



Weekly Economic Highlights

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Week Ending
25th June 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates remained at previous week levels, during the week ending 25th June 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 (%)
28-May-21	1.57	4.04	5.19	10.83	6.89	11.72
4-Jun-21	1.57	4.24	5.42	10.77	6.89	11.72
11- June-21	1.57	4.24	5.42	10.77	6.89	11.72
18-June-21	1.57	4.24	5.42	10.77	6.89	11.72
25-June -21	1.57	4.24	5.42	10.77	6.89	11.72

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

The week under review saw commercial bank minimum and maximum lending rates for both individual and corporate clients remain unchanged, as shown in Table 2.

Table 2: Lending Rates (per annum)

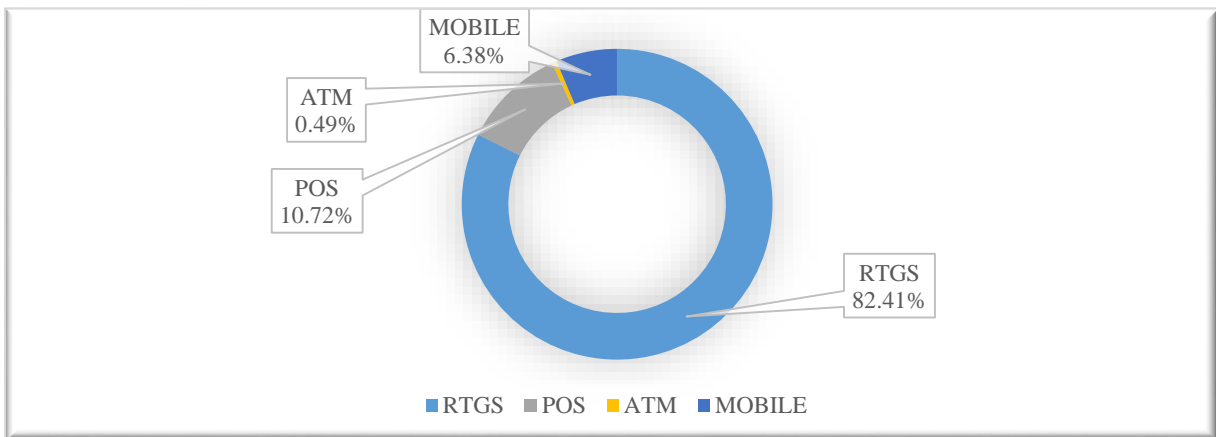
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
28-May-21	34.84	56.21	21.76	59.67
4-Jun-21	36.03	57.05	21.81	59.79
11-June-21	36.03	57.05	21.81	59.79
18-June-21	36.25	57.04	22.46	59.66
25-June-21	36.25	57.04	22.46	59.66

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment System (NPS) increased by 5.76% to US\$102.61 billion, during the week ending 25th June 2021, from USD\$97.02 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 4.12%, to close the week under review at ZW\$85.57 billion. The NPS transaction values were distributed as follows: RTGS 84.41%; POS 10.72%, Mobile 6.38% and ATM, 0.49%.

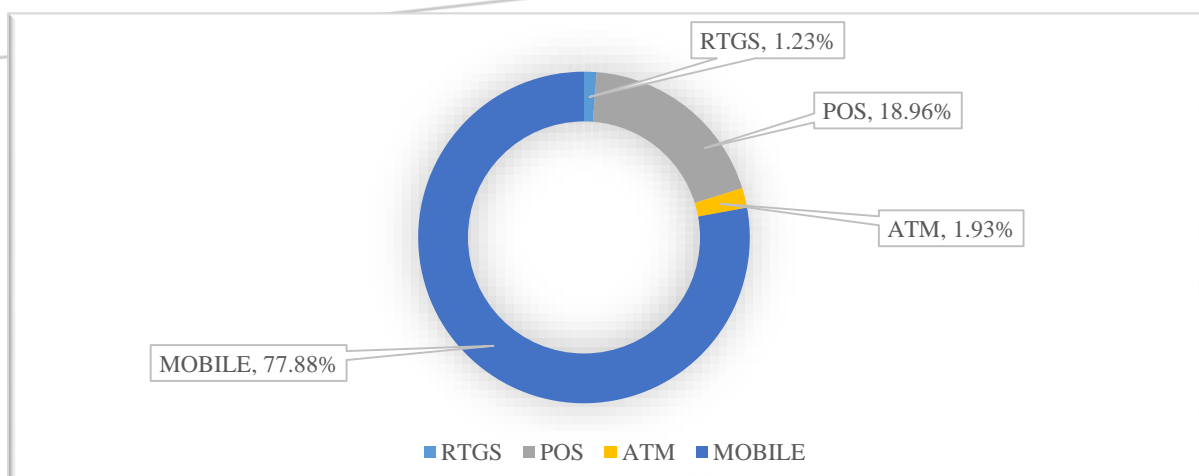
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

During the week under review, NPS transaction volumes amounted to 22.55 million, representing a 4.68% increase from 21.54 million transactions processed in the previous week. The distribution of NPS transaction volumes was as follows: Mobile, 77.88%; POS, 18.96%; RTGS, 1.23% and ATM, 1.93%.

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 18 th June 2021	WEEK ENDING 25 th June 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	81,219.03	85,567.45	4.12%	82.41%
POS	10,068.46	11,001.70	9.27%	10.72%
ATM	520,16	500.69	-3.74%	0.49%
MOBILE	5,213.72	6,543.84	25.51%	6.38%
TOTAL	97,021.37	102,613.68	5.76%	100%
Volumes				
RTGS	193,552	227,536	43.39%	1.23%
POS	4,008,956	4,273,963	6.61%	18.96%
ATM	468,016	435,449	-6.96%	1.93%
MOBILE	16,868,646	17,559,933	4.10%	77.88%
TOTAL	21,539,170	22,546,881	4.68%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. TOBACCO SALES

The weekly cumulative tobacco sales stood at 172.81 million kilograms as at 25th June 2021 or day 56 of the 2021 tobacco selling season. The value of tobacco sold stood at US\$474.80 million, reflecting a 18.40% increase from US\$355.72 million realised during the comparable period in 2020. Table 4 shows tobacco sales statistics.

Table 4: Weekly Cumulative Tobacco Sales: Day 56 (25th June 2021)

	2020	2021	Variance (%)
Cumulative Quantity Sold (million kgs)	135,425,320	172,811,898	18.40
Average Price(US\$/kg)	2.44	2.75	12.73
Cumulative value (US\$ million)	355,719,206	474,801,171	33.48

Source: Tobacco Industry and Marketing Board (TIMB), 2021

The average price of the golden leaf at \$2.75/kg, was 12.73% higher compared to \$2.44/kg realised during the same period in 2020.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

On the global markets, prices for gold, platinum and copper significantly retreated, during the week ending 25th June 2021. Nickel and Brent crude oil prices, however, increased. The developments in selected commodity prices are shown in Table 5.

Table 5: Metal and Crude Oil Prices for the week-ending 25th June 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (14-18 June)	1,832.41	1,127.20	9,518.80	17,655.00	73.44
21-Jun	1,778.75	1,040.00	9,042.50	17,310.00	75.16
22-Jun	1,779.10	1,058.50	9,190.50	17,701.00	75.23
23-Jun	1,787.25	1,088.00	9,289.50	17,867.00	75.18
24-Jun	1,782.53	1,081.00	9,390.50	18,192.00	75.74
25-Jun	1,784.95	1,100.50	9,432.50	18,611.00	76.01
Weekly Average (21-25 June)	1,782.52	1,073.60	9,269.10	17,936.20	75.46
Weekly Change (%)	-2.7	-4.8	-2.6	1.6	2.8

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices declined by 2.7%, from a weekly average of US\$1,832.41 per ounce in the previous week to an average of US\$1,782.52 per ounce, during the week under review. The sustained decline in gold prices continued to be driven by a stronger US dollar, following surprise indications that the U.S Federal Reserve would tighten its monetary policy stance.

Platinum

A stronger US dollar weighed down platinum prices which retreated by 4.8%, from a weekly average of US\$1,127.20 per ounce in the week ending 18th June 2021 to US\$1,073.60 per ounce, during the week ending 25th June 2021. In addition, prices also remained largely subdued on account of signs of weak industrial demand in China, as the government intensified plans to cut the demand for industrial commodities in order to contain raw material costs, amid domestic inflation fears.

Copper

Copper prices eased by 2.6%, from a weekly average of US\$9,518.80 per tonne in the previous week to US\$9,269.10 per tonne, during the week under review. The slowdown in copper prices was underpinned by a stronger US dollar as well as demand concerns in China, the world's top consumer of the base metal.

Nickel

Nickel prices increased following reports that Indonesia, one of the world's top producers of nickel, plans to restrict investment in the base metal, pig iron and Ferro-nickel smelters. These developments outweighed the impact of a stronger US dollar and resultantly, prices rose by 1.6%, from a weekly average of US\$17,655.00 per tonne in the prior week to US\$17,936.20 per tonne, during the week ending 25th June 2021.

Brent Crude Oil

Brent Crude oil prices continued on a positive trajectory as continued hopes of strong demand, in the second half of the year, overshadowed concerns over rising Covid-19 cases. Prices rose by 2.8%, from a weekly average of US\$73.44 per barrel in the previous week to an average of US\$75.46 per barrel, during the week under review.

5. EXCHANGE RATE DEVELOPMENTS

During the week ending 25th June 2021, the Zimbabwe dollar (ZW\$) traded steadily against the US dollar. The local unit marginally depreciated by 0.2%, from an average of ZW\$85.1753 per US\$1 in the previous week to close the week under review at an average of ZW\$85.3180 per US\$1. The developments in selected exchange rates are shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (14-18 June)	85.1753	6.1427	119.627	7.9703	102.6524
21-Jun	85.2455	5.9312	117.6987	7.8260	101.1652
22-Jun	85.2455	5.9737	118.5297	7.8217	101.4464
23-Jun	85.3664	5.9916	118.9839	7.8285	101.8167
24-Jun	85.3664	6.0060	119.2014	7.8328	101.8253
25-Jun	85.3664	6.0241	118.8729	7.8415	101.9403
Weekly Average (21-25 June)	85.3180	5.9853	118.6573	7.8301	101.6388
Appr(-)/Depr(+) (%) of the ZWL	0.2	-2.6	-0.8	-1.8	-1.0

Source: Reserve Bank of Zimbabwe, 2021

6. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) exhibited bullish sentiments for the sixth consecutive week, resulting in all major indices registering gains, during the week under analysis. The All Share, Top 10, Top 15, Medium Cap and Small Cap indices gained 3.32%, 2.37%, 3.25%, 5.63% and 36.14% to close at 6138.69 points, 3 247.86 points, 3724.42 points, 16 505.89 points and 159,118.65 points, respectively.

The increase in the market indices was spurred by share price gains for Star Africa Corporation Limited (61.16%), Getbucks Financial Services Limited (57.19%), Willdale Limited (52.18%), Unifreight Africa Limited (43.67%) and General Beltings Holdings Limited (40.73%). Partially offsetting the gains were declines in the share prices of Lafarge Cement Zimbabwe Limited (11.11%), Mashonaland Holdings Limited (5.11%), Simbisa Brands Limited (4.56%), Innscor Africa Limited (2.27% and Nampak Zimbabwe Limited (2.22%).

The mining index, however, shed 5.36% to close at 6 308.43 points. This was partly a result of an 11.22% loss in the share price of RioZim Limited, which was partially offset by a 6.24% gain in the share price for Bindura Nickel Corporation Limited.

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

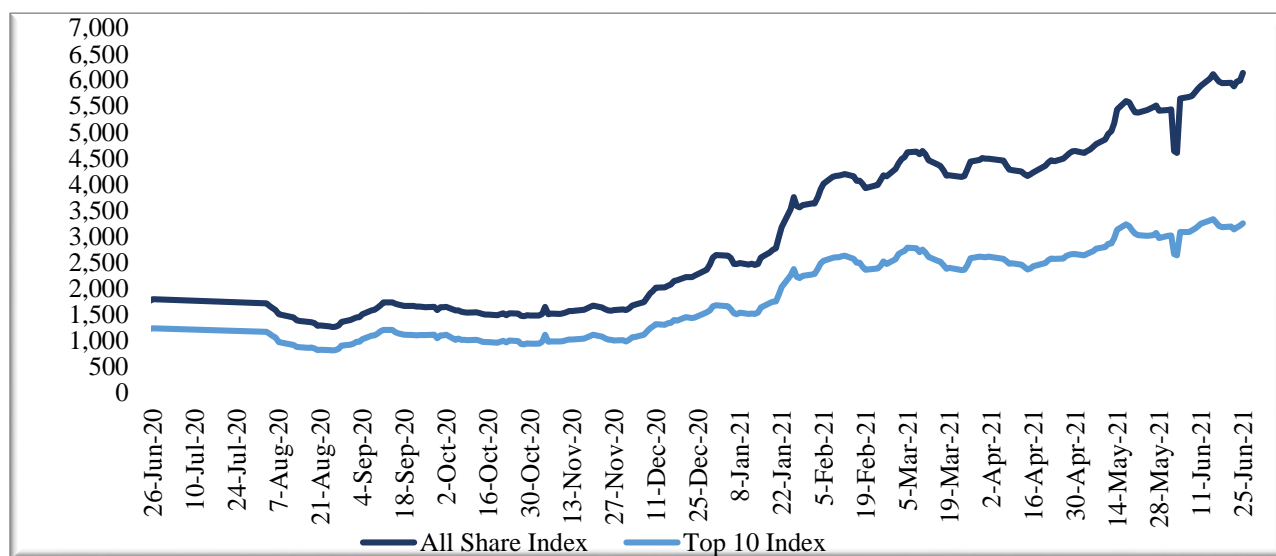
Table 7: Zimbabwe Stock Exchange Statistics²

	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)
21-May-21	5,378.90	3,020.61	3,399.58	13,535.04	58,524.39	6,626.95	630.14	2 140.53	90.589
28-May-21	5,415.23	2,964.82	3,389.72	14,058.91	68,279.48	6,825.09	632.54	518.96	30.14
4-Jun-21	5,646.12	3,082.87	3,506.58	14,704.50	74,079.26	6,665.61	658.65	716.39	52.60
11-June21	5,891.40	3,241.52	3,650.18	14,996.19	99,408.18	6,049.18	6,812.84	1820.56	120.43
18-June 21	5,941.21	3,172.69	3,607.32	15,626.42	116,880.97	6,665.61	6919.88	743.88	39.09
25-June-21	6,138.69	3,247.86	3,724.42	16,505.89	159,118.65	6,308.43	7,386.97	743.61	45.71
% Change	3.32	2.37	3.25	5.63	36.14	-5.36	6.75	-0.04	16.94

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 1 shows developments on the ZSE’s All Share, Top 10 and mining indices from the 26th June 2020 to the 25th June 2021.

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



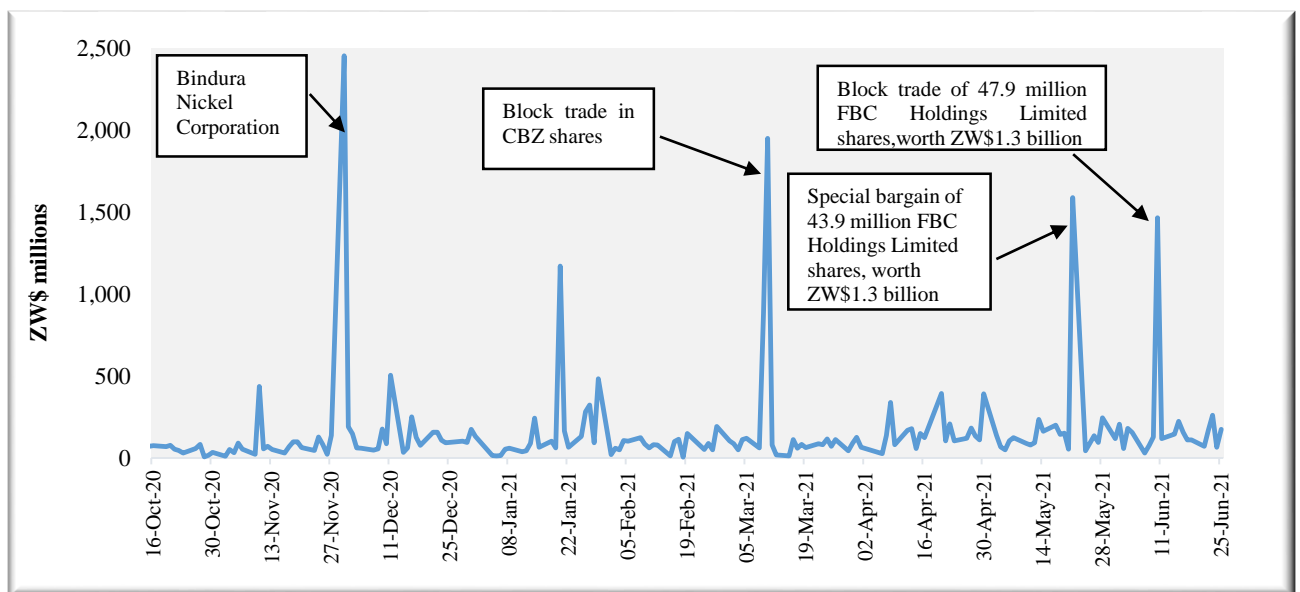
Source: Zimbabwe Stock Exchange, 2021

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.

Market Turnover and Volume

The volume of shares traded on the ZSE increased by 16.95% to 45.71 million shares, during the week under review. Notwithstanding the increase in the volume of shares traded, the cumulative value of shares traded marginally declined by 0.04% to ZW\$743.61 million, as trading was skewed towards low valued counters, during the week under analysis.

Figure 4: Daily Market Turnover

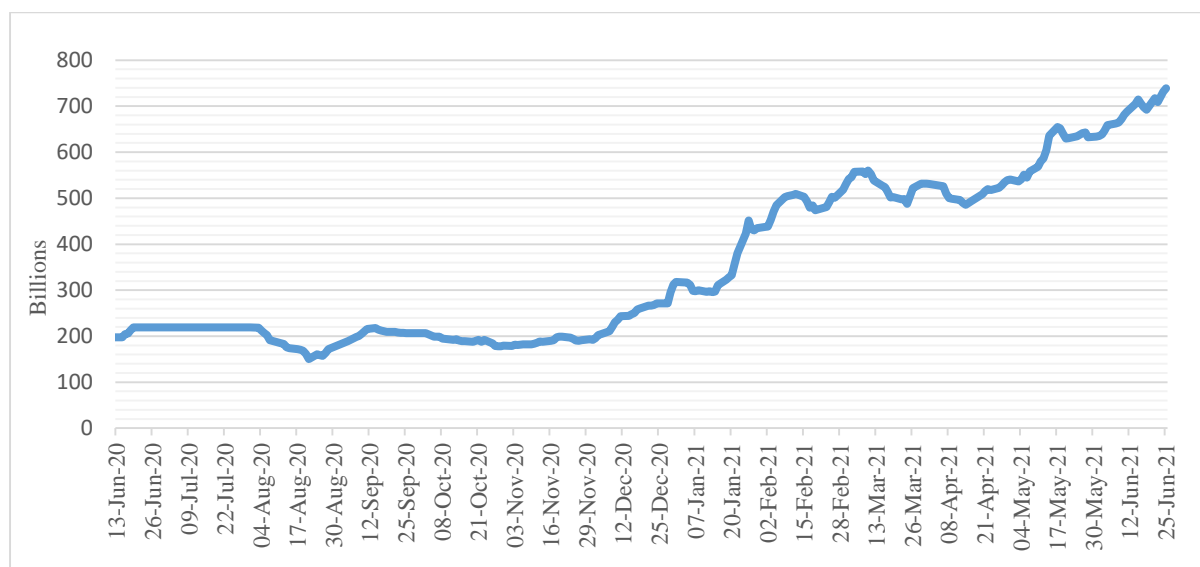


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

During the week under review, the ZSE added ZW\$46.71 billion, or 6.75% worth of capitalization to close at ZW\$738.70 billion.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

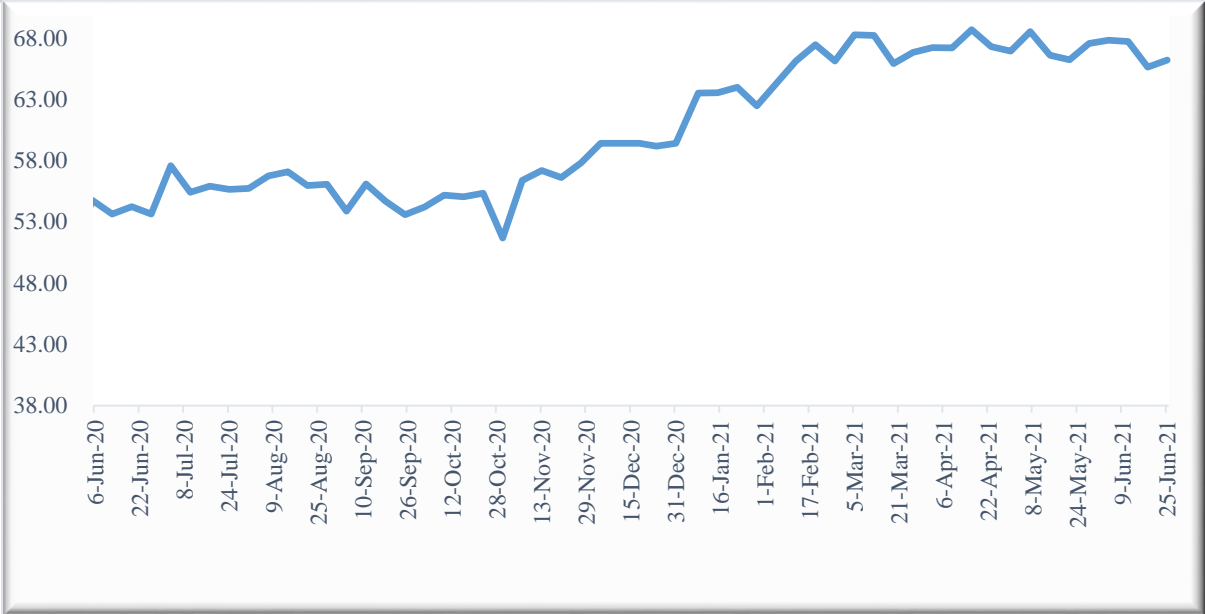
The JSE All Share index increased by 0.88%, from 65,635.23 points in the previous week to 66,215.47 points, during the week under review. In tandem, market capitalisation also increased to R18.74 billion, from R18.64 billion registered in the previous week.

Table 8: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
21-May-21	66,238.93	18.83
28-May-21	67,554.86	18.95
4-June-21	67,825.02	18.95
11-June-21	67,723.91	19.04
18-June-21	65,635.23	18.64
25-June-21	66,215.47	18.74
% Change	0.88	0.54

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			
	4-Jun-21	11-June-21	18-June-21	25-June-21	4-June-21	11-June-21	18-June-21	25-June-21
Total Bids (US\$ dollars)	32,599,234.77	29,505,925.17	38,979,127.69	36,952,648.91	5,939,711.40	5,312,455.06	7,934,235.31	7,805,948.50
Amount Allotted (US\$ dollars)	32,599,234.77	29,505,925.17	38,979,127.69	36,952,648.91	5,939,711.40	5,312,455.06	7,934,235.31	7,805,948.50
Highest Rate	89	90	90	90	89	90	90	90
Lowest Bid Rate	82	82	82	82	82	82	82	82
Lowest Bid Rate Allotted	82	82	82	82	82	82	82	82
Weighted Average Rate	84.7653	85.0724	85.2455	85.3664	84.7653	85.0724	85.2455	85.3664
Number of Bids Received	328	383	451	409	441	461	546	537
Number of Bids Rejected	38	38	54	37	31	29	25	29

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			
	4-Jun-21	11-June-21	18-June-21	25-June-21	4-Jun-21	11-June-21	18-June-21	25-June-21
Raw Materials	14,686,352.08	12,477,275.80	14,488,442.38	14,483,454.34	1,540,214.62	1,440,671.24	1,844,866.44	1,909,453.06
Machinery and Equipment	5,717,615.44	5,397,735.31	8,093,703.75	8,283,239.11	1,232,531.29	1,263,600.99	1,983,854.14	1,975,881.39
Consumables (Incl. Spares, Tyres, Packaging)	2,554,971.41	2,809,858.37	3,906,651.15	2,568,998.59	1,353,400.14	1,249,897.05	2,053,997.77	1,937,073.90
Pharmaceuticals and Chemicals	3,521,696.55	2,640,395.96	3,616,210.02	3,814,738.43	286,669.03	315,431.81	397,982.97	344,133.59
Services (Loans, Dividends and Disinvestments)	2,439,667.98	1,643,774.83	2,303,990.07	1,863,690.12	535,324.58	334,590.26	631,633.35	509,698.84
Retail and Distribution	2,344,239.90	2,395,425.74	3,446,719.93	3,469,710.01	510,574.99	379,823.92	580,585.47	689,849.28
Fuel, Electricity and Gas	1,034,163.66	1,445,678.49	2,182,124.53	1,317,791.03	252,729.41	151,893.86	117,050.01	156,771.88
Paper and Packaging	300,527.75	695,780.67	941,285.86	1,151,027.28	228,267.34	176,545.92	324,265.16	283,086.56
TOTAL	32,599,234.77	29,505,925.17	38,979,127.69	36,952,648.91	5,939,711.40	5,312,455.05	7,934,235.31	7,805,948.50

Source: Reserve Bank of Zimbabwe, 2021