



# Weekly Economic Highlights

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Week Ending  
19<sup>th</sup> May 2023

## 1. INTEREST RATES

### Local Currency (ZWL) Deposit Rates

Minimum and maximum deposit rates for deposits of all classes remained at previous week's levels, during the week ending 19<sup>th</sup> May 2023, 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 (%)
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
19-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

The week under review saw commercial bank minimum and maximum lending rates for both individual and corporate clients remain unchanged, as shown in Table 2.

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

Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
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
19-May-23	76.48	103.66	102.75	161.96

Source: Reserve Bank of Zimbabwe, 2023

### Foreign Currency (USD) Deposit Rates

Average minimum and maximum deposits rates for all classes of deposits quoted by commercial banks were unchanged during the week ending 19<sup>th</sup> 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 (%)
<b>21-Apr-23</b>	1.27	1.69	3.12	4.32	3.45	4.77
<b>28-Apr-23</b>	1.27	1.69	3.12	4.32	3.45	4.77
<b>5-May-23</b>	1.27	1.69	3.12	4.44	3.45	4.93
<b>12-May-23</b>	1.27	1.69	3.12	4.44	3.45	4.93
<b>19-May-23</b>	1.27	1.69	3.12	4.44	3.45	4.93

Source: Reserve Bank of Zimbabwe, 2023

### Foreign Currency (USD) Lending Rates

Minimum lending rates for individual clients registered a marginal increase, while those for corporate clients were lower during the week under analysis. Maximum commercial bank lending rates for both individual and corporate clients increased during the week under review, as shown in Table 4.

**Table 4: Lending Rates (per annum)**

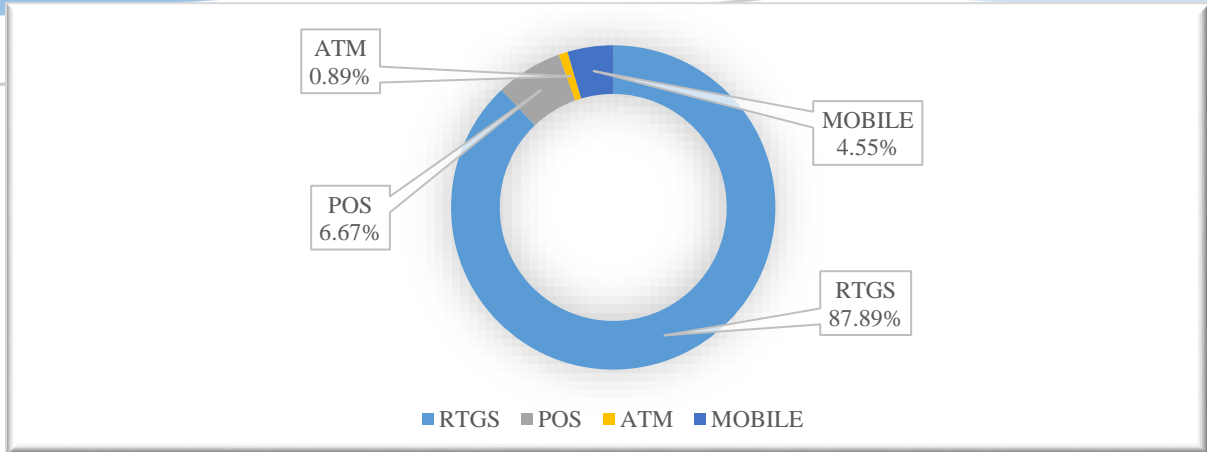
Date	Individual Clients		Corporate Clients	
	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
<b>21-Apr-23</b>	11.33	13.25	7.75	14.76
<b>28-Apr-23</b>	11.37	13.24	7.96	14.50
<b>5-May-23</b>	11.91	12.95	8.28	14.44
<b>12-May-23</b>	11.32	12.95	8.28	14.44
<b>19-May-23</b>	11.35	13.32	7.64	14.48

Source: Reserve Bank of Zimbabwe, 2023

## 2. CLEARING AND SETTLEMENT ACTIVITY

Transactions processed through the National Payment Systems (NPS) amounted to ZW\$1.56 trillion, reflecting a 7.24% decrease from ZW\$1.69 trillion reported during the previous week. Real Time Gross Settlement (RTGS) transactions were 6.42% lower to close at ZW\$1.37 trillion, during the week under review. In proportions, NPS transaction values were distributed as follows: RTGS, 87.89%, POS, 6.67%; Mobile, 4.55%; and ATM, 0.89%.

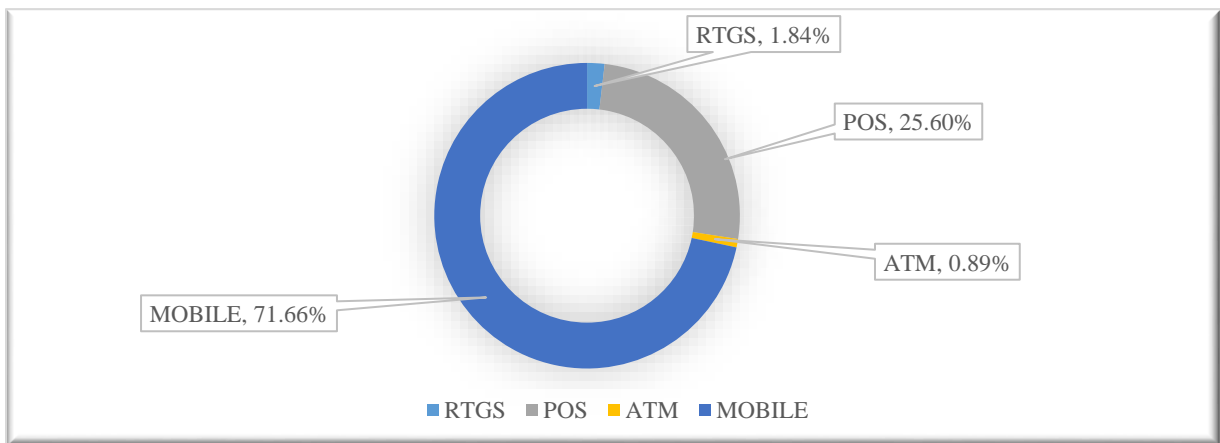
**Figure 1: Composition of NPS Transactions in Value Terms**



Source: Reserve Bank of Zimbabwe, 2023

The NPS registered a 13.59% decline in volume of transactions to close at 11.27 million, during the week under analysis. NPS transaction volumes were constituted as follows Mobile, 71.66%; POS, 25.60%; ATM, 0.89%; and RTGS, 1.84%, 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 12 <sup>th</sup> May 2023	WEEK ENDING 19 <sup>th</sup> May 2023	% CHANGE FROM LAST WEEK	PROPORTION %
<b>Values in ZW\$ Millions</b>				
RTGS	1,468,142.563	1,373,866.78	-6.42%	87.89%
POS	120,918.10	104,296.24	-13.75%	6.67%
ATM	15,293.82	13,952.21	-8.77%	0.89%
MOBILE	80,963.53	71,107.60	-12.17%	4.55%
<b>TOTAL</b>	<b>1,685,318.02</b>	<b>1,563,222.82</b>	<b>-7.24%</b>	<b>100%</b>
<b>Volumes</b>				
RTGS	238,243	207,578	-12.87%	1.84%
POS	3,412,017	2,886,199	-15.41%	25.60%
ATM	117,329	100,456	-14.38%	0.89%
MOBILE	9,278,025	8,078,096	-12.93%	71.66%
<b>TOTAL</b>	<b>13,045,614</b>	<b>11,272,329</b>	<b>-13.59%</b>	<b>100%</b>

Source: Reserve Bank of Zimbabwe, 2023

### 3. TOBACCO SALES

As at 19<sup>th</sup> May or day 49 of the 2023 tobacco selling season, a cumulative total of 209.33 million kilograms of tobacco had been sold. This reflected a 50.47% increase, compared to the 139.11 million kilograms sold during the same period in 2022. Cumulative tobacco sales amounted to US\$628.19 million, up from US\$416.74 million realized during the corresponding period in 2022, as shown in Table 6.

**Table 6: Weekly Cumulative Tobacco Sales: Day 49 (19<sup>th</sup> May 2023)**

	2022	2023	Variance (%)
<b>Cumulative Quantity Sold (million kgs)</b>	139,114,643	209,329,005	50.47
<b>Average Price (US\$/kg)</b>	3.00000	3.00097	0.03
<b>Cumulative value (US\$ million)</b>	416,741,373	628,191,022	50.74

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

The average price of the golden leaf increased by 0.03% from US\$0.03 dollars per kilogram, compared price level registered during the the same period in 2022.

### 4. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

During week ending 19<sup>th</sup> May 2023, weekly average prices for all commodities retreated amid stronger U.S dollar. Table 7 shows commodity prices developments, as shown in Table 7.

**Table 7: Metal and Crude Oil Prices for the week ending 19<sup>th</sup> May 2023**

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2023	US\$/ounce	US\$/ounce	US\$/ounce	US\$/tonne	US\$/tonne	US\$/barrel
<b>Weekly Average (8 - 12 May)</b>	<b>2,025.02</b>	<b>1,090.80</b>	<b>1,550.00</b>	<b>8,417.60</b>	<b>22,789.00</b>	<b>75.76</b>
15-May	2,015.15	1,062.00	1,533.00	8,195.50	21,705.00	75.55
16-May	2,008.68	1,070.00	1,524.50	8,125.00	21,050.00	74.54
17-May	1,980.08	1,071.50	1,490.00	8,285.00	21,235.00	76.51
18-May	1,968.63	1,066.00	1,464.50	8,216.00	21,150.00	76.50
19-May	1,963.58	1,064.50	1,495.50	8,175.00	21,095.00	75.02
<b>Weekly Average (15 - 19May)</b>	<b>1,987.22</b>	<b>1,066.80</b>	<b>1,501.50</b>	<b>8,199.30</b>	<b>21,247.00</b>	<b>75.62</b>
<i>Weekly Change (%)</i>	<i>-1.87</i>	<i>-2.20</i>	<i>-3.13</i>	<i>-2.59</i>	<i>-6.77</i>	<i>-0.18</i>

Source: BBC, KITCO and Bloomberg, 2023

### Gold

During the reporting week, gold average prices declined by 1.87% to US\$1,987.22 per ounce from a weekly average of US\$2,025.02 per ounce. The yellow metal price declined after the downbeat of Chinese economic data which increased fear of moderating consumer and industrial demand for precious metals from China. In addition, the debt ceiling uncertainty in the U.S also weighed down the prices for gold.

### Platinum

In the week under review, platinum prices dropped by 2.2% from an average of US\$1,090.80 per ounce in the previous week to USD\$1,066.80 during the week ending 19<sup>th</sup> May 2023. The global platinum market was in deficit largely driven by the rising demand from automotive and jewellery sectors as well as supply disruptions in South Africa.

### Palladium

Palladium prices decreased by 3.13% from US\$1,550.00 per ounce in the previous week to US\$1,501.50 per ounce in the reporting week. The decrease in prices was on account of low demand for palladium from automotive industry amid slowdown in economic growth and a shift towards alternative technologies that do not rely on palladium such as cars.

### Copper

Copper prices declined by 2.59%, from a weekly average of US\$8,417.60 per tonne recorded in the previous week, to US\$8,119.30 per tonne. Copper prices subdued as production of copper

from China continues to improve, consumption remains low, resulting in building inventories for end-users of copper.

### Nickel

Likewise, nickel prices weakened by 6.77% from a weekly average of US\$22,789.00 per tonne to US\$ 21,247.00 per tonne during the week under review. Nickel prices receded as production growth outpaced demand in Indonesia, the top nickel producers.

### Brent Crude Oil

During the week ending 19<sup>th</sup> May 2023, crude oil weekly average prices declined by 0.18% from US\$75.76 per barrel to US\$75.62 per barrel during the week under analysis. Oil prices edged lower as the let-down of weaker-than-expected Chinese demand outweighed stronger U.S consumer data and a more bullish outlook from the International Energy Agency (IEA). To add more, crude oil prices retreated over fears of a U.S. recession and risks of a historic default on government debt in early June.

## 5. EXCHANGE RATE DEVELOPMENTS

### Interbank Market

On the interbank market, the Zimbabwe dollar (ZW\$) depreciated by 14.5% from an average of ZW\$1,181.71 per US\$1 in the previous week to ZW\$1,352.88 per US\$1, during the week ending 19<sup>th</sup> May 2023, as shown in Table 8.

**Table 8: Interbank Market Exchange Rates<sup>1</sup>**

2023	USD	ZAR	GBP	BWP	EURO
<b>Weekly Average (12 – 15 May)</b>	<b>1,181.7121</b>	<b>63.2283</b>	<b>1,489.3914</b>	<b>88.7380</b>	<b>1,297.4576</b>
15-May	1,253.6581	65.5738	1,563.1268	92.2417	1,362.2376
16-May	1,265.6205	66.2252	1,584.4973	93.9165	1,376.7569
17-May	1,404.8039	73.5294	1,751.7344	103.5251	1,525.7763
18-May	1,407.8179	72.9927	1,755.7081	103.5956	1,524.9667
19-May	1,432.5022	74.0741	1,775.9553	105.4002	1,541.8165
<b>Weekly Average (15 – 19 May)</b>	<b>1,352.8805</b>	<b>70.4790</b>	<b>1,686.2044</b>	<b>99.7358</b>	<b>1,466.3108</b>
<i>Appr (-)/Depr (+) (%) of the ZWL</i>	<i>14.5</i>	<i>11.5</i>	<i>13.2</i>	<i>12.4</i>	<i>13.0</i>

Source: Reserve Bank of Zimbabwe, 2023

<sup>1</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 ended 19<sup>th</sup> May 2023, the Zimbabwe Stock Exchange (ZSE) maintained positive momentum for the fifth consecutive week. As a result, the ZSE All Share index gained 31.82% to close at 83 219.72 points. The Top 10, Top 15, Medium Cap and Small Cap indices increased by 33.53%, 32.90%, 26.25% and 17.53% to close the week at 51 106.33 points, 59 422.95 points, 149 855.48 points and 956 865.31 points, respectively.

The increase in the mainstream index was a result of share price gains in SeedCo Limited (100.05%), Meikles Limited (69.47%), Tanganda Tea Company Limited (60.18%), OK Zimbabwe Limited (55.86%) and Truworths Limited (45.00%). Partially offsetting the above-mentioned increases was a decline in the share price of British American Tobacco (BAT) Zimbabwe Limited (13.87%). The resource index also added 10% to close the week at 46 035.02 points, compared to 41 850.98 points recorded in the prior week.

**Table 9: Zimbabwe Stock Exchange Statistics<sup>2</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>14-Apr-23</b>	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
<b>21-Apr-23</b>	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
<b>28-Apr-23</b>	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
<b>5-May-23</b>	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
<b>12-May-23</b>	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
<b>19-May-23</b>	83 219.72	51 106.33	59 422.95	149,855.48	956,865.31	46 035.02	6,921.29	11,460.08	43.69
<b>% Change</b>	<b>31.82</b>	<b>33.53</b>	<b>32.90</b>	<b>26.25</b>	<b>17.53</b>	<b>10.00</b>	<b>29.32</b>	<b>95.97</b>	<b>-37.40</b>

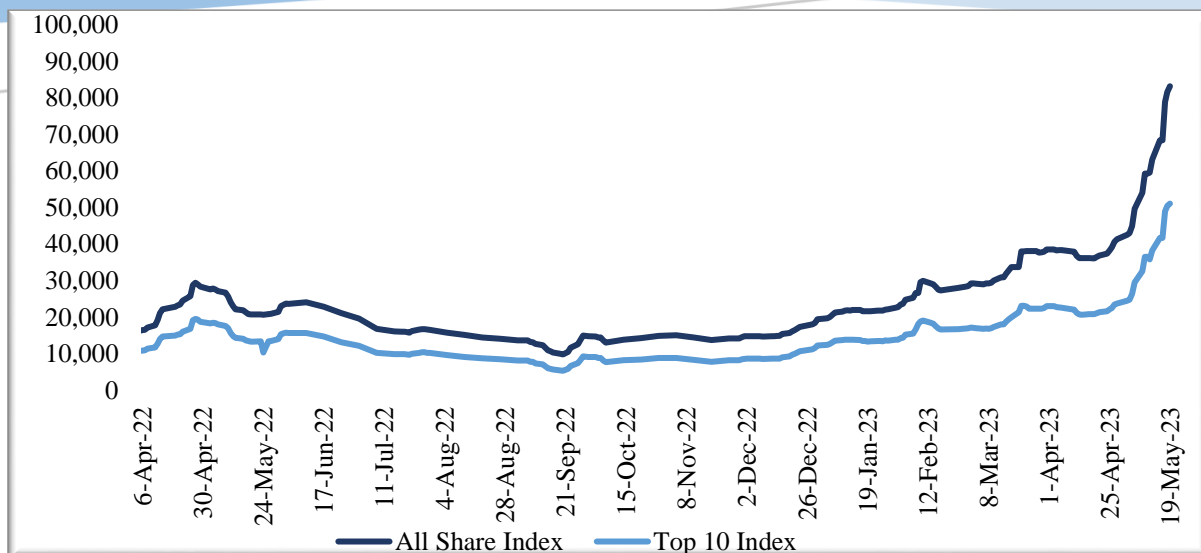
Source: Zimbabwe Stock Exchange (ZSE), 2023

Figure 3 shows the trend in daily market turnover for the period from 14<sup>th</sup> April 2022 to 19<sup>th</sup> May 2023.

<sup>2</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**

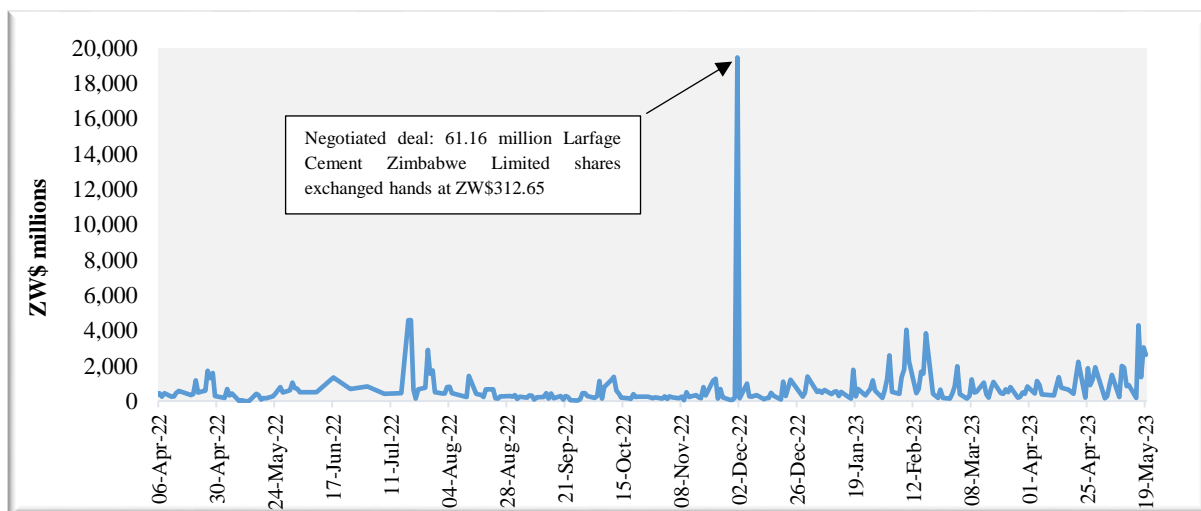


Source: Zimbabwe Stock Exchange, 2023

### Market Turnover and Volume

The cumulative volume of shares traded decreased by 37.40% to 43.69 million during the week ending 19<sup>th</sup> May 2023, from 69.79 million recorded in the prior week. The turnover value of shares amounted to ZW\$11.46 billion, representing an increase of 95.97% from ZW\$5.85 billion recorded in the previous week. Figure 4 shows the trend in daily market turnover for the period from 6<sup>th</sup> April 2022 to 19<sup>th</sup> May 2023.

**Figure 4: Daily Market Turnover**

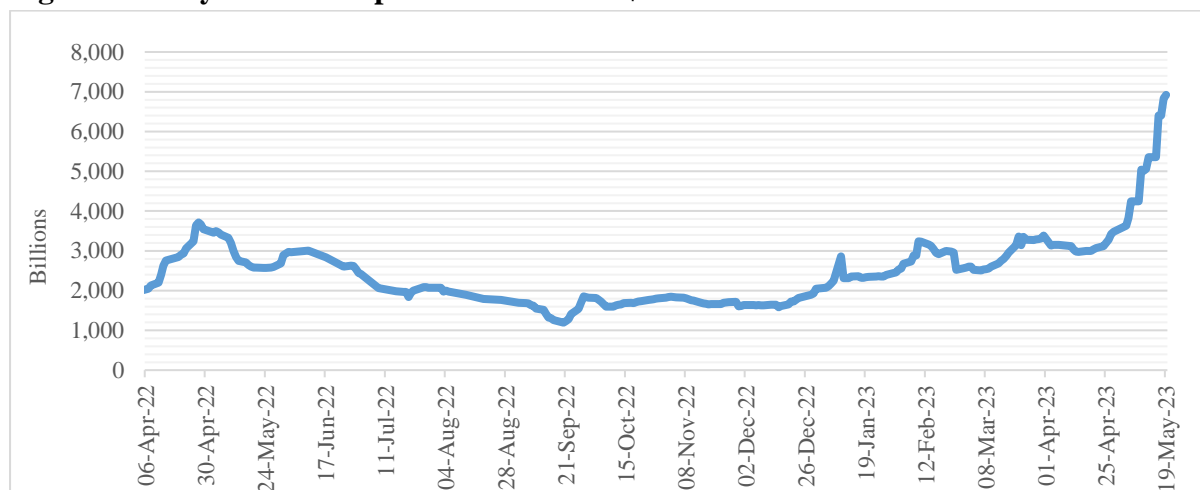


Source: Zimbabwe Stock Exchange, 2023

## Market Capitalization

In line with developments on the ZSE during the week under review, the local bourse gained ZW\$1.57 trillion, or 29.32% worth of capitalization to close at ZW\$6.92 trillion, compared to ZW\$5.35 trillion, recorded in the previous week. Figure 5 shows ZSE market capitalization developments for the period from 6<sup>th</sup> April 2022 to 19<sup>th</sup> May 2023.

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



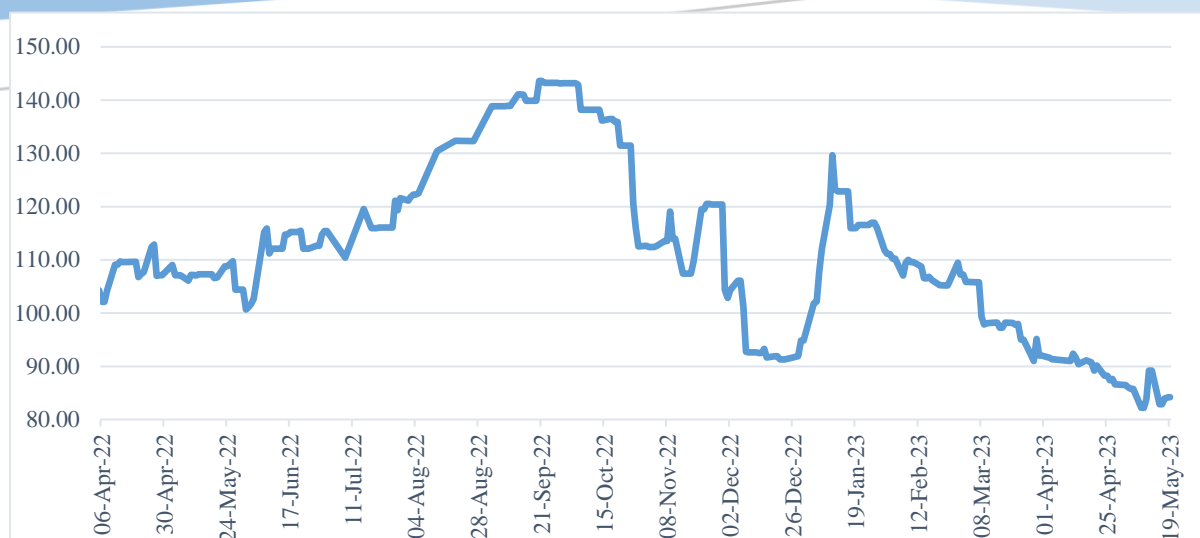
Source: Zimbabwe Stock Exchange, 2023

## Victoria Falls Stock Exchange

The Victoria Falls Stock Exchange (VFEX) was characterised by bearish trading during the week ending 19<sup>th</sup> May 2023. Resultantly, the VFEX All Share index lost 5.16% to close at 84.18 points, compared to 89.18 points recorded in the previous week. The decline in the VFEX mainstream index emanated from share price declines in Innscor Africa Limited (14.45%), SeedCo International (3.71%), African Sun Limited (2.55%) and National Foods Holdings Limited (0.17%). Partially offsetting the share price losses were gains registered in share price of Padenga Holdings Limited (9.85%), Axia Corporations Limited (8.89%), Simbisa Brands Limited (6.48%) and Nedbank Group Zimbabwe (0.37%).

The VFEX cumulative volume and value of shares traded increased by 87.61% and 226.37% to 0.86 million shares and US\$0.39 million, respectively. Market capitalization, however, lost 5.62%, or US\$0.08 billion worth of capitalization to close at US\$1.33 billion, compared to US\$1.41 billion recorded in the previous week. Figure 6 shows the trend in the VFEX All Share Index (ASI) for the period from 6<sup>th</sup> April 2022 to 19<sup>th</sup> May 2023.

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



Source: Victoria Falls Stock Exchange, 2023

### Johannesburg Stock Exchange (JSE) Developments

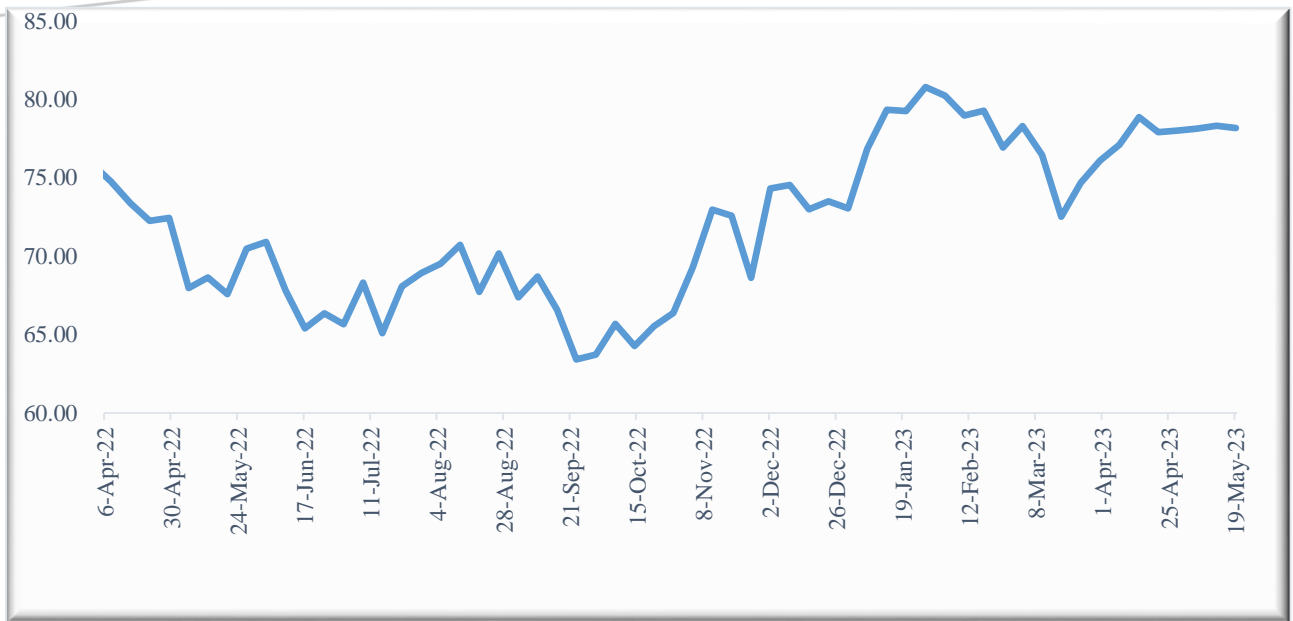
During the week under ending 19<sup>th</sup> May 2023, the Johannesburg Stock Exchange (JSE) All Share Index decreased by 0.20% to close at 78,175.82 points, from 78,330.20 points in the previous week. JSE market capitalization, however, increased by 0.63% to close at ZAR22.49 trillion during the same period.

**Table 10: Johannesburg Stock Exchange (JSE) Statistics**

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
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
19-May-23	78,175.82	22.49
<b>% Change</b>	<b>-0.20</b>	<b>0.63</b>

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 MAINFX<sup>3</sup> AND SMEFX<sup>4</sup>

	MAINFX				SMEFX			
	28-Apr-23	5-May-23	12-May-23	19-May-23	28-Apr-23	5-May-23	12-May-23	19-May-23
<b>Total Bids (US\$ dollars)</b>	19,737,187.33	22,810,988.28	23,534,849.06	26,816,031.89	1,880,263.39	2,574,369.18	2,701,090.14	3,558,737.72
<b>Amount Allotted (US\$ dollars)</b>	19,034,711.96	16,772,580.66	14,773,230.18	13,171,159.91	1,707,854.70	2,280,785.72	1,576,700.13	1,273,163.40
<b>Highest Rate</b>	1,200	1,300	1,400	1,600	1,200	1,300	1,400	1,525
<b>Lowest Bid Rate</b>	1,000	1,055	1,151	1,351	1,000	1,055	1,155	1,351
<b>Lowest Bid Rate Allotted</b>	1,000	1,055	1,151	1,351	1,000	1,055	1,155	1,351
<b>Weighted Average Rate</b>	1,021.2072	1,070.4171	1,212.5448	1,404.8039	1,021.2072	1,070.4171	1,212.5448	1,404.8039
<b>Number of Bids Received</b>	335	441	450	490	332	466	495	569
<b>Number of Bids Rejected</b>	2	5	8	7	7	7	9	15

*Source: Reserve Bank of Zimbabwe, 2023*

<sup>3</sup> Main Foreign Currency Auction

<sup>4</sup> Small and Medium Enterprises Foreign Currency Auction

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

Purpose	MAINFX				SMEFX			
	28-Apr-23	5-May-23	12-May-23	19-May-23	28-Apr-23	5-May-23	12-May-23	19-May-23
<b>Raw Materials</b>	9,575,766.95	7,504,908.11	7,017,237.67	7,007,641.38	552,438.20	607,706.75	392,511.03	350,687.48
<b>Machinery and Equipment</b>	2,739,872.27	3,212,928.08	3,047,072.03	1,926,117.50	581,017.60	858,356.28	590,158.96	415,614.30
<b>Consumables (Incl. Spares, Tyres, Packaging)</b>	1,885,282.66	1,139,123.93	963,868.44	1,001,696.74	200,791.74	210,240.59	200,611.76	202,560.71
<b>Pharmaceuticals and Chemicals</b>	2,172,326.50	404,336.92	407,331.35	341,262.52	32,943.09	74,941.02	57,666.08	62,647.17
<b>Services (Loans, Dividends and Disinvestments)</b>	1,356,613.01	1,119,089.13	854,682.24	983,240.01	170,760.73	210,240.59	170,312.82	100,494.32
<b>Retail and Distribution</b>	2,172,326.50	2,624,559.22	1,390,864.07	1,514,194.61	132,432.47	208,569.60	111,545.24	125,715.23
<b>Fuel, Electricity and Gas</b>	31,874.40	37,507.60	50,000.00	-	-	-	-	-
<b>Paper and Packaging</b>	655,463.70	730,127.67	1,042,174.38	397,007.15	37,470.87	48,753.05	53,894.24	15,444.19
<b>TOTAL</b>	<b>19,034,711.96</b>	<b>16,772,580.66</b>	<b>14,773,230.18</b>	<b>13,171,159.91</b>	<b>1,707,854.70</b>	<b>2,280,785.72</b>	<b>1,576,700.13</b>	<b>1,273,163.40</b>

Source: Reserve Bank of Zimbabwe, 2023