



Weekly Economic Highlights

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Week Ending
12th May 2023

1. INTEREST RATES

Local Currency (ZWL) Deposit Rates

The week ending 12th May 2023 saw average minimum deposits rates for savings deposits and deposits of 1-month tenor decreasing while those for 3-months tenor registered an increase. Average maximum deposits rates for deposits of all classes quoted by commercial banks were lower during the same week, 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 (%)
14-Apr-23	34.01	35.26	63.72	74.28	64.72	73.61
21-Apr-23	33.34	34.01	62.06	73.17	63.06	71.94
28-Apr-23	36.00	36.50	62.06	73.17	63.06	71.72
5-May-23	36.00	36.50	62.06	73.17	63.06	71.72
12-May-23	35.33	35.88	60.39	71.50	63.33	70.33

Source: Reserve Bank of Zimbabwe, 2023

Local Currency (ZWL) Lending Rates

During the week under review, commercial bank minimum lending rates for both individual and corporate clients increased while commercial bank maximum lending rates for both individual and corporate clients registered declines, as shown in Table 2.

Table 2: Lending Rates (per annum)

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
14-Apr-23	75.02	110.60	81.36	167.90
21-Apr-23	74.11	105.67	87.16	167.82
28-Apr-23	74.48	105.75	86.96	167.31
5-May-23	74.44	107.78	96.87	173.38
12-May-23	74.48	103.66	102.75	161.96

Source: Reserve Bank of Zimbabwe, 2023

Foreign Currency (USD) Deposit Rates

Average minimum and maximum deposits rates for deposits of all classes quoted by commercial banks were unchanged during the week ending 12th May 2023, as shown in Table 3.

Table 3: Average Deposit Rates (per annum)

Date	Savings deposits (%)		1- Month deposit rates (%)		3- Month deposit rates (%)	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
14-Apr-23	1.27	1.69	3.12	4.32	3.45	4.77
21-Apr-23	1.27	1.69	3.12	4.32	3.45	4.77
28-Apr-23	1.27	1.69	3.12	4.32	3.45	4.77
5-May-23	1.27	1.69	3.12	4.44	3.45	4.93
12-May-23	1.27	1.69	3.12	4.44	3.45	4.93

Source: Reserve Bank of Zimbabwe, 2023

Foreign Currency (USD) Lending Rates

The week ending 12th May 2023, saw a decrease in commercial bank minimum lending rates for both individual and corporate clients, while maximum lending rates firmed during the week under review, as shown in Table 4.

Table 4: Lending Rates (per annum)

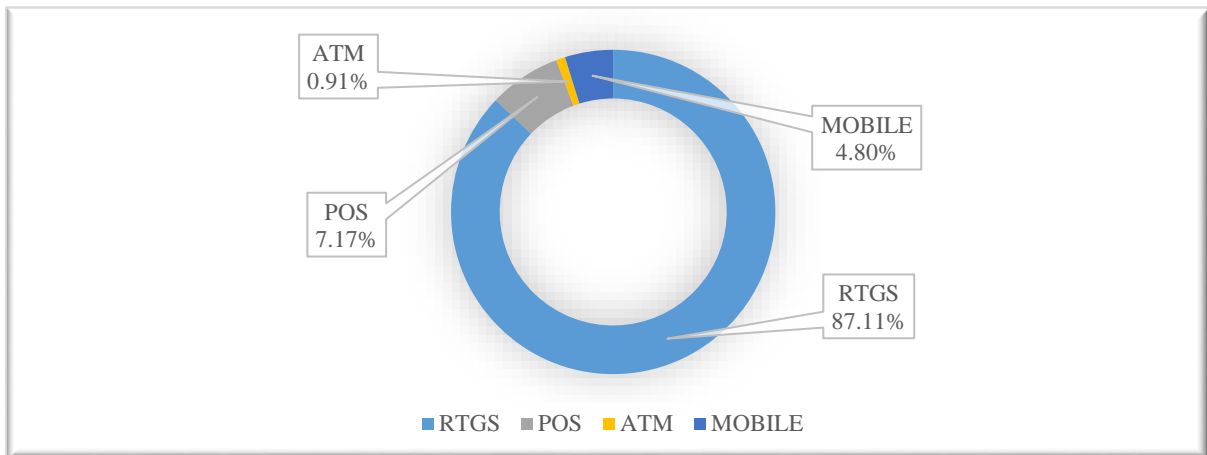
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
14-Apr-23	11.29	13.28	7.76	14.76
21-Apr-23	11.33	13.25	7.75	14.76
28-Apr-23	11.37	13.24	7.96	14.50
5-May-23	11.91	12.95	8.28	14.44
12-May-23	11.32	13.34	7.65	14.48

Source: Reserve Bank of Zimbabwe, 2023

2. CLEARING AND SETTLEMENT ACTIVITY

The value of transactions processed through the National Payment Systems (NPS) amounted to ZW\$1.69 trillion, during the week under review, from ZW\$1.18 trillion reported during the previous week. Real Time Gross Settlement (RTGS) transactions rose from \$0.95 trillion in the previous week to \$1.47 billion, during the week under review. In proportions, the NPS transaction values were distributed as follows: RTGS, 87.11%, POS, 7.17%; Mobile, 4.80%; and ATM, 0.91%.

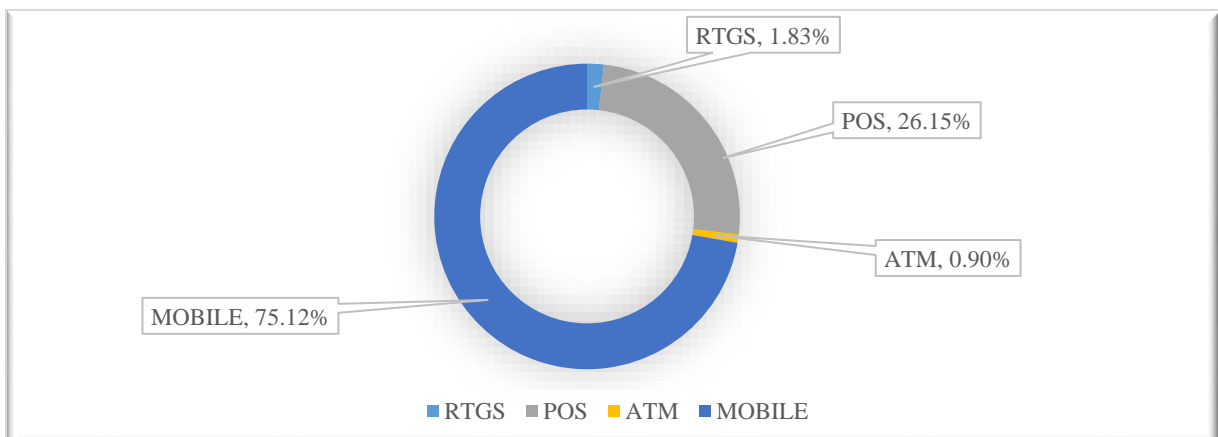
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2023

The volume of NPS transactions declined by 2.71%, from 13,408,643 million recorded in the preceding week to 13,045,614 million, during the week under review. Mobile based transactions dominated NPS transaction volumes at 71.12% of the total; followed by POS, 26.15%; RTGS, 1.83%; and ATM, 0.90%, as shown in Figure 2.

Figure 2: Composition of NPS Transactions in Volume Terms



Source: Reserve Bank of Zimbabwe, 2023

Table 5: National Payment Systems Activity

PAYMENT STREAM	WEEK ENDING 5 th May 2023	WEEK ENDING 12 th May 2023	% CHANGE FROM LAST WEEK	PROPORTION %
Values in ZW\$ Millions				
RTGS	948,078.79	1,468,142.56	54.85%	87.11%
POS	121,994.35	120,918.10	-0.88%	7.17%
ATM	36,588.60	15,293.82	-58.20%	0.91%
MOBILE	76,670.88	80,963.53	5.60%	4.80%
TOTAL	1,183,332.62	1,685,318.02	42.42%	100%
Volumes				
RTGS	230,981	238,243	3.14%	1.83%
POS	3,878,607	3,412,017	-12.03%	26.15%
ATM	200,069	117,329	-41.36%	0.90%
MOBILE	9,098,986	9,278,025	1.97%	71.12%
TOTAL	13,408,643	13,045,614	-2.71%	100%

Source: Reserve Bank of Zimbabwe, 2023

3. TOBACCO SALES

A cumulative total of 186.83 million kilograms of tobacco had been sold as at day 44 of the tobacco selling season. This was a 46.39% higher than the 127.63 million kilograms sold during the same period in 2022, in part, on account of higher production anticipated during the 2022/23 season. In value terms, tobacco sales registered a 46.71% increase to US\$560.47 million, from US\$382.04 million realized during the corresponding period in 2022, as shown in Table 6.

Table 6: Weekly Cumulative Tobacco Sales: Day 44 (12th May 2023)

	2022	2023	Variance (%)
Cumulative Quantity Sold (million kgs)	127,627,997	186,830,365	46.39
Average Price (US\$/kg)	2.99	3.00	0.33
Cumulative value (US\$ million)	382,036,510	560,472,380	46.71

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

The golden leaf was sold at an average price of US\$3.00 per kilogram, up from US\$2.99 per kilogram realised in the same period in 2022.

4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During week ending 12th May 2023, weekly average prices for gold, platinum and crude oil surged from the previous week values on the back of tight market conditions. Copper and nickel, however, declined during the same week. The developments in prices for selected commodities during the week under analysis are as shown in Table 7.

Table 7: Metal and Crude Oil Prices for the week ending 12th May 2023

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2023	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
Weekly Average (2-5 May 23)	2,015.90	1,052.38	1,444.25	8,546.88	24,637.50	74.24
8-May-23	2,029.72	1,061.00	1,451.00	8,589.00	23,900.00	76.66
9-May-23	2,027.90	1,078.50	1,554.00	8,585.50	23,640.00	76.92
10-May-23	2,033.38	1,113.00	1,596.50	8,484.00	22,355.00	77.10
11-May-23	2,020.85	1,111.50	1,589.00	8,217.50	21,970.00	74.54
12-May-23	2,013.28	1,090.00	1,559.50	8,212.00	22,080.00	73.56
Weekly Average (8-12 May 23)	2,025.02	1,090.80	1,550.00	8,417.60	22,789.00	75.76
Weekly Change (%)	0.45	3.65	7.32	-1.51	-7.50	2.05

Source: BBC, KITCO and Bloomberg, 2023

Gold

Gold prices increased by 0.45%, from US\$2,015.90 per ounce in the previous week to US\$2,025.02 per ounce, during the week ending 12th May 2023. Gold prices registered a marginal increase as investors waited for U.S. inflation data, which could have a bearing on the Federal Reserve's interest rate policy.

Platinum

Platinum prices recovered by 3.65%, from US\$1,052.38 per ounce in the prior week to US\$1,090.00 per ounce during the reporting week. Price was buoyed by fears of supply shortages owing to sustained power related supply disruptions in South Africa, the world's largest producer of the metals.

Palladium

Palladium prices increased by 7.32% from US\$1,444.25 per ounce in the prior week to US\$1,550.00 per ounce during the reporting week. The price was also buoyed fears of supply shortages owing to sustained power related supply disruptions in South Africa, the world's largest producer of the metals.

Copper

Copper prices sustained a negative trajectory, shrinking by 1.51%, from a weekly average of US\$8,546.88 per tonne recorded in the previous week, to US\$8,417.60 per tonne. The decrease in the red metal prices was underpinned by slowing demand in China coupled with signs of rising stockpiles. This followed reports which showed that China's industrial output and retail sales were growing at a slower pace than initially projected.

Nickel

In the same vein, nickel prices receded by 7.50% from a weekly average of US\$24,637.50 per tonne to US\$22,789.00 per tonne during the week under analysis. The pullback in prices was attributable to slackening demand in China, the largest consumer of base metals.

Brent Crude Oil

During the week ending 12th May 2023, crude oil weekly average prices increased by 2.05% from US\$74.24 per barrel to US\$75.76 per barrel during the week under analysis. Oil prices increased as investors expect an increasingly tighter market following implementation of production cuts by the OPEC. The gains were, however, limited by continued concerns over the health of the U.S. economy and the slower recovery in China.

5. EXCHANGE RATE DEVELOPMENTS

Interbank Market

On the interbank market, the Zimbabwe dollar (ZWL) depreciated by 9.5%, from an average of ZWL1,078.9975 per US\$1 in the previous week to ZWL1,181.7121 per US\$1, during the week ending 12th May 2023, as is shown in Table 8.

Table 8: Interbank Market Exchange Rates¹

	USD	ZAR	GBP	BWP	EURO
2023					
Weekly Average (2-5 May 23)	1,078.9975	58.9297	1,353.9395	81.7222	1,190.7789
8-May-23	1,112.7253	60.4230	1,407.6030	84.1388	1,228.6824
9-May-23	1,125.6671	61.5385	1,419.9282	85.3432	1,237.3450
10-May-23	1,212.5448	65.1466	1,529.6884	90.9559	1,329.4391
11-May-23	1,222.2740	64.7249	1,542.6960	91.9327	1,341.8182
12-May-23	1,235.3493	64.3087	1,547.0415	91.3194	1,350.0033
Weekly Average (8-12 May 23)	1,181.7121	63.2283	1,489.3914	88.7380	1,297.4576
Appr(-)/Depr(+)(%) of the ZWL	9.5	7.3	10.0	8.6	9.0

Source: Reserve Bank of Zimbabwe, 2023

¹ 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 12th May 2023, the Zimbabwe Stock Exchange (ZSE) was bullish for the fourth consecutive week. As a result, the ZSE All Share index gained 27.05% to close at 63 129.96 points. The Top 10, Top 15, Medium Cap and Small Cap indices increased by 29.56%, 29.38%, 19.49% and 9.19% to close the week at 38 273.52 points, 44 713.63 points, 118 695.93 points and 814 159.49 points, respectively.

The increase in the mainstream index was a result of share price gains in First Capital Bank Limited (58.40%), Zimplow Holdings Limited (55.32%), First Mutual Properties Limited (54.86%), Ecocash Holdings Zimbabwe Limited (49.84%) and OK Zimbabwe Limited (45.19%). Partially offsetting the above-mentioned increases were declines in share prices of Starafrika Corporation Limited (11.06%), British American Tobacco (BAT) Zimbabwe Limited (7.50%) and Willdale Limited (2.69%). The resources index² also added 15% to close the week at 41 850.98 points, compared to 36 393.55 points recorded in the prior week.

Table 9: 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)
06-Apr-23	38,375.64	22,587.87	26,699.66	78,928.41	667,752.24	37,359.78	3,151.23	2,825.00	13.52
14-Apr-23	36,174.67	20,710.73	24,671.27	80,404.08	667,752.24	37,359.78	2,970.77	3,308.51	9.88
21-Apr-23	36,894.04	21,387.56	25,315.78	79,094.87	764,280.19	31,763.82	3,072.77	4,533.80	17.53
28-Apr-23	41,391.62	23,764.03	28,301.73	91,349.20	739,049.37	36,393.55	3,482.41	6,089.54	33.55
5-May-23	49,689.11	29,541.33	34,558.62	99,331.49	745,613.66	36,393.55	4,243.78	2,851.78	19.35
12-May-23	63,129.96	38,273.52	44,713.63	118,695.93	814,159.49	41,850.98	5,352.11	5,847.96	69.79
% Change	27.05	29.56	29.38	19.49	9.19	15.00	26.12	105.06	260.75

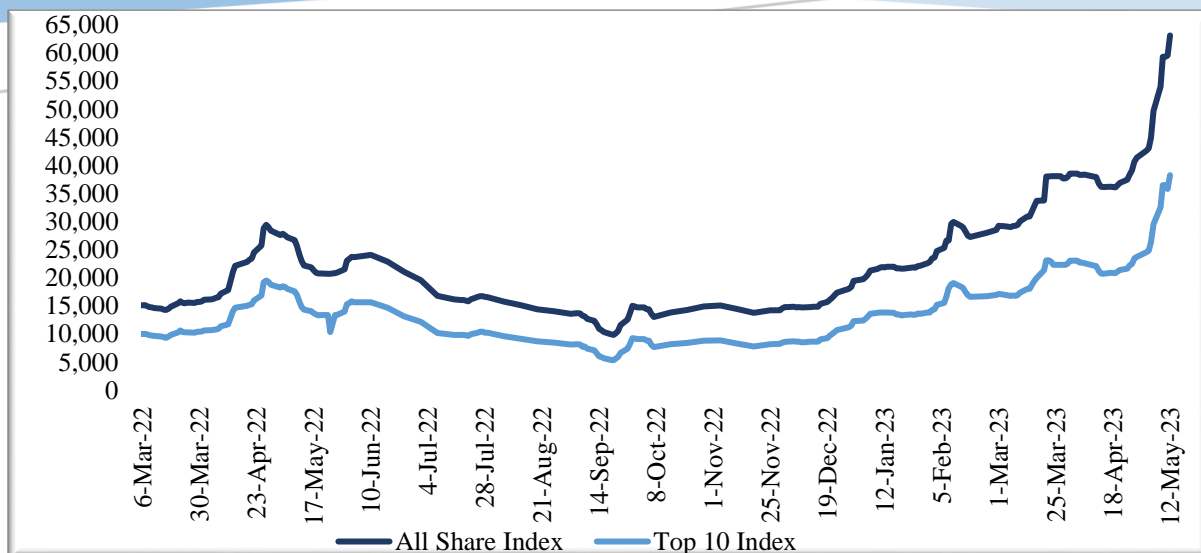
Source: Zimbabwe Stock Exchange (ZSE), 2023

Figure 3 shows the trend in daily market turnover for the period from 4th March 2022 to 12th May 2023.

² Resource Index – Comprise RioZim Limited Share Price

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.

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

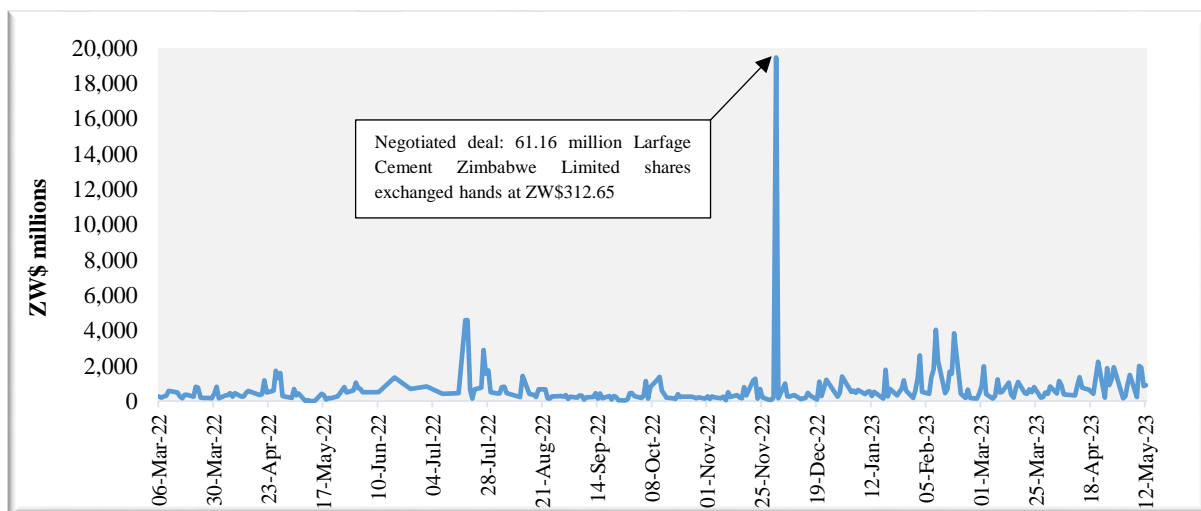


Source: Zimbabwe Stock Exchange, 2023

Market Turnover and Volume

The cumulative volume of shares traded on the ZSE rose by 260.75% to 69.79 million during the week ending 12th May 2023, from 19.35 million recorded in the prior week. The value of shares traded amounted to ZW\$5.85 billion, representing an increase of 105.06% from ZW\$2.85 billion recorded in the previous week. Figure 4 shows the trend in daily market turnover for the period from 6th March 2022 to 12th May 2023.

Figure 4: Daily Market Turnover

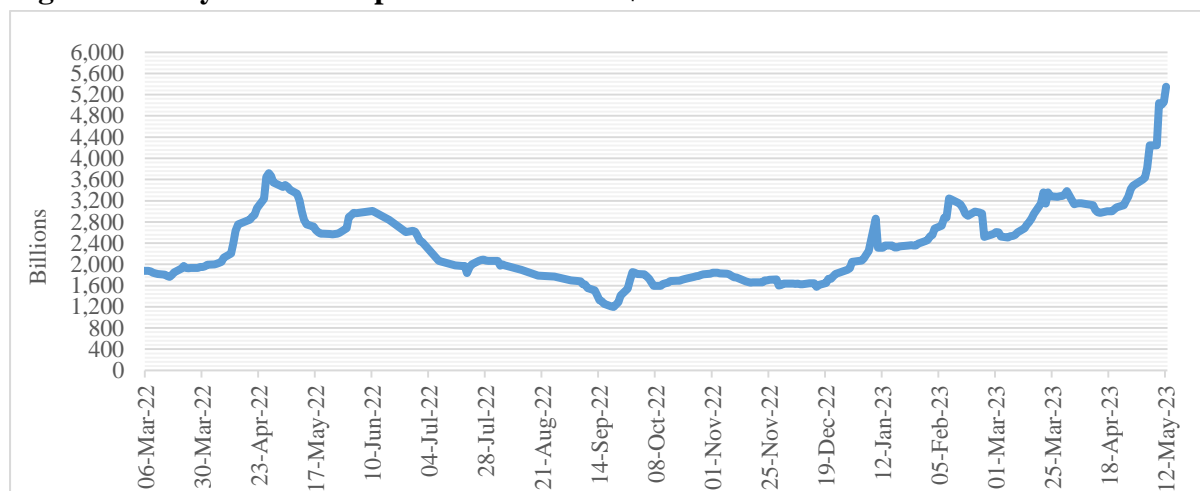


Source: Zimbabwe Stock Exchange, 2023

Market Capitalization

Reflecting heightened trading activity on the ZSE, market capitalization increased by 26.12% or ZW\$1.11 trillion to close at ZW\$5.35 trillion, from ZW\$4.24 trillion, recorded in the preceding week. Figure 5 shows ZSE market capitalization development for the period from 6th March 2022 to 12th May 2023.

Figure 5: Daily Market Capitalization in ZW\$ billions



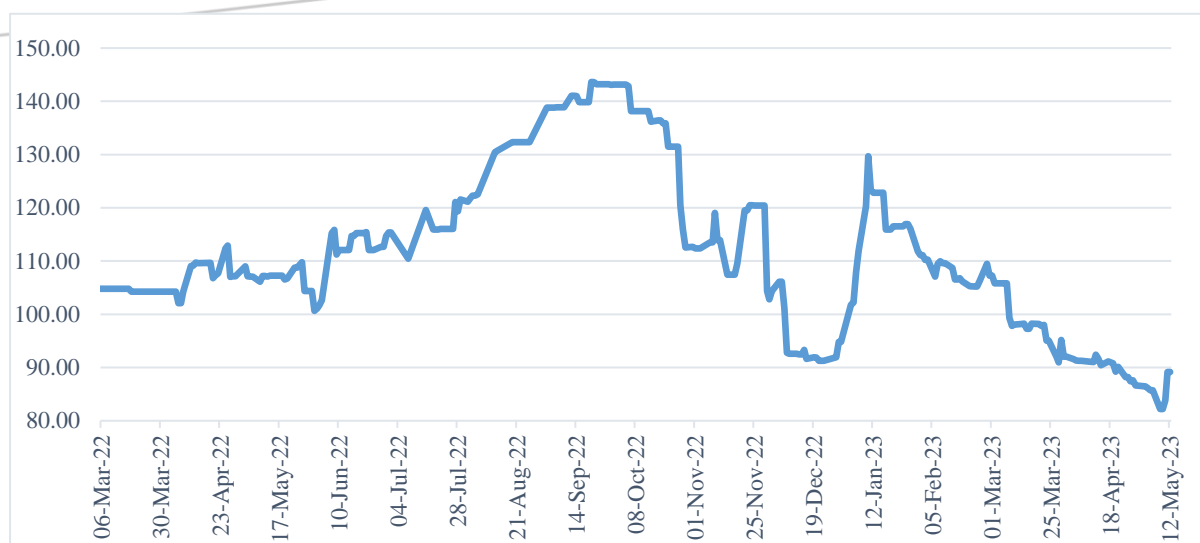
Source: Zimbabwe Stock Exchange, 2023

Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange (VFEX) was characterised by bullish trading during the week ending 12th May 2023. Resultantly, the VFEX All Share index gained 4.02% to close at 89.18 points, compared to 85.74 points recorded in the previous week. The rise in the VFEX mainstream index emanated from share price gains for National Foods Holdings Limited (19.38%), Innscor Africa Limited (5.93%), Padenga Holdings Limited (5.10%) and Bindura Nickel Corporation (BNC) (0.98%). Partially offsetting the share price gains were losses in share price of SeedCo International (6.67%), Axia Corporations Limited (4.86%), African Sun Limited (2.73%) and Simbisa Brands Limited (0.97%).

The VFEX cumulative volume and value of shares traded both declined by 68.15% and 67.78% to close at 0.46 million shares and US\$0.12 million, respectively. However, the listing of West Properties Limited on VFEX contributed to the increase of market capitalization by 38.04%, or US\$0.39 billion worth of capitalisation to US\$1.41 billion, compared to US\$1.02 billion recorded in the previous week. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 6th March 2022 to 12th May 2023.

Figure 6: Victoria Falls Stock Exchange All Share Index



Source: Victoria Falls Stock Exchange, 2023

Johannesburg Stock Exchange (JSE) Developments

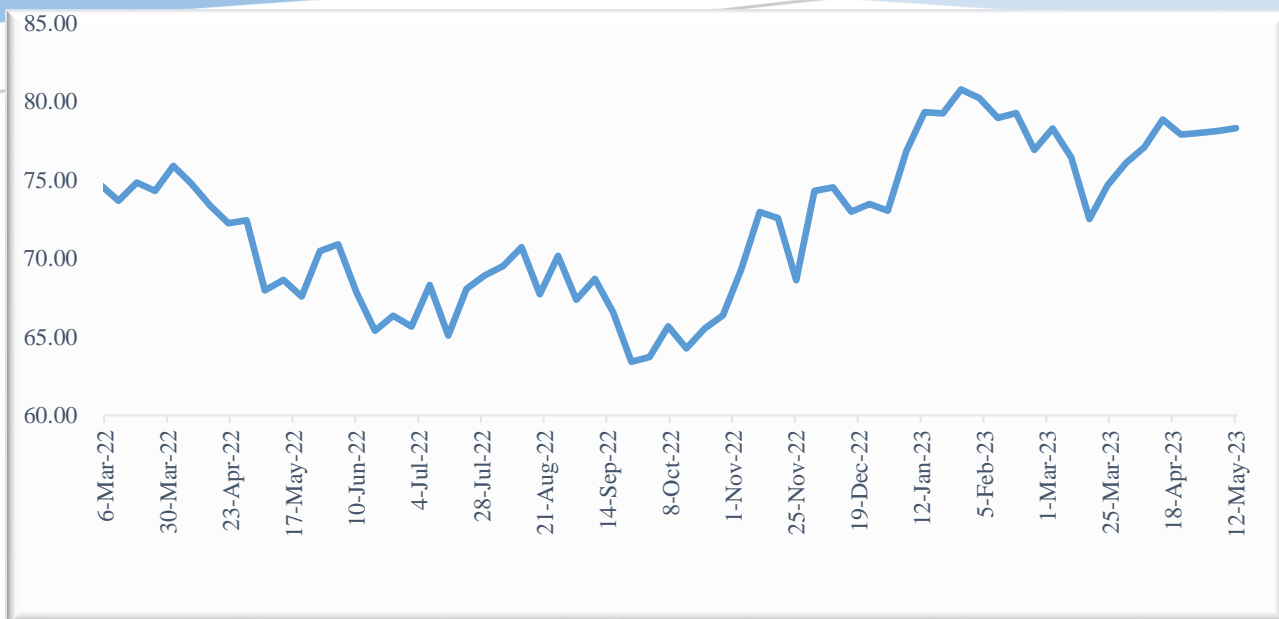
The Johannesburg Stock Exchange (JSE) All Share Index increased from 78,132.77 points in the previous week to close at 78,330.20 points, during the week ending 12th May 2023. JSE market capitalization also increased by 0.04% to ZAR22.35 trillion, during the same week.

Table 10: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
06-Apr-23	77,113.70	22.38
14-Apr-23	78,870.36	22.56
21-Apr-23	77,910.96	22.35
28-Apr-23	78,021.87	22.36
5-May-23	78,132.77	22.34
12-May-23	78,330.20	22.35
% Change	0.25	0.04

Source: <https://www.jse.co.za/services/market-data/market-statistics>, 2023

Figure 7: Johannesburg Stock Exchange (JSE) All Share Index



Source: <https://www.jse.co.za/services/market-data/market-statistics,2023>

RESERVE BANK OF ZIMBABWE

APPENDIX 1: FOREIGN EXCHANGE AUCTION RESULTS FOR MAINFX⁴ AND SMEFX⁵

	MAINFX				SMEFX			
	21-Apr-23	28-Apr-23	5-May-23	12-May-23	21-Apr-23	28-Apr-23	5-May-23	12-May-23
Total Bids (US\$ dollars)	19,061,728.12	19,737,187.33	22,810,988.28	23,534,849.06	1,874,240.77	1,880,263.39	2,574,369.18	2,701,090.14
Amount Allotted (US\$ dollars)	17,173,332.97	19,034,711.96	16,772,580.66	14,773,230.18	1,731,764.97	1,707,854.70	2,280,785.72	1,576,700.13
Highest Rate	1,100	1,200	1,300	1,400	1,125	1,200	1,300	1,400
Lowest Bid Rate	978	1,000	1,055	1,151	978	1,000	1,055	1,155
Lowest Bid Rate Allotted	978	1,000	1,055	1,151	978	1,000	1,055	1,155
Weighted Average Rate	1,000.0227	1,021.2072	1,070.4171	1,212.5448	1,000.0227	1,021.2072	1,070.4171	1,212.5448
Number of Bids Received	330	335	441	450	322	332	466	495
Number of Bids Rejected	3	2	5	8	6	7	7	9

Source: Reserve Bank of Zimbabwe, 2023

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			
	21-Apr-23	28-Apr-23	5-May-23	12-May-23	21-Apr-23	28-Apr-23	5-May-23	12-May-23
Raw Materials	9,101,791.90	9,575,766.95	7,504,908.11	7,017,237.67	616,821.49	552,438.20	607,706.75	392,511.03
Machinery and Equipment	3,439,887.52	2,739,872.27	3,212,928.08	3,047,072.03	537,029.59	581,017.60	858,356.28	590,158.96
Consumables (Incl. Spares, Tyres, Packaging)	1,077,195.49	1,885,282.66	1,139,123.93	963,868.44	213,005.13	200,791.74	210,240.59	200,611.76
Pharmaceuticals and Chemicals	517,726.37	2,172,326.50	404,336.92	407,331.35	54,055.63	32,943.09	74,941.02	57,666.08
Services (Loans, Dividends and Disinvestments)	1,033,601.13	1,356,613.01	1,119,089.13	854,682.24	115,342.95	170,760.73	210,240.59	170,312.82
Retail and Distribution	1,183,168.54	2,172,326.50	2,624,559.22	1,390,864.07	168,605.61	132,432.47	208,569.60	111,545.24
Fuel, Electricity and Gas	50,000.00	31,874.40	37,507.60	50,000.00	-	-	-	-
Paper and Packaging	769,962.02	655,463.70	730,127.67	1,042,174.38	26,904.57	37,470.87	48,753.05	53,894.24
TOTAL	17,173,332.97	19,034,711.96	16,772,580.66	14,773,230.18	1,731,764.97	1,707,854.70	2,280,785.72	1,576,700.13

Source: Reserve Bank of Zimbabwe, 2023