



Weekly Economic Highlights

TABLE OF CONTENTS

1. INTEREST RATES	1
2. CLEARING AND SETTLEMENT ACTIVITY	2
3. TOBACCO SALES.....	3
4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS	4
5. EXCHANGE RATE DEVELOPMENTS	5
6. EQUITY MARKETS.....	6

Week Ending
10th September 2021

1. INTEREST RATES

Deposit Rates

During the week under analysis, average minimum deposit rates for all classes of deposits registered declines. Maximum deposit rates for savings deposits increased while those for 1 month and 3 month tenors were lower 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 (%)
13-Aug-21	5.06	7.56	6.94	12.16	8.26	13.72
20-Aug-21	5.06	7.56	6.94	12.16	8.26	13.72
27-Aug-21	5.28	7.29	8.06	13.31	9.05	14.29
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

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Commercial bank minimum lending rates for individuals declined while those for corporate clients rose during the week under review. Maximum lending rates for individuals registered an increase while those for corporate clients fell during the week under analysis, as shown in Table 2.

Table 2: Lending Rates (per annum)

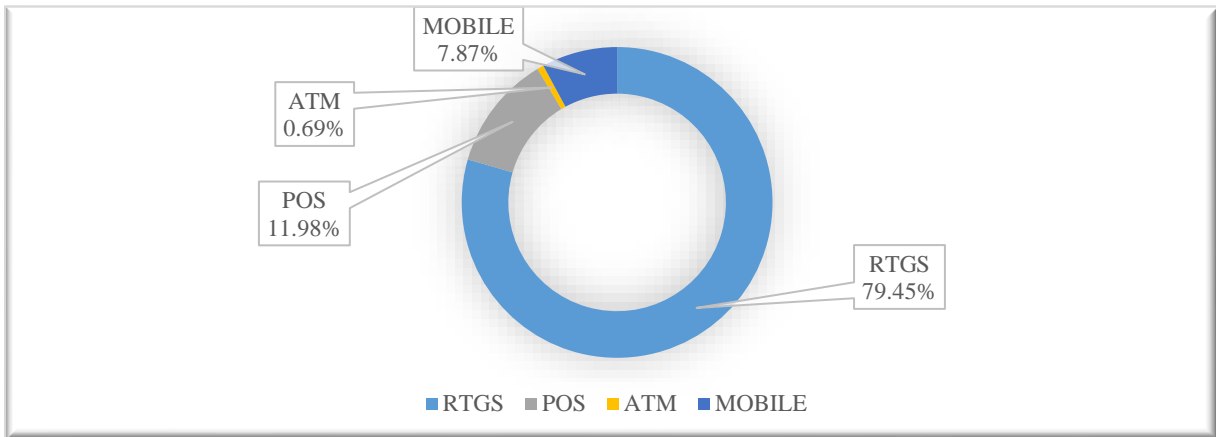
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
13-Aug-21	40.37	56.87	39.67	64.68
20-Aug-21	40.37	56.87	39.67	64.68
27-Aug-21	41.06	57.39	39.65	65.06
3-Sept-21	41.06	57.39	39.65	65.06
10-Sept-21	40.75	58.06	39.81	64.67

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) declined by 6.41% to \$126.24 billion during the week ending 10th September 2021. Real Time Gross Settlement (RTGS) transactions were 8.12% lower to close at \$100.0 billion during the same week. In proportion, NPS transaction values were as follows: RTGS, 79.45%, POS, 11.98%; Mobile, 7.87%; and ATM, 0.69%.

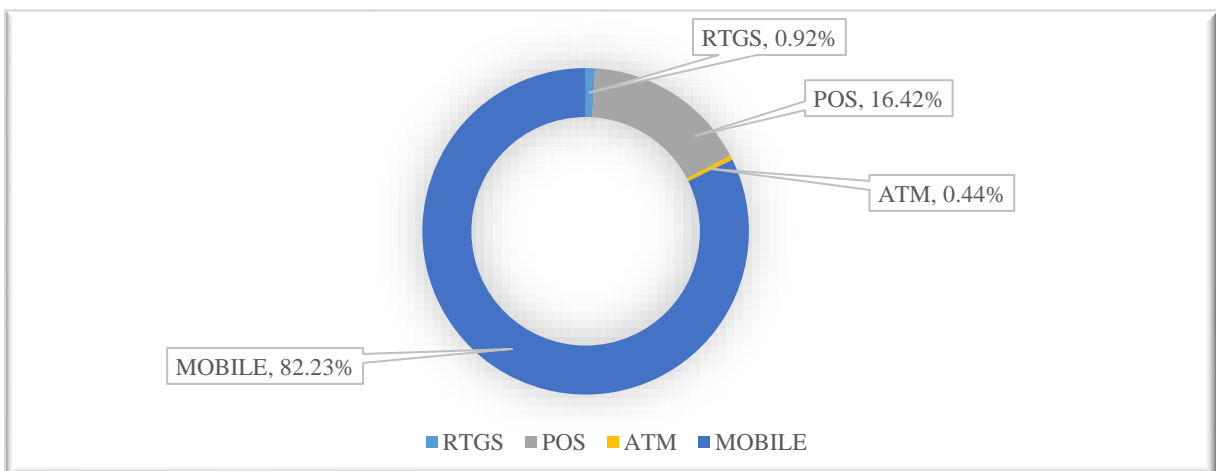
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The NPS transaction volumes registered an increase of 4.53% to close at 28.13 million transactions, up from 26.91 million in the preceding week. The distribution of NPS transaction volumes were as follows: Mobile, 82.23%; POS, 16.42%; RTGS, 0.92%; and ATM, 0.44%, 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 3 rd September 2021	WEEK ENDING 10 th September 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	109,170.49	100,301.97	-8.12%	79.45%
POS	15,147.39	15,128.02	-0.13%	11.98%
ATM	1,417.40	876.70	-38.15%	0.69%
MOBILE	9,160.55	9,937.06	8.48%	7.87%
TOTAL	134,895.83	126,243.74	-6.41%	100%
Volumes				
RTGS	300,698	257,462	-14.38%	0.92%
POS	4,575,655	4,618,874	0.94%	16.42%
ATM	149,496	123,095	-17.66%	0.44%
MOBILE	21,888,714	23,134,083	5.69%	82.23%
TOTAL	26,914,563	28,133,514	4.53%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. TOBACCO SALES

As at 10th September 2021 or day 108 of the 2021 tobacco selling season, a cumulative total of 209.72 million kilograms of tobacco had been sold. This was 14.39% higher compared to 183.34 million kilograms sold in the comparable period in 2020.

The cumulative value of tobacco sold stood at US\$586.55 million during the week of analysis, compared to a cumulative value of US\$458.51 million during the same period in the previous year.

The golden leaf was sold at an average price of US\$2.80/kg, a 11.83% increase from US\$2.50/kg registered during the same period in 2020.

Table 4: Weekly Cumulative Tobacco Sales: Day 108 (10th September 2021)

	2020	2021	Variance (%)
Cumulative Quantity Sold (million kgs)	183,336,723	209,720,945	14.39
Average Price(US\$/kg)	2.50	2.80	11.83
Cumulative value (US\$ million)	458,507,739	586,553,895	27.93

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

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 10th of September 2021, international prices for gold and platinum retreated while copper, nickel and crude oil prices remained in the positive territory. Table 5 shows the developments in commodity prices during the week under review.

Table 5: Metal and Crude Oil Prices for the week ending 10th September 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (31 Aug- 3 Sep)	1,814.79	1,006.00	9,370.63	19,478.25	72.26
6-Sep	1,822.73	1,023.00	9,401.50	19,640.00	72.74
7-Sep	1,806.45	1,012.50	9,325.00	19,555.00	71.67
8-Sep	1,791.98	999.00	9,256.00	19,725.00	72.83
9-Sep	1,791.80	983.50	9,356.50	20,240.00	71.84
10-Sep	1,797.25	982.00	9,515.00	20,375.00	73.28
Weekly Average (6 - 10 Sep)	1,802.04	1,000.00	9,370.80	19,907.00	72.47
Weekly Change (%)	-0.7	-0.6	0.002	2.2	0.3

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold reversed increases recorded in previous weeks as gains in the US dollar and a rise in US treasury yields dented the metal's appeal as an investment asset. These developments raised the opportunity cost of holding non-interest yielding bullion. The decline was, however, moderated by renewed bets that the U.S. Federal Reserve may delay unwinding its pandemic-driven economic support measures. Resultantly, gold prices fell by 0.7% from a weekly average price of US\$1,814.79 per ounce in the previous week, to US\$1,802.04 per ounce, during the week under review.

Platinum

Similarly, platinum retreated during the week on account of slackening investment demand as investors shifted to riskier assets and a stronger US dollar. Accordingly, platinum prices fell by 0.6% from a weekly average price of US\$1,006.00 per ounce in the previous week, to US\$1,000.00 per ounce, during the week ending 10th September 2021.

Copper

Copper prices remained relatively unchanged, moving from a weekly average price of US\$9,370.63 per tonne in the prior week, to US\$9,370.80 per tonne, during the week under

analysis. The red metal however, remain under pressure from investors' concerns about Covid-19 Delta variant cases which have dented the outlook for global economic growth.

Nickel

Nickel continued on an upward trajectory reflecting increased demand in steel and alloy industries against signs of dwindling inventories. Resultantly, nickel prices increased by 2.2% from a weekly average price of US\$19,478.25 per tonne to US\$19,790.00 per tonne during the week ending 10th September 2021.

Brent Crude Oil

Brent Crude oil prices rose by a marginal 0.3% to close the week at an average of US\$72.47 per barrel during the week under review. Oil prices have continued to be supported by concerns about US supply disruptions as reports showed that there was slow progress in restoring output after disturbances caused by Hurricane Ida. The gains were, however, capped following reports that China, the world's top oil importer was planning to release its crude oil reserves in order to curb commodity inflation.

5. EXCHANGE RATE DEVELOPMENTS

On the foreign exchange markets, the Zimbabwean dollar (ZWS) treaded steadily against the US dollar, sliding by 0.1% from an average of ZW\$85.9251 per USD in the previous week to ZW\$86.0180 per USD. The developments in selected exchange rates are shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (30 Aug- 3 Sep)	85.9251	5.9475	118.8344	7.8168	101.6866
6-Sep	86.2100	6.0277	118.7370	7.8415	102.0634
7-Sep	86.2100	6.0680	118.5991	7.8545	101.8524
8-Sep	86.2100	6.0827	119.4095	7.8805	102.0248
9-Sep	85.7300	5.9648	119.0385	7.8445	101.4470
10-Sep	85.7300	5.9172	119.3299	7.8102	101.3570
Weekly Average (6-10 September)	86.0180	6.0121	119.0228	7.8462	101.7489
Appr(-)/Depr(+) (%) of the ZWL	<i>0.1</i>	<i>1.1</i>	<i>0.2</i>	<i>0.4</i>	<i>0.1</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) recovered from previous week's loss, resulting in all major indices registering gains. The All Share, Top 10 and Medium Cap indices added 3.31%, 3.90% and 2.80% to close at 6,878.97 points, 3,723.60 points and 17,621.35 points, respectively.

The growth in the mainstream index resulted from share price gains in Cassava Smartech Zimbabwe Limited (20.43%), British American Tobacco Zimbabwe (20%), Dairibord Holdings Limited (16.08%), First Mutual Properties Limited (14.07%) and First Mutual Holdings Limited (12.50%). Gains were partially offset by the aforementioned gains in Fidelity Life Assurance Limited (19%), First Capital Bank Limited (10.77%), National Tyre Services Limited (8.62%), Seed Co Limited (6.59%) and Medtech Holdings Limited (6.44%).

During the week under review, the mining index registered a marginal decline of 0.14% to close at 6,271.43 points. This emanated from a 0.21% decline in Bindura Nickel Corporation Limited share price, Riozim Limited share traded at previous price level.

Table 7: Zimbabwe Stock Exchange Statistics²

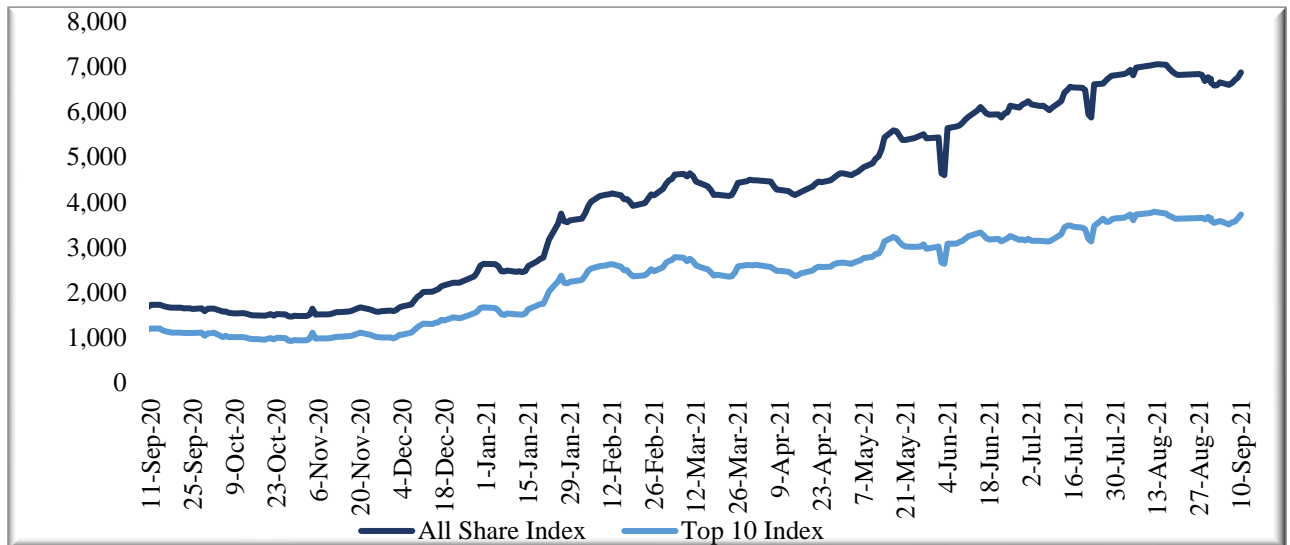
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
6-Aug-21	6,982.59	3,729.32	4,291.62	18,194.99	233,212.56	6,087.67	824.81	1 026.01	58.63
13-Aug-21	7,060.72	3,773.68	4,337.43	18,379.92	236,071.81	6,091.19	841.57	415.73	16.00
20-Aug-21	6,820.36	3,635.74	4,188.07	17,807.22	230,844.49	5,959.57	811.65	1,444.71	41.51
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	819,466	537.22	22.07
% Change	3.31	3.90	4.22	2.80	-2.44	-0.14	1,032.18	21.98	51.58

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 developments on the ZSE's All Share and Top 10 indices from the 11th September 2020 to 10th September 2021.

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

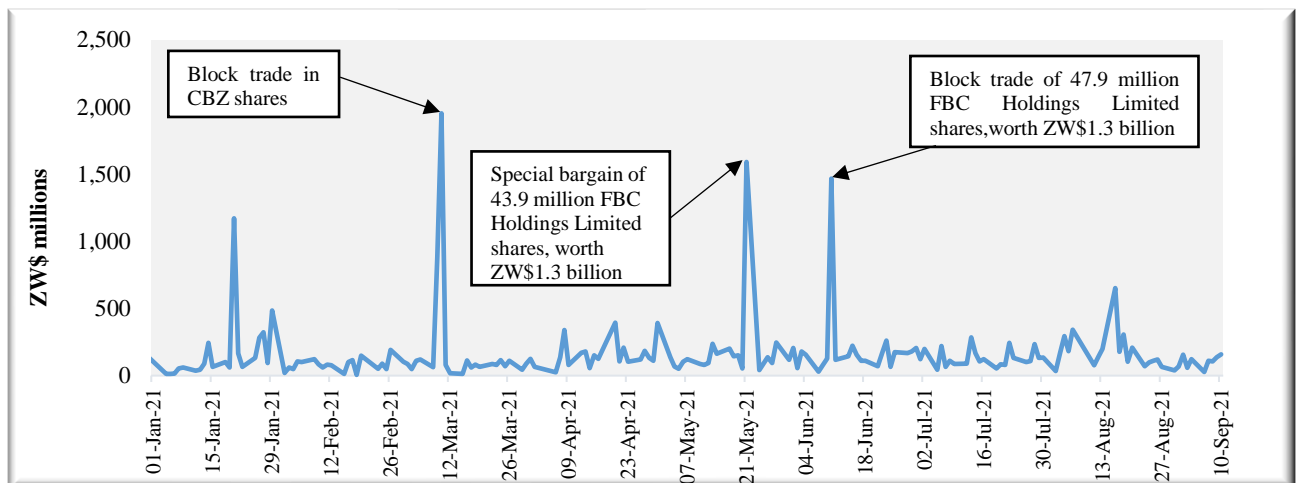


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

Improved trading activity resulted in a 51.56% and 21.98% increase in cumulative volume and value of shares traded to 22.07 million shares and ZW\$537.22 million, respectively.

Figure 4: Daily Market Turnover

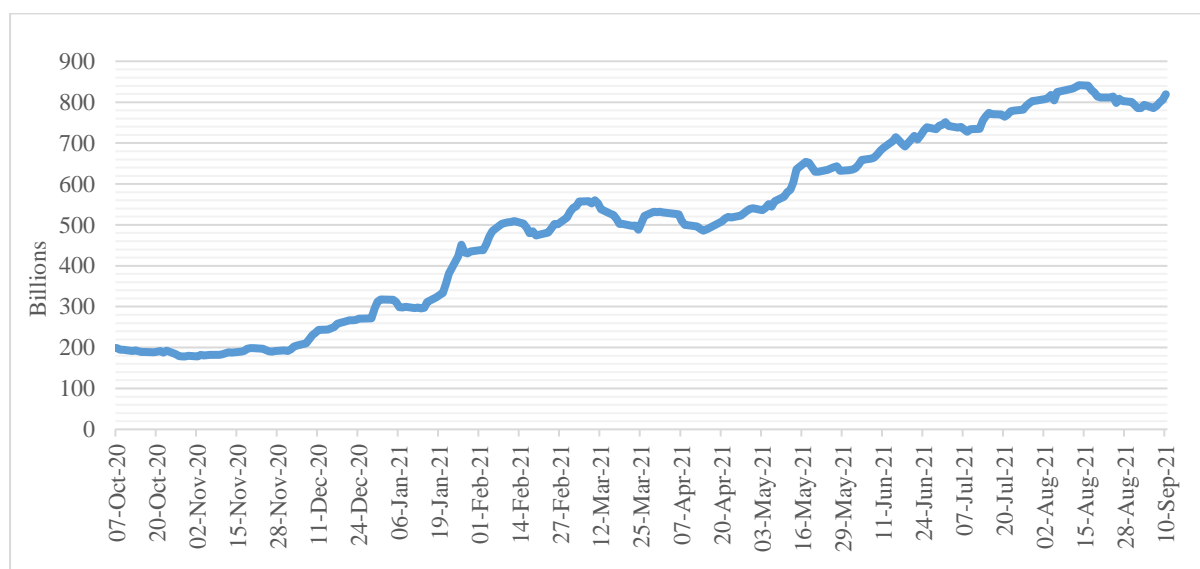


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

As a consequence of positive trading during the week under analysis, the ZSE gained ZW\$26.32 billion, or 3.32% worth of capitalization to close at ZW\$819.47 billion, compared to the previous week's position of ZW\$793.15 billion.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

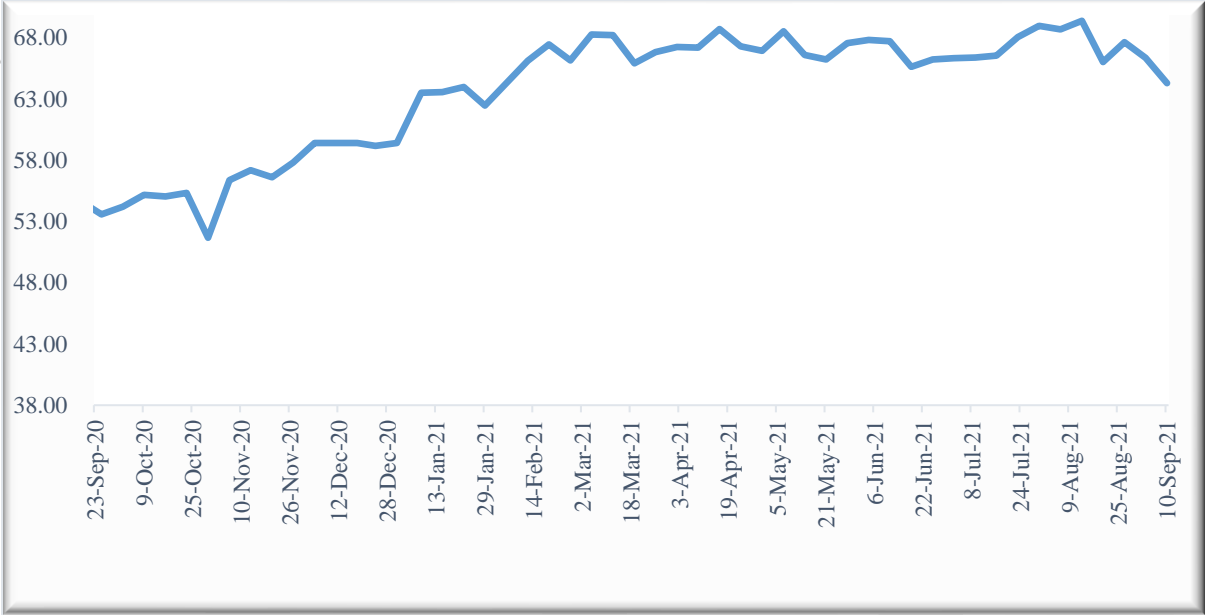
During the week under review, the Johannesburg Stock Exchange (JSE) All Share Index fell by 3.13% to close at 64,296.06 points, from 66,371.85 points in the previous week. JSE market capitalization declined by 3.41% to close at ZAR18.41 trillion, during the same week.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
6-Aug-21	68,673.95	18.77
13-Aug-21	69,384.76	19.10
20-Aug-21	66,011.06	18.96
27-Aug-21	67,646.08	19.26
3-Sept-21	66,371.85	19.06
10-Sept-21	64,296.06	18.41
% Change	-3.13	-3.41

Source: <https://www.jse.co.za/services/market-data/market-statistics> week

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			
	20-Aug-21	27-Aug-21	3-Sept-21	10-Sept-21	20-Aug-21	27-Aug-21	3-Sept-21	10-Sept-21
Total Bids (US\$ dollars)	38,179,408.02	41,284,248.05	37,281,155.90	31,095,590.71	12,357,545.21	15,157,605.64	12,372,828.11	6,407,769.05
Amount Allotted (US\$ dollars)	38,179,408.02	36,532,794.36	34,132,367.81	31,095,590.71	12,357,545.21	15,157,605.64	12,372,828.11	6,407,769.05
Highest Rate	91	90	90	90	90	95	92	92
Lowest Bid Rate	82.5	83	83	84	82.5	82.5	83	84
Lowest Bid Rate Allotted	82.5	83	83	84	82.5	82.5	83	84
Weighted Average Rate	85.8290	85.9084	86.0551	86.2131	85.8290	85.9084	86.0551	86.2131
Number of Bids Received	413	425	444	299	843	971	932	591
Number of Bids Rejected	24	26	65	34	79	34	31	52

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			
	20-Aug-21	27-Aug-21	3-Sept-21	10-Sept-21	20-Aug-21	27-Aug-21	3-Sept-21	10-Sept-21
Raw Materials	16,084,510.52	14,931,751.41	13,093,143.79	13,642,667.98	2,602,606.69	3,436,846.75	3,192,120.15	2,212,640.90
Machinery and Equipment	8,720,467.04	8,341,921.49	8,570,635.86	6,490,814.46	2,916,795.17	4,165,020.38	3,901,801.01	1,598,301.04
Consumables (Incl. Spares, Tyres, Packaging)	2,187,488.80	2,189,046.00	2,134,357.20	1,528,917.18	3,063,886.09	3,314,351.23	1,704,547.79	964,507.11
Pharmaceuticals and Chemicals	1,642,222.27	2,765,470.75	2,797,310.08	2,184,464.69	580,359.01	662,544.75	787,501.10	213,264.68
Services (Loans, Dividends and Disinvestments)	1,809,919.73	1,530,409.87	1,472,119.76	1,011,431.43	861,513.52	1,300,977.26	953,761.85	440,706.20
Retail and Distribution	3,973,338.31	4,551,438.30	4,160,981.27	4,334,409.99	1,688,192.68	1,504,108.07	1,209,766.93	605,729.23
Fuel, Electricity and Gas	1,678,523.58	1,854,938.81	1,297,081.46	1,193,683.10	253,910.32	332,729.19	237,280.11	149,564.56
Paper and Packaging	650,887.78	367,817.73	606,738.39	709,201.86	390,281.73	441,028.01	386,049.17	223,055.33
TOTAL	36,747,358.03	36,532,794.36	34,132,367.81	31,095,590.71	12,357,545.21	15,157,605.64	12,372,828.11	6,407,769.05

Source: Reserve Bank of Zimbabwe, 2021