



Weekly Economic Highlights

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Week Ending
25th February 2022

1. INTEREST RATES

Deposit Rates

During the week ending 25th February 2021, minimum deposit rates for savings deposits increased. Minimum deposit rates for deposits of 1-month and 3-month tenors were, however, declined. Maximum deposit rates for savings deposits and deposits of 1-month tenor registered increases, while those for deposit rates of 3-month tenor declined, 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 (%)
28-Jan-22	3.66	5.76	12.14	15.67	13.16	16.95
4-Feb-22	3.66	5.76	12.14	15.67	13.16	16.95
11-Feb-22	2.80	5.91	13.50	15.61	14.39	16.95
18-Feb-22	2.80	5.91	13.50	15.61	14.39	16.95
25-Feb-22	3.72	6.29	12.72	16.03	13.68	16.84

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum commercial bank lending rates for individuals declined during the week ending 25th February 2022, while those for corporate clients increased. The week under review, also both maximum commercial bank lending rates for individuals and corporate clients post marginal increases, as shown in Table 2.

Table 2: Lending Rates (per annum)

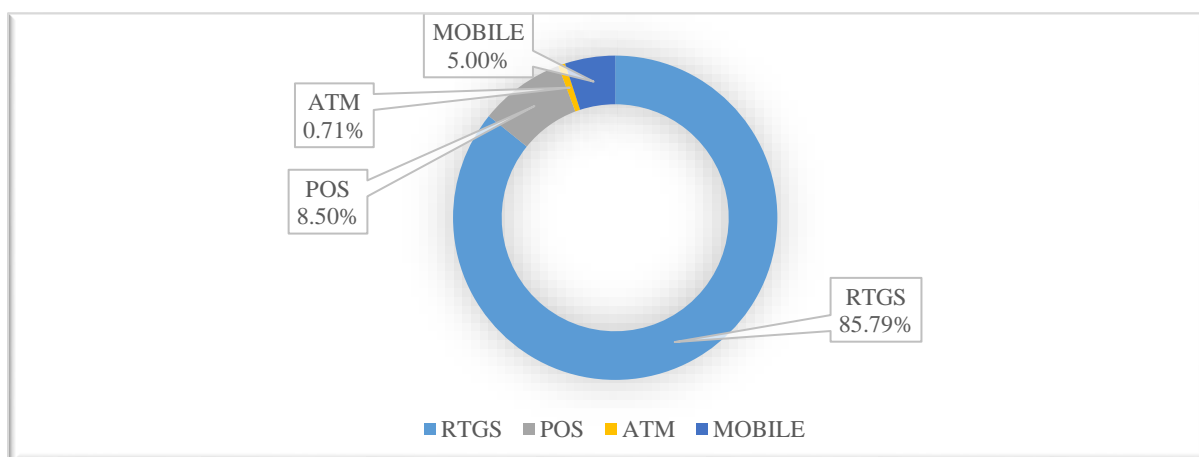
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
28-Jan-22	39.62	57.26	39.62	63.94
4-Feb-22	39.62	57.26	39.62	64.14
11-Feb-22	40.87	57.26	40.32	63.92
18-Feb-22	40.87	57.26	40.32	63.92
25-Feb-22	40.55	57.28	45.06	64.02

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions amounting to \$186.81 billion, during the week ending 25th February 2022, down from \$205.43 billion in the previous week. Real Time Gross Settlement (RTGS) transactions were 10.63% lower, at \$160.27 billion. The NPS transaction values were distributed as follows: RTGS, 85.79%, POS, 8.50%; Mobile, 5.00%; and ATM, 0.71%.

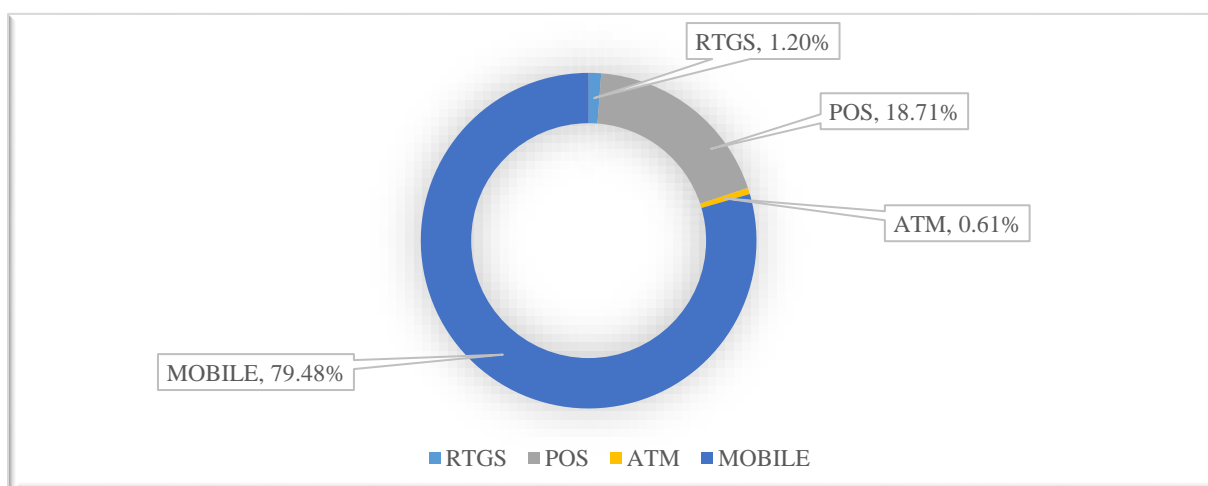
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

NPS transaction volumes decreased by 0.07% to close at 20.53 million, during the week under review. The transaction volumes were dominated by Mobile based transactions at 79.48% of the total, followed by POS, 18.71%; RTGS, 1.20%; and ATM, 0.61%, 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 18 th February 2022	WEEK ENDING 25 th February 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	179,336.66	160,271.54	-10.63%	85.79%
POS	15,496.49	15,878.90	2.47%	8.50%
ATM	1,108.47	1,325.65	19.59%	0.71%
MOBILE	9,490.98	9,334.69	-1.65%	5.00%
TOTAL	205,432.61	186,810.78	-9.06%	100%
Volumes				
RTGS	203,852	247,084	21.21%	1.20%
POS	3,716,986	3,840,816	3.33%	18.71%
ATM	74,906	125,655	67.75%	0.61%
MOBILE	16,552,922	16,319,790	-1.41%	79.48%
TOTAL	20,548,666	20,533,345	-0.07%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, platinum, nickel and crude oil firmed, while copper prices retreated, during the week ending 25th February 2022. The developments in commodity prices during the week under review, are as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week ending 25th February 2022

	Gold	Platinum	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (14 - 18 February)	1,870.12	1,052.30	9,981.16	23,689.80	93.45
21-Feb	1,894.95	1,079.00	10,010.00	24,609.00	97.35
22-Feb	1,897.55	1,085.00	9,946.00	24,871.00	92.23
23-Feb	1,900.20	1,085.00	9,962.30	25,203.00	99.50
24-Feb	1,952.33	1,110.00	9,906.00	24,887.00	101.89
25-Feb	1,898.48	1,055.00	9,918.50	25,233.00	94.56
Weekly Average (21 - 25 February)	1,908.70	1,082.80	9,948.56	24,960.60	97.11
Weekly Change (%)	2.1	2.9	-0.3	5.4	3.9

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices further increased on fears of a global economic slowdown, due to the tension between Russia and the West over Ukraine. Russia subsequently invaded Ukraine on the 24th of February 2022, culminating in the imposition of sanctions by the West. Furthermore, mounting worries about high US inflation supported the build-up in the demand for gold as a

safe-haven asset. Gold prices rose by 2.1%, from a weekly average of US\$1,870.12 per ounce in the previous week to US\$1,908.70 per ounce, during the week under review.

Platinum

Platinum prices rose by 2.9%, from a weekly average of US\$1,052.30 per ounce in the previous week, to US\$1,082.80 per ounce, during the week under review. The increase was largely on account of escalating geopolitical tensions between Russia, Ukraine, and the West, which heightened concerns about supply disruptions. Russia is one of the world's largest platinum producers.

Copper

Copper prices retreated by 0.3%, from a weekly average of US\$9,981.16 per tonne in the week ending 18th February 2022 to US\$9,948.56 per tonne, during the week under review. The marginal decline in the price was underpinned by a growth in global inventories of the red metal, particularly in China.

Nickel

Nickel prices extended gains during the week, due to a combination of supply concerns and strong demand from electric vehicle manufacturers, amid high demand for electric vehicles. Against this backdrop, prices increased by 5.4%, from a weekly average of US\$23,689.80 per tonne in the previous week to US\$24,960.60 per tonne, during the week ending 25th February 2022.

Brent Crude Oil

Brent crude oil remained buoyant, supported by fears of disruptions in global energy supplies, amid escalating tensions between Russia and the West over Ukraine, and the subsequent invasion of Ukraine by Russia. The weekly average prices increased by 3.9%, from US\$93.45 per barrel in the preceding week to US\$97.11 per barrel, during the week ending 25th February 2022.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) depreciated by 0.2% against the US dollar, from an average of ZW\$119.8604 per US\$1 in the previous week, to close the week under review at an average of

ZW\$120.1068 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
2022					
Weekly Average (14 - 18 February)	119.8604	7.9477	162.5612	10.4319	135.9946
22-Feb	118.8748	7.9334	163.8013	10.4794	136.2091
23-Feb	120.5174	8.2508	168.5666	10.8085	140.4329
24-Feb	120.5174	8.0972	167.3698	10.7158	139.1990
25-Feb	120.5174	8.1202	166.5144	10.6473	139.1121
Weekly Average (22 - 25 February)	120.1068	8.1004	166.5630	10.6627	138.7383
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.2</i>	<i>1.9</i>	<i>2.5</i>	<i>2.2</i>	<i>2.0</i>

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

During the week ending 25th February 2022, the Zimbabwe Stock Exchange (ZSE) traded in negative territory, in large part, due to profit taking by investors, resulting in all the major indices registering losses. The Top 10, Top 15 and All Share indices declined by 2.68%, 2.62% and 2.17% to close at 9 937.39 points, 10 937.17 points and 14 898.26 points, respectively.

The increase in the mainstream index was partly underpinned by share price increases for Unifreight Africa Limited (24.74%), TSL Limited (20.00%), National Tyre Services Limited (19.05%), Afdis Distillers Limited (18.66%) and General Beltings Holdings Limited (16.33%). Partially offsetting the gains were declines in share prices of British American Tobacco Zimbabwe (20.00%), First Mutual Properties Limited (16.54%), Edgars Stores Limited (14.86%), Axia Corporation Limited (12.19%) and Zimplow Holdings Limited (9.09%). The mining index increased by 2.13%, to close at 9 300.03 points.

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

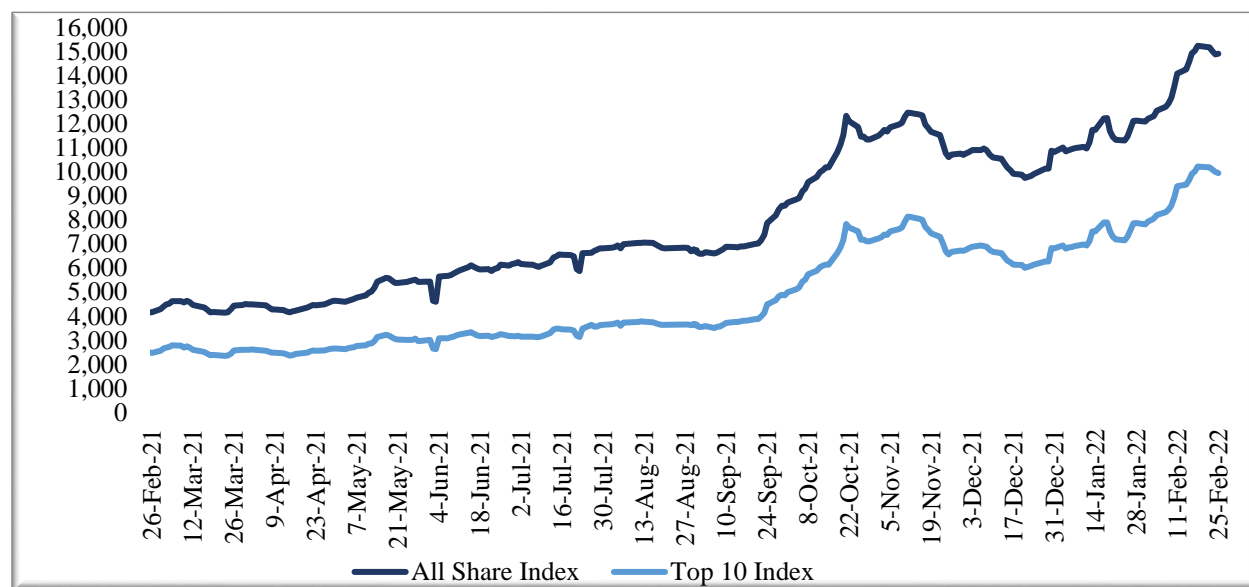
Table 6: Zimbabwe Stock Exchange Statistics²

	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)
21-Jan-22	11,324.01	7,184.86	7,943.10	21,013.11	371,740.14	8,196.79	1,371.63	478.90	8.04
28-Jan-22	12,120.10	7,864.28	8,642.03	21,155.21	374,941.96	8,196.79	1,447.82	851.58	13.43
4-Feb-22	12,529.84	8,201.62	8,991.14	21,435.43	388,887.56	7,965.26	1,518.58	1,919.81	24.64
11-Feb-22	14,077.59	9,393.29	10,277.1	22,583.29	397,070.92	8,378.71	1,741.12	2,194.99	43.22
18-Feb-22	15,228.58	10,211.38	11,231.9	24,222.31	390,522.26	9,106.36	1,893.87	3,080.19	41.72
25-Feb-22	14,898.26	9,937.39	10,937.2	24,060.88	407,544.34	9,300.03	1,855.80	811.39	47.23
% Change	-2.17	-2.68	-2.62	-0.67	4.36	2.13	-2.01	-73.66	13.21

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 26th February 2021 to 25th February 2022.

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



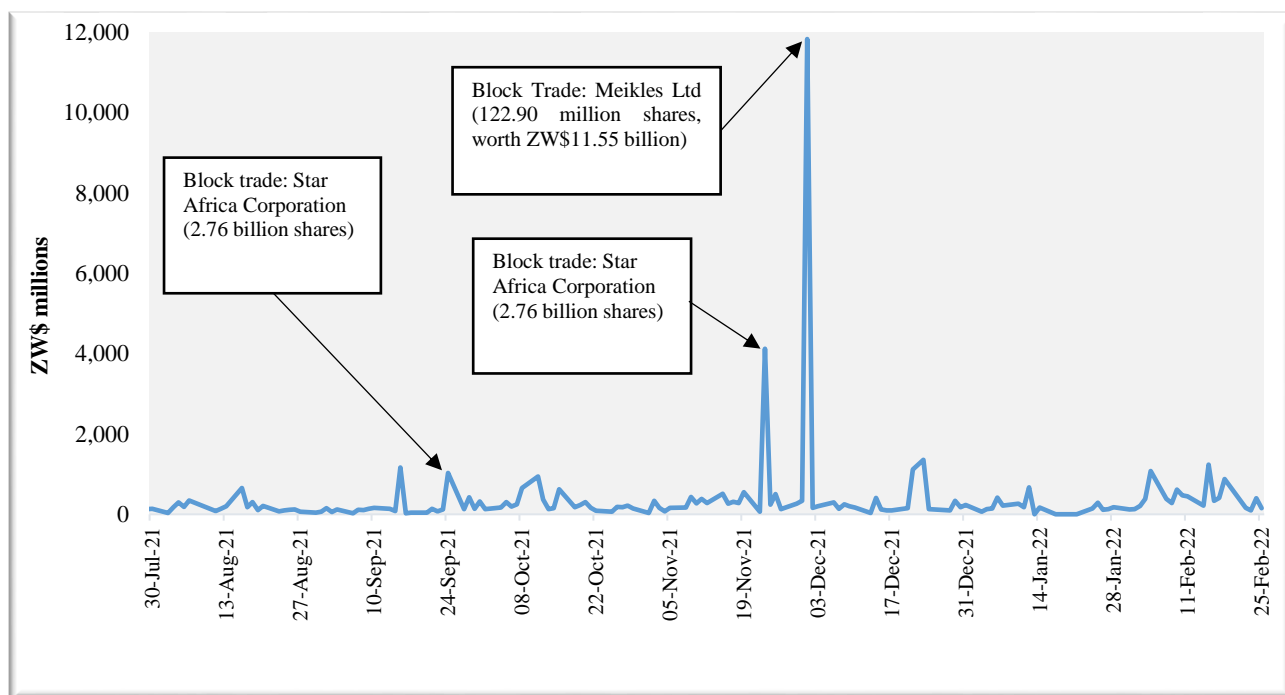
Source: Zimbabwe Stock Exchange, 2022

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.

Market Turnover and Volume

During the week under review, the cumulative value of shares traded on the ZSE declined by 73.66% to ZW\$0.81 billion. The cumulative volume of shares traded, however, increased by 13.21% to close at 47.23 million shares. Figure 4 shows the trend in daily market turnover for the period from 30th July 2021 to 25th February 2022.

Figure 4: Daily Market Turnover

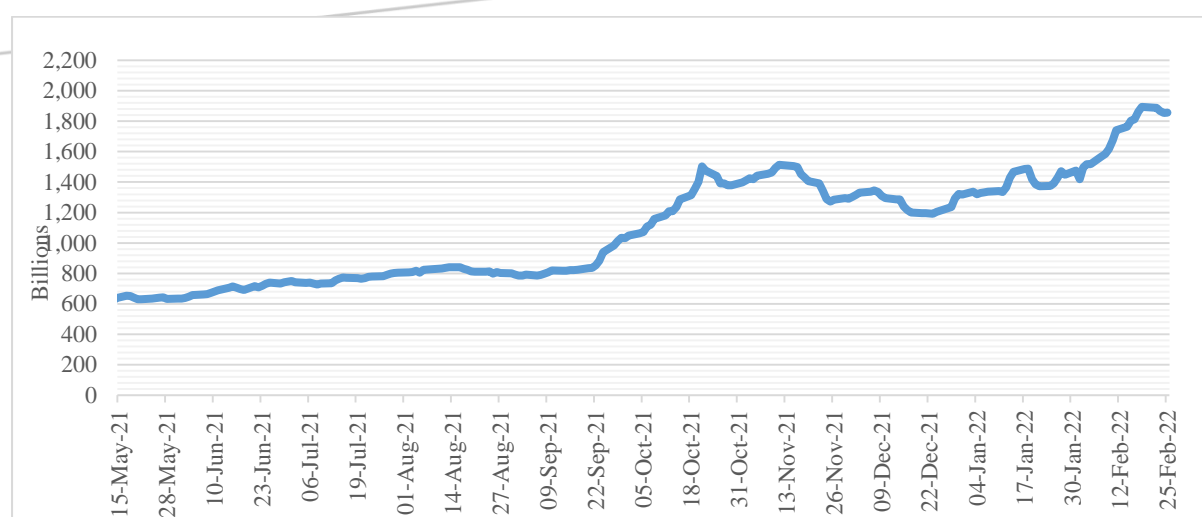


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the week under review, the local bourse lost ZW\$38.07 billion, or 2.01% worth of capitalization to close at ZW\$1 855.80 billion. Figure 5 shows market capitalization developments for the period from 15th May 2021 to 25th February 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

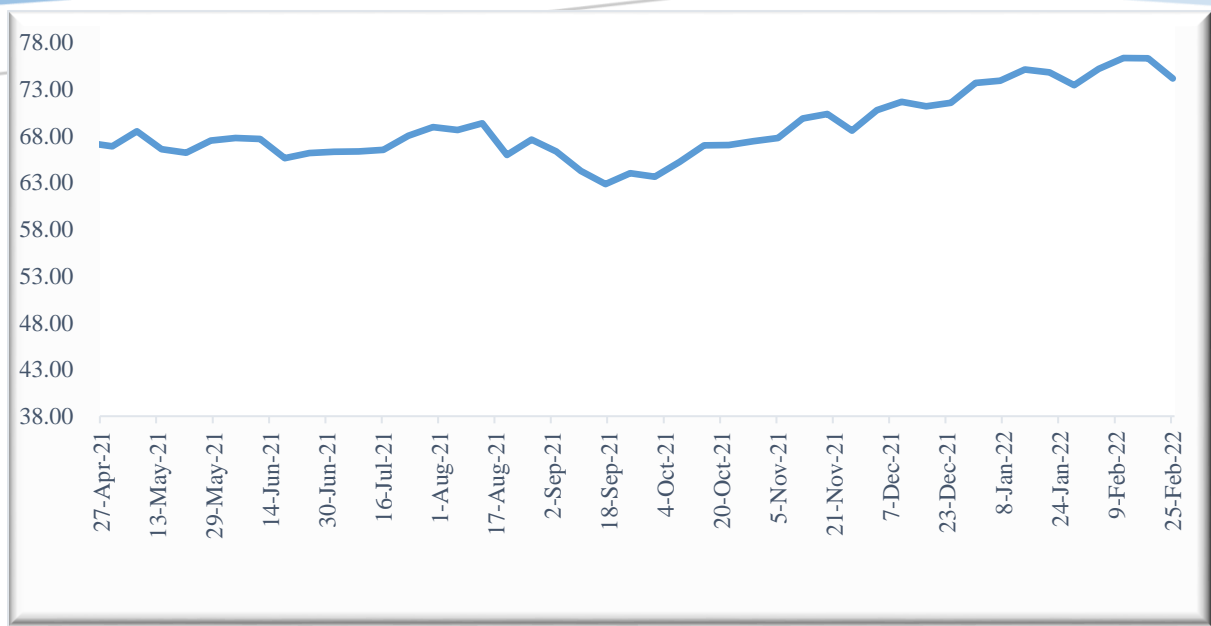
During the week ending 25th February 2022, the Johannesburg Stock Exchange (JSE) All Share index declined by 2.83% to 74,205.69 points, from 76,368.34 points in the previous week. JSE market capitalization decreased by 3.44%, from ZAR22.38 trillion in the previous week to close at ZAR21.61 trillion, during the week under review.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
21-Jan-22	74,834.52	20.91
28-Jan-22	73,454.96	20.43
4-Feb-22	75,206.00	22.34
11-Feb-22	76,382.95	22.54
18-Feb-22	76,368.34	22.38
25-Feb-22	74,205.69	21.61
% Change	-2.83	-3.44

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

Figure 6: 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 MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	4-Feb-22	11-Feb-22	18-Feb-22	25-Feb-22	4-Feb-22	11-Feb-22	18-Feb-22	25-Feb-22
Total Bids (US\$ dollars)	32,275,383.86	32,792,172.96	32,773,390.85	36,033,474.97	6,773,484.47	7,633,061.96	7,616,125.91	7,711,548.81
Amount Allotted (US\$ dollars)	30,775,095.86	30,198,858.89	29,588,776.75	29,581,020.42	6,773,484.47	6,961,341.90	7,616,125.91	7,711,548.81
Highest Rate	132.5	130.00	135.00	140.00	130	135.00	135.00	137.00
Lowest Bid Rate	108.0	116.00	119.00	122.00	107	115.00	115.00	120.00
Lowest Bid Rate Allotted	112.82	116.00	119.00	122.00	107	115.00	115.00	120.00
Weighted Average Rate	116.6500	118.8748	120.5174	124.0189	116.6500	118.8748	120.5174	124.0189
Number of Bids Received	546	536	546	538	901	898	943	936
Number of Bids Rejected	86	85	78	53	118	100	99	97

Source: Reserve Bank of Zimbabwe, 2022

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			
	4-Feb-22	11-Jan-22	18-Feb-22	25-Feb-22	4-Feb-22	11-Feb-22	18-Feb-22	25-Feb-22
Raw Materials	13,258,231.07	11,821,018.14	11,949,968.63	12,073,964.75	1,584,646.80	1,802,664.35	1,724,096.74	130,438.48
Machinery and Equipment	7,024,692.98	7,901,825.18	6,788,161.77	7,337,379.27	2,147,777.51	2,264,729.79	2,571,095.35	3,393,868.67
Consumables (Incl. Spares, Tyres, Packaging)	2,750,638.64	3,562,165.30	3,199,010.56	2,821,117.03	961,908.64	876,554.00	1,140,156.52	1,905,771.90
Pharmaceuticals and Chemicals	1,490,692.27	1,397,826.60	1,298,853.00	1,334,242.46	314,122.62	353,407.93	286,990.42	267,363.94
Services (Loans, Dividends and Disinvestments)	1,922,356.55	1,661,438.04	2,639,725.86	1,602,944.17	1,053,903.16	916,491.54	1,051,993.40	713,215.69
Retail and Distribution	3,491,211.10	3,280,283.01	2,970,176.75	3,325,877.60	554,044.11	568,363.12	617,456.92	559,499.28
Fuel, Electricity and Gas	-	-	113,813.32	-	10,000.00	20,620.00	31,770.53	28,752.39
Paper and Packaging	837,273.25	574,302.62	629,066.86	1,085,495.14	147,081.63	158,511.17	192,566.03	215,858.18
TOTAL	30,775,095.86	30,198,858.89	29,588,776.75	29,581,020.42	6,773,484.47	6,961,341.90	7,616,125.91	7,214,768.53

Source: Reserve Bank of Zimbabwe, 2022