



# Weekly Economic Highlights

## TABLE OF CONTENTS

1. INTEREST RATES .....	1
2. CLEARING AND SETTLEMENT ACTIVITY .....	2
3. TOBACCO SALES.....	3
4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS .....	4
5. EXCHANGE RATE DEVELOPMENTS .....	6
6. EQUITY MARKETS.....	7

Week Ending  
10<sup>th</sup> June 2022

## 1. INTEREST RATES

### Deposit Rates

During the week ending 10<sup>th</sup> June 2022, minimum and maximum deposit rates, across all classes of deposits, remained at previous 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 (%)
13-May-22	3.62	5.71	15.32	17.00	16.39	18.53
20-May-22	4.21	6.35	15.29	16.69	16.44	18.42
27-May-22	4.21	6.35	15.29	16.69	16.44	18.42
03-June-22	4.21	6.35	14.50	17.22	16.78	18.63
10-June-22	4.21	6.35	14.50	17.22	16.78	18.63

Source: Reserve Bank of Zimbabwe, 2022

### Lending Rates

Commercial bank minimum and maximum lending rates for both individual and corporate clients remained unchanged during the week under analysis, as shown in Table 2.

**Table 2: Lending Rates (per annum)**

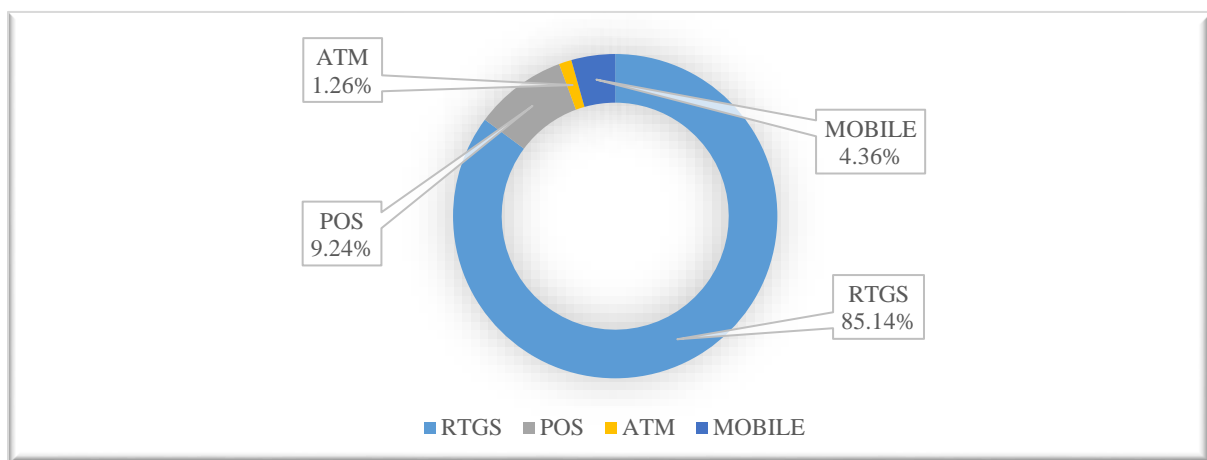
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
13-May-22	38.09	59.62	46.50	63.86
20-May-22	38.01	59.70	47.25	63.82
27-May-22	38.01	59.70	47.25	63.82
3-June-22	37.71	59.66	47.94	62.20
10-June-22	37.71	59.66	47.94	62.20

Source: Reserve Bank of Zimbabwe, 2022

## 2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) stood at \$375.70 billion, during the week ending 10<sup>th</sup> June 2022. This represented an increase of 6.82% from \$351.72 billion worth of transactions processed in the preceding week. Transactions processed through the Real Time Gross Settlement (RTGS) system accounted for the highest proportion of values processed at 85.14%. Other payment platforms registered the following proportions: POS, 9.24%; Mobile, 4.36%; and ATM, 1.26%.

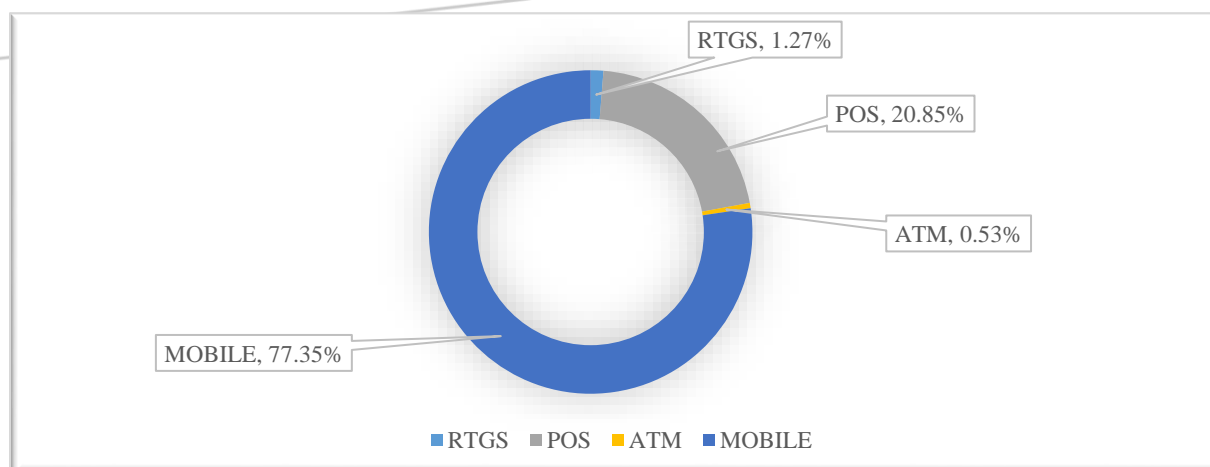
**Figure 1: Composition of NPS Transactions in Value Terms**



*Source: Reserve Bank of Zimbabwe, 2022*

NPS transaction volumes increased by 0.36%, from 19.57 million in the previous week to 19.64 million, during the week under review. The distribution of the NPS transaction volumes was as follows: Mobile, 77.35%; POS, 20.85%; RTGS, 1.27%; and ATM, 0.53%, 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 3 <sup>rd</sup> June 2022	WEEK ENDING 10 <sup>th</sup> June 2022	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	298,502.53	319,871.62	7.16%	85.14%
POS	32,669.24	34,701.23	6.22%	9.24%
ATM	6,836.41	4,752.66	-30.48%	1.26%
MOBILE	13,707.55	16,379.07	19.49%	4.36%
<b>TOTAL</b>	<b>351,715.72</b>	<b>375,704.57</b>	<b>6.82%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	312,891	249,818	-20.16%	1.27%
POS	4,080,129	4,094,230	0.35%	20.85%
ATM	142,531	104,222	-26.88%	0.53%
MOBILE	15,036,593	15,187,556	1.00%	77.35%
<b>TOTAL</b>	<b>19,572,144</b>	<b>19,635,826</b>	<b>0.33%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2022

### 3. TOBACCO SALES

As at 10<sup>th</sup> June 2022, or day 49 of the 2022 tobacco selling season, a cumulative total of 139.11 million kilograms of tobacco had been sold. This was 11.64% lower than the cumulative total of 157.44 million kilograms sold during the comparable period in 2021. The cumulative value of the golden leaf sold during the period under analysis amounted to US\$416.74 million. This reflected a decrease of 2.88%, from US\$429.12 million realized in the same period in 2021, as shown in Table 4.

**Table 4: Weekly Cumulative Tobacco Sales: Day 49 (10<sup>th</sup> June 2022)**

	2021	2022	Variance (%)
<b>Cumulative Quantity Sold (million kgs)</b>	157,443,715	139,114,643	(11.64)
<b>Average Price(US\$/kg)</b>	2.73	3.00	9.73
<b>Cumulative value (US\$ million)</b>	429,120,672	416,741,373	(2.88)

Source: Tobacco Industry and Marketing Board (TIMB), 2022

The golden leaf fetched a higher price of US\$3.00/kg, compared to the US\$2.73/kg realized during the same period in 2021.

#### 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

The weekly average prices for most commodities in the selected basket firmed except for gold and palladium which retreated, during the week under review. Commodity price developments during the week ending 10<sup>th</sup> June 2022 are as shown in Table 5.

**Table 5: Metal and Crude Oil Prices for the week ending 10<sup>th</sup> June 2022**

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
<b>2022</b>	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (30 May - 3 June)</b>	<b>1,847.29</b>	<b>985.23</b>	<b>2,019.27</b>	<b>9,543.28</b>	<b>28,337.20</b>	<b>117.51</b>
<b>6-Jun</b>	1,849.35	1,030.00	2,012.50	9,743.00	29,627.00	120.71
<b>7-Jun</b>	1,848.20	1,010.50	1,950.00	9,699.30	29,402.00	121.15
<b>8-Jun</b>	1,850.65	1,006.00	1,972.00	9,763.30	28,855.00	123.20
<b>9-Jun</b>	1,847.05	986.00	1,931.00	9,620.10	27,946.00	122.34
<b>10-Jun</b>	1,836.68	971.50	1,916.00	9,536.00	27,567.50	121.93
<b>Weekly Average (6 - 10 June)</b>	<b>1,846.39</b>	<b>1,000.80</b>	<b>1,956.30</b>	<b>9,672.34</b>	<b>28,679.50</b>	<b>121.87</b>
<b>Weekly Change (%)</b>	-0.05	1.6	-3.1	1.4	1.2	3.7

Source: BBC, KITCO and Bloomberg, 2022

#### Gold

Gold prices slightly retreated on account of a stronger US dollar and higher bond yields, amid amplified expectations that the US Fed may act aggressively to tame inflation. The decline was, however, moderated by inflation concerns, growth worries and geopolitical tensions. Against this backdrop, prices eased by a marginal 0.05%, to close the week under review at an average of US\$1,846.39 per ounce.

## **Platinum**

Platinum prices remained upbeat as prospects of strong industrial demand continued to support the metal which is mainly used in emission control mechanisms. The demand outlook for the precious metal hinges on prospects that the global auto market is on the recovery path. Prices rose by 1.6%, from a weekly average of US\$958.23 per ounce in the previous week, to US\$1,000.80 per ounce in the week ending 10<sup>th</sup> June 2022.

## **Palladium**

The negative trend in palladium prices persisted on account of a stronger US dollar, boosted by the US Federal Reserve's hawkish monetary policy stance. Prices retreated by 3.1%, from a weekly average of US\$2,019.27 per ounce in the prior week to US\$1,956.30 per ounce, during the week under review.

## **Copper**

Copper prices were up by 1.4%, from a weekly average of US\$9,543.28 per tonne in the previous week to US\$9,672.34 per tonne, during the week under analysis. Price rose on hopes of demand recovery in China, the top metal consumer. The giant Asian economy showed signs of recovery as industrial production rose unexpectedly, following the easing of power consumption curbs and the lifting of Covid-19-induced restrictions.

## **Nickel**

Nickel prices increased by 1.2%, to close the week under review at an average of US\$28,679.50 per tonne. The increase was on account of investor optimism over demand recovery in China, the world's largest user of industrial metals.

## **Brent Crude Oil**

Brent crude oil prices sustained a bullish run, amid expectations of improved demand from China. Oil consumption in China, the biggest importer, is expected to rise as the country lifts Covid-19 restrictions, despite the emergence of signals of a bumpy recovery, amidst the risk of renewed lockdowns in that country. Weekly average prices rose by 3.7%, from US\$117.51 per barrel in the week ending 3<sup>rd</sup> June 2022 to US\$121.87 per barrel, during the week ending 10<sup>th</sup> June 2022.

## 5. EXCHANGE RATE DEVELOPMENTS

### Foreign Exchange Auction

On the Foreign Exchange Auction, the Zimbabwe dollar (ZW\$) depreciated by 5.7% against the US dollar, from an average of ZW\$301.468 per US\$1 in the previous week to ZW\$318.6069 per US\$1, during the week under analysis. The developments in selected exchange rates are as shown in Table 6.

**Table 6: International Exchange Rates<sup>1</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2022</b>					
<b>Weekly Average (30 May - 3 June)</b>	<b>301.468</b>	<b>19.3867943</b>	<b>379.15937</b>	<b>25.1466</b>	<b>323.2994</b>
<b>6-Jun</b>	308.5201	19.9402	385.6662	25.7467	330.996
<b>7-Jun</b>	308.5201	19.9005	384.6481	25.8558	329.3304
<b>8-Jun</b>	325.3314	21.0970	408.9581	27.1992	347.7147
<b>9-Jun</b>	325.3314	21.2993	407.5591	27.3293	437.7529
<b>10-Jun</b>	325.3314	21.0748	407.1037	27.2317	346.0885
<b>Weekly Average (6 - 10 June)</b>	<b>318.6069</b>	<b>20.6624</b>	<b>398.7870</b>	<b>26.6725</b>	<b>358.3765</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	<b>5.7</b>	<b>6.6</b>	<b>5.2</b>	<b>6.1</b>	<b>10.8</b>

Source: Reserve Bank of Zimbabwe, 2022

### Interbank Market

The Willing-Buyer Willing-Seller (WBWS) interbank market saw the Zimbabwe dollar (ZW\$) depreciate by about 4.5%, from an average of ZW\$304.4070 per US\$1 in the previous week to ZW\$318.1970 per US\$1, during the week under review. The ZW\$ also depreciated against major trading partner currencies as shown in Table 7.

**Table 7: International Exchange Rates<sup>2</sup>**

	USD	ZAR	GBP	BWP	EURO
<b>2022</b>					
<b>Weekly Average (27 May-3 June)</b>	<b>304.4070</b>	<b>19.5536</b>	<b>382.8823</b>	<b>25.3949</b>	<b>326.4783</b>
<b>6-Jun</b>	311.4929	20.1005	389.4770	25.9960	334.3278
<b>7-Jun</b>	312.0164	20.1005	388.9609	26.1518	333.0625
<b>8-Jun</b>	315.1937	20.4082	396.3434	26.3540	336.9761
<b>9-Jun</b>	325.5639	21.2766	407.9160	27.3514	349.2494
<b>10-Jun</b>	326.7180	21.1640	408.9582	27.3503	347.6960
<b>Weekly Average (6-9 June)</b>	<b>318.1970</b>	<b>20.6100</b>	<b>398.3311</b>	<b>26.6407</b>	<b>340.2623</b>
<b>Appr(-)/Depr(+) (%) of the ZWL</b>	<b>4.5</b>	<b>5.4</b>	<b>4.0</b>	<b>4.9</b>	<b>4.2</b>

Source: Reserve Bank of Zimbabwe, 2022

<sup>1</sup> Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

<sup>2</sup> Direct quote – the amount of domestic currency needed to exchange for 1 unit of foreign currency

## 6. EQUITY MARKETS

### Zimbabwe Stock Exchange

During the week ending 10<sup>th</sup> June 2022, bullish sentiments characterized the Zimbabwe Stock Exchange (ZSE). Resultantly, the All Share, Top 10, Top 15, Small Cap and Medium Cap indices gained 1.71%, 0.11%, 0.70%, 2.07% and 6.61% to close at 24 091.20 points, 15 668.66 points, 17 261.01 points, 485 318.69 points and 41 975.92 points, respectively. The increase in market indices was due to share price gains for Mashonaland Holdings Limited (38.10%), First Mutual Holdings Limited (29.74%), Masimba Holdings Limited (26.92%), Getbucks Microfinance Bank Limited (26.38%) and OK Zimbabwe Limited (22.21%).

Share price losses were recorded for General Beltings Limited (28.60%), NMBZ Holdings Limited (6.67%), Ariston Holdings Limited (5.61%), Axia Corporation Limited (2.18%) and Econet Wireless Holdings Zimbabwe Limited (1.78%), during the week under review. The resources index, however, remained unchanged at 20 021.24 points.

**Table 8: Zimbabwe Stock Exchange Statistics<sup>3</sup>**

	All Share Index Points	Top 10 index <sup>3</sup> (points)	Top 15 Index <sup>3</sup> points	Medium Cap <sup>3</sup> (points)	Small Cap <sup>3</sup> (points)	Mining Index (points)	Grand Market Capitalization (ZWL billion)	Market Turnover (ZWL million)	Volume of Shares (million)
<b>06-May-22</b>	27,196.87	18,044.54	19,887.26	44,544.97	597,946.28	27,297.82	3,404.14	1,614.68	16.59
<b>13-May-22</b>	22,183.37	14,330.29	15,893.63	39,167.07	561,075.93	23,204.74	2,751.64	1,814.20	48.84
<b>20-May-22</b>	20,797.23	13,359.56	14,813.61	37,357.60	498,491.72	20,021.24	2,577.52	1,161.18	10.96
<b>27-May-22</b>	20,933.98	13,454.99	14,848.43	37,591.39	479,093.24	20,021.24	2,594.03	1,973.45	111.48
<b>03-June-22</b>	23,685.59	15,651.73	17,140.92	39,374.98	475,482.38	20,021.24	2,962.17	3,579.43	19.76
<b>10-June-22</b>	24,091.20	15,668.66	17,261.01	41,975.92	485,318.69	20,021.24	3,004.56	3,152.39	17.84
<b>% Change</b>	<b>1.71</b>	<b>0.11</b>	<b>0.70</b>	<b>6.61</b>	<b>2.07</b>	<b>0.00</b>	<b>1.43</b>	<b>-11.93</b>	<b>-9.75</b>

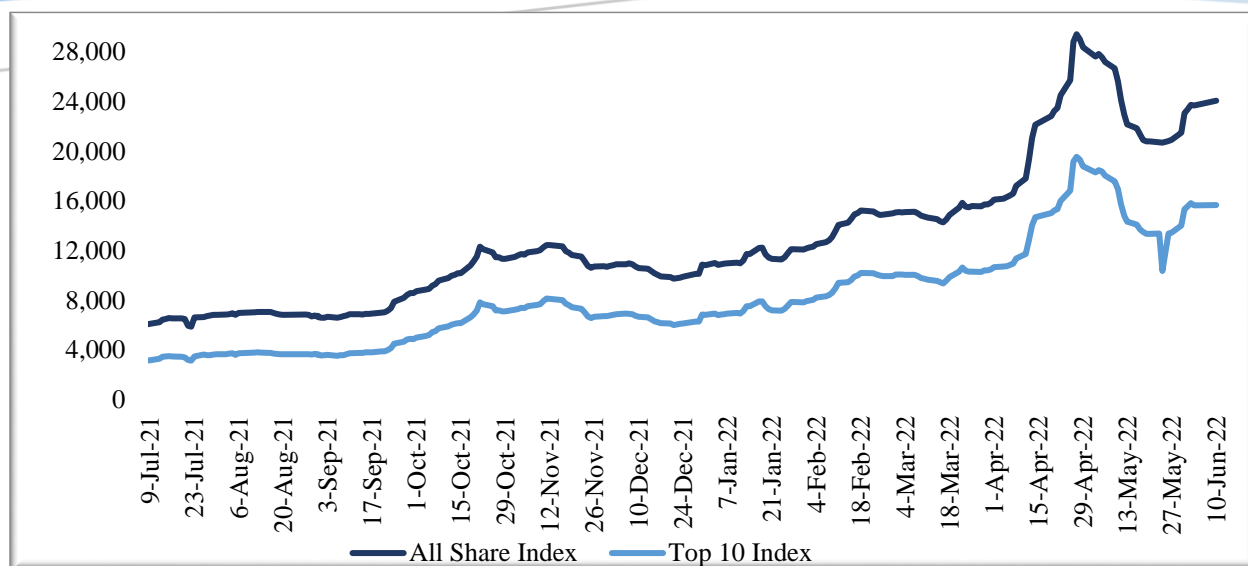
Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 9<sup>th</sup> July 2021 to 10<sup>th</sup> June 2022.

<sup>3</sup> 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**

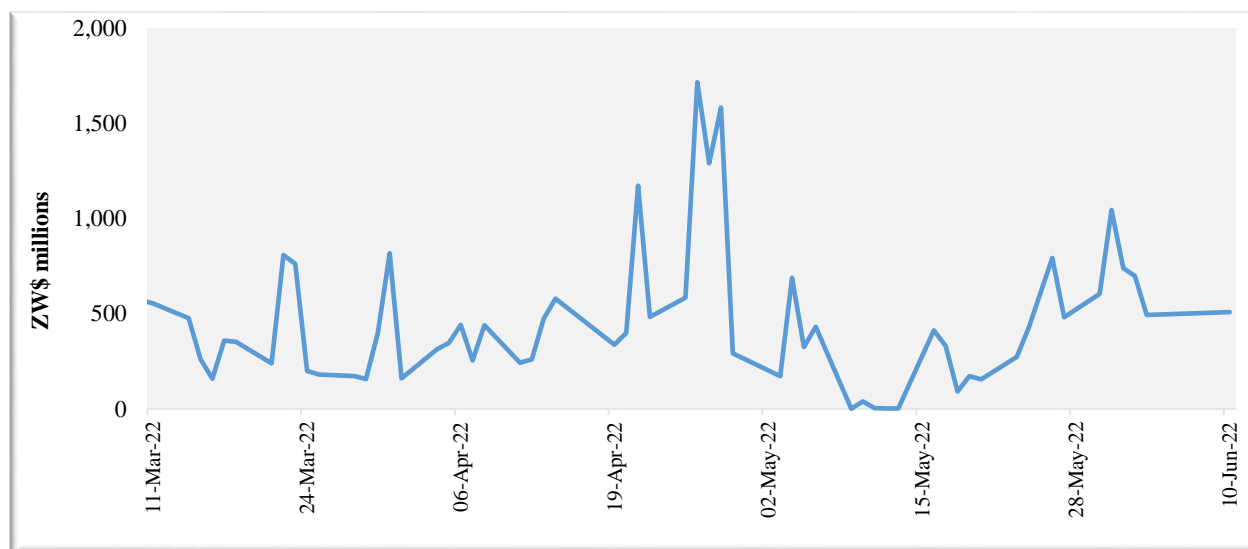


Source: Zimbabwe Stock Exchange, 2022

### Market Turnover and Volume

The cumulative volumes and values of shares traded on the ZSE decreased by 9.75% and 11.93% to 17.84 million shares and ZW\$3.15 billion, from 19.76 million shares and ZW\$3.58 billion recorded in the prior week. Figure 4 shows the trend in daily market turnover for the period from 11<sup>th</sup> March 2022 to 10<sup>th</sup> June 2022.

**Figure 4: Daily Market Turnover**



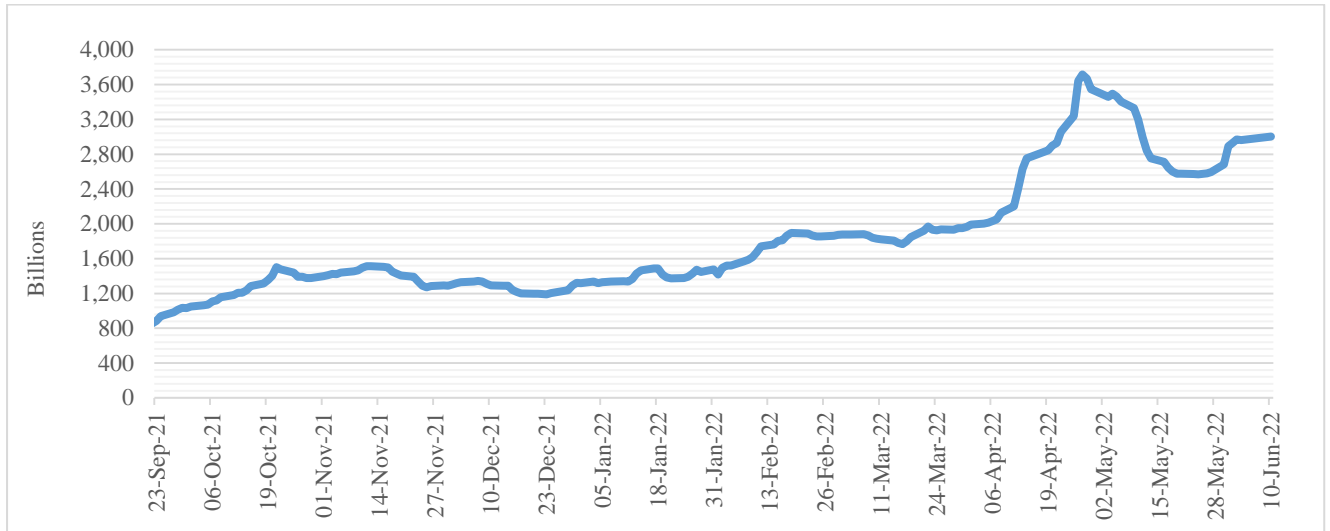
Source: Zimbabwe Stock Exchange, 2022

### Market Capitalization

The ZSE gained ZW\$0.42 billion, or 1.43% worth of market capitalization to close at ZW\$3,004.56 billion, during the week under analysis, from ZW\$2,962.16 billion recorded in

the preceding week. Figure 5 shows market capitalization developments for the period from 23<sup>rd</sup> September 2021 to 10<sup>th</sup> June 2022.

**Figure 5: Daily Market Capitalization in ZW\$ billions**

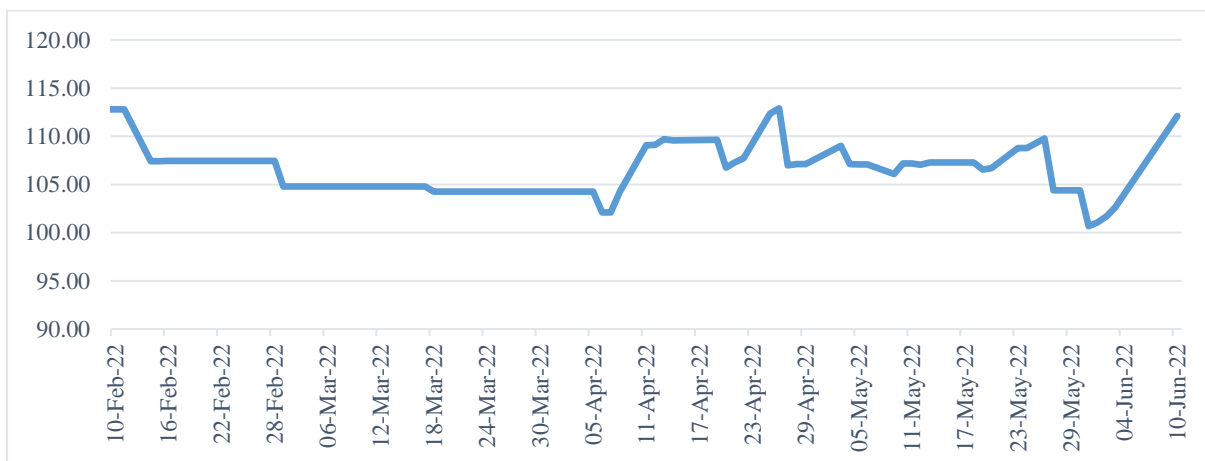


Source: Zimbabwe Stock Exchange, 2022

### Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange VFEX was bullish during the week under analysis, with the All Share index gaining by 9.20% to 112.08 points. The volume and value of shares traded increased by 1.55% and 88.95% to 0.31 million shares and US\$0.05 million, respectively. Figure 6 shows the trend in the Victoria Falls Stock Exchange (VFEX) All Share Index for the period from 10<sup>th</sup> February 2022 to 10<sup>th</sup> June 2022.

**Figure 6: Victoria Falls Stock Exchange All Share Index**



Source: Victoria Falls Stock Exchange, 2022

## Johannesburg Stock Exchange (JSE) Developments

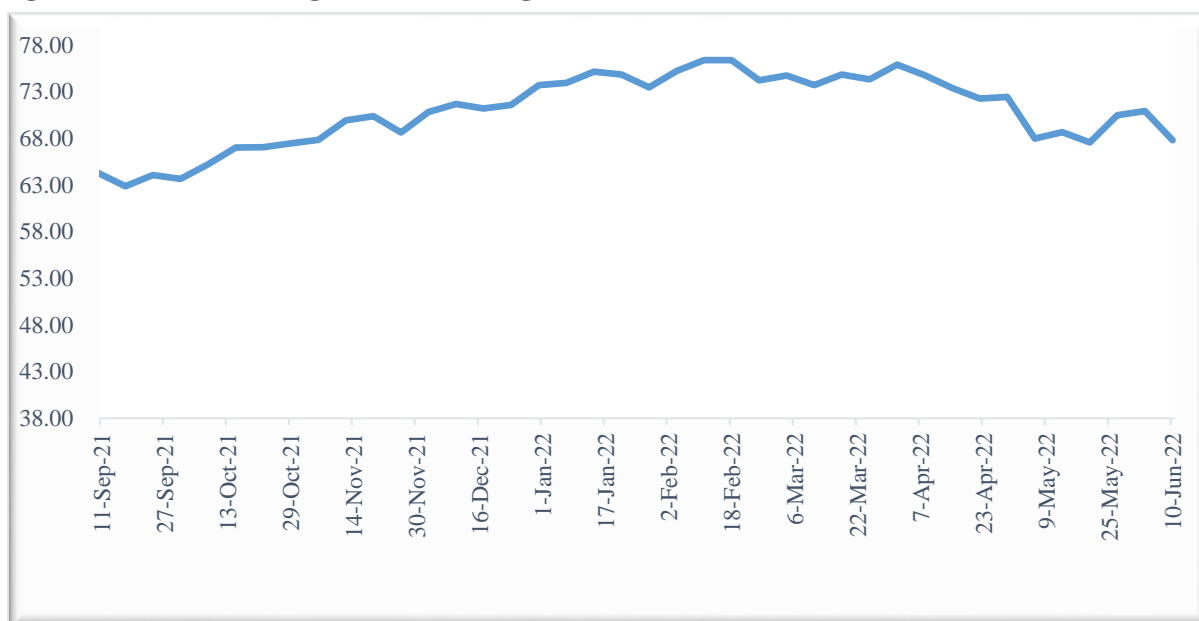
The Johannesburg Stock Exchange (JSE) All Share Index decreased by 4.39%, from 70,920.45 points recorded in the previous week to 67,803.51 points, at the close of the reporting week. Similarly, JSE market capitalization also declined by 2.57%, from ZAR20.61 trillion in the week ending 3<sup>rd</sup> June 2022 to close at ZAR20.08 trillion, during the week ending 10<sup>th</sup> June 2022.

**Table 9: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
<b>6-May-22</b>	67,978.14	19.98
<b>13-May-22</b>	68,650.66	20.11
<b>20-May-22</b>	67,575.28	20.16
<b>27-May-22</b>	70,485.46	20.49
<b>3-Jun-22</b>	70,920.45	20.61
<b>10-Jun-22</b>	67,803.51	20.08
<b>% Change</b>	<b>-4.39</b>	<b>-2.57</b>

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

**Figure 7: 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 MAINFX<sup>4</sup> AND SMEFX<sup>5</sup>

	MAINFX				SMEFX			
	20-May-22	27-May-22	3-June-22	10-June-22	20-May-22	27-May-22	3-June-22	10-June-22
<b>Total Bids (US\$ dollars)</b>	42,053,973.50	32,941,798.21	23,947,063.37	20,665,498.04	8,998,155.54	8,684,002.68	5,135,841.87	4,269,142.30
<b>Amount Allotted (US\$ dollars)</b>	5,604,709.04	20,624,665.87	21,165,154.67	20,665,498.04	1,240,118.58	4,423,085.55	4,425,590.12	4,269,142.30
<b>Highest Rate</b>	299	330.5200	340	350	300	330	340	350
<b>Lowest Bid Rate</b>	220	280	290	295	220	280	290	295
<b>Lowest Bid Rate Allotted</b>	220	280	290	295	220	280	290	295
<b>Weighted Average Rate</b>	258.5404	290.8876	308.5201	325.3314	258.5404	290.8876	308.5201	325.3314
<b>Number of Bids Received</b>	433	381	285	317	1068	1044	782	855
<b>Number of Bids Rejected</b>	26	42	22	43	53	55	59	102

*Source: Reserve Bank of Zimbabwe, 2022*

<sup>4</sup> Main Foreign Currency Auction

<sup>5</sup> Small and Medium Enterprises Foreign Currency Auction

## APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	20-May-22	27-May-22	3-June-22	10-June-22	20-May-22	27-May-22	3-June-22	10-June-22
<b>Raw Materials</b>	3,162,049.14	10,659,453.77	11,077,620.25	11,493,062.61	399,298.05	1,243,402.30	1,074,866.64	1,279,708.33
<b>Machinery and Equipment</b>	1,022,000.57	5,004,038.83	3,597,642.53	3,665,882.99	421,176.31	1,686,880.11	1,678,233.12	1,597,956.90
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	199,557.09	1,268,902.14	1,817,428.66	1,510,009.41	152,356.57	450,609.88	583,152.38	424,281.67
<b>Pharmaceuticals and Chemicals</b>	50,000.00	770,726.31	954,924.90	783,510.85	66,866.96	221,947.22	193,117.15	166,387.47
<b>Services (Loans, Dividends and Disinvestments)</b>	303,837.41	971,701.72	1,647,857.01	1,236,837.05	118,337.19	301,132.00	376,205.05	325,110.73
<b>Retail and Distribution</b>	335,266.58	1,255,573.02	1,439,602.03	947,019.68	82,083.50	338,643.96	388,571.00	312,977.80
<b>Fuel, Electricity and Gas</b>	-	-	-	109,266.09	-	9,469.56	16,187.13	9,767.03
<b>Paper and Packaging</b>	531,998.25	694,270.08	630,079.29	919,909.36	-	171,000.52	115,257.65	152,952.37
<b>TOTAL</b>	<b>5,604,709.04</b>	<b>20,624,665.87</b>	<b>21,165,154.67</b>	<b>20,665,498.04</b>	<b>1,240,118.58</b>	<b>4,423,085.55</b>	<b>4,425,590.12</b>	<b>4,269,142.30</b>

Source: Reserve Bank of Zimbabwe, 2022