



Weekly Economic Highlights

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Week Ending
1st October 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposits rates for savings deposits, deposits of 1- month and 3- month tenors were largely unchanged during the week ending 1st October 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 (%)
3-Sept-21	5.28	7.29	8.06	13.31	9.05	14.29
10-Sept-21	5.53	7.50	8.11	12.64	9.42	14.03
17-Sept-21	5.53	7.50	8.11	12.64	9.42	14.03
24-Sept-21	5.38	8.36	8.47	12.83	9.53	14.03
1-Oct-21	5.38	8.36	8.47	12.83	9.53	14.03

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

During the week under review, commercial bank minimum and maximum lending rates for individual and corporate clients were unchanged, compared to the previous week, as shown in Table 2.

Table 2: Lending Rates (per annum)

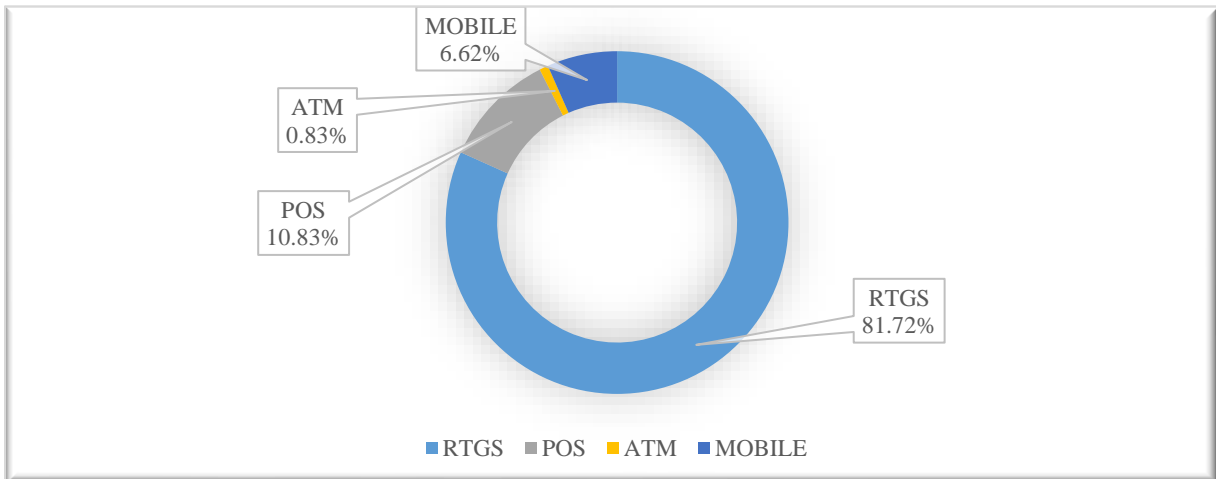
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
3-Sept-21	41.06	57.39	39.65	65.06
10-Sept-21	40.75	58.06	39.81	64.67
17-Sept-21	40.75	58.06	39.81	64.67
24-Sept-21	40.61	58.46	39.50	63.66
1-Oct-21	40.61	58.46	39.50	63.66

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) registered an increase of 3.92% to close at \$137.32 billion in the week ending 1st October 2021. Real Time Gross Settlement (RTGS) transactions were 3.30% higher, to close at \$112.21 billion during the same week. The NPS transaction values were distributed as follows: RTGS, 81.72%, POS, 10.83%; Mobile, 6.62%; and ATM, 0.83%.

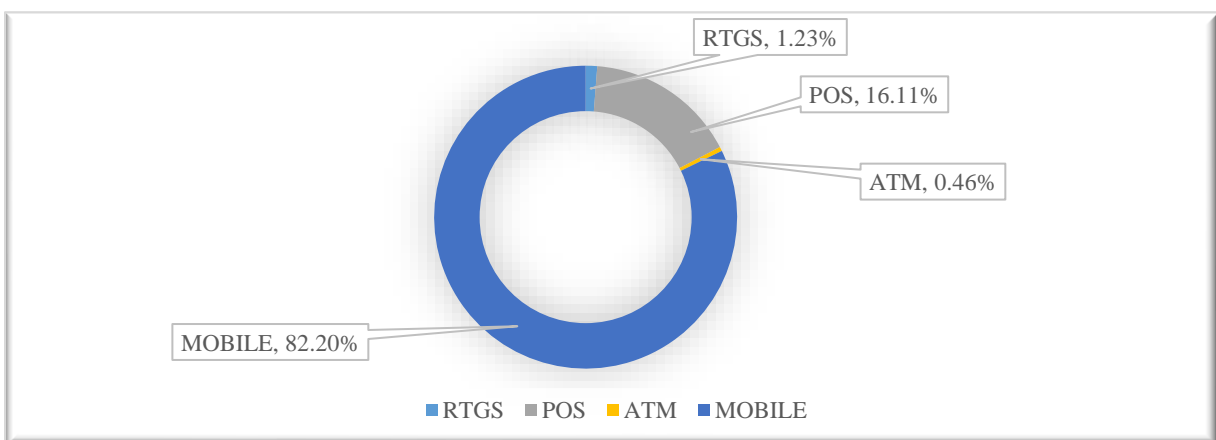
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The week under review saw NPS transaction volumes increase by 1.58% to close at 26.56 million, from 26.15 million in the previous week. In volume terms, the NPS transactions were distributed as follows: Mobile, 82.20%; POS, 16.11%; RTGS, 1.23%; and ATM, 0.46%, 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 24 th September 2021	WEEK ENDING 1 st October 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	108,633.55	112,214.53	3.30%	81.72%
POS	13,593.86	14,877.52	9.44%	10.83%
ATM	831.34	1,134.87	36.51%	0.83%
MOBILE	9,074.79	9,089.20	0.16%	6.62%
TOTAL	132,133.53	137,316.12	3.92%	100%
Volumes				
RTGS	295,755	325,649	10.11%	1.23%
POS	4,274,946	4,280,008	0.12%	16.11%
ATM	111,635	121,009	8.40%	0.46%
MOBILE	21,466,712	21,834,408	1.71%	82.20%
TOTAL	26,149,048	26,561,074	1.58%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

On global commodity markets, weekly average prices for gold, copper and nickel retreated, while platinum and crude oil prices firmed, during the week ending 1st October 2021. Table 4 shows the developments in commodity prices, during the week under analysis.

Table 4: Prices of Selected Commodities for the week ending 1st October 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (20 - 24 September)	1,762.76	972.00	9,206.70	19,097.00	76.19
27-Sep	1,752.23	986.00	9,341.00	18,910.00	80.19
28-Sep	1,736.70	982.00	9,263.00	18,620.00	77.18
29-Sep	1,739.40	967.00	9,227.00	18,625.00	77.82
30-Sep	1,736.88	960.50	9,041.00	18,180.00	77.82
1-Oct	1,756.33	968.00	9,113.00	18,125.00	79.03
Weekly Average (27 Sep - 1 Oct)	1,744.31	972.70	9,197.00	18,492.00	78.41
Weekly Change (%)	-1.0	0.1	-0.1	-3.2	2.9

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices were down by 1.0%, from a weekly average of US\$1,762.76 per ounce in the previous week to US\$1,744.31 per ounce, during the week under analysis. The prices remained under pressure, as investors continued to shift to a stronger US dollar and higher U.S. Treasury yields. The US dollar got support from investor expectations of an earlier-than-expected

interest rate hike. Higher interest rates increase the opportunity cost of holding non-interest-bearing bullion and hence making it less appealing to investors.

Platinum

Platinum prices rebounded, supported by signs of recovery of industrial demand, amid hopes of global economic recovery, as most economies started to reopen. As a result, platinum prices rose by 0.1%, from a weekly average of US\$972.00 per ounce to US\$972.70 per ounce, during the week ending 1st October 2021.

Copper

Copper prices further retreated, as markets continued to be weighed down by a stronger US dollar and the credit-crunch engulfing Evergrande, China's second-biggest property company. In addition, the power supply crisis in China, which has led to factory shutdowns, continued to dent the demand outlook for base metals. Accordingly, copper prices fell by 0.1%, from a weekly average of US\$9,206.70 per tonne in the previous week to US\$9,197.00 per tonne, during the week under analysis.

Nickel

Nickel prices retreated by 3.2%, from a weekly average of US\$19,097.00 per tonne to US\$18,492.00 per tonne, during the week under review. This followed the power supply crisis in China, which negatively impacted the demand for the base metal.

Brent Crude Oil

Brent Crude oil remained firm, on expectations that the Organisation of Petroleum Exporting Countries (OPEC) would maintain a steady pace in raising supply. The robust growth in the demand for oil across the globe, as economies started to reopen, also boosted crude oil prices. Resultantly, prices gained by 2.9%, from a weekly average of US\$76.19 per barrel to US\$78.41 per barrel, during the week under review.

4. EXCHANGE RATE DEVELOPMENTS

During the week under review, the Zimbabwe dollar (ZWS) marginally depreciated against the US dollar, shedding 0.5% from an average of ZWS\$86.4480 per US\$1 in the previous week to ZWS\$86.8912 per US\$1. Developments in selected exchange rates are as shown in Table 5.

	USD	ZAR	GBP	BWP	EURO
2021					

Weekly Average 2 (20-24 September)	86.4480	5.9065	118.9753	7.7956	101.7043
27-Sep	87.6653	5.7988	118.7734	7.7368	102.4325
28-Sep	87.6653	5.8005	117.8529	7.7323	101.7271
29-Sep	87.6653	5.7971	117.9537	7.7457	101.4945
30-Sep	85.7300	5.9648	119.0385	7.8445	101.4470
1-Oct	85.7300	5.9172	119.3299	7.8102	101.3570
Weekly Average (27 Sep - 1 Oct)	86.8912	5.8557	118.5897	7.7739	101.6916
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.5</i>	<i>-0.9</i>	<i>-0.3</i>	<i>-0.3</i>	<i>0.0</i>

Table 5: International Exchange Rates¹

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) was on bullish trajectory for the fourth consecutive week, resulting in gains in all major indices. The Top 15, Top 10, Small Cap and All Share indices gained by 12.14%, 11.37%, 11.22% and 10.84% to close at 5 688.58 points, 4 998.20 points, 255 411.79 points and 8 719.53 points, respectively.

Share price gains were recorded for British American Tobacco Limited (53.08%), Mashonaland Holdings Limited (51.44%), Hippo Valley Estates Limited (43.50%), African Sun Limited (35.85%) and Willdale Limited (34.90%). Losses in share prices were, however, recorded in share prices for First Mutual Properties Limited (15.08%), Ok Zimbabwe Limited (13.26%), NMBZ Holdings Limited (6.28%), Axia Corporation Limited (5.02%) and Starafrika corporation Limited (1.41%).

The resources index fell by 2.97% to close at 6 432.53 points, during the week under analysis. This emanated from share prices losses for Riozim Limited, 10.82%, partially offset by a 0.77% increase in the Bindura Nickel Corporation Limited share price.

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

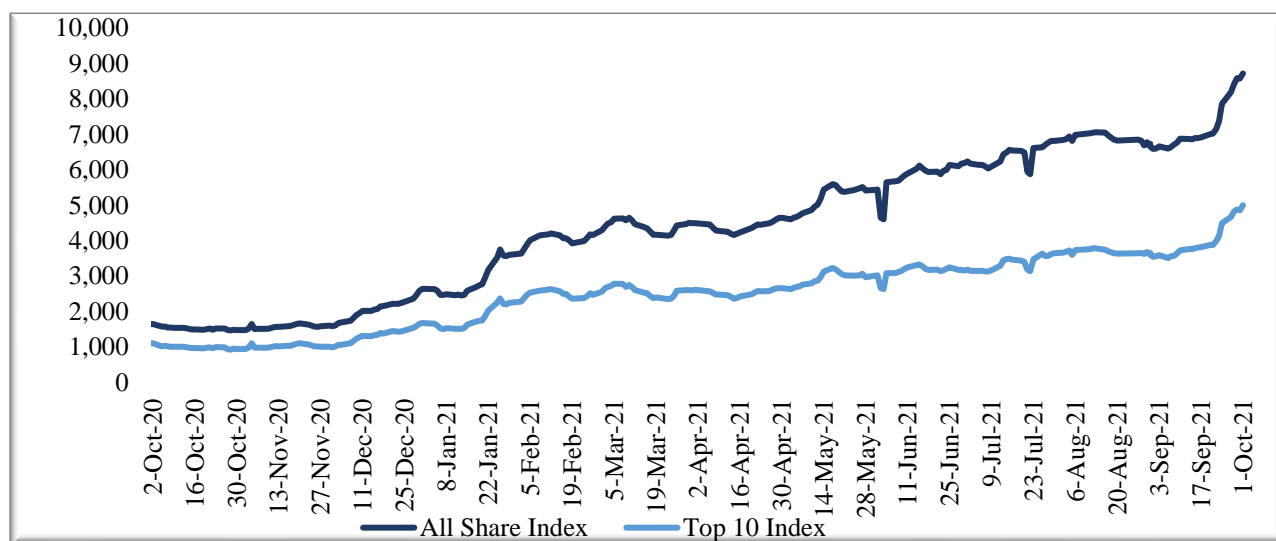
Table 7: Zimbabwe Stock Exchange Statistics²

	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 billion)	Market Turnover (ZWL million)	Volume of Shares (million)
27-Aug-21	6,735.80	3,647.46	4,150.76	17,195.93	226,803.15	5,971.30	802.53	464.62	25.87
3-Sept-21	6,658.25	3,583.93	4,103.15	17,140.96	225,648.37	6,279.88	793.15	440.40	14.56
10-Sept-21	6,878.97	3723.60	4 276.15	17,621.35	220 148.96	6,271.23	819.47	537.22	22.07
17-Sept-21	6,918.42	3,811.50	4,349.82	17,264.15	220,336.87	6,104.31	823.33	1,444.53	2,776.13
24-Sept-21	7,866.84	4,488.02	5,072.84	18,655.87	229,647.05	6,629.24	940.02	1,403.07	69.39
1-Oct-21	8,719.53	4,998.20	5,688.58	20,464.29	255,411.79	6,432.53	1,048.64	1,138.05	36.28
% Change	10.84	11.37	12.14	9.69	11.22	-2.97	11.56	-18.89	-47.72

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows developments on the ZSE’s All Share, Top 10 and mining indices from 2nd September 2020 to 1st September 2021.

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



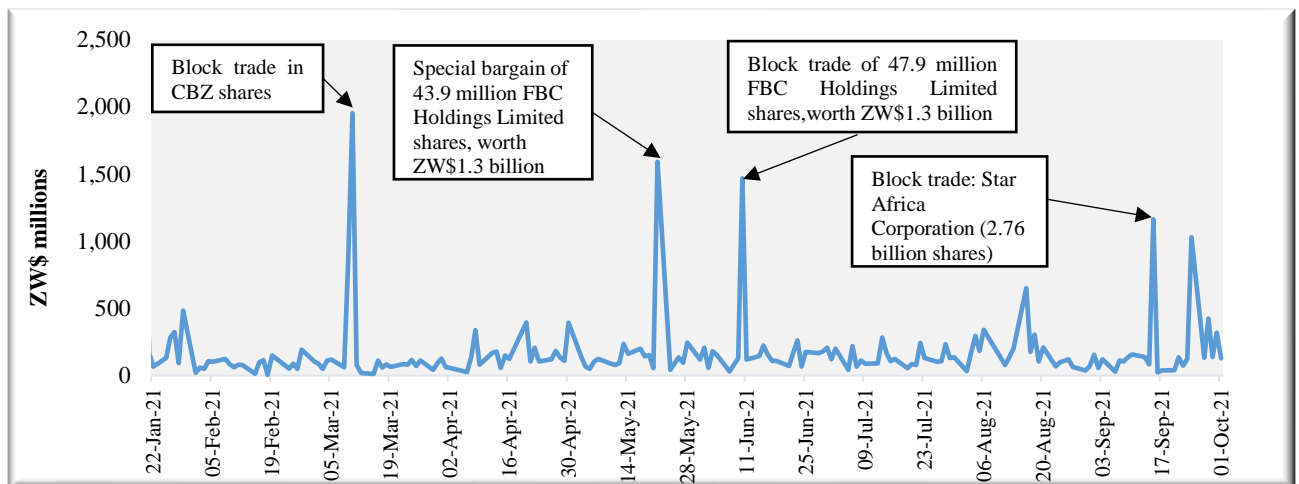
Source: Zimbabwe Stock Exchange, 2021

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

Despite positive trading experienced on the ZSE during the week under analysis, the cumulative volume and value of shares traded declined by 47.71% and 18.89% to 36.28 million shares and ZW\$1.14 billion, respectively.

Figure 4: Daily Market Turnover

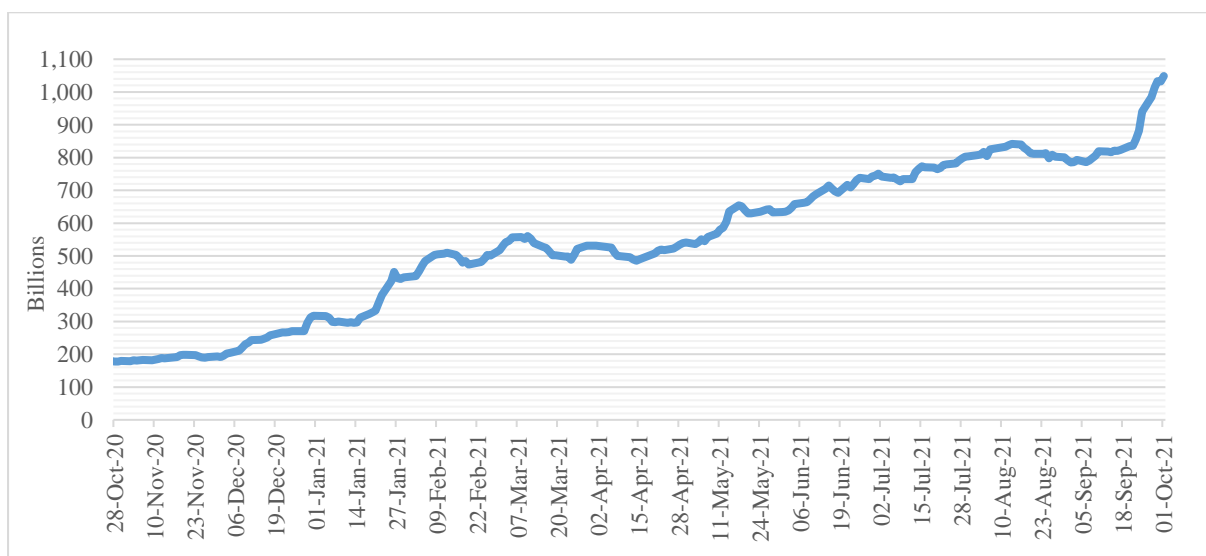


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

ZSE market capitalisation increased by 11.56%, from the previous week's position of ZW\$940.02 billion to close at ZW\$1,048.64 billion, during the week under analysis.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

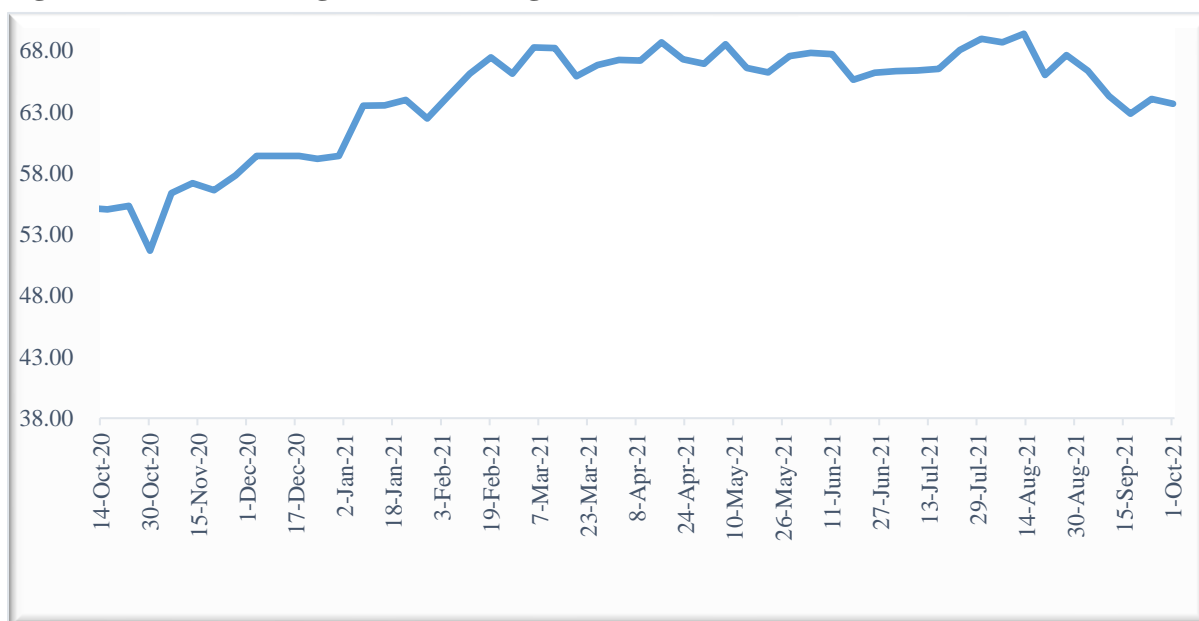
The Johannesburg Stock Exchange (JSE) All Share Index registered a loss of 0.61%, to close the week under review at 63,661.02 points. In tandem, JSE market capitalization was 1.19% lower, to close at ZAR18.23 trillion during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
27-Aug-21	67,646.08	19.26
3-Sept-21	66,371.85	19.06
10-Sept-21	64,296.06	18.41
17-Sept-21	62,863.64	18.22
24-Sept-21	64,049.05	18.45
1-Oct-21	63,661.02	18.23
% Change	-0.61	-1.19

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 MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	10-Sept-21	17-Sept-21	24-Sept-21	1-Oct-21	3-Sept-21	10-Sept-21	17-Sept-21	1-Oct-21
Total Bids (US\$ dollars)	31,095,590.71	35,791,364.07	34,894,442.49	34,192,013.42	6,407,769.05	8,004,968.66	12,073,518.56	10,582,486.96
Amount Allotted (US\$ dollars)	31,095,590.71	33,522,285.59	29,002,007.15	31,709,267.96	6,407,769.05	8,004,968.66	9,779,692.35	9,377,226.27
Highest Rate	90	90	95	95	92	92	97.2	97.2
Lowest Bid Rate	84	85	85	85	84	85	85	85
Lowest Bid Rate Allotted	84	85	85	85	84	85	85	85
Weighted Average Rate	86.2131	86.3010	86.9267	87.6653	86.2131	86.3010	86.9267	87.6653
Number of Bids Received	299	444	443	450	591	862	1082	1236
Number of Bids Rejected	34	60	33	22	52	148	59	56

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			
	10-Sept-21	17-Sept-21	24-Sept-21	1-Oct-21	10-Sept-21	17-Sept-21	24-Sept-21	1-Oct-21
Raw Materials	13,642,667.98	13,078,080.28	12,642,805.59	12,919,239.28	2,212,640.90	2,377,278.00	3,004,873.06	2,953,286.28
Machinery and Equipment	6,490,814.46	8,320,526.83	6,594,991.86	7,983,704.69	1,598,301.04	2,479,855.75	3,030,865.81	2,738,627.65
Consumables (Incl. Spares, Tyres, Packaging)	1,528,917.18	2,679,565.53	2,632,044.47	2,648,090.96	964,507.11	1,213,396.43	1,492,637.16	1,465,622.73
Pharmaceuticals and Chemicals	2,184,464.69	2,356,203.49	1,942,533.00	1,904,542.68	213,264.68	372,145.54	495,895.86	370,929.89
Services (Loans, Dividends and Disinvestments)	1,011,431.43	1,550,903.97	1,204,631.57	1,471,247.99	440,706.20	602,455.25	599,110.94	584,600.46
Retail and Distribution	4,334,409.99	4,168,993.39	3,262,929.05	3,535,845.96	605,729.23	734,088.06	819,992.52	961,374.21
Fuel, Electricity and Gas	1,193,683.10	2,356,203.49	0.00	0.00	149,564.56	372,145.54	20,482.41	0.00
Paper and Packaging	709,201.86	1,094,208.53	722,071.61	1,246,596.40	223,055.33	225,749.63	315,834.59	302,785.05
TOTAL	31,095,590.71	33,522,285.59	29,002,007.15	31,709,267.96	6,407,769.05	8,004,968.66	9,779,692.35	9,377,226.27

Source: Reserve Bank of Zimbabwe, 2021