindura Nickel Corporation Limited.

Table 7: Zimbabwe Stock Exchange Statistics²

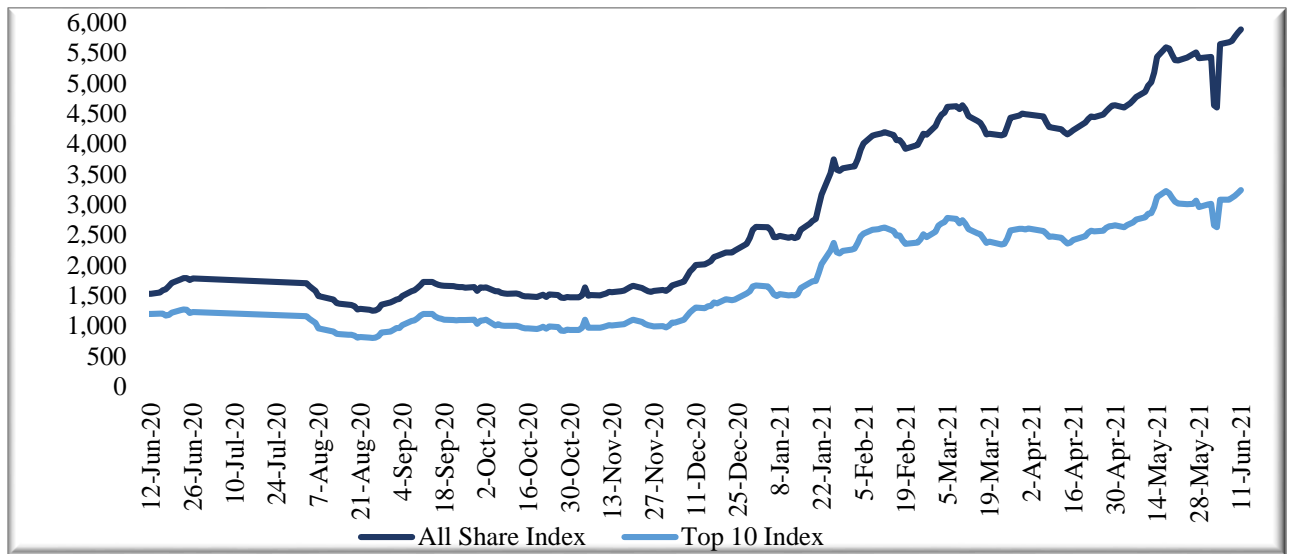
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
7-May-21	4 774.55	2 758.97	3 116.33	11 501.55	46 133.62	5 438.60	557.68	481.55	27.92
14-May-21	5 436.39	3 127.76	3 505.18	13 264.23	49 596.70	6 330.54	635.98	657.83	34.79
21-May-21	5,378.90	3,020.61	3,399.58	13,535.04	58,524.39	6,626.95	630.14	2 140.53	90.589
28-May-21	5,415.23	2,964.82	3,389.72	14,058.91	68,279.48	6,825.09	632.54	518.96	30.14
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	1 820.56	120.43
% Change	4.34	5.15	4.10	1.98	34.19	-9.25	3.44	154.13	128.95

Source: Zimbabwe Stock Exchange (ZSE), 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.

Figure 3 shows market capitalization developments for the period 12th June 2020 to 11th June 2021.

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

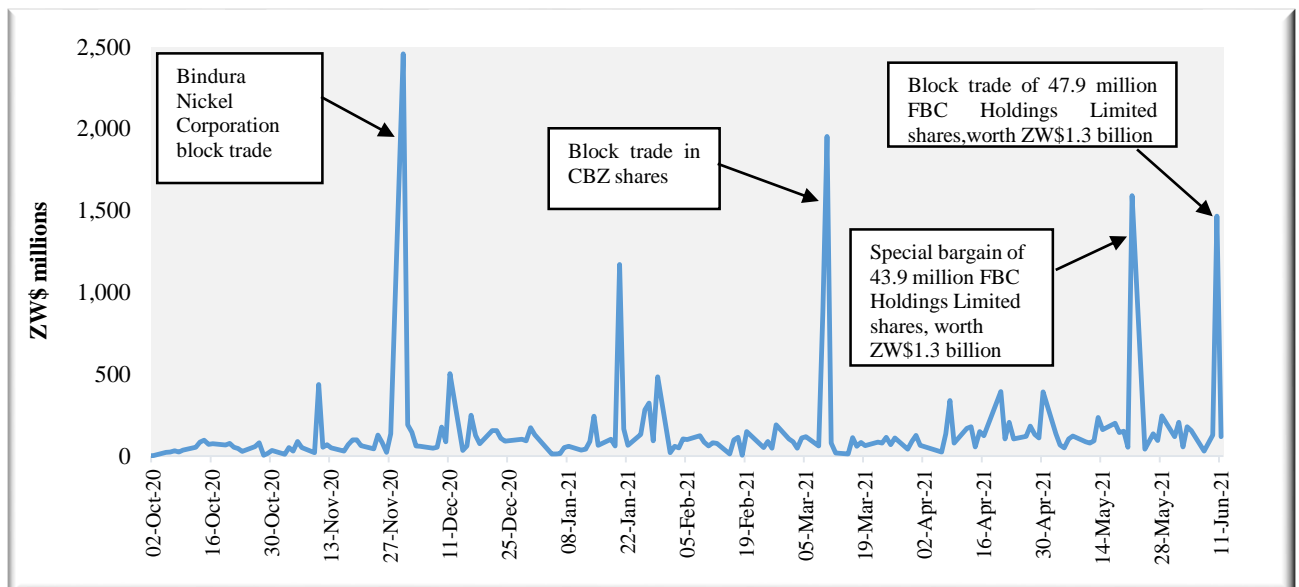


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

The cumulative volume and value of shares traded on the ZSE increased by 128.95% and 154.13% to 120.43 million shares and ZW\$1 820 million, respectively, during the week under review. A block share trade in which ZW\$1.30 billion worth of FBC Holdings Limited shares exchanged hands increased turnover value.

Figure 4: Daily Market Turnover

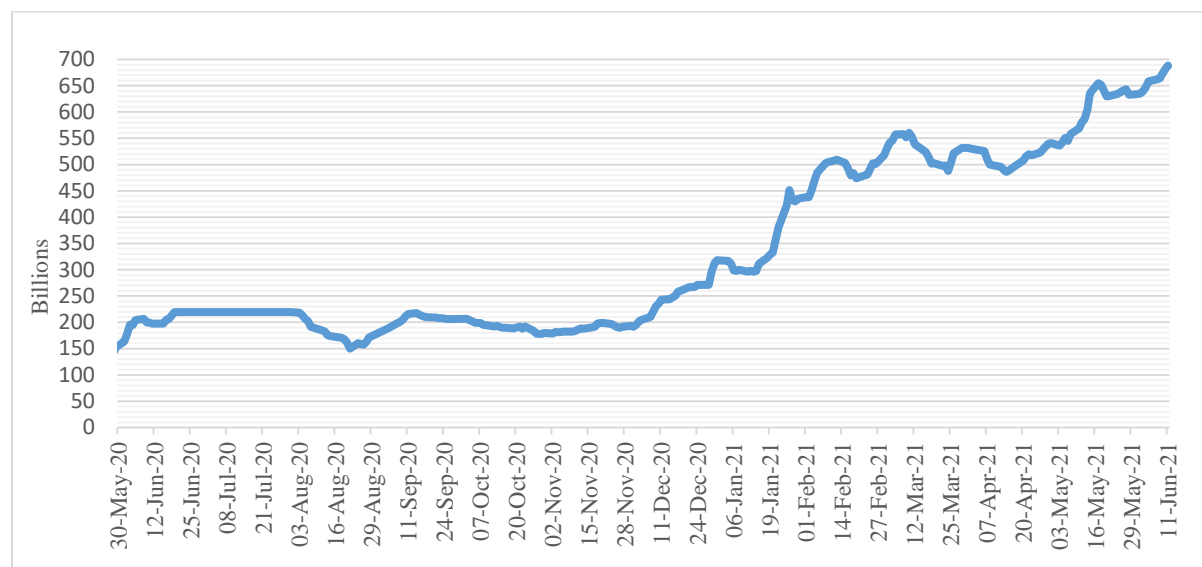


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

In line with the developments on the ZSE during the week under review, the local bourse gained ZW\$22.63 billion, or 3.44% worth of market capitalization to close at ZW\$681.28 billion, compared to the position in the previous week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

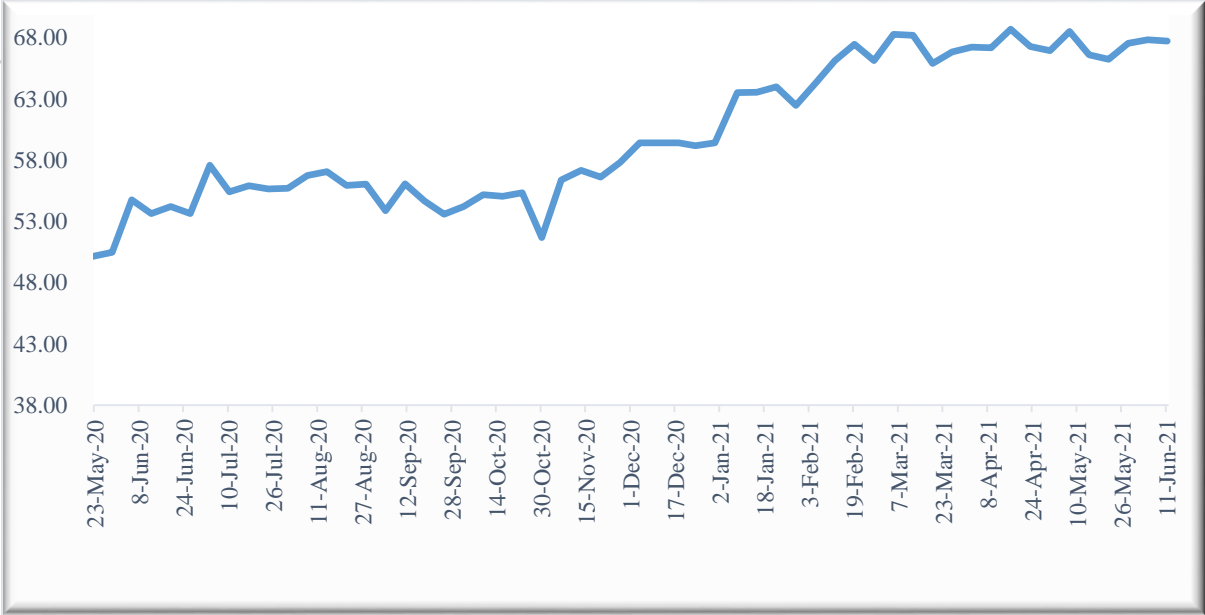
The JSE All Share Index stood at 67,723.91 points during the week ending 11th June 2020. This represented a 0.15% fall from 67,825.02 points recorded in the preceding week. JSE market capitalization, however, gained 0.47% to ZAR19.04 trillion during the week under analysis, from ZAR18.95 trillion recorded in the previous week.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
7-May-21	68,519.53	19.59
14-May-21	66,598.13	19.13
21-May-21	66,238.93	18.83
28-May-21	67,554.86	18.95
4-June-21	67,825.02	18.95
11-June-21	67,723.91	19.04
% Change	-0.15%	0.47%

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			
	21-May-21	28-May-21	4-Jun-21	11-June-21	21-May-21	28-May-21	4-June-21	11-June-21
Total Bids (US\$ dollars)	36,360,964.93	31,841,848.09	32,599,234.77	29,505,925.17	6,167,533.19	6,335,601.02	5,939,711.40	5,312,455.06
Amount Allotted (US\$ dollars)	36,360,964.93	31,841,848.09	32,599,234.77	29,505,925.17	6,167,533.19	6,335,601.02	5,939,711.40	5,312,455.06
Highest Rate	89	89	89	90	90	89	89	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	84.6494	84.7259	84.7653	85.0724	84.6494	84.7259	84.7653	85.0724
Number of Bids Received	370	354	328	383	445	441	441	461
Number of Bids Rejected	40	35	38	38	44	25	31	29

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			
	21-May-21	28-May-21	4-Jun-21	11-June-21	21-May-21	28-May-21	4-Jun-21	11-June-21
Raw Materials	14,096,917.34	13,308,370.06	14,686,352.08	12,477,275.80	1,435,735.01	1,373,479.46	1,540,214.62	1,440,671.24
Machinery and Equipment	6,645,605.09	5,196,702.99	5,717,615.44	5,397,735.31	1,374,209.84	1,637,585.90	1,232,531.29	1,263,600.99
Consumables (Incl. Spares, Tyres, Packaging)	3,275,512.08	1,560,300.21	2,554,971.41	2,809,858.37	1,292,674.62	1,560,300.21	1,353,400.14	1,249,897.05
Pharmaceuticals and Chemicals	2,798,134.81	349,062.45	3,521,696.55	2,640,395.96	432,355.91	349,062.45	286,669.03	315,431.81
Services (Loans, Dividends and Disinvestments)	3,813,997.19	378,702.54	2,439,667.98	1,643,774.83	499,484.30	378,702.54	535,324.58	334,590.26
Retail and Distribution	3,418,523.43	497,405.96	2,344,239.90	2,395,425.74	571,009.09	497,405.96	510,574.99	379,823.92
Fuel, Electricity and Gas	1,297,258.26	218,126.45	1,034,163.66	1,445,678.49	237,187.42	218,126.45	252,729.41	151,893.86
Paper and Packaging	1,015,016.73	320,938.05	300,527.75	695,780.67	324,877.00	320,938.05	228,267.34	176,545.92
TOTAL	36,360,964.93	31,841,848.09	32,599,234.77	29,505,925.17	6,167,533.19	6,335,601.02	5,939,711.40	5,312,455.05

Source: Reserve Bank of Zimbabwe, 2021