



Weekly Economic Highlights

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Week Ending
24th September 2021

1. INTEREST RATES

Deposit Rates

Minimum deposit rates for savings deposits declined, while those for deposits of 1-month and 3-month tenors registered increases during the week ending 24th September 2021. Maximum deposit rates for savings deposits and deposits of 1-month tenor increased, while those for deposits of 3-month tenor remained at previous week levels, 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 (%)
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
24-Sept-21	5.38	8.36	8.47	12.83	9.53	14.03

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Minimum lending rates at commercial banks, for individual and corporate clients, registered declines during the week ending 24th September 2021. Maximum lending rates for individual clients increased, while those for corporate clients softened, during the week under review, as shown in Table 2.

Table 2: Lending Rates (per annum)

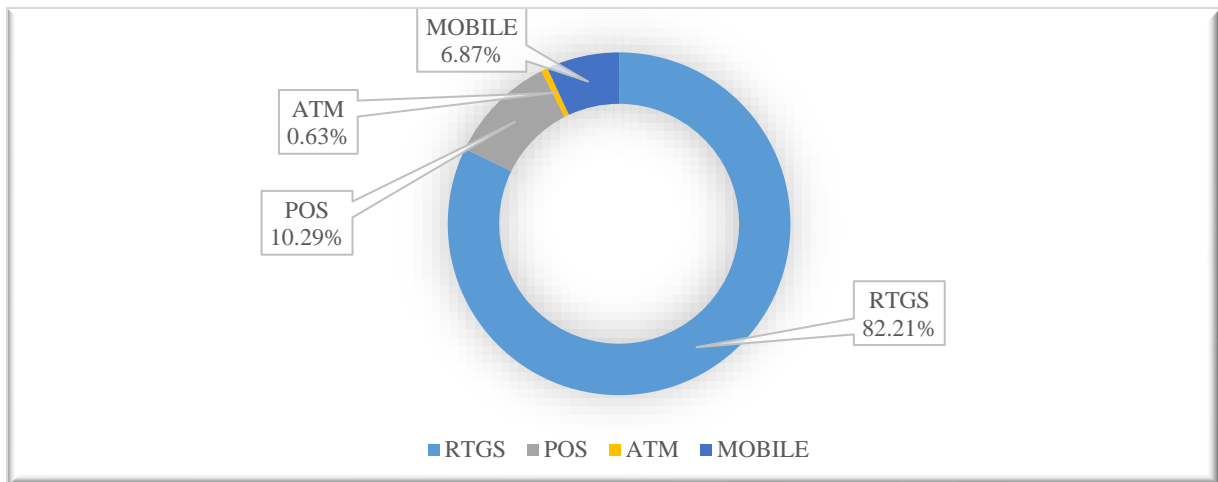
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
27-Aug-21	41.06	57.39	39.65	65.06
3-Sept-21	41.06	57.39	39.65	65.06
10-Sept-21	40.75	58.06	39.81	64.67
17-Sept-21	40.75	58.06	39.81	64.67
24-Sept-21	40.61	58.46	39.50	63.66

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 24th September 2021, the value of transactions processed through the National Payment Systems (NPS) amounted to \$132.13 billion, reflecting a marginal decline of 0.61%, from \$132.93 billion recorded in the preceding week. Real Time Gross Settlement (RTGS) transactions declined from \$111.27 billion in the previous week, to close at \$108.33 billion in the week under analysis. The distribution of NPS transactions was as follows: RTGS, 82.21%, POS, 10.29%; Mobile, 6.87%; and ATM, 0.63%.

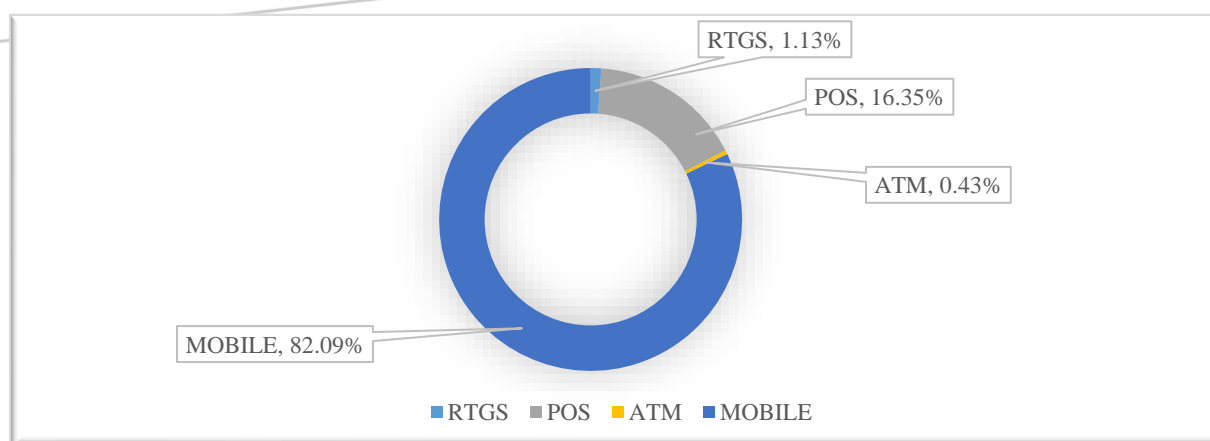
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021.

NPS transaction volumes rose by 1.98% to close at 26.15 million, during the week under review, from 27.12 million in the preceding week. The composition of NPS transactions was as follows: Mobile, 82.09%; POS, 16.35%; RTGS, 1.13%; and ATM, 0.43%, 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 17 th September 2021	WEEK ENDING 24 th September 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	111,281.27	108,633.55	-2.38%	82.21%
POS	12,568.47	13,593.86	8.16%	10.29%
ATM	869.44	831.34	-4.38%	0.63%
MOBILE	8,219.12	9,074.79	10.41%	6.87%
TOTAL	132,938.29	132,133.53	-0.61%	100%
Volumes				
RTGS	201,899	295,755	46.49%	1.13%
POS	3,967,707	4,274,946	7.74%	16.35%
ATM	244,271	111,635	-54.30%	0.43%
MOBILE	21,228,278	21,466,712	1.12%	82.09%
TOTAL	25,642,155	26,149,048	1.98%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 24th September 2021, international prices for gold, copper and nickel retreated. Platinum and crude oil prices, however, firmed. Table 4 shows developments in selected commodity prices, during the week under analysis.

Table 4: Prices of Selected Commodities for the week ending 24th September 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (13 - 17 September)	1,781.30	947.60	9,470.00	19,802.00	74.91
20-Sep	1,757.45	929.50	9,145.50	19,080.00	73.70
21-Sep	1,770.45	979.00	9,106.00	18,910.00	75.60
22-Sep	1,774.38	979.00	9,255.00	19,080.00	76.40
23-Sep	1,760.53	996.50	9,252.00	19,235.00	77.16
24-Sep	1,750.98	976.00	9,275.00	19,180.00	78.07
Weekly Average (20 - 24 September)	1,762.76	972.00	9,206.70	19,097.00	76.19
Weekly Change (%)	-1.0	2.6	-2.8	-3.6	1.7

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices remained in negative territory, falling by 1.0% from a weekly average of US\$1,781.30 per ounce in the previous week to US\$1,762.76 per ounce, during the week ending 24th September 2021. The price of the yellow continued to be weighed down by the combination of a stronger US dollar and higher Treasury yields, as investors positioned themselves for looming interest rate hikes. The U.S Federal Reserve signalled that it would start tapering the stimulus package soon and interest rates hikes could come sooner than expected.

Platinum

Platinum prices rebounded largely due to the recovery in demand, particularly, in the jewellery industry. Accordingly, prices increased by 2.6%, from a weekly average of US\$947.60 per ounce in the previous week to US\$972.00 per ounce, during the week under review.

Copper

Copper prices retreated, on fears that ongoing power cuts in China would undermine industrial production and weaken the demand of the metal in the world's second-largest economy. China is experiencing unprecedented power supply cuts in some parts of the country, a result of coal shortages caused by the country's carbon reduction targets to lower emissions. Against this backdrop, copper prices fell by 2.8%, from a weekly average of US\$9,470.00 per tonne in the previous week to US\$9,206.70 per tonne, during the week under review.

Nickel

Nickel prices fell by 3.6%, from a weekly average of US\$19,802.00 per tonne to US\$19,097.00 per tonne, during the week ending 24th September 2021. Prices were under pressure, as power cuts in China dampened the demand outlook for industrial metals in the Asian giant's economy, which is also the world's top consumer of base metals.

Brent Crude Oil

Brent crude oil prices increased by 1.7%, from US\$74.91 per barrel in the previous week to US\$76.19 per barrel, during the week ending 24th September 2021. Prices remained buoyant, supported by tight supply in the U.S. Gulf of Mexico, following disruptions caused by Hurricane Ida. In addition, prices were boosted by growing global demand, amid high hopes for economic recovery, following the devastating impact of the Covid-19 pandemic.

4. EXCHANGE RATE DEVELOPMENTS

During the week under review, the Zimbabwe dollar (ZWL) posted a marginal decline of 0.4% against the US dollar, from an average of ZW\$86.0726 per US\$1 in the previous week to close the week at an average of ZW\$86.4480 per US\$1. The developments in selected exchange rates are as shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (13-17 September)	86.0726	5.9594	119.2008	7.8276	101.6387
20-Sep	86.9267	5.8841	118.6854	7.7629	101.9086
21-Sep	86.9267	5.8789	118.5811	7.7542	101.7740
22-Sep	86.9267	5.8875	119.2417	7.8064	102.0348
23-Sep	85.7300	5.9648	119.0385	7.8445	101.4470
24-Sep	85.7300	5.9172	119.3299	7.8102	101.3570
Weekly Average (20-24 September)	86.4480	5.9065	118.9753	7.7956	101.7043
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>0.4</i>	<i>-0.9</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

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) maintained a positive momentum for the third consecutive week, resulting in all the indices registering gains. The All Share, Top 10 and Medium Cap indices rose by 13.71%, 17.75% and 8.06% to close at 7 866.84 points, 4 488.02 points and 18 655.87 points, respectively.

The increase in the mainstream index resulted from share price gains for OK Zimbabwe Limited (35.34%), Simbisa Brands Limited (32.46%), Axia Corporation Limited (26.47%), Innscor Africa Limited (26.23%) and Delta Corporation Limited (25.89%). Losses were recorded in share prices for 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%), during the week of analysis.

The resources index recovered from the loss in previous week by gaining 8.60% to close at 6 629.24 points. This was underpinned by increases in the share price of Bindura Nickel Corporation Limited (25.24%). Riozim Limited share prices, however, registered a decline of 15.05%, during the same week.

Table 6: Zimbabwe Stock Exchange Statistics²

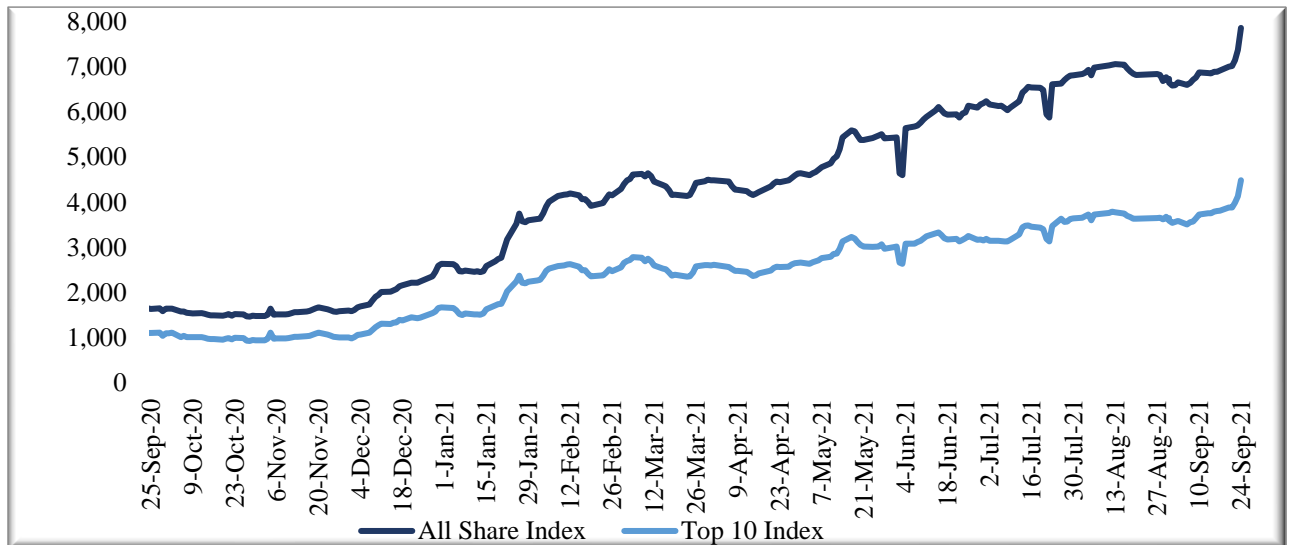
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL billion)	Market Turnover (ZWL million)	Volume of Shares (million)
20-Aug-21	6,820.36	3,635.74	4,188.07	17,807.22	230,844.49	5,959.57	811.65	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	3,723.60	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
% Change	13.71	17.75	16.62	8.06	4.23	8.60	14.17	-2.87	-97.50

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, Top 10 and mining indices from the 25th September 2020 to 24th September 2021.

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

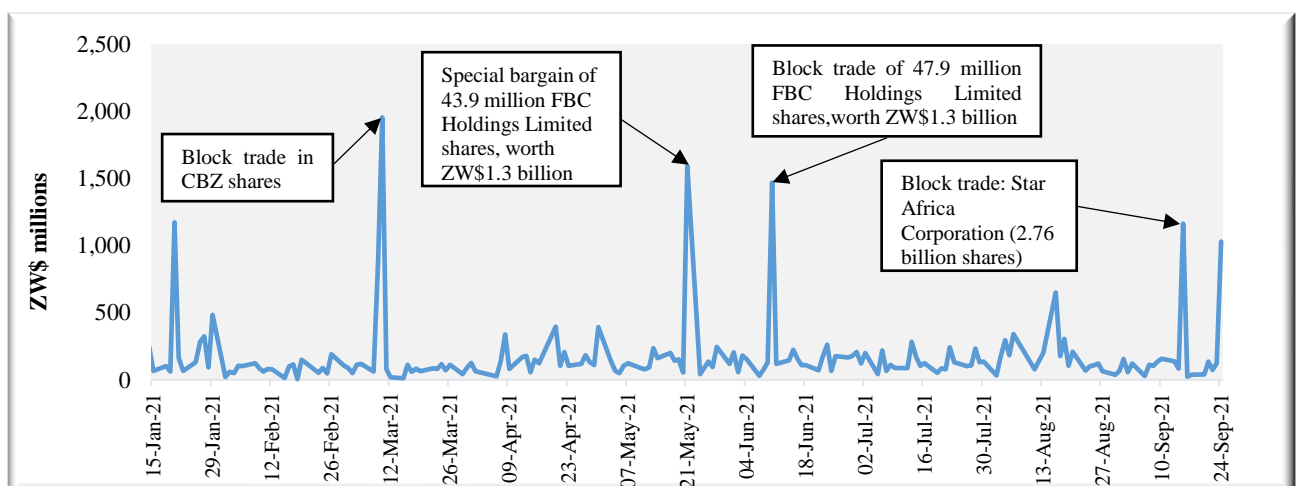


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

Trading on the ZSE was concentrated in some selected heavyweight counters, during the week of analysis. Consequently, the cumulative volume and value of shares traded declined by 97.50% and 2.87% to 69.39 million shares and ZW\$1.40 billion, respectively.

Figure 4: Daily Market Turnover

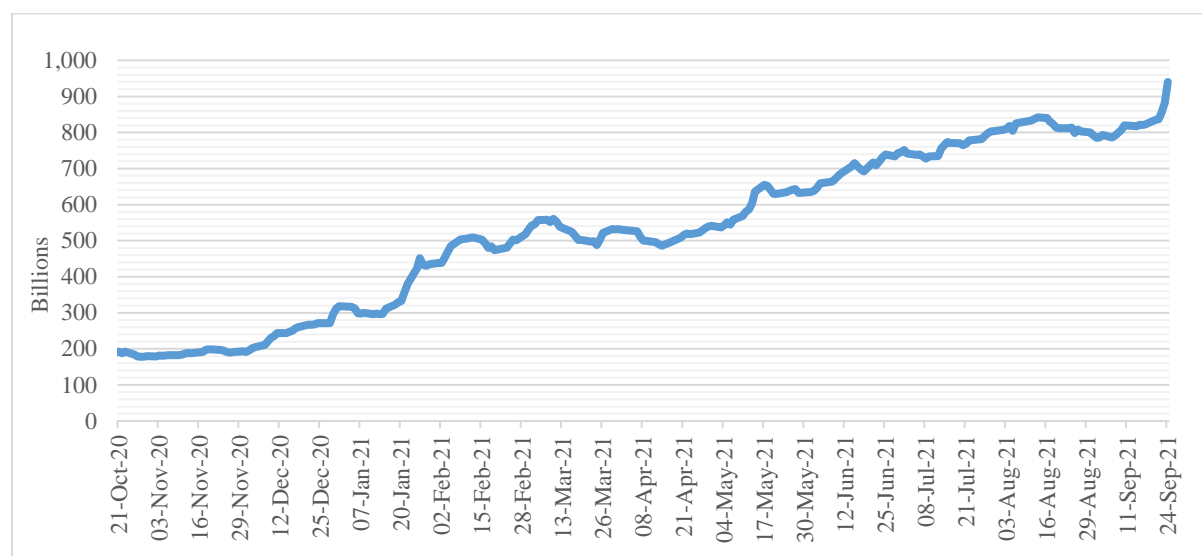


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The local bourse gained ZW\$116.69 billion, or 14.17% worth of capitalization to close at ZW\$940.02 billion during the week ending 24th September 2021, from ZW\$823.33 billion recorded in the previous week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

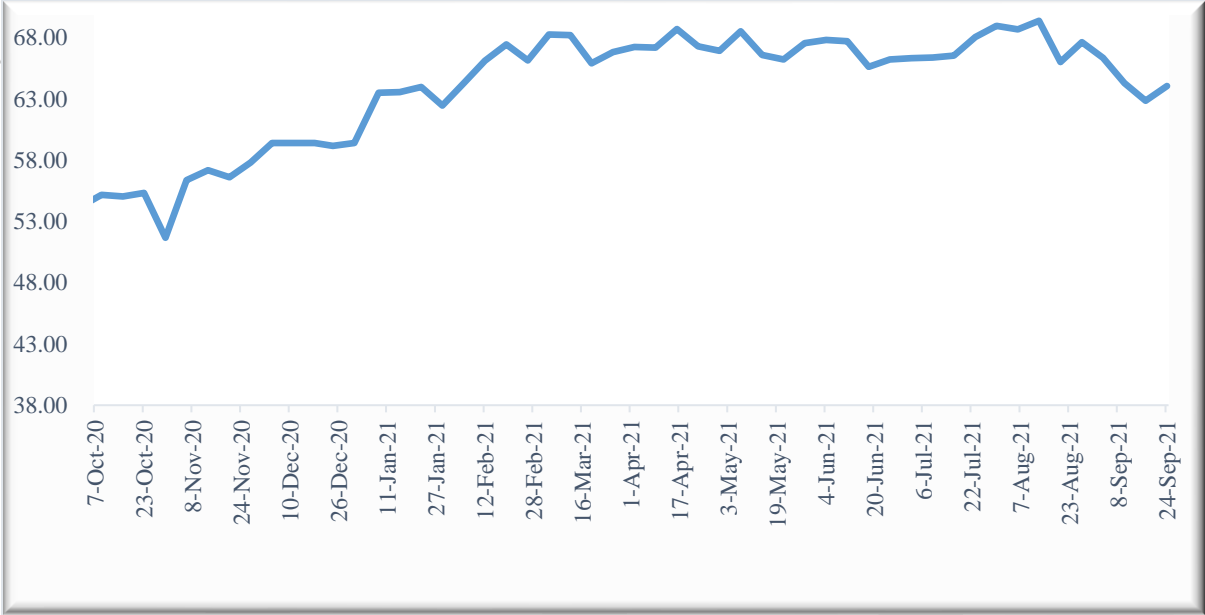
The week under review saw the Johannesburg Stock Exchange (JSE) All Share Index increase by 1.89% to close at 64,049.05 points. JSE market capitalization at ZAR18.18.45 trillion, represented a 1.26% increase from ZAR18.22 trillion recorded in the previous week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
24-Sept-21	64,049.05	18.45
% Change	1.89	1.26

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			
	3-Sept-21	10-Sept-21	17-Sept-21	24-Sept-21	3-Sept-21	10-Sept-21	17-Sept-21	24-Sept-21
Total Bids (US\$ dollars)	37,281,155.90	31,095,590.71	35,791,364.07	34,894,442.49	12,372,828.11	6,407,769.05	8,004,968.66	12,073,518.56
Amount Allotted (US\$ dollars)	34,132,367.81	31,095,590.71	33,522,285.59	29,002,007.15	12,372,828.11	6,407,769.05	8,004,968.66	9,779,692.35
Highest Rate	90	90	90	95	92	92	92	97.2
Lowest Bid Rate	83	84	85	85	83	84	85	85
Lowest Bid Rate Allotted	83	84	85	85	83	84	85	85
Weighted Average Rate	86.0551	86.2131	86.3010	86.9267	86.0551	86.2131	86.3010	86.9267
Number of Bids Received	444	299	444	443	932	591	862	1082
Number of Bids Rejected	65	34	60	33	31	52	148	59

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			
	3-Sept-21	10-Sept-21	17-Sept-21	24-Sept-21	3-Sept-21	10-Sept-21	17-Sept-21	24-Sept-21
Raw Materials	13,093,143.79	13,642,667.98	13,078,080.28	12,642,805.59	3,192,120.15	2,212,640.90	2,377,278.00	3,004,873.06
Machinery and Equipment	8,570,635.86	6,490,814.46	8,320,526.83	6,594,991.86	3,901,801.01	1,598,301.04	2,479,855.75	3,030,865.81
Consumables (Incl. Spares, Tyres, Packaging)	2,134,357.20	1,528,917.18	2,679,565.53	2,632,044.47	1,704,547.79	964,507.11	1,213,396.43	1,492,637.16
Pharmaceuticals and Chemicals	2,797,310.08	2,184,464.69	2,356,203.49	1,942,533.00	787,501.10	213,264.68	372,145.54	495,895.86
Services (Loans, Dividends and Disinvestments)	1,472,119.76	1,011,431.43	1,550,903.97	1,204,631.57	953,761.85	440,706.20	602,455.25	599,110.94
Retail and Distribution	4,160,981.27	4,334,409.99	4,168,993.39	3,262,929.05	1,209,766.93	605,729.23	734,088.06	819,992.52
Fuel, Electricity and Gas	1,297,081.46	1,193,683.10	2,356,203.49	0.00	237,280.11	149,564.56	372,145.54	20,482.41
Paper and Packaging	606,738.39	709,201.86	1,094,208.53	722,071.61	386,049.17	223,055.33	225,749.63	315,834.59
TOTAL	34,132,367.81	31,095,590.71	33,522,285.59	29,002,007.15	12,372,828.11	6,407,769.05	8,004,968.66	9,779,692.35

Source: Reserve Bank of Zimbabwe, 2021