



Weekly Economic Highlights

TABLE OF CONTENTS

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

Week Ending
2nd December 2022

1. INTEREST RATES

Deposit Rates

During the week ending 2nd December 2022, average minimum and maximum deposits rates for savings deposits and deposits of 3-months tenor declined, while the deposits of 1-month tenor were unchanged, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

| Date | Previous we | | 1- Month deposit's rates (%) | | 3- Month deposit rates (%) | |
|-----------|-------------|-------------|------------------------------|-------------|----------------------------|-------------|
| | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) |
| 4-Nov-22 | 20.09 | 20.25 | 55.15 | 59.67 | 57.25 | 61.71 |
| 11-Nov-22 | 20.09 | 20.25 | 55.15 | 59.67 | 57.25 | 61.71 |
| 18-Nov-22 | 20.38 | 20.53 | 55.15 | 59.67 | 57.44 | 62.00 |
| 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 |

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

The week ending 2nd December 2022, saw an increase in commercial bank minimum lending rates for individuals and maximum lending rates for corporate clients, while maximum lending rates for individual clients and minimum lending rates for corporate clients declined during the week under analysis, as shown in Table 2.

Table 2: Lending Rates (per annum)

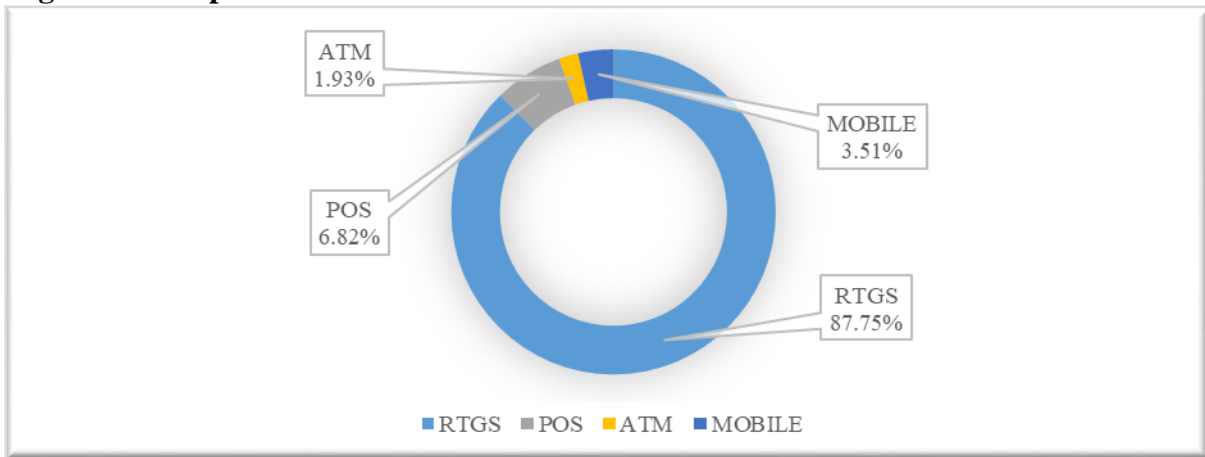
| Date | Individual Clients | | Corporate Clients | |
|-----------|--------------------|-------------|-------------------|-------------|
| | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) |
| 4-Nov-22 | 99.37 | 126.46 | 115.26 | 245.30 |
| 11-Nov-22 | 99.37 | 126.46 | 115.26 | 245.30 |
| 18-Nov-22 | 98.89 | 127.58 | 135.60 | 223.48 |
| 25-Nov-22 | 98.89 | 127.58 | 135.60 | 223.48 |
| 2-Dec-22 | 99.03 | 126.54 | 110.97 | 243.40 |

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions valued at ZW\$845.01 billion, during the week ending 2nd December 2022. This represented a decrease of 0.79%, compared to ZW\$851.62 billion reported in the previous week. The NPS transactions values were distributed as follows: RTGS, 87.75%, POS, 6.82%; Mobile, 3.51%; and ATM, 1.93%.

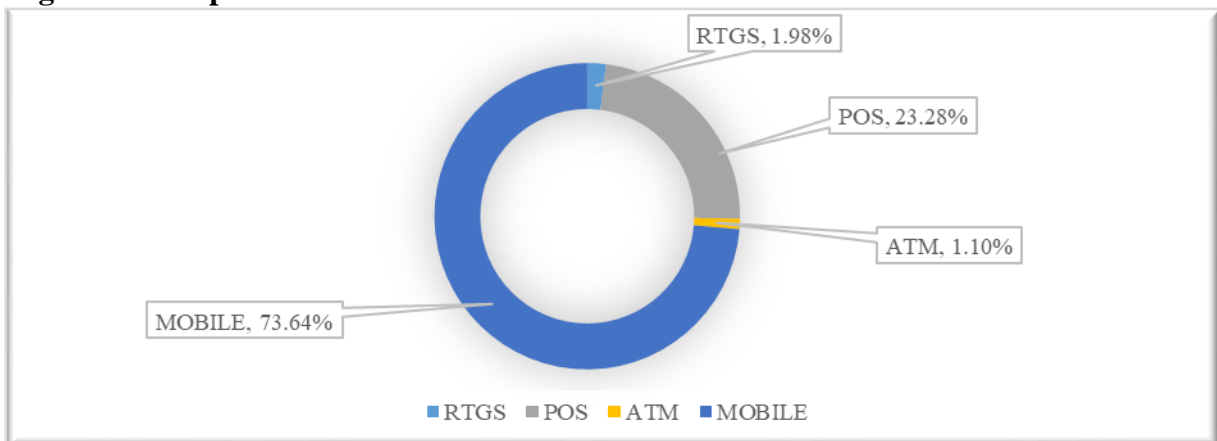
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

During the week ending 2nd December 2022, NPS transaction volume declined by 3.31% to 14.42 million, compared to 14.90 million transactions recorded in the preceding week. The distribution of NPS transaction volumes was as follows: Mobile 73.64%; POS 23.28%; RTGS 1.98%; and ATM 1.10%, 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 25 th November 2022 | WEEK ENDING 2 nd December 2022 | % CHANGE FROM LAST WEEK | PROPORTION % |
|--------------------------------|--|---|-------------------------------|-----------------|
| Values in ZW\$ Millions | | | | |
| RTGS | 756,109.64 | 741,400.09 | -1.95% | 87.75% |
| POS | 53,617.10 | 57,603.16 | 7.43% | 6.82% |
| ATM | 15,019.81 | 16,292.10 | 8.47% | 1.93% |
| MOBILE | 26,878.42 | 29,718.70 | 10.28% | 3.51% |
| TOTAL | 851,624.97 | 845,014.05 | -0.79% | 100% |
| Volumes | | | | |
| RTGS | 266,673 | 285,604 | 7.10% | 1.98% |
| POS | 3,432,595 | 3,353,879 | -2.29% | 23.28% |
| ATM | 158,005 | 158,180 | 0.11% | 1.10% |
| MOBILE | 11,042,165 | 10,608,826 | -3.92% | 73.64% |
| TOTAL | 14,899,438 | 14,422,356 | -3.31% | 100% |

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Weekly average prices for gold, platinum, palladium, copper, nickel, and crude oil rebounded during the week ending 2nd December 2022, following a retreat in the US dollar. The US dollar eased as the Federal Reserve Bank hinted on scaling down the pace of interest rate hikes. The evolution in prices for selected commodities during the week under analysis are shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week ending 2nd December 2022

| | Gold | Platinum | Palladium | Copper | Nickel | Crude Oil |
|---|-----------------|-----------------|-----------------|-----------------|------------------|--------------|
| 2022 | US\$/ounce | US\$/ounce | US\$/ounce | US\$/tonne | US\$/tonne | US\$/barrel |
| Weekly Average (21-25 Nov 22) | 1,746.20 | 986.40 | 1,877.10 | 8,020.30 | 25,737.20 | 85.55 |
| 28-Nov-22 | 1,754.73 | 994.50 | 1,862.50 | 7,959.00 | 25,639.00 | 85.81 |
| 29-Nov-22 | 1,754.03 | 998.00 | 1,840.50 | 8,056.00 | 26,940.00 | 84.85 |
| 30-Nov-22 | 1,756.58 | 1,018.00 | 1,895.00 | 8,319.50 | 26,805.00 | 86.89 |
| 1-Dec-22 | 1,791.38 | 1,038.00 | 1,900.00 | 8,320.00 | 27,310.00 | 87.15 |
| 2-Dec-22 | 1,792.75 | 1,024.00 | 1,887.00 | 8,472.00 | 28,150.00 | 86.50 |
| Weekly Average (28 Nov-2 Dec 22) | 1,769.89 | 1,014.50 | 1,877.00 | 8,225.30 | 26,968.80 | 86.24 |
| Weekly Change (%) | 1.4 | 2.8 | -0.005 | 2.6 | 4.8 | 0.8 |

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices rose by 1.4% from a weekly average of US\$1,746.20 per ounce in the previous week to US\$1,769.89 per ounce during the week under review. The yellow metal price was lifted by a softer dollar which makes the greenback-priced bullion less expensive for buyers holding other currencies.

Platinum

Platinum prices rebounded during the week ending 2nd December 2022, supported by prospects of investment demand as the US dollar edged lower back rekindling investor's appetite for precious metals. Prices edged up by 2.8%, from an average of US\$986.40 per ounce in the prior week to US\$91,014.50 per ounce, during the reporting period.

Palladium

During the week ending 2nd December 2022, average price for palladium declined by 0.005% to US\$1,877.00 per ounce, compared to US\$1,877.10 per ounce registered in the previous week.

Copper

Copper prices advanced during the week as the easing of Covid-19 restrictions in top consumer China bolstered demand outlook for industrial metals. China recently announced easing of COVID-19 restrictions that have isolated the world's second-largest economy thereby hurting demand for most commodities. Resultantly, prices rose by 2.6%, from US\$8,020.30 per tonne in the previous week to US\$8,225.30 per tonne, during the week under review.

Nickel

Nickel prices firmed during the week ending 2nd December 2022, on the basis of improving sentiment and expectations of demand recovery in China, the world's top consumer of industrial metals. The metal's price jumped by 4.8% on a week-on-week basis to close the week at an average of US\$26,968.80 per tonne from US\$25,737.60 per tonne in the previous week. 26,968.80.

Brent Crude Oil

Brent crude oil prices also increased on expectations for a rebound in demand from China following the relaxation of the country's strict COVID-19 controls. The increase was however capped by concerns that the Organization of Petroleum Exporting countries (OPEC) would keep its output unchanged at its upcoming meeting. Accordingly, crude oil prices rose by a marginal 0.8% from an average of US\$85.55 per barrel recorded in the previous week to US\$86.24 per barrel during the reporting week.

4. EXCHANGE RATE DEVELOPMENTS

Foreign Exchange Auction

On the foreign exchange auction, the Zimbabwe dollar (ZW\$) depreciated by 1.2% against the US dollar, from ZW\$643.3850 per US\$1 in the previous week to ZW\$651.4156 per US\$1, during the week ending 2nd December 2022.

Table 5: International Exchange Rates¹

| | USD | ZAR | GBP | BWP | EURO |
|---|-----------------|----------------|-----------------|----------------|-----------------|
| 2022 | | | | | |
| Weekly Average (21-25 Nov 22) | 643.3850 | 37.5026 | 769.0154 | 49.8274 | 665.3218 |
| 28-Nov-22 | 646.2415 | 37.7358 | 778.9476 | 50.2805 | 672.2683 |
| 29-Nov-22 | 646.2415 | 37.8788 | 776.0078 | 50.0867 | 671.1228 |
| 30-Nov-22 | 654.8651 | 38.5802 | 784.3339 | 51.0169 | 677.5909 |
| 1-Dec-22 | 654.8651 | 38.1679 | 792.4542 | 51.0170 | 684.1054 |
| 2-Dec-22 | 654.8650 | 37.3832 | 801.0329 | 50.4275 | 689.3130 |
| Weekly Average (28 Nov-2 Dec 22) | 651.4156 | 37.9492 | 786.5553 | 50.5657 | 678.8800 |
| Appr(-)/Depr(+)(%) of the ZWL | 1.2 | 1.2 | 2.3 | 1.5 | 2.0 |

Source: Reserve Bank of Zimbabwe, 2022

Interbank Market

On the interbank market, the Zimbabwe dollar (ZW\$) depreciated by 1.3% against the US dollar, from ZW\$644.8450 per US\$1 in the previous week, to ZW\$653.4890 per US\$1, during the week ending 2nd December 2022, as is shown in Table 6.

Table 6: International Exchange Rates²

| | USD | ZAR | GBP | BWP | EURO |
|---|-----------------|----------------|-----------------|----------------|-----------------|
| 2022 | | | | | |
| Weekly Average (21-25 Nov 22) | 644.8450 | 37.5574 | 770.8385 | 49.9447 | 666.8844 |
| 28-Nov-22 | 649.2784 | 37.8788 | 782.5780 | 50.5221 | 672.2683 |
| 29-Nov-22 | 652.7132 | 38.1679 | 783.5875 | 50.5932 | 677.7827 |
| 30-Nov-22 | 654.9284 | 38.6100 | 784.5413 | 51.0267 | 677.7225 |
| 1-Dec-22 | 654.9630 | 38.0952 | 792.4502 | 51.0294 | 684.0486 |
| 2-Dec-22 | 655.5619 | 37.3832 | 801.7862 | 50.4860 | 689.8503 |
| Weekly Average (28 Nov-2 Dec 22) | 653.4890 | 38.0270 | 788.9886 | 50.7315 | 680.3345 |
| Appr(-)/Depr(+)(%) of the ZWL | 1.3 | 1.3 | 2.4 | 1.6 | 2.0 |

Source: Reserve Bank of Zimbabwe, 2022

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

² 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) traded in a positive trajectory for the third consecutive week. As a result, the ZSE All Share index added 4.30% to close at 14 834.46 points. All indices registered gains, with the Top 10, Top 15 and Medium Cap indices increasing by 5.70%, 5.01% and 1.35% to close at 8 672.55 points, 9 651.03 points and 33 287.86 points, respectively.

The rise in the mainstream index largely emanated from share price gains in Mashonaland Holdings Limited (56.17%), NMBZ Holdings Limited (12.15%), Delta Corporation Limited (10.84%), First Capital Bank Limited (8.69%) and Innscor Africa Limited (8.07%). Partially offsetting the increases were declines in share prices of Willdale Limited (14.93%), Dairibord Holdings Limited (14.89%), Zimre Holdings Limited (13.05%), Seed Co Limited (12.67%) and Star Africa Corporation Limited (8.67%). The resource index³, remained unchanged at 25 478.67 points during the week under analysis.

Table 7: Zimbabwe Stock Exchange Statistics⁴

| | All Share Index Points | Top 10 index ³ (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) |
|------------------|------------------------|------------------------------------|----------------------------------|----------------------------------|---------------------------------|-----------------------|---|-------------------------------|----------------------------|
| 28-Oct-22 | 14,933.47 | 8,810.56 | 9,842.26 | 32,839.64 | 523,569.99 | 23,659.53 | 1,809.54 | 1,062.36 | 13.13 |
| 4-Nov-22 | 15,115.56 | 8,870.73 | 9,928.47 | 33,647.23 | 522,497.81 | 26,388.25 | 1,830.84 | 999.93 | 6.97 |
| 11-Nov-22 | 14,446.17 | 8,324.46 | 9,379.44 | 33,528.58 | 518,661.02 | 25,478.67 | 1,749.78 | 1,196.55 | 16.06 |
| 18-Nov-22 | 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 |
| 25-Nov-22 | 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 |
| 2-Dec-22 | 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 |
| % Change | 4.30 | 5.70 | 5.01 | 1.35 | -2.62 | 0.00 | -4.19 | 477.90 | 95.37 |

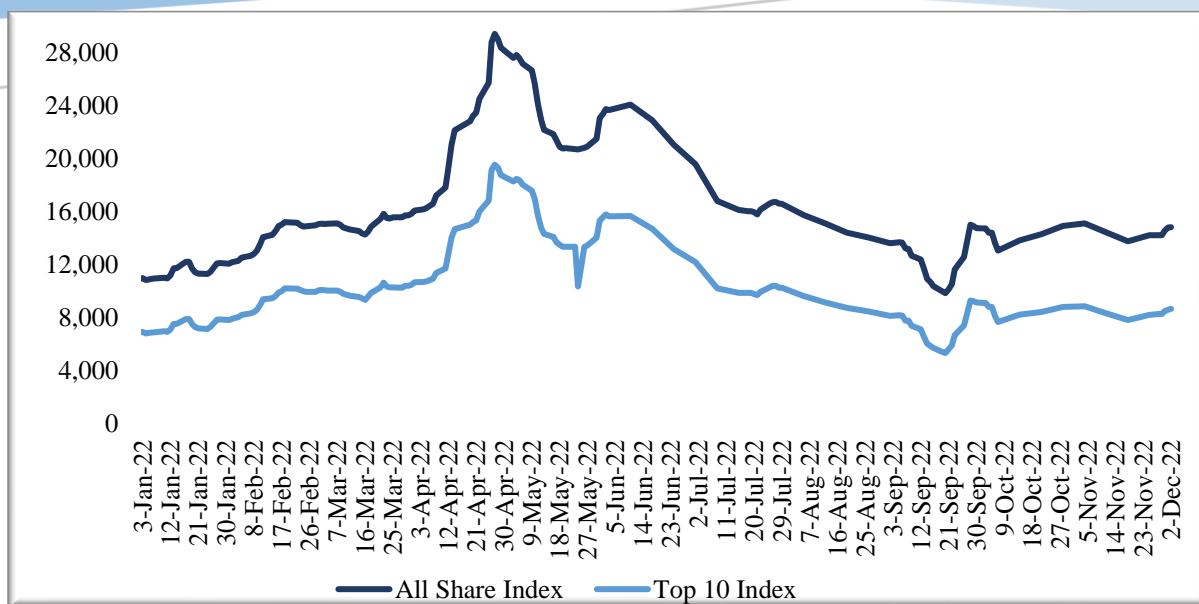
Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 3rd January 2022 to 2nd December 2022.

³ Resource Index – Comprise RioZim Limited Share Price

⁴ 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

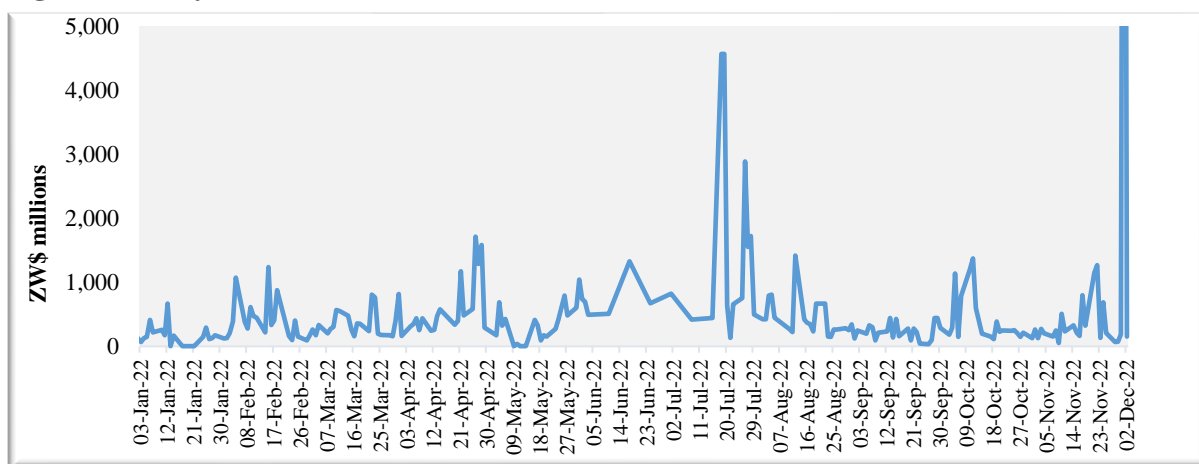


Source: Zimbabwe Stock Exchange, 2022

Market Turnover and Volume

During the week ending 2nd December 2022, cumulative volumes and values of shares traded increased by 95.37% and 477.90% to 74.38 million shares and ZW\$19.95 billion. This compares to 38.07 million shares and ZW\$3.45 billion recorded in the preceding week. Figure 4 shows the trend in daily market turnover for the period from 3rd January 2022 to 2nd December 2022.

Figure 4: Daily Market Turnover

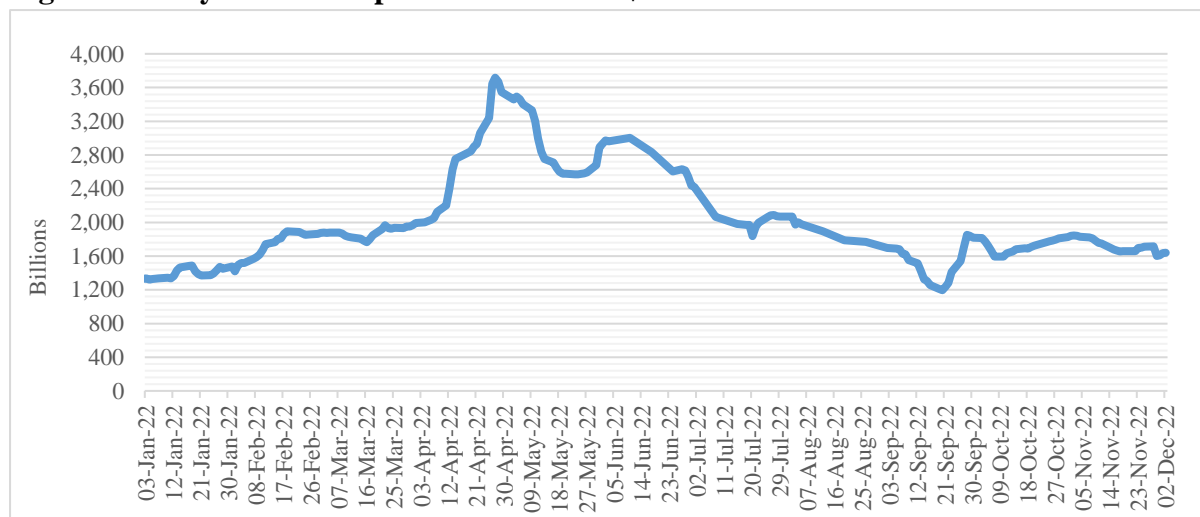


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

The local bourse lost ZW\$71.73 billion, or 4.19% worth of capitalization to close at ZW\$1,639.41 billion. Figure 5 shows the evolution of market capitalization for the period from 3rd January 2022 to 2nd December 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions

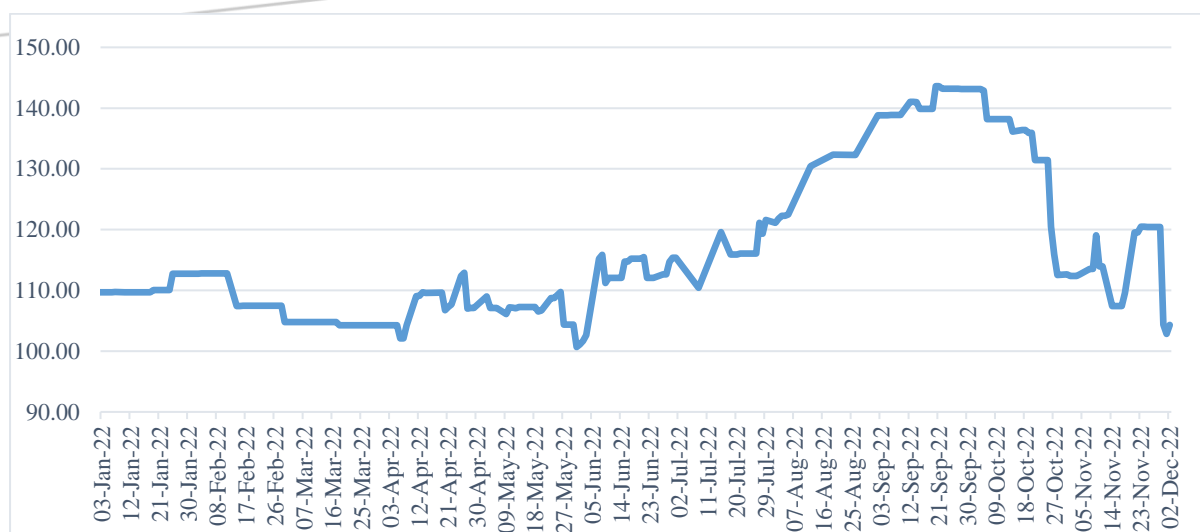


Source: Zimbabwe Stock Exchange, 2022

Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange (VFEX) was characterised by bearish sentiments during the week ending 2nd December 2022. Resultantly, the VFEX All Share index declined by 13.35% to close at 104.34 points. The cumulative volume and value of shares traded declined by 85.71% and 89.25% to 0.20 billion shares and US\$0.05 million, compared to previous week's 1.41 billion shares and US\$0.43 million respectively. VFEX market capitalization stood at US\$0.25 billion, a decrease of 14.99% or US\$0.04 billion, from US\$0.29 billion recorded in the previous week. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 3rd January 2022 to 2nd December 2022.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

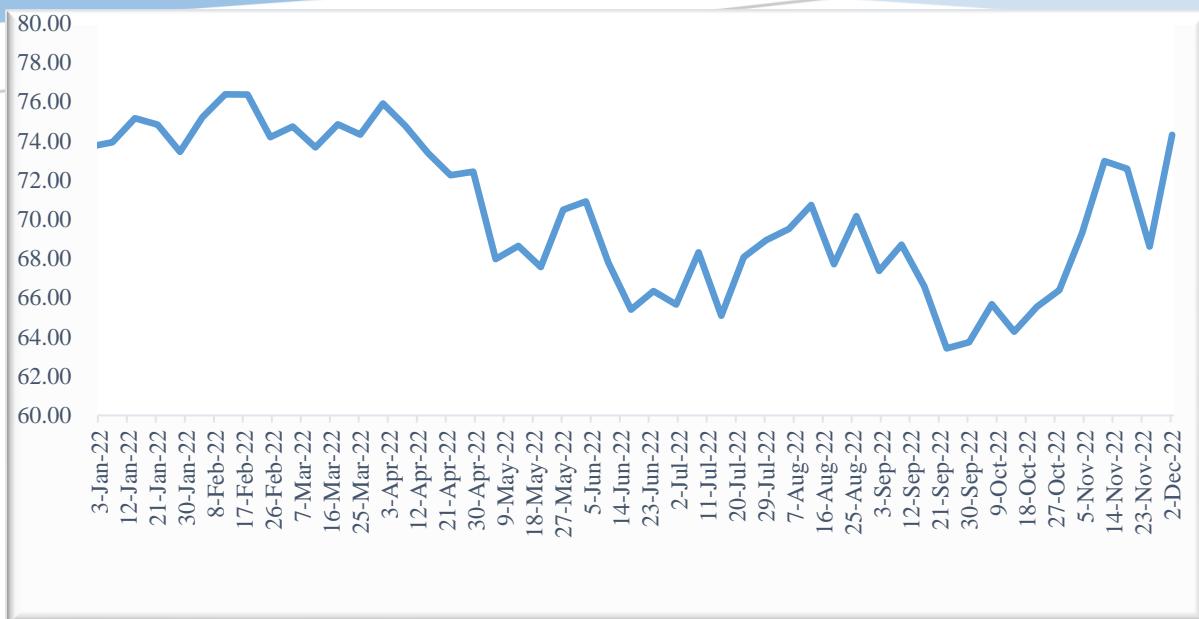
The Johannesburg Stock Exchange (JSE) All Share Index increased from 68,614.98 points in the previous week to close at 74,322.91 points during the week ending 2nd December 2022. JSE market capitalization increased by 4.24% to ZAR21.87 trillion, during the same week.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

| Period | All Share Index (points) | Market Capitalization (ZAR trillions) |
|------------------|-----------------------------|--|
| 28-Oct-22 | 66,385.58 | 18.94 |
| 04-Nov-22 | 69,305.19 | 19.99 |
| 11-Nov-22 | 72,982.80 | 20.62 |
| 18-Nov-22 | 72,576.86 | 20.86 |
| 25-Nov-22 | 68,614.98 | 20.98 |
| 2-Dec-22 | 74,322.91 | 21.87 |
| % Change | 8.32 | 4.24 |

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 MAINFX⁵ AND SMEFX⁶

| | MAINFX | | | | SMEFX | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|
| | 11-Nov-22 | 18-Nov-22 | 25-Nov-22 | 2-Dec-22 | 11-Nov-22 | 18-Nov-22 | 25-Nov-22 | 2-Dec-22 |
| Total Bids (US\$ dollars) | 10,909,931.92 | 11,879,207.67 | 13,364,555.93 | 14,927,728.26 | 1,080,615.32 | 1,352,749.71 | 1,360,318.99 | 1,502,476.81 |
| Amount Allotted (US\$ dollars) | 10,814,531.92 | 11,720,039.67 | 9,963,555.58 | 13,914,092.56 | 1,080,615.32 | 1,333,267.85 | 1,198,534.51 | 1,401,209.57 |
| Highest Rate | 673 | 675 | 671 | 678.55 | 665 | 670 | 673 | 677 |
| Lowest Bid Rate | 615 | 620 | 671 | 678.55 | 615 | 620 | 635 | 677 |
| Lowest Bid Rate Allotted | 615 | 620 | 635 | 645 | 615 | 620 | 635 | 645 |
| Weighted Average Rate | 636.2104 | 639.1003 | 646.2415 | 654.8651 | 636.2104 | 639.1003 | 646.2415 | 654.8651 |
| Number of Bids Received | 77 | 85 | 91 | 104 | 113 | 135 | 131 | 155 |
| Number of Bids Rejected | - | 2 | 2 | 2 | 6 | 7 | 7 | 4 |

Source: Reserve Bank of Zimbabwe, 2022

⁵ Main Foreign Currency Auction

⁶ Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

| Purpose | MAINFX | | | | SMEFX | | | |
|---|----------------------|----------------------|---------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| | 11-Nov-22 | 18-Nov-22 | 25-Nov-22 | 2-Dec-22 | 11-Nov-22 | 18-Nov-22 | 25-Nov-22 | 2-Dec-22 |
| Raw Materials | 5,746,542.19 | 5,066,990.64 | 3,604,555.93 | 8,010,859.24 | 351,036.05 | 437,588.85 | 402,137.60 | 503,463.63 |
| Machinery and Equipment | 1,795,297.39 | 1,789,981.02 | 2,380,110.56 | 1,832,584.25 | 288,333.15 | 483,860.83 | 372,503.96 | 414,098.19 |
| Consumables (Incl. Spares, Tyres, Packaging) | 920,802.29 | 1,125,086.66 | 887,266.17 | 628,158.09 | 85,926.48 | 120,689.33 | 158,705.29 | 121,555.19 |
| Pharmaceuticals and Chemicals | 302,969.02 | 811,466.31 | 498,493.23 | 675,184.11 | 75,532.39 | 28,249.37 | 26,037.83 | 64,239.77 |
| Services (Loans, Dividends and Disinvestments) | 1,329,385.91 | 1,606,893.13 | 1,414,437.87 | 1,576,236.16 | 147,745.34 | 89,119.13 | 72,326.33 | 120,709.41 |
| Retail and Distribution | 670,550.34 | 609,479.94 | 456,596.30 | 961,561.26 | 66,557.29 | 146,359.53 | 130,237.34 | 121,047.25 |
| Fuel, Electricity and Gas | - | - | - | - | - | - | - | - |
| Paper and Packaging | 48,984.78 | 710,141.97 | 722,095.52 | 229,509.45 | 65,484.62 | 27,400.81 | 36,586.16 | 56,095.78 |
| TOTAL | 10,814,531.92 | 11,720,039.67 | 9,963,555.58 | 13,914,092.56 | 1,080,615.32 | 1,333,267.85 | 1,198,534.51 | 1,401,209.57 |

Source: Reserve Bank of Zimbabwe, 2022