Vol. 24 No. 17

Weekly Economic Highlights

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Week Ending
29th April 2022

1. INTEREST RATES

Deposit Rates

During the week ending 29th April 2022, minimum and maximum deposit rates for all classes of deposits remained unchanged at the previous week levels, 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 (%)
1-Apr-22	3.83	5.94	13.50	15.61	14.83	16.95
8-Apr-22	4.08	6.21	14.38	16.22	15.78	18.11
15-Apr-22	4.08	6.21	14.38	16.22	15.78	18.11
22-Apr-22	4.22	6.35	14.32	15.56	16.78	18.53
29-April-22	4.22	6.35	14.32	15.56	16.78	18.53

Source: Reserve Bank of Zimbabwe, 2022

Lending Rates

Commercial bank minimum and maximum lending rates for individuals and corporate clients remained unchanged, during the week under review, as shown in Table 2.

Table 2: Lending Rates (per annum)

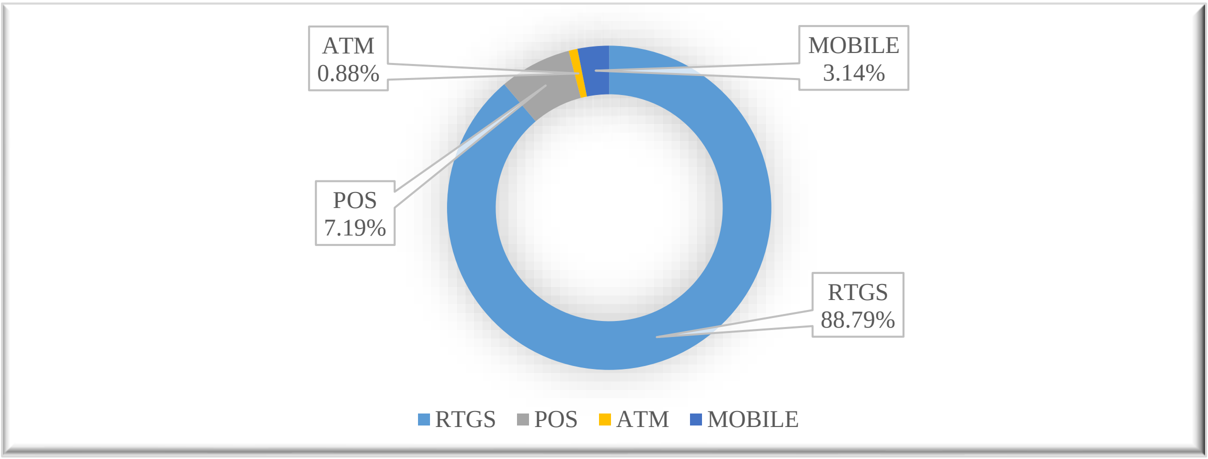
Date	Minimum (%)	Maximum (%)	Minimum (%)	Maximum (%)
	Individual Clients		Corporate Clients	
1-Apr-22	40.74	57.83	43.88	63.78
8-Apr-22	40.85	57.81	46.60	63.98
15-Apr-22	40.85	57.81	46.60	63.98
22-Apr-22	38.15	59.59	46.56	63.89
29-April-22	38.15	59.59	46.56	63.89

Source: Reserve Bank of Zimbabwe, 2022

2. CLEARING AND SETTLEMENT ACTIVITY

Transactions amounting to ZW$308.68 billion were processed through the National Payment System (NPS) as at the close of the week ending 29th April 2022, up from ZW$239.48 billion in the previous week. Real Time Gross Settlement (RTGS) transactions rose by 30.75% to ZW$274.07 billion, during the same week. In value terms, the distribution of NPS transactions was as follows: RTGS, 88.79%; POS, 7.19%; Mobile, 3.14% and ATM, 0.88%.

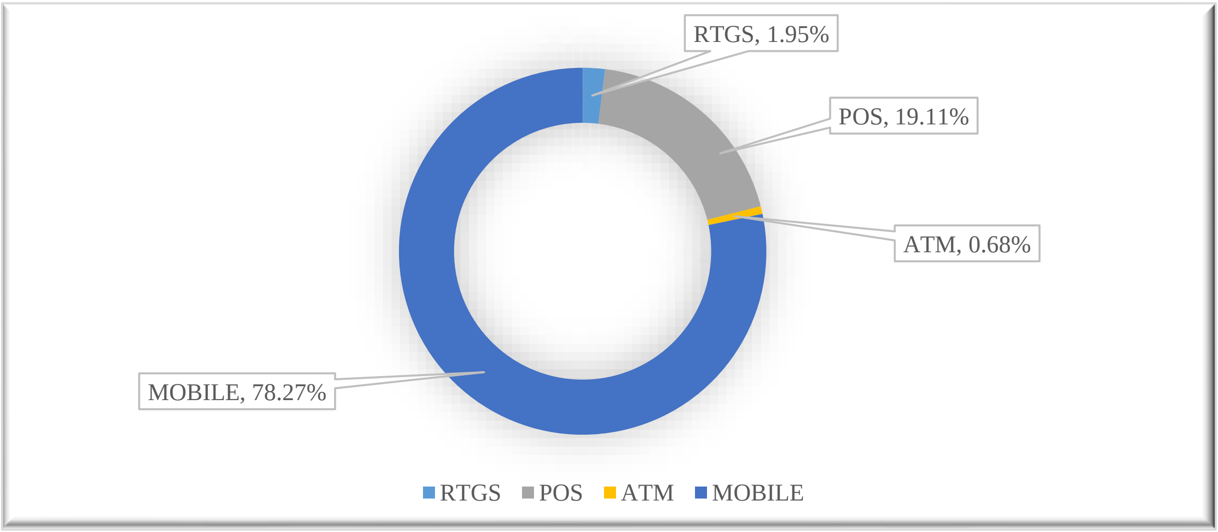
Figure 1: Composition of NPS Transactions in Value Terms



Source: Reserve Bank of Zimbabwe, 2022

During the week under review, the volume of NPS transactions declined by 6.68% lower to 18.74 million. In terms of proportions, the NPS transaction volumes were distributed as follows: Mobile, 78.27%; POS, 19.11%; ATM, 0.68% and RTGS, 1.95%.

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 22nd April 2022	WEEK ENDING 29th April 2022	% CHANGE FROM LAST WEEK	PROPORTION %
	Values in ZW$ Millions			
RTGS	209,616.67	274,073.12	30,75%	88,79%
POS	17,277,81	22,208.94	28,54%	7,19%
ATM	1,674,10	2,702.326	61,42%	0,88%
MOBILE	10,913,37	9,698.04	-11,14%	3,14%
TOTAL	**239,481.94**	**308,682.41**	**28,90%**	**100%**
	Volumes			
RTGS	185,633	364,653	96,44%	1,95%
POS	3,660,912	3,579,959	-2,21%	19,11%
ATM	86,096	127,335	47,90%	0,68%
MOBILE	16,146,598	14,664,999	-9,18%	78,27%
TOTAL	**20,079,239**	**18.736,946**	**-6,68%**	**100%**

Source: Reserve Bank of Zimbabwe, 2022

3. INTERNATIONAL COMMODITY PRICE DEVELOPMENTS

Prices for all the selected commodities retreated during the week ending 29th April 2022, largely driven by a strengthening US dollar, as well as concerns over weak demand in China. The 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 29th April 2022

	Gold	Platinum	Palladium	Copper	Nickel	Crude Oil
2022	US$/ounce	US$/ounce	US$/once	US$/tonne	US$/tonne	US$/barrel
Weekly Average (19 - 22 Apr)	**1,951.28**	**982.25**	**2,398.13**	**10,255.50**	**33,732.25**	**106.71**
25-Apr	1,906.85	982.25	2,398.13	10,255.50	33,732.25	106.71
26-Apr	1,904.00	921.00	2,209.00	9,783.80	32,607.00	101.82
27-Apr	1,890.98	918.50	2,177.00	9,863.50	33,055.00	105.50
28-Apr	1,889.25	920.00	2,216.50	9,866.50	33,281.00	103.49
29-Apr	1,913.38	922.00	2,249.50	9,696.00	31,718.00	108.06
Weekly Average (25 - 29 Apr)	**1,900.89**	**922.70**	**2,231.90**	**9,781.76**	**32,718.80**	**105.24**
Weekly Change (%)	*-2.6*	*-6.1*	*-6.9*	*-4.6*	*-3.0*	*-1.4*

Source: BBC, KITCO and Bloomberg, 2022

Gold

In the week under review, gold prices continued in negative territory, as prospects of faster interest rate hikes by the Federal Reserve and higher US Treasury yields increased. This boosted the demand for riskier assets, while denting the appeal of the yellow metal as a safehaven asset. Prices fell by 2.6%, from a weekly average of US$1,951.28 per ounce in the previous week to US$1,900.89 per ounce, during the week under review.

Platinum

Platinum prices retreated by 6.1%, from a weekly average of US$982.25 per ounce in the previous week to close the week under analysis at US$922.70 per ounce. The decline was underpinned by a stronger US dollar and concerns over weak demand in China, amid the new Covid-19 wave.

Palladium

Palladium prices fell, triggered by a large sell-off, coupled with mounting worries over weak demand in China, on the back of strict Covid-19 induced lockdowns. The price declined by 6.9%, from a weekly average of US$2,405.88 per ounce in the previous week to US$2,231.90 per ounce, during the week under review.

Copper

Copper prices declined by 4.6%, from a weekly average of US$10,255.50 per tonne in the preceding week to US$9,781.76 per tonne, during the week ending 22nd April 2022. Prices remained subdued, owing to sluggish demand from top consumer, China, in the wake of prolonged lockdowns to curb the spread of the Covid-19 pandemic.

Nickel

Nickel prices eased during the week under analysis, on account of a firmer US dollar and concerns over an economic slowdown in China, amid the new Covid-19 wave. Prices fell by 3.0%, from a weekly average of US$33,732.25 per tonne in the previous week, to close the week under review at US$32,718.80 per tonne.

Brent Crude Oil

During the week ending 29th April 2022, Brent crude oil prices remained bearish due to concerns over weak demand in China. They fell by 1.4%, from a weekly average of US$106.71 per barrel in the previous week to US$105.24 per barrel, during the week under analysis.

4. EXCHANGE RATE DEVELOPMENTS

During the week ending 29th April 2022, the local unit depreciated by 3.3%, against the greenback, from an average of ZW$152.6788 per US$1 in the previous week to ZW$157.6657 per US$1. The developments in selected exchange rates are as shown in Table 5.

Table 5: International Exchange Rates[1]

	USD	ZAR	GBP	BWP	EURO
2022					
Weekly Average (19 - 22 April)	**152.6788**	**10.1264**	**200.6536**	**13.0843**	**177.7261**
25-Apr	155.1419	9.8765	198.5274	12.9627	167.1191
26-Apr	155.1419	9.8717	197.6667	12.9395	166.2192
27-Apr	159.3582	10.0705	200.6753	13.1636	169.6901
28-Apr	159.3582	9.9850	199.5203	13.1312	167.483
29-Apr	159.3582	10.0351	199.4889	13.1070	167.9535
Weekly Average (25 - 29 April)	**157.6657**	**9.9678**	**199.1757**	**13.0608**	**167.6930**
Appr(-)/Depr(+) (%) of the ZWL	*3.3*	*-1.6*	*-0.7*	*-0.2*	*-5.6*

Source: Reserve Bank of Zimbabwe, 2022

5. EQUITY MARKETS

During the week ended 29th April 2022, the Zimbabwe Stock Exchange (ZSE) remained on a positive trajectory. As a result, all indices registered gains, with the Top 10, Top 15 and All Share indices increasing by 17.36%, 16.52% and 15.76%, to close at 18 786.03 points, 20 926.14 points and 28 391.75 points, respectively.

Gains in share prices of Zimbabwe Newspapers (1980) Limited (76.82%), NMBZ Holdings Limited (63.93%), Proplastics Limited (53.01%), ZB Financial Holdings Limited (34.84%) and FBC Holdings Limited (26.73%), largely accounted for the increase in the mainstream index. Losses were, however, recorded for share prices of Medtech Holdings Limited Class B (19.12%), Willdale limited (6.23%), First Mutual Holdings Limited (5.94%), Zimplow Holdings Limited (3.53%) and Tanganda Tea Company Limited (2.94%). The resources index also increased by 53.52% to close at 30 527.28 points, during the week under analysis.

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

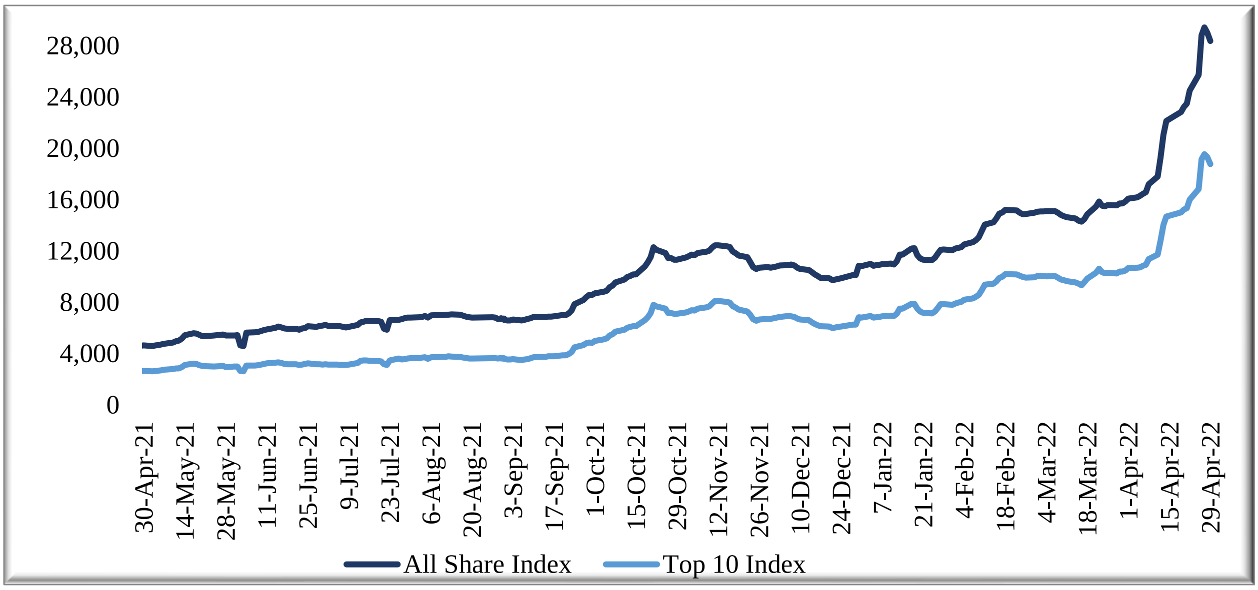
Table 6: Zimbabwe Stock Exchange Statistics[2]

	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)
25-Mar-22	15,581.92	10,296.70	11,343.4	25,692.63	399,696.21	11,289.34	1,935.18	2,189.45	30.29
01-Apr-22	16,098.23	10,672.78	11,720.5	26,333.83	399,472.40	10,015.94	1,991.73	1,706.08	33.98
08-Apr-22	17,216.17	11,370.22	12,519.5	28,474.34	441,440.78	13,108.48	2,127.12	1,795.23	35.86
14-Apr-22	22,149.04	14,697.52	16,274.2	36,270.86	481,979.94	13,820.22	2,757.76	1,533.18	14.48
22-Apr-22	24,527.07	16,007.07	17,959.6	42,248.87	503,410.25	19,884.80	3,059.61	2,391.90	12.26
29-Apr-22	28,391.75	18,786.03	20,926.1	46,972.25	587,219.17	30,527.28	3,547.35	5,465.63	127.00
% Change	**15.76**	**17.36**	**16.52**	**11.18**	**16.65**	**53.52**	**15.96**	**128.51**	**935.78**

Source: Zimbabwe Stock Exchange (ZSE), 2022

Figure 3 shows the trend in daily market turnover for the period from 30th April 2022 to 29th April 2022.

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



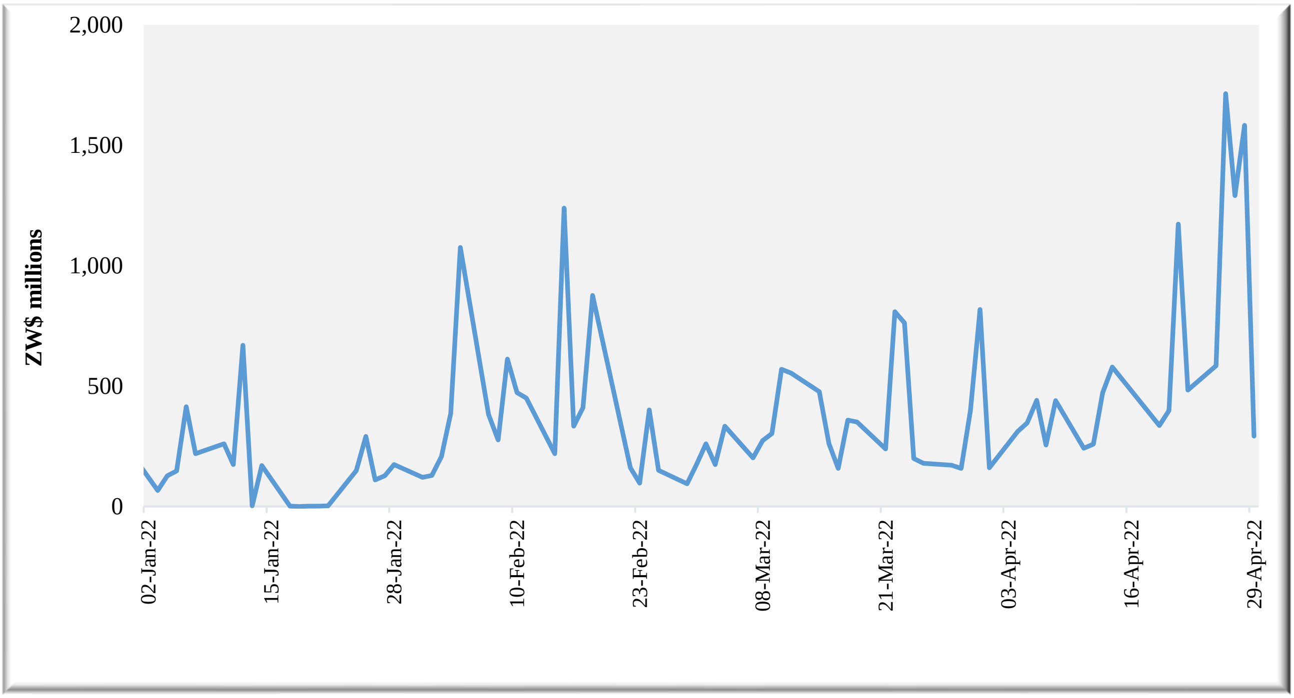
Source: Zimbabwe Stock Exchange, 2022

[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 local bourse increased by 935.78% and 128.51% to 127 million shares and ZW$5.47 billion, during the week under review, from 12.26 million shares and ZW$2.39 billion in the previous week. Figure 4 shows the trend in daily market turnover for the period from 1st October 2021 to 29th April 2022.

Figure 4: Daily Market Turnover



Source: Zimbabwe Stock Exchange, 2022

Market Capitalization

As a result of positive trading on the ZSE, during the week ending 29th April 2022, the market gained ZW$488.27 billion, or 15.96% worth of capitalization to close at ZW$3 547.35 billion, compared to ZW$3 059.07 billion recorded in the previous week. Figure 5 shows market capitalization developments for the period from 17th April 2021 to 29th April 2022.

Figure 5: Daily Market Capitalization in ZW$ billions

Source: Zimbabwe Stock Exchange, 2022

Johannesburg Stock Exchange (JSE) Developments

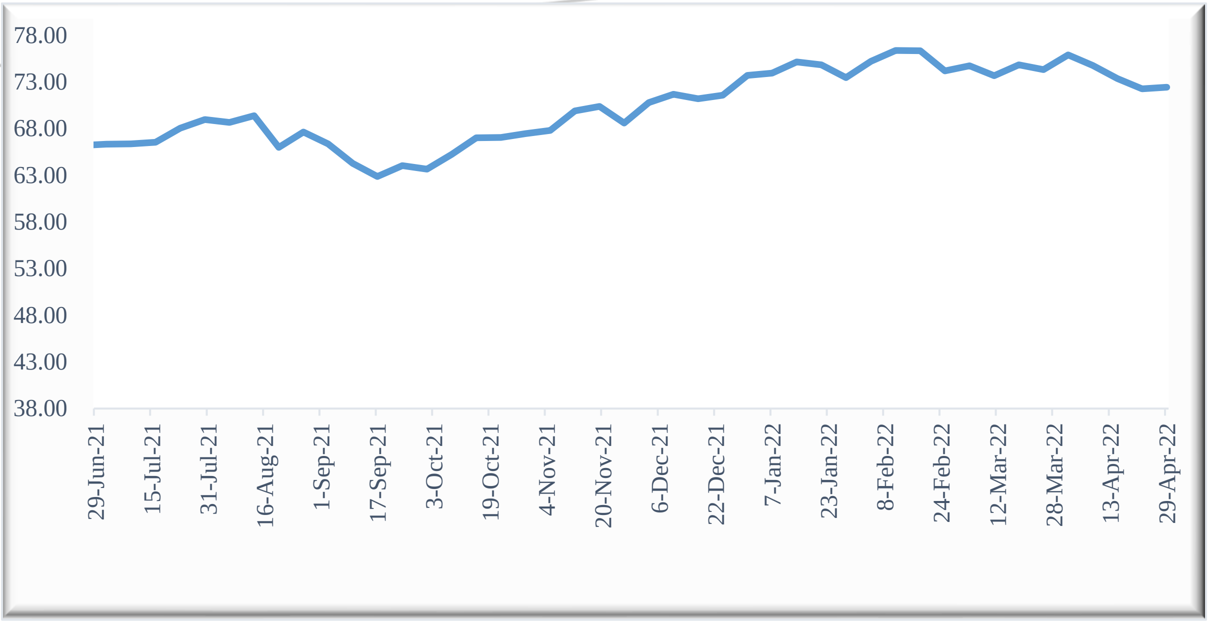
During the week ending 29th April 2022, the Johannesburg Stock Exchange (JSE) All share index registered a marginal increase of 0.24% to 72,438.25 points, from 72,264.90 points in the previous week. Similarly, JSE market capitalization also increased by 0.24% to ZAR21.01 trillion, during the same week.

Table 7: Johannesburg Stock Exchange (JSE) Statistics

Period	All Share Index (points)	Market Capitalization (ZAR trillions)
25-Mar-22	74,324.67	21.30
1-Apr-22	75,907.90	21.84
8-Apr-22	74,776.11	21.47
15-Apr-22	73,382.83	21.22
22-Apr-22	72,264.90	20.96
29-Apr-22	72,438.25	21.01
% Change	**0.24**	**0.24**

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 MAINFX[3] AND SMEFX[4]

	MAINFX				SMEFX			
	08-Apr-22	15-Apr-22	22-Apr-22	29-Apr-22	08-Apr-22	15-Apr-22	22-Apr-22	29-Apr-22
Total Bids (US$ dollars)	27,455,844.97	28,340,493.17	26,068,380.08	25,936,487.43	5,344,407.74	3,702,817.86	4,277,846.44	4,522,761.60
Amount Allotted (US$ dollars)	27,455,844.97	28,340,493.17	26,068,380.08	25,936,487.43	5,344,407.74	3,702,817.86	4,277,846.44	4,522,761.60
Highest Rate	155	160	175	180	156	160	200	180
Lowest Bid Rate	138	142	145.8700	148	135	135	140	145
Lowest Bid Rate Allotted	138	142	145.8700	148	135	135	140	145
Weighted Average Rate	145.8721	150.2157	155.1419	159.3482	145.8721	150.2157	155.1419	159.3482
Number of Bids Received	384	426	437	428	1014	1052	1174	920
Number of Bids Rejected	22	37	20	36	27	63	52	51

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 ALLOTMNTS BY PURPOSE

Purpose	MAINFX				SMEFX			
	08-Apr-22	15-Apr-22	22-Apr-22	29-Apr-22	08-Apr-22	15-Apr-22	22-Apr-22	29-Apr-22
Raw Materials	12,775,361.35	12,472,455.22	12,432,100.95	12,957,459.57	1,484,964.35	999,034.76	1,028,490.67	1,219,251.74
Machinery and Equipment	6,147,142.15	6,541,458.23	6,424,792.61	5,419,206.84	1,822,353.87	1,335,612.26	1,469,672.45	1,527,835.83
Consumables (Incl. Spares, Tyres, Packaging)	2,206,114.68	2,333,023.45	1,729,467.72	1,867,234.18	741,667.68	464,584.40	489,801.80	534,565.97
Pharmaceuticals and Chemicals	1,381,449.14	1,212,463.34	1,009,081.45	1,262,149.08	207,543.39	124,064.76	184,609.58	193,164.92
Services (Loans, Dividends and Disinvestments)	1,981,989.39	2,072,381.50	1,772,360.71	1,322,872.33	508,531.55	390,693.30	603,222.09	478,934.09
Retail and Distribution	2,284,519.89	2,673,241.77	2,053,313.04	2,151,740.28	454,214.21	315,999.45	363,293.68	416,713.86
Fuel, Electricity and Gas	-	50,000.00	-	100,000.00	14,500.00	11,807.00	3,449.45	9,847.44
Paper and Packaging	679,268.37	985,469.66	647,263.60	855,825.15	110,632.69	61,021.93	135,306.72	142,447.75
TOTAL	**27,455,844.97**	**28,340,493.17**	**26,068,380.08**	**25,936,487.43**	**5,344,407.74**	**3,702,817.86**	**4,277,846.44**	**4,522,761.60**

Source: Reserve Bank of Zimbabwe, 2022