



Weekly Economic Highlights

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Week Ending
11th March 2022

1. INTEREST RATES

Deposit Rates

Minimum savings deposit rates for savings deposits and deposits of 3 month tenor increased, during the week ending 11th March 2022. During the same week, minimum deposit rates for deposits of 1-month tenor declined. Maximum deposit rates for savings deposits rates, deposits of 1 month and 3-month tenors registered declines, 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 (%)
11-Feb-22	2.80	5.91	13.50	15.61	14.39	16.95
18-Feb-22	2.80	5.91	13.50	15.61	14.39	16.95
25-Feb-22	3.72	6.29	12.72	16.03	13.68	16.84
4-Mar-22	3.72	6.29	12.72	16.03	13.68	16.84
11-Mar-22	3.74	5.85	12.56	15.06	14.00	16.42

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Minimum and maximum lending rates for both individual and corporate clients decreased during the week ending 11th March 2022, as shown in Table 2.

Table 2: Lending Rates (per annum)

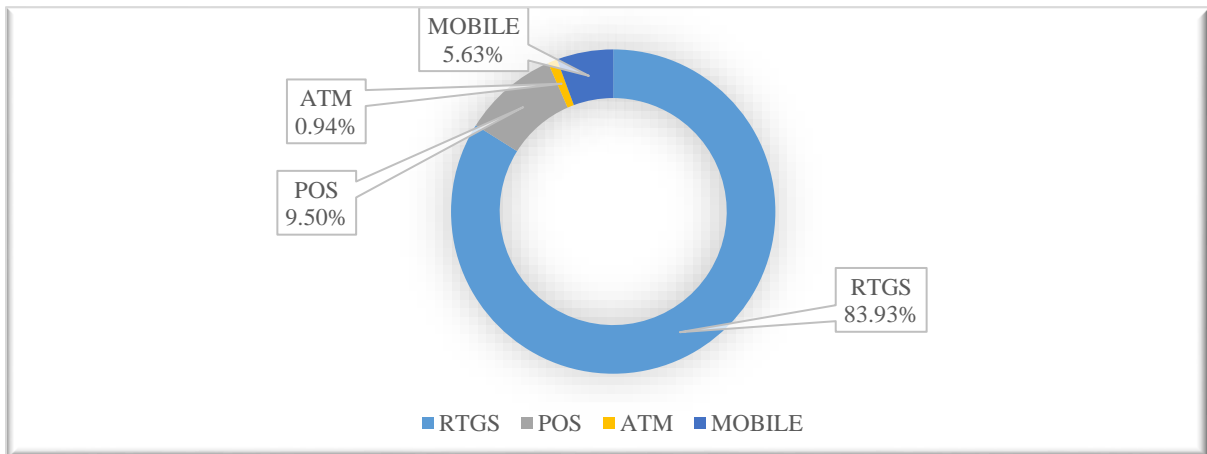
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
11-Feb-22	40.87	57.26	40.32	63.92
18-Feb-22	40.87	57.26	40.32	63.92
25-Feb-22	40.55	57.28	45.06	64.02
4-Mar-22	40.55	57.28	45.06	64.02
11-Mar-22	39.39	56.23	44.58	63.90

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The National Payment System (NPS) processed transactions valued at ZW\$211.27 billion, during the week of analysis, down from ZW\$227.60 billion in the previous week. Real Time Gross Settlement (RTGS) transactions also decreased by 10.58% to ZW\$177.32 billion, during the same week. In value terms, NPS transactions were distributed as follows: RTGS, 83.93%; POS, 9.50%; Mobile, 5.63%; and ATM, 0.94%.

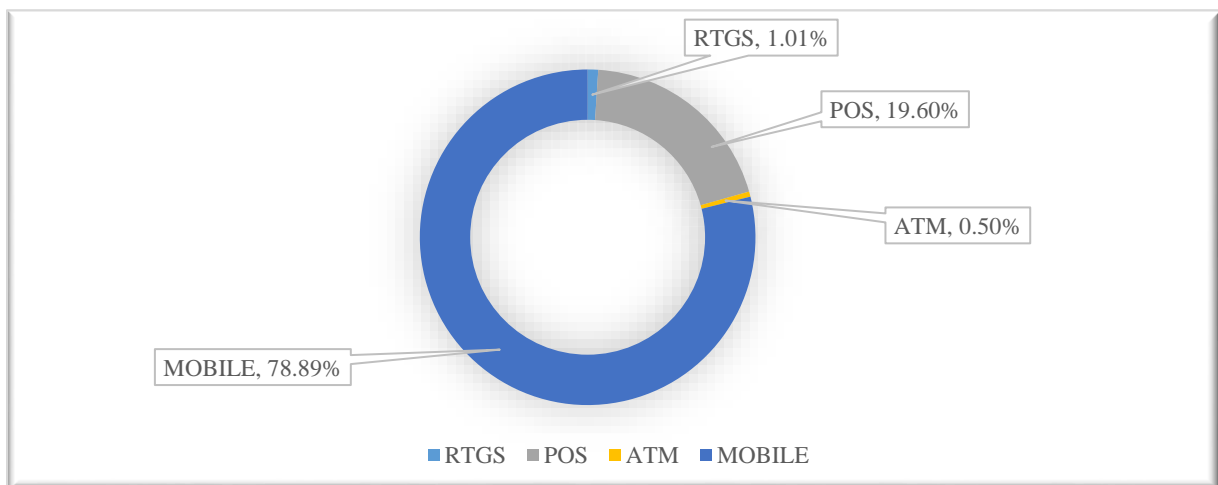
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

NPS transaction volumes increased by 10.13% to 23.39 million, during the week ending 11th March 2022. The NPS transaction volumes were distributed as follows: Mobile, 78.89%; POS, 19.60%; RTGS, 1.01% and ATM, 0.50%, 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 4 th February 2022	WEEK ENDING 11 th March 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	198,309.09	177,320.86	-10.58%	83.93%
POS	17,512.51	20,064.70	14.57%	9.50%
ATM	2,085.18	1,985.50	-4.78%	0.94%
MOBILE	9,694.80	11,900.32	22.75%	5.63%
TOTAL	227,601.58	211,271.38	-7.17%	100%
Volumes				
RTGS	341,904	235,994	-30.98%	1.01%
POS	4,203,813	4,583,539	9.03%	19.60%
ATM	113,208	116,536	2.94%	0.50%
MOBILE	16,576,686	18,450,334	11.30%	78.89%
TOTAL	21,235,611	23,386,403	10.13%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 11th March 2022, international commodity prices remained buoyant, largely driven by continued concerns about global supply disruptions, emanating from the Ukraine Russian-Ukraine conflict. The developments in commodity prices are as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week ending 11th March 2022

	Gold	Platinum	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (28 Feb - 4 March)	1,926.33	1,072.70	10,128.20	25,716.20	112.22
7-Mar	1,990.10	1,138.00	10,702.00	29,609.00	127.69
8-Mar	2,023.03	1,151.00	10,256.00	48,201.00	130.63
9-Mar	2,003.03	1,111.00	10,161.00	48,201.00	113.43
10-Mar	1,997.13	1,082.00	9,964.00	48,211.00	111.85
11-Mar	1,985.08	1,061.50	10,095.00	48,241.00	110.24
Weekly Average (7 - 11 March)	1,999.67	1,108.70	10,235.60	44,492.60	118.77
Weekly Change (%)	3.8	3.4	1.1	73.0	5.8

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices rose by 3.8%, from a weekly average of US\$1,926.33 per ounce in the previous week to US\$1,999.67 per ounce, during the week ending 11th March 2022. This came on the back of the ongoing conflict in Eastern Europe, which bolstered the yellow metal's appeal as a

safe haven asset. Furthermore, growing concerns over high global inflation also prompted investors to shift from other riskier assets to precious metals such as gold.

Platinum

Platinum prices continued in positive territory, on account of supply as constraints arising from geopolitical tensions between the West and Russia over Ukraine, continued to impact negatively on the supply of the metal. Prices increased by 3.4%, from a weekly average of US\$1,072.70 per ounce in the previous week to US\$1,108.70 per ounce, during the week under analysis.

Copper

Copper prices sustained their upward trend, largely due to supply concerns and record low global stockpiles. Prices increased by 1.1%, from a weekly average of US\$10,128.20 per tonne in the previous week to US\$10,235.60 per tonne, during the week ending 11th March 2022.

Nickel

Nickel prices skyrocketed, surging by a 73.0 % from a weekly average of US\$25,716.20 per tonne in the previous week to US\$44,492.60 per tonne, during the week ending 11th March 2022. The dramatic spike in nickel prices was triggered by a market squeeze as short sellers, particularly China's Tsingshan Holding Group, executed larger purchases in order to cover their short positions. Prices had already been rising in recent weeks, due to concerns over supply disruptions stemming from the Russia-Ukraine war.

Brent Crude Oil

Brent crude oil prices remained bullish, as the imposition of sanctions targeted on Russian oil exports by the United States, worsened the already tight global supplies. In addition, a fall in US crude oil inventories at a time when global demand is growing, also supported oil prices. The demand for crude oil has been increasing, as the global economy recovers from the adverse impact of the Covid-19 pandemic. Weekly average prices increased by 5.8%, from US\$112.22 per barrel during the week ending 4th March 2022 to US\$118.77 per barrel, during the week under review.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZWS) depreciated against the US dollar, shedding 2.8% from an average of ZWS126.6198 per US\$1 in the previous week to ZWS130.1567 per US\$1, during the week ending 11th March 2022. Table 5 shows the developments in selected exchange rates.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (28 Feb - 1 March)	126.6198	8.2591	169.2202	10.8613	140.6621
7-Mar	127.49	8.2816	167.1478	10.9007	138.4379
8-Mar	130.16	8.5288	170.7982	11.0841	142.1833
9-Mar	130.16	8.5288	170.7982	11.0841	142.1833
10-Mar	130.16	8.6505	171.4360	11.2201	143.8884
11-Mar	130.16	8.6244	170.1806	11.2133	143.1205
Weekly Average (7 - 11 March)	130.1567	8.5831	170.8032	11.1504	142.8439
Appr(-)/Depr(+) (%) of the ZWL	2.8	3.9	0.9	2.7	1.6

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

During the week ending 11th March 2022, trading on the Zimbabwe Stock Exchange (ZSE) was negative, resulting in all major indices registering losses. The Top 10, Top 15 and All Share, indices lost 3.64%, 3.60% and 3.01% to close at 9 669.32 points, 10 658.93 points and 14 655.18 points, respectively.

The decline in the mainstream index was a result of share price losses for Hippo Valley Estates Limited (20.00%), CBZ Holdings Limited (16.67%), Delta Corporation Limited (8.62%), General Beltings Holdings Limited (6.63%) and Nampack Zimbabwe Limited (6.58%). Share price gains were, however, recorded for Amalgamated Regional Trading (ART) (20.00%), British American Tobacco Holdings Limited (14.02%), Lafarge Cement Zimbabwe Limited (10.53%), Medtech Holdings Limited (10.11%) and Medtech Holdings Limited Class B (6.25%). The resources index remained unchanged at 9 464.75 points, during the same week.

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

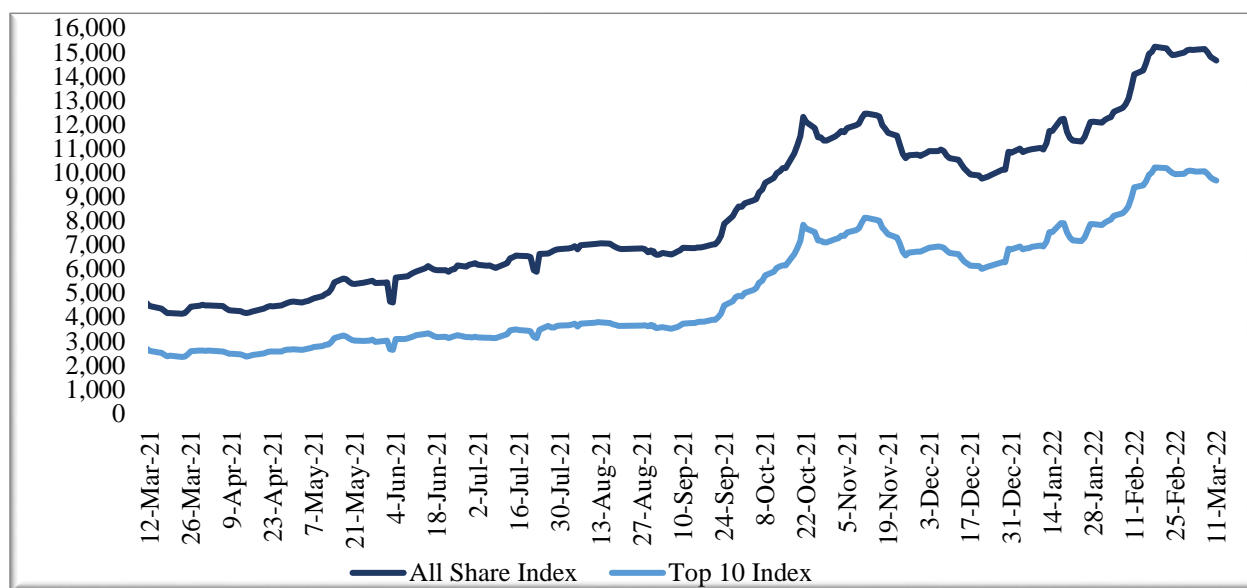
Table 6: Zimbabwe Stock Exchange Statistics²

	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)
4-Feb-22	12,529.84	8, 201.62	8,991.14	21,435.43	388,887.56	7,965.26	1,518.58	1,919.81	24.64
11-Feb-22	14,077.59	9,393.29	10,277.1	22,583.29	397,070.92	8,378.71	1,741.12	2,194.99	43.22
18-Feb-22	15,228.58	10,211.38	11,231.9	24,222.31	390522.26	9,106.36	1,893.87	3,080.19	41.72
25-Feb-22	14,898.26	9,937.39	10,937.2	24,060.88	407,544.34	9,300.03	1,855.80	811.39	47.23
4-Mar-22	15,110.60	10,034.44	11,057.0	24,770.79	402,432.06	9,464.75	1,878.76	1,035.82	9.97
11-Mar-22	14,655.18	9,669.32	10,658.3	24,472.02	398,104.07	9,464.75	1,820.92	1,903	25.11
% Change	-3.01	-3.64	-3.60	-1.21	-1.08	0.00	-3.08	83.7	151.88

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 12th March 2021 to 11th March 2022.

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



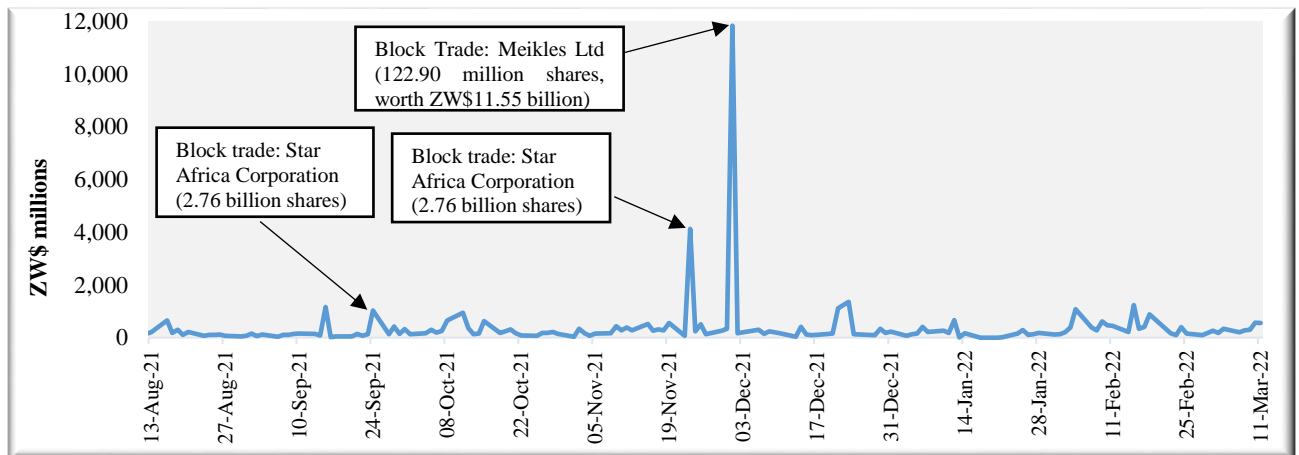
Source: Zimbabwe Stock Exchange, 2022

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

The cumulative volume and value of shares traded on the ZSE increased by 151.88% and 83.73% to 25.11 million shares and ZW\$1.90 billion, respectively, during the week under review. Figure 2 shows the trend in daily market turnover for the period from 13th August 2021 to 11th March 2022.

Figure 4: Daily Market Turnover

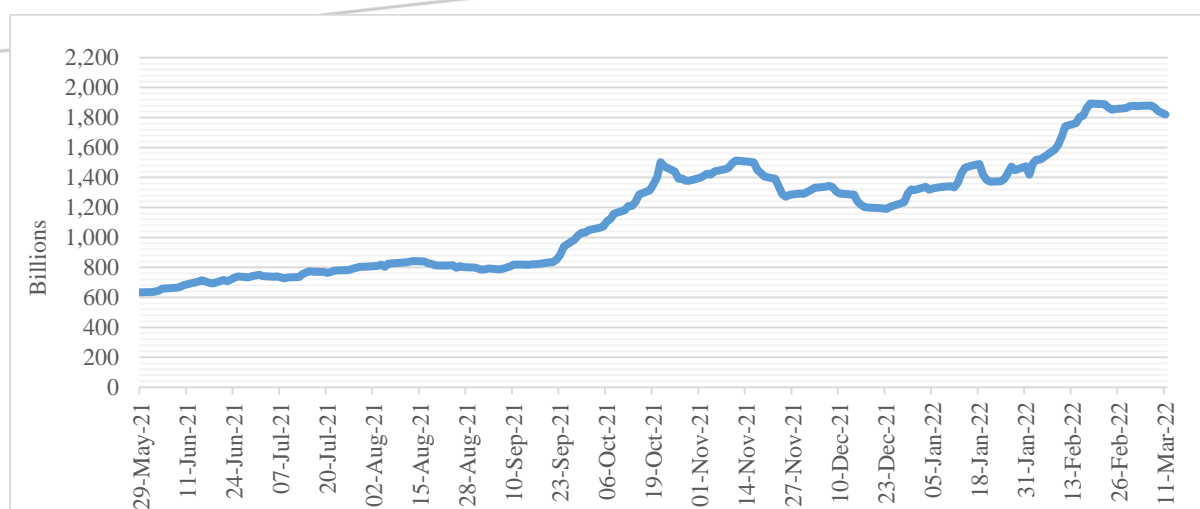


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

Due to negative trading during the week under review, the local bourse shed 3.08% worth of capitalization to close at ZW\$1 820.92 billion, from ZWL\$1 878.76 billion in the previous week. Figure 5 shows market capitalization developments for the period from 29th of May 2021 to 11th of March 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

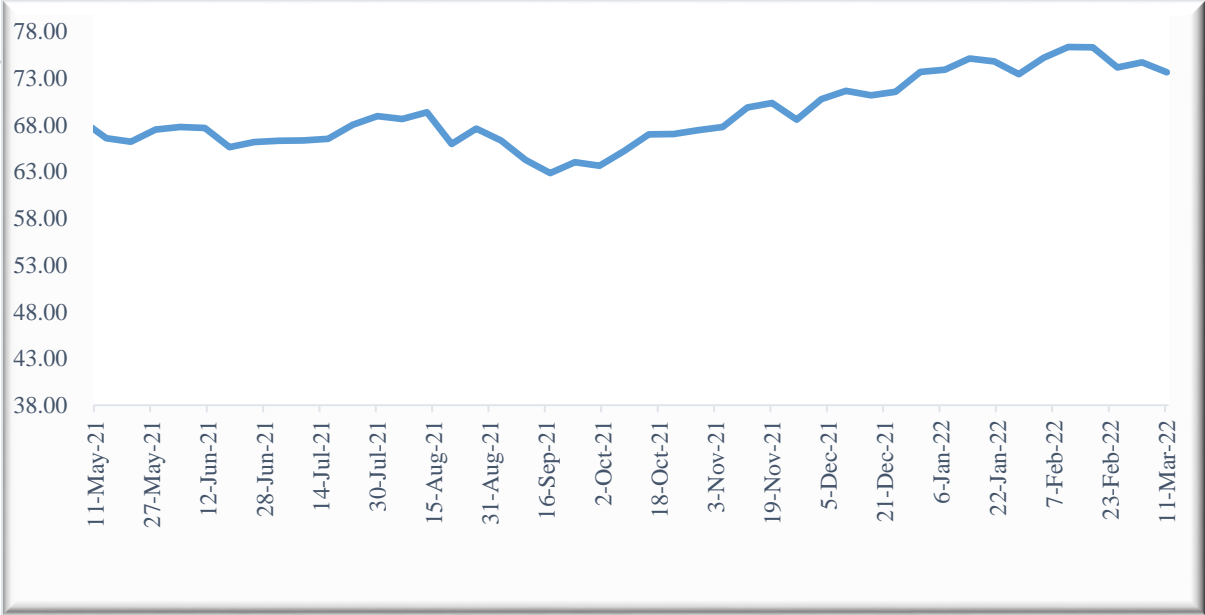
The week under review saw the Johannesburg Stock Exchange (JSE) All share index decline by 1.40% to close at 73,685.89 points, from 74,734.37 points recorded in the previous week. JSE market capitalization declined by 1.17% to ZAR21.13 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
4-Feb-22	75,206.00	22.34
11-Feb-22	76,382.95	22.54
18-Feb-22	76,368.34	22.38
25-Feb-22	74,205.69	21.61
4-Mar-22	74,734.37	21.38
11-Mar-22	73,685.89	21.13
% Change	-1.40	-1.17

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			
	18-Feb-22	25-Feb-22	4-Mar-22	11-Mar-22	18-Feb-22	25-Feb-22	4-Mar-22	11-Mar-22
Total Bids (US\$ dollars)	32,773,390.85	36,033,474.97	31,158,622.32	29,656,084.19	7,616,125.91	7,711,548.81	6,097,585.39	7,611,522.31
Amount Allotted (US\$ dollars)	29,588,776.75	29,581,020.42	31,158,622.32	28,632,570.60	7,616,125.91	7,711,548.81	6,097,585.39	7,209,867.35
Highest Rate	135.00	140.00	140.00	145.00	135.00	137.00	137	145.00
Lowest Bid Rate	119.00	122.00	121	127.00	115.00	120.00	120	125.5800
Lowest Bid Rate Allotted	119.00	122.00	121	127.00	115.00	120.00	120	125.5800
Weighted Average Rate	120.5174	124.0189	127.4864	130.1567	120.5174	124.0189	127.4864	130.1567
Number of Bids Received	546	538	521	410	943	936	970	936
Number of Bids Rejected	78	53	50	33	99	97	71	71

Source: Reserve Bank of Zimbabwe, 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			
	18-Feb-22	25-Feb-22	4-Mar-22	11-Mar-22	18-Feb-22	25-Feb-22	4-Mar-22	11-Mar-22
Raw Materials	11,949,968.63	12,073,964.75	11,947,345.97	11,787,591.18	1,724,096.74	130,438.48	1,578,543.58	1,782,463.49
Machinery and Equipment	6,788,161.77	7,337,379.27	7,879,063.04	7,085,195.79	2,571,095.35	3,393,868.67	1,929,616.29	2,229,658.99
Consumables (Incl. Spares, Tyres, Packaging)	3,199,010.56	2,821,117.03	2,420,070.99	1,896,608.79	1,140,156.52	1,905,771.90	1,033,569.71	1,148,388.18
Pharmaceuticals and Chemicals	1,298,853.00	1,334,242.46	1,363,318.15	1,572,392.12	286,990.42	267,363.94	240,630.98	424,077.57
Services (Loans, Dividends and Disinvestments)	2,639,725.86	1,602,944.17	2,943,223.88	1,670,724.91	1,051,993.40	713,215.69	521,512.26	751,761.21
Retail and Distribution	2,970,176.75	3,325,877.60	3,793,314.52	3,664,142.68	617,456.92	559,499.28	616,198.12	684,521.55
Fuel, Electricity and Gas	113,813.32	-	-	50,000.00	31,770.53	28,752.39	27,999.04	29,519.00
Paper and Packaging	629,066.86	1,085,495.14	812,285.77	905,915.13	192,566.03	215,858.18	149,515.41	159,477.36
TOTAL	29,588,776.75	29,581,020.42	31,158,622.32	28,632,570.60	7,616,125.91	7,214,768.53	6,097,585.39	7,209,867.35

Source: Reserve Bank of Zimbabwe, 2022