



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	4
5. EQUITY MARKETS.....	5

Week Ending
14th May 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates remained at previous week levels, during the week ending 14th May 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 (%)
16-Apr-21	1.57	4.04	5.03	11.09	6.84	11.87
23-Apr-21	1.57	4.04	5.03	10.71	6.82	11.78
30-Apr-21	1.57	4.04	5.03	10.71	6.82	11.78
7-May-21	1.57	4.04	5.19	10.83	6.89	11.67
14-May-21	1.57	4.04	5.19	10.83	6.89	11.67

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)

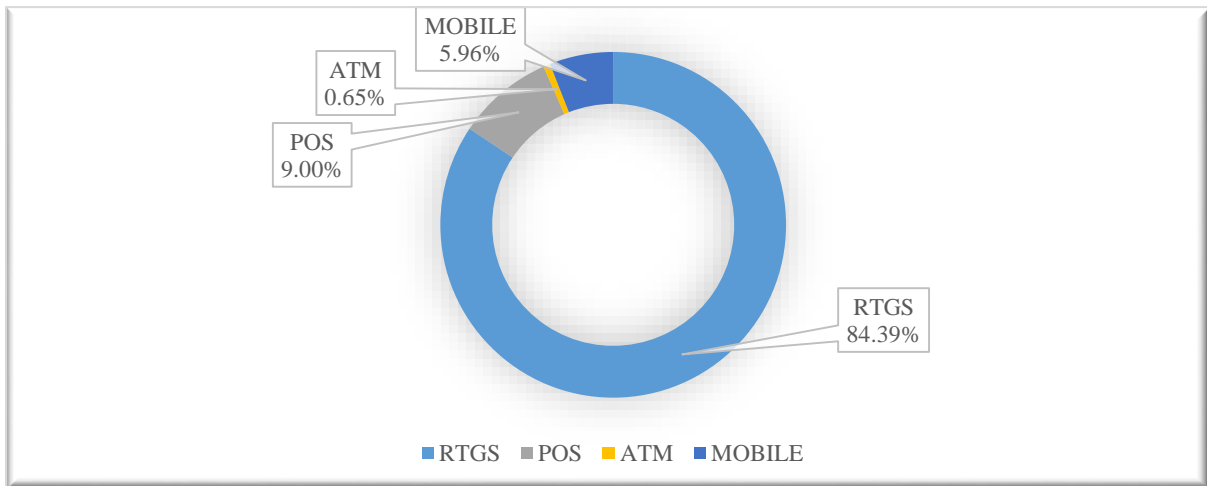
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
16-Apr-21	35.34	57.28	22.32	59.39
23-Apr-21	35.22	57.08	22.59	59.75
30-Apr-21	35.22	57.08	22.59	59.75
7-May-21	35.91	57.17	22.46	59.80
14-May-21	35.91	57.17	22.46	59.80

Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

During the week under review, transactions processed through the National Payment System (NPS) amounted to ZW\$107.51 billion. This was a 14.28% increase from ZW\$94.78 billion recorded during the week ending 7th May 2021. Real Time Gross Settlement (RTGS) transactions increased by 21.50% to ZW\$90.73 billion, during the week under analysis. The NPS transaction values were distributed as follows: RTGS, 84.39%; POS, 9.00%; Mobile, 5.96% and ATM, 0.65%.

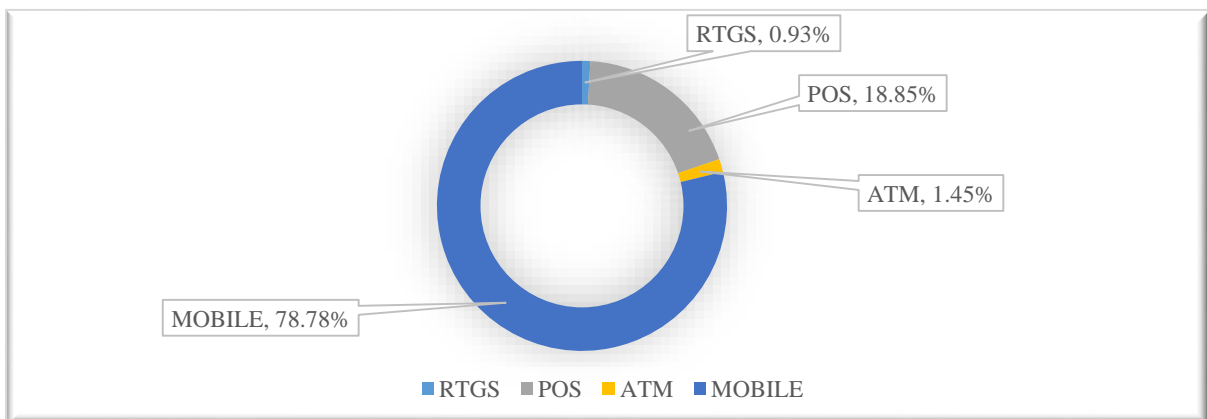
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

NPS transaction volumes declined by 5.97% to 23.99 million transactions, during the week ending 14th May 2021 and were distributed as follows: Mobile, 78.78%; POS, 18.85%; ATM, 1.45% and RTGS, 0.93%.

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 7 th MAY 2021	WEEK ENDING 14 th MAY 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	74,676.85	90,728.79	21.50%	84.39%
POS	10,581.02	9,675.43	-8.56%	9.00%
ATM	1,028.55	698.72	-32.07%	0.65%
MOBILE	7,794.75	6,408.38	-17.79%	5.96%
TOTAL	94,081.17	107,511.32	14.28%	100%
Volumes				
RTGS	232,751	222,141	-4.56%	0.93%
POS	5,064,223	4,521,315	-10.72%	18.85%
ATM	456,480	346,679	-24.05%	1.45%
MOBILE	19,761,750	18,901,488	-4.35%	78.78%
TOTAL	25,515,204	23,991,623	-5.97%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 14th May 2021, the international commodity prices of gold, platinum and copper prices firmed, while nickel and crude oil prices registered marginal losses. Table 4 shows developments in commodity prices for the week under review.

Table 4: Metal and Crude Oil Prices for the week-ending 14th May 2021

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (3 – 7 May)	1,794.28	1,232.40	10,057.50	17,858.20	68.57
10-May	1,837.30	1,266.00	10,724.50	18,070.00	67.85
11-May	1,833.13	1,236.50	10,528.00	17,943.00	68.19
12-May	1,832.15	1,238.00	10,537.00	17,932.00	68.82
13-May	1,818.05	1,207.50	10,253.50	17,180.00	66.95
14-May	1,835.80	1,227.00	10,212.00	17,404.00	68.83
Weekly Average (10 – 14 May)	1,831.29	1,235.00	10,451.00	17,705.80	68.13
Weekly Change (%)	2.1	0.2	3.9	-0.9	-0.6

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices continued to rise, buoyed a weaker U.S. dollar and mounting inflationary pressures in the US. These developments lifted the yellow metal's appeal as a safe haven asset and a

hedge against inflation. Resultantly, prices rose by 2.1%, from US\$1,794.28 per ounce in the prior week to US\$1,831.29 per ounce, during the week under analysis.

Platinum

Strong growth in demand from automotive and industrial end-use sub-sectors, as well as recovery in jewellery, bolstered platinum demand. Notably, auto-catalyst demand for the metal is benefiting from emissions-tightening legislation in China and Europe. Accordingly, platinum prices remained upbeat, gaining by 0.2% to close the week at an average of US\$1,235.00 per ounce.

Copper

Copper prices were up by 3.9%, from a weekly average price of US\$10,057.50 per tonne in the previous week to US\$10,451.00 per tonne, during the week ending 14th May 2021. The base metal extended gains on supply disruption concerns in Chile, one of the world's largest copper producers. In addition, prices were also boosted by robust global demand, amid a push towards cleaner energy, as the world shifts from fossil fuels to copper-intensive electrification.

Nickel

Nickel prices retreated by 0.9% to close at US\$17,705.80 per tonne, during the week ending 14th May 2021. This was due to fears of slackening demand that followed reports which showed that China's factory activity in March grew at a slower-than-anticipated pace. Nickel is predominantly used in stainless steel industries, particularly in China, the world's largest consumer of base metals. The decline was, however, capped by a weaker US dollar and investor anticipation of a vaccine anchored global economic recovery.

Brent Crude Oil

Brent Crude oil prices reversed gains recorded in previous weeks and averaged US\$68.13 per barrel, 0.6% down from the US\$68.57 per barrel recorded in the previous week. The decline was largely attributed to concerns about the spread of a new variant of the Covid-19 virus, first discovered in India. Losses were, however, moderated as fresh economic data from around the world supported expectations of a sustained recovery in demand.

4. EXCHANGE RATE DEVELOPMENTS

On the foreign exchange auction market, the Zimbabwe dollar (ZW\$) eased by 0.1% against the US dollar, from an average of ZW\$84.5182 per US\$1 in the previous week to ZW\$84.5797 per US\$1, during the week ending 7th May 2021. The developments in selected exchange rates are shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (3 – 7 May)	84.5182	5.8737	117.3308	7.7626	101.6611
10-May	84.5282	6.0132	118.7117	7.8615	102.7358
11-May	84.5282	6.0114	119.3665	7.8953	102.6384
12-May	84.6140	6.0295	119.4835	7.9077	102.5904
13-May	84.6140	5.9916	118.8914	7.8990	102.1587
14-May	84.6140	5.9916	118.8660	7.8990	102.2732
Weekly Average (10 – 14 May)	84.5797	6.0075	119.0638	7.8925	102.4793
<i>Appr(-)/Depr(+) (%) of the ZWL</i>	<i>0.1</i>	<i>2.3</i>	<i>1.5</i>	<i>1.7</i>	<i>0.8</i>

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

During the week ending 14th May 2021, the Zimbabwe Stock Exchange (ZSE) maintained the positive momentum for the third consecutive week. As a result, the All Share, Top 10 and Top 15 indices gained 13.86%, 13.37%, and 12.48% to close at 5 436.39 points, 3 127.76 points and 3 505.18 points, respectively.

The increase in the market indices was, in part, attributable to increases in share prices for Proplastics Limited (66.67%), Getbucks Financial Services Limited (64.58%), Willdale Limited (53.62%), Starafriacorporation Limited (46.99%) and OK Zimbabwe Limited (33.12%). Partially offsetting the aforementioned gains were losses in the share prices of CBZ Holdings Limited (8.06%), General Beltings Holdings Limited (5.98%), National Tyre Services Limited (5.00%) and NMBZ Holdings Limited (2.14%).

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

The mining index, also gained 16.40% to close at 6 330.54 points, during the week ending 14th May 2021. The gain in the resource index emanated from a 23.17% increase in Bindura Nickel Corporation Limited share price, while share prices for RioZim Limited traded at the previous week price level..

Table 6: Zimbabwe Stock Exchange Statistics²

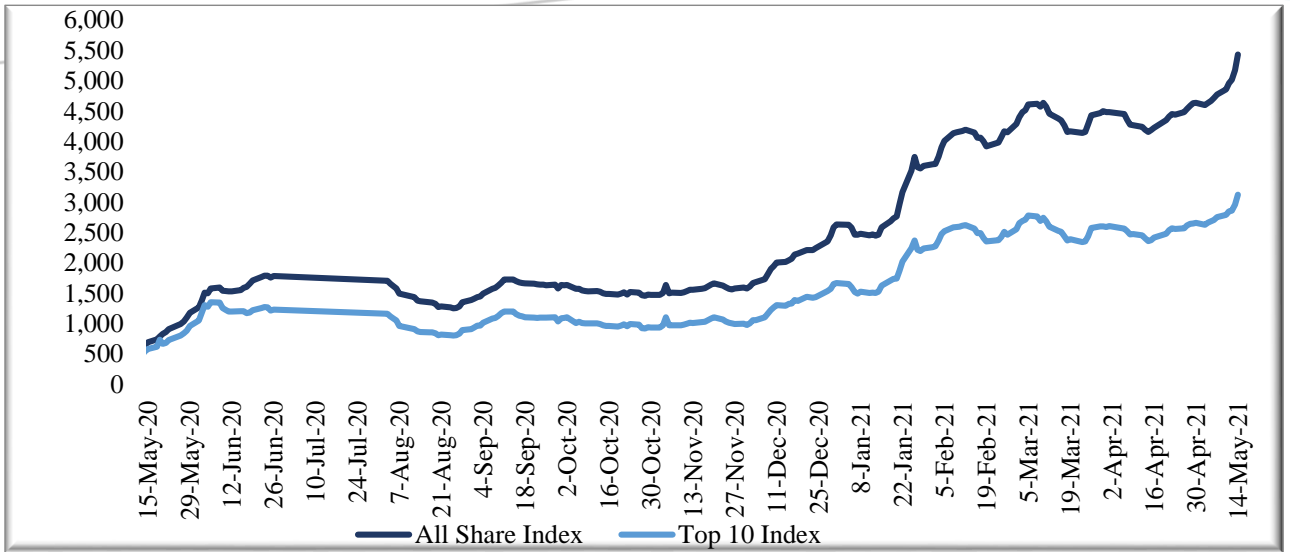
	All Share Index Points	Top 10 index (points)	Top 15 Index ³ points	Medium Cap ³ (points)	Small Cap ³ (points)	Mining Index (points)	Grand Market Capitalization (ZWL million)	Market Turnover (ZWL million)	Volume of Shares (million)
9-April-21	4 270.34	2 479.11	2 790.88	10 117.07	47 343.47	5 587.95	498.88	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
23-April-21	4 444.19	2 563.85	2 918.92	10 706.35	43 231.89	4 774.73	517.58	811.04	70.70
30-April-21	4 641.11	2 660.37	3 023.66	11 330.52	43 054.55	5 061.28	540.75	939.24	50.20
7-May-21	4 774.55	2 758.97	3 116.33	11 501.55	46 133.62	5 438.60	557.68	481.55	27.92
14-May-21	5 436.39	3 127.76	3 505.18	13 264.23	49 596.70	6 330.54	635.98	657.83	34.79
% Change	13.86	13.37	12.48	15.33	7.51	16.40	14.04	36.61	24.61

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 1 shows developments on the ZSE's All Share, Top 10 and mining indices for the period from the 15th May 2020 to the 14th May 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

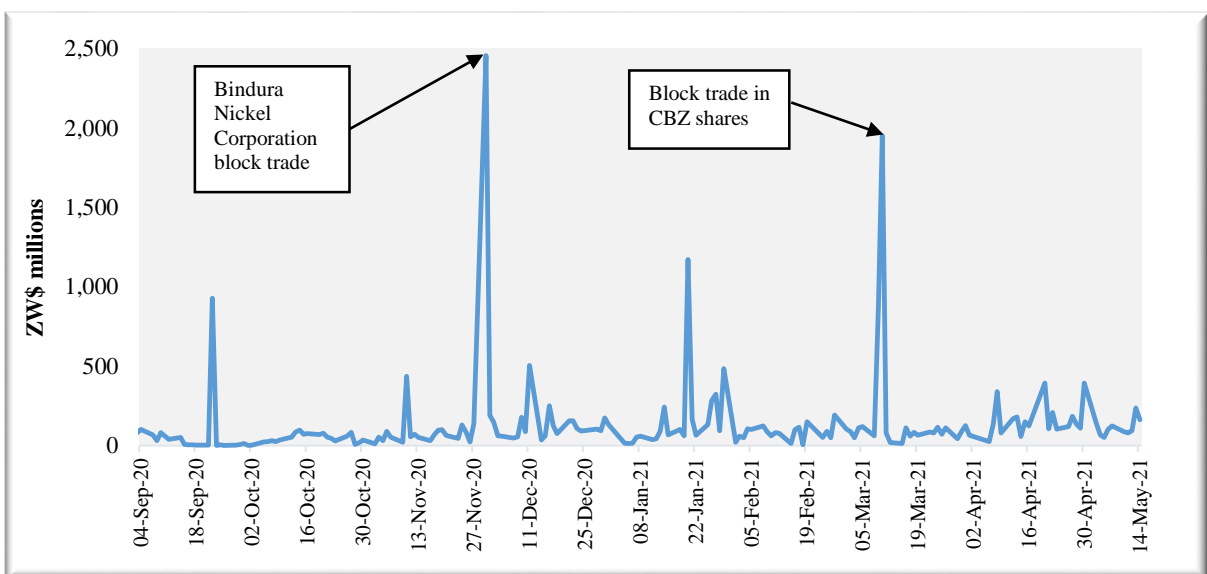


Source: Zimbabwe Stock Exchange, 2021

Market Turnover and Volume

Improved trading activity on the ZSE resulted in an increase in both the cumulative volume and value of shares traded, during the week under review. The cumulative volume and value of shares traded increased by 24.60% and 36.61% to 34.79 million shares and ZW\$657.83 million, respectively. Figure 2 shows the trend in daily market turnover for the period from 4th Sept 2020 to 14th May 2021.

Figure 4: Daily Market Turnover

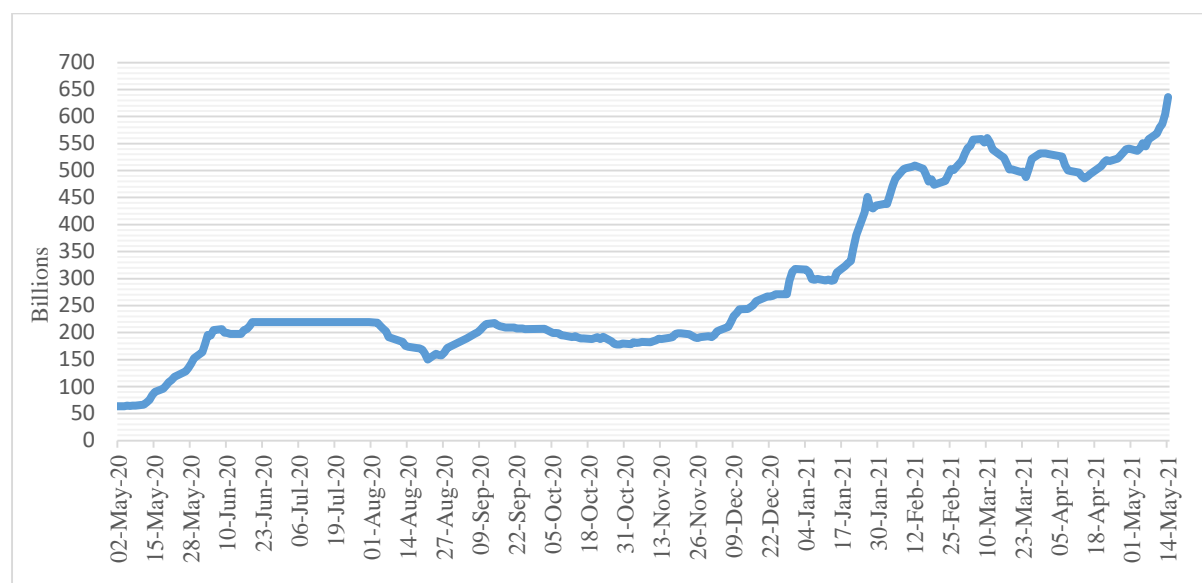


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

The local bourse gained ZW\$78.30 billion, or 14.04% worth of market capitalisation to close at ZW\$635.98 billion, during the week under review. This compares with the ZW\$557.68 billion recorded in the previous week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

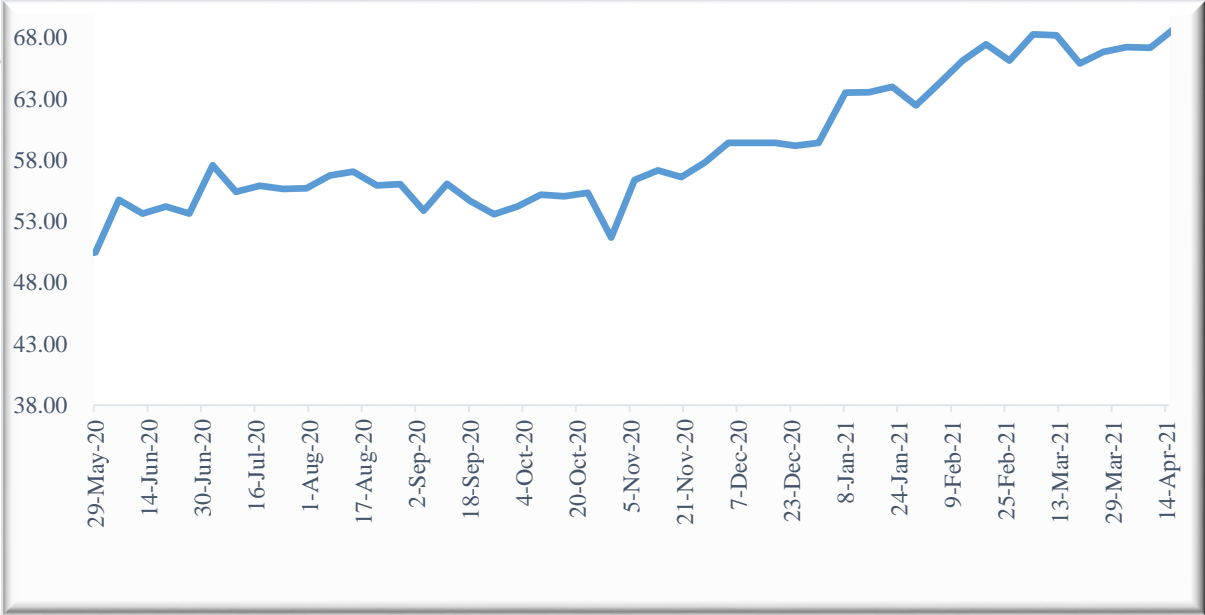
The Johannesburg Stock Exchange (JSE) All share index declined from 68,519.53 points in the previous week to close at 66,598.13 points, during the week under review. JSE market capitalization was 2.35% lower and closed the week under review at ZAR19.13 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
9-April-21	67,191.27	19.34
16-April-21	68,698.78	19.63
23-April-21	67,295.74	19.33
30-April-21	66,937.00	19.31
7-May-21	68,519.53	19.59
14-May-21	66,598.13	19.13
% Change	-2.80	-2.35

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-Apr-21	30-Apr-21	7-May-21	14-May-21	23-Apr-21	30-Apr-21	7-May-21	14-May-21
Total Bids (US\$ dollars)	30,207,699.94	31,387,680.99	32,854,222.02	36,536,482.42	3,900,835.28	4,385,395.92	4,513,404.05	5,089,085.21
Amount Allotted (US\$ dollars)	30,207,699.94	31,387,680.99	32,854,222.02	36,536,482.42	3,900,835.28	4,385,395.92	4,513,404.05	5,089,085.21
Highest Rate	89	87.3	87	88	88	88	88.5	88.5
Lowest Rate	82	82	82	82	82	82	82	82
Lowest Accepted Rate	82	82	82	82	82	82	82	82
Weighted Average Rate	84.4826	84.5032	84.5282	84.6140	84.4826	84.5032	84.5282	84.6140
Number of Bids Received	332	335	328	382	310	352	328	362
Number of Bids Rejected	65	70	47	47	57	59	30	33

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-Apr-21	30-Apr-21	7-May-21	14-May-21	23-Apr-21	30-Apr-21	7-May-21	14-May-21
Raw Materials	12,258,325.81	12,746,653.11	11,097,737.19	16,412,069.18	1,030,911.59	990,218.19	1,061,417.15	1,193,446.14
Machinery and Equipment	5,698,750.65	5,526,550.37	6,798,893.55	6,507,907.31	773,605.26	934,414.01	1,165,482.55	1,327,093.83
Consumables (Incl. Spares, Tyres, Packaging)	2,726,391.14	2,358,267.78	3,049,059.44	3,344,573.54	733,886.14	1,124,974.63	1,015,479.29	1,097,024.55
Pharmaceuticals and Chemicals	1,518,160.80	1,624,061.22	2,859,485.22	2,087,994.87	409,657.02	297,221.30	220,705.98	295,113.59
Services (Loans, Dividends and Disinvestments)	2,241,848.94	2,018,322.78	3,609,117.67	3,166,705.23	304,363.14	265,386.45	312,326.14	338,693.52
Retail and Distribution	2,786,171.86	2,609,517.37	2,921,182.93	2,480,283.20	277,714.13	355,253.43	377,506.63	454,994.39
Fuel, Electricity and Gas	2,186,334.60	3,348,728.98	2,020,617.70	1,446,674.21	215,992.65	265,435.96	124,209.35	157,948.86
Paper and Packaging	791,716.14	1,155,579.38	498,128.32	1,090,274.88	154,705.35	152,491.95	236,276.96	224,770.33
TOTAL	30,207,699.94	31,387,680.99	32,854,222.02	36,536,482.42	3,900,835.28	4,385,395.92	4,513,404.05	5,089,085.21

Source: Reserve Bank of Zimbabwe, 2021