



Weekly Economic Highlights

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Week Ending
14th January 2022

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates for all classes of deposits registered increases, during the week ending 14th January 2022, 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-Dec-21	3.04	5.26	11.38	14.33	11.72	15.05
24-Dec-21	3.04	5.26	11.38	14.33	11.72	15.05
31-Dec-21	3.04	4.97	10.75	14.33	11.26	15.05
7-Jan-22	3.04	4.97	10.75	14.33	11.26	15.05
14-Jan-22	3.52	5.31	12.14	15.50	12.26	15.89

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum commercial bank lending rates for individual clients declined, while those for corporate clients registered an increase, during the week under review. Maximum lending rates for both individual and corporate clients declined, as shown in Table 2.

Table 2: Lending Rates (per annum)

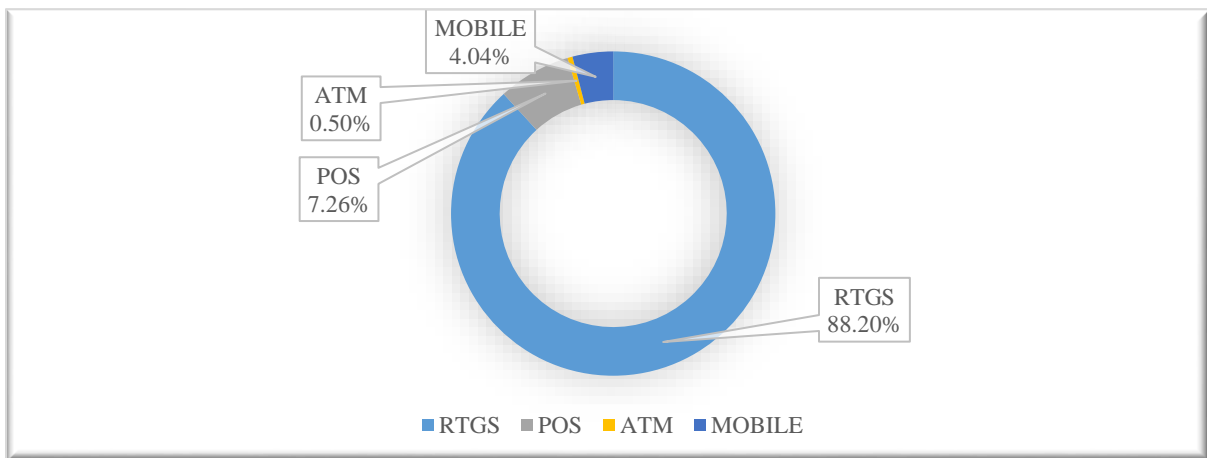
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
17-Dec-21	38.97	58.60	38.20	63.89
24-Dec-21	38.97	58.60	38.20	63.89
31-Dec-21	39.34	58.65	37.94	64.00
7-Jan-22	39.34	58.65	37.94	64.00
14-Jan-22	38.96	55.49	38.02	63.94

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) declined by 18.36% to \$191.57 billion, during the week ending 14th January 2022, from \$234.67 billion recorded in the previous week. Real Time Gross Settlement (RTGS) transactions declined by 19.5% to \$168.97 billion, from \$209.85 billion recorded in the preceding week. In proportions, NPS transaction values were distributed as follows: RTGS, 88.20%, POS, 7.26%; Mobile, 4.04%; and ATM, 0.50%.

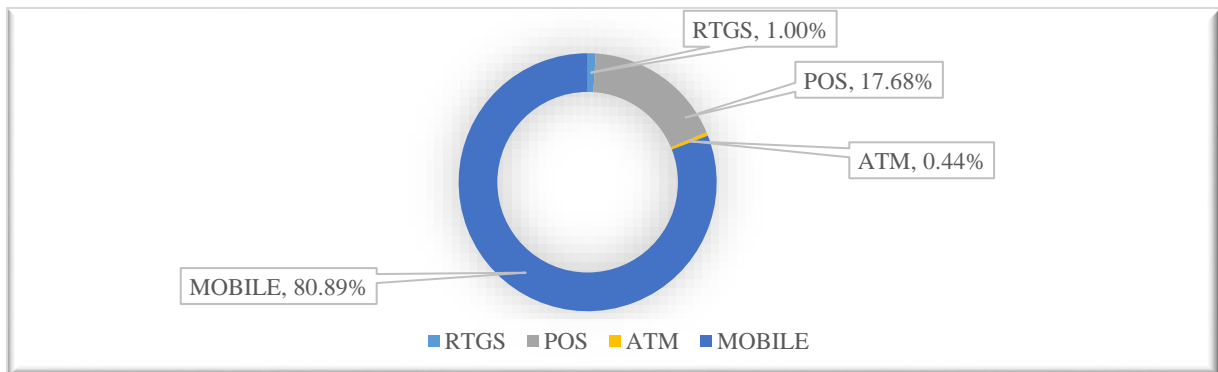
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

NPS transaction volumes declined by 20.44% to 19.68 million, during the week of analysis. The NPS transaction volumes were distributed as follows: Mobile, 80.89%, POS, 17.68%; RTGS, 1.00%; and ATM, 0.44%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2022

Table 3: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 7 th January 2022	WEEK ENDING 14 th January 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	209,851.73	168,965.97	-19.48%	88.20%
POS	14,713.49	13,902.87	-5.51%	7.26%
ATM	882.92	959.70	8.70%	0.50%
MOBILE	9,218.28	7,743.37	-16.00%	4.04%
TOTAL	234,666.42	191,571.90	-18.36%	100%
Volumes				
RTGS	217,269	195,841	-9.86%	1.00%
POS	4,016,018	3,478,264	-13.39%	17.68%
ATM	90,638	86,315	-4.77%	0.44%
MOBILE	20,404,685	15,914,763	-22.00%	80.89%
TOTAL	24,728,610	19,675,183	-20.44%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

In the week ending 14th January 2022, average prices for gold, platinum, copper, nickel and crude oil firmed. The international commodity price developments were largely influenced by a weaker US dollar. Table 4 shows the developments in commodity prices, during the week under review.

Table 4: Metal and Crude Oil Prices for the week ending 14th January 2022

	Gold	Platinum	Copper	Nickel	Crude Oil
2021	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (3 – 7 January)	1,804.81	969.30	9,694.12	20,861.60	80.70
10-Jan	1,797.38	946.00	9,692.00	20,859.00	81.24
11-Jan	1,806.00	975.00	9,574.00	20,929.00	83.81
12-Jan	1,818.90	977.50	9,734.50	21,986.00	84.50
13-Jan	1,821.38	976.00	10,081.00	22,230.00	86.09
14-Jan	1,822.59	979.00	9,972.30	22,417.00	86.47
Weekly Average (10 – 14 December)	1,813.25	970.7	9,810.76	21,684.20	84.42
Weekly Change (%)	<i>0.5</i>	<i>0.1</i>	<i>1.2</i>	<i>3.9</i>	<i>4.6</i>

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices rose by a marginal 0.5%, from a weekly average of US\$1,804.81 per ounce in the previous week to US\$1,813.25 per ounce, during the week ending 14th January 2022. Prices

were supported by a weaker US dollar, and growing investor concerns over unabated inflation. The gains in prices were, however, moderated by prospects of aggressive rate hikes by the U.S. Federal Reserve as gold is considered a hedge against inflation, while higher interest rates tend to negatively impact on the demand for the yellow metal.

Platinum

Platinum prices slightly increased, also supported by a weaker US dollar and renewed hope about global economic recovery, amid easing concerns over the omicron variant. A 0.1% increase in the prices was thus recorded, from a weekly average of US\$969.30 per ounce, during the week ending 7th January 2022 to US\$970.7 per ounce, during the week under review.

Copper

Copper prices continued on a positive trajectory, gaining by 1.2%, from a weekly average of US\$9,694.12 per tonne in the preceding week to US\$9,810.76 per tonne, during the week under analysis. Prices increased on account of falling inventories and fears of supply shortages, following supply side bottlenecks in some key source markets.

Nickel

Nickel prices strengthened further, amid growing demand for the base metal from the stainless-steel industry and manufacturers of electric vehicle batteries, at a time when nickel inventories were low. Prices increased by 3.9%, from a weekly average of US\$20,861.60 per tonne to US\$21,684.20 per tonne, during the week under analysis.

Brent Crude Oil

Brent crude oil prices remained upbeat, rising by 4.6%, from a weekly average of US\$80.70 per barrel during the week ending 7th January 2022 to US\$84.42 per barrel, during the week under review. Prices firmed as growing geo-political tensions in the Middle East added to an already tight supply outlook.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) remained unchanged against the US dollar, at ZW\$108.6660 per US\$1, during the week under review. This followed the suspension of trading on the foreign

exchange auction market to the 18th of January 2022. 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 January)	108.666	6.8314	146.8417	9.2570	122.8787
3-Jan	108.6660	6.9711	147.6338	9.3074	123.1784
4-Jan	108.6660	6.9300	147.7152	9.3133	123.2276
5-Jan	108.6660	7.0126	148.2368	9.3186	123.6131
6-Jan	108.6660	7.0972	149.0360	9.4053	124.3411
7-Jan	108.6660	7.0721	149.1882	9.4325	124.6997
Weekly Average (10 – 14 January)	108.6660	7.0166	148.3620	9.3554	123.8120
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>0.0</i>	<i>2.7</i>	<i>1.0</i>	<i>1.1</i>	<i>0.8</i>

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

During the week ending 14th January 2022, the Zimbabwe Stock Exchange (ZSE) maintained a positive trajectory for the fourth consecutive week, resulting in all major indices registering gains. The All Share, Top 10 and Top 15 indices added 6.93%, 8.85% and 8.44% to close at 11 733.61 points, 7 523.41 points and 8 317.55 points, respectively.

The increase in the mainstream index was a result of share price increases for Inncor Africa Limited (29.80%), Star Africa Corporation Limited (29.21%), Simbisa Brands Limited (28.34%), Delta Corporation Limited (24.97%) and NMBZ Holdings Limited (21.31%). Partially offsetting the aforementioned gains were losses in share prices of Medtech Holdings Limited (40.59%), First Mutual Holdings Limited (19.05%), National Tyre Services Limited (16%), CBZ Holdings Limited (10.23%) and Turnall Holdings Limited (10%).

The resources index remained unchanged at 7 815.37 points, as RioZim Limited shares were traded at the previous week price level.

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

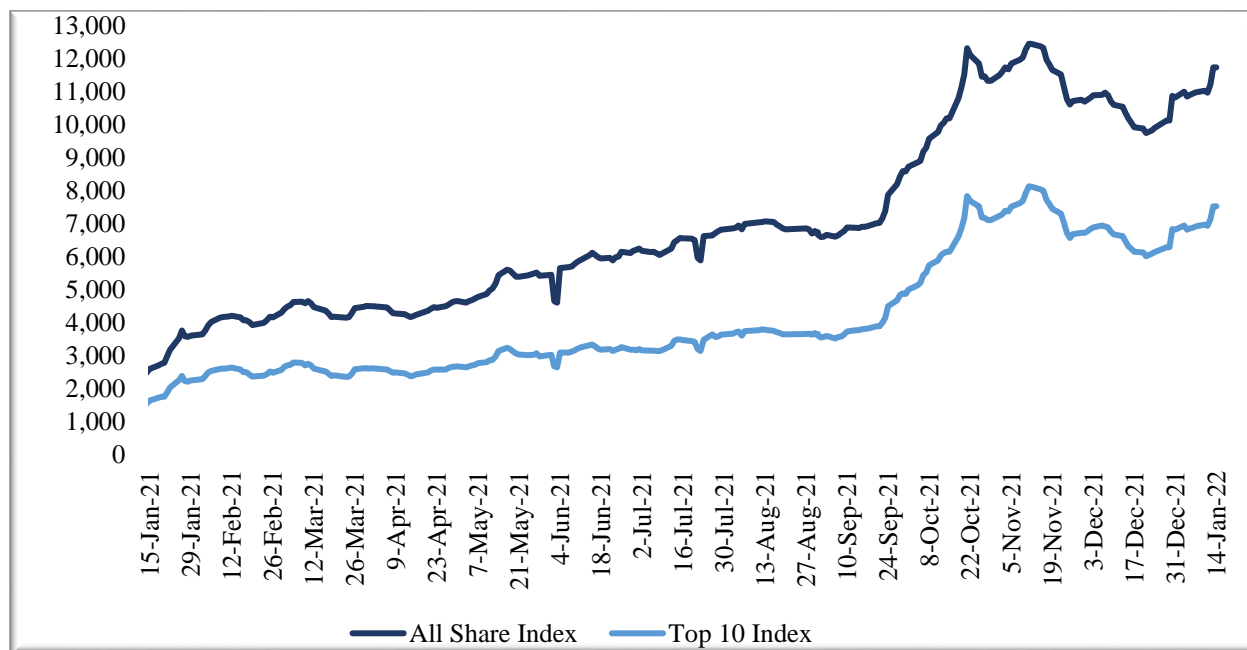
Table 6: Zimbabwe Stock Exchange Statistics²

	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-Dec-21	10,596.90	6,668.26	7,342.72	20,037.53	386,608.45	7,586.54	1,293.94	1,044.56	13.55
17-Dec-21	9,914.76	6,137.22	6,789.95	19,394.51	374,354.08	7,662.79	1,200.44	757.57	10.83
24-Dec-21	9,895.68	6,130.95	6,760.90	19,334.87	380,623.83	7,739.08	1,203.99	2,747.06	44.19
31-Dec-21	10,822.36	6,811.43	7,529.37	20,407.26	402,753.21	7,815.37	1,317.21	831.60	26.79
7-Jan-21	10,973.50	6,911.60	7,670.42	20,668.38	417,650.07	7,815.37	1,336.23	975.91	15.74
14-Jan-21	11,733.61	7,523.41	8,317.55	21,131.63	398,369.22	7,815.37	1,466.64	1,276.87	43.41
% Change	6.93	8.85	8.44	2.24	-4.62	0.00	9.76	30.84	175.79

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 15th January 2021 to 14th January 2022.

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



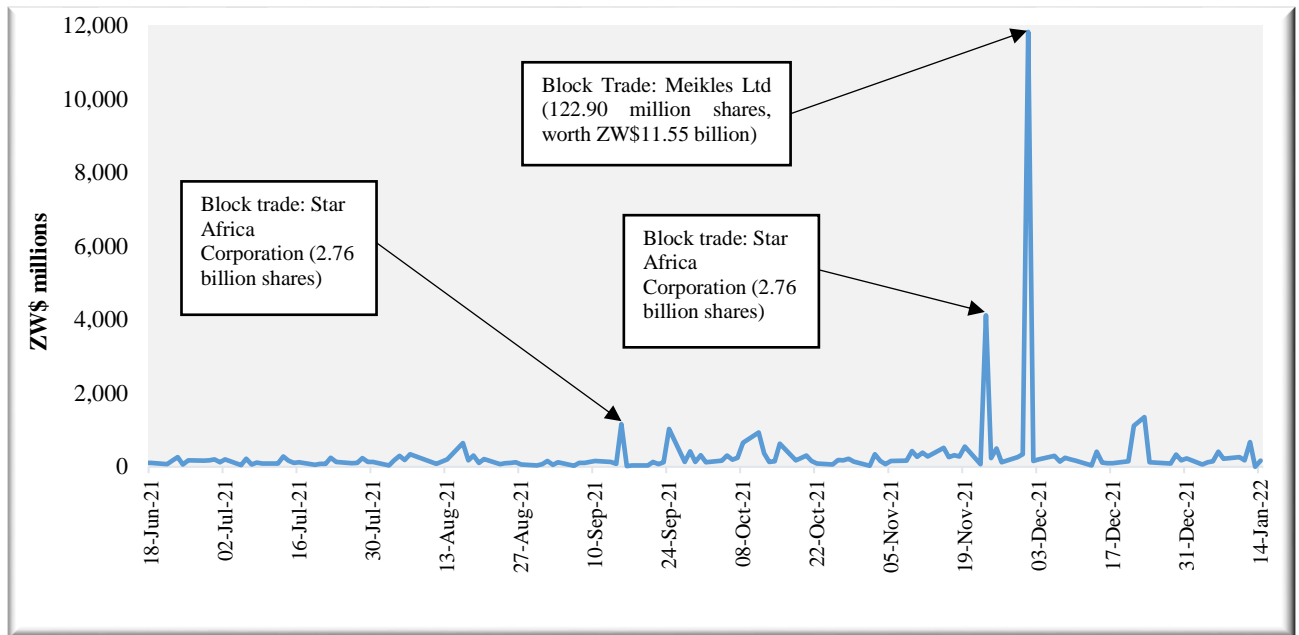
Source: Zimbabwe Stock Exchange, 2022

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

Improved trading activity on the ZSE during the week under analysis, resulted in a 175.71% and 30.84% increase in the cumulative volume and value of shares traded to 43.41 million shares and ZW\$1.28 billion, respectively. Figure 4 shows the trend in daily market turnover for the period from 18th June 2021 to 14th January 2022.

Figure 4: Daily Market Turnover

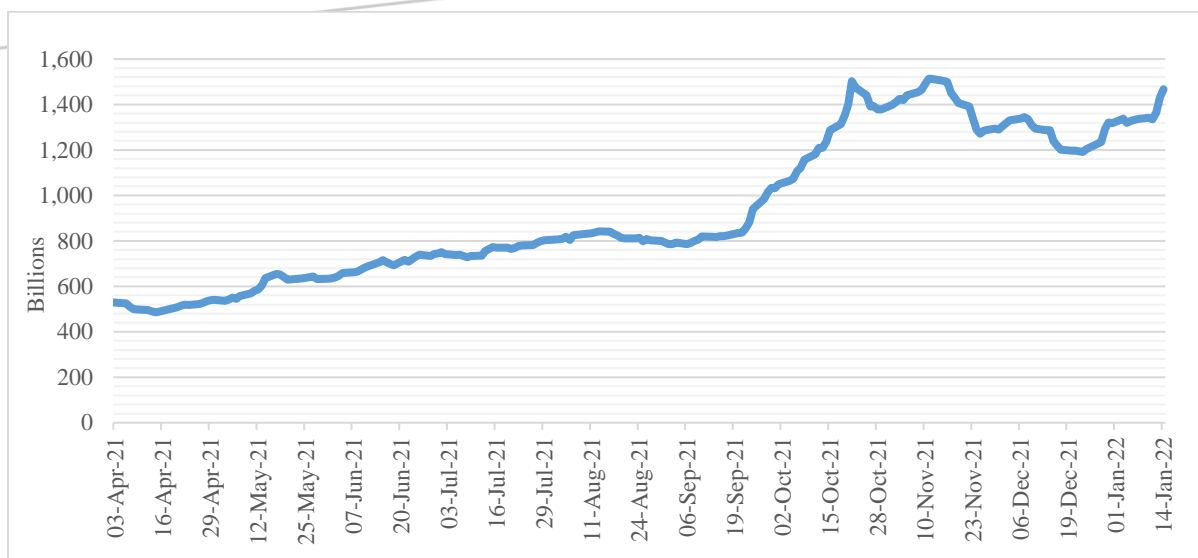


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

The ZSE gained ZW\$130.41 billion, or 9.76% worth of capitalization to close at ZW\$1 466.64 billion during the week ending 14th January 2022, from ZW\$1 336.23 billion recorded in the previous week. Figure 5 shows market capitalization developments for the period from 3rd April 2021 to 14th January 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

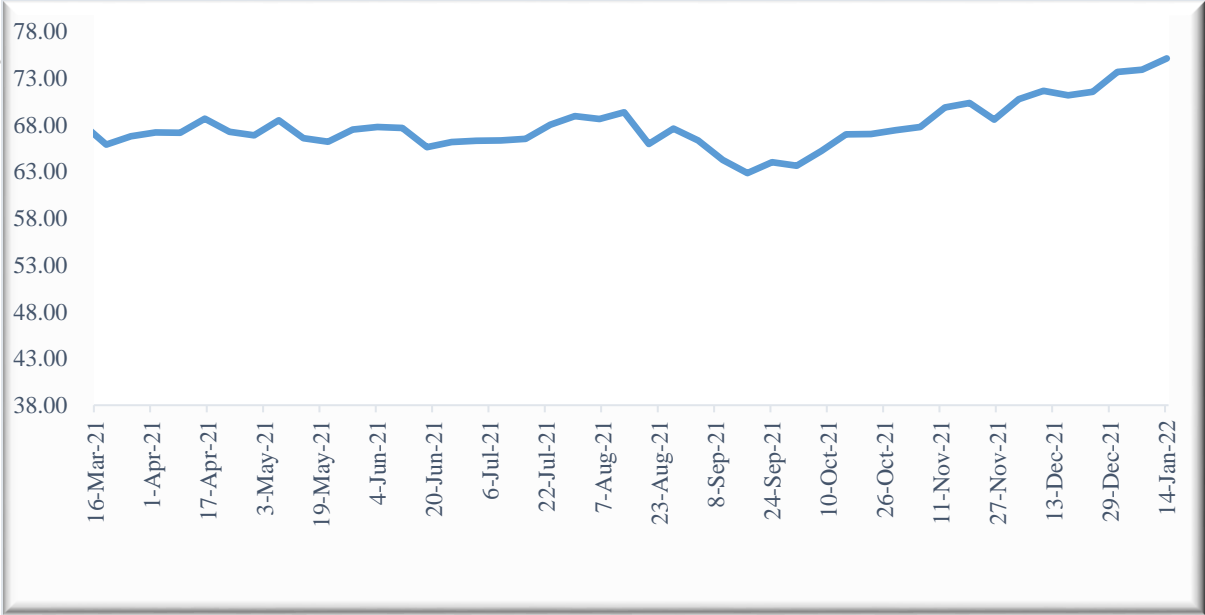
The Johannesburg Stock Exchange (JSE) All Share Index rose by 1.65% to close at 75,160.21 points, during the week ending 14th January 2022. JSE market capitalization posted a 3.07% increase to ZAR21.13 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
10-Dec-21	71,686.33	20.04
17-Dec-21	71,203.13	19.81
24-Dec-21	71,570.64	20.03
31-Dec-21	73,709.39	20.50
7-Jan-22	73,939.71	20.50
14-Jan-22	75,160.21	21.13
% Change	1.65	3.07

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2022

Figure 6: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2022>

RESERVE BANK OF ZIMBABWE

APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX³ AND SMEFX⁴

	MAINFX				SMEFX			
	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21
Total Bids (US\$ dollars)	35,823,599.17	32,681,877.66	34,672,497.78	35,102,236.84	6,126,934.27	6,466,518.27	6,147,829.66	6,675,670.74
Amount Allotted (US\$ dollars)	35,823,599.17	32,681,877.66	34,672,497.78	35,102,236.84	6,126,934.27	6,466,518.27	6,147,829.66	6,675,670.74
Highest Rate	120	120	125	125	122	125	125	126
Lowest Bid Rate	99.3	100	100	102	97	100	100	100
Lowest Bid Rate Allotted	99.3	100	100	102	97	100	100	100
Weighted Average Rate	105.6684	105.6896	108.6678	108.6660	105.6684	105.6896	108.6678	108.6660
Number of Bids Received	653	604	521	526	913	923	770	758
Number of Bids Rejected	274	236	117	114	312	311	210	125

Source: Reserve Bank of Zimbabwe, 2022

**The last foreign currency auction for 2021 was on 14th December 2021 and the first foreign currency auction for 2022 will be on 11th January 2022*

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-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21	26-Nov-21	3-Dec-21	10-Dec-21	17-Dec-21
Raw Materials	14,665,382.00	12,886,823.83	14,048,652.00	15,570,248.34	1,805,198.95	2,027,946.14	1,763,630.63	2,018,353.38
Machinery and Equipment	10,492,426.53	9,563,903.99	10,549,444.22	9,488,158.89	2,044,693.46	2,134,470.16	2,286,330.76	2,311,651.63
Consumables (Incl. Spares, Tyres, Packaging)	3,931,085.91	3,098,825.50	3,081,031.44	2,834,278.31	890,596.01	813,235.15	637,511.53	802,046.62
Pharmaceuticals and Chemicals	1,392,699.64	1,830,950.66	1,476,312.67	1,345,307.98	251,806.52	344,411.39	351,252.03	328,024.72
Services (Loans, Dividends and Disinvestments)	2,143,797.77	1,972,011.01	1,994,435.40	2,214,287.84	532,299.17	549,730.63	497,741.21	575,449.58
Retail and Distribution	2,455,681.47	2,506,916.23	2,850,071.31	2,637,477.63	475,846.20	467,852.29	458,991.16	423,215.30
Fuel, Electricity and Gas	0.00	160,008.59	0.00	0.00	0.00	0.00	9,970.00	32,201.34
Paper and Packaging	742,525.85	662,437.85	672,550.74	1,012,477.85	126,493.96	128,872.51	142,402.34	184,728.17
TOTAL	35,823,599.17	32,681,877.66	34,672,497.78	35,102,236.84	6,126,934.27	6,466,518.27	6,147,829.66	6,675,670.74

Source: Reserve Bank of Zimbabwe, 2022

* The last foreign currency auction for 2021 was on 14th December 2021 and the first foreign currency auction for 2022 will be on 18th January 2022