



Weekly Economic Highlights

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Week Ending
17th June 2022

1. INTEREST RATES

Deposit Rates

During the week ending 17th June 2022, minimum deposit rates for savings deposits were unchanged from the previous week, while those for deposit rates of 1-month tenor increased. Minimum deposit rates for deposits of 3-month tenor declined, during the same week. The week under review also saw maximum deposit rates for savings deposits remain at previous week levels, while those for deposits of 1-month and 3-month tenors increased, 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 (%)
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
17-June-22	4.21	6.35	14.62	17.47	16.61	19.05

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum and maximum commercial bank lending rates for both individual and commercial clients increased, during the week ending 17th June 2022, as shown in Table 2.

Table 2: Lending Rates (per annum)

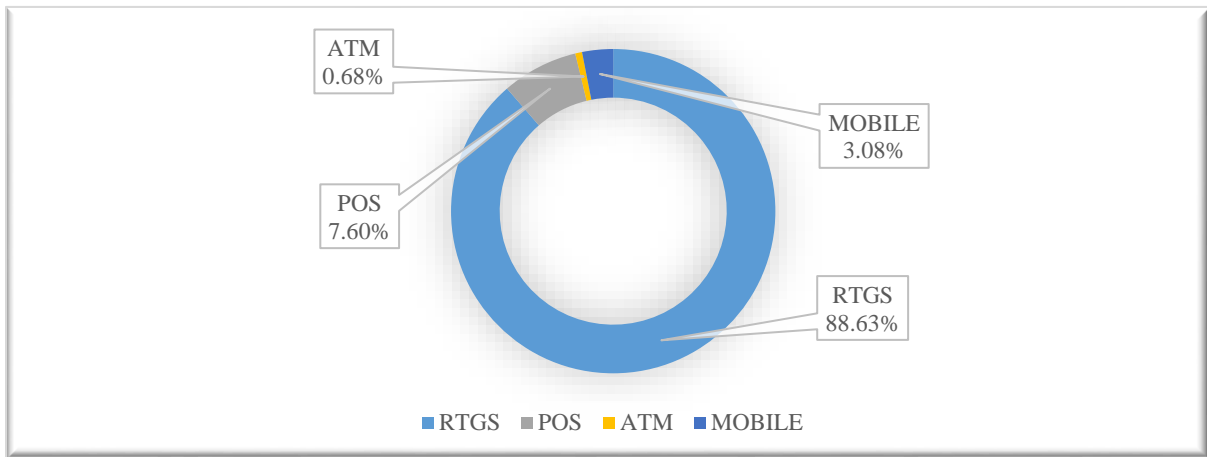
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
20-May-22	38.01	59.70	47.25	63.82
27-May-22	38.01	59.70	47.25	63.82
3-June-22	37.71	59.66	47.94	62.20
10-June-22	37.71	59.66	47.94	62.20
17-June-22	38.45	60.09	48.25	64.31

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) increased by 17.67% to \$442.11 billion, during the week ending 17th June 2022. Real Time Gross Settlement (RTGS) transactions rose by 22.50% to \$391.86 billion, during the same week. In value terms, the NPS transactions were distributed as follows: RTGS, 88.63%, POS, 7.60%; Mobile, 3.08%; and ATM, 0.68%.

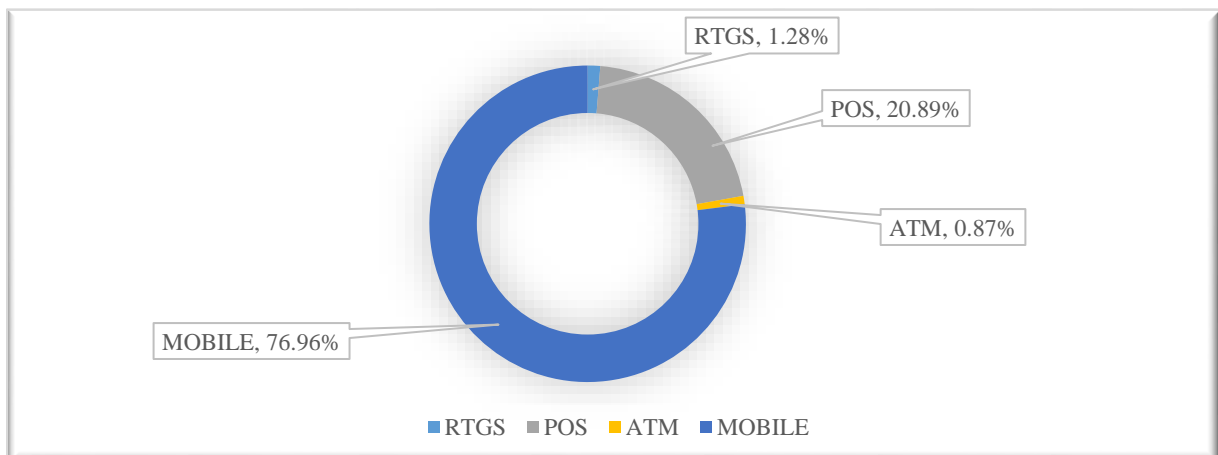
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions at 18.20 million during the week under review, was 7.33% lower, compared to 19.64 million recorded in the previous week. The NPS transaction volumes were distributed as follows: Mobile, 76.96%; POS, 20.89%; RTGS, 1.28%; and ATM, 0.87%, 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 10 th June 2022	WEEK ENDING 17 th June 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	319,871.62	391,855.51	22.50%	88.63%
POS	34,701.23	33,618.35	-3.12%	7.60%
ATM	4,752.66	3,028.02	-36.29%	0.68%
MOBILE	16,379.07	13,606.75	-16.93%	3.08%
TOTAL	375,704.57	442,108.63	17.67%	100%
Volumes				
RTGS	249,818	232,089	-7.10%	1.28%
POS	4,094,230	3,801,523	-7.15%	20.89%
ATM	104,222	158,470	52.05%	0.87%
MOBILE	15,187,556	14,004,656	-7.79%	76.96%
TOTAL	19,635,826	18,196,738	-7.33%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. TOBACCO SALES

A cumulative total of 150.3 million kilograms of tobacco had been sold as at day 54 of the tobacco selling season. This was a 10.95% decrease from the 168.8 million kilograms sold during the same period in 2021. In value terms, tobacco sales registered a 2.38% decrease to US\$451.69 million, from US\$462.68 million realized during the corresponding period in 2021.

Table 4: Weekly Cumulative Tobacco Sales: Day 54 (17th June 2022)

	2021	2022	Variance (%)
Cumulative Quantity Sold (million kgs)	168,762,227	150,280,923	(10.95)
Average Price(US\$/kg)	2.74	3.01	9.63
Cumulative value (US\$ million)	462,683,948	451,688,796	(2.38)

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

The average price of the golden leaf at \$3.01/kg was 9.63% higher, compared to \$2.74/kg realized during the same period in 2021.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 17th June 2022, global prices for gold, platinum, palladium, copper, nickel and crude oil declined. Table 5 shows developments for commodity prices, during the week under review.

Table 5: Metal and Crude Oil Prices for the week ending 17th June 2022

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (6 - 10 June)	1,846.39	1,000.80	1,956.30	9,672.34	28,679.50	121.87
13-Jun	1843.00	948.00	1,877.50	9,285.00	25,838.00	123.90
14-Jun	1,820.93	935.00	1,816.50	9,218.80	25,158.00	121.26
15-Jun	1,823.45	941.50	1,849.00	9,224.90	25,759.00	119.24
16-Jun	1,829.03	938.00	1,865.50	9,079.80	25,170.00	119.20
17-Jun	1,845.70	950.00	1,870.50	9,075.93	25,435.00	113.38
Weekly Average (13 - 17 June)	1,832.42	942.50	1,855.80	9,176.89	25,472.00	119.40
Weekly Change (%)	-0.8	-5.8	-5.1	-5.1	-11.2	-2.0

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices marginally retreated, as the US dollar firmed and higher Treasury yields recovered from declines in the previous week. The price decline was also spurred by the slowdown in the demand for the yellow metal, amid fears that the hawkish monetary policy stance by the US Federal Reserve and other global central banks could drag economies into a recession. Prices fell by 0.8%, from a weekly average of US\$1,846.39 per ounce in the previous week to US\$1,832.42 per ounce, during the week under review.

Platinum

Platinum prices declined by 5.8%, from a weekly average of US\$1,000.80 per ounce in the preceding week to US\$942.50 per ounce, during the week under analysis. Demand concerns due to fresh Covid-19 restrictions in China led to a sharp fall in the uptake of platinum, which is mainly used as a catalyst in automobiles. Furthermore, the shortage of chips and disruption in the supply of automotive parts, due to geopolitical tensions, negatively affected the demand for the metal.

Palladium

Palladium prices fell by 5.1%, from a weekly average of US\$1,956.30 per ounce in the prior week to US\$1,855.80 per ounce, during the week under analysis. The decline was underpinned by a strengthening US dollar and a tighter monetary policy stance taken by the US Federal Reserve and other major central banks, to contain global inflation.

Copper

Copper prices weakened amidst uncertainty around the demand of the red metal in China, the top consumer. Renewed outbreaks of Covid-19 have cast doubt on the recovery of economic activity, on the back of lockdowns. Prices declined by 5.1%, from a weekly average of

US\$9,672.34 per tonne in the previous week to US\$ 9,176.89 per tonne, during the week under review.

Nickel

Nickel prices were subdued during the week, weighed down by fears that a potential global recession and coronavirus outbreaks in top consumer, China, could further hurt demand for metals. Reflecting this development, nickel prices retreated by 11.2%, from a weekly average of US\$28,679.50 per tonne in the previous week to US\$25,472.00 per tonne, during the week under review.

Brent Crude Oil

Brent crude oil prices fell amid concerns that interest rate hikes by major central banks could slow global economic growth and cut the demand for energy products. In addition, the US dollar firmed during the week, making oil more expensive for buyers using other currencies. Prices decreased by 2.0%, from US\$121.87 per barrel in the previous week to US\$119.40 per barrel, during the week ending 17th June 2022.

5. EXCHANGE RATE DEVELOPMENTS

Foreign Exchange Auction

On the Foreign Exchange Auction, the Zimbabwe dollar (ZWS) depreciated by 4.6% against the US dollar, from an average of ZW\$318.607 per US\$1 in the previous week to ZW\$333.2278 per US\$1, during the week under analysis. The developments in selected exchange rates are as shown in Table 6.

Table 6: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (6 - 10 June)	318.6069	20.6624	399.8488	26.7437	338.3765
13-Jun	325.3314	20.3874	395.9618	26.4509	341.2566
14-Jun	325.3314	20.2634	406.7159	27.5209	339.6304
15-Jun	338.4921	21.1999	410.8622	27.6891	353.9445
16-Jun	338.4921	21.3675	416.6332	27.5724	353.0144
17-Jun	338.4921	21.2089	416.6332	27.5724	356.2978
Weekly Average (13 - 17 June)	333.2278	20.8854	409.3613	27.3611	348.8287
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	4.6	2.9	2.4	2.3	3.1

Source: Reserve Bank of Zimbabwe, 2022

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

Interbank Market

On the Willing-Buyer Willing-Seller (WBWS) interbank market, the Zimbabwe dollar (ZWL) depreciated by 5.7%, from an average of ZW\$318.20 per US\$1 in the previous week to ZW\$336.27 per US\$1, during the week under review, as shown in Table 7.

Table 7: International Exchange Rates²

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (6 - 10 June)	318.1970	20.6100	398.3311	26.6407	340.2623
13-Jun	331.0962	20.7254	407.1540	27.2198	347.4536
14-Jun	333.4552	20.7684	405.9323	27.1137	348.1298
15-Jun	336.4035	21.0748	404.2399	27.3536	351.8619
16-Jun	339.1571	21.3904	411.8070	27.7619	353.9455
17-Jun	341.2498	21.3447	419.9937	27.7997	359.3041
Weekly Average (13 - 17 June)	336.2724	21.0607	409.8254	27.4497	352.1390
Appr(-)/Depr(+)(%) of the ZWL	5.7	2.2	2.9	3.0	3.5

Source: Reserve Bank of Zimbabwe, 2022

6. EQUITY MARKETS

Zimbabwe Stock Exchange

During the week ending 17th June 2022, negative trading characterized the Zimbabwe Stock Exchange (ZSE), resulting in all the major indices registering losses. The All Share, Top 10, Top 15, Small and Medium Cap indices shed 4.94%, 6.15%, 6.10%, 1.42% and 1.54% to close at 22,900.71 points, 14,704.54 points, 16,207.96 points, 478,450.40 points and 41,330.07 points, respectively.

The decrease in the mainstream index was a result of share price losses for OK Zimbabwe Limited (18.09%), Econet Wireless Zimbabwe Limited (13.97%), Nampak Zimbabwe Limited (12.72%), Axia Corporation Limited (11.10%) and Ecocash Holdings Zimbabwe Limited (9.80%). Share price gains were, however, realized for First Mutual Properties Limited (31.63%), TSL Limited (27.78%), Mashonaland Holdings Limited (25.81%), Fidelity Life Assurance Limited (10.00%) and First Capital Bank Limited (8.70%). The resources index increased by 3.03% to close at 20,627.62 points, during the week under analysis. This was

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

mainly on account of an increase of 3.03% in the share price of Riozim. Table 8 shows selected ZSE statistics.

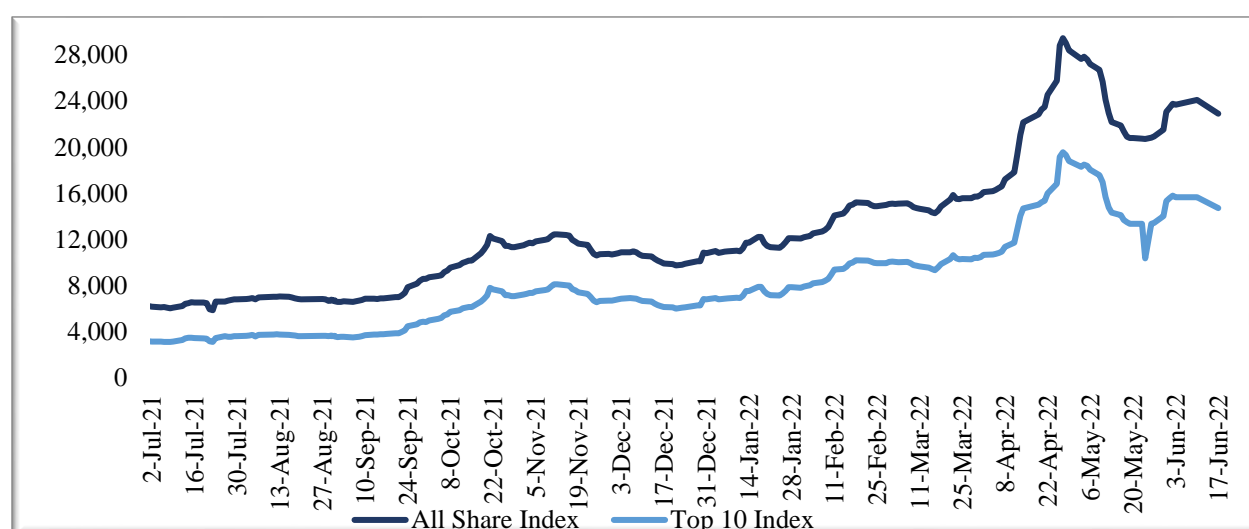
Table 8: Zimbabwe Stock Exchange Statistics³

	All Share Index Points	Top 10 index ³ (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)
13-May-22	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
20-May-22	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
27-May-22	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
03-June-22	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
10-June-22	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
17-June-22	22,900.71	14,704.54	16,207.96	41,330.07	478,450.40	20,627.62	2,835.47	2,846.74	32.85
% Change	-4.94	-6.15	-6.10	-1.54	-1.42	3.03	-5.63	-9.70	84.14

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 2nd July 2021 to 17th June 2022.

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



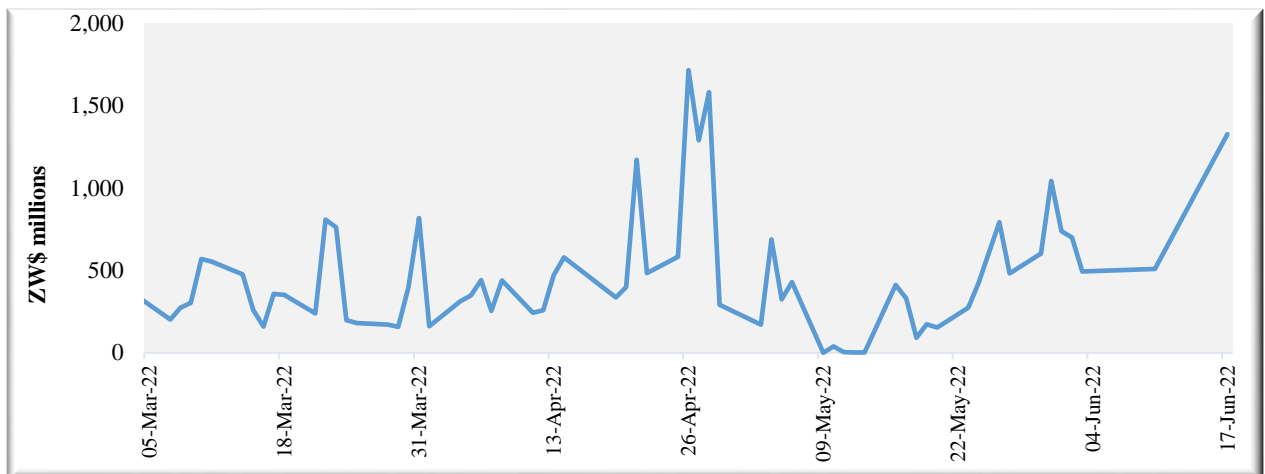
Source: Zimbabwe Stock Exchange, 2022

³ 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

As a consequence of negative trading activity during the week under review, the cumulative value of shares traded on the ZSE declined by 9.70% to Z\$2.85 billion. The cumulative volume of shares traded increased by 84.16%, from 17.84 million shares in the previous week to 32.85 million shares, during the week ending 17th June 2022. Figure 4 shows the trend in daily market turnover for the period from 5th March 2022 to 17th June 2022.

Figure 4: Daily Market Turnover

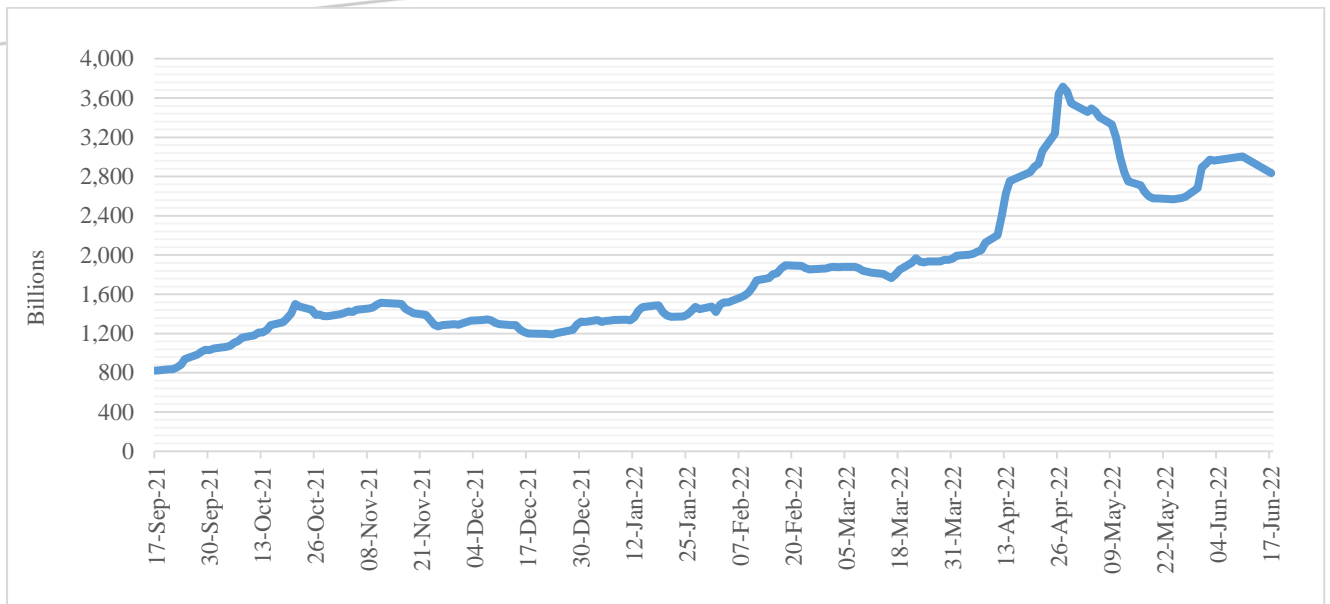


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

During the week under review, the ZSE lost ZW\$169.09 billion, or 5.63% worth of market capitalization to close at ZW\$2,835.47 billion, compared to ZW\$3,004.56 billion recorded in the previous week. Figure 5 shows market capitalization developments for the period from 17th September 2021 to 17th June 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions

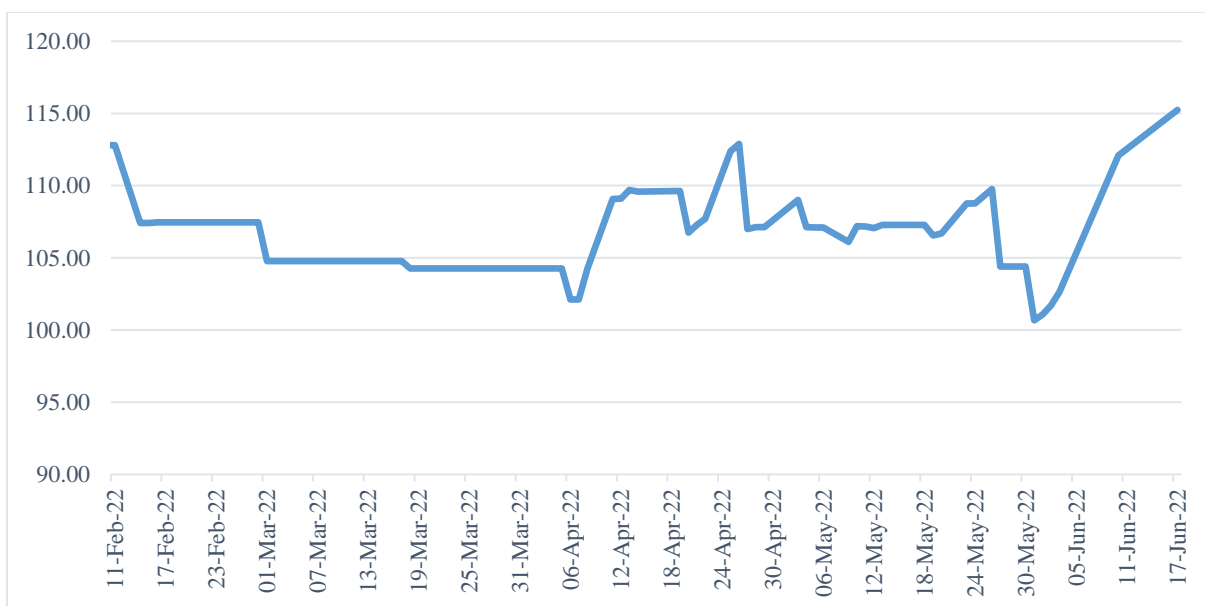


Source: Zimbabwe Stock Exchange, 2022

Victoria Falls Stock Exchange

During the week under analysis, the Victoria Falls Stock Exchange (VFEX) All Share index increased by 2.81% to close at 115.23 points. The cumulative volume and value of shares traded on the VFEX declined by 18.88% and 2.04% to 0.25 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 11th February 2022 to 17th June 2022.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2022

Johannesburg Stock Exchange (JSE)

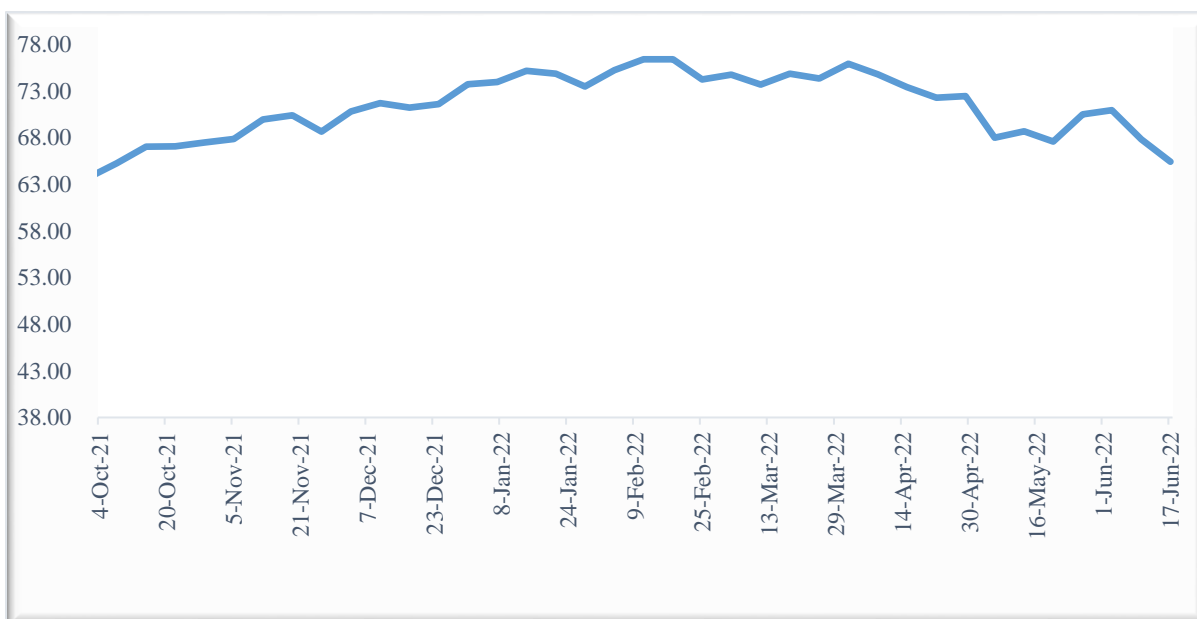
During the week ending 17th June 2022, the Johannesburg Stock Exchange (JSE) All share index fell by 0.37% to close at 65,390.88 points, from 67,803.51 points in the previous week. JSE market capitalization also declined by 3.64% to close at ZAR19.35 trillion, during the same week.

Table 9: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
13-May-22	68,650.66	20.11
20-May-22	67,575.28	20.16
27-May-22	70,485.46	20.49
3-Jun-22	70,920.45	20.61
10-Jun-22	67,803.51	20.08
17-Jun-22	65,390.88	19.35
% Change	-0.37	-3.64

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 MAINFX⁴ AND SMEFX⁵

	MAINFX				SMEFX			
	27-May-22	3-June-22	10-June-22	17-June-22	27-May-22	3-June-22	10-June-22	17-June-22
Total Bids (US\$ dollars)	32,941,798.21	23,947,063.37	20,665,498.04	21,635,580.55	8,684,002.68	5,135,841.87	4,269,142.30	3,642,701.09
Amount Allotted (US\$ dollars)	20,624,665.87	21,165,154.67	20,665,498.04	21,124,292.41	4,423,085.55	4,425,590.12	4,269,142.30	3,399,345.72
Highest Rate	330.5200	340	350	365	330	340	350	365
Lowest Bid Rate	280	290	295	320	280	290	295	320
Lowest Bid Rate Allotted	280	290	295	320	280	290	295	320
Weighted Average Rate	290.8876	308.5201	325.3314	338.4921	290.8876	308.5201	325.3314	338.4921
Number of Bids Received	381	285	317	290	1044	782	855	849
Number of Bids Rejected	42	22	43	32	55	59	102	82

Source: Reserve Bank of Zimbabwe, 2022

⁴ Main Foreign Currency Auction

⁵ Small and Medium Enterprises Foreign Currency Auction

APPENDIX 2: SUMMARY OF FOREIGN CURRENCY AUCTION ALLOTMENTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	27-May-22	3-June-22	10-June-22	17-June-22	27-May-22	3-June-22	10-June-22	17-June-22
Raw Materials	10,659,453.77	11,077,620.25	11,493,062.61	12,017,258.17	1,243,402.30	1,074,866.64	1,279,708.33	1,049,423.15
Machinery and Equipment	5,004,038.83	3,597,642.53	3,665,882.99	3,934,339.14	1,686,880.11	1,678,233.12	1,597,956.90	1,268,280.56
Consumables (Incl. Spares, Tyres, Packaging)	1,268,902.14	1,817,428.66	1,510,009.41	1,705,200.96	450,609.88	583,152.38	424,281.67	353,328.85
Pharmaceuticals and Chemicals	770,726.31	954,924.90	783,510.85	662,634.43	221,947.22	193,117.15	166,387.47	144,826.18
Services (Loans, Dividends and Disinvestments)	971,701.72	1,647,857.01	1,236,837.05	826,581.34	301,132.00	376,205.05	325,110.73	212,033.06
Retail and Distribution	1,255,573.02	1,439,602.03	947,019.68	1,223,673.03	338,643.96	388,571.00	312,977.80	248,441.83
Fuel, Electricity and Gas	-	-	109,266.09	119,171.66	9,469.56	16,187.13	9,767.03	7,030.20
Paper and Packaging	694,270.08	630,079.29	919,909.36	635,443.68	171,000.52	115,257.65	152,952.37	115,981.89
TOTAL	20,624,665.87	21,165,154.67	20,665,498.04	21,124,292.41	4,423,085.55	4,425,590.12	4,269,142.30	3,399,345.72

Source: Reserve Bank of Zimbabwe, 2022