



# Weekly Economic Highlights

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Week Ending  
6<sup>th</sup> May 2022

## 1. INTEREST RATES

### Deposit Rates

Minimum savings deposit rates for savings deposits and deposits of 3-month tenor decreased during the week ending 6<sup>th</sup> May 2022. Minimum deposit rates for deposits of 1-month tenor, however, registered an increase during the same week. Maximum deposit rates for savings deposits registered a decline, while deposit rates for deposits of 1-month tenor increased during the week under analysis. Deposit rates for deposits of 3-month tenor, however, remained largely unchanged during the same week, 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 (%)
8-Apr-22	4.08	6.21	14.38	16.22	15.78	18.11
15-Apr-22	4.08	6.21	14.38	16.22	15.78	18.11
22-Apr-22	4.22	6.35	14.32	15.56	16.78	18.53
29-Apr-22	4.22	6.35	14.32	15.56	16.78	18.53
6-May-22	3.62	5.71	15.32	17.00	16.39	18.53

Source: Reserve Bank of Zimbabwe, 2022

### Lending Rates

Minimum lending rates for individual and corporate clients registered a marginal decrease, during the week ending 6<sup>th</sup> May 2022. Maximum commercial bank 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)**

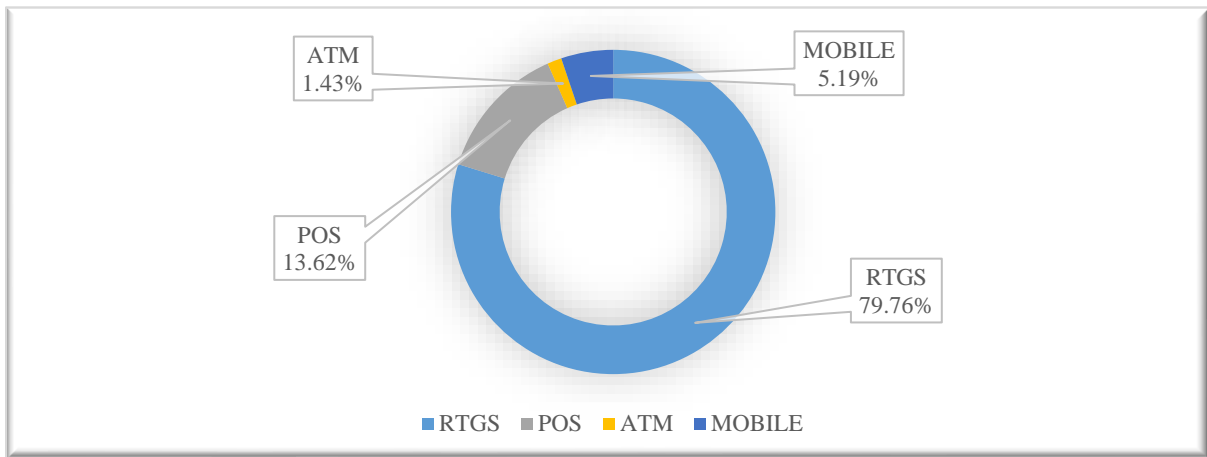
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
8-Apr-22	40.85	57.81	46.60	63.98
15-Apr-22	40.85	57.81	46.60	63.98
22-Apr-22	38.15	59.59	46.56	63.89
29-Apr-22	38.15	59.59	46.56	63.89
6-May-22	38.09	59.62	46.50	63.86

Source: Reserve Bank of Zimbabwe, 2022

## 2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 6<sup>th</sup> May 2022, transactions processed through the National Payment System (NPS) amounted to ZW\$259.42 billion, reflecting a 15.96% decrease from ZW\$308.68 billion during the previous week. Real Time Gross Settlement (RTGS) transactions were 24.50% lower to close at ZW\$206.92 billion during the week under analysis. In proportions, NPS transaction values were distributed as follows: RTGS, 79.76%; POS, 13.62%; Mobile, 5.19% and ATM, 1.43%.

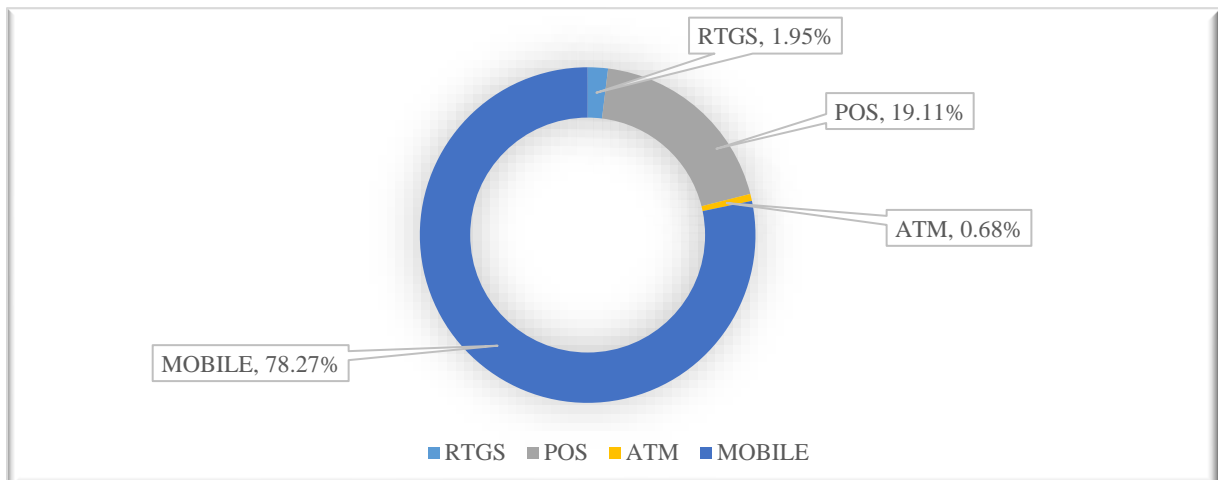
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2022

The NPS registered a 13.97% increase in volume of transactions to close at 21.35 million during the week ending 6<sup>th</sup> May 2022. NPS transaction volumes were constituted as follows: Mobile, 74.47%; POS, 23.53%; ATM, 0.68% and RTGS, 1.32%.

**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 29 <sup>th</sup> April 2022	WEEK ENDING 6 <sup>th</sup> May 2022	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	274,073.12	206,924.50	-24.50%	79.76%
POS	22,208.94	35,338.30	59.12%	13.62%
ATM	2,702.326	3,701.10	36.96%	1.43%
MOBILE	9,698.04	13,455.56	38.75%	5.19%
<b>TOTAL</b>	<b>308,682.41</b>	<b>259,419.46</b>	<b>-15.96%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	364,653	282,627	-22.49%	1.32%
POS	3,579,959	5,023,788	40.33%	23.53%
ATM	127,335	144,428	13.42%	0.68%
MOBILE	14,664,999	15,902,722	8.44%	74.47%
<b>TOTAL</b>	<b>18,736,946</b>	<b>21,353,565</b>	<b>13.97%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2022

### 3. TOBACCO SALES

A cumulative total of 64.83 million kilograms of tobacco had been sold as at day 25 of the tobacco selling season. This was a 22.41% decrease from the 83.56 million kilograms sold during the same period in 2021. In value terms, tobacco sales registered a 13.47% decline to US\$191.89 million, from US\$221.76 million realized during the corresponding period in 2021.

**Table 4: Weekly Cumulative Tobacco Sales: Day 25 (6<sup>th</sup> May 2022)**

	2021	2022	Variance (%)
<b>Cumulative Quantity Sold (million kgs)</b>	83,555,443	64,829,693	(22.41)
<b>Average Price(US\$/kg)</b>	2.65	2.96	11.53
<b>Cumulative value (US\$ million)</b>	221,755,305	191,891,143	(13.47)

Source: Tobacco Industry and Marketing Board (TIMB), 2022

The golden leaf was sold at a price of US\$2.96 dollars per kilogram during the period under review. This reflected a 11.53% increase, compared to US\$2.65 dollars per kilogram recorded during the same period in 2021.

### 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

On the global commodity markets, prices for platinum, palladium, and crude oil firmed whilst gold, copper and nickel prices retreated. Global commodity markets continued to be influenced by a stronger US dollar and the Covid-19 lockdowns in China, the world's largest metal

consumer. The movements in selected international commodity prices during the week under review, are as shown in Table 4.

**Table 4: Metal and Crude Oil Prices for the week ending 6<sup>th</sup> May 2022**

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (25 - 29 Apr)</b>	<b>1,900.89</b>	<b>922.70</b>	<b>2,231.90</b>	<b>9,781.76</b>	<b>32,718.80</b>	<b>105.24</b>
<b>3-May</b>	1,863.80	951.00	2,229.50	9,405.80	30,890.00	105.93
<b>4-May</b>	1,866.18	974.50	2,256.50	9,468.00	30,524.00	110.70
<b>5-May</b>	1,893.75	989.00	2,241.00	9,512.50	30,014.00	111.24
<b>6-May</b>	1,883.33	962.50	2,250.00	9,570.00	30,050.00	112.77
<b>Weekly Average (3 - 6 May)</b>	<b>1,876.77</b>	<b>969.25</b>	<b>2,243.30</b>	<b>9,489.08</b>	<b>30,369.50</b>	<b>110.16</b>
<i>Weekly Change (%)</i>	<i>-1.3</i>	<i>5.0</i>	<i>0.6</i>	<i>-3.0</i>	<i>-7.2</i>	<i>4.7</i>

Source: BBC, KITCO and Bloomberg, 2022

### Gold

Gold prices continued on a negative trajectory during the week under analysis, falling by 1.3%, from a weekly average of US\$1,900.89 per ounce in the previous week to close the week at US\$1,876.76 per ounce. Prices were weighed down by a stronger US dollar and increasing US treasury yields, which continued to diminish the yellow metal's appeal as an alternative investment asset.

### Platinum

Platinum prices rebounded, on account of growing concerns over the supply situation, following a ban of the two largest state-owned Russian refineries from the London Metal Exchange. Platinum prices gained by 5.0 %, from a weekly average of US\$922.70 per ounce in the previous week to US\$969.25 per ounce, during the week under review.

### Palladium

Palladium prices rebounded by 0.6%, from a weekly average of US\$2,231.90 per ounce in the previous week to end the week under review at US\$2,243.30 per ounce. The gain occurred as the suspension of two state-owned Russian refiners by the London Metal Exchange added to concerns about disruptions on the supply of the commodity.

### Copper

Copper prices remained subdued, amid waning demand from China due to prolonged lockdowns to curb the spread of the new Covid-19 variant. In addition, prices were adversely

affected by a stronger US dollar which makes greenback-priced metals more expensive, hence less attractive to holders of other currencies. Accordingly, copper prices fell by 3.0%, from a weekly average of US\$9,781.76 per tonne to US\$9,489.08 per tonne, during the week under review.

### Nickel

Nickel prices further retreated during the week, on concerns over slackening demand from China, the world's largest consumer of base metals. Prices declined by 7.2%, from a weekly average of US\$32,718.80 per tonne in the previous week to US\$30,369.50 per tonne, during the week under analysis.

### Brent Crude Oil

Brent crude oil prices bounced back during the week under analysis on supply concerns, as the European Union's plans to ban Russian oil outweighed market concerns about slowing Chinese demand for oil, amid strict Covid-19 restrictions. Prices increased by 4.7%, from a weekly average of US\$105.24 per barre, during the week ending 22<sup>nd</sup> April 2022 to US\$110.16 per barrel during the week ending 6<sup>th</sup> May 2022.

## 5. EXCHANGE RATE DEVELOPMENTS

During the week under review, the Zimbabwe dollar (ZW\$) traded at an average of ZW\$164.3328 per US\$1. This represented a 4.2% depreciation from ZW\$157.6657 per US\$1 in the previous week. The developments in selected exchange rates are as shown in Table 5.

**Table 5: International Exchange Rates<sup>1</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2022</b>					
<b>Weekly Average (25 - 29 April)</b>	<b>157.6657</b>	<b>9.9678</b>	<b>199.1757</b>	<b>13.0608</b>	<b>167.693</b>
<b>3-May</b>	159.35	9.8863	199.5049	13.1070	167.4671
<b>4-May</b>	165.99	10.5319	207.0696	13.6789	174.5015
<b>5-May</b>	165.99	10.7009	208.4726	13.6705	176.2365
<b>6-May</b>	165.99	10.3573	205.2192	13.6705	174.817
<b>Weekly Average (3 - 6 May)</b>	<b>164.3328</b>	<b>10.3691</b>	<b>205.0665</b>	<b>13.5317</b>	<b>173.2555</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	4.2	4.0	3.0	3.6	3.3

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

## 6. EQUITY MARKETS

### Zimbabwe Stock Exchange

During the week ended 6<sup>th</sup> May 2022, the Zimbabwe Stock Exchange (ZSE) recorded losses. All the major indices registered losses, with the Medium Cap, Top 15, and Top 10 indices losing 5.17%, 4.96% and 3.95% to close at 44 544.97 points, 19 887.26 points, 27 196.87 points and 18 044.54 points, respectively. Axia Corporation Limited (16.11%), OK Zimbabwe Limited (13.67%), General Beltings Holdings Limited (13.65%), Amalgamated Regional Trading (ART) Limited (13.07%) and Meikles Holdings Limited (12.69%) were amongst the major losers.

The share prices of National Tyre Services Limited (24.92%), Hippo Valley Estates Limited (23.80%), First Capital Bank Limited (19.33%), CFI Holdings Limited (15.00%) and Zimplow Holdings Limited (14.29%) registered increases during the week under review. The resource index also shed 10.58% to close at 27 297.82 points during the week under analysis.

**Table 6: Zimbabwe Stock Exchange Statistics<sup>2</sup>**

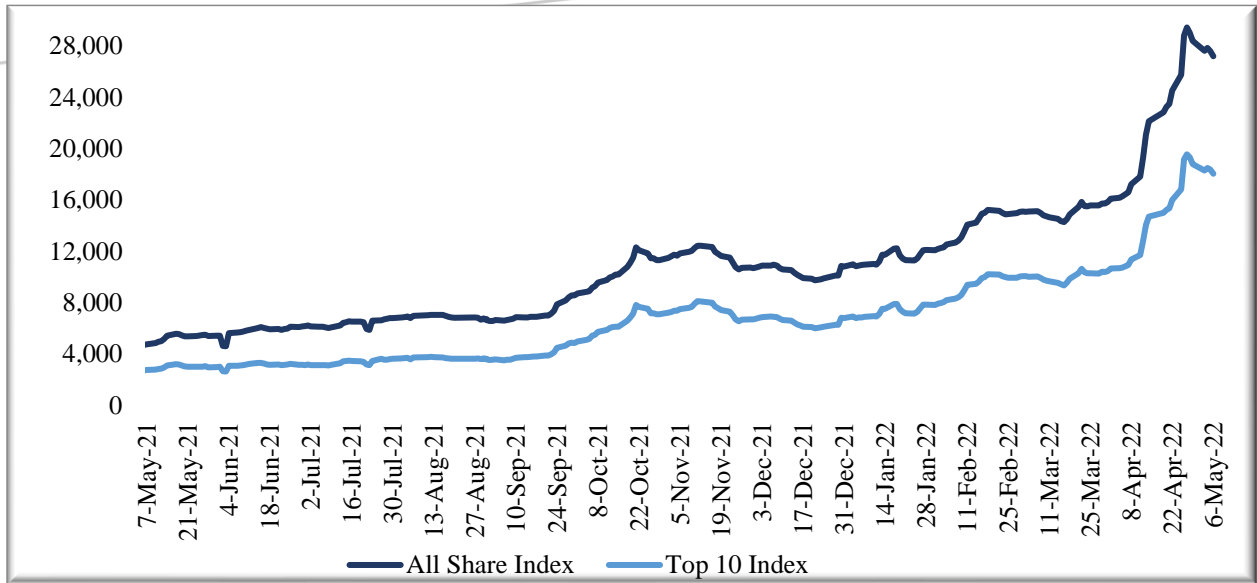
	All Share Index Points	3Top 10 index (points)	Top 15 Index <sup>3</sup> points	Medium Cap <sup>3</sup> (points)	Small Cap <sup>3</sup> (points)	Mining Index (points)	Grand Market Capitalization (ZWL billion)	Market Turnover (ZWL million)	Volume of Shares (million)
<b>01-Apr-22</b>	16,098.23	10,672.78	11,720.5	26,333.83	399,472.40	10,015.94	1,991.73	1,706.08	33.98
<b>08-Apr-22</b>	17,216.17	11,370.22	12,519.5	28,474.34	441,440.78	13,108.48	2,127.12	1,795.23	35.86
<b>14-Apr-22</b>	22,149.04	14,697.52	16,274.2	36,270.86	481,979.94	13,820.22	2,757.76	1,533.18	14.48
<b>22-Apr-22</b>	24,527.07	16,007.07	17,959.60	42,248.87	503,410.25	19,884.80	3,059.61	2,391.90	12.26
<b>29-Apr-22</b>	28,391.75	18,786.03	20,926.14	46,972.25	587,219.17	30,527.28	3,547.35	5,465.63	127.00
<b>6-May-22</b>	27,196.87	18,044.54	19,887.26	44,544.97	597,946.28	27,297.82	3,404.14	1,614.68	16.59
<b>% Change</b>	<b>-4.21</b>	<b>-3.95</b>	<b>-4.96</b>	<b>-5.17</b>	<b>1.83</b>	<b>-10.58</b>	<b>-4.04</b>	<b>-70.46</b>	<b>-86.94</b>

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 7<sup>th</sup> May 2021 to 6<sup>th</sup> May 2022.

<sup>2</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**

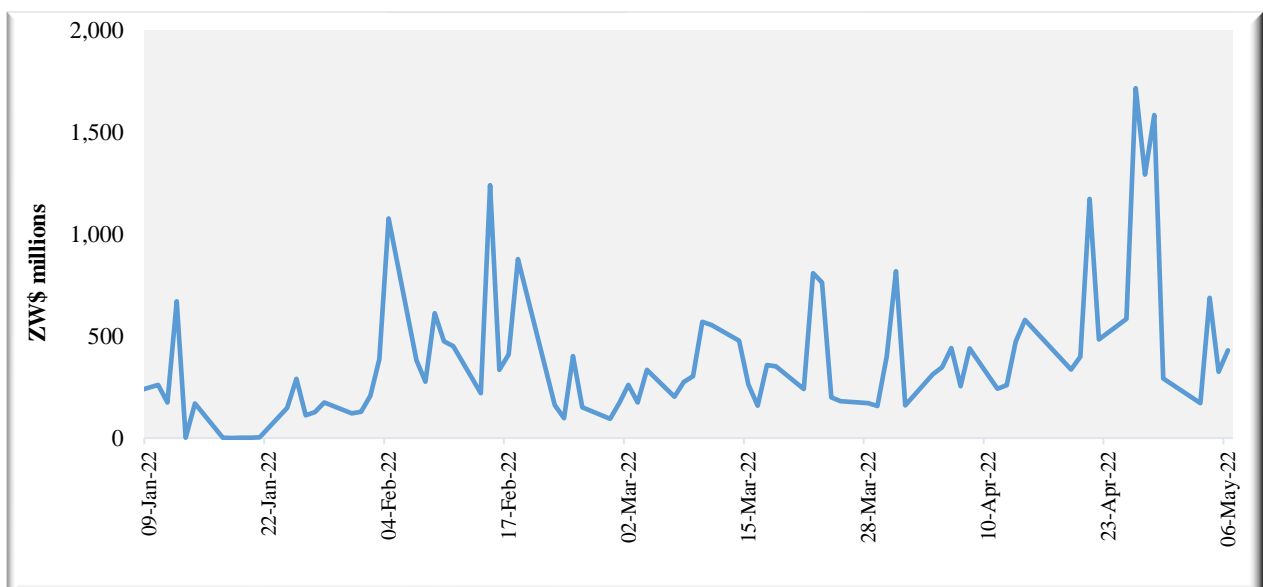


Source: Zimbabwe Stock Exchange, 2022

### Market Turnover and Volume

Cumulative volumes and values of shares traded decreased by 86.94% and 70.46% to 16.59 million shares and ZW\$1.61 billion, respectively compared to 127 million shares and ZW\$5.47 billion recorded in the prior week. Figure 4 shows the trend in daily market turnover for the period 9<sup>th</sup> January 2022 to 6<sup>th</sup> May 2022.

**Figure 4: Daily Market Turnover**



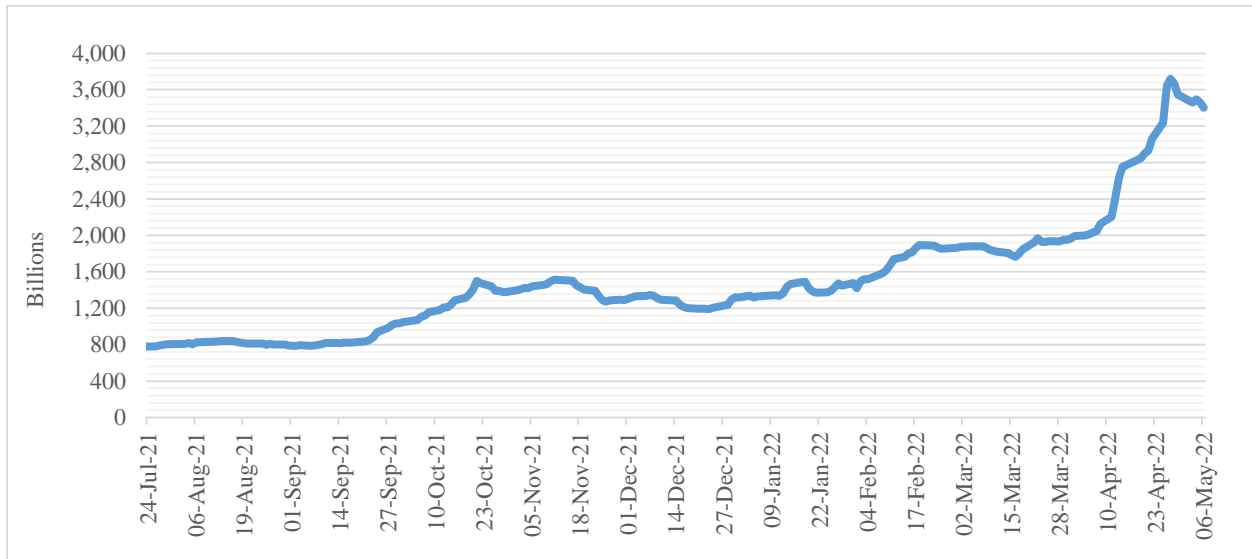
Source: Zimbabwe Stock Exchange, 2022



## Market Capitalization

In line with the developments on the ZSE, the market lost ZW\$143.20 billion, or 4.04% worth of capitalization to close at ZW\$3 404.14 billion, compared to ZW\$3 547.35 billion recorded in the previous week. Figure 5 shows market capitalization developments for the period 24<sup>th</sup> July 2021 to 6<sup>th</sup> May 2022.

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



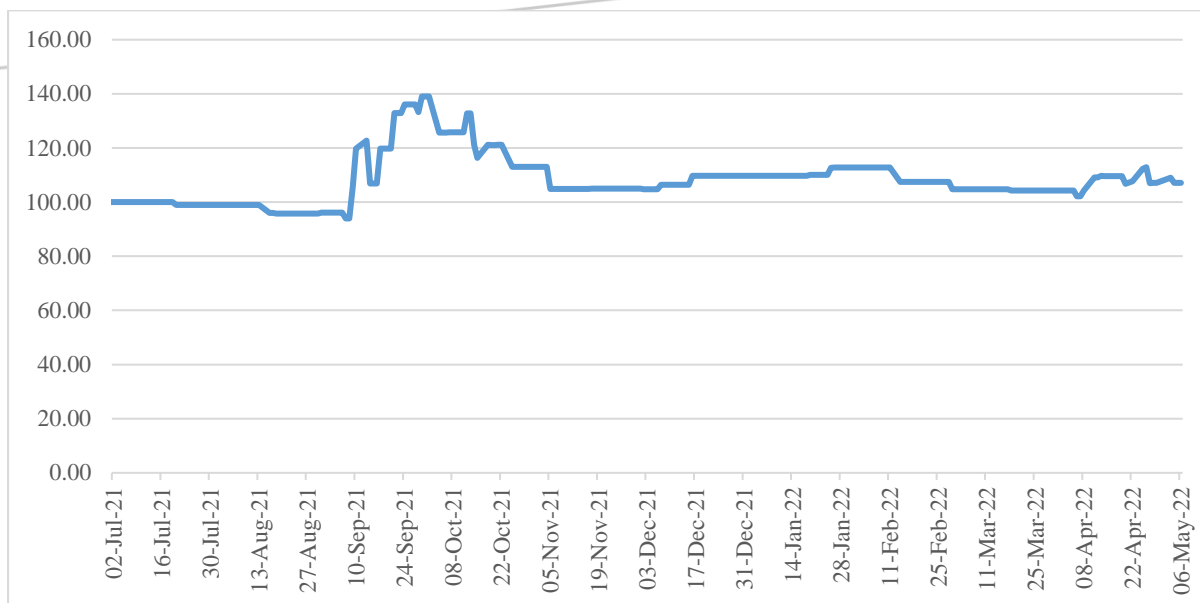
Source: Zimbabwe Stock Exchange, 2022

## Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange VFEX was bullish during the week under analysis. Resultantly, the All Shares index gained 0.57% to 107.29 points. The volume and value of shares traded increased by 767.55% and 565.18% to 5.47 million and US\$265.23 thousand, respectively.

Market capitalisation increased from US\$0.36 million in the previous week to close at US\$1.74 million during the week under review. Figure 6 shows the trend in daily market turnover for the period 2<sup>nd</sup> July 2021 to 6<sup>th</sup> May 2022.

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



Source: Victoria Falls Stock Exchange, 2022

### Johannesburg Stock Exchange (JSE) Developments

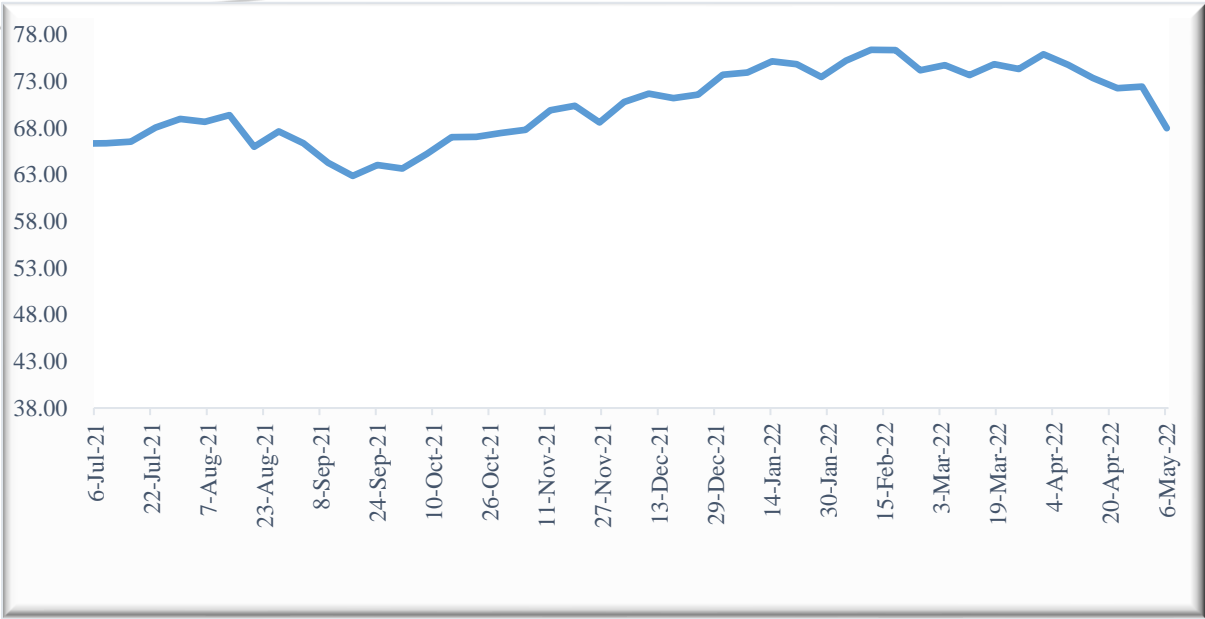
The Johannesburg Stock Exchange (JSE) All share index registered a decrease of 6.16% to close at 67,978.21 points during the week under review. Similarly, JSE market capitalization declined by 4.90%, from ZAR21.01 trillion in the previous week to close at ZAR19.98 trillion during the week ending under analysis.

**Table 7: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
<b>1-Apr-22</b>	75,907.90	21.84
<b>8-Apr-22</b>	74,776.11	21.47
<b>15-Apr-22</b>	73,382.83	21.22
<b>22-Apr-22</b>	72,264.90	20.96
<b>29-Apr-22</b>	72,438.25	21.01
<b>6-May-22</b>	67,978.14	19.98
<b>% Change</b>	<b>-6.16</b>	<b>-4.90</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>4</sup> AND SMEFX<sup>5</sup>

	MAINFX				SMEFX			
	15-Apr-22	22-Apr-22	29-Apr-22	6-May-22	15-Apr-22	22-Apr-22	29-Apr-22	6-May-22
<b>Total Bids (US\$ dollars)</b>	28,340,493.17	26,068,380.08	25,936,487.43	24,070,457.63	3,702,817.86	4,277,846.44	4,522,761.60	4,579,271.64
<b>Amount Allotted (US\$ dollars)</b>	28,340,493.17	26,068,380.08	25,936,487.43	24,070,457.63	3,702,817.86	4,277,846.44	4,522,761.60	4,579,271.64
<b>Highest Rate</b>	160	175	180	200	160	200	180	240
<b>Lowest Bid Rate</b>	142	145.8700	148	155	135	140	145	155
<b>Lowest Bid Rate Allotted</b>	142	145.8700	148	155	135	140	145	155
<b>Weighted Average Rate</b>	150.2157	155.1419	159.3482	165.9942	150.2157	155.1419	159.3482	165.9942
<b>Number of Bids Received</b>	426	437	428	474	1052	1174	920	1151
<b>Number of Bids Rejected</b>	37	20	36	45	63	52	51	69

*Source: Reserve Bank of Zimbabwe, 2022*

<sup>4</sup> Main Foreign Currency Auction

<sup>5</sup> Small and Medium Enterprises Foreign Currency Auction

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

Purpose	MAINFX				SMEFX			
	15-Apr-22	22-Apr-22	29-Apr-22	6-May-22	15-Apr-22	22-Apr-22	29-Apr-22	6-May-22
<b>Raw Materials</b>	12,472,455.22	12,432,100.95	12,957,459.57	11,325,102.37	999,034.76	1,028,490.67	1,219,251.74	1,206,244.02
<b>Machinery and Equipment</b>	6,541,458.23	6,424,792.61	5,419,206.84	6,120,869.88	1,335,612.26	1,469,672.45	1,527,835.83	1,598,573.38
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	2,333,023.45	1,729,467.72	1,867,234.18	1,532,512.07	464,584.40	489,801.80	534,565.97	581,984.96
<b>Pharmaceuticals and Chemicals</b>	1,212,463.34	1,009,081.45	1,262,149.08	1,265,094.94	124,064.76	184,609.58	193,164.92	162,982.00
<b>Services (Loans, Dividends and Disinvestments)</b>	2,072,381.50	1,772,360.71	1,322,872.33	1,686,903.52	390,693.30	603,222.09	478,934.09	541,832.93
<b>Retail and Distribution</b>	2,673,241.77	2,053,313.04	2,151,740.28	1,495,432.16	315,999.45	363,293.68	416,713.86	340,436.92
<b>Fuel, Electricity and Gas</b>	50,000.00	-	100,000.00	21,973.60	11,807.00	3,449.45	9,847.44	17,617.97
<b>Paper and Packaging</b>	985,469.66	647,263.60	855,825.15	622,569.09	61,021.93	135,306.72	142,447.75	129,599.46
<b>TOTAL</b>	<b>28,340,493.17</b>	<b>26,068,380.08</b>	<b>25,936,487.43</b>	<b>24,070,457.63</b>	<b>3,702,817.86</b>	<b>4,277,846.44</b>	<b>4,522,761.60</b>	<b>4,579,271.64</b>

Source: Reserve Bank of Zimbabwe, 2022