



Weekly Economic Highlights

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Week Ending
10th February 2023

1. INTEREST RATES

Local Currency (ZWL) Deposit Rates

Minimum deposits rates across all deposit classes softened during the week ending 10th February 2023. During the same week, maximum deposits rates for savings deposits and deposits of 1-month tenor registered increases, while those for deposits of 3-month tenor declined, 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 (%) |
| 13-Jan-23 | 20.35 | 19.78 | 55.15 | 59.61 | 56.00 | 60.94 |
| 20-Jan-23 | 20.35 | 19.78 | 55.15 | 59.61 | 56.00 | 60.94 |
| 27-Jan-23 | 31.30 | 32.09 | 75.88 | 82.06 | 78.47 | 85.03 |
| 3-Feb-23 | 31.30 | 32.09 | 75.88 | 82.06 | 78.47 | 85.03 |
| 10-Feb-23 | 31.18 | 34.00 | 71.29 | 82.17 | 70.03 | 82.44 |

Source: Reserve Bank of Zimbabwe, 2023

Local Currency (ZWL) Lending Rates

Commercial bank minimum and maximum lending rates for both individual and corporate clients registered declines 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 (%) |
| 13-Jan-23 | 92.41 | 130.35 | 112.77 | 242.11 |
| 20-Jan-23 | 92.41 | 130.35 | 112.77 | 242.11 |
| 27-Jan-23 | 90.05 | 128.63 | 116.03 | 205.86 |
| 3-Feb-23 | 90.05 | 128.63 | 116.03 | 205.86 |
| 10-Feb-23 | 74.14 | 115.32 | 106.68 | 184.89 |

Source: Reserve Bank of Zimbabwe, 2023

Foreign Currency (USD) Deposit Rates

Minimum deposits rates for savings deposits, deposits of 1-month and 3-months tenor increased during the week ending 10th February 2023. Maximum deposits rates for savings deposits and deposits of 3-months tenor declined, while those for deposits of 1-month tenor remained unchanged during the week under review, as shown in Table 3.

Table 3: Average Deposit Rates (per annum)

| Date | Savings deposits (%) | | 1- Month deposit's rates (%) | | 3- Month deposit rates (%) | |
|-----------|----------------------|-------------|------------------------------|-------------|----------------------------|-------------|
| | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) |
| 27-Jan-23 | 5.44 | 8.48 | 2.68 | 4.28 | 2.88 | 4.33 |
| 3-Feb-23 | 5.44 | 8.48 | 2.68 | 4.28 | 2.88 | 4.33 |
| 10-Feb-23 | 5.50 | 6.09 | 2.94 | 4.28 | 2.90 | 4.22 |

Source: Reserve Bank of Zimbabwe, 2023

Foreign Currency (USD) Lending Rates

During the week under review, commercial bank minimum lending rates for individual clients declined, while those for corporate clients registered an increase. Maximum lending rates for corporate and individual clients increased by 1.06 and 0.3 percentage points, respectively, during the same week.

Table 4: Lending Rates (per annum)

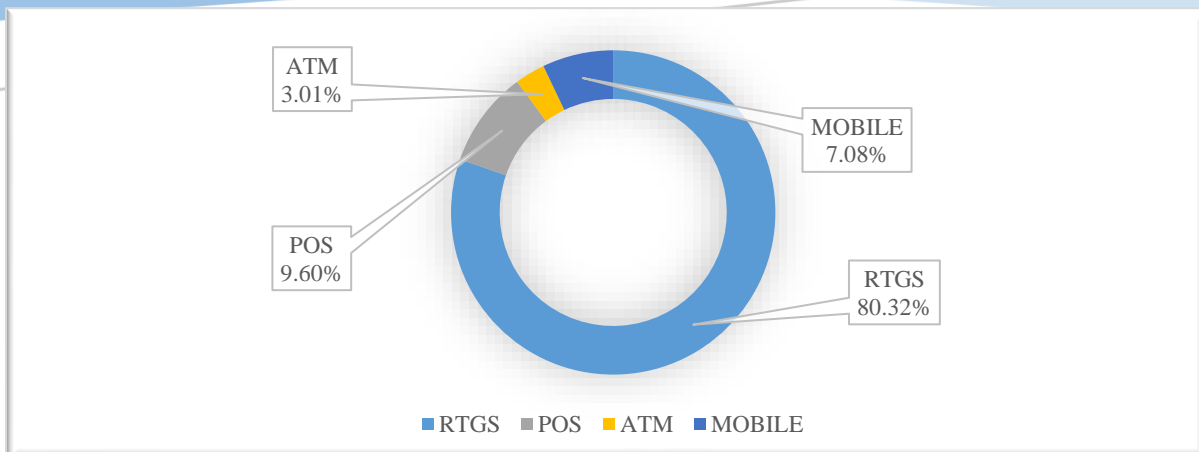
| Date | Individual Clients | | Corporate Clients | |
|-----------|--------------------|-------------|-------------------|-------------|
| | Minimum (%) | Maximum (%) | Minimum (%) | Maximum (%) |
| 27-Jan-23 | 11.35 | 12.86 | 6.60 | 13.52 |
| 3-Feb-23 | 11.35 | 12.86 | 6.60 | 13.52 |
| 10-Feb-23 | 10.98 | 13.16 | 7.31 | 14.58 |

Source: Reserve Bank of Zimbabwe, 2023

2. CLEARING AND SETTLEMENT ACTIVITY

The aggregate value of transactions processed through the National Payment System (NPS) stood at ZW\$648.41 billion, during the week 10th February 2023. This represented an increase of 6.04%, compared to ZW\$611.45 billion reported in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 6.63% to ZW\$520.78 billion, from ZW\$488.40 billion recorded in the preceding week. In proportions, the NPS transaction values were distributed as follows: RTGS, 80.32%, POS, 9.60%; Mobile, 7.08%; and ATM, 3.01%.

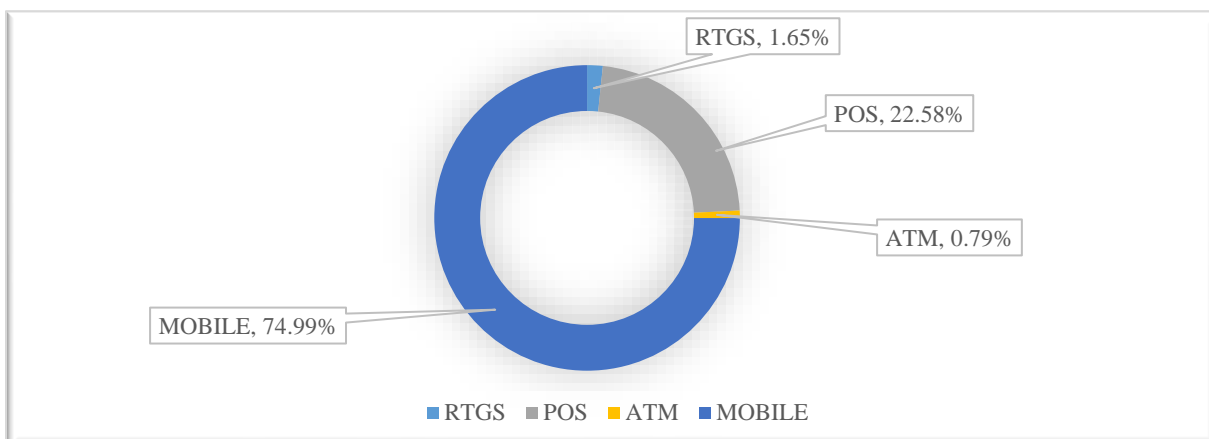
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2023

The volume of NPS transactions increased by 1.75% to 12.39 million, during the week under review, from 12.17 million recorded in the preceding week. Mobile based transactions dominated NPS transaction volumes at 74.99% of the total, followed by POS, 22.58%; RTGS, 1.65%; and ATM, 0.79%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2023

Table 5: National Payment Systems Activity

| PAYMENT STREAM | WEEK ENDING 3 rd February 2023 | WEEK ENDING 10 th February 2023 | % CHANGE FROM LAST WEEK | PROPORTION % |
|--------------------------------|---|--|-------------------------|--------------|
| Values in ZW\$ Millions | | | | |
| RTGS | 488,399.56 | 520,777.28 | 6.63% | 80.32% |
| POS | 66,130.27 | 62,235.05 | -5.89% | 9.60% |
| ATM | 26,574.05 | 19,516.33 | -26.56% | 3.01% |
| MOBILE | 30,344.90 | 45,879.04 | 51.19% | 7.08% |
| TOTAL | 611,448.77 | 648,407.70 | 6.04% | 100% |
| Volumes | | | | |
| RTGS | 251,237 | 204,030 | -18.79% | 1.65% |
| POS | 3,206,525 | 2,796,818 | -12.78% | 22.58% |
| ATM | 128,050 | 97,244 | -24.06% | 0.79% |
| MOBILE | 8,587,541 | 9,288,068 | 8.16% | 74.99% |
| TOTAL | 12,173,353 | 12,386,160 | 1.75% | 100% |

Source: Reserve Bank of Zimbabwe, 2023

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week under review, international commodity prices for gold, platinum, palladium, copper, and nickel retreated, while crude oil prices firmed. Commodity markets were largely influenced by a stronger US dollar, which made greenback denominated commodities more expensive to holders of other currencies. The commodity price developments during the reporting week are shown in Table 6.

Table 6: Metal and Crude Oil Prices for the week ending 10th February 2023

| | Gold | Platinum | Palladium | Copper | Nickel | Crude Oil |
|---|-----------------|-----------------|-----------------|-----------------|------------------|--------------|
| 2023 | US\$/ounce | US\$/ounce | US\$/ounce | US\$/tonne | US\$/tonne | US\$/barrel |
| Weekly Average (30 Jan – 3 Feb 23) | 1,921.13 | 1,008.40 | 1,658.60 | 9,128.90 | 29,357.00 | 83.06 |
| 6-Feb-23 | 1,889.30 | 978.00 | 1,582.50 | 8,891.00 | 27,400.00 | 82.71 |
| 7-Feb-23 | 1,875.30 | 977.00 | 1,640.50 | 8,863.00 | 26,810.00 | 83.72 |
| 8-Feb-23 | 1,876.60 | 981.50 | 1,656.00 | 9,006.00 | 27,250.00 | 85.18 |
| 9-Feb-23 | 1,875.00 | 967.00 | 1,629.50 | 8,953.00 | 27,010.00 | 84.35 |
| 10-Feb-23 | 1,861.90 | 960.50 | 1,581.00 | 8,858.00 | 27,450.00 | 85.58 |
| Weekly Average (6-10 Feb 23) | 1,875.62 | 972.80 | 1,617.90 | 8,914.20 | 27,184.00 | 84.31 |
| Weekly Change (%) | -2.37 | -3.53 | -2.45 | -2.35 | -7.40 | 1.50 |

Source: BBC, KITCO and Bloomberg, 2023

Gold

Gold prices continued on a negative trajectory, falling by 2.37% from US\$1,921.13 per ounce in the previous week to US\$1,875.62 per ounce, during the week ending 10th February 2023. The price of the yellow metal retreated on account of a stronger US dollar and as investors remained wary of future interest rate hikes by the U.S. Federal Reserve to tame high inflation.

Platinum

Platinum prices remained sluggish, shedding 3.53% to close the week under review at US\$972.80 per ounce, from US\$1,008.40 recorded in the previous week. Prices continued to be weighed down by weak industrial demand, coupled with gloomy investment prospects as investors moved to interest bearing assets and the US dollar.

Palladium

The negative trend in palladium prices persisted as the US dollar strengthened and the industry which relies heavily on palladium for the manufacturing of electronics weakened. Prices retreated by 2.45%, from US\$1,658.60 per ounce in the prior week to US\$1,617.90 per ounce, during the week under review.

Copper

During the week ending 10th February 2023, copper prices decreased by 2.35%, from US\$9,128.90 per tonne recorded in the previous week to US\$8,914.20 per tonne. Prices were weighed down by growing uncertainty over economic recovery in China, the largest user of industrial metals.

Nickel

Nickel prices were subdued owing to a stronger US dollar, increasing stockpiles as well as slackening demand in China. Resultantly, prices retreated by 7.4%, from US\$29,357.00 per tonne in the week ending 3rd February 2023 to US\$27,184.00 per tonne, during the week under review.

Brent Crude Oil

Brent crude oil prices rallied during the week ending 10th February 2023, spurred by concerns over supply after Russia announced plans to cut output in response to Western sanctions against Russian energy. Reflecting this development, weekly average crude oil prices increased by 1.5%, from US\$83.06 per barrel in the previous week to US\$84.31 per barrel, during the week ending 10th February 2023.

4. EXCHANGE RATE DEVELOPMENTS

Interbank Market

On the interbank market, the Zimbabwe dollar (ZWS) depreciated by 3.5% against the US dollar, from ZWS798.7011 per US\$1 in the previous week to ZWS826.9948 per US\$1, during the week under review, as shown in Table 7.

Table 7: Interbank Market Exchange Rates¹

| | USD | ZAR | GBP | BWP | EURO |
|---|-----------------|----------------|-----------------|----------------|-----------------|
| 2023 | | | | | |
| Weekly Average (30 Jan-3 Feb 23) | 798.7011 | 46.4135 | 985.0623 | 62.2749 | 870.6324 |
| 6-Feb-23 | 812.1532 | 46.6200 | 979.9131 | 63.8855 | 876.8061 |
| 7-Feb-23 | 817.0563 | 46.4037 | 984.3500 | 62.8403 | 877.3608 |
| 8-Feb-23 | 831.8147 | 47.3934 | 1002.1301 | 63.9776 | 892.4595 |
| 9-Feb-23 | 835.0978 | 47.1698 | 1009.4721 | 64.1442 | 896.3163 |
| 10-Feb-23 | 838.8520 | 47.1698 | 1014.6431 | 64.5621 | 899.2549 |
| Weekly Average (6-10 Feb 23) | 826.9948 | 46.9513 | 998.1016 | 63.8819 | 888.4395 |
| Appr(-)/Depr(+)(%) of the ZWL | <i>3.5</i> | <i>1.2</i> | <i>1.3</i> | <i>2.6</i> | <i>2.0</i> |

Source: Reserve Bank of Zimbabwe, 2023

5. EQUITY MARKETS

Zimbabwe Stock Exchange

The week ending 10th February 2023 saw the Zimbabwe Stock Exchange (ZSE) exhibit bullish sentiments for the third consecutive week. As a result, the ZSE All Share index rose by 20.83% to close at 29 944.34 points. The Top 10, Top 15, Small and Medium indices gained by 25.38%, 24.24%, 9.64% and 2.73% to close at 19 085.82 points, 21 136.88 points, 55 596.86 points and 518 724.23 points, respectively.

The increase in the mainstream index was a result of share price gains for Ecocash Holdings Zimbabwe Limited (51.52%), Econet Wireless Zimbabwe Limited (50.14%), Africa Sun Limited (38.01%), Delta Corporation Limited (36.17%) and Nampak Zimbabwe Limited (32.86%). Partially offsetting the gains were losses in share prices of Mashonaland Holdings Limited (19.44%), Rainbow Tourism Group Limited (15.00%), Willdale Limited (10.77%), Ariston Holdings Limited (9.35%) and General Beltings Holdings Limited (5.85%). The resources index² added 14.16% to close at 29 116.96 points, during the week under review.

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

² Resource Index – Comprise RioZim Limited Share Price

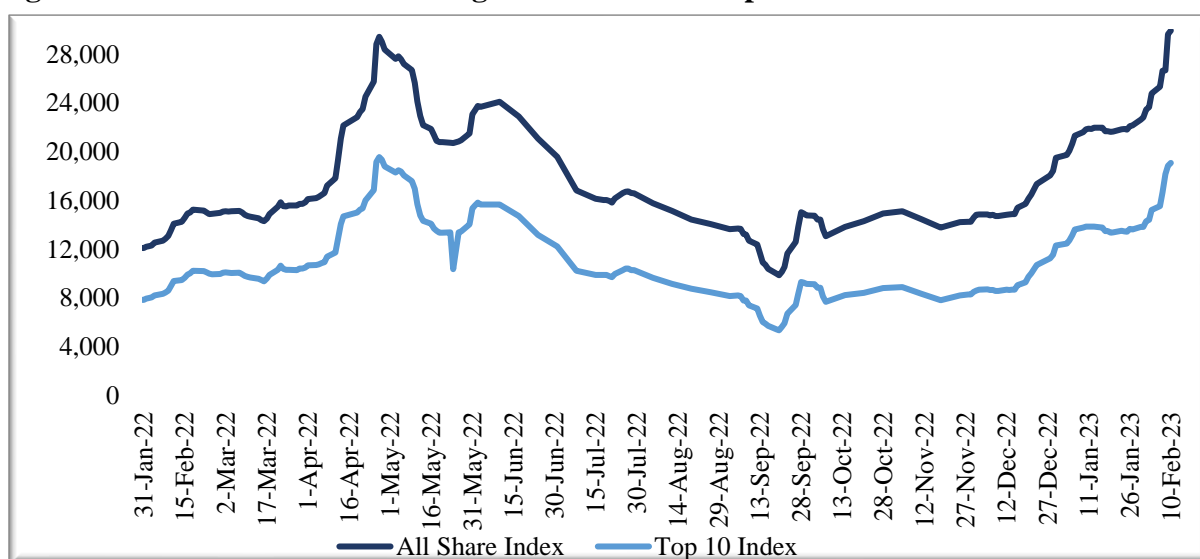
Table 8: Zimbabwe Stock Exchange Statistics³

| | 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) |
|------------------|------------------------|------------------------------------|----------------------------------|----------------------------------|---------------------------------|-----------------------|---|-------------------------------|----------------------------|
| 6-Jan-23 | 21,303.44 | 13,619.02 | 14,880.57 | 39,041.60 | 454,198.51 | 25,466.86 | 2,250.89 | 2,194.26 | 25.55 |
| 13-Jan-23 | 21,981.41 | 13,860.17 | 15,293.15 | 41,929.97 | 457,148.25 | 25,496.86 | 2,356.79 | 2,269.90 | 24.44 |
| 20-Jan-23 | 21,665.00 | 13,349.26 | 14,851.04 | 43,623.29 | 469,419.34 | 25,496.86 | 2,341.88 | 3,088.23 | 18.99 |
| 27-Jan-23 | 22,142.52 | 13,612.50 | 15,166.91 | 45,157.58 | 474,766.97 | 25,496.86 | 2,392.19 | 3,308.22 | 24.51 |
| 3-Feb-23 | 24,782.89 | 15,222.34 | 17,012.45 | 50,707.50 | 504,953.31 | 25,505.95 | 2,673.14 | 5,166.00 | 69.29 |
| 10-Feb-23 | 29,944.34 | 19,085.82 | 21,136.88 | 55,596.86 | 518,724.23 | 29,116.96 | 3,226.91 | 9,865.72 | 56.27 |
| % Change | 20.83 | 25.38 | 24.24 | 9.64 | 2.73 | 14.16 | 20.72 | 90.97 | -18.79 |

Source: Zimbabwe Stock Exchange (ZSE), 2023

Figure 3 shows the trend in daily market turnover for the period from 31st January 2022 to 10th February 2023.

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



Source: Zimbabwe Stock Exchange, 2023

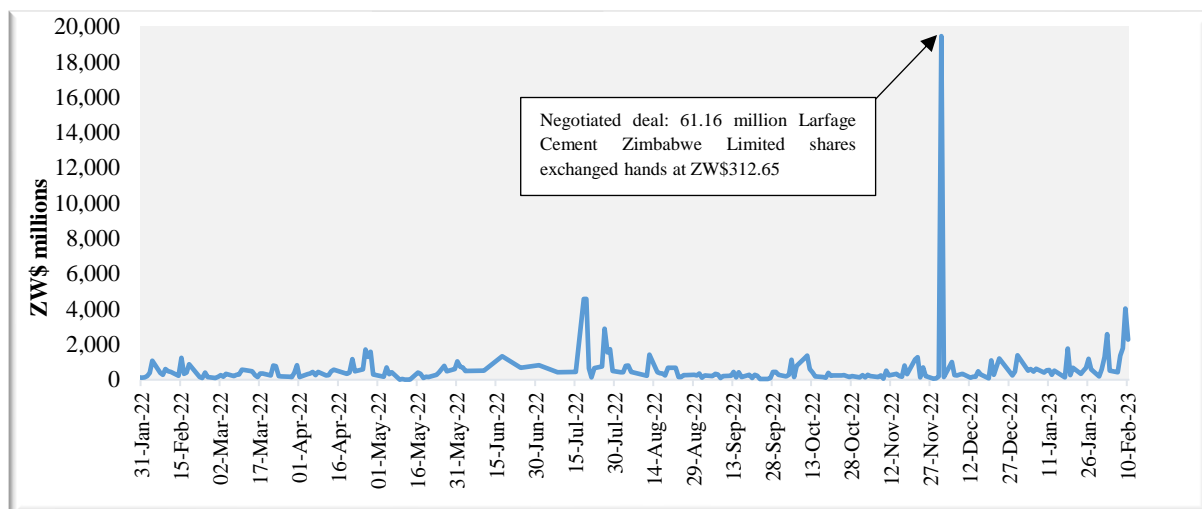
Market Turnover and Volume

During the week ending 10th February 2023, the cumulative volume of shares traded on the ZSE declined by 18.79% to 56.27 million, from to 69.29 million recorded in the prior week. However, the turnover value of shares traded increased by 90.97% to ZW\$9.87 billion, as trading activity

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.

was concentrated in selected heavy-weight counters. Figure 4 shows the trend in daily market turnover for the period from 31st January 2022 to 10th February 2023.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2023

Market Capitalization

The local bourse added ZW\$553.77 billion, or 20.72% worth of capitalization to close at ZW\$3,226.91 billion, during the week under review. Figure 5 shows the evolution of ZSE market capitalization for the period from 31st January 2022 to 10th February 2023.

Figure 5: Daily Market Capitalization in ZW\$ billions



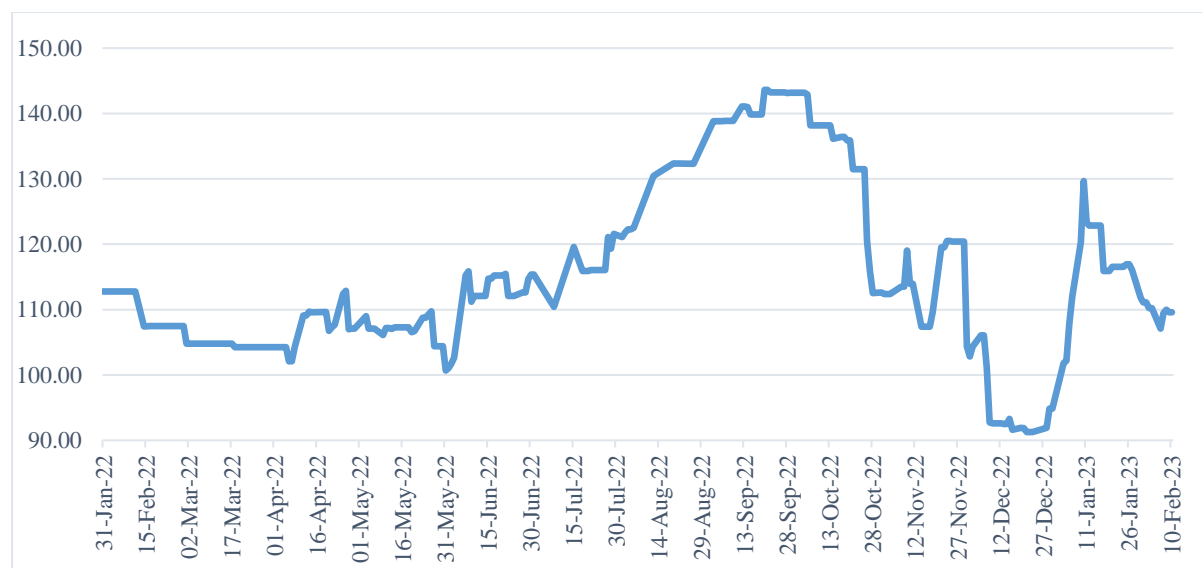
Source: Zimbabwe Stock Exchange, 2023

Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange (VFEX) traded on a negative trajectory for the fourth consecutive week. Resultantly, the VFEX All Share index declined by 0.60% to close at 109.57

points. The cumulative volume of shares traded on the VFEX decreased by 49.39% to 0.08 million, during the week ending 10th February 2023. Concomitantly, the value of shares traded declined by 16.08% to USD0.04 million, during the same week. VFEX market capitalization stood at US\$0.62 billion, a decline of 0.60% or US\$0.01 billion, from US\$0.63 billion recorded in the previous week. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 31st January 2022 to 10th February 2023.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2023

Johannesburg Stock Exchange (JSE) Developments

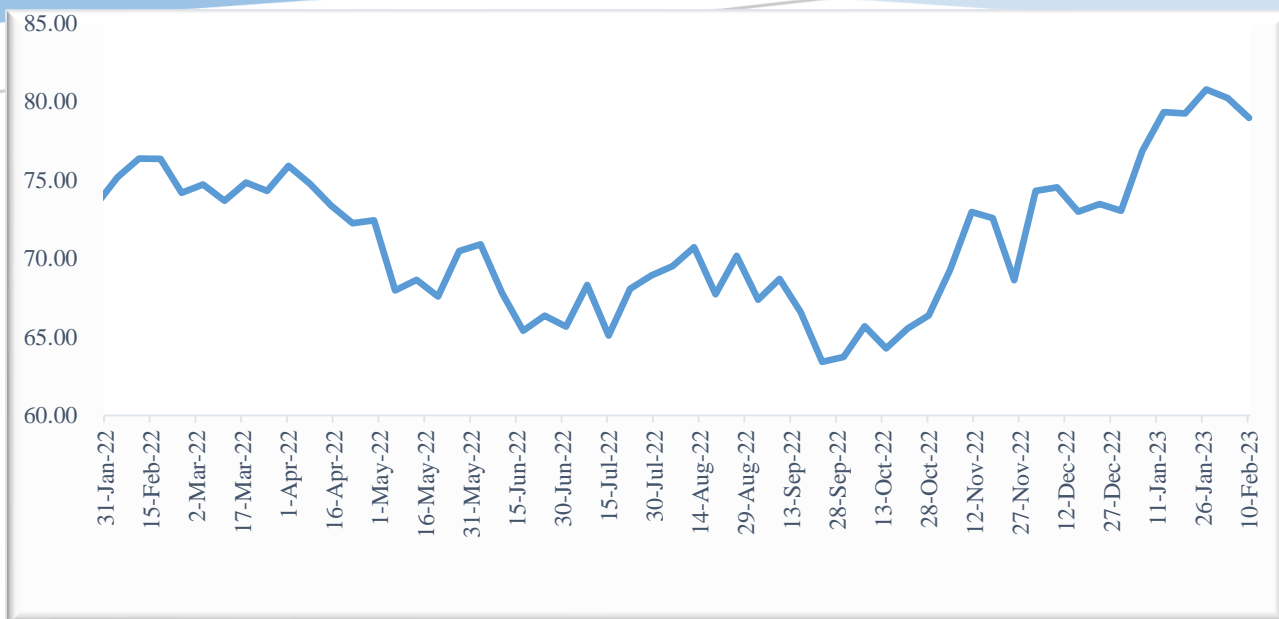
The Johannesburg Stock Exchange (JSE) All Share Index declined from 80,240.92 points in the previous week to close at 78,985.35 points, during the week ending 10th February 2023. JSE market capitalization also decreased by 0.91% to ZAR22.87 trillion, during the same week.

Table 9: Johannesburg Stock Exchange (JSE) Statistics

| Period | All Share Index (points) | Market Capitalization (ZAR trillions) |
|------------------|-----------------------------|--|
| 6-Jan-23 | 76,858.94 | 22.30 |
| 13-Jan-23 | 79,333.72 | 22.88 |
| 20-Jan-23 | 79,269.77 | 23.02 |
| 27-Jan-23 | 80,791.36 | 23.28 |
| 3-Feb-23 | 80,240.92 | 23.08 |
| 10-Feb-23 | 78,985.35 | 22.87 |
| % Change | -1.56 | -0.91 |

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2023

Figure 7: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2023>

RESERVE BANK OF ZIMBABWE

APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX⁴ AND SMEFX⁵

| | MAINFX | | | | SMEFX | | | |
|---------------------------------------|---------------|---------------|---------------|---------------|--------------|--------------|--------------|--------------|
| | 20-Jan-23 | 27-Jan-23 | 3-Feb-23 | 10-Feb-23 | 20-Jan-23 | 27-Jan-23 | 3-Feb-23 | 10-Feb-23 |
| Total Bids (US\$ dollars) | 14,856,242.12 | 21,082,463.27 | 23,950,602.74 | 20,220,645.23 | 2,316,967.40 | 2,846,970.79 | 2,898,898.05 | 2,735,597.08 |
| Amount Allotted (US\$ dollars) | 12,722,908.28 | 12,348,070.16 | 16,458,668.21 | 16,897,319.04 | 1,748,201.30 | 1,515,043.86 | 1,837,006.31 | 2,269,815.79 |
| Highest Rate | 765 | 825 | 860 | 885 | 790 | 790 | 860 | 890 |
| Lowest Bid Rate | 711 | 750 | 800 | 830 | 711 | 750 | 800 | 830 |
| Lowest Bid Rate Allotted | 711 | 750 | 800 | 830 | 711 | 750 | 800 | 830 |
| Weighted Average Rate | 732.0036 | 779.3101 | 801.6023 | 831.8147 | 732.0036 | 779.3101 | 801.6023 | 831.8147 |
| Number of Bids Received | 144 | 190 | 215 | 223 | 219 | 267 | 289 | 305 |
| Number of Bids Rejected | 5 | 8 | 4 | 8 | 3 | 4 | 7 | 4 |

Source: Reserve Bank of Zimbabwe, 2023

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 | | | |
|---|----------------------|----------------------|----------------------|----------------------|---------------------|---------------------|---------------------|---------------------|
| | 20-Jan-23 | 27-Jan-23 | 3-Feb-23 | 10-Feb-23 | 20-Jan-23 | 27-Jan-23 | 3-Feb-23 | 10-Feb-23 |
| Raw Materials | 7,938,975.10 | 6,885,424.64 | 9,031,988.33 | 9,293,740.16 | 564,441.68 | 502,062.29 | 539,931.64 | 706,607.35 |
| Machinery and Equipment | 942,396.26 | 1,181,848.16 | 2,249,805.58 | 1,910,567.54 | 492,153.71 | 318,370.58 | 531,593.60 | 698,196.71 |
| Consumables (Incl. Spares, Tyres, Packaging) | 1,067,946.54 | 627,949.67 | 814,010.56 | 967,339.85 | 201,458.74 | 196,015.31 | 280,482.82 | 293,632.88 |
| Pharmaceuticals and Chemicals | 245,892.58 | 458,282.76 | 508,381.27 | 457,478.57 | 60,389.18 | 94,549.87 | 32,926.65 | 82,140.37 |
| Services (Loans, Dividends and Disinvestments) | 1,076,085.87 | 1,435,533.87 | 1,431,344.34 | 1,316,528.01 | 217,663.38 | 223,614.09 | 200,888.67 | 196,237.43 |
| Retail and Distribution | 1,019,584.66 | 1,182,651.25 | 1,626,672.39 | 2,336,520.86 | 155,338.54 | 126,391.73 | 159,891.49 | 227,561.66 |
| Fuel, Electricity and Gas | - | - | - | - | - | - | - | - |
| Paper and Packaging | 432,027.27 | 576,379.81 | 796,465.74 | 615,144.05 | 56,756.07 | 54,039.99 | 91,291.44 | 65,439.39 |
| TOTAL | 12,722,908.28 | 12,348,070.16 | 16,458,668.21 | 16,897,319.04 | 1,748,201.30 | 1,515,043.86 | 1,837,006.31 | 2,269,815.79 |

Source: Reserve Bank of Zimbabwe, 2023