



Weekly Economic Highlights

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Week Ending
19th February 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates for all classes of deposits remained at previous week levels, during the week ending 19th February 2021, 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 (%)
22-Jan-21	1.68	4.69	5.08	9.55	6.66	9.46
29-Jan-21	1.57	4.47	5.11	10.27	6.26	11.15
5-Feb-21	1.57	4.47	5.11	10.27	6.26	11.15
12-Feb-21	1.57	4.24	5.00	10.66	6.08	11.43
19-Feb-21	1.57	4.24	5.00	10.66	6.08	11.43

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

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

Table 2: Lending Rates (per annum)

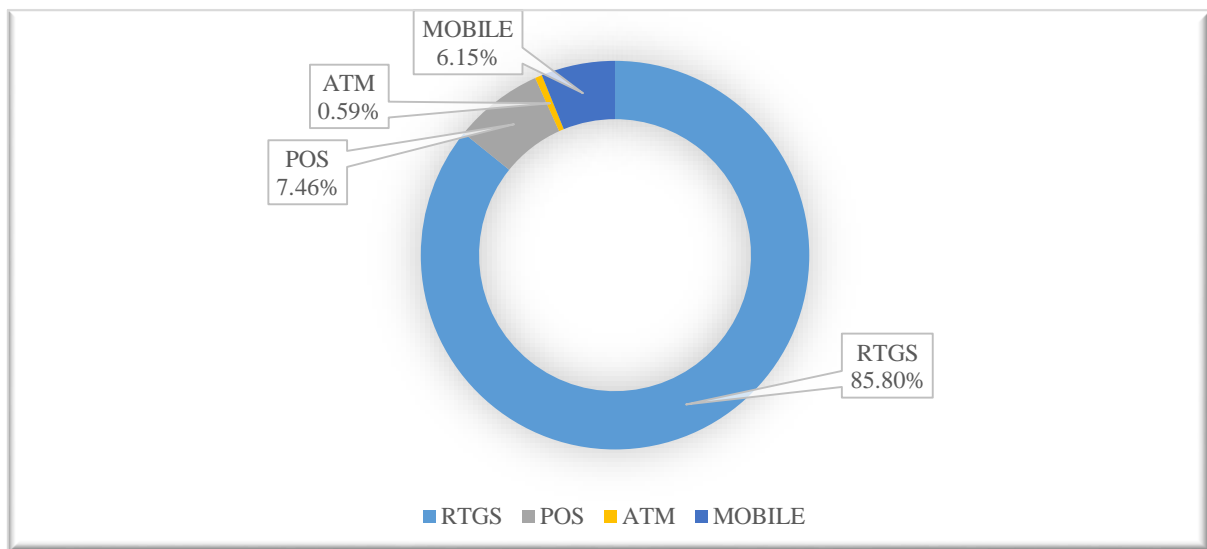
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
22-Jan-21	32.04	55.49	25.92	60.62
29-Jan-21	32.65	55.57	22.77	61.12
5-Feb-21	32.65	55.57	22.77	61.12
12-Feb-21	33.57	55.41	21.73	58.67
19-Feb-21	33.57	55.41	21.73	58.67

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) stood at ZW\$69.15 billion, during the week ending 19th February 2021, up from ZW\$64.84 billion recorded in the preceding week. A total of ZW\$59.33 billion worth of Real Time Gross Settlement (RTGS) transactions was recorded during the week under review, an increase of 13.19% from ZW\$52.42 billion in the previous week. In value terms, NPS transactions were distributed as follows: RTGS, 85.80%; POS, 7.46%; Mobile, 6.15% and ATM, 0.59%.

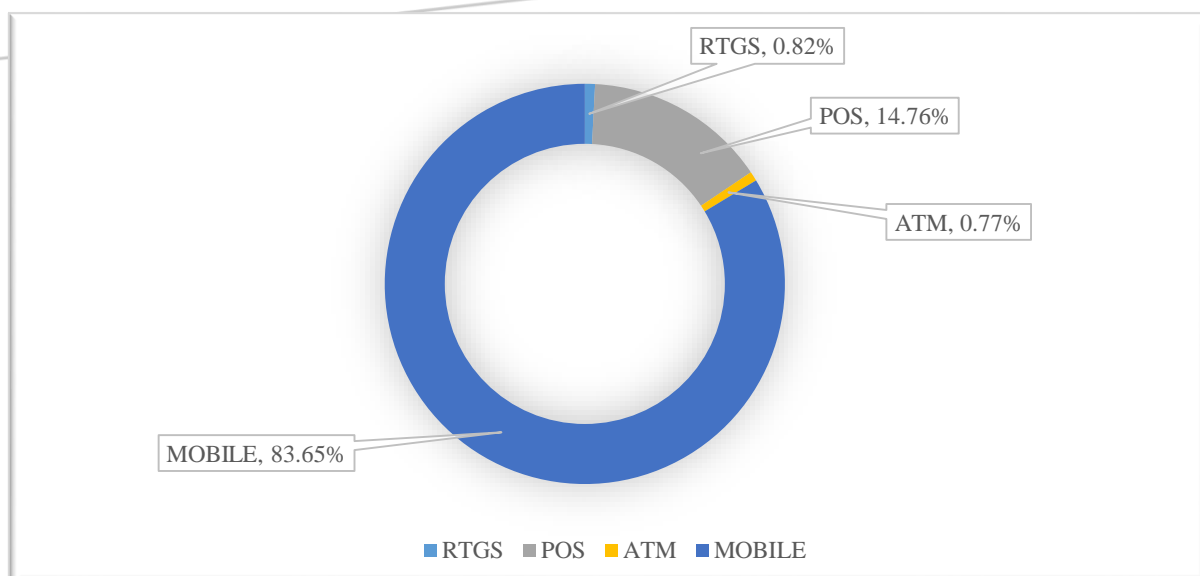
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The volume of NPS transactions recorded during the week under analysis was 13.50% lower at 19.72 million, compared to 22.80 million recorded in the previous week. NPS transaction volumes were distributed as follows: Mobile, 83.65%, POS, 14.76%; ATM, 0.77% and RTGS, 0.82%.

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 12 th FEBRUARY 2021	WEEK ENDING 19 th FEBRUARY 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	52,415.86	59,328.68	13.19%	85.80%
POS	6,075.69	5,155.66	-15.14%	7.46%
ATM	663.13	406.80	-38.65%	0.59%
MOBILE	5,682.84	4,255.78	-25.11%	6.15%
TOTAL	64,837.52	69,146.91	6.65%	100%
Volumes				
RTGS	180,585	162,050	-10.26%	0.82%
POS	3,412,413	2,911,062	-14.69%	14.76%
ATM	382,063	151,838	-60.26%	0.77%
MOBILE	18,823,987	16,495,146	-12.37%	83.65%
TOTAL	22,799,048	19,720,096	-13.50%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly international average prices for platinum, copper, nickel and crude oil continued on a positive trajectory, during the week ending 19th February 2021. Gold prices, however, declined during the week as investors shifted to riskier assets. Table 4 shows developments on selected commodity prices, during the week under review.

Table 4: : International Commodity Prices: Week-ending 19th February 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly average (8-12 Feb)	1,833.53	1,206.70	8,199.00	18,370.20	61.63
15-Feb	1,817.38	1,286.00	8,416.50	18,612.00	63.64
16-Feb	1,808.85	1,285.50	8,139.50	18,615.00	63.54
17-Feb	1,784.78	1,233.50	8,413.50	18,704.00	65.04
18-Feb	1,777.98	1,266.50	8,650.00	18,966.60	62.96
19-Feb	1,779.98	1,282.50	8,806.50	19,496.00	63.74
Weekly average (15-19 Feb)	1,793.79	1,270.80	8,485.20	18,878.72	63.78
Weekly Change (%)	-2.2	5.3	3.5	2.8	3.5

Source: BBC, KITCO and Bloomberg, 2021

Gold

Weekly average gold prices declined by 2.2%, from an average of US\$1,833.53 per ounce in the previous week to US\$1,793.79 per ounce, during the week under review. This was a reversal of the gains recorded in the previous week, as rising US Treasury yields dampened the yellow metal's appeal as alternative form of investment.

Platinum

Platinum prices sustained a bullish run on prospects of a positive demand outlook, coupled with expectations of a wider supply deficit, amid a swift global economic recovery. Resultantly, weekly average prices for the precious metal rose by 5.3%, from US\$1,206.70 per ounce in the previous week to US\$1,270.80 per ounce, during the week ending 19th February 2021.

Copper

Copper prices rose by 3.5%, from a weekly average of US\$8,199.00 per tonne in the previous week to US\$8,485.20 per tonne, during the week under analysis. The red metal continued to get support from signs of tight global supplies as inventories fell to their record lows. Prices were also boosted by prospects of global economic recovery, owing to declining new coronavirus cases and the optimism about global vaccine roll-out programmes.

Nickel

Nickel prices firmed during the week under review on robust demand from the stainless steel industry in China, the world's base metal consumer. Notably, reports show that Chinese stainless steel production started to rise in the third quarter in 2020. As a result, weekly average nickel prices increased by 2.8% to US\$18,878.72 per tonne, during the week ending 19th February 2021.

Brent Crude Oil

Brent crude oil prices firmed by 3.5%, from a weekly average of US\$61.63 per barrel in the previous week to US\$63.78 per barrel, during the week under review. Prices were also buoyed by tight supply owing to production cuts by the Organization of Petroleum Exporting Countries (OPEC) and prospects of recovery in global demand.

4. EXCHANGE RATE DEVELOPMENTS

During the week ending 19th February 2021, the Zimbabwe dollar (ZW\$) marginally eased by 0.28% against the greenback, from ZW\$83.3722 per US\$1 in the previous week to an average of ZW\$83.6032 per US\$1. Table 5 shows movements of the exchange rate of the local unit against selected currencies, during the week under review.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly average (8-12 Feb)	83.3722	5.6460	115.1080	7.6490	100.8738
15-Feb	83.3720	5.7604	115.8705	7.6790	101.2096
16-Feb	83.3720	5.7787	116.2166	7.7414	101.1888
17-Feb	83.7573	5.6931	116.3097	7.7481	101.2585
18-Feb	83.7573	5.7143	116.0123	7.6850	100.8522
19-Feb	83.7573	5.7143	116.0123	7.6850	100.8522
Weekly average (15-19 Feb)	83.6032	5.7322	116.0843	7.7077	101.0723
Appr(-)/Depr(+) (%) of the ZW\$	<i>0.28</i>	<i>1.53</i>	<i>0.85</i>	<i>0.77</i>	<i>0.20</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 19th February 2021, the Zimbabwe Stock Exchange (ZSE) was characterised by mixed trading. The Top 10, Top 15 and All Share, Small Cap, decreased by 10.23%, 9.08%, and 6.59% to close at 2 357.01 points, 2 729.82 points and 3 921.68 points, respectively. Small Cap and Medium Cap indices increased by 19.65% and 0.07% to 22 392.49 points and 9 004.78 points, respectively.

The increase in some of the market indices was largely a result of share price gains for National Tyre Services Limited (147.72%), Turnall Holdings Limited (58.78%), Unifreight Africa Limited (43.90%), National Foods Holdings Limited (42.21%) and Proplastics Limited (41.18%). The gains were, however, partially weighed down by losses in the share prices of First Mutual Holdings Limited (21.80%), Simbisa Brands Limited (18.44%), OK Zimbabwe Limited (16.81%), CBZ Holdings Limited (16.70%) and Fidelity Life Assurance Holdings Limited (14.42%).

The mining index increased by 9.56% to close at 5 767.82 points, during the week under analysis. This was mainly on account of an increase of 19.03% in the share prices of Bindura Nickel Corporation Limited. Riozim, however, recorded a decrease of 10.23% in its share price during the same week. Table 6 shows selected ZSE statistics.

Table 6: Zimbabwe Stock Exchange Statistics²

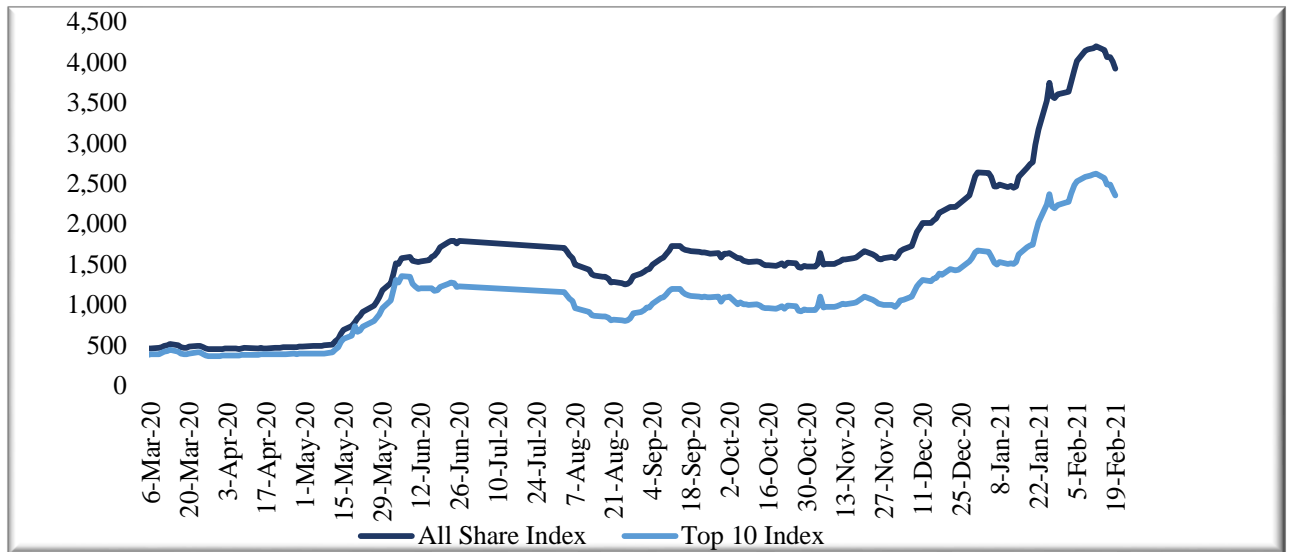
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
15-Jan-21	2,586.90	1,627.56	1,919.21	5,483.84	11,089.74	4,054.04	311.25	477.91	53.08
22-Jan-21	3 171.15	2 025.06	2 366.40	6 539.40	11 646.10	3 944.54	380.60	1 566.17	2 297.88
29-Jan-21	3 600.82	2 238.20	2 587.61	7 853.90	13 036.27	4 356.74	434.86	1 315.21	110.23
5-Feb-21	4 012.47	2 526.95	2 918.88	8 526.48	14 316.79	4 728.78	484.82	336.65	29.76
12-Feb-21	4 198.26	2 625.70	3 002.47	8 998.66	18 714.40	5 264.37	509.45	429.66	35.05
19-Feb-21	3 921.68	2 357.01	2 729.82	9 004.78	22 392.49	5 767.82	473.89	382.41	40.16
% Change	-6.59	-10.23	-9.08	0.07	19.65	9.56	-6.98	-11.00	14.59

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 3 shows developments in the ZSE's All Share and Top 10 indices from the 6th March 2020 to the 19th February 2021.

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

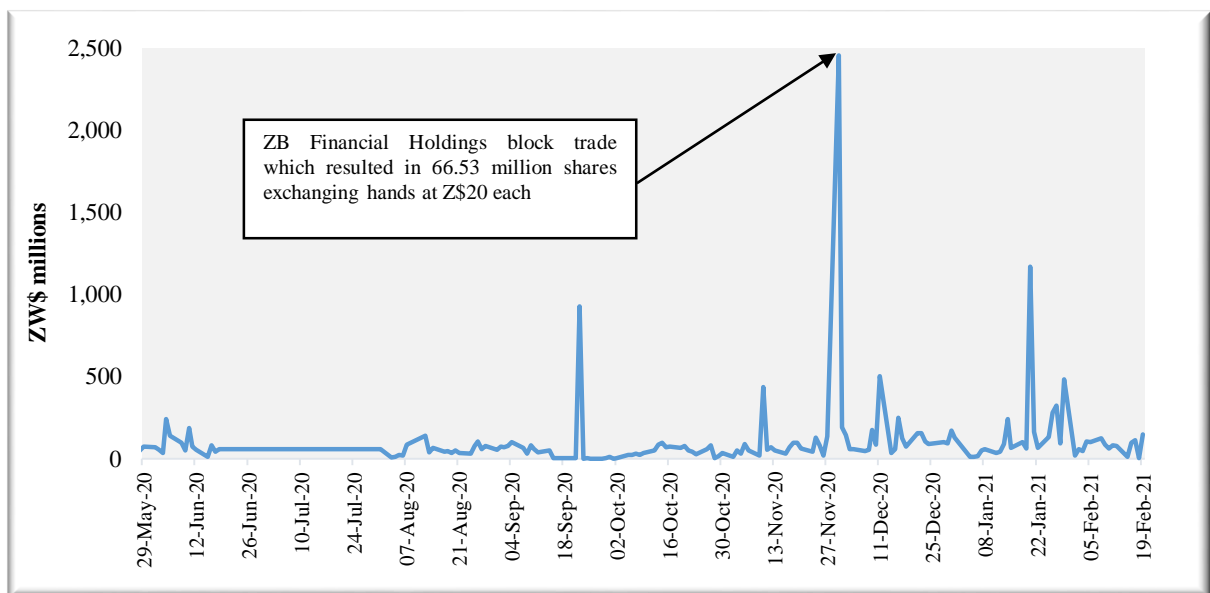


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

The cumulative value of shares traded on the ZSE decreased by 11.00% to Z\$382.41 million, while the volume of shares increased by 14.59% to 40.16 million shares. Figure 3 shows the trend in daily market turnover for the period 29th May 2020 to 19th February 2021.

Figure 4: Daily Market Turnover

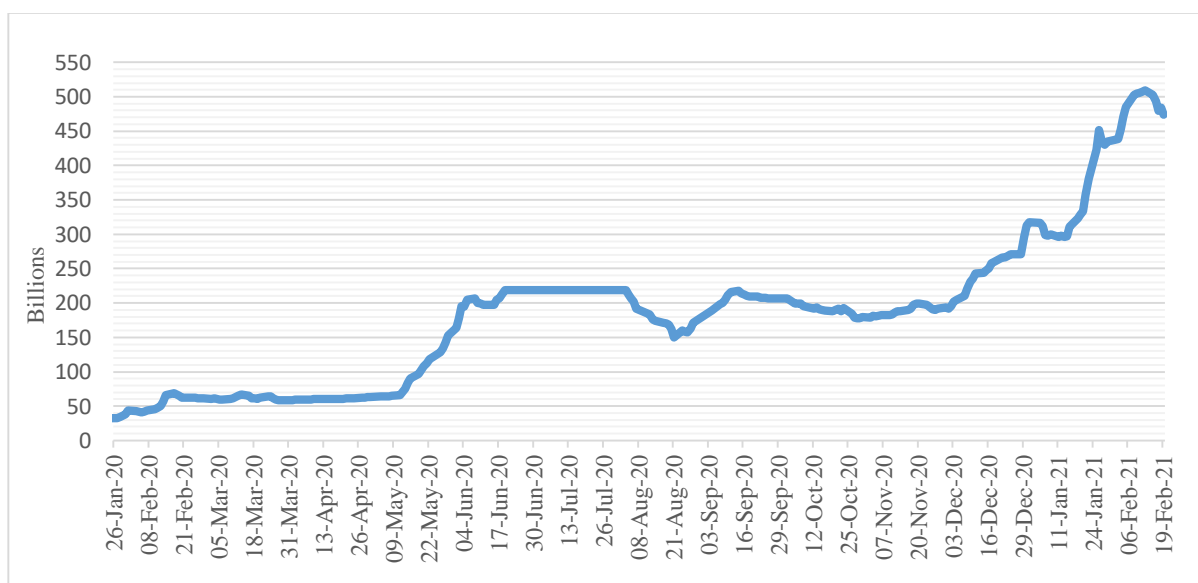


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The ZSE lost ZW\$35.56 billion, or 6.98% worth of market capitalisation to close at ZW\$473.89 billion, during the week under analysis, from ZW\$509.45 billion registered in the preceding week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

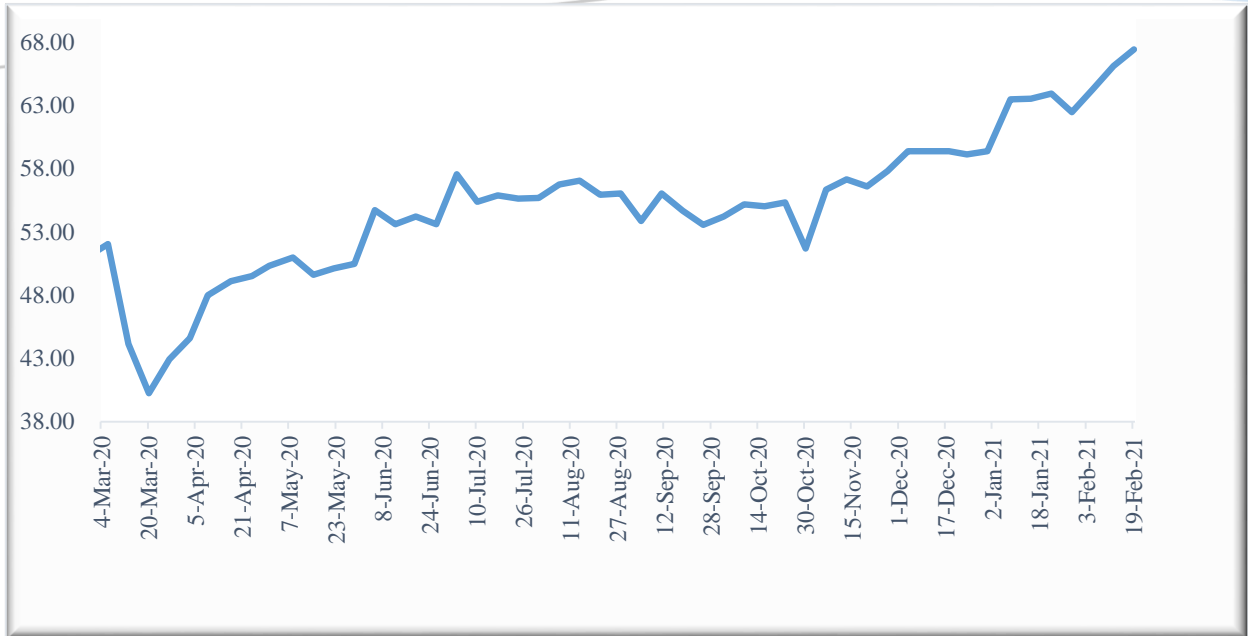
During the week ending 19th February 2021, the Johannesburg Stock Exchange (JSE) All share index was 2.02% higher to close at 67,464.86 points. JSE market capitalization rose by 2.19% to end the week under analysis at ZAR19.64 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
15-January-21	63,549.75	18.86
22-January-21	63,987.92	19.01
29-January-21	62,472.10	18.49
5-February-21	64,289.48	18.92
12-February-21	66,132.24	19.22
19-February-21	67,464.86	19.64
% Change	2.02	2.19

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			
	26-Jan-21	2-Feb-21	9-Feb-21	16-Feb-21	26-Jan-21	2-Feb-21	9-Feb-21	16-Feb-21
Total Bids (US\$ dollars)	37,116,065.12	33,991,133.34	31,980,155.84	35,658,511.50	2,628,381.01	2,708,146.97	2,646,464.78	2,928,388.78
Amount Allotted (US\$ dollars)	26,043,880.13	33,704,856.36	31,980,155.84	35,658,511.50	1,965,845.19	2,625,771.59	2,646,464.78	2,928,388.78
Highest Rate	87	89	87	89	86	89	88	88
Lowest Rate	80	80	81	82	80	80	81	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	82.6756	83.3725	83.3720	83.7573	82.6756	83.3725	83.3720	83.7573
Number of Bids Received	337	325	331	368	196	220	215	235
Number of Bids Rejected	27	46	28	44	6	23	18	19

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			
	26-Jan-21	2-Feb-21	9-Feb-21	16-Feb-21	26-Jan-21	2-Feb-21	9-Feb-21	16-Feb-21
Raw Materials	12,442,376.93	15,671,423.18	14,241,558.32	17,632,366.75	558,018.79	602,842.75	59,5412.97	642,079.49
Machinery and Equipment	4,129,887.43	3,911,954.77	4,581,809.57	6,168,295.87	489,125.42	507,883.59	615,646.39	584,020.62
Consumables (Incl. Spares, Tyres, Packaging)	1,738,995.94	2,910,507.43	1,994,243.28	2,297,642.05	393,958.44	520,178.22	521,743.38	728,829.69
Pharmaceuticals and Chemicals	1,303,614.53	1,861,528.80	1,946,511.09	1,897,952.19	135,488.24	223,507.07	136,593.07	127,726.27
Services (Loans, Dividends and Disinvestments)	1,942,262.32	2,378,528.65	2,606,817.67	2,420,340.41	117,679.66	328,141.97	278,588.16	352,162.24
Retail and Distribution	2,131,475.08	3,188,652.28	3,326,741.91	2,265,229.28	159,333.64	264,884.99	275,661.05	215,332.56
Fuel, Electricity and Gas	1,724,578.10	3,390,943.37	2,872,621.27	2,747,681.03	79,336.00	110,462.00	157,564.75	215,769.41
Paper and Packaging	630,689.80	391,317.88	409,852.73	229,003.92	32,905.00	57,871.00	65,285.01	62,468.50
TOTAL	26,043,880.13	33,704,856.36	31,980,155.84	35,658,511.50	1,965,845.19	2,615,771.59	2,646,461.78	2,928,388.75

Source: Reserve Bank of Zimbabwe, 2021