



# Weekly Economic Highlights

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Week Ending  
17<sup>th</sup> September 2021

## 1. INTEREST RATES

### Deposit Rates

Average minimum and maximum deposit rates for savings deposits, deposits of 1-month and 3-month tenors remained at previous week levels, during the week ending 17<sup>th</sup> September 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 (%)
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
17-Sept-21	5.53	7.50	8.11	12.64	9.42	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 from the previous week, as shown in Table 2.

**Table 2: Lending Rates (per annum)**

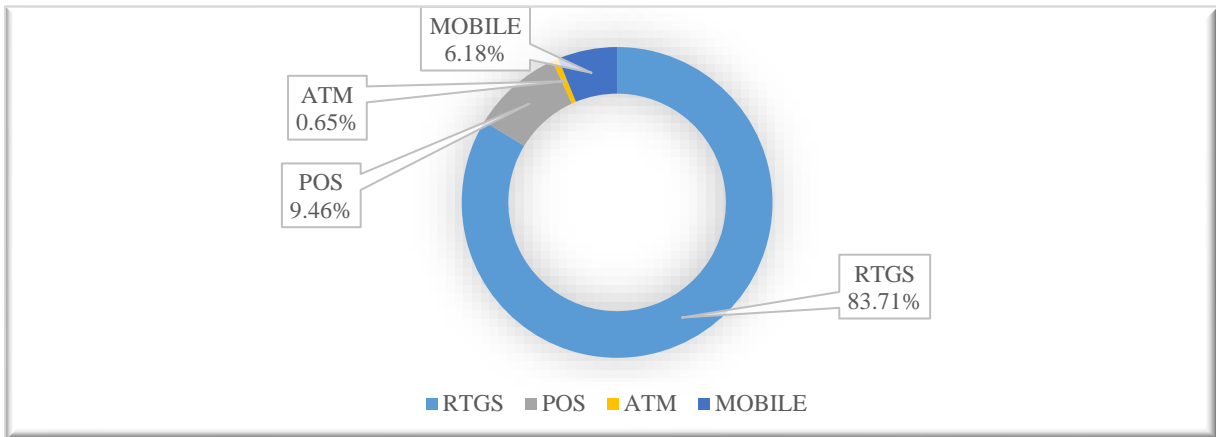
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
20-Aug-21	40.37	56.87	39.67	64.68
27-Aug-21	41.06	57.39	39.65	65.06
3-Sept-21	41.06	57.39	39.65	65.06
10-Sept-21	40.75	58.06	39.81	64.67
17-Sept-21	40.75	58.06	39.81	64.67

Source: Reserve Bank of Zimbabwe, 2021

## 2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment Systems (NPS) processed transactions worth \$132.93 billion, during the week under review, reflecting a 5.29% increase from \$126.24 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 10.93% to close at \$111.27 billion, during the same week. The distribution of NPS transaction values was as follows: RTGS, 83.71%, POS, 9.46%; Mobile, 6.18%; and ATM, 0.65%.

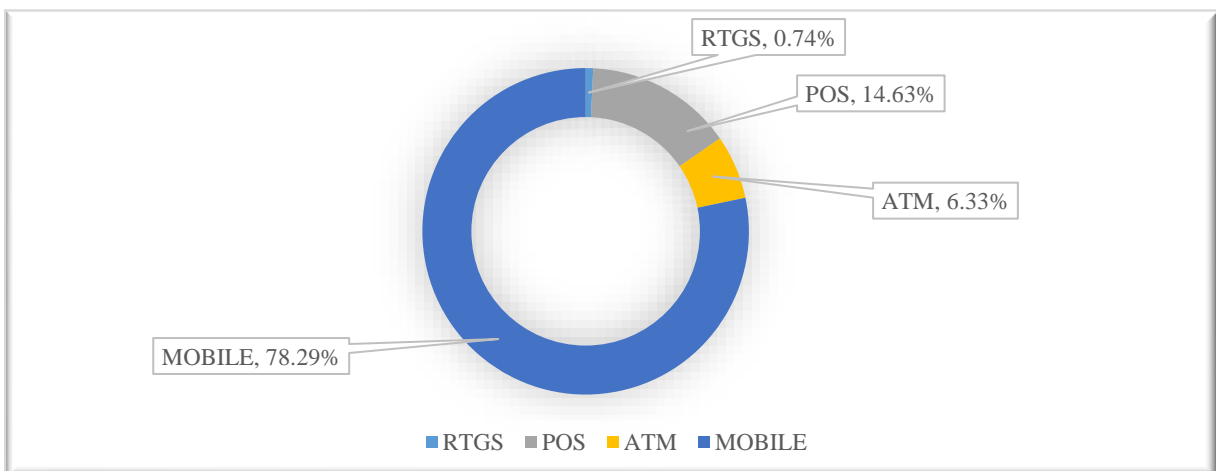
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2021

During the week under review, the volume of NPS transactions stood at 27.12 million, down from 28.13 million in the previous week. The NPS transaction volumes were dominated by Mobile based transactions at 78.29%, followed by POS, 14.63%; RTGS, 0.74%; and ATM, 6.33%, 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 10 <sup>th</sup> September 2021	WEEK ENDING 17 <sup>th</sup> September 2021	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	100,301.97	111,268.67	10.93%	83.71%
POS	15,128.02	12,568.47	-16.92%	9.46%
ATM	876.70	869.44	-0.83%	0.65%
MOBILE	9,937.06	8,219.12	-17.29%	6.18%
<b>TOTAL</b>	<b>126,243.74</b>	<b>132,925.69</b>	<b>5.29%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	257,462	201,899	-21.58%	0.74%
POS	4,618,874	3,967,707	-14.10%	14.63%
ATM	123,095	1,717,199	1295.02%	6.33%
MOBILE	23,134,083	21,228,278	-8.24%	78.29%
<b>TOTAL</b>	<b>28,133,514</b>	<b>27,115,083</b>	<b>-3.62%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2021

### 3. TOBACCO SALES

As at 17<sup>th</sup> September 2021 or day 113 of the 2021 tobacco selling season, a cumulative total of 210.47 million kilograms of tobacco had been sold at a price of US\$2.80/kg. This reflected an increase of 14.36% compared to 184.04 million kilograms sold during the same period in 2020, at a lower price of US\$2.50/kg.

A cumulative total of US\$588.32 million was realised from tobacco sales, compared to a cumulative total of US\$459.67 million recorded during the same period in 2020.

**Table 4: Weekly Cumulative Tobacco Sales: Day 113 (17<sup>th</sup> September 2021)**

	2020	2021	Variance (%)
<b>Cumulative Quantity Sold (million kgs)</b>	184,042,292	210,474,804	14.36
<b>Average Price(US\$/kg)</b>	2.50	2.80	11.91
<b>Cumulative value (US\$ million)</b>	459,667,155	588,318,703	27.99

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

## 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

On the global markets, average prices for gold, platinum and nickel declined, while those for copper and crude oil firmed, during the week ending 17<sup>th</sup> September 2021. The evolution of selected commodity prices is as shown in Table 5.

**Table 5: Metal and Crude Oil Prices for the week ending 17<sup>th</sup> September 2021**

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (6 - 10 September)</b>	<b>1,802.04</b>	<b>1,000.00</b>	<b>9,370.80</b>	<b>19,907.00</b>	<b>72.47</b>
<b>13-Sep</b>	1,790.88	956.00	9,627.00	19,930.00	73.91
<b>14-Sep</b>	1,790.70	953.50	9,407.00	19,640.00	74.07
<b>15-Sep</b>	1,799.18	938.00	9,488.50	19,850.00	75.62
<b>16-Sep</b>	1,764.70	939.50	9,392.00	19,530.00	75.47
<b>17-Sep</b>	1,761.03	951.00	9,435.50	20,060.00	75.49
<b>Weekly Average (13 - 17 September)</b>	<b>1,781.30</b>	<b>947.60</b>	<b>9,470.00</b>	<b>19,802.00</b>	<b>74.91</b>
<b>Weekly Change (%)</b>	<i>-1.2</i>	<i>-5.2</i>	<i>1.1</i>	<i>-0.5</i>	<i>3.4</i>

Source: BBC, KITCO and Bloomberg, 2021

### Gold

During the week under analysis, gold prices further retreated as the US dollar firmed, with investors watching closely the outcome of the U.S. Federal Reserve policy meeting. Investors were seeking clues on when the U.S. Federal Reserve would start tapering its pandemic era stimulus measures. Prices fell by 1.2%, from a weekly average of \$1,802.04 per ounce in the previous week to US\$1,781.30 per ounce, during the week under review.

### Platinum

Platinum prices fell by 5.2%, from a weekly average of US\$1,000.00 per ounce in the preceding week to US\$947.60 per ounce, during the week ending 17<sup>th</sup> September 2021. The decline was due to weak demand, as the US dollar closed the week stronger. In addition, the fall in demand in the automotive sub-sector, the largest segment of the industry which uses platinum, also weighed down on platinum prices.

### Copper

Copper prices held on to gains from last week and rose by 1.1%, from a weekly average of US\$9,370.80 per tonne in the prior week to US\$9,470.00 per tonne, during the week under analysis. Positive investor sentiment for industrial metals was boosted by the People's Bank of China's decision to inject more liquidity into the market.

## Nickel

Nickel prices fell by 0.5%, from a weekly average of US\$19,907.00 per tonne in the previous week to US\$19,802.00 per tonne, during the reporting week. Prices were weighed down by signs of a build-up in inventories, subdued demand in spot markets and a stronger US dollar.

## Brent Crude Oil

Brent Crude oil prices firmed after data showed a larger-than-expected drawdown in U.S. crude inventories and on expectations that demand would rise as vaccination roll-outs widened. Reflecting these developments, crude oil prices gained by 3.4%, from a weekly average of US\$72.47 per barrel in the previous week to US\$74.91 per barrel, during the week under analysis.

## 5. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) marginally depreciated against the US dollar, shedding 0.1% from an average of ZW\$86.018 per US\$1 in the previous week to an average of ZW\$86.0726 per US\$1, during the week under review. Developments in selected exchange rates are shown in Table 6.

**Table 6: International Exchange Rates<sup>1</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2021</b>					
<b>Weekly Average (6-10 September)</b>	<b>86.018</b>	<b>6.0121</b>	<b>119.0228</b>	<b>7.8462</b>	<b>101.7489</b>
<b>13-Sep</b>	86.3010	6.0150	119.1170	7.8710	101.8699
<b>14-Sep</b>	86.3010	5.9844	119.3845	7.8365	101.9258
<b>15-Sep</b>	86.3010	5.9154	119.1342	7.7759	101.5938
<b>16-Sep</b>	85.7300	5.9648	119.0385	7.8445	101.4470
<b>17-Sep</b>	85.7300	5.9172	119.3299	7.8102	101.3570
<b>Weekly Average (13-17 September)</b>	<b>86.0726</b>	<b>5.9594</b>	<b>119.2008</b>	<b>7.8276</b>	<b>101.6387</b>
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.1</i>	<i>-0.9</i>	<i>0.1</i>	<i>-0.2</i>	<i>-0.1</i>

Source: Reserve Bank of Zimbabwe, 2021

<sup>1</sup> Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

## 6. EQUITY MARKETS

During the week ending 17<sup>th</sup> September 2021, the Zimbabwe Stock Exchange (ZSE) continued on an upward trajectory, resulting in all major indices registering gains. The All Share, Top 10 and Top 15 indices added 0.57%, 2.36% and 1.72% to close at 6 918.42 points, 3 811.50 points and 4 349.82 points, respectively.

The marginal increase in the mainstream index resulted from share price gains in Zimbabwe Newspapers (15.35%), CBZ Holdings Limited (10.10%), Innskor Africa Limited (5.75%), Simbisa Brands Limited (4.91%) and Nampak Zimbabwe Limited (4.00%). Losses in share prices recorded in Dairibord Holdings Limited (15.77%), StarAfrica Corporation Limited (13.64%), Amalgamated Regional Trading (12.50%), NMBZ Holdings Limited (12.50%) and Mashonaland Holdings Limited (6.14%), however, weighed down the gains in the mainstream index.

The resources index, however, shed 2.66% to close at 6 104.31 points, during the week under review. This emanated from a 13.28% decline in the share price for Bindura Nickel Corporation Limited, partially offset by a 17.86% gain in the share price for Riozim Limited.

**Table 7: Zimbabwe Stock Exchange Statistics<sup>2</sup>**

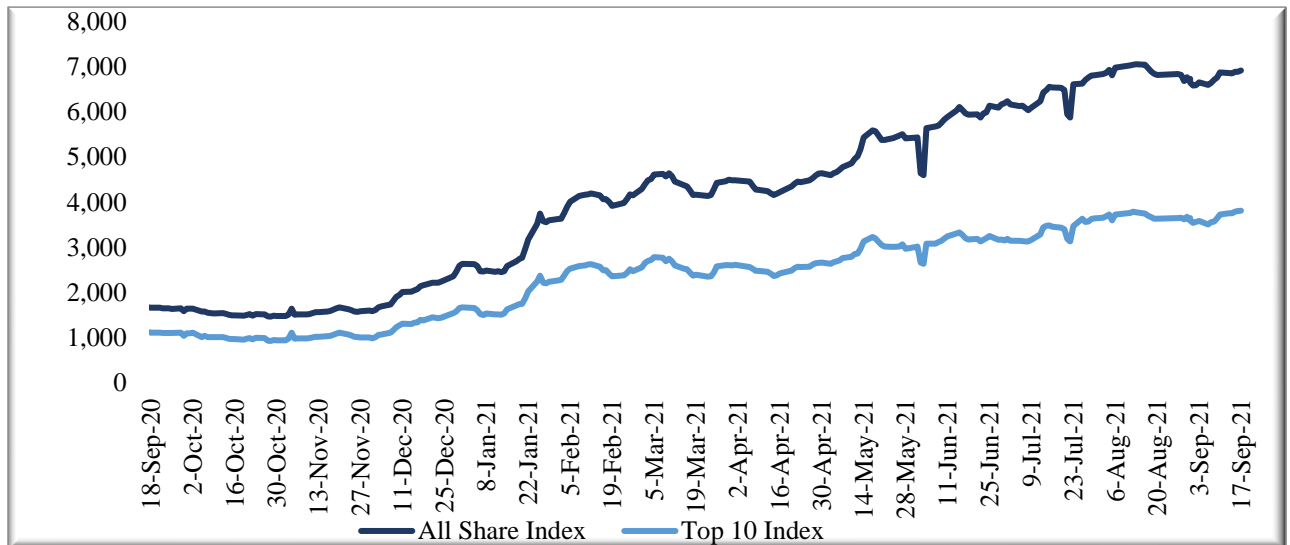
	All Share Index Points	Top 10 index (points)	Top 15 Index <sup>3</sup> points	Medium Cap <sup>3</sup> (points)	Small Cap <sup>3</sup> (points)	Mining Index (points)	Grand Market Capitalization (ZWL billion)	Market Turnover (ZWL million)	Volume of Shares (million)
<b>13-Aug-21</b>	7,060.72	3,773.68	4,337.43	18,379.92	236,071.81	6,091.19	841.57	415.73	16.00
<b>20-Aug-21</b>	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
<b>27-Aug-21</b>	6,735.80	3,647.46	4,150.76	17,195.93	226,803.15	5,971.30	802.53	464.62	25.87
<b>3-Sept-21</b>	6,658.25	3,583.93	4,103.15	17,140.96	225,648.37	6,279.88	793.15	440.40	14.56
<b>10-Sept-21</b>	6,878.97	3723.60	4 276.15	17,621.35	220 148.96	6,271.23	819.47	537.22	22.07
<b>17-Sept-21</b>	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
<b>% Change</b>	<b>0.57</b>	<b>2.36</b>	<b>1.72</b>	<b>-2.03</b>	<b>0.09</b>	<b>-2.66</b>	<b>0.47</b>	<b>168.89</b>	<b>12478.75</b>

Source: Zimbabwe Stock Exchange (ZSE), 2021

<sup>2</sup> 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, Top 10 and mining indices from 18<sup>th</sup> September 2020 to 18<sup>th</sup> September 2021.

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

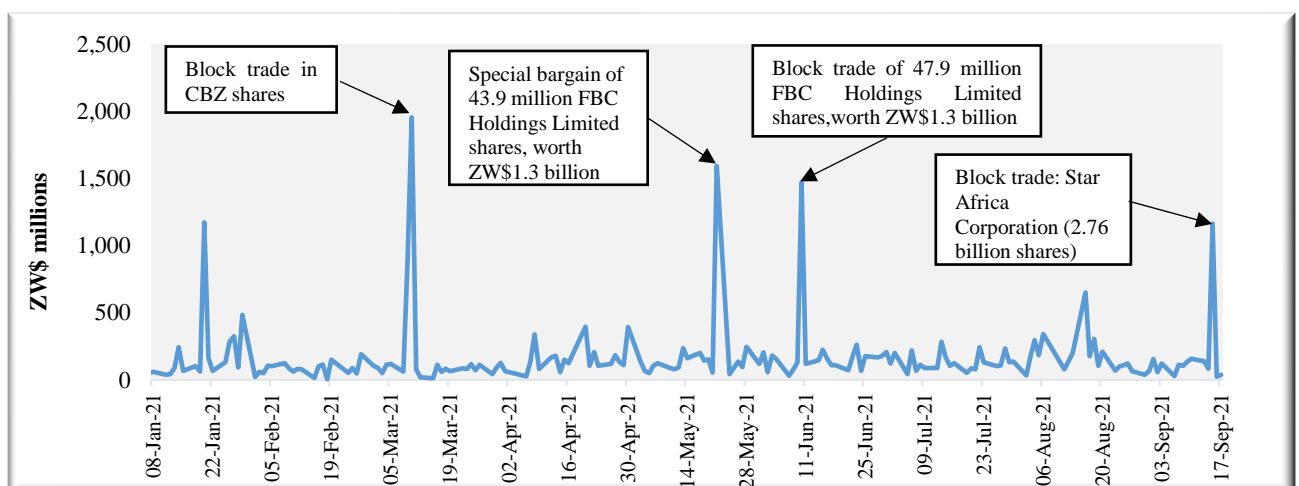


Source: Zimbabwe Stock Exchange, 2021

### Market Turnover and Volume

During the week under analysis, a block trade saw 2.76 billion Star Africa Corporation shares exchange hands at ZW\$1.79 per share. As such, the cumulative volume and value of shares traded increased to 2.78 billion shares and ZW\$1.44 billion, respectively.

**Figure 4: Daily Market Turnover**



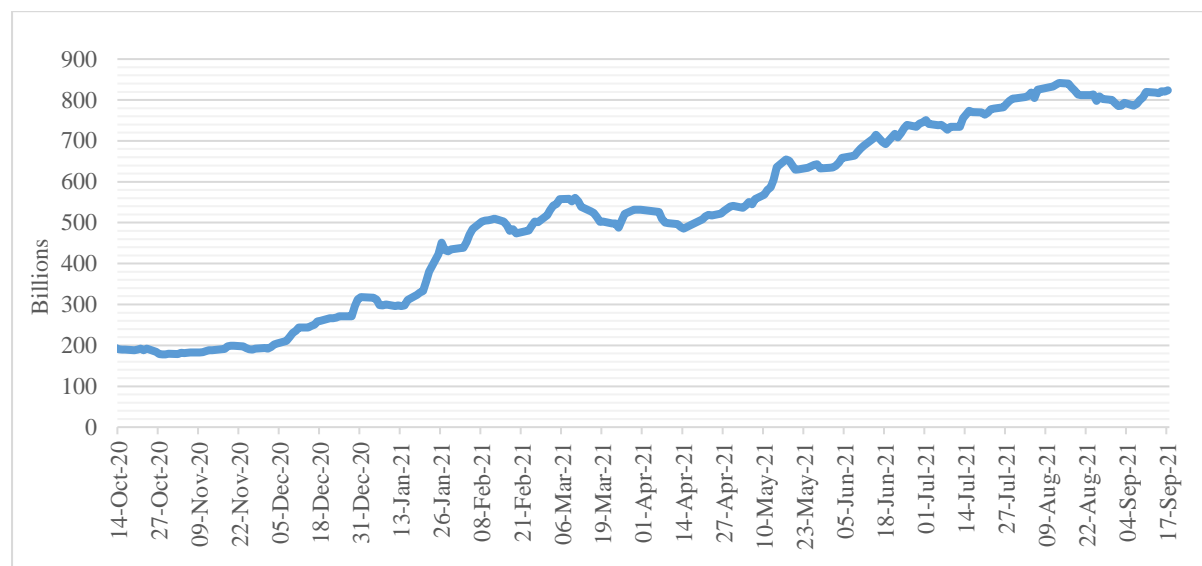
Source: Zimbabwe Stock Exchange, 2021



## Market Capitalization

ZSE market capitalisation stood at ZW\$823.33 billion, during the week under review, compared to ZW\$819.47 billion in the previous week.

**Figure 5: Daily Market Capitalization in ZW\$ billions**



Source: Zimbabwe Stock Exchange, 2021

## Johannesburg Stock Exchange (JSE) Developments

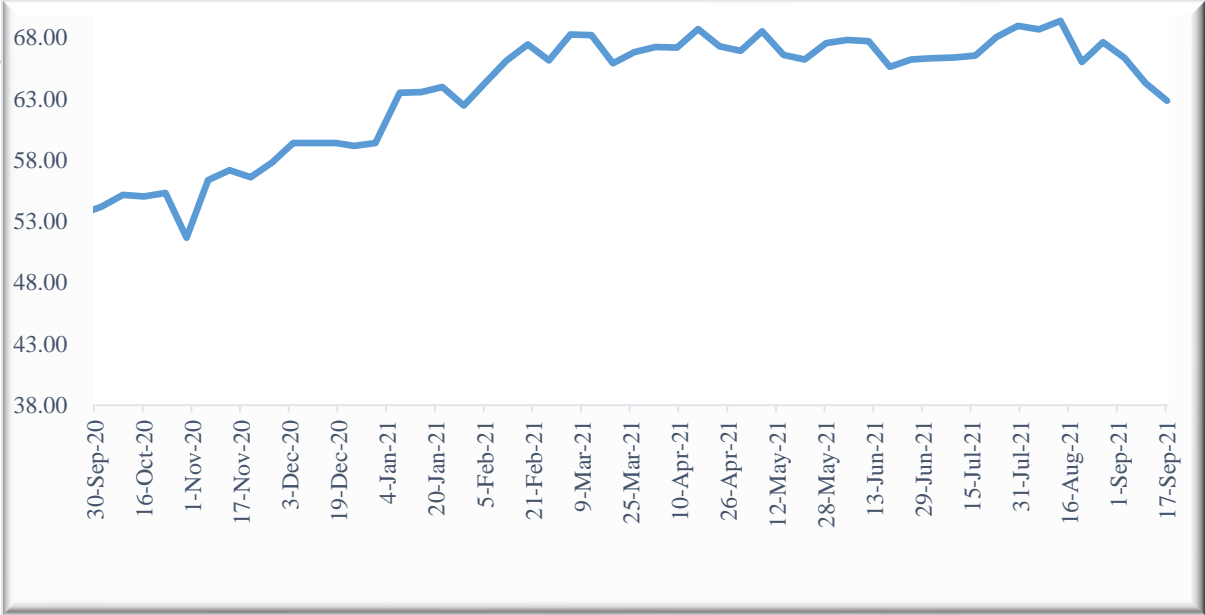
The Johannesburg Stock Exchange (JSE) All Share Index registered a 2.23% decline, from 64,296.06 points in the previous week to close at 62,863.64 points, during the week under review. Similarly, JSE market capitalization fell by 1.03% to close at ZAR18.22 trillion, during the same week.

**Table 8: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
17-Sept-21	62,863.64	18.22
<b>% Change</b>	<b>-2.23</b>	<b>-1.03</b>

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 MAINFX<sup>3</sup> AND SMEFX<sup>4</sup>

	MAINFX				SMEFX			
	27-Aug-21	3-Sept-21	10-Sept-21	17-Sept-21	27-Aug-21	3-Sept-21	10-Sept-21	17-Sept-21
<b>Total Bids (US\$ dollars)</b>	41,284,248.05	37,281,155.90	31,095,590.71	35,791,364.07	15,157,605.64	12,372,828.11	6,407,769.05	8,004,968.66
<b>Amount Allotted (US\$ dollars)</b>	36,532,794.36	34,132,367.81	31,095,590.71	33,522,285.59	15,157,605.64	12,372,828.11	6,407,769.05	8,004,968.66
<b>Highest Rate</b>	90	90	90	90	95	92	92	92
<b>Lowest Bid Rate</b>	83	83	84	85	82.5	83	84	85
<b>Lowest Bid Rate Allotted</b>	83	83	84	85	82.5	83	84	85
<b>Weighted Average Rate</b>	85.9084	86.0551	86.2131	86.3010	85.9084	86.0551	86.2131	86.3010
<b>Number of Bids Received</b>	425	444	299	444	971	932	591	862
<b>Number of Bids Rejected</b>	26	65	34	60	34	31	52	148

*Source: Reserve Bank of Zimbabwe, 2021:*

<sup>3</sup> Main Foreign Currency Auction

<sup>4</sup> Small and Medium Enterprises Foreign Currency Auction

## APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	27-Aug-21	3-Sept-21	10-Sept-21	17-Sept-21	27-Aug-21	3-Sept-21	10-Sept-21	17-Sept-21
<b>Raw Materials</b>	14,931,751.41	13,093,143.79	13,642,667.98	13,078,080.28	3,436,846.75	3,192,120.15	2,212,640.90	2,377,278.00
<b>Machinery and Equipment</b>	8,341,921.49	8,570,635.86	6,490,814.46	8,320,526.83	4,165,020.38	3,901,801.01	1,598,301.04	2,479,855.75
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	2,189,046.00	2,134,357.20	1,528,917.18	2,679,565.53	3,314,351.23	1,704,547.79	964,507.11	1,213,396.43
<b>Pharmaceuticals and Chemicals</b>	2,765,470.75	2,797,310.08	2,184,464.69	2,356,203.49	662,544.75	787,501.10	213,264.68	372,145.54
<b>Services (Loans, Dividends and Disinvestments)</b>	1,530,409.87	1,472,119.76	1,011,431.43	1,550,903.97	1,300,977.26	953,761.85	440,706.20	602,455.25
<b>Retail and Distribution</b>	4,551,438.30	4,160,981.27	4,334,409.99	4,168,993.39	1,504,108.07	1,209,766.93	605,729.23	734,088.06
<b>Fuel, Electricity and Gas</b>	1,854,938.81	1,297,081.46	1,193,683.10	2,356,203.49	332,729.19	237,280.11	149,564.56	372,145.54
<b>Paper and Packaging</b>	367,817.73	606,738.39	709,201.86	1,094,208.53	441,028.01	386,049.17	223,055.33	225,749.63
<b>TOTAL</b>	<b>36,532,794.36</b>	<b>34,132,367.81</b>	<b>31,095,590.71</b>	<b>33,522,285.59</b>	<b>15,157,605.64</b>	<b>12,372,828.11</b>	<b>6,407,769.05</b>	<b>8,004,968.66</b>

Source: Reserve Bank of Zimbabwe, 2021