



Weekly Economic Highlights

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Week Ending
2nd September 2022

1. INTEREST RATES

Deposit Rates

Average minimum and maximum deposit rates were unchanged from previous week levels across all deposit classes, during the week ending 2nd September 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 (%)
5-Aug-22	21.06	23.44	50.56	54.94	50.14	54.58
12-Aug-22	20.09	20.25	53.91	58.56	56.50	56.82
19-Aug-22	20.09	20.25	53.91	58.56	56.50	56.82
26-Aug-22	20.09	20.25	47.38	55.72	52.97	57.29
2-Sept-22	20.09	20.25	47.38	55.72	52.97	57.29

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

During the week under review, commercial bank minimum and maximum lending rates for individual and corporate clients remained at previous week levels, as shown in Table 2.

Table 2: Lending Rates (per annum)

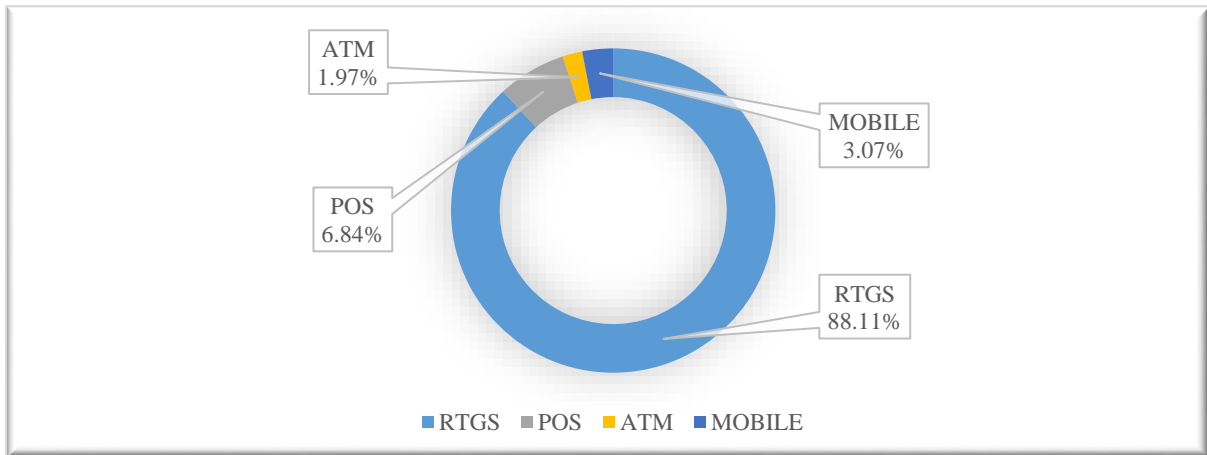
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
5-Aug-22	82.75	123.71	165.45	218.51
12-Aug-22	88.80	122.90	154.67	218.54
19-Aug-22	88.80	122.90	154.67	218.54
26-Aug-22	88.46	123.46	155.96	218.02
2-Sept-2022	88.46	123.46	155.96	218.02

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions valued at ZW\$641.95 billion, during the week ending 2nd September 2022. This reflected a decline of 5.76%, compared to ZW\$681.19 billion recorded during the previous week. The value of transactions processed through the Real Time Gross Settlement (RTGS) decreased from \$617.23 billion in the previous week to \$565.65 billion, during the week under review. The distribution of the NPS transaction values was as follows: RTGS, 88.11%, POS, 6.84%; Mobile, 3.07%; and ATM, 1.97%.

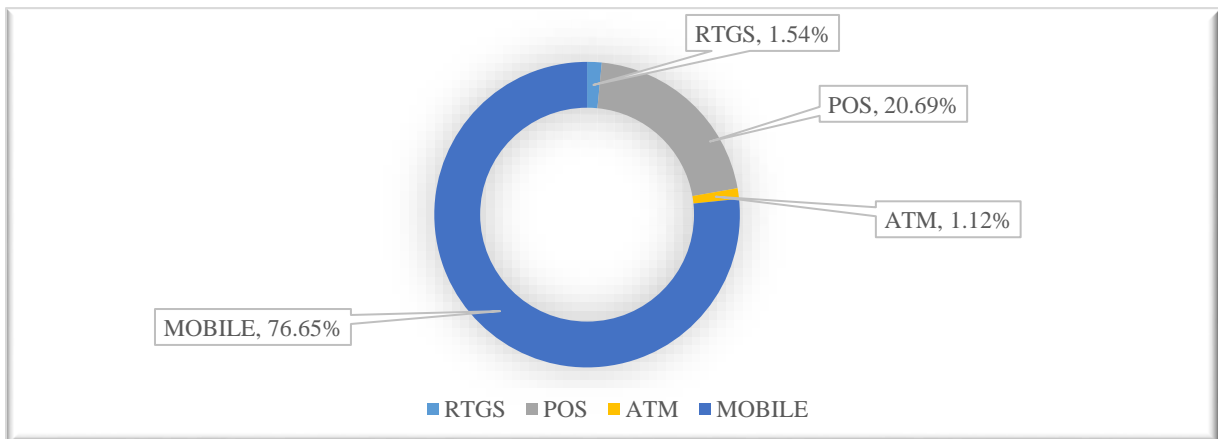
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions declined by 3.05% to 16.99 million, during the week under review, from 17.53 million in the previous week. Mobile based transactions dominated NPS transaction volumes at 76.65% of the total, followed by POS, 20.69%; RTGS, 1.54%; and ATM, 1.12%, 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 26 th August 2022	WEEK ENDING 2 nd September 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	617,227.23	565,649.42	-8.36%	88.11%
POS	37,315.44	43,920.37	17.70%	6.84%
ATM	7,092.53	12,673.88	78.69%	1.97%
MOBILE	19,553.45	19,706.62	0.78%	3.07%
TOTAL	681,188.65	641,950.27	-5.76%	100%
Volumes				
RTGS	284,389	261,493	-8.05%	1.54%
POS	3,253,254	3,515,851	8.07%	20.69%
ATM	136,795	190,736	39.43%	1.12%
MOBILE	13,851,242	13,023,841	-5.97%	76.65%
TOTAL	17,525,680	16,991,921	-3.05%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. TOBACCO SALES

A cumulative total of 205.90 million kilograms of tobacco had been sold as at day 107 of the tobacco selling season. This was a decrease of 1.71% from 209.49 million kilograms sold during the same period in 2021. In value terms, tobacco sales registered a 7.58% increase to US\$630.26 million, from US\$589.97 million realized during the same period in 2021, as shown in Table 4.

Table 4: Weekly Cumulative Tobacco Sales: Day 107 (2nd September 2022)

	2021	2022	Variance (%)
Cumulative Quantity Sold (million kgs)	209,485,232	205,900,064	(1.71)
Average Price (US\$/kg)	2.80	3.06	9.46
Cumulative value (US\$ million)	589,971,525	630,259,898	7.58

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

The golden leaf was sold at an average price of US\$3.06 per kilogram, up from US\$2.80 per kilogram realised in the same period last year.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Weekly average prices for gold, platinum, copper, nickel and crude oil retreated, during the week ending 2nd September 2022. Palladium prices, however, increased during the same week.

Table 5 shows commodity prices developments, during the week ending 2nd September 2022.

Table 5: Metal and Crude Oil Prices for the week ending 26th August 2022

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (22-26 August)	1,746.90	879.4	2,054.70	8,131.93	21,658.00	100.22
29-Aug	1,735.19	870.00	2,142.50	8,167.00	21,578.00	102.24
30-Aug	1,732.15	861.50	2,126.00	7,893.00	21,273.00	98.74
31-Aug	1,714.15	846.50	2,088.00	7,845.50	21,323.00	95.16
1-Sept	1,700.23	839.00	2,060.00	7,652.00	20,249.00	94.16
2-Sespt	1,712.50	838.00	2,034.50	7,691.00	20,467.00	95.16
Weekly Average (29 Aug – 2 Sept)	1,718.84	851.00	2,090.20	7,849.70	20,978.00	97.09
Weekly Change (%)	-1.6	-3.2	1.7	-3.5	-3.1	-3.1

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices further declined week on week, shedding 1.6% from a weekly average of US\$1,746.90 per ounce in the previous week to US\$1,718.84 per ounce, during the week under review. Prices of the yellow metal continued to be weighed down by a stronger US dollar, amid prospects of aggressive interest rate hikes by the Federal Reserve Bank.

Platinum

During the week ending 2nd September 2022, weekly average platinum prices declined by 3.2%, from US\$879.40 per ounce in the previous week to US\$851.00 per ounce. The decline was mainly driven by weak automotive and investment demand for the metal. In its Platinum Quarterly Report, the World Platinum Investment Council (WPIC) highlighted that there were signs of a global glut in supply, at a time demand was slowing down.

Palladium

Palladium prices rebounded during the week, largely on account of dwindling stock piles, particularly in China, the major consumer of metal. Prices rose by 1.7%, from US\$2,054.70 per ounce in the previous week to US\$2,090.20 per ounce, during the week under review.

Copper

Copper prices declined by 1.6% to US\$7,849.70 per tonne during the week ending 2nd September 2022, from US\$8,131.93 per tonne recorded in the previous week. The base metal prices retreated on account of a stronger dollar as well as pessimism surrounding demand in China, amid weak industrial data from the world's top metal consumer.

Nickel

In line with price developments for other base metals like copper, nickel prices retreated by 3.1%, from a weekly average of US\$21,658.00 per tonne in the week ending 26th August 2022 to US\$20,978.00 per tonne, during the week under review.

Brent Crude Oil

Brent Crude oil weekly average prices declined by 3.1%, from US\$100.22 per barrel in the previous week to US\$97.09 per barrel, during the week under analysis. This followed concerns about sluggish global demand.

5. EXCHANGE RATE DEVELOPMENTS

Foreign Exchange Auction

On the Foreign Exchange Auction, the Zimbabwe dollar (ZW\$) depreciated against the green back, slipping by 5.1% from an average of ZW\$510.8024 per US\$1 in the previous week to ZW\$536.6333 per US\$1, during the week ending 2nd September 2022.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (22 - 26 August)	510.8024	30.1808	603.1602	39.8931	509.4257
29-Aug	521.3451	30.7220	607.7857	40.8758	517.0195
30-Aug	521.3451	30.9598	610.1566	40.8236	521.3194
31-Aug	546.8254	32.3102	638.9386	42.8189	548.905
1-Sept	546.8254	31.8979	633.4703	42.4108	547.866
2-Sept	546.8254	31.6456	631.2829	42.3275	545.1857
Weekly Average (29 Aug- 2 Sept)	536.6333	31.5071	624.3268	41.8513	536.0591
Appr (-)/Depr (+) (%) of the ZWL	5.1	4.4	3.5	4.9	5.2

Source: Reserve Bank of Zimbabwe, 2022

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

Interbank Market

On the interbank market, the local unit depreciated by 5.2%, from an average of ZW\$520.47156 per US\$1 in the week ending 26th August 2022 to ZW\$547.4636 per US\$1, during the week under review, as shown in Table 7.

Table 7: International Exchange Rates²

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (22-26 August)	520.47156	30.717413	614.57401	40.6526	519.12669
29-Aug	535.9859	31.5457	625.0686	42.0267	531.7552
30-Aug	542.7004	32.2061	635.1504	42.4999	542.75895
31-Aug	546.8254	32.3102	638.9386	42.8189	548.90495
1-Sept	551.9291	32.1543	639.5775	42.8134	553.03705
2-Sept	559.8774	32.3625	646.6627	43.3431	558.31405
Weekly Average (29 Aug-2 Sept)	547.4636	32.1158	637.0796	42.7004	546.9540
Appr (-)/Depr (+) (%) of the ZWL	5.2	4.6	3.7	5.0	5.4

Source: Reserve Bank of Zimbabwe, 2022

6. EQUITY MARKETS

Zimbabwe Stock Exchange

The Zimbabwe Stock Exchange (ZSE) was characterised by bearish sentiments for the fourth consecutive week. In line with these developments, the ZSE All Share index shed 3.12% to close at 13 631.44 points. All the major indices declined, with the Top 10, Top 15, Medium Cap and Small Cap indices declining by 3.90%, 3.66%, 1.21% and 6.01%, to close at 8 139.72 points, 9 107.91 points, 29 091.02 points and 489 494.86 points, respectively.

The decline in the mainstream index was a result of share price losses for First Mutual Properties Limited (25.57%), Edgars Stores Limited (24.59%), Ecocash Holdings Zimbabwe Limited (15.95%), Amalgamated Regional Trading (ART) Limited (15%) and Hippo Valley Estates Limited (14.30%). Partially offsetting the aforementioned losses were gains in share prices of Ariston Holdings Limited (30.28%), First Capital Bank (27.92%), General Beltings Holdings Limited (18.88%), Masimba Holdings Limited (14.94%) and Mashonaland Holdings Limited (11%). The increase in the resources index, in large part, emanated from a 1.55% increase in the share price for Riozim Limited.

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

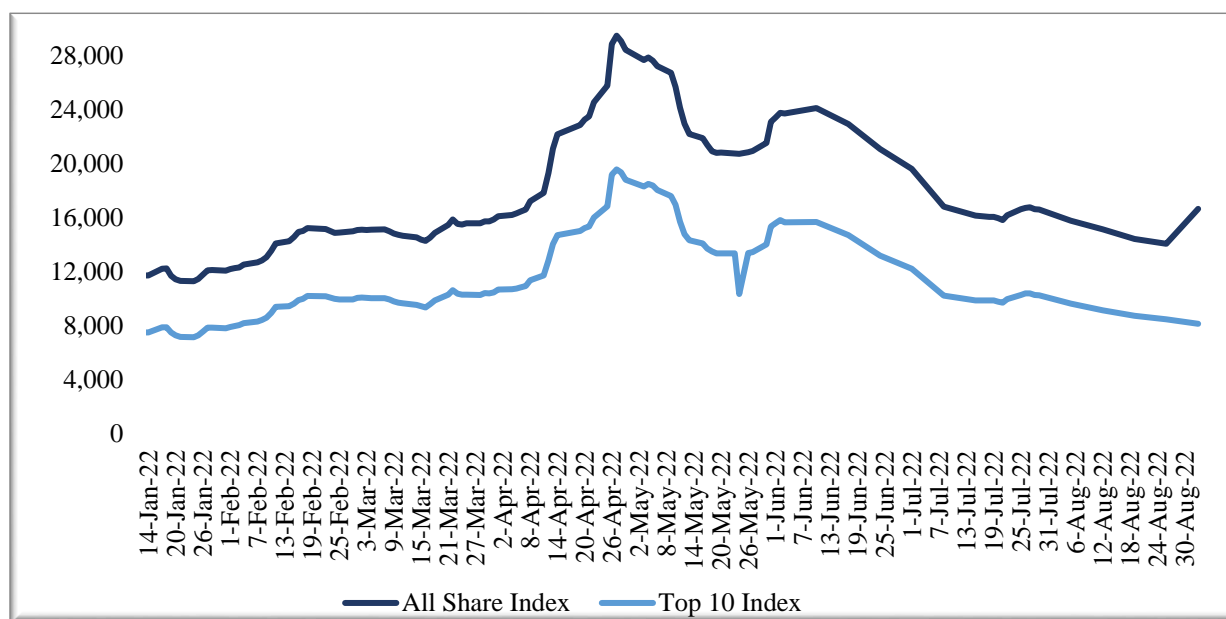
Table 8: Zimbabwe Stock Exchange Statistics³

	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)
29-July-22	16,594.91	10 265.73	11,308.19	33,019.62	496,827.15	20 021.24	2,068.22	7,426.49	116.10
05-Aug-22	15,763.93	9,639.28	10,650.86	32,066.74	512,522.31	17,023.98	1,978.77	2,903.42	57.01
12-Aug-22	15,129.49	9,154.38	10,169.93	31,257.30	519,398.75	17,023.98	1,893.69	1,914.54	22.93
19-Aug-22	14,423.98	8,740.50	9,695.40	29,774.97	509,464.69	17,028.74	1,787.18	2,039.72	29.08
26-Aug-22	14,071.03	8,470.26	9,453.99	29,448.41	520,804.34	17,028.74	1,768.00	1,501.30	12.09
2-Sept-22	13,631.44	8,139.72	9,107.91	29,091.02	489,494.86	17,292.52	1,697.47	1,252.40	23.55
% Change	-3.12	-3.90	-3.66	-1.21	-6.01	1.55	--3.99	-16.58	94.80

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 14th January 2022 to 2nd September 2022.

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



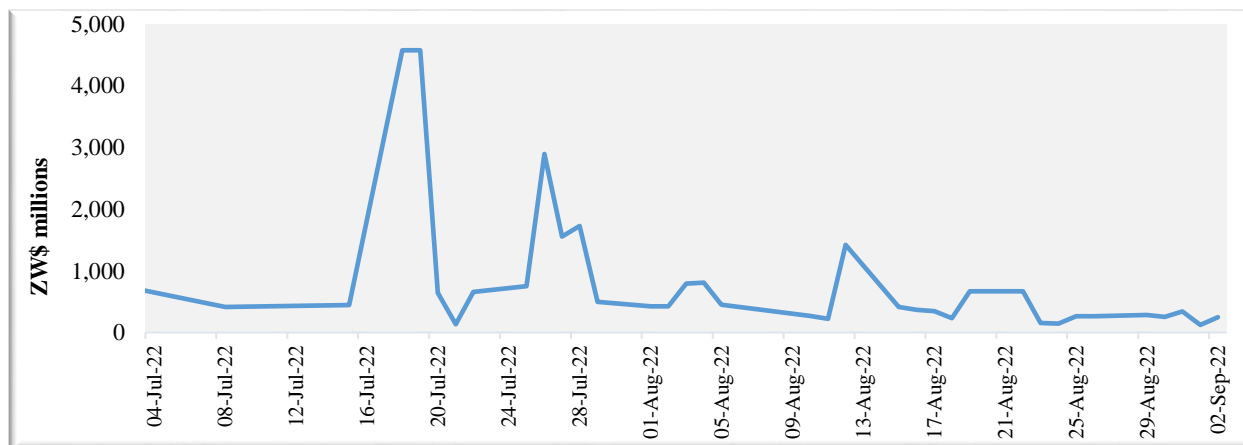
Source: Zimbabwe Stock Exchange, 2022

³ 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

Trading activity on the ZSE was concentrated on low-tier counters during the week ending 2nd September 2022. Resultantly, the cumulative value of shares traded declined by 16.58% to ZW\$1.25 billion, despite an increase of 94.80% in the volume of shares traded, amounting to 23.55 million. Figure 4 shows the trend in daily market turnover for the period from 4th July 2022 to 2nd September 2022.

Figure 4: Daily Market Turnover

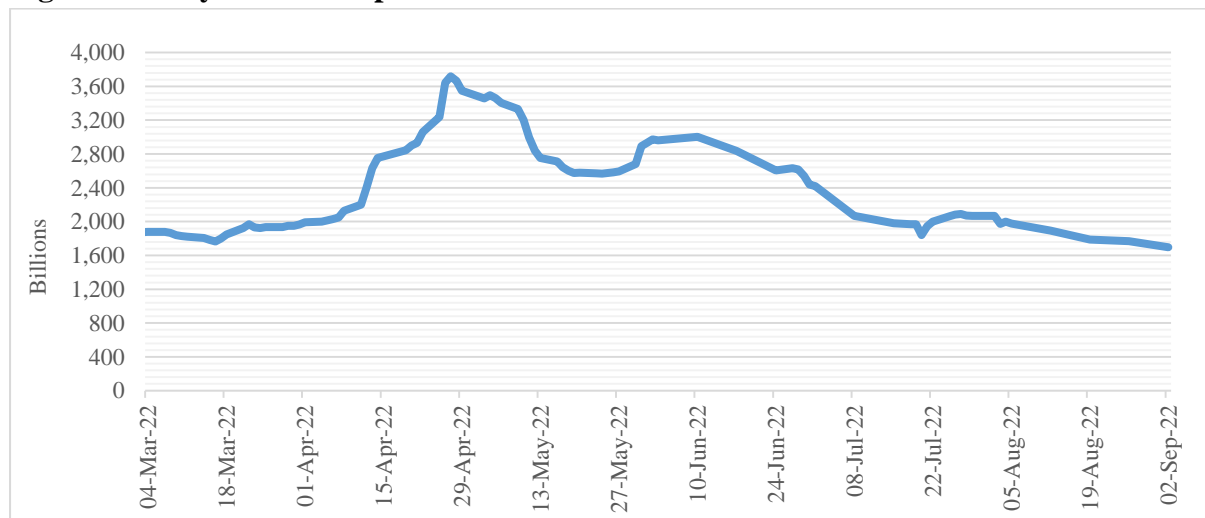


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the week under review, the local bourse shed ZW\$70.53 billion, or 3.99% worth of capitalization to close at ZW\$1,697.47 billion. Figure 5 shows the ZSE market capitalization developments for the period 4th March 2022 to 2nd September 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions

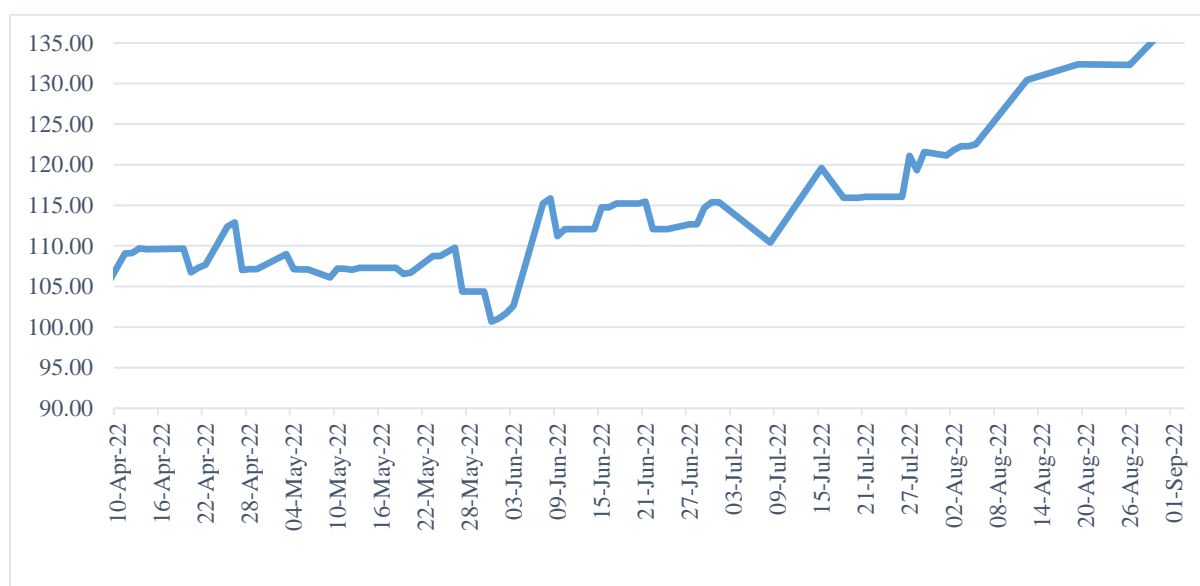


Source: Zimbabwe Stock Exchange, 2022

Victoria Falls Stock Exchange

During the week ending 2nd September 2022, the Victoria Falls Stock Exchange (VFEX) was characterised by bullish sentiment. Resultantly, the All Share index gained 4.94% to close at 138.84 points. The volume of shares traded on the VFEX rose by 170.61% to 1.83 million, while the value of shares traded declined by 17.78% to US\$0.07 million. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 10th April 2022 to 2nd September 2022.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

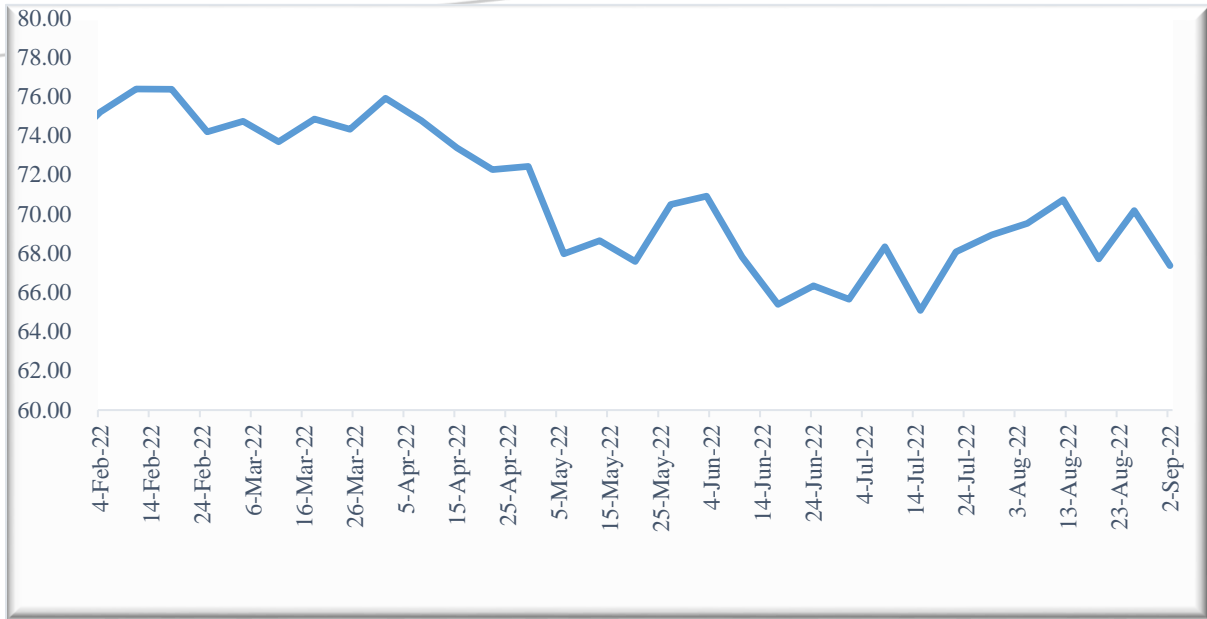
The Johannesburg Stock Exchange (JSE) All Share Index declined by 3.98%, from 70,173.09 points in the previous week to close at 67,378.31 points, during the week ending 2nd September 2022. JSE market capitalization also fell by 4.81% to close at ZAR19.39 trillion, during the same week.

Table 9: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
29-Jul-22	68,934.01	19.86
05-Aug-22	69,519.27	20.04
12-Aug-22	70,731.32	20.00
19-Aug-22	69,719.43	20.27
26-Aug-22	70,173.09	20.37
2-Sept-22	67,378.31	19.39
% Change	-3.98	-4.81

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 MAINFX⁴ AND SMEFX⁵

	MAINFX				SMEFX			
	12-Aug-22	19-Aug-22	26-Aug-22	2-Sept-22	12-Jul-22	19-Aug-22	26-Aug-22	2-Sept-22
Total Bids (US\$ dollars)	19,531,353.97	14,078,262.83	15,757,850.15	13,636,355.46	4,909,382.60	2,995,988.89	3,157,417.84	3,688,792.36
Amount Allotted (US\$ dollars)	17,526,940.55	13,693,994.57	15,127,972.79	12,681,789.09	3,972,911.09	2,922,259.56	2,937,595.15	2,643,432.75
Highest Rate	520	550	580	605	550	550	570	600
Lowest Bid Rate	450	460	485	520	450	460	485	520
Lowest Bid Rate Allotted	450	460	485	520	450	460	485	520
Weighted Average Rate	478.6358	494.9883	521.3451	546.8254	478.6358	494.9883	521.3451	546.8254
Number of Bids Received	176	134	166	144	565	328	429	405
Number of Bids Rejected	6	7	7	3	20	3	14	4

Source: Reserve Bank of Zimbabwe, 2022

⁴ Main Foreign Currency Auction

⁵ Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	12-Aug-22	19-Aug-22	26-Aug-22	2-Sept-22	12-Aug-22	19-Aug-22	26-Aug-22	2-Sept-22
Raw Materials	8,956,129.02	7,384,103.02	7,348,034.12	4,799,173.49	1,244,390.65	885,441.90	814,120.47	812,525.35
Machinery and Equipment	3,942,477.98	2,454,333.40	3,404,481.15	3,800,847.08	1,385,362.32	1,072,573.36	1,007,744.40	814,009.62
Consumables (Incl. Spares, Tyres, Packaging)	1,650,341.10	1,136,376.08	1,358,962.41	1,196,777.11	448,193.80	347,769.06	302,907.26	345,580.06
Pharmaceuticals and Chemicals	508,677.39	308,449.29	199,333.94	503,678.80	134,494.69	100,573.34	109,980.15	113,816.62
Services (Loans, Dividends and Disinvestments)	1,245,847.50	1,616,091.90	1,706,449.92	1,508,324.19	431,362.60	239,723.78	414,427.66	352,940.17
Retail and Distribution	905,524.21	635,402.88	806,626.96	773,243.03	229,676.69	185,127.98	209,214.74	138,840.56
Fuel, Electricity and Gas	-	-	-	-	25,739.56	-	-	-
Paper and Packaging	317,943.35	159,238.00	304,084.29	99,745.39	73,690.78	91,050.14	79,200.47	65,720.37
TOTAL	17,526,940.55	13,693,994.57	15,127,972.79	12,681,789.09	3,972,911.09	2,922,259.56	2,937,595.15	2,643,432.75

Source: Reserve Bank of Zimbabwe, 2022