



Weekly Economic Highlights

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Week Ending
25th March 2022

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates for savings deposits and deposits of 1-month and 3-month tenor increased during the week ending 25th March 2022, 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-Feb-22	3.72	6.29	12.72	16.03	13.68	16.84
4-Mar-22	3.72	6.29	12.72	16.03	13.68	16.84
11-Mar-22	3.74	5.85	12.56	15.06	14.00	16.42
18-Mar-22	3.74	5.85	12.56	15.06	14.00	16.42
25-Mar-22	3.83	5.94	13.50	15.61	14.83	16.95

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum lending rates for individual clients at commercial banks increased, while those for corporate clients registered a decline, during the week under review. Maximum commercial bank lending rates for individual clients increased, while those for corporate clients softened, compared to the previous week, as shown in Table 2.

Table 2: Lending Rates (per annum)

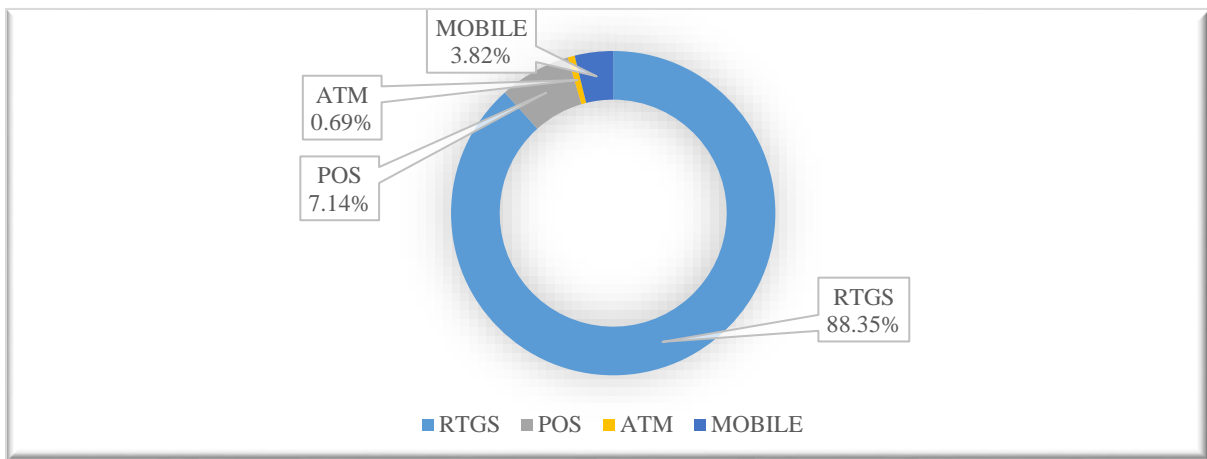
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
25-Feb-22	40.55	57.28	45.06	64.02
4-Mar-22	40.55	57.28	45.06	64.02
11-Mar-22	39.39	56.23	44.58	63.90
18-Mar-22	39.39	56.23	44.58	63.90
25-Mar-22	40.74	57.83	43.88	63.78

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment Systems (NPS) processed transactions amounting to ZW\$255.62 billion, during the week under review. This reflected a 6.89% increase from ZW\$239.14 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 7.67% to close at ZW\$225.84 billion. In value terms, the distribution of NPS transactions was as follows: RTGS, 88.35%; POS, 7.14%; Mobile, 3.82% and ATM, 0.69%.

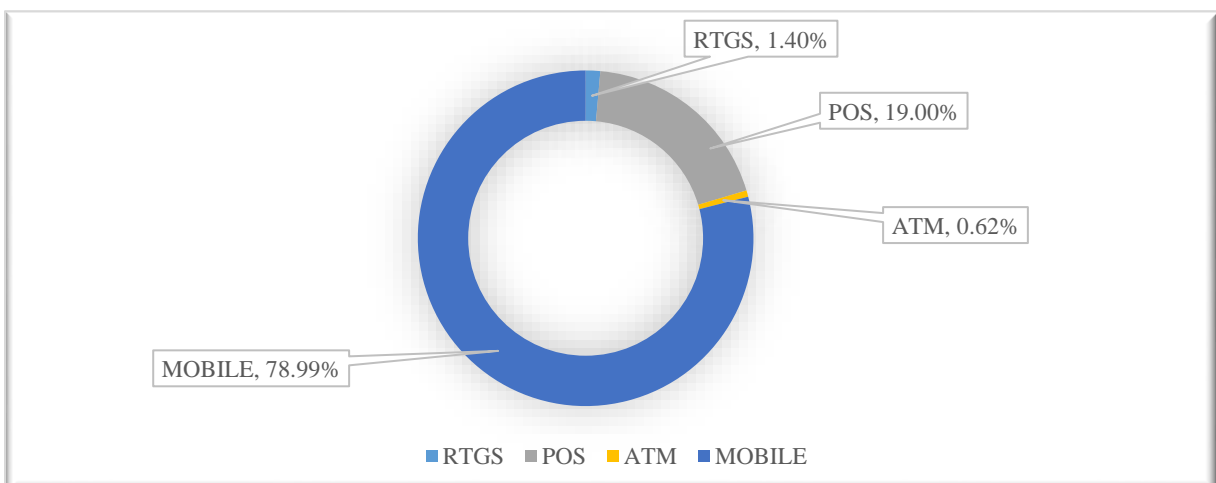
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The week under review saw the volume of NPS transactions decrease by 5.36% to 20.61 million, from 21.78 million in the preceding week. In volume terms, the NPS transactions were distributed as follows: Mobile, 78.99%; POS, 19.00%; ATM, 0.62% and RTGS, 1.40% 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 March 2022	WEEK ENDING 25 th March 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	209,739.50	225,836.79	7.67%	88.35%
POS	17,775.15	18,250.76	2.68%	7.14%
ATM	1,072.67	1,756.84	63.78%	0.69%
MOBILE	10,553.24	9,772.96	-7.39%	3.82%
TOTAL	239,140.57	255,617.35	6.89%	100%
Volumes				
RTGS	212,617	287,707	35.32%	1.40%
POS	4,072,177	3,914,912	-3.86%	19.00%
ATM	91,650	128,247	39.93%	0.62%
MOBILE	17,399,793	16,278,016	-6.45%	78.99%
TOTAL	21,776,237	20,608,882	-5.36%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

On the global markets, prices for gold, copper and crude oil firmed, during the week ending 25th March 2022. Platinum and nickel prices, however, retreated. The developments in commodity prices, during the week ending 25th March 2022, are as shown in Table 4.

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

	Gold	Platinum	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (14 - 18 March)	1,934.98	1,025.50	10,038.16	46,878.60	104.94
21-Mar	1,930.05	1,033.00	10,327.00	37,115.00	118.55
22-Mar	1,922.30	1,025.00	10,285.00	31,580.00	117.02
23-Mar	1,931.95	1,024.50	10,260.00	28,132.00	120.96
24-Mar	1,955.55	1,015.00	10,443.00	32,340.00	119.22
25-Mar	1,955.23	1,016.00	10,237.00	31,785.00	117.44
Weekly Average (21 - 25 March)	1,939.02	1,022.70	10,310.40	32,190.40	118.64
Weekly Change (%)	0.2	-0.3	2.7	-31.3	13.1

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices rose marginally during the week under review, supported by concerns over high inflation, particularly in the USA. The gains were, however, capped as both the US dollar and US Treasury yields strengthened, reducing the demand for the precious metal as safe haven

asset. Prices increased by 0.2%, from a weekly average of US\$1,934.98 per ounce in the previous week to US\$1,939.02 per ounce, during the week under analysis.

Platinum

Platinum prices retreated, falling by 0.3%, from a weekly average of US\$1,025.50 per ounce in the preceding week to US\$1,022.70 per ounce, during the week ending 25th March 2022. The decline in prices was, in large part, due to fears over potential supply disruptions, as the Russia/Ukraine war escalated.

Copper

Copper prices increased by 2.7%, from a weekly average of US\$10,038.16 per tonne, in the week ending 18th March 2022 to US\$10,310.40 per tonne, during the week under review. Prices continued to get support from supply constraints emanating from the invasion of Ukraine by Russia. In addition, significant increases in the cost of copper production in Chile, the world's largest producer of the metal, also boosted prices.

Nickel

Nickel prices declined by 31.3%, from a weekly average of US\$46,878.60 per tonne in the previous week to US\$32,190.40 per tonne, during the week under review. Prices plummeted, as the market was recovering from negative investor sentiment that arose from a Chinese top nickel producer's failure to pay margin calls on its short positions on the London Metal Exchange (LME).

Brent Crude Oil

Brent crude oil prices firmed during the week under analysis, on concerns over a potential decline in supply, after an attack on Saudi oil facilities and an embargo on Russian oil that was being considered by the European Union. Oil prices were also supported by easing concerns over demand in China, as the Chinese government started to ease Covid-19 related restrictions. Prices gained by 13.1%, from a weekly average of US\$104.94 per barrel in the previous week to US\$118.64 per barrel, during the week under review.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) depreciated against US dollar, shedding 3.0%, from an average of ZW\$132.5119 per US\$1 in the previous week to ZW\$136.5515 per US\$1, during the week under review. 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 March)	132.5119	8.8228	173.4314	11.4297	145.6981
21-Mar	134.0820	8.9366	176.3585	11.6389	148.0269
22-Mar	134.0820	8.9606	176.1037	11.6121	147.3163
23-Mar	138.1979	9.3371	183.5338	11.9890	152.4189
24-Mar	138.1979	9.3677	182.2624	11.9823	151.7759
25-Mar	138.1979	9.5420	182.7184	12.0927	152.4603
Weekly Average (21 - 25 March)	136.5515	9.2288	180.1953	11.8630	150.3996
Appr(-)/Depr(+) (%) of the ZWL	3.0	4.6	3.9	3.8	3.2

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

During the week ending 25th March 2022, the Zimbabwe Stock Exchange (ZSE) maintained a positive momentum, resulting in all major indices registering gains. The Top 10, Top 15 and All Share indices increased by 4.34%, 4.62% and 4.78%, to close at 10 296.70 points, 11 343.38 points and 15 581.92 points, respectively.

The increase in the mainstream index was on the back of share price gains for First Mutual Property Limited (38.29%), Africa Sun Limited (25.78%), Zimbabwe Newspapers (1980) Limited (21.95%), Getbucks Financial Services Limited (20.00%) and FBC Holdings Limited (19.92%). Share price losses were, however, recorded for General Beltings Limited (21.40%), Unifreight Africa Limited (16.67%), Willdale Limited (14.97%), Edgars Stores Limited (9.41%) and Zimplow Holdings limited (6.93%). The resources index gained by 19.21% to 11,289.34 points, during the week under review.

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

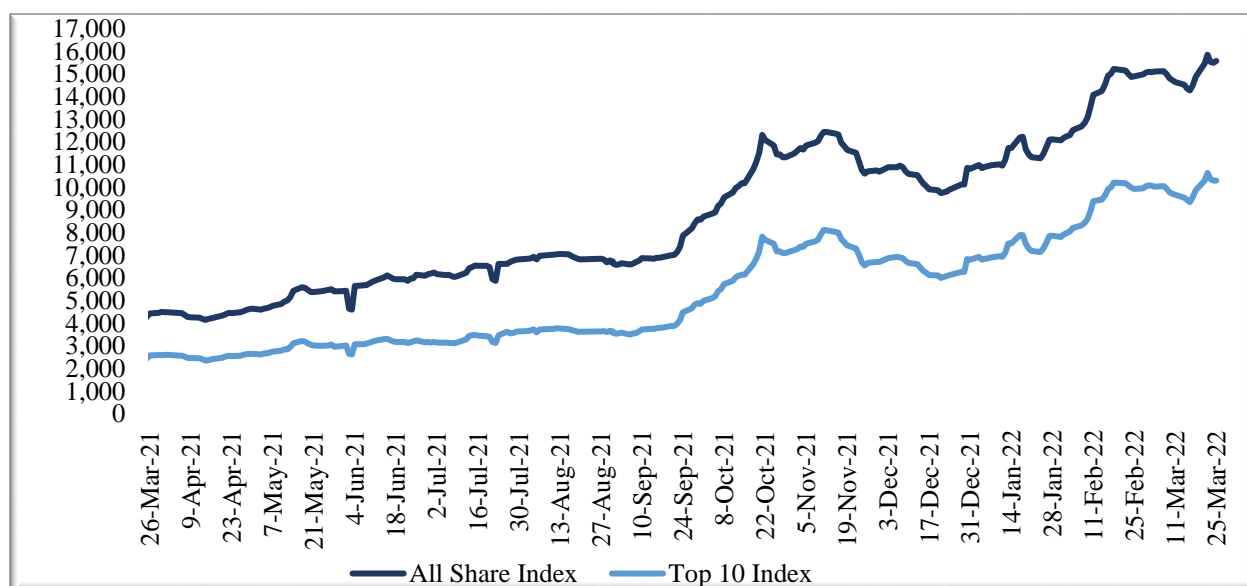
Table 6: Zimbabwe Stock Exchange Statistics²

	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)
18-Feb-22	15,228.58	10,211.38	11,231.9	24,222.31	390522.26	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
4-Mar-22	15,110.60	10,034.44	11,057.0	24,770.79	402,432.06	9,464.75	1,878.76	1,035.82	9.97
11-Mar-22	14,655.18	9,669.32	10,658.3	24,472.02	398,104.07	9,464.75	1,820.92	1,903.10	25.11
18-Mar-22	14,870.68	9,868.52	10,842.5	24,220.78	391,221.56	9,470.19	1,848.83	1,606.43	23.58
25-Mar-22	15,581.92	10,296.70	11,343.4	25,692.63	399,696.21	11,289.34	1,935.18	2,189.45	30.29
% Change	4.78	4.34	4.62	6.08	2.17	19.21	4.67	36.29	28.46

Source: Zimbabwe Stock Exchange (ZSE), 2022

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

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



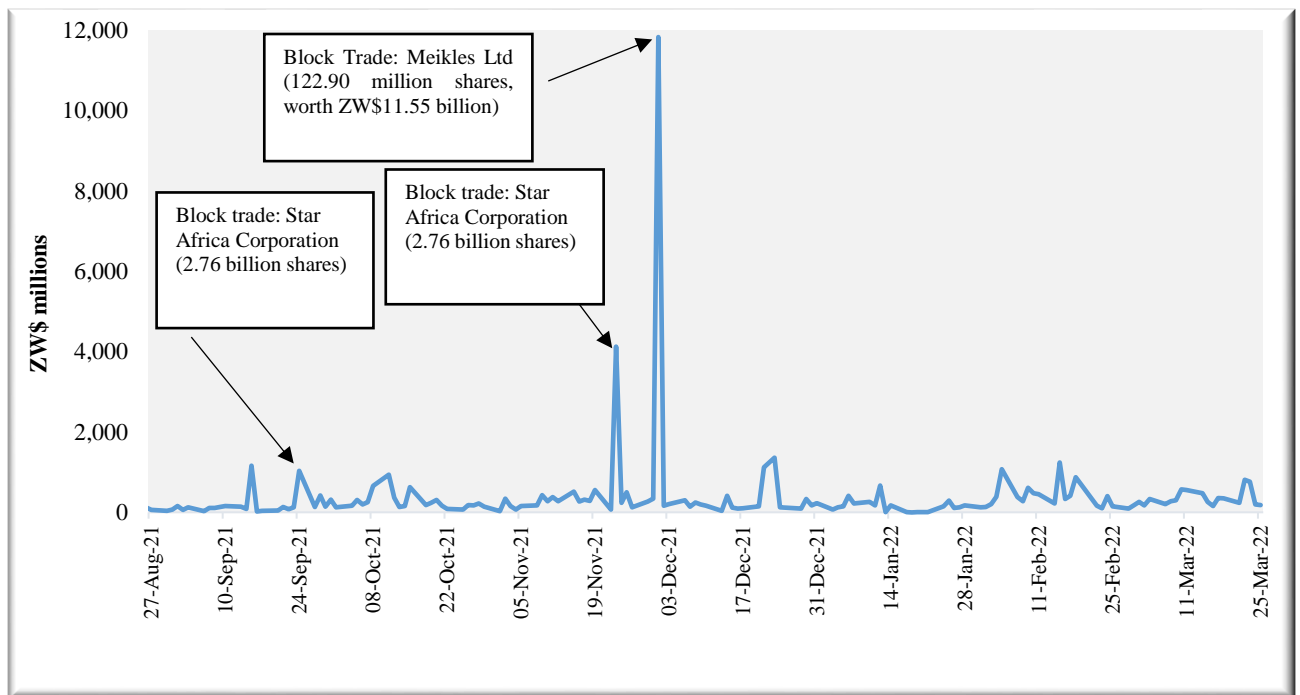
Source: Zimbabwe Stock Exchange, 2022

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

The cumulative volume of shares traded on the ZSE rose by 28.46% to 30.29 shares, during the week ending 25th March 2022, from 23.58 shares in the preceding week. Concomitantly, the value of shares traded increased by 36.29%, from ZW\$1.61 billion recorded in the previous week to ZW\$2.19 billion, during the week under review. Figure 4 shows the trend in daily market turnover for the period from 27th August 2021 to 25th March 2022.

Figure 4: Daily Market Turnover

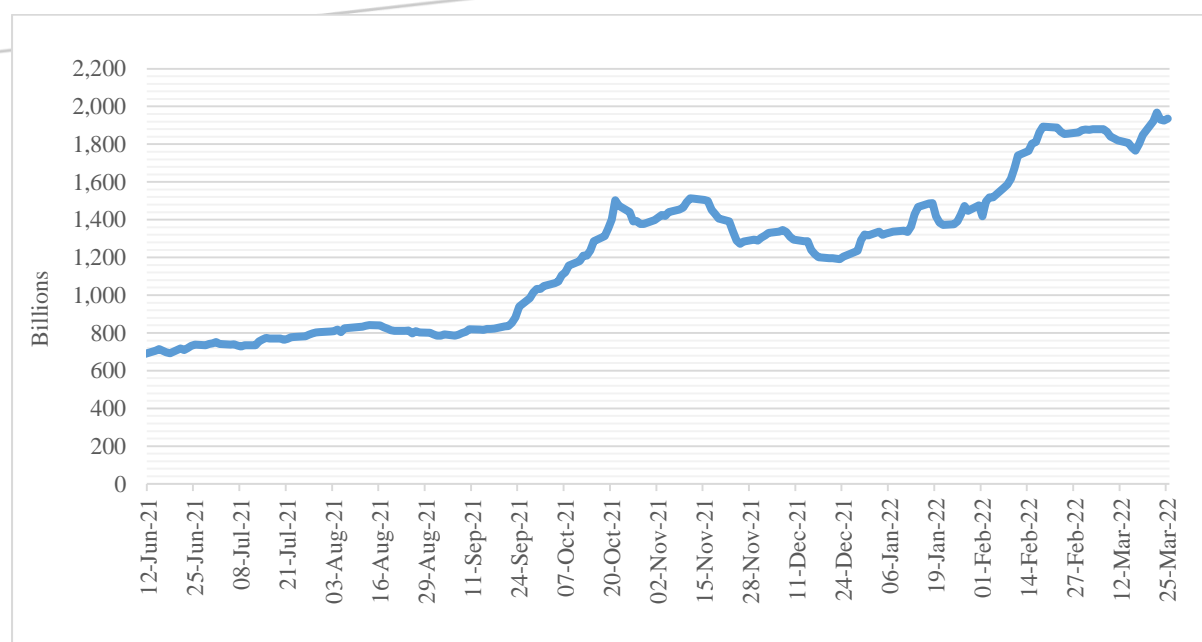


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the week under review, the local bourse added 4.67% worth of capitalization, from the previous week value of ZW\$1 848.83 billion to ZW\$1 935.18 billion. Figure 5 shows market capitalization developments for the period from 12th June 2021 to 25th March 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

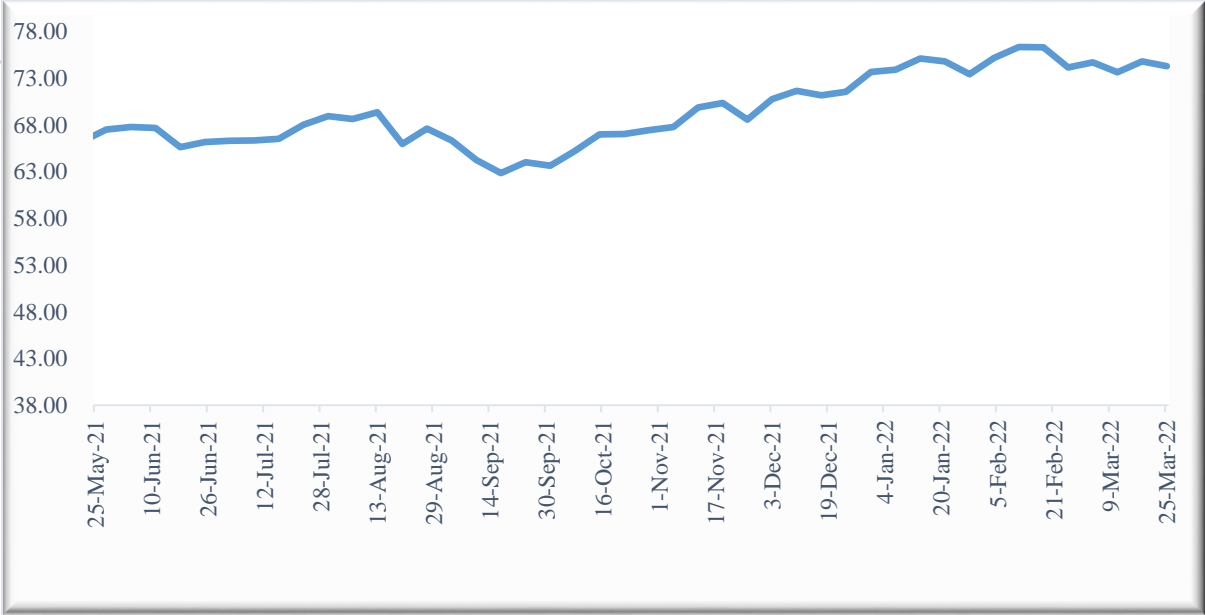
The Johannesburg Stock Exchange (JSE) All share index declined by 0.70%, from 74,847.63 points in the previous week to 74,324.67 points, during the week under ending 25th March 2022. Similarly, JSE market capitalization was 0.61% lower at ZAR21.30 trillion in the week under review, from ZAR21.43 in the preceding week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
18-Feb-22	76,368.34	22.38
25-Feb-22	74,205.69	21.61
4-Mar-22	74,734.37	21.38
11-Mar-22	73,685.89	21.13
18-Mar-22	74,847.63	21.43
25-Mar-22	74,324.67	21.30
% Change	-0.70	-0.61

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-Mar-22	11-Mar-22	18-Mar-22	25-Mar-22	4-Mar-22	11-Mar-22	18-Mar-22	25-Mar-22
Total Bids (US\$ dollars)	31,158,622.32	29,656,084.19	31,089,467.92	31,001,078.43	6,097,585.39	7,611,522.31	5,744,362.37	6,726,743.14
Amount Allotted (US\$ dollars)	31,158,622.32	28,632,570.60	30,862,194.32	30,182,270.46	6,097,585.39	7,209,867.35	5,744,362.37	6,625,160.56
Highest Rate	140.00	145.00	148	150	137	145.00	145	150
Lowest Bid Rate	121	127.00	130	134	120	125.5800	127	131
Lowest Bid Rate Allotted	121	127.00	130	134	120	125.5800	127	131
Weighted Average Rate	127.4864	130.1567	134.0820	138.1979	127.4864	130.1567	134.0820	138.1979
Number of Bids Received	521	410	478	450	970	936	1177	1102
Number of Bids Rejected	50	33	36	37	71	71	72	91

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-Mar-22	11-Mar-22	18-Mar-22	25-Mar-22	4-Mar-22	11-Mar-22	18-Mar-22	25-Mar-22
Raw Materials	11,947,345.97	11,787,591.18	13,859,233.34	12,202,419.26	1,578,543.58	1,782,463.49	1,388,421.01	1,530,260.33
Machinery and Equipment	7,879,063.04	7,085,195.79	7,057,444.33	7,377,814.72	1,929,616.29	2,229,658.99	1,937,748.88	2,341,914.36
Consumables (Incl. Spares, Tyres, Packaging)	2,420,070.99	1,896,608.79	1,949,022.49	2,263,608.77	1,033,569.71	1,148,388.18	896,069.62	1,009,904.53
Pharmaceuticals and Chemicals	1,363,318.15	1,572,392.12	1,946,033.16	1,410,974.56	240,630.98	424,077.57	135,024.71	278,587.70
Services (Loans, Dividends and Disinvestments)	2,943,223.88	1,670,724.91	2,075,741.46	2,334,215.44	521,512.26	751,761.21	649,307.99	554,119.87
Retail and Distribution	3,793,314.52	3,664,142.68	2,971,554.31	3,565,969.42	616,198.12	684,521.55	557,616.92	724,837.25
Fuel, Electricity and Gas	-	50,000.00	-	-	27,999.04	29,519.00	99475.36	44,593.65
Paper and Packaging	812,285.77	905,915.13	1,003,165.23	1,027,268.29	149,515.41	159,477.36	80,697.88	140,942.87
TOTAL	31,158,622.32	28,632,570.60	30,862,194.32	30,182,270.46	6,097,585.39	7,209,867.35	5,744,362.37	6,625,160.56

Source: Reserve Bank of Zimbabwe, 2022