



Weekly Economic Highlights

TABLE OF CONTENTS

1. INTEREST RATES	1
2. CLEARING AND SETTLEMENT ACTIVITY	2
3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS	3
4. EXCHANGE RATE DEVELOPMENTS	5
5. EQUITY MARKETS.....	5

Week Ending
26th March 2021

1. INTEREST RATES

Deposit Rates

Minimum savings deposit rates remained unchanged during the week ending 26th March 2021. During the same week, minimum deposit rates for deposits of 1-month tenor increased, while deposit rates for deposits of 3-month tenor registered a decline. Maximum savings deposit rates remained at previous week levels, while those for deposits of 1-month and 3-month tenors increased, 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 (%)
26-Feb-21	1.57	4.24	5.00	9.88	6.08	11.43
5-Mar-21	1.57	4.24	5.00	9.88	6.08	11.43
12-Mar-21	1.57	4.04	5.14	10.66	6.95	11.65
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

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Minimum commercial bank lending rates for individual and corporate clients registered an increase, during the week under analysis. During the same week, maximum lending rates for individuals were higher by 0.07 percentage points, while those for corporate clients were lower by 0.23 percentage points, as shown in Table 2.

Table 2: Lending Rates (per annum)

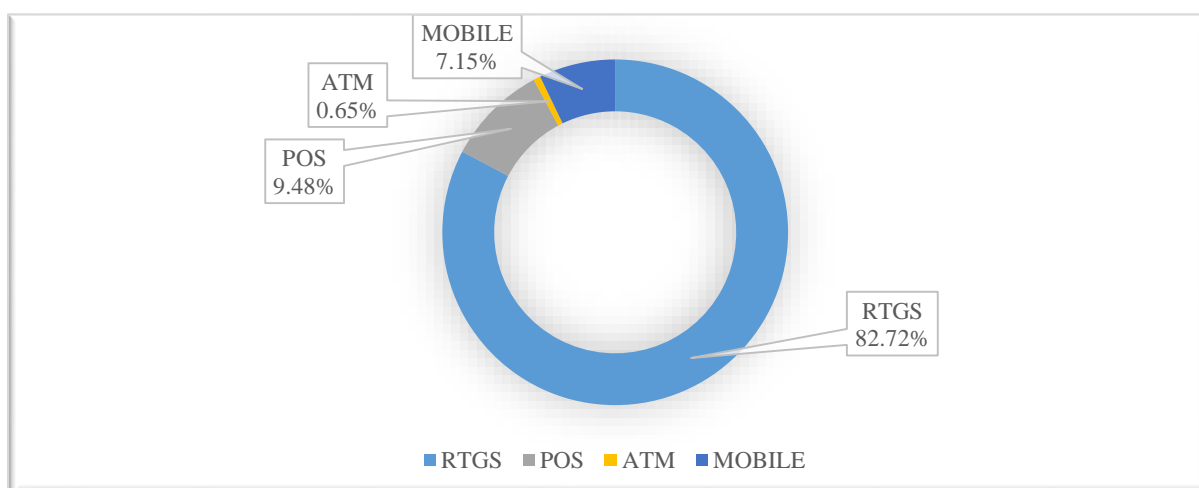
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
26-Feb-21	36.67	52.01	21.36	58.43
5-Mar-21	36.67	52.01	21.36	58.43
12-Mar-21	34.54	55.70	22.38	59.26
19-Mar-21	34.54	55.70	22.38	59.26
26-Mar-21	35.83	55.77	22.61	59.03

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions amounting to ZW\$93.45 billion during the week under review, reflecting a 15.19% increase from ZW\$81.13 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions increased by 11.73% to close at ZW\$77.30 billion, during the same week. In value terms, the composition of NPS transactions was as follows: RTGS, 82.72%; POS, 9.48%; Mobile, 7.15% and ATM, 0.65%.

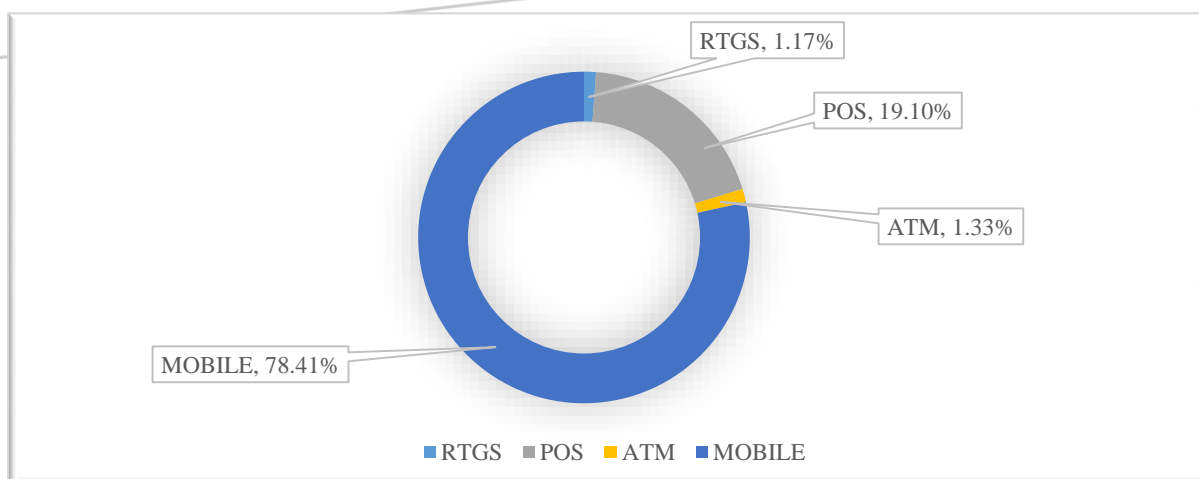
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The week under review saw the volume of NPS transactions increase by 8.61% to close at 23.65 million, from 21.78 million in the preceding week. The NPS transaction volumes were distributed as follows: Mobile, 78.41%; POS, 19.10%; ATM, 1.33% and RTGS, 1.17%.

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 19 th MARCH 2021	WEEK ENDING 26 th MARCH 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	69,184.97	77,301.88	11.73%	82.72%
POS	6,537.86	8,858.84	35.50%	9.48%
ATM	598.50	610.18	1.95%	0.65%
MOBILE	4,808.59	6,682.21	38.96%	7.15%
TOTAL	81,129.92	93,453.12	15.19%	100%
Volumes				
RTGS	202,855	276,265	36.19%	1.17%
POS	3,609,010	4,517,585	25.18%	19.10%
ATM	293,047	313,959	7.14%	1.33%
MOBILE	17,674,714	18,546,040	4.93%	78.41%
TOTAL	21,779,626	23,653,849	8.61%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 26th March 2021, international weekly average prices for gold, platinum, copper and crude oil retreated, while nickel prices increased. Table 4 shows the developments in selected commodity prices, during the week under analysis.

Table 4: Metal and Crude Oil Prices for the week-ending 26th March 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (15-19 March)	1,731.79	1,204.40	9,053.20	16,081.20	65.92
22-Mar	1,734.78	1,177.50	9,097.50	16,425.00	63.76
23-Mar	1,732.73	1,179.50	9,016.50	16,526.00	60.90
24-Mar	1,732.28	1,179.50	9,016.00	16,133.00	63.32
25-Mar	1,730.25	1,170.50	8,781.00	15,984.00	62.68
26-Mar	1,727.83	1,161.00	8,929.00	16,255.00	63.42
Weekly Average (22-26 March)	1,731.57	1,173.60	8,968.00	16,264.60	62.82
Weekly Change (%)	-0.01	-2.6	-0.9	1.1	-4.7

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices marginally retreated, as the US dollar's rally to a two-week peak offset a dip in US Treasury yields. A stronger dollar raises the opportunity cost of holding gold and makes US dollar denominated commodities more expensive to holders of other currencies. Gold prices declined by a marginal 0.01%, from a weekly average of US\$1,731.79 per ounce in the previous week to US\$1,731.57 per ounce, during the week under review.

Platinum

Platinum prices slid by 2.6%, from US\$1,204.40 per ounce in the previous week to US\$1,173.60 per ounce, during the week under analysis. Prices retreated, as a stronger US dollar dampened investment demand prospects for the precious metal.

Copper

Weekly average prices of copper eased by 0.9%, from US\$9,053.20 per tonne in the previous week to US\$8,968.00 per tonne, during the week ending 26th March 2021. The marginal decline in the price of the red metal was largely on account of a stronger US dollar and rising global inventories. The decline was, however, moderated by prospects of strong demand from the Eurozone, following the rebound in the bloc's economic activity in March 2021, as factories ramped up production.

Nickel

Nickel prices rose by 1.1% to settle at US\$16,264.60 per tonne, during the week under analysis. This was a rebound from the fall in previous sessions, as speculators built fresh positions on rising demand from alloy makers. In addition, investors were also optimistic about the US Infrastructure Bill that could boost the demand for the metal.

Brent Crude Oil

Crude oil prices declined by 4.7%, from a weekly average of US\$65.92 per barrel in the prior week, amid growing concerns that fresh coronavirus lockdowns in Europe could hurt the demand for the commodity.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar remained relatively stable against the green back during the week under analysis, marginally depreciating by 0.1%, from ZW\$83.9829 per US\$1 in the previous week to ZW\$84.0650 per US\$1, as shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (15-19 March)	83.9829	5.6612	116.788	7.6345	100.196
22-Mar	83.9830	5.6641	116.4132	7.6346	99.9315
23-Mar	83.9830	5.6641	116.1108	7.6680	100.1121
24-Mar	84.1197	5.6402	115.2735	7.6640	99.6148
25-Mar	84.1197	5.6338	115.2104	7.6387	99.4589
26-Mar	84.1197	5.6227	115.7615	7.5714	99.0804
Weekly Average (22-26 March)	84.0650	5.6450	115.7539	7.6353	99.6395
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.1</i>	<i>-0.3</i>	<i>-0.9</i>	<i>0.0</i>	<i>-0.6</i>

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

During the week ending 26th March 2021, the Zimbabwe Stock Exchange (ZSE) recovered from the loss in previous week, by gaining 264.36 points on the All Shares Index. The Top 10

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

and Top 15 indices registered gains of 7.91%, and 6.78%, to close at 2 580.33 points and 2 949.65 points, respectively.

The increases in the market indices were largely a result of share price gains for First Mutual Properties Limited (36.93%), Hippo Valley Estates Limited (35.79%), National Tyre Services Limited (28.86%), Simbisa Brands Limited (26.68%) and Delta Corporation Limited (22.39%).

Partially offsetting the aforementioned gains were losses in the share prices of ZB Financial Holdings Limited (19.95%), Fidelity Life Assurance Limited (13.53%), Medtech Holdings Limited (10.78%), Mashonaland Holdings Limited (10.20%) and Edgars Stores Limited (7.37%).

The mining index, however, shed 7.57% to close at 5 532.09 points, during the week under review. This was due to a 15.33% fall in the share price for Bindura Nickel Corporation Limited. The share price for RioZim Limited, however, added 20%, to partially offset the decline in the resources index.

Table 6: Zimbabwe Stock Exchange Statistics²

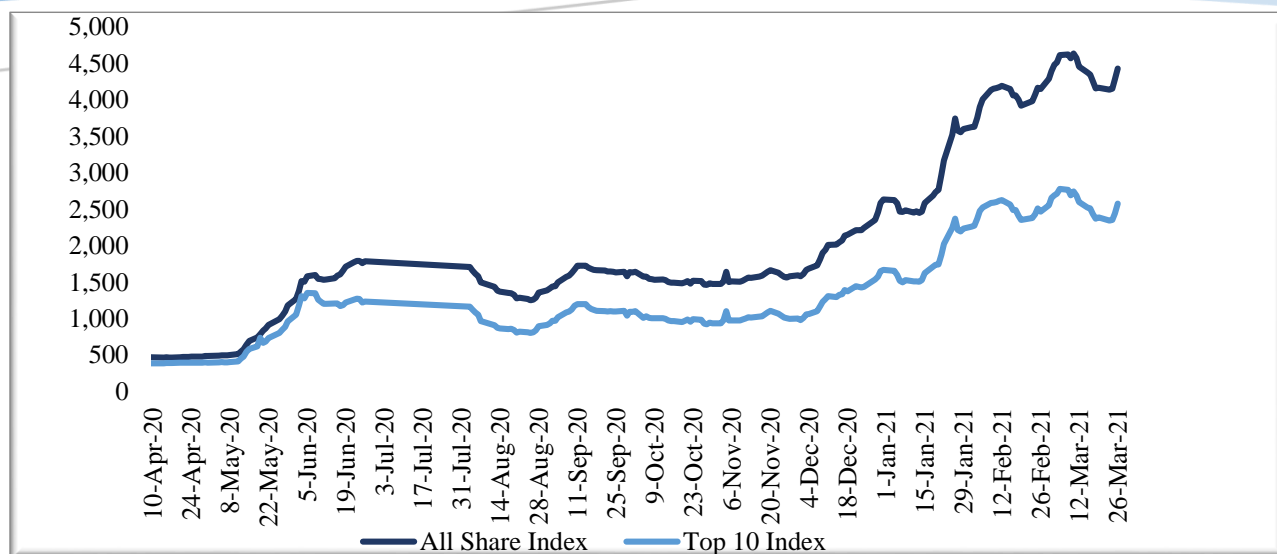
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
19-Feb-21	3 921.68	2 357.01	2 729.82	9 004.78	22 392.49	5 767.82	473.89	382.41	40.16
26-Feb-21	4154.37	2 469.42	2 847.26	9 697.12	26 164.14	6 683.44	501.18	380.53	44.06
5-March-21	4 615.87	2 781.34	3 181.89	10 442.02	34 496.32	6 756.94	557.13	471.56	37.48
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
% Change	6.34	7.91	6.78	4.02	5.46	-7.57	3.86	39.74	-21.07

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows developments in the ZSE's All Share and Top 10 indices for the period from 10th April 2020 to the 26th March 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: Zimbabwe Stock Exchange All Share and Top 10 Indices

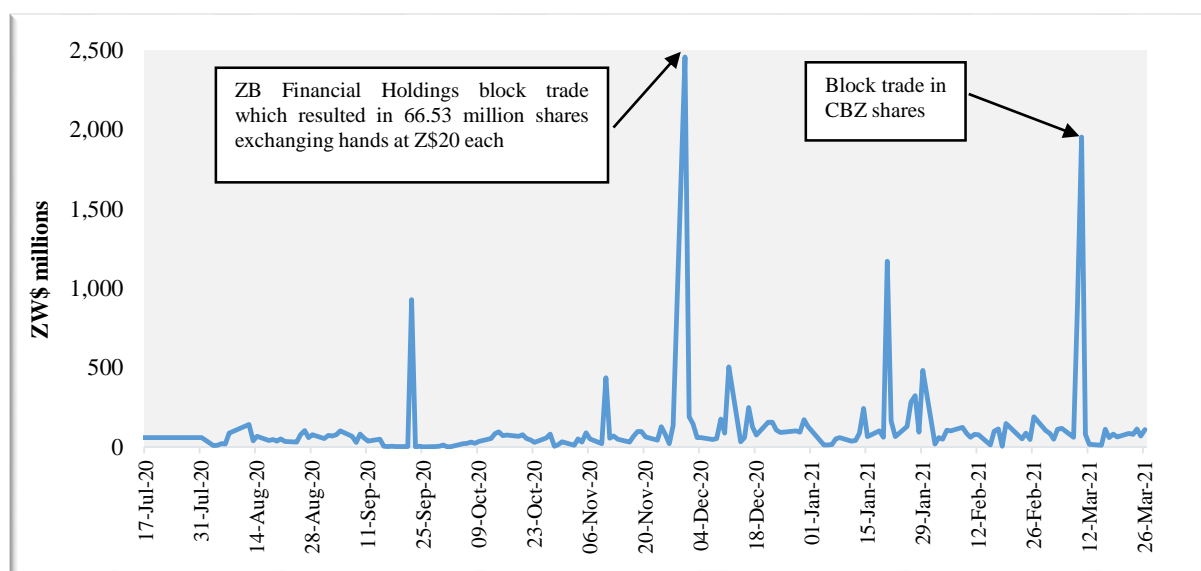


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

During the week under analysis, trading activity on the ZSE was concentrated in some high value wealth preserving counters. This resulted in a 39.74% increase in ZSE market turnover to ZW\$463.29 million. The volume of shares traded, however, declined by 21.07%, from 35.33 million in the previous week to 27.89 million in the week under review. Figure 3 shows the trend in daily market turnover for the period from 17th July 2020 to 26th March 2021.

Figure 4: Daily Market Turnover

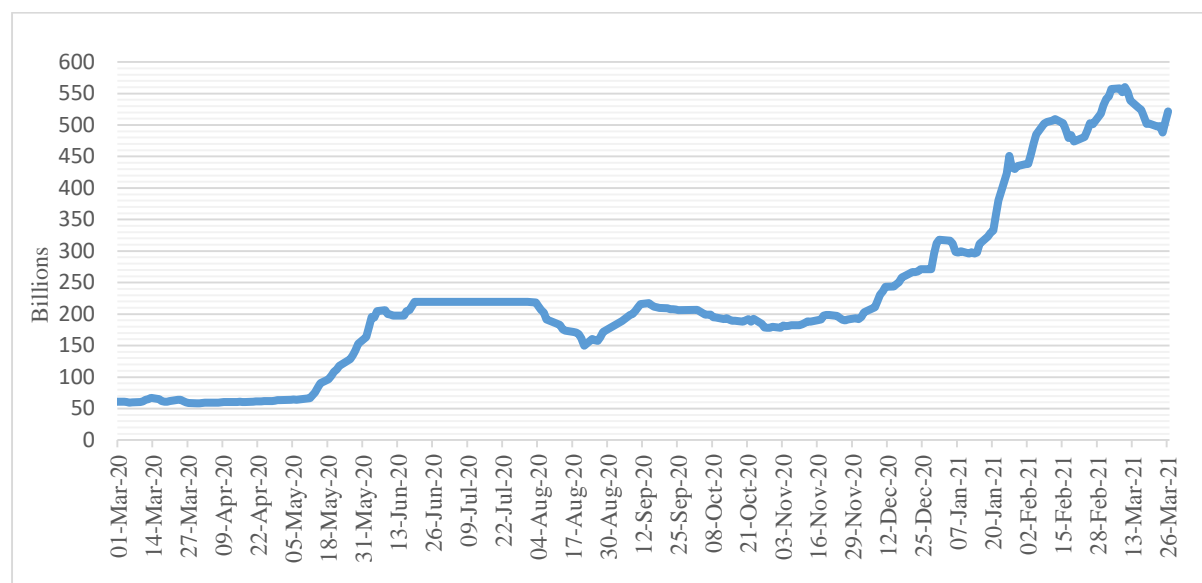


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

Following positive trading activity, the ZSE gained ZW\$19.38 billion or 3.86% worth of market capitalisation to close at ZW\$521.69 billion, during the week under review, compared to ZW\$502.30 billion recorded in the previous week. Figure 5 shows market capitalization developments for the period from 1st March 2020 to 26th March 2021.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

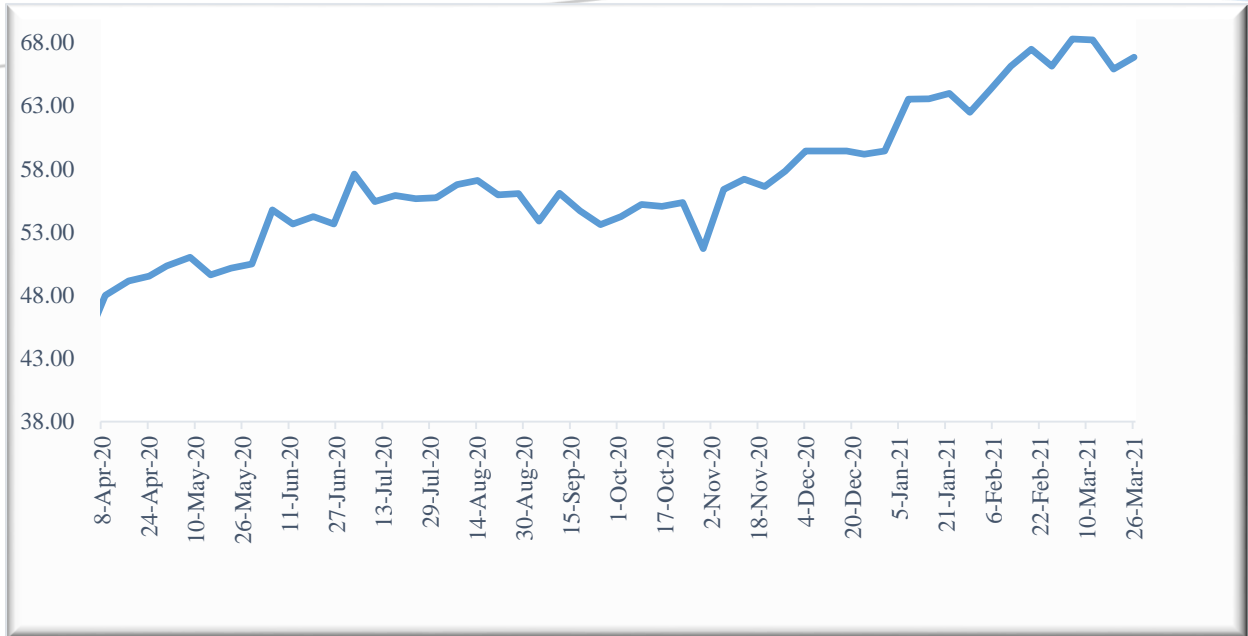
During the week ending 26th March 2021, the Johannesburg Stock Exchange (JSE) All Share Index increased by 1.40% to close at 66,833.99 points, from 65,911.27 points in the previous week. JSE market capitalization increased by 1.36% to close at ZAR19.35 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index	Market Capitalization
	(points)	(ZAR trillions)
19-February-21	67,464.86	19.64
26-February-21	66,138.05	19.04
5-March-21	68,271.19	19.53
12-March-21	68,209.86	19.47
19-March-21	65,911.27	19.09
26-March-21	66,833.99	19.35
% Change	1.40	1.36

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			
	2-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21	2-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21
Total Bids (US\$ dollars)	32,001,222.04	34,171,927.42	32,064,981.88	32,481,729.79	3,106,385.22	2,971,567.57	3,233,262.22	3,076,458.88
Amount Allotted (US\$ dollars)	32,001,222.04	34,171,927.42	32,064,981.88	32,481,729.79	3,106,385.22	2,971,567.57	3,233,262.22	3,076,458.88
Highest Rate	87	86	87	87	86	86	87	87
Lowest Rate	82	82	82	82	82	82	82	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	83.8891	83.9827	83.9830	84.1197	83.8891	83.9827	83.9830	84.1197
Number of Bids Received	365	371	351	333	279	241	288	298
Number of Bids Rejected	61	73	59	49	43	36	59	75

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			
	2-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21	2-Mar-21	9-Mar-21	16-Mar-21	23-Mar-21
Raw Materials	13,559,653.70	15,720,208.45	13,999,784.64	12,858,202.23	761,530.80	658,141.19	933,399.68	647,271.01
Machinery and Equipment	5,040,973.36	5,336,512.45	5,294,452.73	7,552,382.07	540,545.30	618,280.19	546,537.60	753,623.16
Consumables (Incl. Spares, Tyres, Packaging)	2,632,893.20	2,893,994.60	2,810,988.48	2,800,516.37	676,256.00	566,806.87	608,270.01	596,217.67
Pharmaceuticals and Chemicals	2,056,113.86	2,303,755.38	2,177,432.40	2,458,057.02	211,727.57	231,964.61	201,157.69	248,116.41
Services (Loans, Dividends and Disinvestments)	2,680,874.08	2,061,071.82	2,046,664.56	1,778,752.93	422,505.26	281,116.43	277,336.10	223,842.94
Retail and Distribution	2,622,980.74	2,951,055.68	2,485,750.31	1,991,575.08	246,103.63	195,839.97	294,729.60	256,744.48
Fuel, Electricity and Gas	3,134,583.10	2,439,825.38	2,687,940.58	2,698,269.73	215,829.26	257,000.94	278,180.34	274,677.93
Paper and Packaging	273,150.00	465,503.66	561,968.18	343,974.36	31,887.40	162,417.37	93,651.20	75,965.28
TOTAL	32,001,222.04	34,171,927.42	32,064,981.88	32,481,729.79	3,106,385.22	2,971,567.57	3,233,262.22	3,076,458.88

Source: Reserve Bank of Zimbabwe, 2021