



Weekly Economic Highlights

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Week Ending
9th September 2022

1. INTEREST RATES

Deposit Rates

During the week ending 9th September 2022, average minimum and maximum deposits rates for savings deposits remained unchanged for the fifth consecutive week. Minimum and maximum deposit rates for deposits of 1-month and 3-month tenor increased 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 (%)
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
9-Sept-22	20.09	20.25	55.15	58.89	57.25	61.08

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum and maximum lending rates for both individual and corporate clients registered increases during the week under analysis, as shown in Table 2.

Table 2: Lending Rates (per annum)

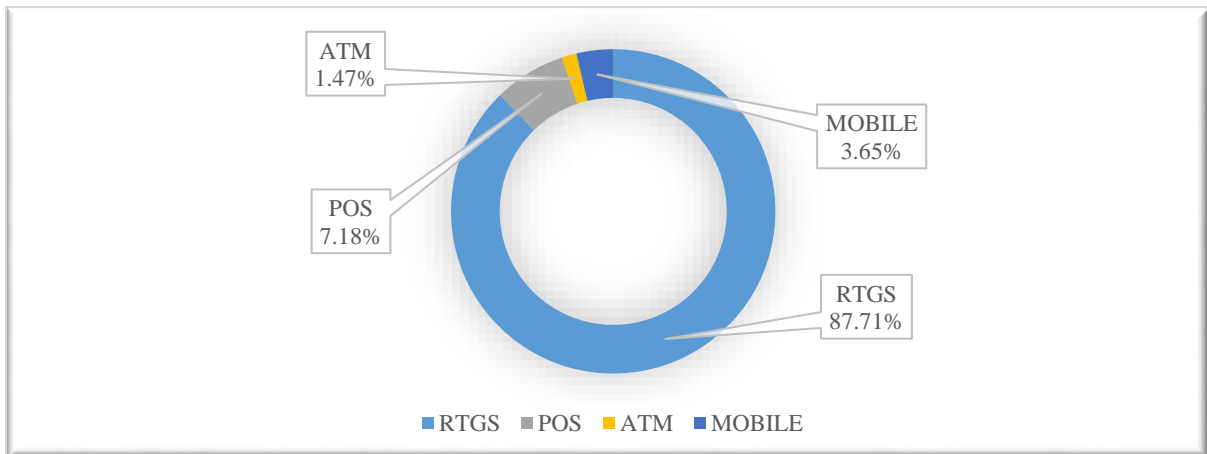
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
12-Aug-22	88.80	122.90	154.67	218.54
19-Aug-22	88.80	122.90	154.67	218.54
26-Aug-22	88.46	123.46	155.96	218.02
2-Sept-22	88.46	123.46	155.96	218.02
9-Sept-22	94.02	128.53	156.93	222.76

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) amounted to ZW\$715.65 billion, during the week ending 9th September 2022. This reflected an increase of 11.48%, compared to ZW\$641.95 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased from ZW\$565.65 billion in the previous week to ZW\$627.66 billion, during the week under review. The NPS transaction values were distributed as follows: RTGS, 87.71%, POS, 7.18%; Mobile, 3.65%; and ATM, 1.47%.

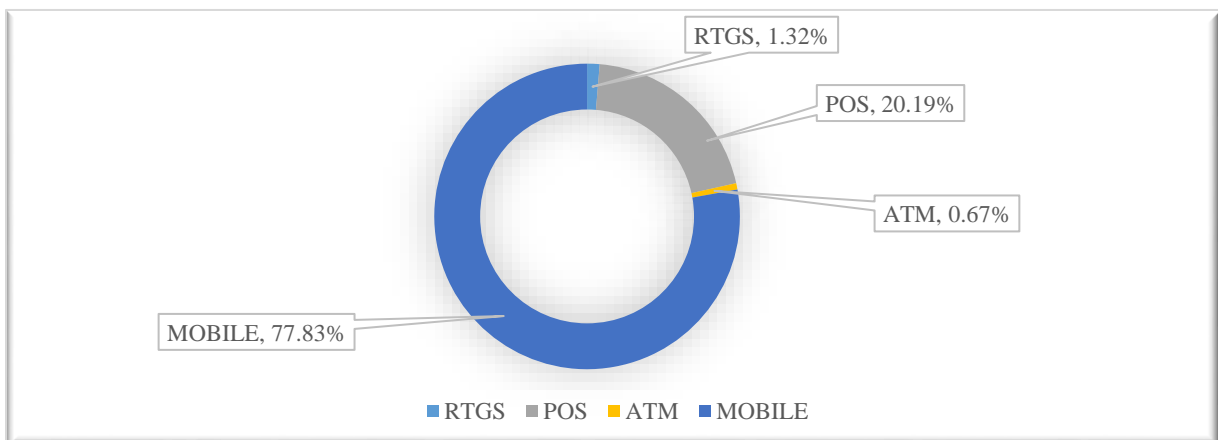
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions rose by 10.16% to 18.72 million, during the week under review, from 16.99 million in the preceding week. Mobile based transactions dominated NPS transaction volumes at 77.83% of the total, followed by POS, 20.19%; RTGS, 1.32%; and ATM, 0.67%, 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 2 nd September 2022	WEEK ENDING 9 th September 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	565,649.42	627,658.49	10.96%	87.71%
POS	43,920.37	51,372.85	16.97%	7.18%
ATM	12,673.88	10,505.07	-17.11%	1.47%
MOBILE	19,706.62	26,109.19	32.49%	3.65%
TOTAL	641,950.27	715,645.60	11.48%	100%
Volumes				
RTGS	261,493	246,460	-5.75%	1.32%
POS	3,515,851	3,778,534	7.47%	20.19%
ATM	190,736	125,680	-34.11%	0.67%
MOBILE	13,023,841	14,567,546	11.85%	77.83%
TOTAL	16,991,921	18,718,220	10.16%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. TOBACCO SALES

A cumulative total of 206.79 million kilograms of tobacco had been sold as at day 112 of the tobacco selling season. This was a decrease of 1.59%, from 210.13 million kilograms sold during the same period in 2021. In value terms, tobacco sales registered a 7.75% increase to US\$633.08 million, compared to US\$587.55 million realized during the same period in 2021, as shown in Table 4.

Table 4: Weekly Cumulative Tobacco Sales: Day 112 (9th September 2022)

	2021	2022	Variance (%)
Cumulative Quantity Sold (million kgs)	210,131,018	206,787,194	(1.59)
Average Price (US\$/kg)	2.80	3.06	9.49
Cumulative value (US\$ million)	587,551,093	633,075,246	7.75

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

During the week ending 9th September 2022, weekly average prices for gold, palladium, copper, and crude oil retreated. Platinum and nickel prices, however, firmed during the same week. Table 5 shows commodity prices developments, during the week under review.

Table 5: Metal and Crude Oil Prices for the week ending 9th September 2022

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (29 Aug-2 Sept)	1,718.84	851.00	2,090.20	7,849.70	20,978.00	97.09
5-Sept	1,711.45	845.00	2,025.00	7,731.00	21,424.01	94.23
6-Sept	1,707.40	851.00	2,036.50	7,751.00	21,532.00	91.52
7-Sept	1,703.85	906.50	2,006.00	7,698.50	21,522.00	94.20
8-Sept	1,714.80	873.50	2,070.00	7,919.00	21,716.00	89.88
9-Sept	1,720.18	886.50	2,156.00	7,924.00	22,959.00	91.49
Weekly Average (5-9 Sept)	1,711.54	872.50	2,058.70	7,804.70	21,830.60	92.26
Weekly Change (%)	-0.4	2.5	-1.5	-0.6	4.1	-5.0

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices eased by a marginal 0.4%, from a weekly average of US\$1,718.84 per ounce in the previous week to US\$1,711.54 per ounce, during the week ending 9th September 2022, as investors awaited key US inflation data for cues on the pace of interest rate hikes by the U.S. central bank.

Platinum

Platinum prices rebounded, rising by 2.5% from a weekly average of US\$851.00 per ounce in the previous week to US\$872.50 per ounce, during the week under analysis. Prices rose as the dollar weakened ahead of the release of key US inflation data.

Palladium

During the week ending 9th September 2022, palladium prices retreated owing to investor concerns over slackening demand in China, the world's largest consumer of the metal. Latest reports showed that China's economic activity slackened in the second quarter of 2022, due to prolonged Covid-19-induced restrictions which adversely affected business activities. Prices fell by 1.5%, from US\$2,090.20 per ounce in the previous week to US\$2,058.70 per ounce, during the week under review.

Copper

In the week under review, copper prices declined by 0.6%, from US\$7,849.70 per tonne in the previous week to US\$7,804.70 per tonne. Prices continued to be weighed down by a gloomy demand outlook in China, the world's top metal consumer. Furthermore, monetary policy tightening by major central banks and risks of recession remained as headwinds for the price of the base metal.

Nickel

Nickel prices rose by 4.1%, from US\$20,978.00 per tonne in the prior week to US\$21,830.60 per tonne, during the week under review. The increase was underpinned by dwindling nickel inventories in China, at a time demand from electric batteries manufactures was growing.

Brent Crude Oil

The weekly average price of Brent Crude oil declined by 5.0%, from US\$97.09 per barrel in the week ending 2nd September 2022 to US\$92.26 per barrel, during the week under analysis. Prices declined as mounting demand concerns, rising stockpiles and interest rate hikes by major central banks continued to hurt the demand for the commodity

5. EXCHANGE RATE DEVELOPMENTS

Foreign Exchange Auction

The Zimbabwe dollar (ZWS) further depreciated by 5.6% against the greenback from an average of ZW\$536.6333 per US\$1 in the previous week to ZW\$566.8421 per US\$1, during the week ending 9th September 2022.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (29 Aug-2 Sept)	536.6333	31.5071	624.3268	41.8513	536.0591
5-Sept	546.8254	31.3972	626.0612	42.1888	540.4015
6-Sept	546.8254	31.9489	633.5266	42.2720	544.6397
7-Sept	580.1865	33.5008	665.9675	44.7627	573.9793
8-Sept	580.1865	33.6134	667.7660	44.6198	579.9562
9-Sept	580.1865	33.3333	672.2639	44.5021	583.9586
Weekly Average (29 Aug- 2 Sept)	566.8421	32.7587	653.1170	43.6691	564.5870
Appr (-)/Depr (+) (%) of the ZWL	5.6	4.0	4.6	4.3	5.3

Source: Reserve Bank of Zimbabwe, 2022

Interbank Market

On the interbank market, the Zimbabwe dollar (ZWS) depreciated by 5.4%, from an average of ZW\$547.4636 per US\$1 in the previous week to ZW\$577.2974 per US\$1, during the week under review, as shown in Table 7.

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

Table 7: International Exchange Rates²

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (29 Aug-2 Sept)	547.4636	32.1158	637.0796	42.7004	546.954
5-Sept	565.8345	32.5203	647.7987	43.6654	559.1051
6-Sept	572.9048	33.4448	664.0009	44.2919	570.78925
7-Sept	580.5865	33.5008	666.6016	44.8285	574.5508
8-Sept	582.0625	33.6700	669.8408	44.7672	581.77475
9-Sept	585.0986	33.5570	677.7828	44.8817	588.84555
Weekly Average (5-9 Sept)	577.2974	33.3386	665.2049	44.4869	575.0131
Appr (-)/Depr (+) (%) of the ZWL	5.4	3.8	4.4	4.2	5.1

Source: Reserve Bank of Zimbabwe, 2022

6. EQUITY MARKETS

Zimbabwe Stock Exchange

The Zimbabwe Stock Exchange (ZSE) traded on a negative trajectory for the fifth consecutive week. In line with these developments, the ZSE All Share index shed 6.97% to close at 12 680.84 points. The Top 10, Top 15, All share, Medium cap and Small Cap indices declined by 9.34%, 8.44%, 6.97%, 1.86% and 0.74%, to close at 7 379.13 points, 8 338.80 points, 12,680.84 points, 28 548.62 points and 485 893.12 points, respectively.

The decline in the mainstream index was a result of share price losses for Axia Corporation Limited (20.57%), Econet Wireless Zimbabwe Limited (17.12%), First Capital Bank Limited (15.87%), Delta Corporation Limited (15.13%) and Lafarge Cement Zimbabwe Limited (15.00%). Gains were, however, registered in share prices of Hippo Valley Estates Limited (15.25%), Amalgamated Regional Trading (ART) Limited (14.88%), African Sun Limited (14.70%), General Beltings Holdings Limited (13.34%) and Unifreight Africa Limited (11.84%). The resources index, however, remained unchanged at 17 292.52 points during the week under analysis.

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

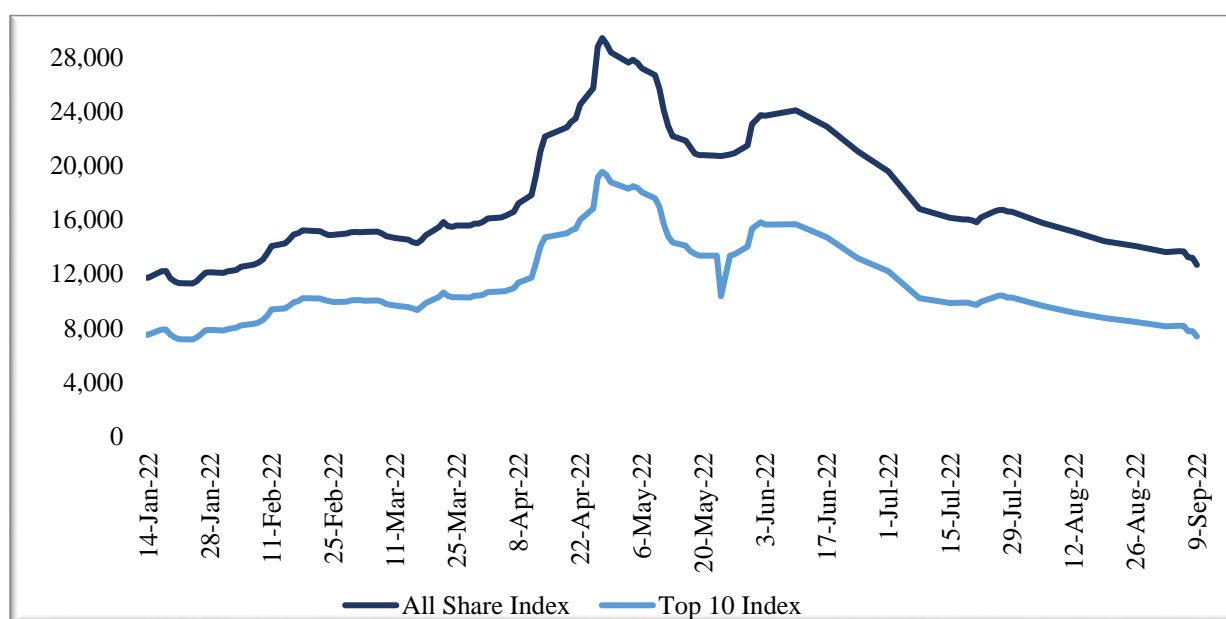
Table 8: Zimbabwe Stock Exchange Statistics³

	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)
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
9-Sept-22	12,680.84	7,379.13	8,338.80	28,548.62	485,893.12	17,292.52	1,552.02	1,129.26	29.84
% Change	-6.97	-9.34	-8.44	-1.86	-0.74	0.00	-8.57	-9.83	26.71

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 14th January 2022 to 9th September 2022.

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



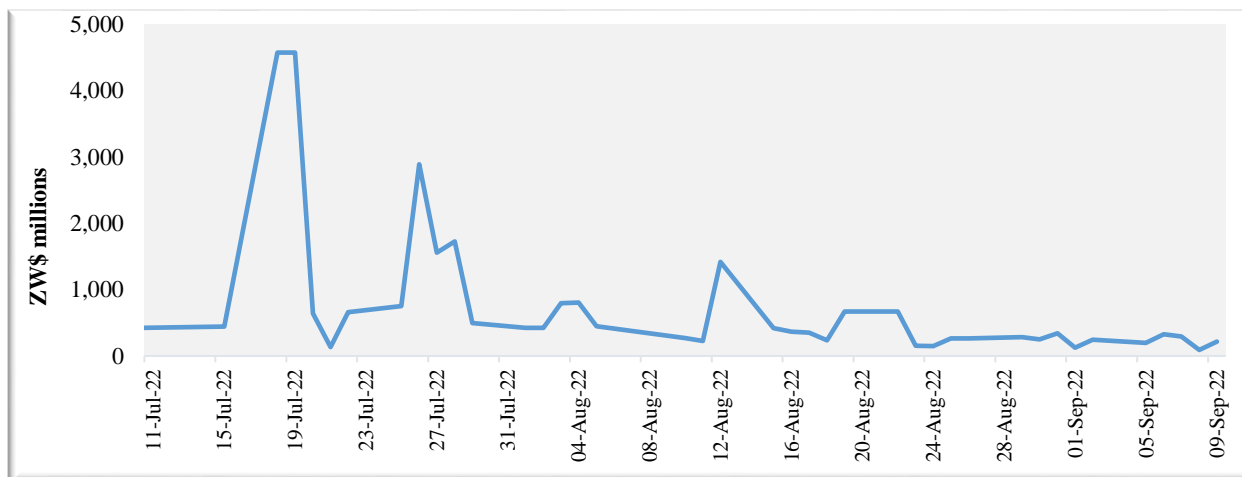
Source: Zimbabwe Stock Exchange, 2022

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

The cumulative volume of shares traded on the Zimbabwe Stock Exchange rose by 26.69% to 29.84 million shares, during the week ending 9th September 2022. Turnover value, however, declined by 9.83% to ZW\$1.13 billion, as trade was concentrated in low-tier counters. Figure 4 shows the trend in daily market turnover for the period from 11th July 2022 to 9th September 2022.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the period under review, market capitalisation for the local bourse declined by ZW\$145.46 billion, or 8.57% worth of capitalization to close at ZW\$1 552.02 billion. Figure 5 shows the evolution of market capitalization for the period from 11th March 2022 to 9th September 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange (VFEX) exhibited bullish sentiments for the second consecutive week ending 9th September 2022. Resultantly, the All Share index gained 0.03% to close at 138.89 points. The cumulative volume and value of shares traded on the VFEX decreased by 46.25% and 43.22% to 0.98 million shares and US\$0.04 million, from ZW\$1.83 million and US\$0.07 million recorded in the prior week, respectively. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 18th April 2022 to 9th September 2022.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

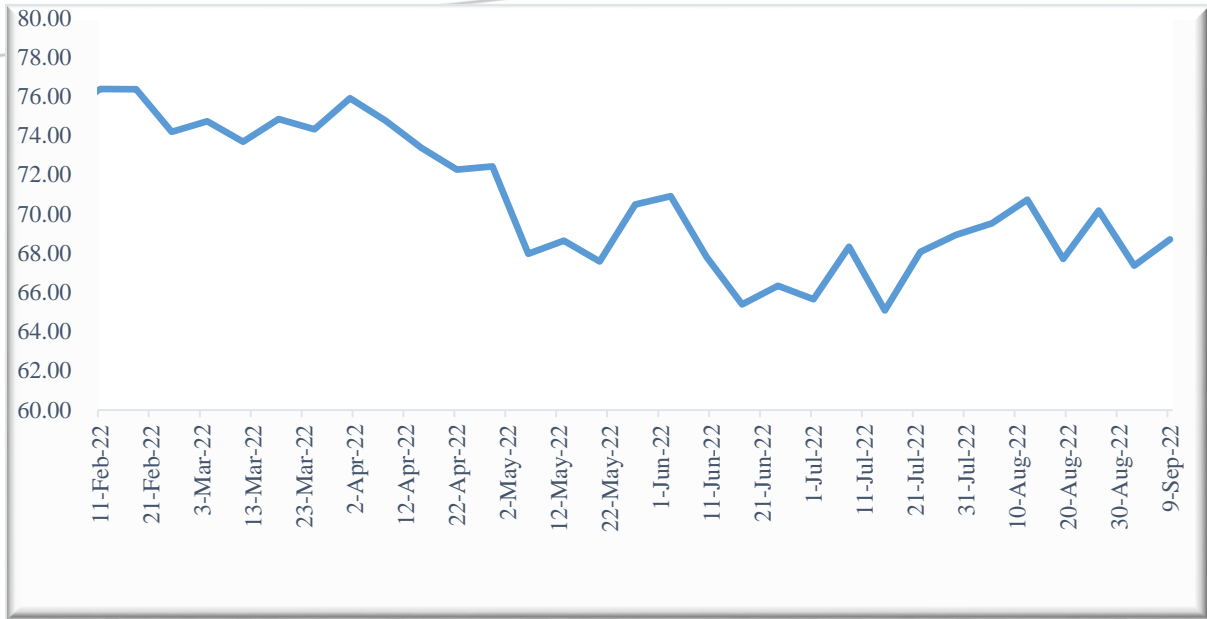
The Johannesburg Stock Exchange (JSE) All Share Index rose from 767,378.31 points in the previous week to close at 68,708.48 points, during the week ending 9th September 2022. JSE market capitalization also increased by 2.06% to close at ZAR19.79 trillion, during the same week.

Table 9: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
9-Sept-22	68,708.48	19.79
% Change	1.97	2.06

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			
	19-Aug-22	26-Aug-22	2-Sept-22	9-Sept-22	19-Jul-22	26-Aug-22	2-Sept-22	9-Sept-22
Total Bids (US\$ dollars)	14,078,262.83	15,757,850.15	13,636,355.46	12,978,108.19	2,995,988.89	3,157,417.84	3,688,792.36	3,128,774.69
Amount Allotted (US\$ dollars)	13,693,994.57	15,127,972.79	12,681,789.09	11,489,204.90	2,922,259.56	2,937,595.15	2,643,432.75	2,659,595.81
Highest Rate	550	580	605	630	550	570	600	615
Lowest Bid Rate	460	485	520	545	460	485	520	545
Lowest Bid Rate Allotted	460	485	520	545	460	485	520	545
Weighted Average Rate	494.9883	521.3451	546.8254	580.1865	494.9883	521.3451	546.8254	580.1865
Number of Bids Received	134	166	144	119	328	429	405	345
Number of Bids Rejected	7	7	3	8	3	14	4	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			
	19-Aug-22	26-Aug-22	2-Sept-22	9-Sept-22	19-Aug-22	26-Aug-22	2-Sept-22	9-Sept-22
Raw Materials	7,384,103.02	7,348,034.12	4,799,173.49	5,760,488.91	885,441.90	814,120.47	812,525.35	881,516.22
Machinery and Equipment	2,454,333.40	3,404,481.15	3,800,847.08	2,496,132.5	1,072,573.36	1,007,744.40	814,009.62	766,359.84
Consumables (Incl. Spares, Tyres, Packaging)	1,136,376.08	1,358,962.41	1,196,777.11	875,799.93	347,769.06	302,907.26	345,580.06	294,407.16
Pharmaceuticals and Chemicals	308,449.29	199,333.94	503,678.80	200,092.27	100,573.34	109,980.15	113,816.62	130,203.79
Services (Loans, Dividends and Disinvestments)	1,616,091.90	1,706,449.92	1,508,324.19	1,368,718.37	239,723.78	414,427.66	352,940.17	393,672.24
Retail and Distribution	635,402.88	806,626.96	773,243.03	740,139.81	185,127.98	209,214.74	138,840.56	144,137.69
Fuel, Electricity and Gas	-	-	-	-	-	-	-	10,000
Paper and Packaging	159,238.00	304,084.29	99,745.39	47,833.11	91,050.14	79,200.47	65,720.37	39,298.87
TOTAL	13,693,994.57	15,127,972.79	12,681,789.09	11,489,204.90	2,922,259.56	2,937,595.15	2,643,432.75	2,659,595.81

Source: Reserve Bank of Zimbabwe, 2022