



# Weekly Economic Highlights

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Week Ending  
23<sup>rd</sup> December 2022

## 1. INTEREST RATES

### Deposit Rates

During the week ending 23<sup>rd</sup> December 2022, average minimum and maximum deposits rates for savings deposits, deposits of 1-month and 3-months tenor, quoted by commercial banks, remained unchanged from 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 (%)
25-Nov-22	20.38	20.53	55.15	59.67	57.44	62.00
2-Dec-22	18.03	18.03	55.15	59.67	51.29	61.00
9-Dec-22	18.03	18.03	55.15	59.67	51.29	61.00
16-Dec-22	18.03	18.03	55.15	59.67	51.29	56.28
23-Dec-22	18.03	18.03	55.15	59.67	51.29	56.28

Source: Reserve Bank of Zimbabwe, 2022

### Lending Rates

Minimum and maximum lending rates at commercial banks for both individual and corporate clients were unchanged compared to previous week levels, as shown in Table 2.

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

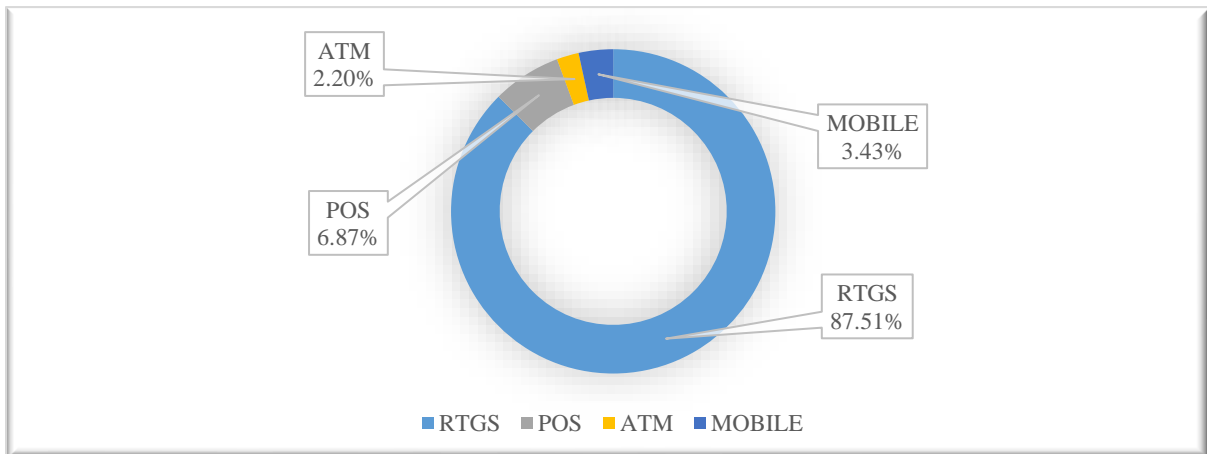
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
25-Nov-22	98.89	127.58	135.60	223.48
2-Dec-22	99.03	126.54	110.97	243.40
9-Dec-22	99.03	126.54	110.97	243.40
16-Dec-22	99.15	126.28	112.01	243.43
23-Dec-22	99.15	126.28	112.01	243.43

Source: Reserve Bank of Zimbabwe, 2022

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 23<sup>rd</sup> December 2022, the value of transactions processed through the National Payment Systems (NPS) decreased by 2.61% to ZW\$995.22 billion, from ZW\$1.02 trillion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions decreased by 5.77% to ZW\$870.92 billion, from ZW\$924.24 billion recorded in the preceding week. The NPS transactions values were distributed as follows: RTGS, 87.51%, POS, 6.87%; Mobile, 3.43%; and ATM, 2.20%.

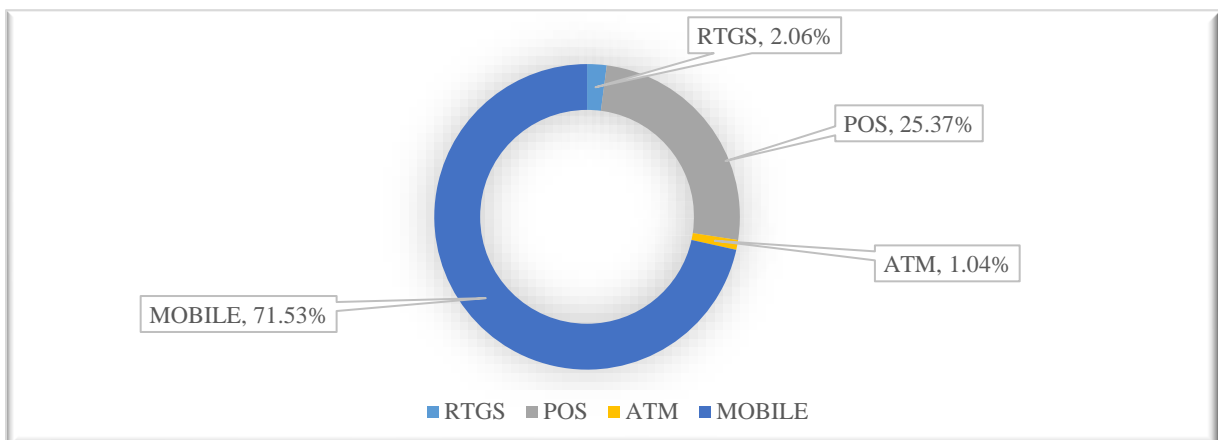
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions increased by 7.84% to 14.98 million, during the week ending 23<sup>rd</sup> December 2022, from 13.89 million recorded in the preceding week. Mobile based transactions dominated NPS transactions volumes at 71.53% of the total, followed by POS, 25.37%; RTGS, 2.06%; and ATM, 1.04%, as shown in Figure 2.

**Figure 2: Composition of NPS Transactions in Volume Terms**



Source: Reserve Bank of Zimbabwe, 2022

**Table 3: National Payment Systems Activity**

PAYMENT STREAM	WEEK ENDING 16 <sup>th</sup> December 2022	WEEK ENDING 23 <sup>rd</sup> December 2022	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ millions</b>				
RTGS	924,240.57	870,920.47	-5.77%	87.51%
POS	54,335.34	68,344.09	25.78%	6.87%
ATM	11,155.81	21,856.52	95.92%	2.20%
MOBILE	32,151.70	34,099.45	6.06%	3.43%
<b>TOTAL</b>	<b>1,021,883.43</b>	<b>995,220.53</b>	<b>-2.61%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	250,431	307,916	22.95%	2.06%
POS	3,108,508	3,799,597	22.23%	25.37%
ATM	73,500	155,321	111.32%	1.04%
MOBILE	10,454,026	10,712,791	2.48%	71.53%
<b>TOTAL</b>	<b>13,886,465</b>	<b>14,975,625</b>	<b>7.84%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2022

### 3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Weekly average prices for gold, copper and crude oil increased during the week ending 23<sup>rd</sup> December 2022. However, platinum, palladium and nickel prices declined during the same week. The commodity price developments during the week under analysis are shown in Table 4.

**Table 4: Metal and Crude Oil Prices for the week ending 23<sup>rd</sup> December 2022**

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (11-16 Dec 22)</b>	<b>1,793.44</b>	<b>1,014.30</b>	<b>1,878.00</b>	<b>8,362.80</b>	<b>28,506.40</b>	<b>80.41</b>
<b>19-Dec-22</b>	1793.65	997.00	1728.50	8266.50	27235.00	80.35
<b>20-Dec-22</b>	1810.13	995.00	1681.00	8373.00	21830.00	79.68
<b>21-Dec-22</b>	1815.53	997.00	1703.50	8443.50	29750.00	82.63
<b>22-Dec-22</b>	1807.95	994.50	1707.50	8391.00	29330.00	81.80
<b>23-Dec-22</b>	1797.40	995.00	1658.00	8778.50	29800.00	83.97
<b>Weekly Average (19-23 Dec 22)</b>	<b>1,804.93</b>	<b>995.70</b>	<b>1,695.70</b>	<b>8,450.50</b>	<b>27,589.00</b>	<b>81.69</b>
<b>Weekly Change (%)</b>	0.64	-1.83	-9.71	1.05	-3.22	1.59

Source: BBC, KITCO and Bloomberg, 2022

#### Gold

During the week under review, average prices for gold increased amid a higher-than-expected U.S Consumer Confidence Index, which revealed higher consumer optimism in the market. Prices rose marginally by 0.64%, from US\$1,793.44 per ounce in the previous week to US\$1,804.93 per ounce during the reporting week.

## **Platinum**

Platinum prices decreased by 1.83%, from US\$1,014.30 per ounce in the prior week to US\$995.70 per ounce, during the reporting week. A stronger US dollar undermined prices of the precious metal.

## **Palladium**

The week under analysis also saw the stronger U.S dollar weigh down palladium prices. Prices declined by 9.71%, from US\$1,878.00 per ounce in the week ending 16<sup>th</sup> December 2022 to US\$1,695.70 per ounce, during the week under review.

## **Copper**

Copper prices increased by 1.05%, from US\$8,362.80 per tonne in the previous week to US\$8,450.50 per tonne, during the week under review. This followed the increase in demand for copper as China eased Covid-19 induced lockdown restrictions.

## **Nickel**

Nickel prices maintained a negative trend, amid sustained weakening demand as the removal of subsidies for electric vehicles in China prompted companies to cut production. Prices retreated by 3.22% on a week-on-week basis, to close the reporting week at an average of US\$27,589.00 per tonne, from US\$28,506.40 per tonne in the previous week.

## **Brent Crude Oil**

During the week ending 23<sup>rd</sup> December 2022, Brent crude oil prices increased marginally by 1.59% to US\$81.69 per barrel, from US\$80.41 per barrel recorded in the previous week. The increase followed the report that U.S. crude inventories had fallen by 5.89 million barrels, according to data from the U.S. Energy Information Administration (EIA).

## 4. EXCHANGE RATE DEVELOPMENTS

### Foreign Exchange Auction

On the foreign exchange auction, the Zimbabwe dollar (ZW\$) depreciated by 0.6% against the US dollar, from ZW\$667.4922 per US\$1 in the previous week to ZW\$671.4466 per US\$1, during the week ending 23<sup>rd</sup> December 2022.

**Table 5: Foreign Exchange Auction Exchange Rates<sup>1</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2022</b>					
<b>Weekly Average (11-16 Dec 22)</b>	<b>667.4922</b>	<b>38.4103</b>	<b>820.3259</b>	<b>51.6396</b>	<b>707.2037</b>
<b>19-Dec-22</b>	671.4466	38.1679	817.0854	52.1072	712.1383
<b>20-Dec-22</b>	671.4466	38.4615	812.8894	52.0401	710.5940
<b>21-Dec-22</b>	671.4466	38.9105	816.8839	52.0391	712.5411
<b>23-Dec-22</b>	671.4466	33.8983	820.8206	53.2947	722.9546
<b>Weekly Average (19-23 Dec 22)</b>	<b>671.4466</b>	<b>37.3596</b>	<b>816.9198</b>	<b>52.3703</b>	<b>714.5570</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	0.6	-2.7	-0.4	1.4	1.0

Source: Reserve Bank of Zimbabwe, 2022

### Interbank Market

Trading on the interbank market saw the Zimbabwe dollar depreciate by 0.8% against the US dollar, from ZW\$670.0614 per US\$1 in the previous week, to ZW\$675.6352 per US\$1, during the week ending 23<sup>rd</sup> December 2022, as shown in Table 6.

**Table 6: Interbank Market Exchange Rates<sup>2</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2022</b>					
<b>Weekly Average (11-16 Dec 22)</b>	<b>670.0614</b>	<b>38.4951</b>	<b>823.5134</b>	<b>51.8430</b>	<b>709.9775</b>
<b>19-Dec-22</b>	673.6247	38.2409	820.0382	52.2807	714.4513
<b>20-Dec-22</b>	674.8354	38.6847	816.6909	52.3074	714.3184
<b>21-Dec-22</b>	676.2280	39.1389	822.7716	52.4126	717.6182
<b>23-Dec-22</b>	677.8527	39.5257	816.2753	52.8124	719.1390
<b>Weekly Average (19-23 Dec 22)</b>	<b>675.6352</b>	<b>38.8976</b>	<b>818.9440</b>	<b>52.4533</b>	<b>716.3817</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	0.8	1.0	-0.6	1.2	0.9

Source: Reserve Bank of Zimbabwe, 2022

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

<sup>2</sup> Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

## 5. EQUITY MARKETS

### Zimbabwe Stock Exchange

The Zimbabwe Stock Exchange (ZSE) exhibited bullish sentiments for the second consecutive week, during the week ending 23<sup>rd</sup> December 2022. As a result, the ZSE All Share index added 12.70% to close at 17 350.85 points. All the major indices increased, with the Top 10, Top 15 and Medium Cap indices adding 18.32%, 21.66% and 3.14% to close at 10 704.59 points, 11 831.11 points and 34 786.56 points, respectively.

The increase in the mainstream index was a result of share price gains for Inncor Africa Limited (42.68%), Delta Corporation Limited (27.71%), Amalgamated Regional Trading (ART) (14.71%), First Capital Bank Limited (12.90%) and Econet Wireless Zimbabwe Limited (6.93%). Partially offsetting the share price gains were losses in share prices of Mashonaland Holdings Limited (25.00%), Edgars Stores Limited (11.49%), First Mutual Holdings Limited (7.17%), FBC Holdings Limited (0.83%) and First Mutual Properties Limited (0.38%). The resources index<sup>3</sup> remained unchanged at 25 478.77 points, during the week under analysis.

**Table 7: Zimbabwe Stock Exchange Statistics<sup>4</sup>**

	All Share Index Points	Top 10 index <sup>3</sup> (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>18-Nov-22</b>	13,771.09	7,813.39	8,816.25	32,801.57	510,153.10	25,478.67	1,658.75	1,835.27	22.63
<b>25-Nov-22</b>	14,222.37	8,205.14	9,190.48	32,843.41	485,137.43	25,478.67	1,711.14	3,451.36	38.07
<b>2-Dec-22</b>	14,834.46	8,672.55	9,651.03	33,287.86	472,431.36	25,478.67	1,639.41	19,945.42	74.38
<b>9-Dec-22</b>	14,725.07	8,554.60	9,555.30	33,247.33	454,952.47	25,478.67	1,627.74	2,153.16	66.71
<b>16-Dec-22</b>	15,395.20	9,047.37	9,724.88	33,726.07	440,757.50	25,487.77	1,611.60	1,223.94	12.88
<b>23-Dec-22</b>	17,350.85	10,704.59	11,831.11	34,786.56	450,615.30	25,487.77	1,817.21	2,672.76	143.71
<b>% Change</b>	<b>12.70</b>	<b>18.32</b>	<b>21.66</b>	<b>3.14</b>	<b>2.24</b>	<b>-</b>	<b>12.76</b>	<b>118.37</b>	<b>1,015.44</b>

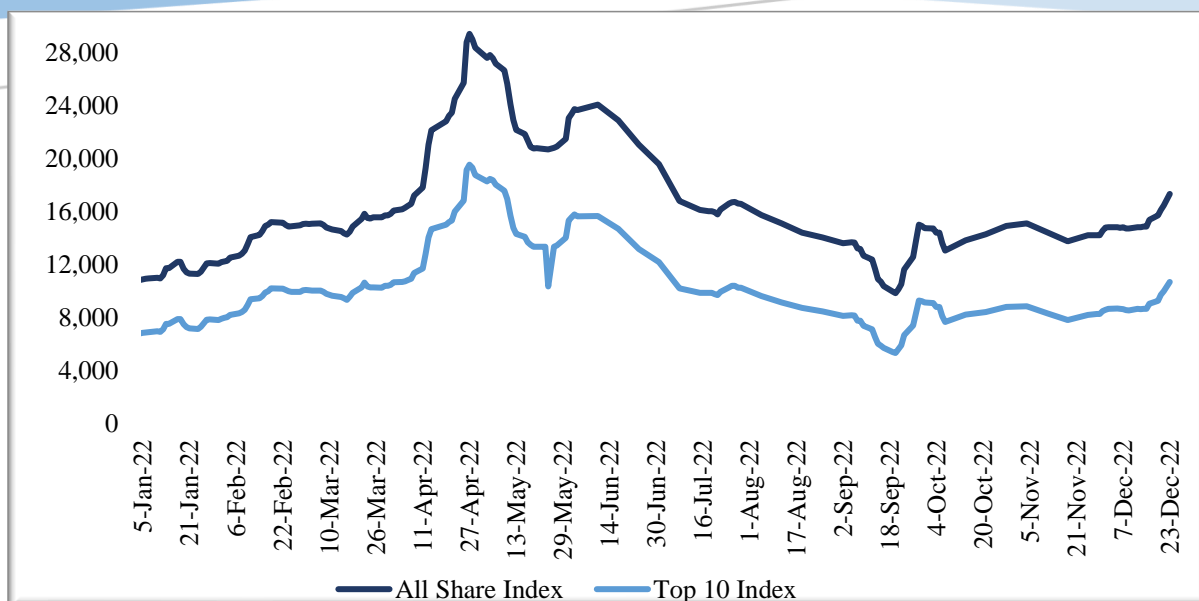
Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 5<sup>th</sup> January 2022 to 23<sup>rd</sup> December 2022.

<sup>3</sup> Resource Index – Comprise RioZim Limited Share Price

<sup>4</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: Zimbabwe Stock Exchange All Share and Top 10 Indices**

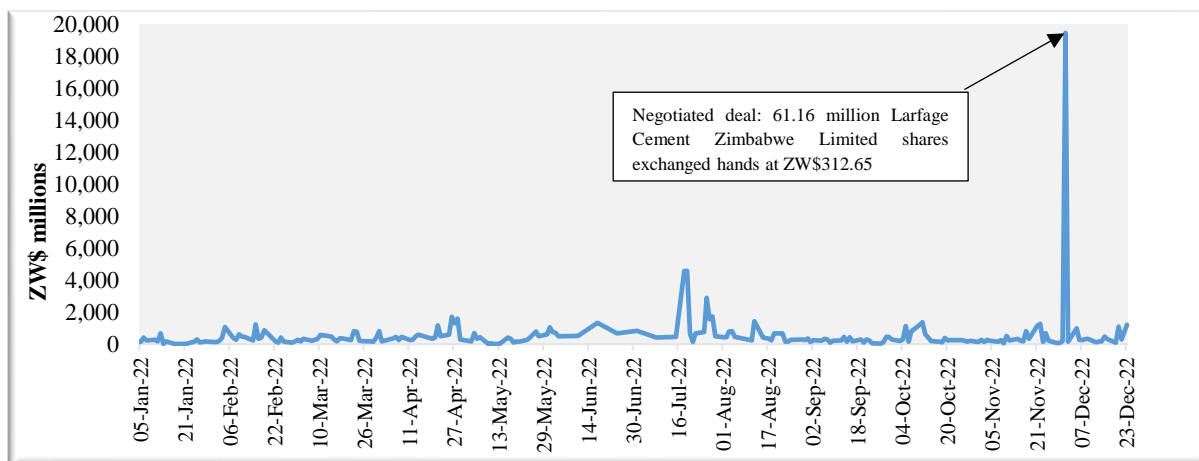


Source: Zimbabwe Stock Exchange, 2022

### Market Turnover and Volume

The cumulative volume of shares traded on the ZSE increased by 1,015.44% to 143.71 million shares, during the week under review. In concomitance, the value of shares traded rose by 118.3% to ZW\$2.67 billion, during the same week. Figure 4 shows the trend in daily market turnover for the period from 5<sup>th</sup> January 2022 to 23<sup>rd</sup> December 2022.

**Figure 4: Daily Market Turnover**



Source: Zimbabwe Stock Exchange, 2022

### Market Capitalization

The local bourse gained ZW\$205.61 billion, or 12.76% worth of capitalization to close at ZW\$1,817.21 billion, during the week ending 23<sup>rd</sup> December 2022. Figure 5 shows the evolution of the ZSE market capitalization for the period from 5<sup>th</sup> January 2022 to 23<sup>rd</sup> December 2022.



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

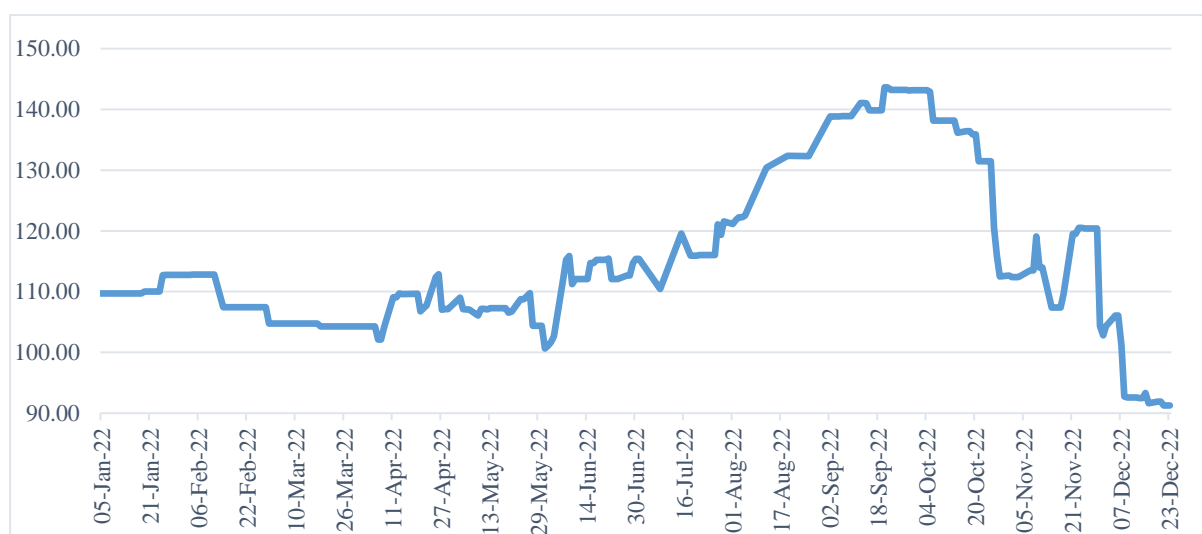


Source: Zimbabwe Stock Exchange, 2022

### Victoria Falls Stock Exchange

On the Victoria Falls Stock Exchange (VFEX), the VFEX All Share index marginally declined by 0.39% to close at 91.27 points. However, the cumulative volume of shares traded increased by 44.89%, from 0.49 million shares in the preceding week, to 0.71 million shares, during the week ending 23<sup>rd</sup> December 2022. In concomitance, the value of shares traded rose by 97.15% to US\$0.18 million, during the same week. VFEX market capitalization stood at US\$0.412 billion a decline of 1.50% or US\$0.01 billion from US\$0.418 billion recorded in the previous week. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 5<sup>th</sup> January 2022 to 23<sup>rd</sup> December 2022.

**Figure 6: Victoria Falls Stock Exchange All Share Index**



Source: Victoria Falls Stock Exchange, 2022

## Johannesburg Stock Exchange (JSE) Developments

The Johannesburg Stock Exchange (JSE) All Share Index increased from 72,989.34 points in the previous week to close at 73,493.47 points, during the week ending 23<sup>rd</sup> December 2022. However, JSE market capitalization fell by 0.69% to ZAR21.45 trillion, during the same week.

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

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
<b>18-Nov-22</b>	72,576.86	20.86
<b>25-Nov-22</b>	68,614.98	20.98
<b>2-Dec-22</b>	74,322.91	21.87
<b>9-Dec-22</b>	74,548.14	21.95
<b>16-Dec-22</b>	72,989.34	21.60
<b>23-Dec-22</b>	73,493.47	21.45
<b>% Change</b>	<b>0.69</b>	<b>-0.69</b>

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2022

**Figure 7: Johannesburg Stock Exchange (JSE) All Share Index**



Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2022

**RESERVE BANK OF ZIMBABWE**

## APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX<sup>5</sup> AND SMEFX<sup>6</sup>

	MAINFX				SMEFX			
	25-Nov-22	2-Dec-22	9-Dec-22	16-Dec-22	25-Nov-22	2-Dec-22	9-Dec-22	16-Dec-22
<b>Total Bids (US\$ dollars)</b>	13,364,555.93	14,927,728.26	11,611,744.04	14,788,371.00	1,360,318.99	1,502,476.81	1,314,538.84	1,643,791.52
<b>Amount Allotted (US\$ dollars)</b>	9,963,555.58	13,914,092.56	10,266,799.53	14,031,231.84	1,198,534.51	1,401,209.57	1,284,863.86	1,451,144.38
<b>Highest Rate</b>	671	678.55	678	690	673	677	675	690
<b>Lowest Bid Rate</b>	671	678.55	678	690	635	677	675	690
<b>Lowest Bid Rate Allotted</b>	635	645	655	665	635	645	655	665
<b>Weighted Average Rate</b>	646.2415	654.8651	661.5605	671.4466	646.2415	654.8651	661.5605	671.4466
<b>Number of Bids Received</b>	91	104	90	116	131	155	132	161
<b>Number of Bids Rejected</b>	2	2	3	5	7	4	4	4

*Source: Reserve Bank of Zimbabwe, 2022*

\*The last foreign currency auction for 2022 was on the 13<sup>th</sup> of December 2022 and the first foreign currency auction for 2023 will be on the 10<sup>th</sup> of January 2023

<sup>5</sup> Main Foreign Currency Auction

<sup>6</sup> Small and Medium Enterprises Foreign Currency Auction

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

Purpose	MAINFX				SMEFX			
	25-Nov-22	2-Dec-22	9-Dec-22	16-Dec-22	25-Nov-22	2-Dec-22	9-Dec-22	16-Dec-22
<b>Raw Materials</b>	3,604,555.93	8,010,859.24	5,632,710.55	7,415,722.05	402,137.60	503,463.63	495,619.80	440,768.32
<b>Machinery and Equipment</b>	2,380,110.56	1,832,584.25	1,178,715.22	1,939,871.65	372,503.96	414,098.19	388,883.96	474,206.09
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	887,266.17	628,158.09	897,668.55	1,153,586.05	158,705.29	121,555.19	123,572.10	151,600.13
<b>Pharmaceuticals and Chemicals</b>	498,493.23	675,184.11	400,182.54	408,105.38	26,037.83	64,239.77	36,526.82	88,011.65
<b>Services (Loans, Dividends and Disinvestments)</b>	1,414,437.87	1,576,236.16	1,629,195.33	1,845,029.69	72,326.33	120,709.41	101,699.68	162,305.52
<b>Retail and Distribution</b>	456,596.30	961,561.26	113,162.79	622,726.66	130,237.34	121,047.25	422,273.40	103,189.74
<b>Fuel, Electricity and Gas</b>	-	-	-	-	-	-	-	-
<b>Paper and Packaging</b>	722,095.52	229,509.45	106,053.94	646,190.36	36,586.16	56,095.78	25,398.71	31,062.93
<b>TOTAL</b>	<b>9,963,555.58</b>	<b>13,914,092.56</b>	<b>10,266,799.53</b>	<b>14,031,231.84</b>	<b>1,198,534.51</b>	<b>1,401,209.57</b>	<b>1,284,863.86</b>	<b>1,451,144.38</b>

*Source: Reserve Bank of Zimbabwe, 2022*

\*The last foreign currency auction for 2022 was on the 13<sup>th</sup> of December 2022 and the first foreign currency auction for 2023 will be on the 10<sup>th</sup> of January 2023