



Weekly Economic Highlights

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Week Ending
18th June 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates remained at previous week levels, during the week ending 18th 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 (%)
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
18-June-21	1.57	4.24	5.42	10.77	6.89	11.72

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Minimum commercial bank lending rates for individuals and corporates increased from 36.03% and 21.81% in the previous week, to close at 36.25% and 22.46%, respectively, during the week under review. Maximum lending rates for individuals did not change, while those for corporate clients declined by 0.13 percentage points to 59.66%.

Table 2: Lending Rates (per annum)

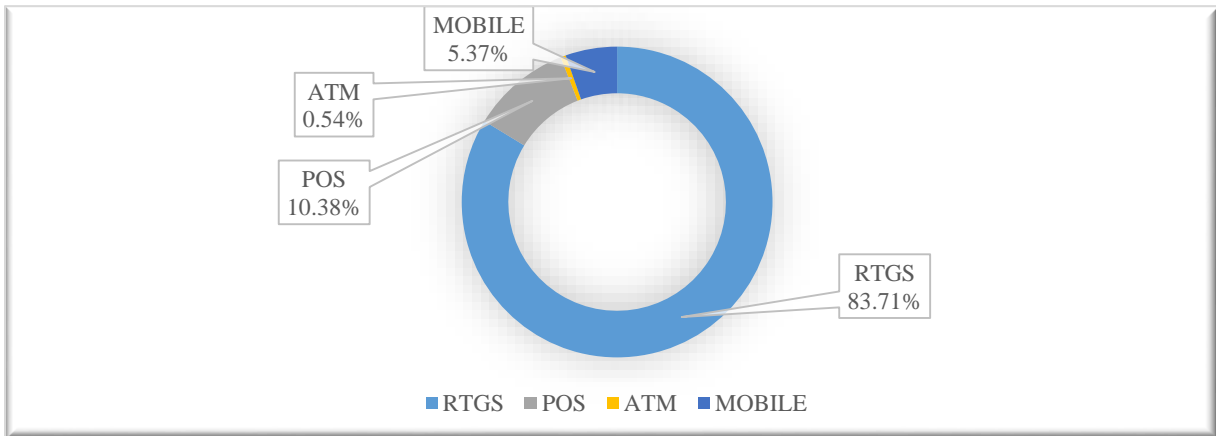
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
21-May-21	34.84	56.21	21.76	59.67
28-May-21	34.84	56.21	21.76	59.67
4-Jun-21	36.03	57.05	21.81	59.79
11-June-21	36.03	57.05	21.81	59.79
18-June-21	36.25	57.05	22.46	59.66

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) decreased by 5.03% to US\$97.02 billion, from USD\$102.16 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions decreased by 1.04% to close at ZW\$81.22 billion, during the week under analysis. The NPS transactions values were distributed as follows: RTGS 83.71%; POS 10.38%, Mobile 5.37% and ATM, 0.54%.

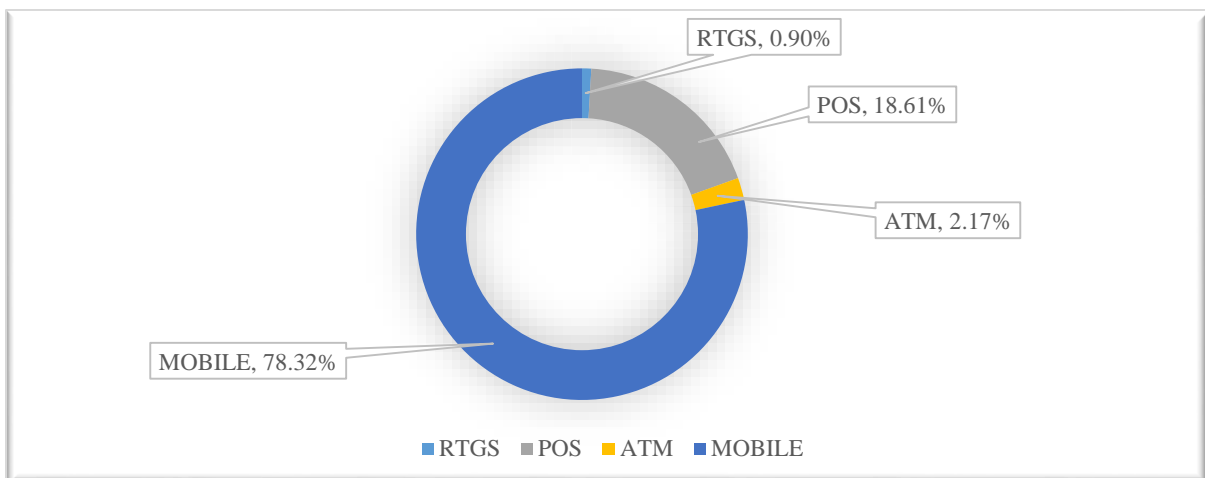
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

Transaction volumes processed through the NPS stood at 21.5 billion, during the week under review, down from 24.7 billion transactions recorded in the previous week. The NPS transaction volumes were distributed as follows: Mobile, 78.32%; POS, 18.61%; ATM, 2.17% and RTGS 0.90%, 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 11 th June 2021	WEEK ENDING 18 th June 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	82,070.01	81,219.03	-1.04%	83.71%
POS	11,861.83	10,068.46	-15.12%	10.38%
ATM	779,33	520,16	-33.26%	0.54%
MOBILE	7,445.07	5,213.72	-29.97%	5.37%
TOTAL	102,156.32	97,021.37	-5.03%	100%
Volumes				
RTGS	229,359	193,552	-15.61%	0.90%
POS	4,862,572	4,008,956	-17.55%	18.61%
ATM	430,484	468,016	8.72%	2.17%
MOBILE	19,192,930	16,868,646	-12.11%	78.32%
TOTAL	24,715,345	21,539,170	-12.85%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. TOBACCO SALES

As at 18th June 2021 or day 51 of the 2021 tobacco selling season, a cumulative total of 162.23 million kilograms of tobacco had been sold. This reflected a 19.79% increase, compared to the 135.43 million kilograms sold during the same period in 2020. Cumulative tobacco sales amounted to US\$443.31 million, up from US\$326.26 million realized during the corresponding period in 2020.

Table 4: Weekly Cumulative Tobacco Sales: Day 51 (18th June 2021)

	2020	2021	Variance (%)
Cumulative Quantity Sold (million kgs)	135,425,320	162,228,488	19.79
Average Price(US\$/kg)	2.41	2.73	35.88
Cumulative value (US\$ million)	326,263,221	443,313,925	13.43

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

The golden leaf was sold at an average price of US\$2.73/kg, during the week under review, compared to US\$2.41/kg realized during the same period in 2020.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 18th June 2021, prices for gold, platinum, copper and nickel continued on a declining trend. Brent crude oil prices, however, firmed. Table 5 shows the developments in prices of selected commodities, during the week under review.

Table 5: Metal and Crude Oil Prices for the week ending 18th June 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (7-11 June)	1,888.44	1,157.90	9,888.20	17,925.40	72.13
14-Jun	1,862.68	1,151.00	9,900.00	18,276.00	73.08
15-Jun	1,864.48	1,156.50	9,552.50	17,909.00	74.16
16-Jun	1,859.43	1,149.50	9,508.00	17,483.00	74.01
17-Jun	1,792.73	1,104.00	9,427.50	17,287.00	72.75
18-Jun	1,782.73	1,075.00	9,206.00	17,320.00	73.22
Weekly Average (14-18 June)	1,832.41	1,127.20	9,518.80	17,655.00	73.44
Weekly Change (%)	-3.0	-2.7	-3.7	-1.5	1.8

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices further retreated during the week under review, on account of a combination of a noticeably firmer US dollar and higher Treasury yields, developments which dented the yellow metal's appeal as an investment asset. The US Federal Reserve signalled a hawkish monetary policy outlook, and this bolstered the US dollar and triggered a rise in the demand for interest-bearing assets. Reflecting these developments, the weekly average price of gold fell by 3.0 %, from a weekly average of US\$1,888.44 per ounce in the previous week to US\$1,832.41 per ounce, during the week ending 18th June 2021.

Platinum

Platinum prices remained subdued and retreated by 2.7%, from a weekly average of US\$1,157.90 per ounce in the week ending 11th June 2021 to US\$1,127.20 per ounce, during the week under review. The decline was largely underpinned by a strengthening US dollar as well as China's decision to cut the demand for highly priced metals, in order to contain domestic inflation.

Copper

Copper prices retreated further, sliding by 3.7% from a weekly average of US\$9,888.20 per tonne in the previous week to US\$9,518.80 per tonne, during the week under analysis. Prices were weighed down by a stronger US dollar and signals of waning demand in China, the world's largest consumer of the base metal. China also hinted on plans to release strategic copper reserves as part of its efforts to tame price inflation in commodities markets.

Nickel

Nickel prices fell by 1.5%, from a weekly average of US\$17,925.40 per tonne in the prior week to US\$17,655.00 per tonne, during the week under review. This was, in large part, due to fears that China would act to curb further increases in prices of industrial metals, coupled with weaker demand in the spot market.

Brent Crude Oil

Brent Crude oil prices remained buoyant during the week under review, boosted by falling U.S. crude oil inventories which limited the impact of a stronger U.S. dollar. Consequently, prices extended gains and rose by 1.8% from a weekly average price of US\$72.13 per barrel to US\$73.44 per barrel, during the week ending 18th June 2021.

5. EXCHANGE RATE DEVELOPMENTS

During the week ending 18th June 2021, the Zimbabwe dollar marginally depreciated by 0.3% against the greenback, from an average of ZW\$84.9496 per US\$1 in the previous week to close the week at an average of ZW\$85.1753 per US\$1. Table 6 shows the developments in selected exchange rates.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (7-11 June)	84.9496	6.2604	120.1731	8.0298	103.4228
14-Jun	85.0700	6.1881	119.9985	8.0397	102.9164
15-Jun	85.0700	6.1805	120.1265	7.9846	103.1675
16-Jun	85.2455	6.1920	120.1027	7.9794	103.4073
17-Jun	85.2455	6.1106	119.4076	7.9794	102.3161
18-Jun	85.2455	6.0423	118.5000	7.8685	101.4551
Weekly Average (14-18 June)	85.1753	6.1427	119.6270	7.9703	102.6524
Appr(-)/Depr(+) (%) of the ZWL	<i>0.3</i>	<i>-1.9</i>	<i>-0.5</i>	<i>-0.7</i>	<i>-0.7</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 Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the fifth consecutive week, resulting in all major indices registering gains. The All Share, Medium Cap, Small Cap indices gained 0.85%, 4.20%, 17.58% to close at 5 941.21 points, 15626.42 points and 116 880.97 points, respectively. The Top 10 and Top 15 indices, however, declined by 2.12% and 1.17% to close at 3 172.69 points and 3 607.32 points, respectively.

The increase in the market indices emanated from share price gains for General Beltings Holdings Limited (106.71%), Rainbow Tourism Group Limited (RTG) (69.57%), Truworths Limited (23.58%), Getbucks Financial Services Limited (23.08%) and Lafarge Cement Zimbabwe Limited (22.73%). Partially offsetting the gains were declines in the share prices of OK Zimbabwe Limited (17.13%), Padenga Holdings Limited (10.93%), Fidelity Life Assurance Limited (10.81%), ZB Financial Holdings Limited (10.47%) and Amalgamated Regional Trading (ART) (10.10%).

The mining index recovered from the previous week loss by adding 4.31% to close at 6 310.15 points. The recovery in the resources cluster was spurred by a 17.60% gain in the share price for RioZim Limited, which more than offset a 1.92% decline in the share price for Bindura Nickel Corporation Limited.

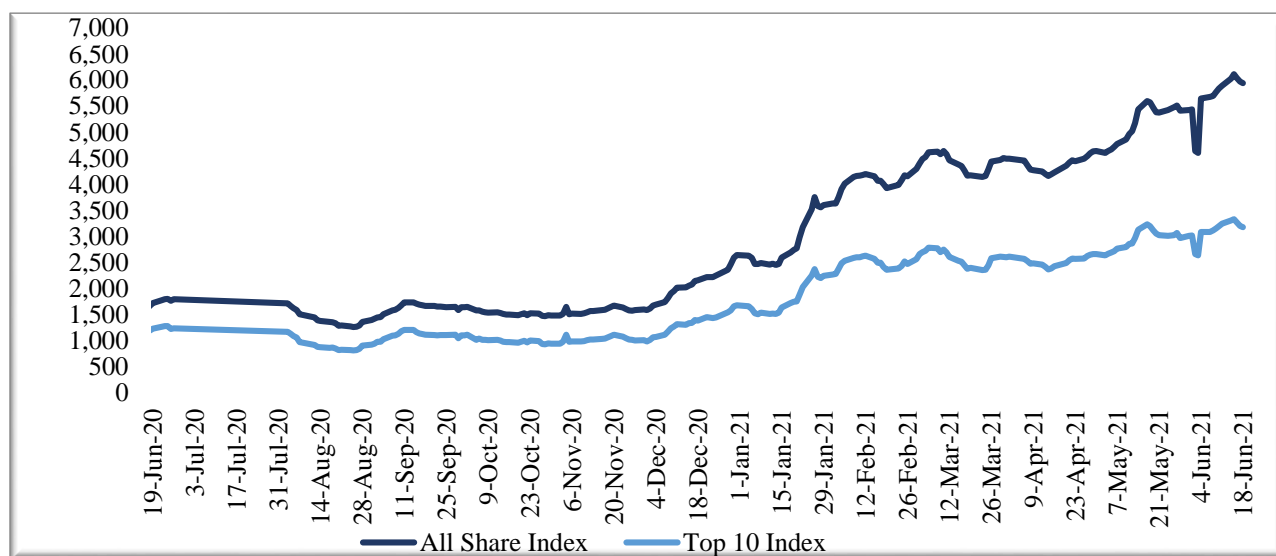
Table 7: Zimbabwe Stock Exchange Statistics²

	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)
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	6,812.84	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	6919.88	743.88	39.09
% Change	0.85	-2.12	-1.17	4.20	17.58	10.19	1.57	-59.14	-67.54

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 1 shows developments on the ZSE’s All Share, Top 10 and mining indices from the 19th June 2020 to the 18th June 2021.

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



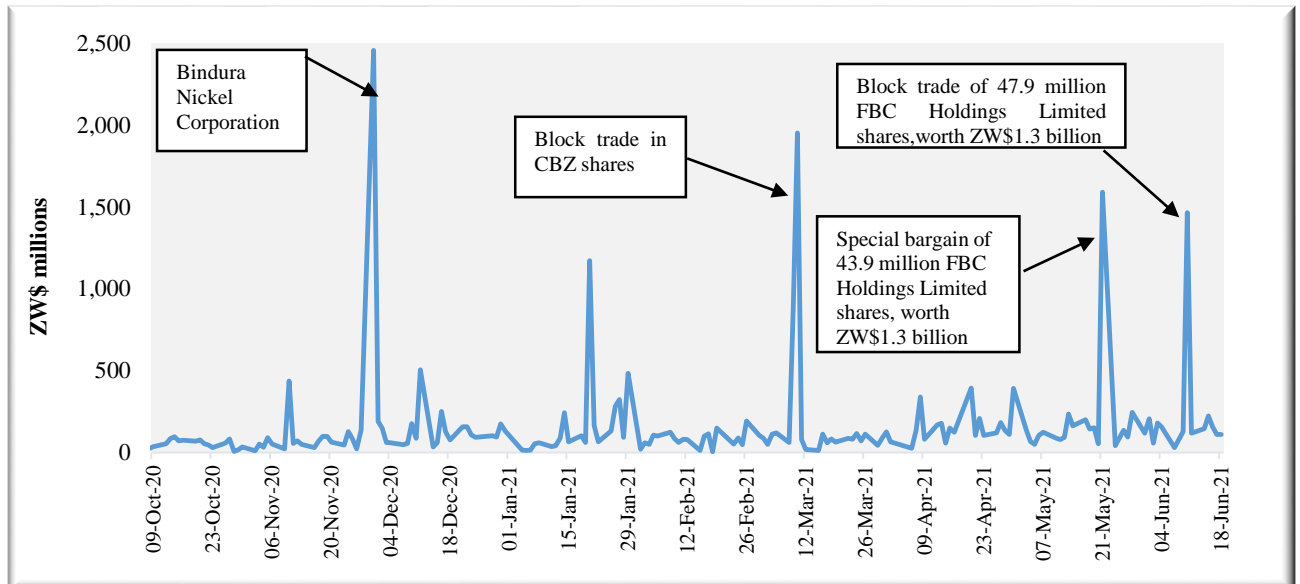
Source: Zimbabwe Stock Exchange, 2021

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

Notwithstanding the positive momentum during the week under review, there was mixed trading on the ZSE. Resultantly, the cumulative volume and value of shares traded declined by 67.55% and 59.14% to 39.09 million shares and ZW\$743.88 million, respectively.

Figure 4: Daily Market Turnover

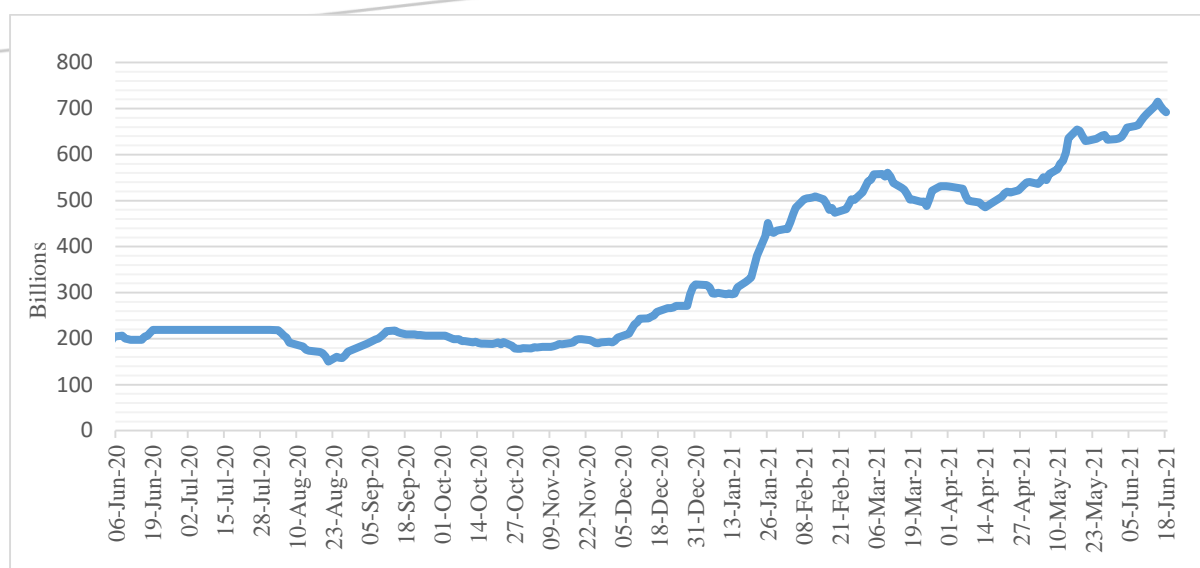


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The ZSE added ZW\$3.79 billion, or 0.55% worth of market capitalization to close at ZW\$691.99 billion during the week under review.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

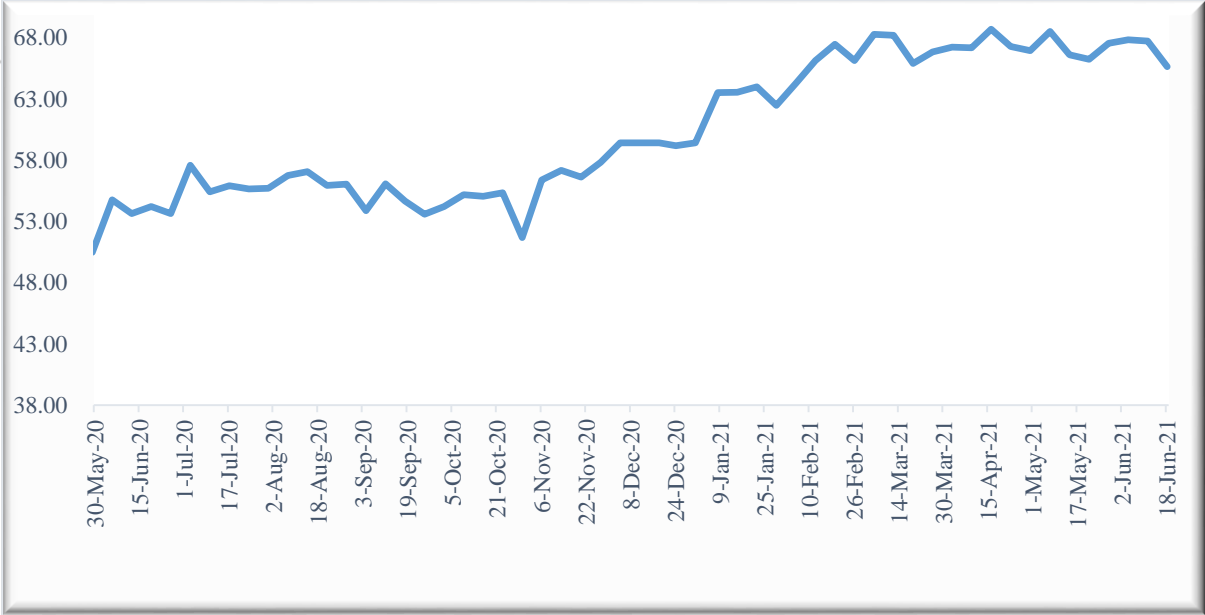
During the week ending 18th June 2021, the JSE All Share index registered a 3.08% decrease to 65,635.23 points, from 67,723.91 points in the previous week. JSE market capitalization also decreased by 2.10%, from ZAR19.04 trillion in the previous week to ZAR18.64 trillion, during the week under review.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
18-June-21	65,635.23	18.64
% Change	-3.08%	-2.10%

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			
	28-May-21	4-Jun-21	11-June-21	18-June-21	28-May-21	4-June-21	11-June-21	18-June-21
Total Bids (US\$ dollars)	31,841,848.09	32,599,234.77	29,505,925.17	38,979,127.69	6,335,601.02	5,939,711.40	5,312,455.06	7,934,235.31
Amount Allotted (US\$ dollars)	31,841,848.09	32,599,234.77	29,505,925.17	38,979,127.69	6,335,601.02	5,939,711.40	5,312,455.06	7,934,235.31
Highest Rate	89	89	90	90	89	89	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	84.7259	84.7653	85.0724	85.2455	84.7259	84.7653	85.0724	85.2455
Number of Bids Received	354	328	383	451	441	441	461	546
Number of Bids Rejected	35	38	38	54	25	31	29	25

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			
	28-May-21	4-Jun-21	11-June-21	18-June-21	28-May-21	4-Jun-21	11-June-21	18-June-21
Raw Materials	13,308,370.06	14,686,352.08	12,477,275.80	14,488,442.38	1,373,479.46	1,540,214.62	1,440,671.24	1,844,866.44
Machinery and Equipment	5,196,702.99	5,717,615.44	5,397,735.31	8,093,703.75	1,637,585.90	1,232,531.29	1,263,600.99	1,983,854.14
Consumables (Incl. Spares, Tyres, Packaging)	1,560,300.21	2,554,971.41	2,809,858.37	3,906,651.15	1,560,300.21	1,353,400.14	1,249,897.05	2,053,997.77
Pharmaceuticals and Chemicals	349,062.45	3,521,696.55	2,640,395.96	3,616,210.02	349,062.45	286,669.03	315,431.81	397,982.97
Services (Loans, Dividends and Disinvestments)	378,702.54	2,439,667.98	1,643,774.83	2,303,990.07	378,702.54	535,324.58	334,590.26	631,633.35
Retail and Distribution	497,405.96	2,344,239.90	2,395,425.74	3,446,719.93	497,405.96	510,574.99	379,823.92	580,585.47
Fuel, Electricity and Gas	218,126.45	1,034,163.66	1,445,678.49	2,182,124.53	218,126.45	252,729.41	151,893.86	117,050.01
Paper and Packaging	320,938.05	300,527.75	695,780.67	941,285.86	320,938.05	228,267.34	176,545.92	324,265.16
TOTAL	31,841,848.09	32,599,234.77	29,505,925.17	38,979,127.69	6,335,601.02	5,939,711.40	5,312,455.05	7,934,235.31

Source: Reserve Bank of Zimbabwe, 2021