



Weekly Economic Highlights

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Week Ending
7th January 2022

1. INTEREST RATES

Deposit Rates

During the week ending 7th January 2022, minimum and maximum deposit rates for all deposit classes remained unchanged from the preceding week levels, 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 (%)
10-Dec-21	2.96	5.33	10.75	14.17	11.11	15.05
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-21	3.04	4.97	10.75	14.33	11.26	15.05

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Commercial bank minimum and maximum lending rates for both individual and corporate clients also remained unchanged from the previous week levels, as shown in Table 2.

Table 2: Lending Rates (per annum)

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
10-Dec-21	38.79	58.67	38.14	64.47
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-Dec-21	39.34	58.65	37.94	64.00

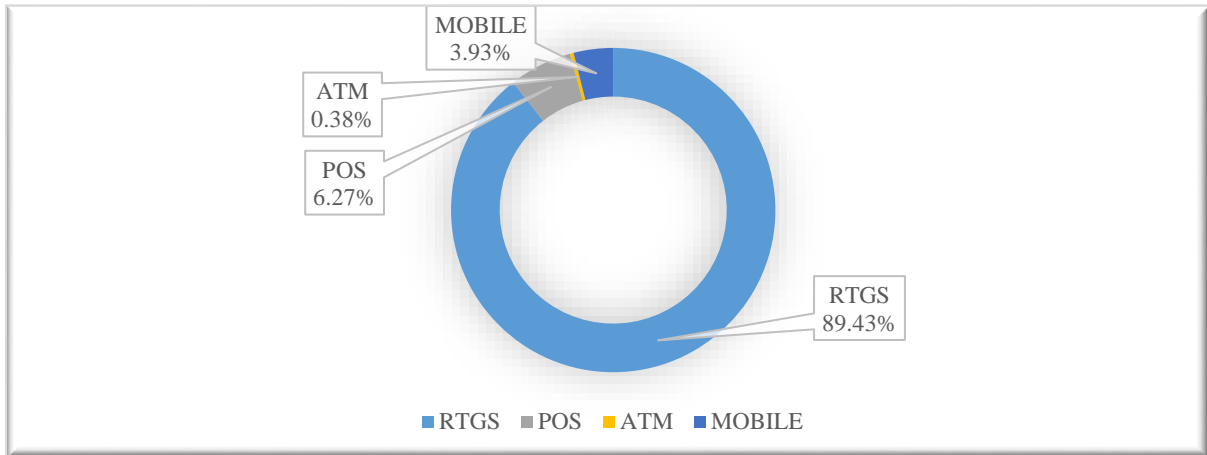
Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The total value of transactions processed through the National Payment Systems (NPS) increased from \$186.37 billion in the previous week to \$234.67 billion, during the week under

review. Real Time Gross Settlement (RTGS) transactions increased to \$209.85 billion in the week of analysis, from \$152.64 billion in the previous week. The distribution of NPS transaction values was as follows: RTGS, 89.43%, POS, 6.27%; Mobile, 3.93%; and ATM, 0.38%.

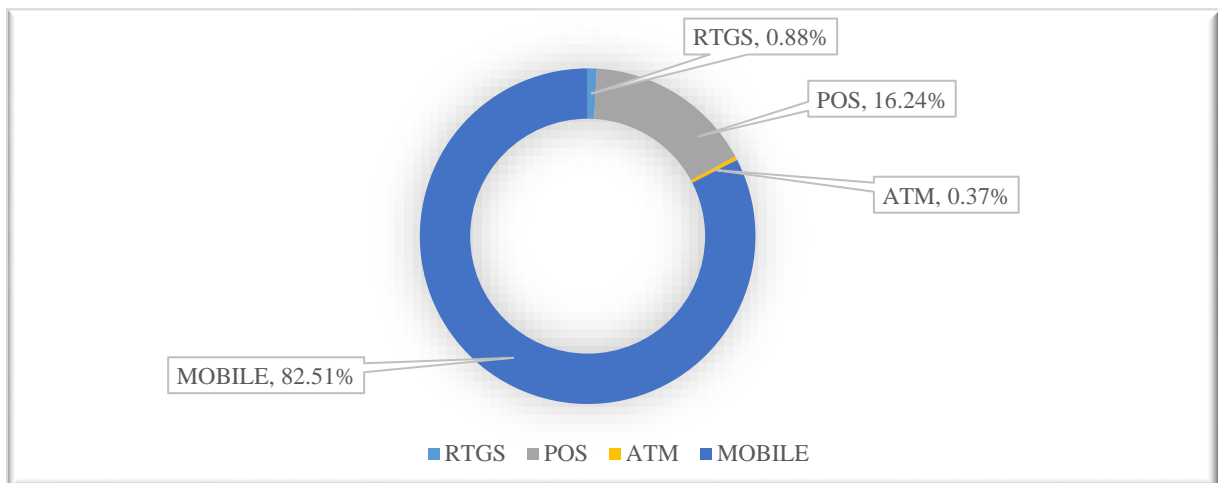
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

During the week ending 7th January 2022, NPS transaction volumes declined by 12.68% to 24.73 million. Mobile based transaction volumes at 82.51% of total, dominated NPS transaction volumes, followed by POS, 16.24%; RTGS, 0.88%; and ATM, 0.37%, 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 31 st December 2021	WEEK ENDING 7 th January 2021	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	152,641.47	209,851.73	37.48%	89.43%
POS	18,871.58	14,713.49	-22.03%	6.27%
ATM	1,878.67	882.92	-53.00%	0.38%
MOBILE	12,976.75	9,218.28	-28.96%	3.93%
TOTAL	186,368.46	234,666.42	25.92%	100%
Volumes				
RTGS	178,400	217,269	21.79%	0.88%
POS	5,221,480	4,016,018	-23.09%	16.24%
ATM	116,286	90,638	-22.06%	0.37%
MOBILE	22,804,967	20,404,685	-10.53%	82.51%
TOTAL	28,321,133	24,728,610	-12.68%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

International commodity prices for platinum, copper, nickel and crude oil firmed, while gold prices retreated, during the week under review, as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week ending 7th January 2021

2021	Gold US\$/ounce	Platinum US\$/ounce	Copper US\$/tonne	Nickel US\$/tonne	Crude Oil US\$/barrel
Weekly Average (28 – 31 December)	1,813.84	969.00	9,670.50	20,406.75	78.83
3-Jan	1,801.90	959.00	9,691.50	20,912.00	79.25
4-Jan	1,810.23	969.00	9,740.60	20,881.00	79.84
5-Jan	1,822.38	984.50	9,788.50	21,260.00	79.86
6-Jan	1,797.15	967.00	9,708.00	20,756.00	82.64
7-Jan	1,792.40	967.00	9,542.00	20,499.00	81.93
Weekly Average (3 – 7 December)	1,804.81	969.30	9,694.12	20,861.60	80.70
Weekly Change (%)	-0.5	0.03	0.2	2.2	2.4

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices retreated on account of a firmer US dollar and higher US Treasury yields, after the Federal Reserve signalled that it might increase interest rates earlier than expected, to curb inflation. These developments rekindled investor appetite for interest bearing assets, thereby, dampening the demand outlook for the yellow metal. Prices retreated by 0.5%, from a weekly average of US\$1,813.84 per ounce to US\$1,804.81 per ounce, during the week under analysis.

Platinum

Platinum prices gained by a marginal 0.03%, from a weekly average of US\$969.00 per ounce in the previous week to US\$969.30 per ounce, during the week under review. Prices were boosted by renewed hope about global economic recovery, amid easing concerns over the spreading of the omicron variant.

Copper

Copper prices remained bullish, sustained by tight supplies. The gains were, however, capped by a stronger US dollar. Prices rose by 0.2%, from a weekly average of US\$9,670.50 per tonne to US\$9,694.12 per tonne, during the week under review.

Nickel

Nickel prices increased by 2.2%, from a weekly average of US\$20,406.75 per tonne to US\$20,861.60 per tonne, during the week ending 7th January 2022. The increase was a result of falling global inventories of the metal.

Brent Crude Oil

Brent crude oil prices increased by 2.4%, from a weekly average of US\$78.83 per barrel in the preceding week to US\$80.70 per barrel, during the week under review. Prices were buoyed by the decision by the Organization of Petroleum Exporting Countries and its allies (OPEC+), to stick to its output plan, to ease production cuts, signalling high confidence in the demand for oil.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) remained unchanged at ZW\$108.6660 per US\$1, during the week ending 7th January 2022. This followed the suspension of trading on the foreign exchange auction market to 11th January 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 (28 – 31 December)	108.666	6.8777	146.2903	9.2874	123.0046
3-Jan	108.6660	6.8027	146.6828	9.2374	123.2058
4-Jan	108.6660	6.8658	146.3682	9.2484	122.8037
5-Jan	108.6660	6.7682	146.9436	9.2484	122.6842
6-Jan	108.6660	6.8120	146.9985	9.3078	122.8961
7-Jan	108.6660	6.9085	147.2153	9.2429	122.8037
Weekly Average (3 – 7 December)	108.6660	6.8314	146.8417	9.2570	122.8787
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	<i>0.0</i>	<i>-0.7</i>	<i>0.4</i>	<i>-0.3</i>	<i>-0.1</i>

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) maintained a positive trajectory for the third consecutive week, during the week ending 7th January 2022. As a result, all indices registered gains, with the All Share, Top 10 and Top 15 indices adding 1.40%, 1.47% and 1.87% to close at 10 973.50 points, 6 911.60 points and 7 670.42 points, respectively.

Share price increases that were recorded for Zeco Holdings Limited (100%), NMBZ Holdings Limited (40.06%), Axia Corporation Limited (27.68%), Willdale Limited (17.86%) and Truworths Limited (15%), supported the mainstream index. Losses in share prices of Getbucks Financial Services Limited (13.61%), Zimre Holdings Limited (6.93%), Rainbow Tourism Group Limited (6.28%), First Mutual Properties Limited (5.13%) and Mashonaland Holdings Limited (4.46%), however, partially offset the aforementioned gains.

The resources index remained unchanged at 7,815.37 points. RioZim Limited traded at previous price level, albeit on low volume.

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

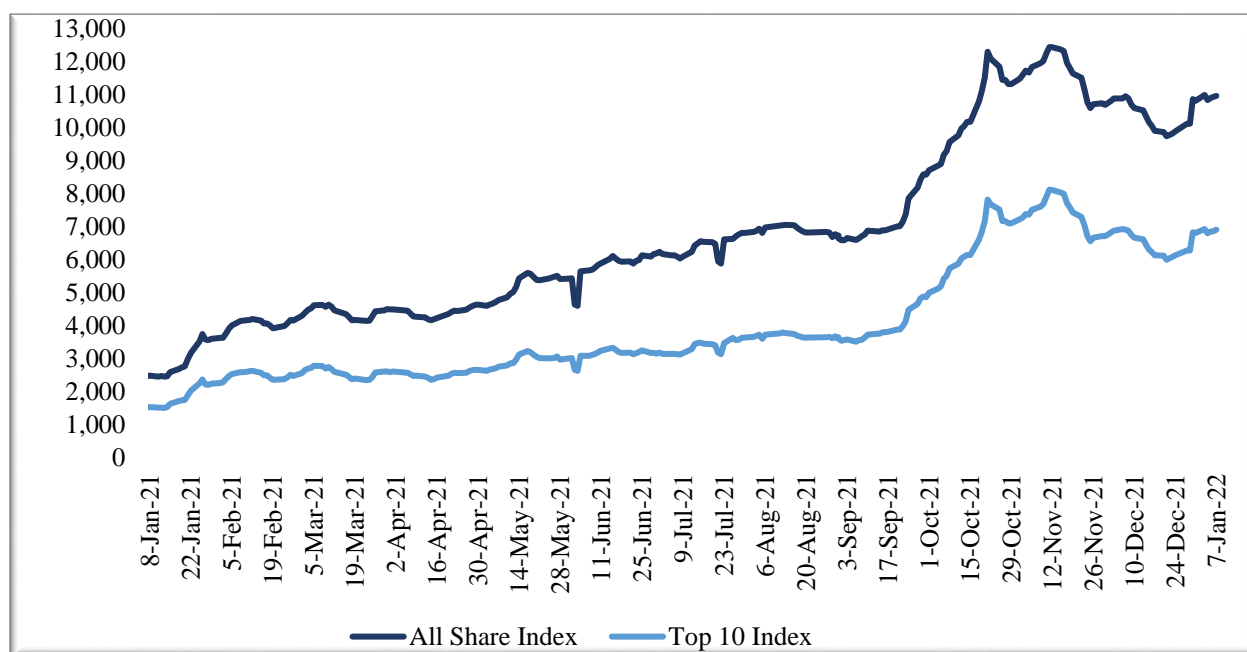
Table 6: Zimbabwe Stock Exchange Statistics²

	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)
3-Dec-21	10,890.02	6,878.02	7,566.82	20,453.96	392,728.15	7,477.53	1,330.59	12,802.37	153.13
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
% Change	1.40	1.47	1.87	1.28	3.70	0.00	1.44	17.35	-41.25

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 8th January 2021 to 7th January 2022.

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



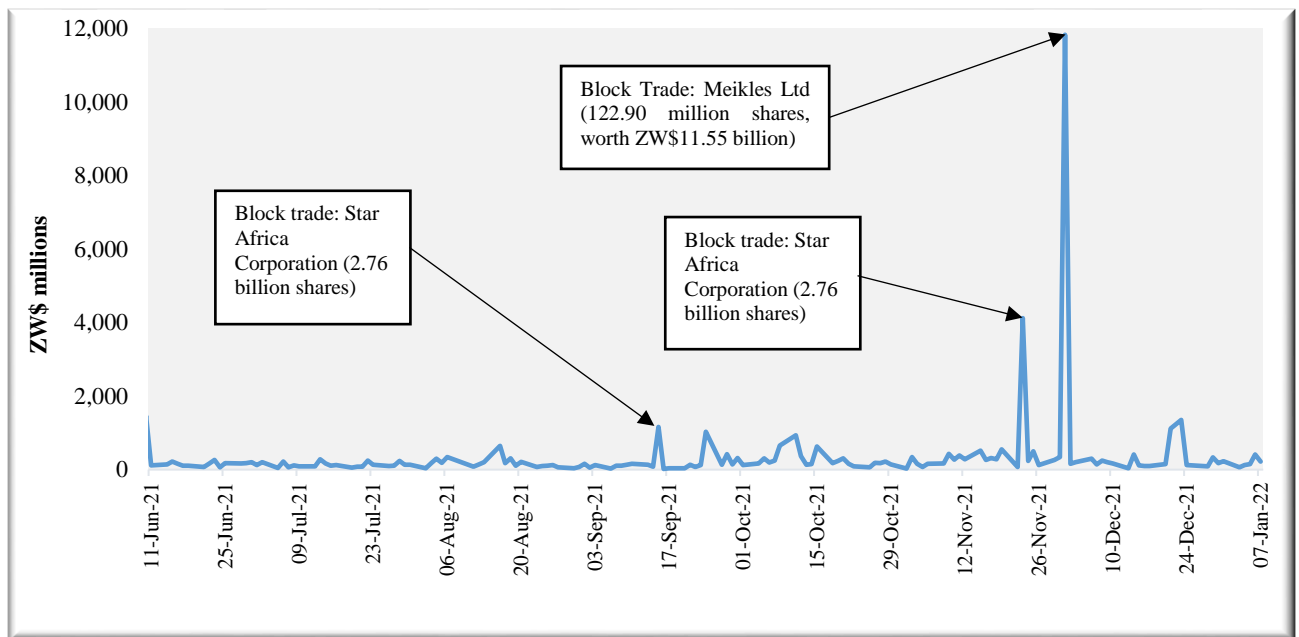
Source: Zimbabwe Stock Exchange, 2022

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

Trading activity on the ZSE was largely concentrated in some selected wealth preserving counters, during the week under review. The cumulative turnover value increased by 17.35% to ZW\$975.91 million, despite a decline of 41.23% in the volume of shares traded. Figure 4 shows the trend in daily market turnover for the period from 4th June 2021 to 31st December 2021.

Figure 4: Daily Market Turnover

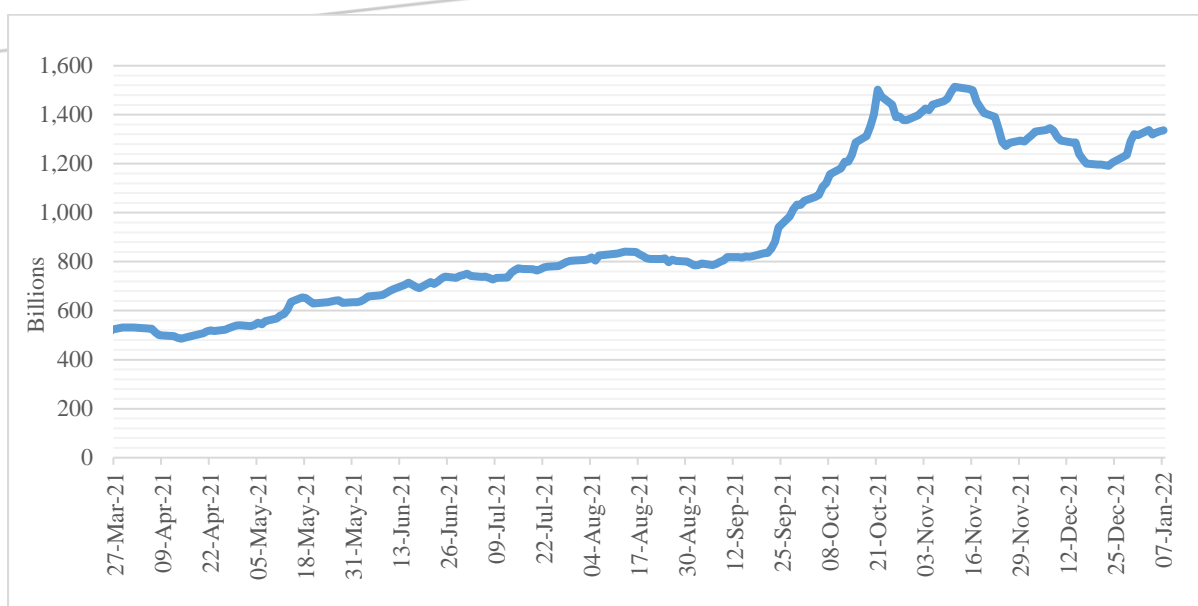


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the week under analysis, the local bourse market capitalisation rose by 1.44% to ZW\$1 336.23 billion, from ZW\$1 317.21 billion recorded in the previous week. Figure 5 shows ZSE market capitalization developments for the period from 20th March 2021 to 31th December 2021.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

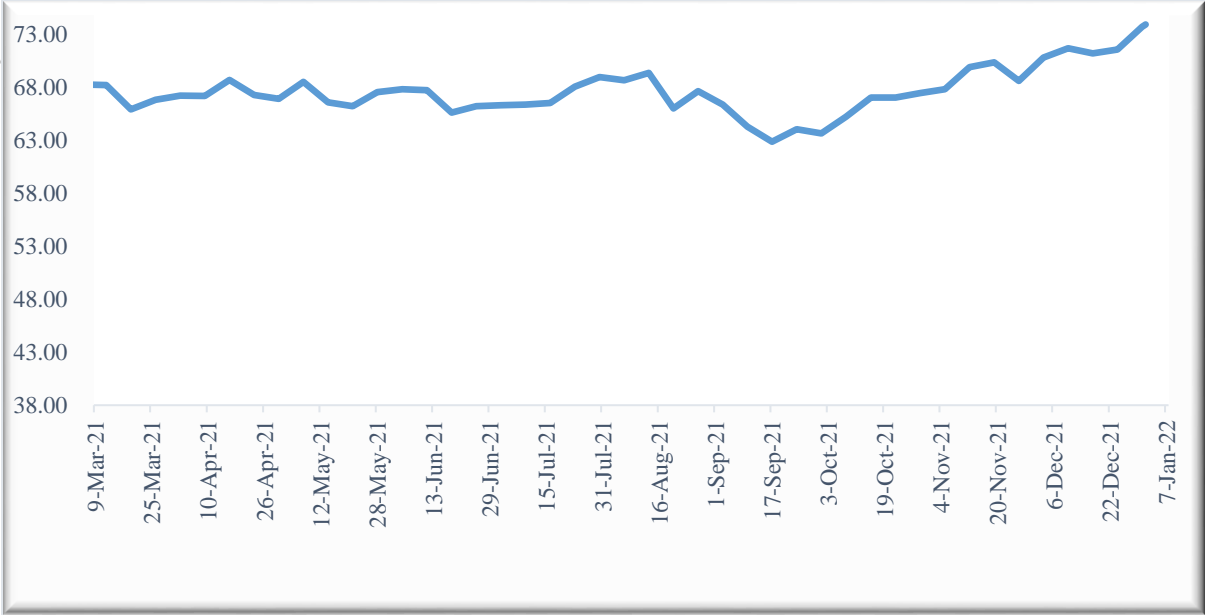
The Johannesburg Stock Exchange (JSE) All Share Index registered a marginal increase of 0.31% to close at 73,939.71 points, during the week of analysis. JSE market capitalization remained unchanged from the previous week level of ZAR20.50 trillion.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
3-Dec-21	70,807.60	19.67
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-Dec-21	73,939.71	20.50
% Change	0.31	0.00

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, 2021

**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, 2021

* 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