



Weekly Economic Highlights

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Week Ending
16th April 2021

1. INTEREST RATES

Deposit Rates

During the period ending 16th April 2021, minimum and maximum deposit rates for all classes of deposits were unchanged at the preceding week levels, 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 (%)
19-Mar-21	1.57	4.04	5.15	10.66	6.95	11.65
26-Mar-21	1.57	4.04	5.19	10.83	6.79	11.80
2-Apr-21	1.57	4.04	5.19	10.83	6.79	11.80
9-Apr-21	1.57	4.04	5.03	11.19	6.84	11.87
16-Apr-21	1.57	4.04	5.03	11.09	6.84	11.87

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Minimum and maximum commercial bank lending rates for individual and commercial clients remained unchanged, during the week under review, as shown in Table 2.

Table 2: Lending Rates (per annum)

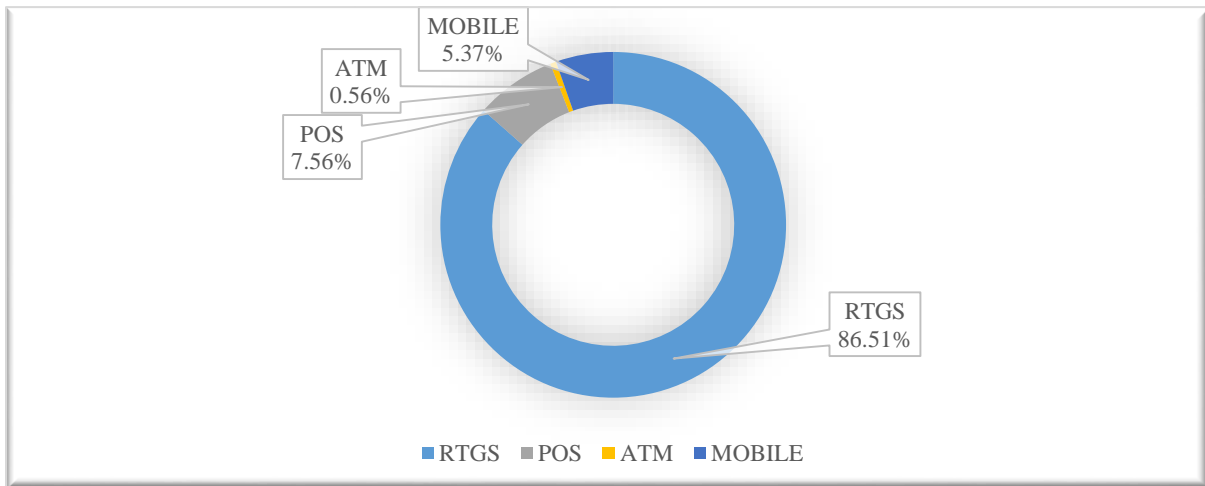
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
19-Mar-21	34.54	55.70	22.38	59.26
26-Mar-21	35.83	55.77	22.61	59.03
2-April-21	35.83	55.77	22.61	59.03
9-Apr-21	35.34	57.28	22.32	59.39
16-Apr-21	35.34	57.28	22.32	59.39

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) stood at ZW\$88.43 billion during the week under review, an increase of 19.11% from ZW\$72.25 billion in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 32.26%, from ZW\$57.84 billion in the previous week to close at ZW\$76.50 billion, during the week of analysis. The NPS transaction values were distributed as follows: RTGS, 86.51%; POS, 7.56%; Mobile, 5.37% and ATM, 0.56%.

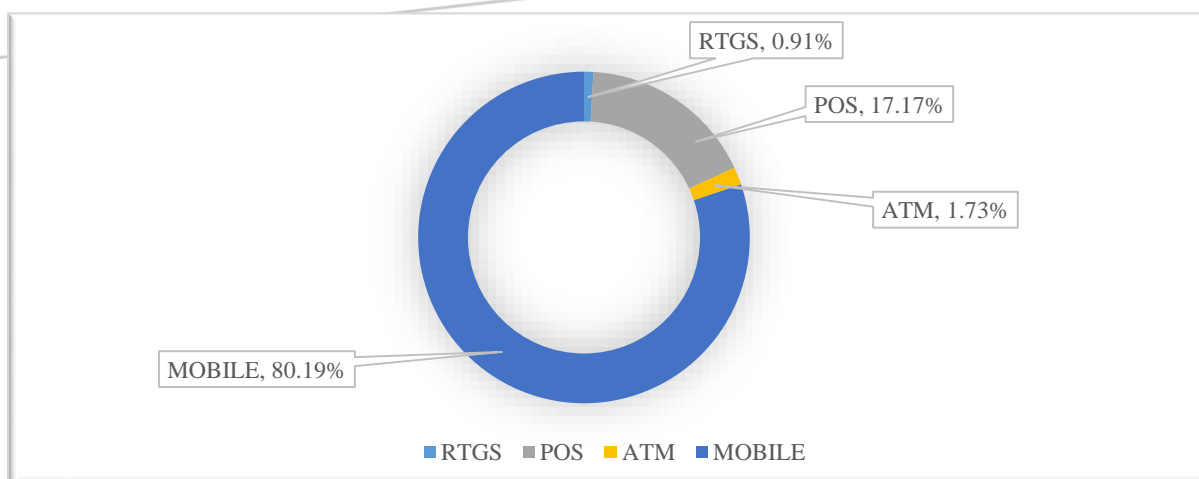
Figure 1: Composition of NPS Transactions in Value Terms



88Source: Reserve Bank of Zimbabwe, 2021

The week under analysis saw NPS transaction volumes register a decline of 15.57% to close at 21.10 million transactions, from 24.99 million transactions recorded in the previous week. NPS transaction volumes were constituted as follows: Mobile, 80.19%; POS, 17.17%; ATM, 1.73% and RTGS, 0.91%.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2021

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 9 th APRIL 2021	WEEK ENDING 16 th APRIL 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	57,844.46	76,503.35	32.26%	86.51%
POS	8,801.44	6,687.80	-24.01%	7.56%
ATM	704.96	498.12	-29.34%	0.56%
MOBILE	6,898.10	4,745.51	-31.21%	5.37%
TOTAL	74,248.97	88,434.78	19.11%	100%
Volumes				
RTGS	195,836	192,692	-1.61%	0.91%
POS	4,853,700	3,622,230	-25.37%	17.17%
ATM	387,567	365,446	-5.71%	1.73%
MOBILE	19,555,604	16,919,899	-13.48%	80.19%
TOTAL	24,992,707	21,100,267	-15.57%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 16th April 2021, prices of gold, copper and crude oil firmed, while those for platinum and nickel retreated. Commodity markets were largely influenced by a weaker US dollar, amid unexpectedly strong economic data in Europe. Table 4 shows developments in commodity prices, during the period under review.

Table 4: Metal and Crude Oil Prices for the week-ending 16th April 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (6 – 9 Apr)	1,743.64	1,221.75	8,990.13	16,652.00	63.00
12-April	1,737.20	1,183.50	8,901.00	16,220.00	63.59
13-April	1,738.03	1,169.00	8,904.00	16,173.00	64.10
14-April	1,739.43	1,180.00	9,011.00	16,205.00	66.50
15-April	1,752.60	1,190.00	9,187.50	16,049.00	66.95
16-April	1,770.45	1,197.50	9,336.00	16,411.00	66.72
Weekly Average (12 – 16 April)	1,747.54	1,184.00	9,067.90	16,211.60	65.57
Weekly Change (%)	<i>0.2</i>	<i>-3.1</i>	<i>0.9</i>	<i>-2.6</i>	<i>4.1</i>

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold remained buoyant during the week, as a weaker US dollar and lower U.S. Treasury yields lifted the yellow metal's appeal even as the appetite for riskier assets remained strong. The US dollar was weighed down by data which showed a sharp rise in U.S. inflation, a development that also bolstered the precious metal's appeal as a hedge against inflation. Resultantly, the yellow metal's weekly average price rose by 0.2%, from a weekly average of US\$1,743.64 per ounce in the previous week to US\$1,747.54 per ounce, during the week under review.

Platinum

Platinum prices declined by 3.1%, from US\$1,221.75 per ounce in the previous week to US\$1,184.00 per ounce, during the week ending 16th April 2021. Prices fell as the political dispute between the United States and China remained elevated. The market feared the emergence of tit-for-tat trade tariffs between the globe's two largest economies. The decline was, however, moderated by renewed efforts around the world to reduce carbon emissions, thereby boosting demand prospects for the metals in the car industry.

Copper

Copper prices marginally strengthened on account of a softer US dollar, which made dollar priced metals cheaper for holders of other currencies. Rising inventories in China, the top consumer, however, stoked demand worries and offset support from a weaker dollar. Against this backdrop, copper prices closed the week at a weekly average of US\$9,067.90 per tonne, a 0.9% increase from US\$8,990.13 per tonne in the previous week.

Nickel

Nickel prices were down by 2.6%, from a weekly average of US\$16,652.00 per ounce in the prior week to US\$16,211.60 per tonne, during the week ending 16th April 2021. Prices were weighed down by signs of a build-up in refined nickel inventories in China, the world's largest consumer of the base metal.

Brent Crude Oil

Notwithstanding the decision of the Organisation of Petroleum Exporting Countries (OPEC) and other producers to steadily increase production, crude oil prices have maintained a general upward trend. The trajectory has been largely supported by growing optimism for growth in demand, as the global economy recovers. In this regard, crude oil prices rebounded by 4.1%, from a weekly average of US\$63.00 per barrel in the prior week to US\$65.57 per barrel, during the week under analysis.

4. EXCHANGE RATE DEVELOPMENTS

On the weekly foreign exchange auction market, the Zimbabwe dollar (ZWL) traded steadily against the greenback. The local unit depreciated by a marginal 0.1% against the US dollar, from an average of ZWL\$84.3978 per US\$1 in the previous week, to ZWL\$84.4484 per US\$1, during the in the week ending 16th April 2021. Developments in selected exchange rates are shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (6 - 9 Apr)	84.3978	5.8034	116.518	7.7028	100.115
12-April	84.3970	5.7637	115.4637	7.7061	100.3270
13-April	84.3970	5.7837	115.8982	7.7101	100.3567
14-April	84.4827	5.8326	116.3285	7.7347	101.0500
15-April	84.4827	5.8326	116.4045	7.7094	101.1554
16-April	84.4827	5.9542	116.3074	7.8276	101.1047
Weekly Average (12 - 16 April)	84.4484	5.8333	116.0804	7.7376	100.7988
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.1</i>	<i>0.5</i>	<i>-0.4</i>	<i>0.5</i>	<i>0.7</i>

Source: Reserve Bank of Zimbabwe, 2021

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

5. EQUITY MARKETS

During the week ending 16th April 2021, the Zimbabwe Stock Exchange (ZSE) exhibited bearish sentiments for the second consecutive week, resulting in all the major indices registering losses. The All Share, Top 10 and Top 15 indices shed 1.03%, 2.32%, and 1.19% to close at 4 226.47 points, 2 421.68 points and 2 757.75 points, respectively.

The decline in the market indices was underpinned by share price declines for Medtech Holdings Limited (12.67%), Hippo Valley Estates Limited (12.59%), Axia Corporation Limited (12.17%), British American Tobacco Zimbabwe (10.51%) and African Sun Limited (8.99%).

The declines in market indices were, however, partially offset by share price gains for Nampak Zimbabwe Limited (24.36%), First Mutual Holdings Limited (21.12%), CBZ Holdings Limited (14.66%), StarAfrica Corporation Limited (11.20%) and Meikles Limited (9.59%).

The mining index, also fell by 5.21% to close at 5 296.93 points, during the period under analysis. This was on account of share price losses of 6.18% and 2.86% for Bindura Nickel Corporation Limited and RioZim Limited, respectively.

Table 6: Zimbabwe Stock Exchange Statistics²

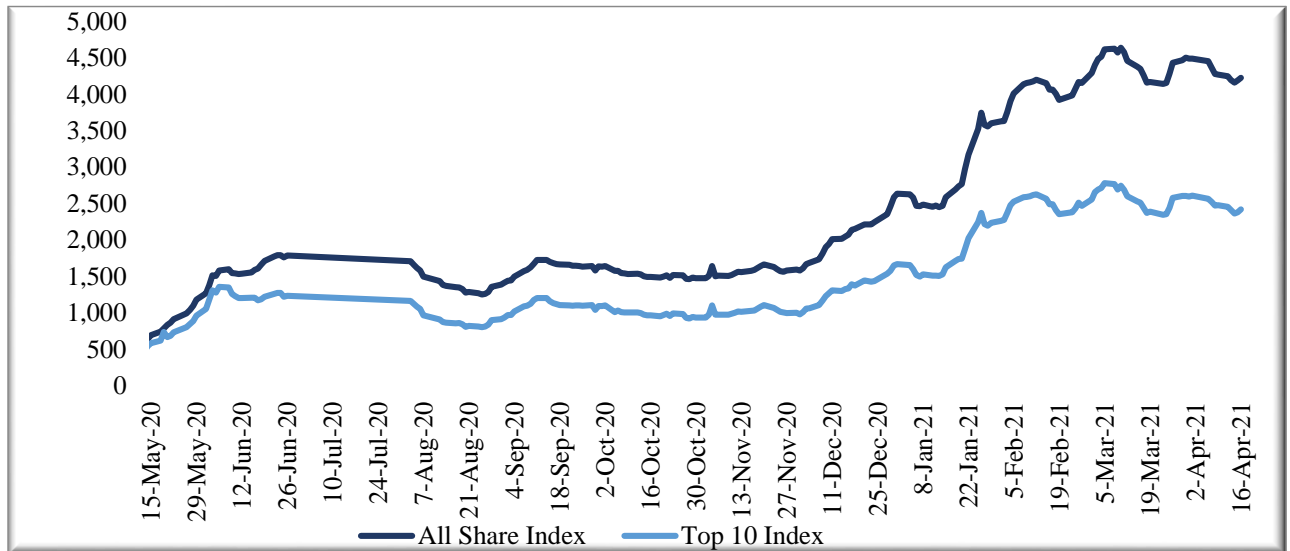
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
12-March-21	4 461.41	2 600.17	2 995.51	10 576.56	42 963.35	5 798.04	538.68	2 993.15	81.93
19-March-21	4 168.14	2 391.23	2 762.25	10 082.42	44 875.78	5 984.98	502.30	331.53	35.33
26- March-21	4 432.50	2 580.33	2 949.65	10 487.48	47 327.53	5 532.09	521.69	463.29	27.89
1-April-21	4 488.78	2 610.46	2 977.97	10 640.47	47 749.22	5 317.90	530.80	322.54	30.59
9-April-21	4 270.34	2 479.11	2 790.88	10 117.07	47 343.47	5 587.95	498.88	581.52	56.84
16-April-21	4 226.47	2 421.68	2 757.75	10 225.21	46 792.22	5 296.93	493.10	679.26	36.22
% Change	-1.03	-2.32	-1.19	1.07	-1.16	-5.21	-1.16	16.81	-36.28

Source: Zimbabwe Stock Exchange (ZSE), 2021

² 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 1 shows developments on the ZSE's All Share, Top 10 and mining indices from the period 15th 2020 to the 16th April 2021.

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

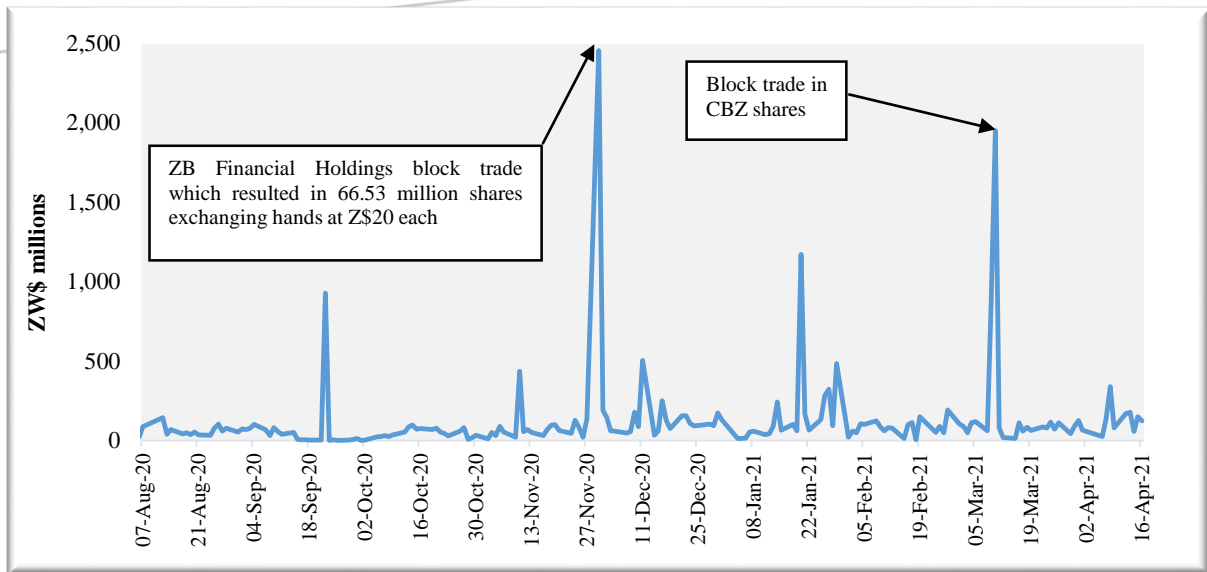


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

During the period under analysis, trading activity on the ZSE was concentrated in selected wealth preserving counters. As a result, the cumulative value of shares traded increased by 16.81% to ZW\$679.26 million, despite a 36.27% decline in volume of shares traded to close at 36.22 million shares. Figure 2 shows the trend in daily market turnover for the period from 7th Aug 2020 to 16th April 2021.

Figure 4: Daily Market Turnover

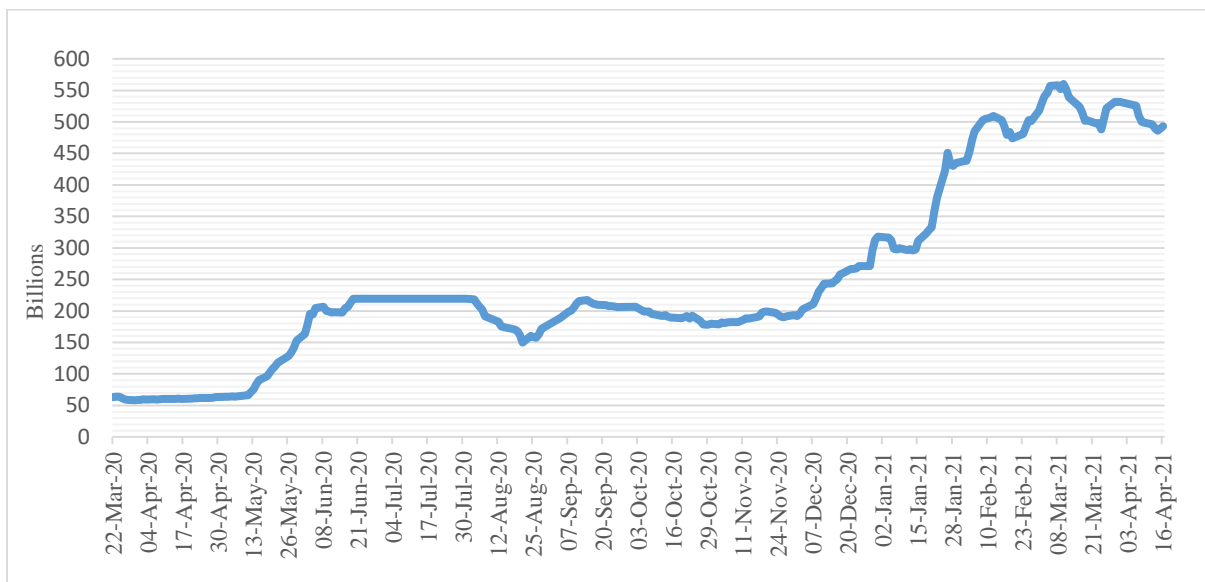


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

As a consequence of negative trading on the ZSE during the week under review, the local bourse lost ZW\$5.78 billion, or 1.16% worth of market capitalisation to close at ZW\$493.10 billion, compared to ZW\$498.88 billion recorded in the previous week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

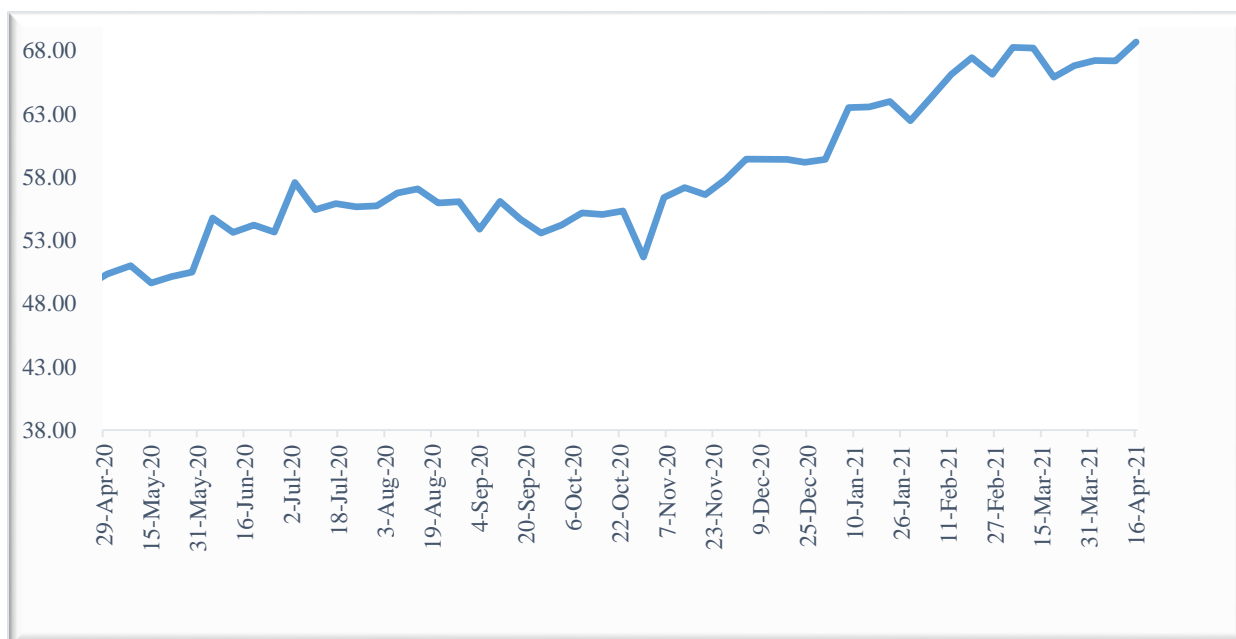
During the week ending 16th April 2021, the Johannesburg Stock Exchange (JSE) All share index registered a 2.24% increase to close at 68.698.78 points. In tandem, JSE market capitalization also increased by 1.50% close at ZAR19.63 trillion during same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
12-March-21	68,209.86	19.47
19-March-21	65,911.27	19.09
26-March-21	66,833.99	19.35
2-April-21	67,236.31	19.41
9-April-21	67,191.27	19.34
16-April-21	68,698.78	19.63
% Change	2.24	1.50

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

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2021>

RESERVE BANK OF ZIMBABWE

APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	23-Mar-21	30-Mar-21	9-Apr-21	16-Apr-21	23-Mar-21	30-Mar-21	9-Apr-21	16-Apr-21
Total Bids (US\$ dollars)	32,481,729.79	32,185,461.06	23,191,023.66	29,174,807.16	3,076,458.88	3,583,457.16	2,059,745.29	3,749,275.87
Amount Allotted (US\$ dollars)	32,481,729.79	32,185,461.06	23,191,023.66	29,174,807.16	3,076,458.88	3,583,457.16	2,059,745.29	3,749,275.87
Highest Rate	87	87.5	87	87	87	87.5	87.5	87.5
Lowest Rate	82	82	82	82	82	82	82	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	84.1197	84.4001	84.3970	84.4827	84.1197	84.4001	84.3970	84.4827
Number of Bids Received	333	344	226	316	298	300	171	298
Number of Bids Rejected	49	68	36	49	75	47	27	41

Source: Reserve Bank of Zimbabwe, 2021

³ Main Foreign Currency Auction

⁴ Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	23-Mar-21	30-Mar-21	9-Apr-21	16-Apr-21	23-Mar-21	30-Mar-21	9-Apr-21	16-Apr-21
Raw Materials	12,858,202.23	15,506,292.00	11,049,489.74	13,631,643.45	647,271.01	863,671.91	532,813.59	1,045,035.55
Machinery and Equipment	7,552,382.07	5,554,725.50	4,671,962.75	5,573,039.47	753,623.16	727,234.26	387,153.98	709,343.36
Consumables (Incl. Spares, Tyres, Packaging)	2,800,516.37	2,530,389.92	1,681,657.81	1,464,270.32	596,217.67	765,857.48	507,803.04	962,300.09
Pharmaceuticals and Chemicals	2,458,057.02	2,034,427.64	1,082,138.71	1,908,556.73	248,116.41	381,707.66	133,365.58	163,698.61
Services (Loans, Dividends and Disinvestments)	1,778,752.93	2,096,811.56	1,752,384.92	2,410,695.77	223,842.94	342,653.71	162,158.26	223,047.33
Retail and Distribution	1,991,575.08	1,867,442.03	1,423,411.02	2,319,489.46	256,744.48	282,478.40	156,723.84	366,024.43
Fuel, Electricity and Gas	2,698,269.73	2,139,094.89	1,258,426.38	1,747,149.46	274,677.93	134,905.24	119,937.00	176,263.34
Paper and Packaging	343,974.36	456,277.52	271,552.33	119,962.50	75,965.28	84,948.50	59,790.00	103,563.16
TOTAL	32,481,729.79	32,185,461.06	23,191,023.66	29,174,807.16	3,076,458.88	3,583,457.16	2,059,745.29	3,749,275.87

Source: Reserve Bank of Zimbabwe, 2021