



Weekly Economic Highlights

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Week Ending
15th October 2021

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates for all classes of deposits were unchanged during the week ending 15th October 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 (%)
17-Sept-21	5.53	7.50	8.11	12.64	9.42	14.03
24-Sept-21	2.56	5.06	8.47	12.83	9.53	14.03
1-Oct-21	2.56	5.06	8.47	12.83	9.53	14.03
8-Oct-21	2.78	4.79	8.06	13.31	9.05	14.29
15-Oct-21	2.78	4.79	8.06	13.31	9.05	14.29

Source: Reserve Bank of Zimbabwe, 2021

Lending Rates

Commercial bank minimum and maximum lending rates for individual and corporate clients remained largely 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 (%)
17-Sept-21	40.75	58.06	39.81	64.67
24-Sept-21	40.61	58.46	39.50	63.66
1-Oct-21	40.61	58.46	39.50	63.66
8-Oct-21	41.06	57.39	39.65	65.06
15-Oct-21	41.06	57.39	39.65	65.06

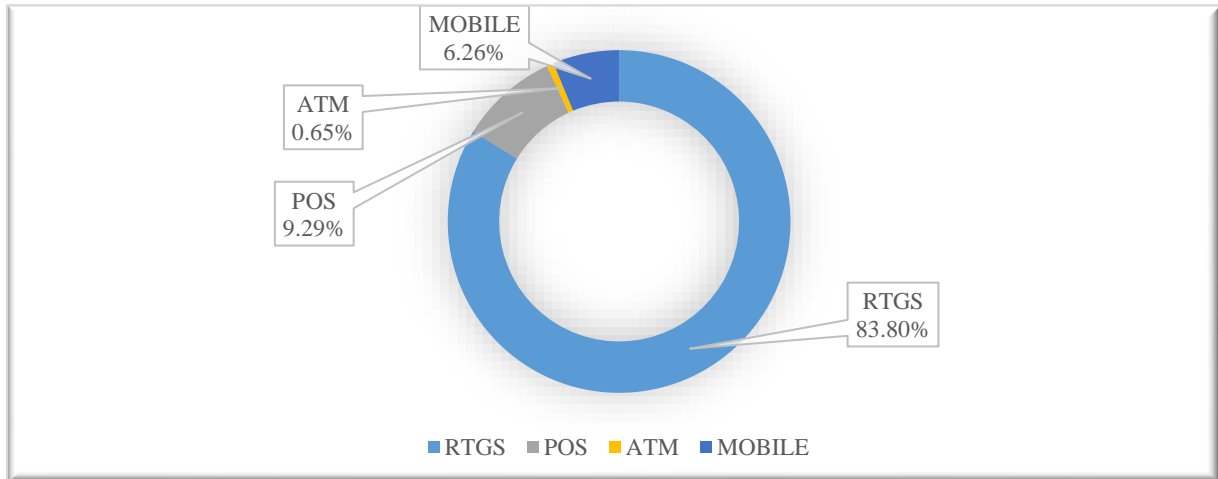
Source: Reserve Bank of Zimbabwe, 2021

2. CLEARING AND SETTLEMENT ACTIVITY

The week under review saw the value of transactions processed through the National Payment Systems (NPS) increase by 11.01% to close at \$137.47 billion, from \$123.82 billion recorded

during the week ending 8th October 2021. Real Time Gross Settlement (RTGS) transactions increased from \$97.02 billion in the preceding week to \$115.19 billion, during the week under review. NPS transaction values were distributed as follows: RTGS, 83.80%, POS, 9.29%; Mobile, 6.26%; and ATM, 0.65%.

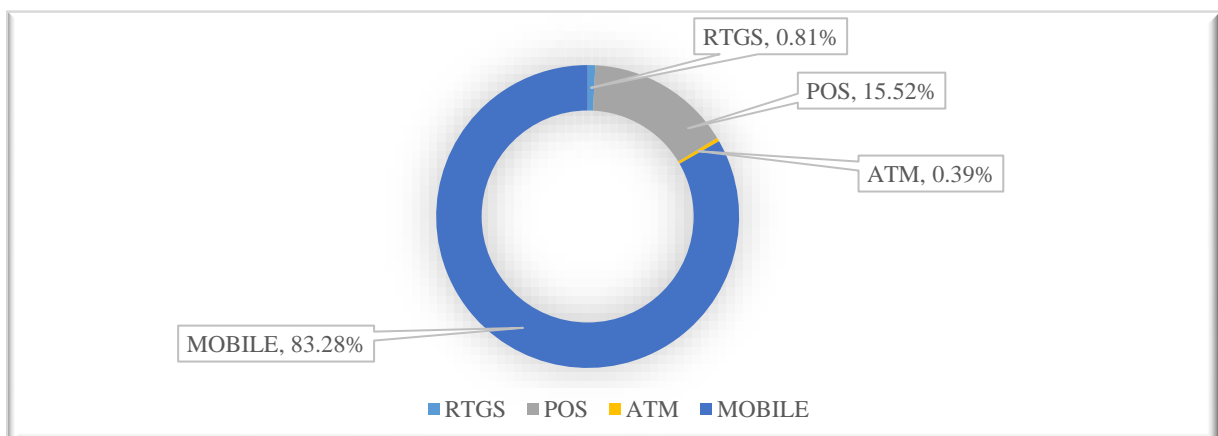
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2021

The volume of NPS transactions stood at 23.36 million during the week under review, reflecting a 8.04% decline, compared to 28.66 million recorded in the previous week. In volume terms, the NPS transactions were, distributed as follows: Mobile, 83.28%; POS, 15.12%; RTGS, 0.81%; and ATM, 0.39%, as shown in Figure 2.

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 8 th October 2021	WEEK ENDING 15 th October 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	97,022.57	115,192.08	18.73%	83.80%
POS	15,346.36	12,766.10	-16.81%	9.29%
ATM	1,223.87	897.20	-26.69%	0.65%
MOBILE	10,239.62	8,610.96	-15.91%	6.26%
TOTAL	123,832.44	137,466.35	11.01%	100%
Volumes				
RTGS	275,413	212,240	-22.94%	0.81%
POS	4,916,590	4,090,656	-16.80%	15.52%
ATM	113,007	103,834	-8.12%	0.39%
MOBILE	23,354,708	21,949,854	-6.02%	83.28%
TOTAL	28,659,718	26,356,584	-8.04%	100%

Source: Reserve Bank of Zimbabwe, 2021

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for gold, platinum, copper, nickel and crude oil firmed, during the week ending 15th October 2021. This was, largely explained by a weaker US dollar amid simmering inflation concerns, which resulted in a shift in investors' preferences. Table 4 shows the developments in prices of selected commodities, during the week under analysis.

Table 4: Metal and Crude Oil Prices for the week ending 15th October 2021

2021	Gold US\$/ounce	Platinum US\$/ounce	Copper US\$/tonne	Nickel US\$/tonne	Crude Oil US\$/barrel
Weekly Average (4 - 8 October)	1,757.73	971.90	9,175.60	18,229.00	82.09
11-Oct	1,755.10	1,034.00	9,527.00	19,420.00	83.88
12-Oct	1,763.43	1,011.50	9,585.00	19,375.00	82.68
13-Oct	1,776.58	1,015.00	9,661.00	19,235.00	83.73
14-Oct	1,797.93	1,033.00	9,971.00	19,290.00	84.50
15-Oct	1,777.05	1,053.35	10,555.00	19,860.00	84.95
Weekly Average (11 - 15 October)	1,774.02	1,029.37	9,859.80	19,436.00	83.95
Weekly Change (%)	0.9	5.9	7.5	6.6	2.3

Source: BBC, KITCO and Bloomberg, 2021

Gold

Gold prices remained upbeat for the second consecutive week on account of a weaker US dollar, as investors weighed the looming reduction in economic stimulus and persistent inflationary pressures in the US economy. Prices increased by 0.9%, from a weekly average of

US\$1,757.73 per ounce in the week ending 8th October 2021, to US\$1,774.02 per ounce, during the week ending 15th October 2021.

Platinum

Platinum prices rebounded, gaining by 5.9% from a weekly average of US\$971.90 per ounce in the preceding week to US\$1,029.37 per ounce, during the week under analysis. Platinum prices were largely supported by a weaker US dollar and a solid recovery in demand for the industrial metal, particularly from the automotive and glass industries.

Copper

Copper prices also bounced back, rising by 7.5% from a weekly average of US\$9,175.60 per tonne in the previous week to US\$9,859.80 per tonne, during the week under review. Prices rose largely on account of a softer US dollar, supported by a global energy crisis that is affecting supply at a time when copper inventories are low.

Nickel

Nickel prices rose by 6.6%, from a weekly average of US\$18,229.00 per tonne in the prior week, to US\$19,436.00 per tonne, during the week under review. This followed a global energy crisis and supply constraints, at a time when demand from the stainless-steel sector was growing.

Brent Crude Oil

Brent Crude oil prices maintained a bullish run mainly boosted by investor expectations of a supply deficit, as the opening up of the global economy and easing of coronavirus-related travel restrictions spurred demand. Accordingly, Brent crude oil prices gained by 2.3%, from a weekly average of US\$82.09 per barrel, to US\$83.95 per barrel, during the week under analysis.

4. EXCHANGE RATE DEVELOPMENTS

During the week under review, the Zimbabwe dollar (ZW\$) depreciated by 1.0%, from an average of ZW\$87.4239 per US\$1 in the previous week, to ZW\$88.3395 per US\$1. The developments in selected exchange rates are as shown in Table 2.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2021					
Weekly Average (4 - 8 October)	87.4239	5.9111	119.9075	7.8254	101.9912
11-Oct	90.0792	6.0277	122.5483	7.9636	102.4961
12-Oct	90.0792	6.0314	122.6431	7.9637	102.4961
13-Oct	90.0792	6.1031	123.2869	8.0174	102.4961
14-Oct	85.7300	5.9648	119.0385	7.8445	101.4470
15-Oct	85.7300	5.9172	119.3299	7.8102	101.3570
Weekly Average (11 - 15 October)	88.3395	6.0088	121.3693	7.9199	102.0584
Appr(-)/Depr(+) (%) of the ZWL	<i>1.0</i>	<i>1.7</i>	<i>1.2</i>	<i>1.2</i>	<i>0.1</i>

Source: Reserve Bank of Zimbabwe, 2021

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) continued on a bullish trend, with the Small Cap, Top 15, Top 10 and All Share indices increasing by 22.08%, 7.79%, 7.17%, and 6.43% to close at 316 367.25 points, 6 929.79 points, 6 142.98 points and 10 184.95 points, respectively.

The increase in the mainstream index was on the back of share price gains in Axia Corporation Limited (30.95%), Simbisa Brands Limited (30.05%), Seed Co Limited (22.05%), Lafarge Cement Zimbabwe Limited (20.21%) and British American Tobacco Limited (20.00%). Partially offsetting the aforementioned gains were losses in share prices recorded in Willdale Limited (17.32%), African Sun Limited (15.35%), Medtech Holdings Limited (15.14%), Nmbz Holdings Limited (8.34%) and Fidelity Life Assurance Limited (7.37%).

The resources index also went up by 4.02% to close at 6 810.45 points, during the week under analysis. The gains in the mining index emanated from a 31.58% and 1.98% increase in share prices for Bindura Nickel Corporation Limited and Riozim Limited, respectively.

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

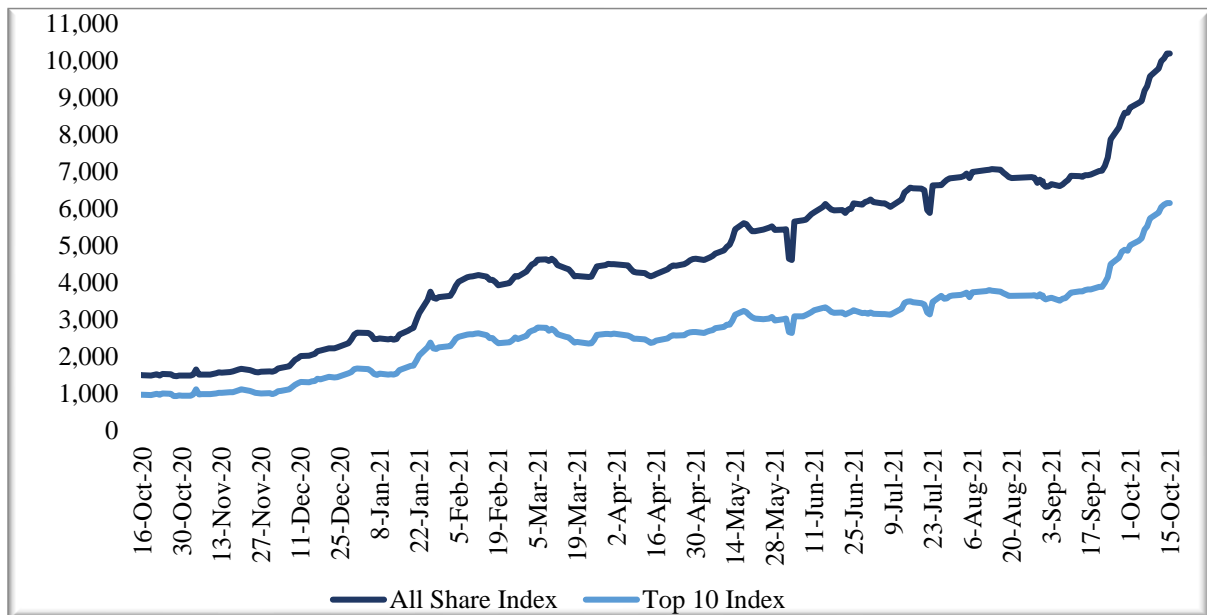
Table 6: Zimbabwe Stock Exchange Statistics²

	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 billion)	Market Turnover (ZWL million)	Volume of Shares (million)
10-Sept-21	6,878.97	3723.60	4 276.15	17,621.35	220 148.96	6,271.23	819.47	537.22	22.07
17-Sept-21	6,918.42	3,811.50	4,349.82	17,264.15	220,336.87	6,104.31	823.33	1,444.53	2,776.13
24-Sept-21	7,866.84	4,488.02	5,072.84	18,655.87	229,647.05	6,629.24	940.02	1,403.07	69.39
1-Oct-21	8,719.53	4,998.20	5,688.58	20,464.29	255,411.79	6,432.53	1,048.64	1,138.05	36.28
8-Oct-21	9,570.05	5,732.26	6,428.89	20,682.54	259,144.42	6,547.32	1,157. 42	1,573	25.75
15-Oct-21	10,184.95	6,142.98	6,929.79	21,528.31	316,367.25	6,810.45	1,286.46	2,214.02	37.39
% Change	6.43	7.17	7.79	4.09	22.08	4.02	11.15	40.75	45.20

Source: Zimbabwe Stock Exchange (ZSE), 2021

Figure 3 shows the trend in daily market turnover for the period 16th October 2020 to 15th October 2021.

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



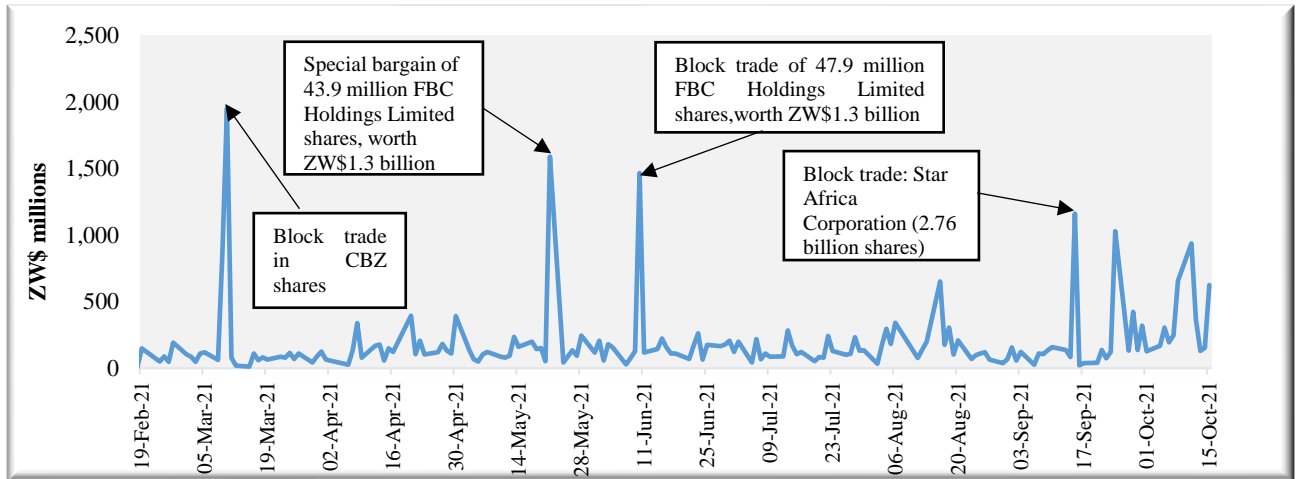
Source: Zimbabwe Stock Exchange, 2021

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

In line with positive trading on the ZSE, the cumulative volume and value of shares traded increased by 45.23% and 40.70% to 37.39 million shares and ZW\$2.21 billion, respectively.

Figure 4: Daily Market Turnover

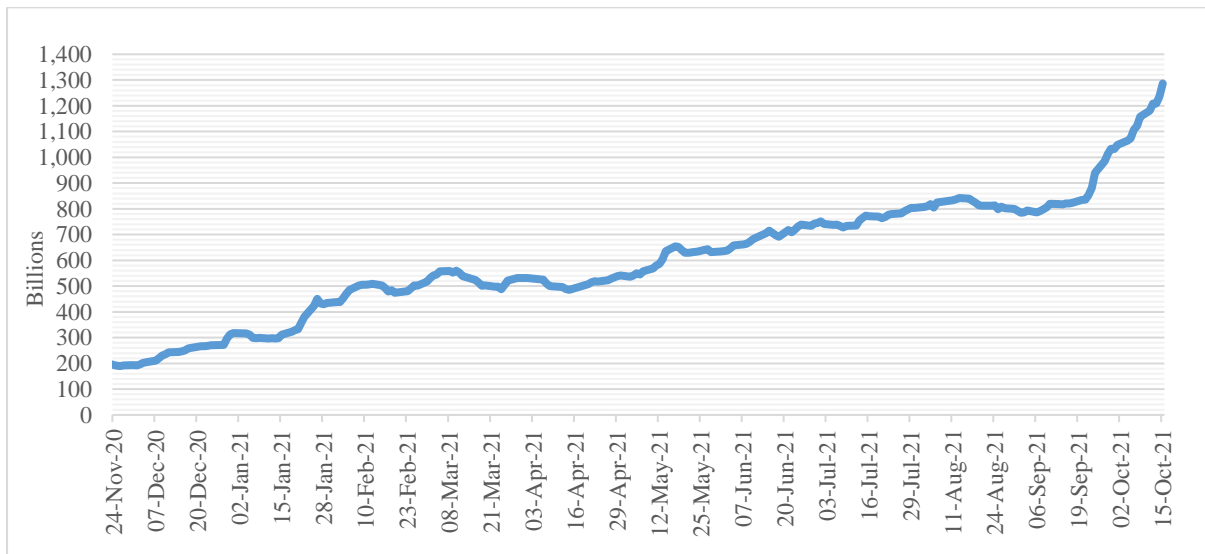


Source: Zimbabwe Stock Exchange, 2021

Market Capitalization

ZSE market capitalisation increased by 11.15% to close at ZW\$1,286.46 billion, during the week under review. This compares with ZW\$1,157.42 billion recorded in the preceding week.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2021

Johannesburg Stock Exchange (JSE) Developments

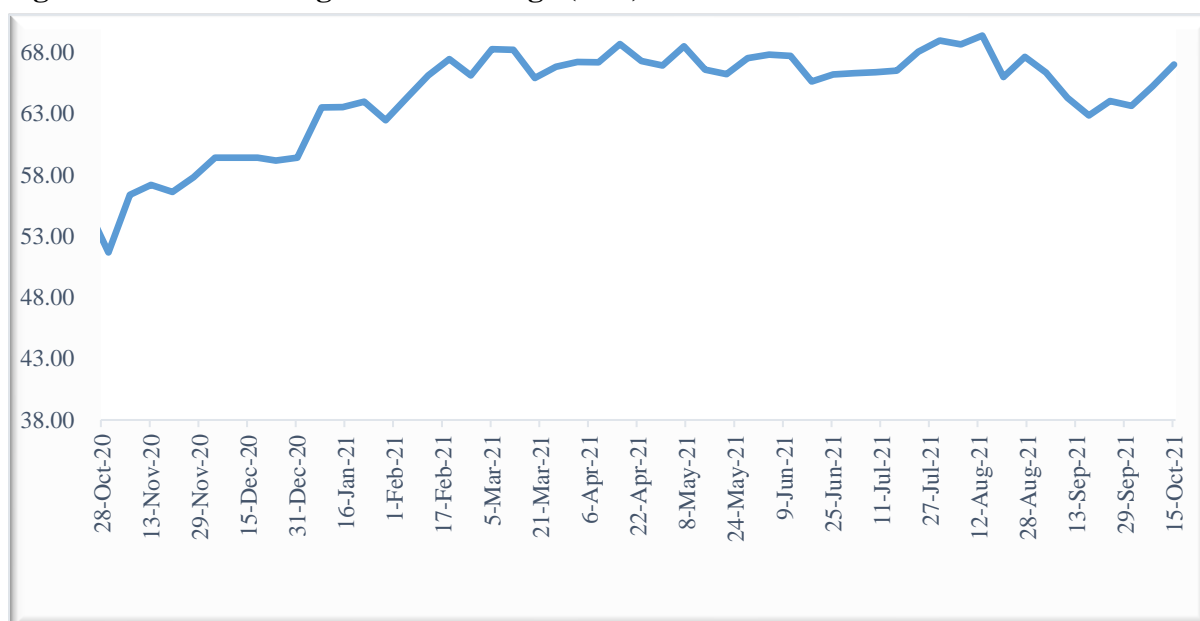
During the week ending 15th October 2021, the Johannesburg Stock Exchange (JSE) All Share Index rose by 2.74% to close at 67,028.86 points, from 65,242.61 points in the preceding week. JSE market capitalization increased by 2.42%, from ZAR18.60 trillion in the previous week to close at ZAR19.05 trillion in the week under review.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
10-Sept-21	64,296.06	18.41
17-Sept-21	62,863.64	18.22
24-Sept-21	64,049.05	18.45
1-Oct-21	63,661.02	18.23
8-Oct-21	65,242.61	18.60
15-Oct-21	67,028.86	19.05
% Change	2.74	2.42

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

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			
	24-Sept-21	1-Oct-21	8-Oct-21	15-Oct-21	17-Sept-21	1-Oct-21	8-Oct-21	15-Oct-21
Total Bids (US\$ dollars)	34,894,442.49	34,192,013.42	35,798,776.22	32,826,554.76	12,073,518.56	10,582,486.96	10,695,839.38	9,365,574.40
Amount Allotted (US\$ dollars)	29,002,007.15	31,709,267.96	35,798,776.22	28,395,244.38	9,779,692.35	9,377,226.27	10,695,839.38	7,978,938.75
Highest Rate	95	95	96	95.16	97.2	97.2	98	100
Lowest Bid Rate	85	85	85	85	85	85	85	95.16
Lowest Bid Rate Allotted	85	85	85	88.5	85	85	85	88.5
Weighted Average Rate	86.9267	87.6653	88.5532	90.0792	86.9267	87.6653	88.5532	90.0792
Number of Bids Received	443	450	466	488	1082	1236	1217	1196
Number of Bids Rejected	33	22	22	357	59	56	53	759

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			
	24-Sept-21	1-Oct-21	8-Oct-21	15-Oct-21	24-Sept-21	1-Oct-21	8-Oct-21	15-Oct-21
Raw Materials	12,642,805.59	12,919,239.28	15,226,564.09	11,010,262.22	3,004,873.06	2,953,286.28	3,247,758.50	2,428,873.54
Machinery and Equipment	6,594,991.86	7,983,704.69	8,272,309.33	7,822,826.32	3,030,865.81	2,738,627.65	3,595,447.33	2,482,427.55
Consumables (Incl. Spares, Tyres, Packaging)	2,632,044.47	2,648,090.96	3,597,274.31	3,010,781.10	1,492,637.16	1,465,622.73	1,431,730.56	1,215,781.53
Pharmaceuticals and Chemicals	1,942,533.00	1,904,542.68	2,131,929.23	1,139,496.66	495,895.86	370,929.89	405,158.72	368,996.62
Services (Loans, Dividends and Disinvestments)	1,204,631.57	1,471,247.99	1,759,691.19	980,656.00	599,110.94	584,600.46	799,181.28	608,013.90
Retail and Distribution	3,262,929.05	3,535,845.96	3,573,549.89	3,286,166.59	819,992.52	961,374.21	997,704.92	666,473.29
Fuel, Electricity and Gas	0.00	0.00	129,343.11	0.00	20,482.41	0.00	29,354.10	19,910.71
Paper and Packaging	722,071.61	1,246,596.40	1,108,115.07	1,145,055.49	315,834.59	302,785.05	189,503.97	188,461.61
TOTAL	29,002,007.15	31,709,267.96	35,798,776.22	28,395,244.38	9,779,692.35	9,377,226.27	10,695,839.38	7,978,938.75

Source: Reserve Bank of Zimbabwe, 2021