



Weekly Economic Highlights

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Week Ending
18th March 2022

1. INTEREST RATES

Deposit Rates

Minimum and maximum deposit rates for all classes of deposits remained unchanged, during the week ending 18th March 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 (%)
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
18-Mar-22	3.74	5.85	12.56	15.06	14.00	16.42

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

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

Table 2: Lending Rates (per annum)

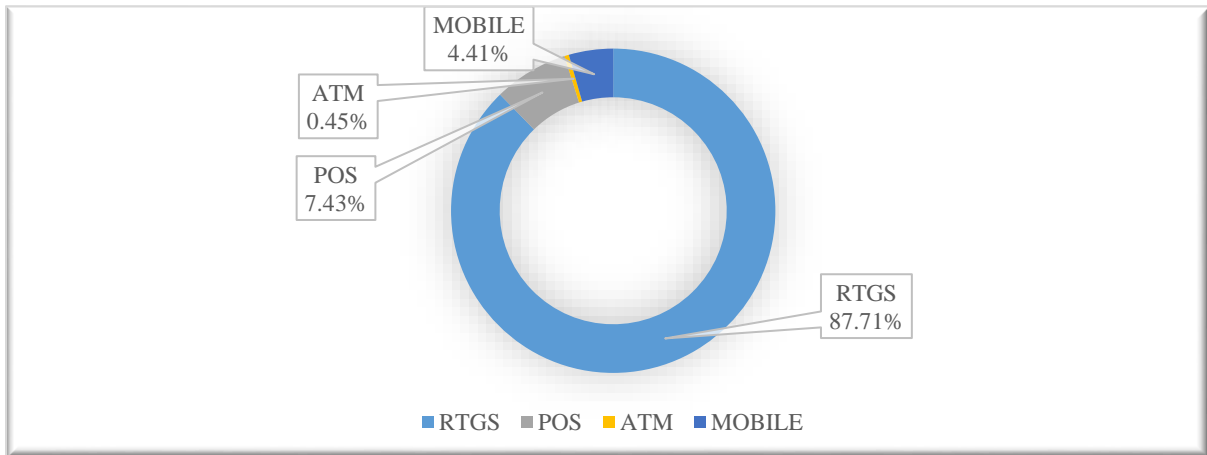
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
18-Feb-22	40.87	57.26	40.32	63.92
25-Feb-22	40.55	57.28	45.06	64.02
4-Mar-22	40.55	57.28	45.06	64.02
11-Mar-22	39.39	56.23	44.58	63.90
18-Mar-22	39.39	56.23	44.58	63.90

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

The week ending 18th March 2022 saw the total value of transactions processed through the National Payment Systems (NPS) increase by 13.19% to ZW\$239.14 billion. Real Time Gross Settlement (RTGS) transactions rose by 18.28%, from ZW\$177.32 billion in the previous week to ZW\$209.74 billion, during the week under analysis. The distribution of NPS transactions, in value terms, was as follows: RTGS, 87.71%; POS, 7.43%; Mobile, 4.41% and ATM, 0.45%.

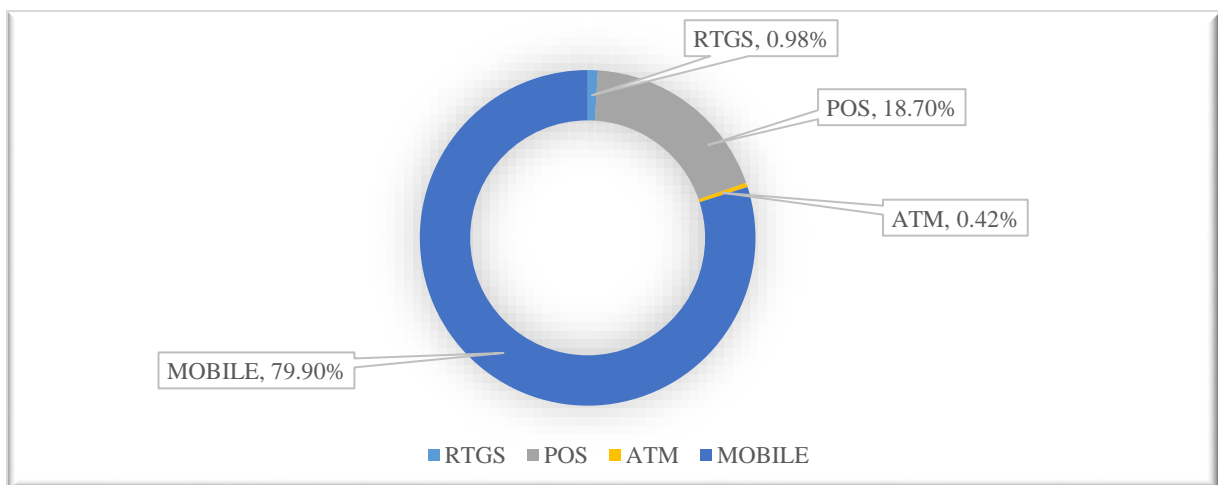
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

The volume of NPS transactions declined by 6.89% to 21.78 million, during the week under analysis, from 23.39 million in the preceding week. In volume terms, NPS transactions were distributed as follows: Mobile, 79.90%; POS, 18.70%; ATM, 0.42% and RTGS, 0.98%, 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 11 th March 2022	WEEK ENDING 18 th March 2022	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	177,320.86	209,739.50	18.28%	87.71%
POS	20,064.70	17,775.15	-11.41%	7.43%
ATM	1,985.50	1,072.67	-45.97%	0.45%
MOBILE	11,900.32	10,553.24	-11.32%	4.41%
TOTAL	211,271.38	239,140.57	13.19%	100%
Volumes				
RTGS	235,994	212,617	-9.91%	0.98%
POS	4,583,539	4,072,177	-11.16%	18.70%
ATM	116,536	91,650	-21.35%	0.42%
MOBILE	18,450,334	17,399,793	-5.69%	79.90%
TOTAL	23,386,403	21,776,237	-6.89%	100%

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During the week ending 18th March 2022, global prices for gold, platinum, copper and crude oil declined. The price of nickel, however, firmed, during the same week. Developments in commodity prices during the week under review, are as shown in Table 4.

Table 4: Metal and Crude Oil Prices for the week ending 18th March 2022

	Gold	Platinum	Copper	Nickel	Crude Oil
2022	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (7 - 11 March)	1,999.67	1,108.70	10,235.60	44,492.60	118.77
14-Mar	1,957.83	1,042.00	10,151.00	48,241.00	102.49
15-Mar	1,921.20	1,013.00	9,894.50	48,211.00	102.10
16-Mar	1,915.98	1,013.00	9,857.30	48,196.00	99.63
17-Mar	1,945.53	1,025.00	10,056.00	47,595.00	109.22
18-Mar	1,934.35	1,034.50	10,232.00	42,150.00	111.26
Weekly Average (14 - 18 March)	1,934.98	1,025.50	10,038.16	46,878.60	104.94
Weekly Change (%)	-3.2	-7.5	-1.9	5.4	-11.6

Source: BBC, KITCO and Bloomberg, 2022

Gold

Gold prices retreated as U.S. Treasury yields rose ahead of an expected rate hike by the U.S. Federal Reserve, in order to curb inflation. The decline in prices was reinforced by hopes of progress in cease fire talks between Russia and Ukraine. The two factors dampened the appeal

of the yellow metal as a safe haven asset. Prices fell by 3.2%, from a weekly average of US\$1,999.67 per ounce to US\$1,934.98 per ounce, during the week ending 18th March 2022.

Platinum

Platinum prices reversed gains recorded in the previous weeks, as hopes for a resolution of the Ukrainian crisis eased concerns over supply from Russia. Prices slumped by 7.5%, from a weekly average of US\$1,108.70 per ounce in the week ending 11th March 2022, to US\$1,025.50 per ounce during the week under analysis.

Copper

Copper prices eased during the week under review, falling by 1.9% from a weekly average of US\$10,235.60 per tonne in the previous week to US\$10,038.16 per tonne. Prices fell on account of a firmer US dollar, coupled with improving global inventories. The decline was, however, moderated by investor expectations of further policy easing in China.

Nickel

Nickel prices firmed after resumption of trading on the London Metal Exchange, following its suspension, as prices exponentially rose in the preceding week. Prices increased by 5.4%, from US\$44,492.60 per tonne in the previous week to US\$46,878.60 per tonne, during the week under review, as they continued to be supported by supply shortages of the base metal.

Brent Crude Oil

Brent crude oil prices declined by 11.6%, from a weekly average of US\$118.77 per barrel in the prior week to US\$104.94 per barrel, during the week under analysis. Prices fell amid hopes for a resolution of the Ukrainian crisis, as well as slowing demand from China, which recently imposed lockdowns, amid resurging cases of Covid-19.

4. EXCHANGE RATE DEVELOPMENTS

The Zimbabwe dollar (ZW\$) depreciated by 2.2% against the US dollar, from an average of ZW\$129.6226 per US\$1 in the previous week, to close the week under review at an average of ZW\$132.5119 per US\$1. The developments in selected exchange rates are as shown in Table 5.

Table 5: International Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (7 - 11 March)	129.6226	8.5228	170.0721	11.1004	141.9627
14-Mar	130.16	8.6393	169.3993	11.2133	142.0273
15-Mar	130.16	8.6207	169.8226	11.2201	142.9187
16-Mar	134.08	8.8968	175.0911	11.5448	147.1285
17-Mar	134.08	8.9847	176.3917	11.5718	147.8258
18-Mar	134.08	8.9726	176.4527	11.5985	148.5901
Weekly Average (14 – 18 March)	132.5119	8.8228	173.4314	11.4297	145.6981
<i>Appr(-)/Depr(+)</i> (%) <i>of the ZWL</i>	2.2	3.5	2.0	3.0	2.6

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

The Zimbabwe Stock Exchange (ZSE) recovered from previous week losses, during the week ended 18th March 2022, resulting in all major indices registering gains. The Top 10, Top 15 and All Share indices increased by 2.06%, 1.72% and 1.47% to close at 9 868.52 points, 10 842.53 points and 14 870.68 points, respectively.

Gains were registered in share prices of Unifreight Africa Limited (20.00%), CFI Holdings Limited (17.65%), Tanganda Tea Company Limited (16.62%), Hippo Valley Estates Limited (15.41%) and British American Tobacco (13.00%). Losses in share prices of Africa Sun Limited (26.01%), Zimbabwe Newspapers (1980) Limited (18.00%), Truworths Limited (17.36%), First Mutual Holdings Limited (12.27%) and Medtech Holdings Limited (8.16%), partially weighed down the gains in major ZSE indices. The resources index increased by 0.06% to 9 470.19 points, during the week under review.

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

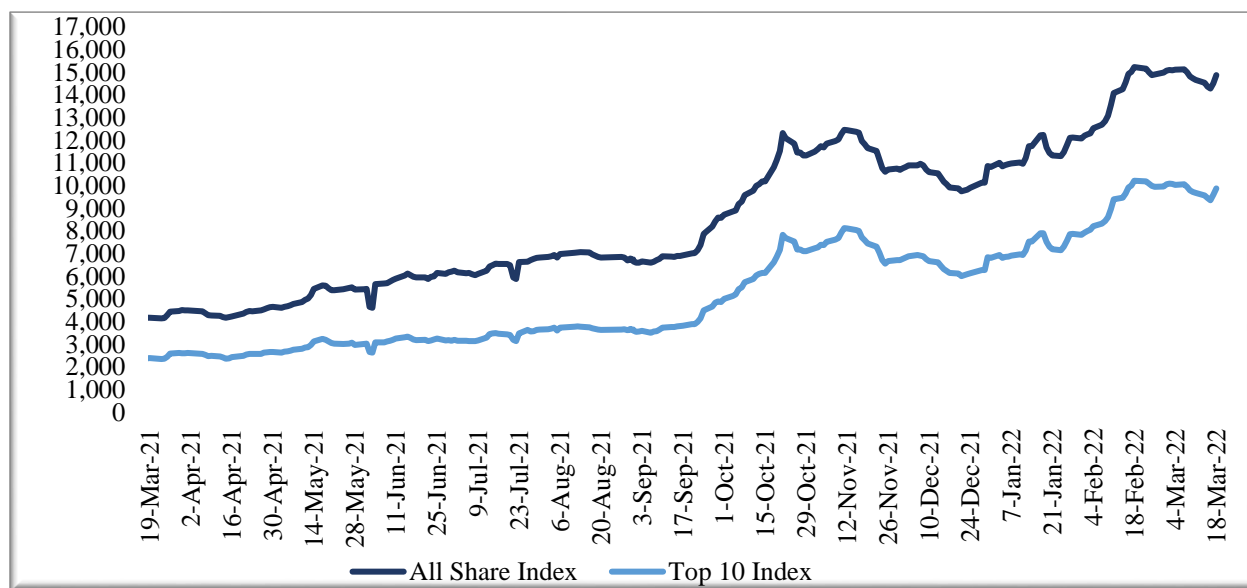
Table 6: Zimbabwe Stock Exchange Statistics²

	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)
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	1,903.10	25.11
18-Mar-22	14,870.68	9,868.52	10,842.5	24,220.78	391,221.56	9,470.19	1,848.83	1,606.43	23.58
% Change	1.47	2.06	1.73	-1.03	-1.73	0.06	1.53	-15.59	-6.09

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 19th March 2021 to 18th March 2022.

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



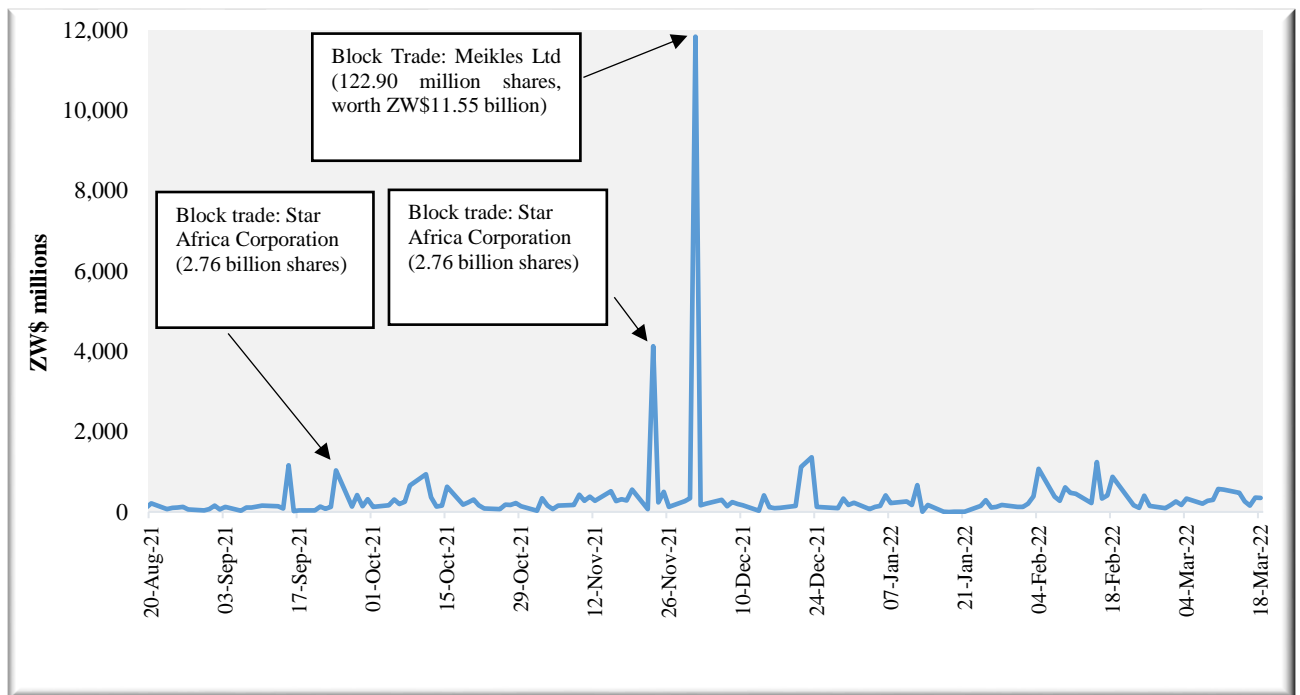
Source: Zimbabwe Stock Exchange, 2022

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 declined by 6.09% and 15.59%, from 25.11 million shares and ZW\$1.90 billion recorded in the previous week to 23.58 million shares and ZW\$1.61 billion, respectively, during the week under review. Figure 4 shows the trend in daily market turnover for the period from 20th August 2021 to 18th March 2022.

Figure 4: Daily Market Turnover

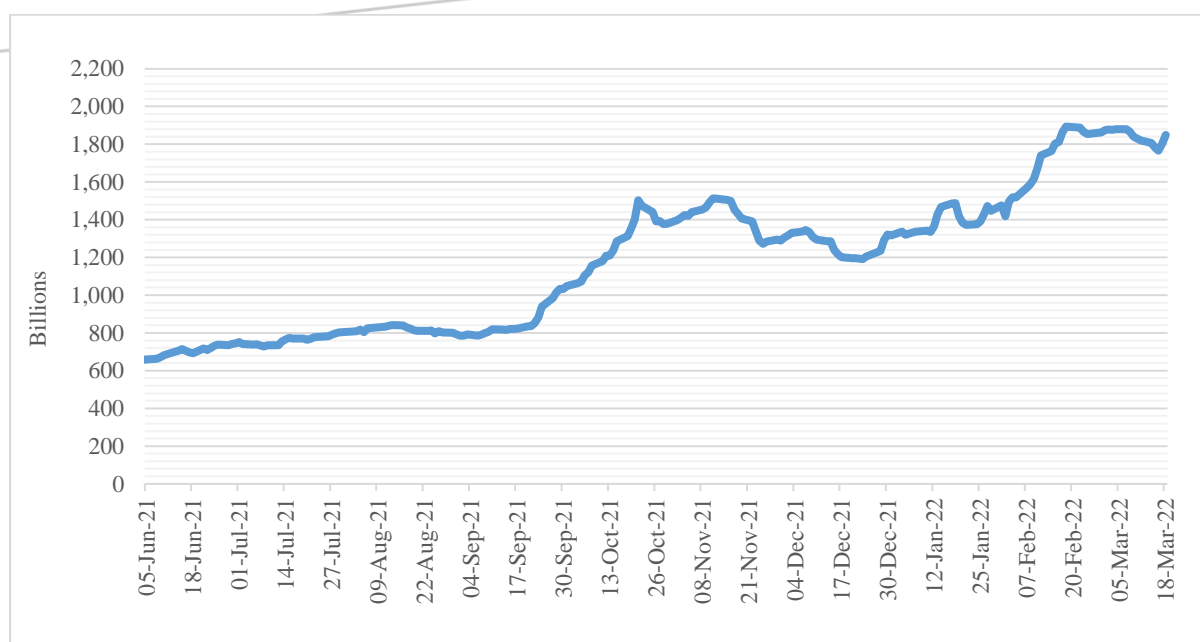


Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

As a result of positive trading, the local bourse added ZW\$27.92 million or 1.53% worth of capitalization to ZW\$1 848.83 billion, during the week ending 18th March 2022, from ZW\$1 820.92 in the previous week. Figure 5 shows ZSE market capitalization developments for the period from 5th June 2021 to 18th March 2022.

Figure 5: Daily Market Capitalization in ZW\$ billions



Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

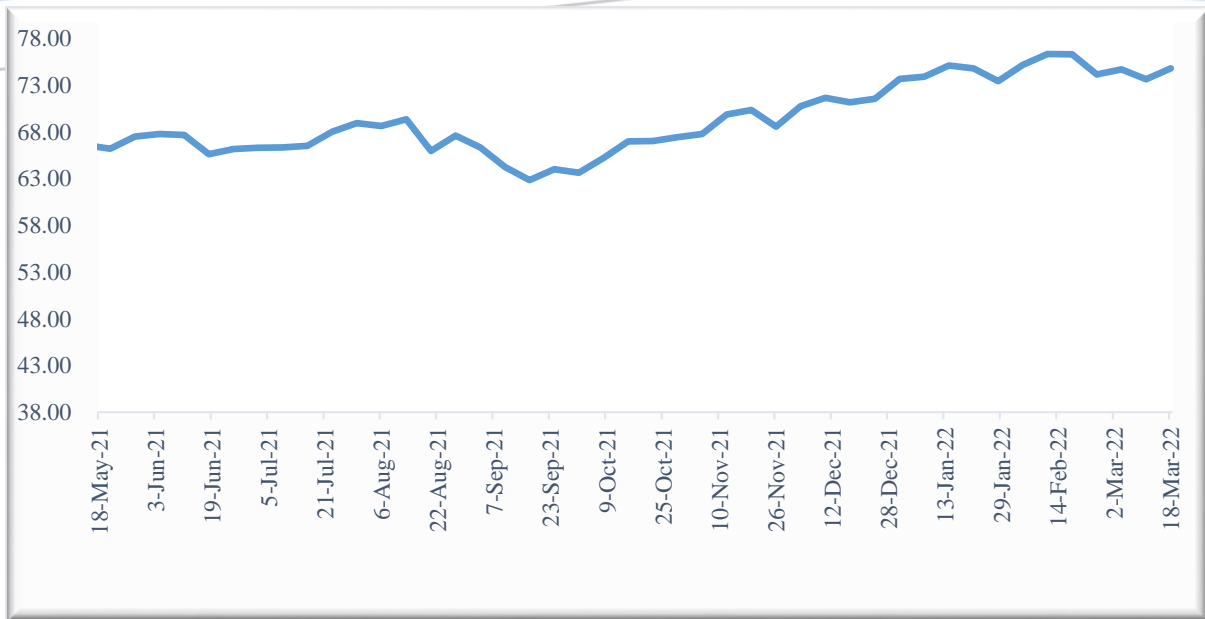
The Johannesburg Stock Exchange (JSE) All share index increased by 1.58%, from 73,685.89 points in the previous week to close at 74,847.63 points, during the week under ending 18th March 2022. Similarly, JSE market capitalization was 1.42% higher, at ZAR21.43 trillion during the week under analysis, compared to ZAR 21.13 trillion in the preceding week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
18-Mar-22	74 847.63	21.43
% Change	1.58	1.42

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			
	25-Feb-22	4-Mar-22	11-Mar-22	18-Mar-22	25-Feb-22	4-Mar-22	11-Mar-22	18-Mar-22
Total Bids (US\$ dollars)	36,033,474.97	31,158,622.32	29,656,084.19	31,089,467.92	7,711,548.81	6,097,585.39	7,611,522.31	5,744,362.37
Amount Allotted (US\$ dollars)	29,581,020.42	31,158,622.32	28,632,570.60	30,862,194.32	7,711,548.81	6,097,585.39	7,209,867.35	5,744,362.37
Highest Rate	140.00	140.00	145.00	148	137.00	137	145.00	145
Lowest Bid Rate	122.00	121	127.00	130	120.00	120	125.5800	127
Lowest Bid Rate Allotted	122.00	121	127.00	130	120.00	120	125.5800	127
Weighted Average Rate	124.0189	127.4864	130.1567	134.0820	124.0189	127.4864	130.1567	134.0820
Number of Bids Received	538	521	410	478	936	970	936	1177
Number of Bids Rejected	53	50	33	36	97	71	71	72

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			
	25-Feb-22	4-Mar-22	11-Mar-22	18-Mar-22	25-Feb-22	4-Mar-22	11-Mar-22	18-Mar-22
Raw Materials	12,073,964.75	11,947,345.97	11,787,591.18	13,859,233.34	130,438.48	1,578,543.58	1,782,463.49	1,388,421.01
Machinery and Equipment	7,337,379.27	7,879,063.04	7,085,195.79	7,057,444.33	3,393,868.67	1,929,616.29	2,229,658.99	1,937,748.88
Consumables (Incl. Spares, Tyres, Packaging)	2,821,117.03	2,420,070.99	1,896,608.79	1,949,022.49	1,905,771.90	1,033,569.71	1,148,388.18	896,069.62
Pharmaceuticals and Chemicals	1,334,242.46	1,363,318.15	1,572,392.12	1,946,033.16	267,363.94	240,630.98	424,077.57	135,024.71
Services (Loans, Dividends and Disinvestments)	1,602,944.17	2,943,223.88	1,670,724.91	2,075,741.46	713,215.69	521,512.26	751,761.21	649,307.99
Retail and Distribution	3,325,877.60	3,793,314.52	3,664,142.68	2,971,554.31	559,499.28	616,198.12	684,521.55	557,616.92
Fuel, Electricity and Gas	-	-	50,000.00	-	28,752.39	27,999.04	29,519.00	99475.36
Paper and Packaging	1,085,495.14	812,285.77	905,915.13	1,003,165.23	215,858.18	149,515.41	159,477.36	80,697.88
TOTAL	29,581,020.42	31,158,622.32	28,632,570.60	30,862,194.32	7,214,768.53	6,097,585.39	7,209,867.35	5,744,362.37

Source: Reserve Bank of Zimbabwe, 2022