



Weekly Economic Highlights

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Week Ending
16th September 2022

1. INTEREST RATES

Deposit Rates

The week ending 16th September 2022 saw average minimum and maximum deposits rates for all classes of deposits remain unchanged at previous week levels, as shown in Table 1.

Table 1: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit's rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
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
16-Sept-22	20.09	20.25	55.15	58.89	57.25	61.08

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

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

Table 2: Lending Rates (per annum)

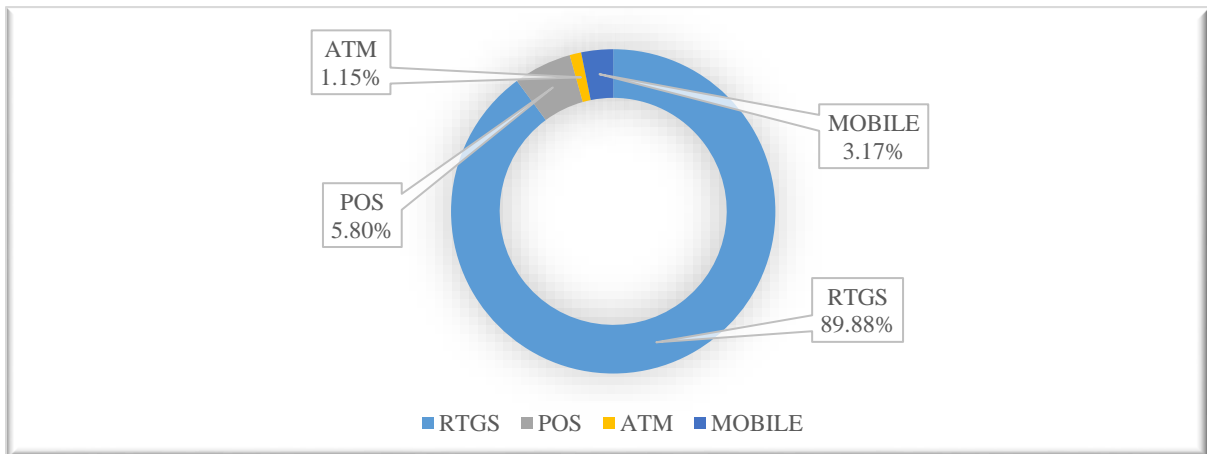
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
19-Aug-22	88.80	122.90	154.67	218.54
26-Aug-22	88.46	123.46	155.96	218.02
2-Sept-22	88.46	123.46	155.96	218.02
9-Sept-22	94.02	128.53	156.93	222.76
16-Sept-22	94.02	128.53	156.93	222.76

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

During the week ending 16th September 2022, the aggregate value of transactions processed through the National Payment Systems (NPS) amounted to ZW\$678.62 billion, representing a decrease of 5.17% from ZW\$715.65 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions declined by 2.82%, from \$627.66 billion in the previous week to \$609.94 billion, during the week under review. The distribution of NPS transaction values was as follows: RTGS, 89.88%, POS, 5.80%; Mobile, 3.17%; and ATM, 1.15%.

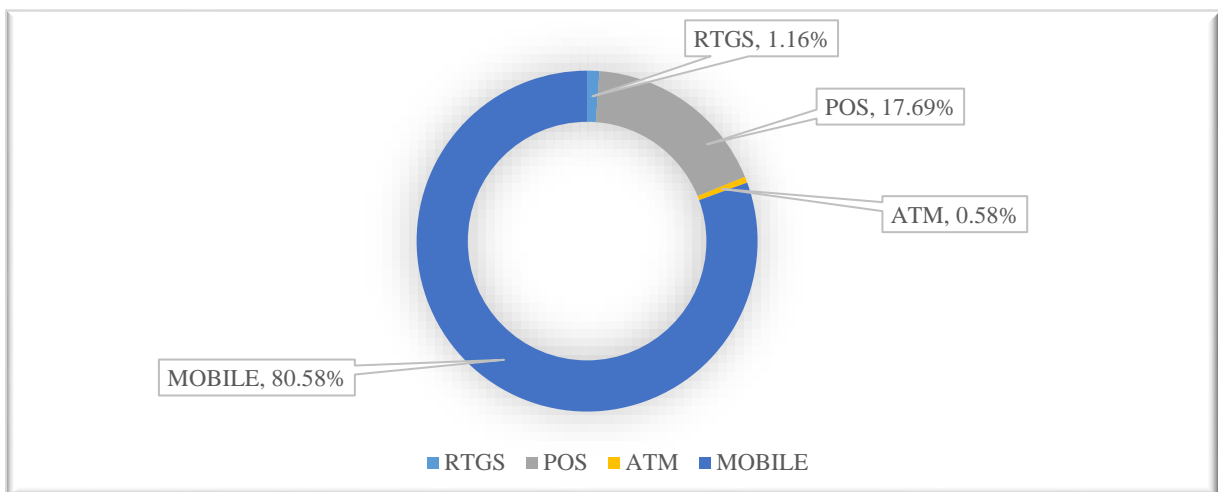
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions was 10.85% lower, at 16.69 million during the week under review. Mobile based transactions dominated NPS transaction volumes at 80.58% of the total, followed by POS, 17.69%; RTGS, 1.16%; and ATM, 0.58%, 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 9 th September 2022	WEEK ENDING 16 th September 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	627,658.49	609,936.97	-2.82%	89.88%
POS	51,372.85	39,353.05	-23.40%	5.80%
ATM	10,505.07	7,794.87	-25.80%	1.15%
MOBILE	26,109.19	21,536.43	-17.51%	3.17%
TOTAL	715,645.60	678,621.32	-5.17%	100%
Volumes				
RTGS	246,460	193,576	-21.46%	1.16%
POS	3,778,534	2,951,474	-21.89%	17.69%
ATM	125,680	96,228	-23.43%	0.58%
MOBILE	14,567,546	13,445,602	-7.70%	80.58%
TOTAL	18,718,220	16,686,880	-10.85%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. TOBACCO SALES

A cumulative total of 207.62 million kilograms of tobacco had been sold as at day 117 of the tobacco selling season. This was a decrease of 1.58%, from 210.96 million kilograms sold during the same period in 2021. In value terms, tobacco sales registered a 7.74% increase to US\$635.19 million, from US\$589.55 million realized during the same period in 2021, as shown in Table 4.

Table 4: Weekly Cumulative Tobacco Sales: Day 117 (16th September 2022)

	2021	2022	Variance (%)
Cumulative Quantity Sold (million kgs)	210,956,105	207,624,669	(1.58)
Average Price (US\$/kg)	2.79	3.06	9.47
Cumulative value (US\$ million)	589,547,792	635,192,647	7.74

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\$2.79 per kilogram realised in the same period last year.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Weekly average prices for platinum, palladium, copper, nickel, and crude oil firmed, while gold prices retreated, during the week ending 16th September 2022, as shown in Table 5.

Table 5: Metal and Crude Oil Prices for the week ending 16th September 2022

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (5-9 Sept 22)	1,711.54	872.50	2,058.70	7,804.70	21,830.60	92.26
12-Sept-22	1,726.45	903.00	2,218.50	8,079.50	24,537.00	93.84
13-Sept-22	1,715.95	902.50	2,175.00	7,994.30	24,257.00	92.66
14-Sept-22	1,703.85	901.50	2,115.00	7,893.50	24,184.00	94.07
15-Sept-22	1,689.05	913.00	2,158.50	7,848.80	23,096.00	91.22
16-Sept-22	1,664.48	892.00	2,089.50	7,869.00	24,229.00	91.92
Weekly Average (12-16 Sept 22)	1,699.96	902.40	2,151.30	7,937.02	24,060.60	92.74
Weekly Change (%)	-0.7	3.4	4.5	1.7	10.2	0.5

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices declined on account of a stronger US dollar and elevated US Treasury yields. Since the unexpected rise in US consumer prices in August 2022, bets for further aggressive rate hikes by the U.S. Federal Reserve were cemented. The hikes eroded the yellow metal's appeal as a safe haven asset. Prices fell by 0.7%, from a weekly average of US\$1,711.54 per ounce in the previous week to US\$1,699.96 per ounce, during the week ending 16th September 2022.

Platinum

Platinum prices sustained a bullish run, gaining by 3.4% from a weekly average of US\$872.50 per ounce in the previous week to close the week under review at US\$902.40 per ounce. Demand prospects for the precious metal were bolstered by reports that one of the world's biggest auto manufacturers, Tesla, plans to double sales in 2022.

Palladium

Palladium prices firmed by 4.5%, from US\$2,058.70 per ounce in the previous week to US\$2,151.30 per ounce, during the reporting week. Prices rose as auto-catalytic demand for the metal slightly picked-up, while supply remained low, keeping the market in a deficit.

Copper

Copper prices rebounded, as potential supply disruptions in Chile, a major source market, raised worries of shortages of the base metal. Prices rose by 1.7%, from US\$7,804.70 per tonne in the week ending 9th September 2022 to US\$7,937.02 per tonne, during the week under analysis.

Nickel

Nickel prices remained on a positive trajectory, rising by 10.2% from US\$21, 830.60 per tonne in the prior week to US\$24,060.60 per tonne, during the week ending 16th September 2022. Prices continued to benefit from declining inventories in China, at a time demand from electric batteries manufacturers was growing.

Brent Crude Oil

Brent Crude oil prices edged slightly higher during the week under analysis, as fears of tight supplies outweighed concerns of a looming slowdown in global demand. Accordingly, weekly average prices rose by 0.5%, from US\$92.26 per barrel in the previous week to US\$92.74 per barrel, during the week under consideration.

5. EXCHANGE RATE DEVELOPMENTS

Foreign Exchange Auction

The Zimbabwe dollar (ZW\$) depreciated by 4.9% against the greenback on the Foreign Exchange Auction, from an average of ZW\$566.8421 per US\$1 in the previous week to ZW\$594.6294 per US\$1, during the week ending 16th September 2022.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (5-9 Sept 22)	566.8421	32.7587	653.117	43.6691	564.587
12-Sept-22	580.1865	33.5570	674.2356	44.7082	585.4091
13-Sept-22	580.1865	33.9559	678.4441	45.1108	588.2225
14-Sept-22	604.2580	34.7826	695.6227	46.4404	603.4734
15-Sept-22	604.2580	34.5423	695.4108	46.3791	601.9032
16-Sept-22	604.2580	34.4234	692.1784	46.3177	603.4734
Weekly Average (12-16 Sept 22)	594.6294	34.2522	687.1783	45.7912	596.4963
Appr (-)/Depr (+) (%) of the ZW\$	4.9	4.6	5.2	4.9	5.7

Source: Reserve Bank of Zimbabwe, 2022

Interbank Market

On the interbank market, the Zimbabwe dollar depreciated by 3.0%, from an average of ZW\$577.2974 per US\$1 in the week ending 9th September 2022 to ZW\$594.6294 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 (5-9 Sept 22)	577.2974	33.3386	665.2049	44.4869	575.0131
12-Sept-22	580.1865	34.2466	687.7362	45.6231	597.9364
13-Sept-22	580.1865	35.0263	700.4682	46.5936	607.4659
14-Sept-22	604.2580	34.7222	695.6276	46.4468	603.4178
15-Sept-22	604.2580	34.4828	695.8439	46.4018	602.1487
16-Sept-22	604.2580	34.3053	692.0946	46.3145	603.4319
Weekly Average (12-16 Sept-22)	594.6294	34.5566	694.3541	46.2759	602.8801
Appr(-)/Depr(+) (%) of the ZWL	3.0	3.7	4.4	4.0	4.8

Source: Reserve Bank of Zimbabwe, 2022

6. EQUITY MARKETS

Zimbabwe Stock Exchange

During the week ending 16th September 2022, the Zimbabwe Stock Exchange (ZSE) was bearish for the sixth consecutive week. Resultantly, the ZSE All Share index shed 18.19% to close at 10 374.51 points. All the major indices declined, with the Top 10, Top 15, Medium cap and Small Cap indices declining by 22.64%, 22.10%, 9.47% and 3.21%, to close at 5 708.23 points, 6 496.01 points, 25 844.21 points and 470 298.21 points, respectively

The decline in the mainstream index was a result of share price losses for Axia Corporation Limited (39.89%), Econet Wireless Zimbabwe Limited (34.85%), Delta Corporation Limited (31.38%), Tanganda Tea Company Limited (29.45%) and TSL Limited (26.96%). Partially offsetting the aforementioned losses were gains in share prices of Mashonaland Holdings Limited (9.59%), First Capital Bank Limited (6.02%), First Mutual Properties Limited (4.17%), Bridgefort Capital Limited (3.45%) and Ariston Holdings Limited (3.21%). The resources index, however, remained unchanged at 17 292.52 points.

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

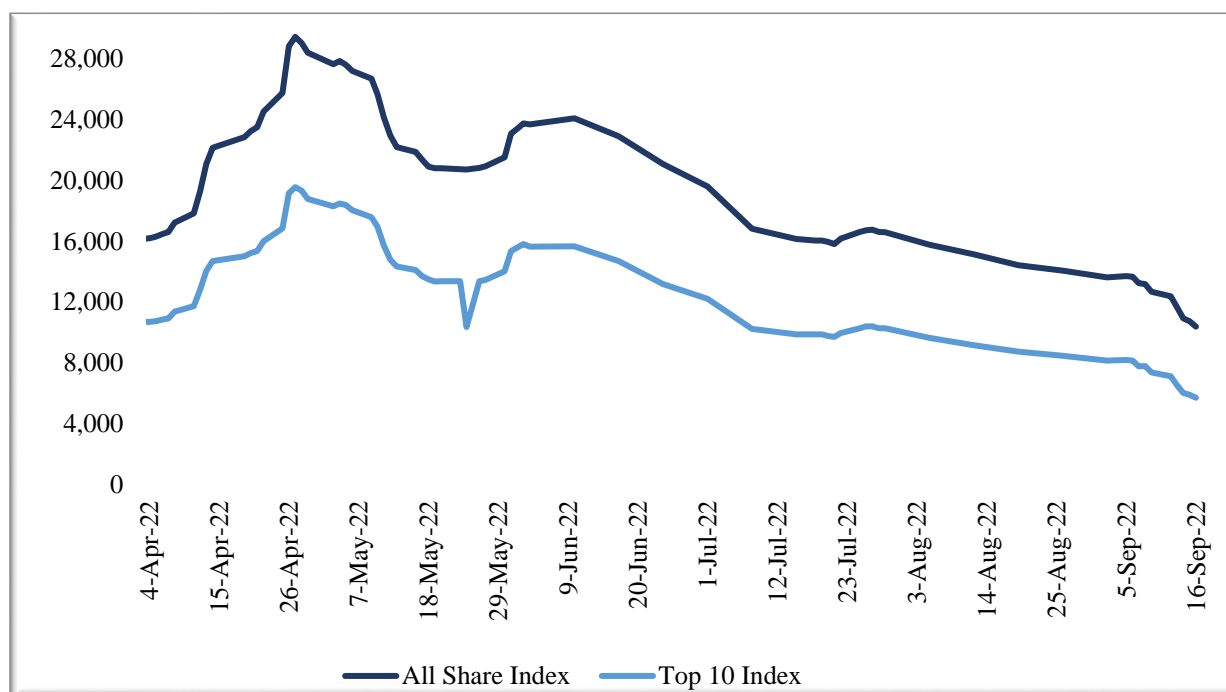
Table 8: Zimbabwe Stock Exchange Statistics³

	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)
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
16-Sept-22	10,374.51	5,708.23	6,496.01	25,844.21	470,298.21	17,292.52	1,256.15	1,400.85	34.41
% Change	-18.19	-22.64	-22.10	-9.47	-3.21	0.00	-19.06	24.05	15.32

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 4th April 2022 to 16th September 2022.

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



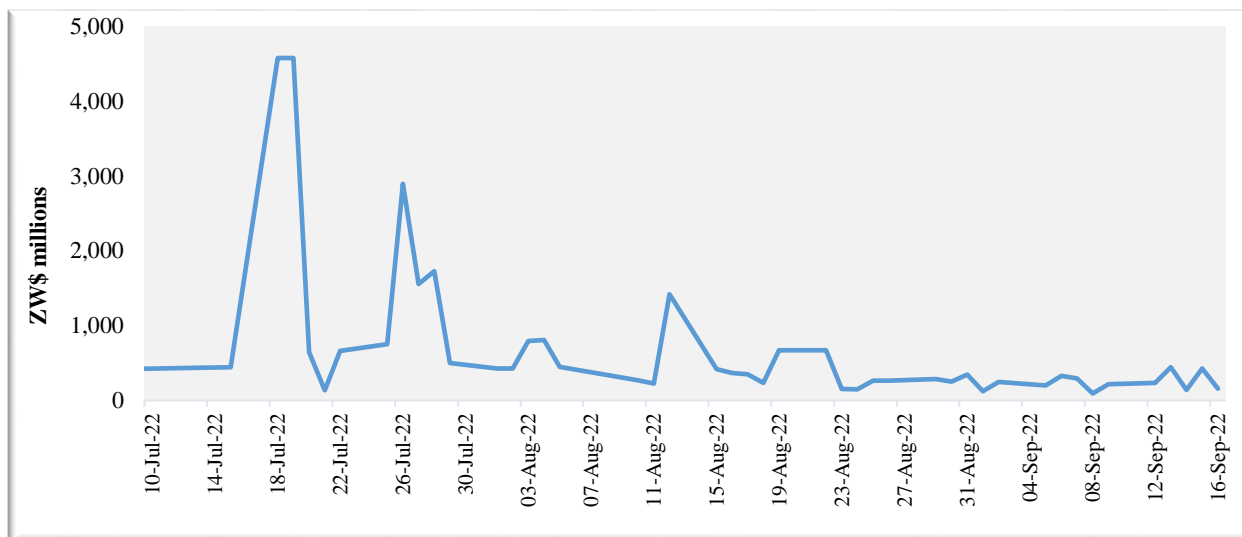
Source: Zimbabwe Stock Exchange, 2022

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

During the week under analysis, the cumulative volume and value of shares traded increased by 15.32% and 24.05% to close at 34.41 million shares and ZW\$1.40 billion, from 29.84 million shares and ZW\$1.13 billion recorded in the preceeding week, respectively. Figure 4 shows the trend in daily market turnover for the period from 10th July 2022 to 16th September 2022.

Figure 4: Daily Market Turnover

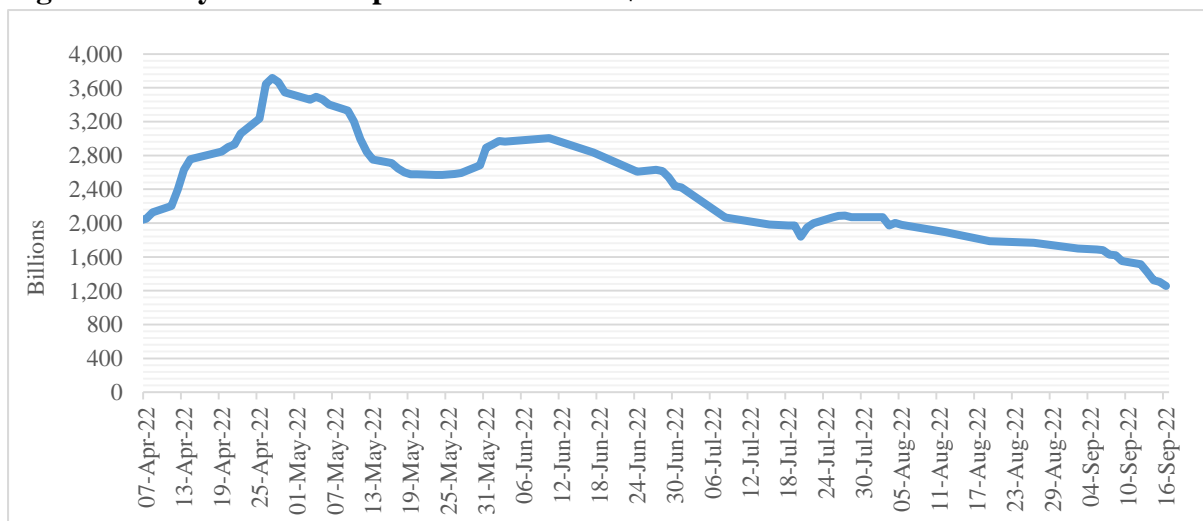


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

The ZSE shed ZW\$295.87 billion, or 19.06% worth of capitalization to close at ZW\$1 256.15 billion, during the week under analysis. Figure 5 shows the evolution of market capitalization for the period from 7th April 2022 to 16th September 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions

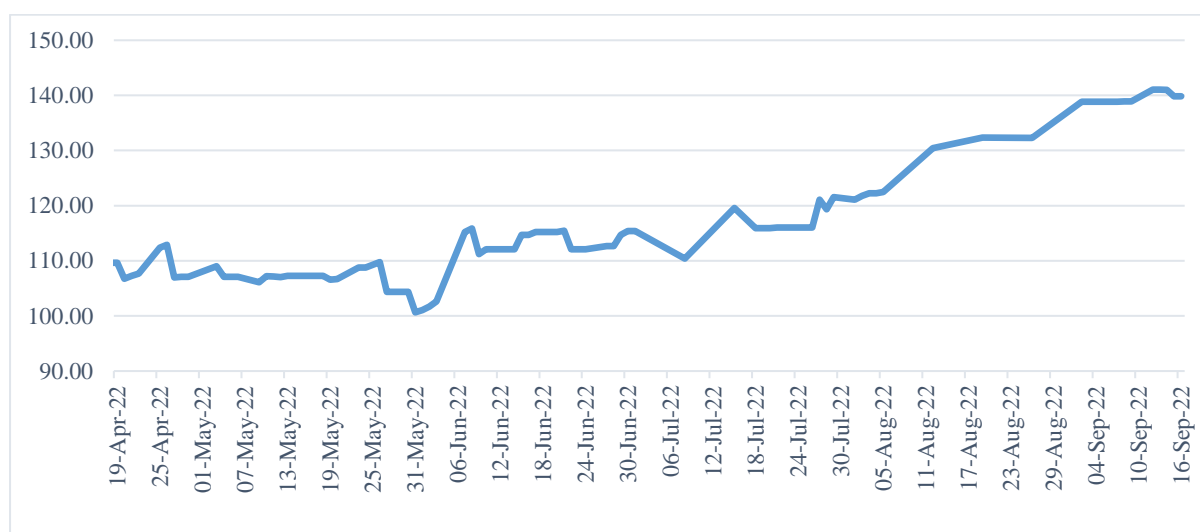


Source: Zimbabwe Stock Exchange, 2022

Victoria Falls Stock Exchange

During the week ending 16th September 2022, the Victoria Falls Stock Exchange (VFEX) traded in a positive trajectory for the third consecutive week. Resultantly, the VFEX All Share index added 0.70% to close at 139.86 points. Trading activity was skewed towards small cap counters, leading to an 11.09% decline in turnover value to US\$0.03 million, despite an increase of 8.43% in the cumulative volume of shares traded. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 19th April 2022 to 16th September 2022.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

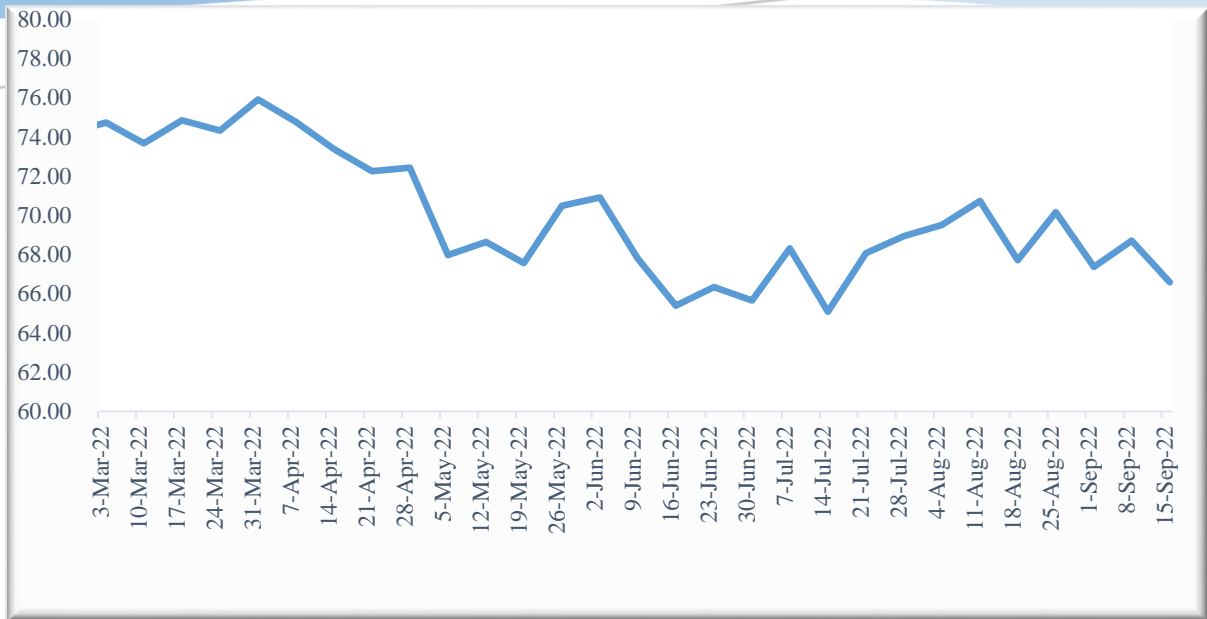
During the week ending 16th September 2022, the Johannesburg Stock Exchange (JSE) All Share Index declined from 68,708.48 points in the previous week to close at 66,584.34 points. JSE market capitalization also declined by 2.07% to close at ZAR19.38 trillion, during the same week.

Table 9: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
16-Sept-22	66,584.34	19.38
% Change	-3.09	-2.07

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			
	26-Aug-22	2-Sept-22	9-Sept-22	16-Sept-22	26-Aug-22	2-Sept-22	9-Sept-22	16-Sept-22
Total Bids (US\$ dollars)	15,757,850.15	13,636,355.46	12,978,108.19	14,251,235.80	3,157,417.84	3,688,792.36	3,128,774.69	2,365,809.80
Amount Allotted (US\$ dollars)	15,127,972.79	12,681,789.09	11,489,204.90	13,429,628.61	2,937,595.15	2,643,432.75	2,659,595.81	2,196,092.29
Highest Rate	580	605	630	655	570	600	615	650
Lowest Bid Rate	485	520	545	570	485	520	545	570
Lowest Bid Rate Allotted	485	520	545	570	485	520	545	570
Weighted Average Rate	521.3451	546.8254	580.1865	604.2580	521.3451	546.8254	580.1865	604.2580
Number of Bids Received	166	144	119	127	429	405	345	266
Number of Bids Rejected	7	3	8	1	14	4	4	7

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			
	26-Aug-22	2-Sept-22	9-Sept-22	16-Sept-22	26-Aug-22	2-Sept-22	9-Sept-22	16-Sept-22
Raw Materials	7,348,034.12	4,799,173.49	5,760,488.91	5,583,303.10	814,120.47	812,525.35	881,516.22	709,780.41
Machinery and Equipment	3,404,481.15	3,800,847.08	2,496,132.5	3,879,715.95	1,007,744.40	814,009.62	766,359.84	547,943.76
Consumables (Incl. Spares, Tyres, Packaging)	1,358,962.41	1,196,777.11	875,799.93	1,012,716.98	302,907.26	345,580.06	294,407.16	237,276.90
Pharmaceuticals and Chemicals	199,333.94	503,678.80	200,092.27	304,550.21	109,980.15	113,816.62	130,203.79	122,190.25
Services (Loans, Dividends and Disinvestments)	1,706,449.92	1,508,324.19	1,368,718.37	1,372,699.56	414,427.66	352,940.17	393,672.24	360,324.06
Retail and Distribution	806,626.96	773,243.03	740,139.81	1,114,217.08	209,214.74	138,840.56	144,137.69	189,439.82
Fuel, Electricity and Gas	-	-	-	-	-	-	10,000	5,000
Paper and Packaging	304,084.29	99,745.39	47,833.11	162,425.73	79,200.47	65,720.37	39,298.87	24,137.09
TOTAL	15,127,972.79	12,681,789.09	11,489,204.90	13,429,628.61	2,937,595.15	2,643,432.75	2,659,595.81	2,196,092.29

Source: Reserve Bank of Zimbabwe, 2022