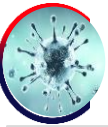




... Blend and diesel prices
drop for the 2nd successive
month in June 2021....

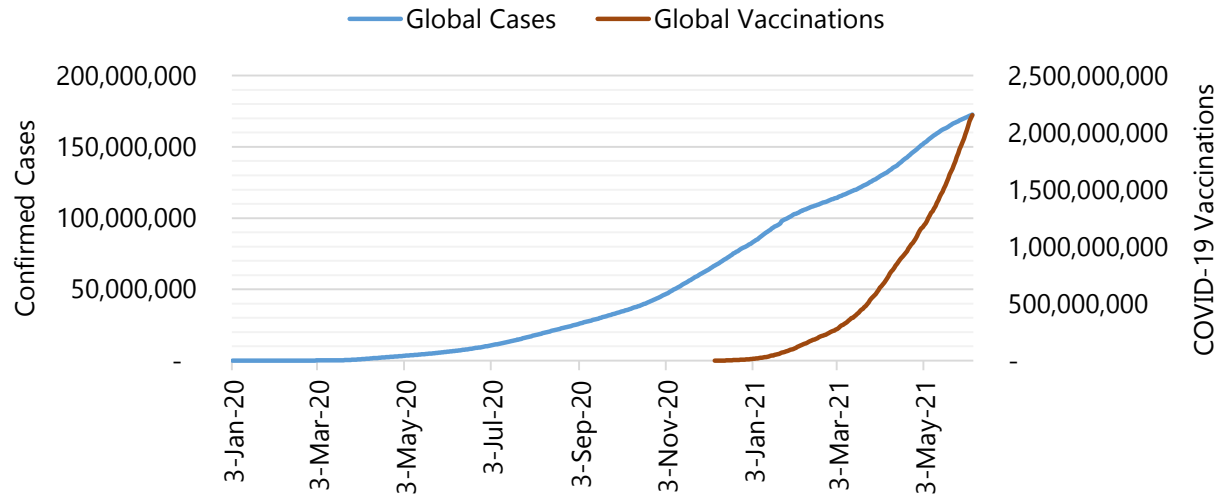
THE CBZ ECONOMIC BRIEF

Week Ending 04 June 2021

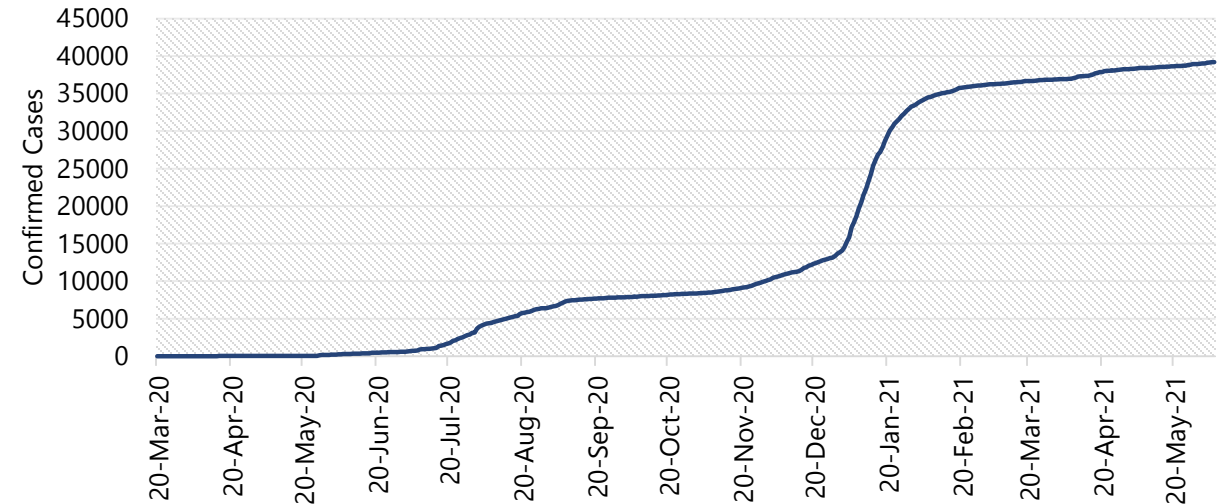


COVID-19 | Global Status as at 06 June 2021

Graph 1: Global Cumulative COVID-19 Cases and Vaccination Trends



Graph 2: Zimbabwe Cumulative COVID-19 Cases as at 06 June 2021



Sources: World Health Organisation & Ministry of Health & Child Care (Zimbabwe)

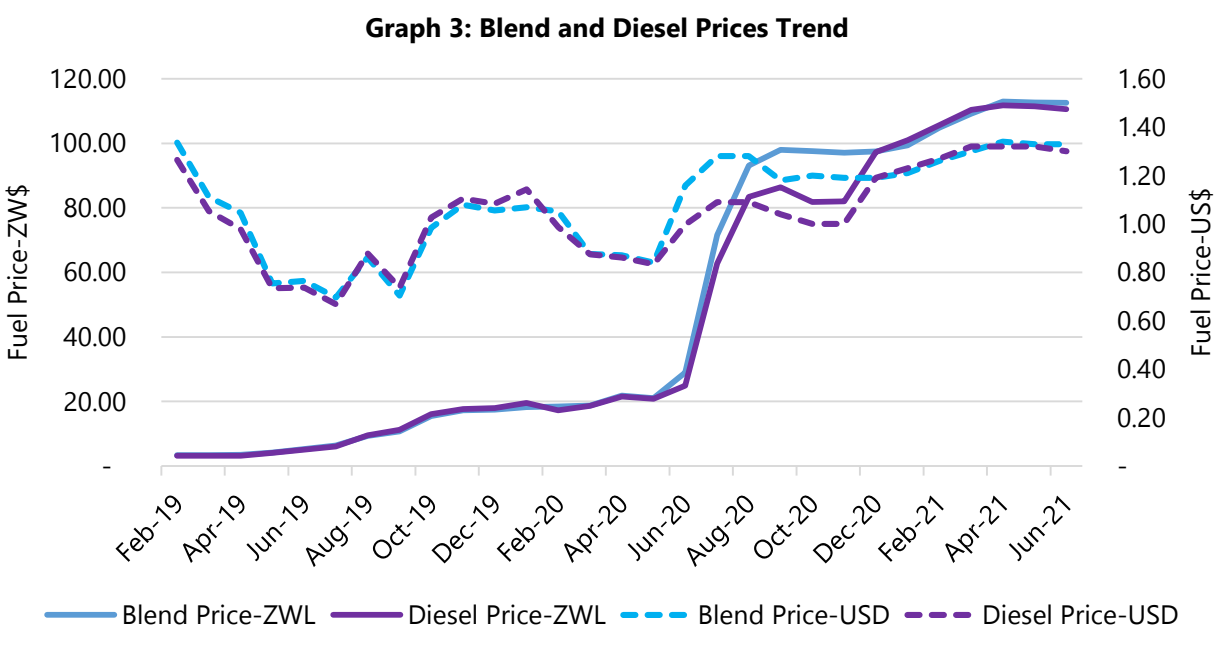
Notable Trends in Cases for the Week

- Global cumulative coronavirus cases rose above 172m after more than 3.0m new cases were recorded during the week to 06 June 2021. During the same period, a total of 237m COVID-19 doses were administered globally, bringing the cumulative COVID-19 vaccinations to 2.1b – **Graph 1**.
- In Africa, cumulative cases increased by 1.9% to 3.6m. South Africa remained the most infected country in the continent with 1.7m cases, followed by Morocco (521k), Tunisia (356k), Ethiopia (273k) and Egypt (268k). Meanwhile, Kenya extended the ban on political gathering and processions, overnight events by additional sixty days (60) in order to slow down the spread of COVID-19. A nightly curfew, from 2200hrs to 0400hrs, was also extended for 60 days.
- In Zimbabwe, confirmed cases rose to 39,189 after an additional 245 new cases were recorded during the week - **Graph 2**. The national recovery rate was unchanged at 94.0% as at 06 June 2021. Meanwhile, government announced that the country developed the ZimCOVID Safe Mobile Application which can now be accessed on Google Play Store and Apple AppStore. The application offers the following features: COVID-19 screening tool, vaccination & testing centres information, news updates & educational content, live COVID-19 statistics updates and SMS-based solution.
- Meanwhile, the International Monetary Fund and Uganda reached a staff-level agreement for a US\$1 billion program under a three-year extended credit facility. The funds will be channeled towards the country's COVID-19 response and economic recovery efforts.



ZIMBABWE | FUEL PRICE REVIEW- JUNE 2021

- The Zimbabwe Energy Regulatory Authority “ZERA” announced new monthly prices for diesel and blend effective 05 June 2021. Blend price was little changed, with the maximum pump price decreased by 0.1% (ZWL\$0.07) to ZWL\$112.55/litre while the U.S dollar price was unchanged at US\$1.33/litre, respectively. Diesel price marginally declined by 0.8% (ZWL\$0.89) and 1.5% (US\$0.02) in local currency and U.S dollar terms to ZWL\$110.54/litre and US\$1.30/litre, respectively – **Graph 3**.
- According to ZERA, the decline in fuel prices reflected innovative and rigorous review of the country’s fuel price build up, including blending and distribution costs.
- Meanwhile, **Table 1** depicts comparable fuel prices for Zimbabwe’s neighbours and/ trading partners as at 31 May 2021.



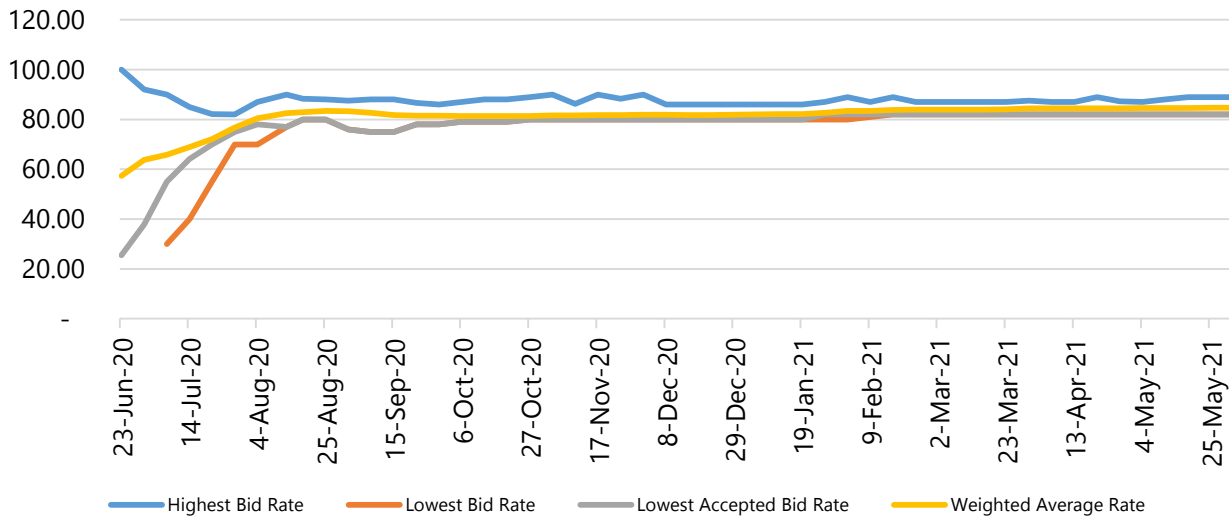
Sources: ZERA

Country	Blend Price-US\$/Ltr	Diesel Price-US\$/Ltr
Angola	0.25	0.21
Botswana	0.91	0.91
DRC	1.01	1.00
Kenya	1.20	1.02
Malawi	1.13	1.13
Mauritius	1.20	0.87
Mozambique	1.03	0.94
Namibia	0.88	0.89
South Africa	1.22	1.21
Tanzania	0.97	0.90
Zambia	0.97	0.89
Zimbabwe	1.33	1.30
Global Average	1.18	1.05

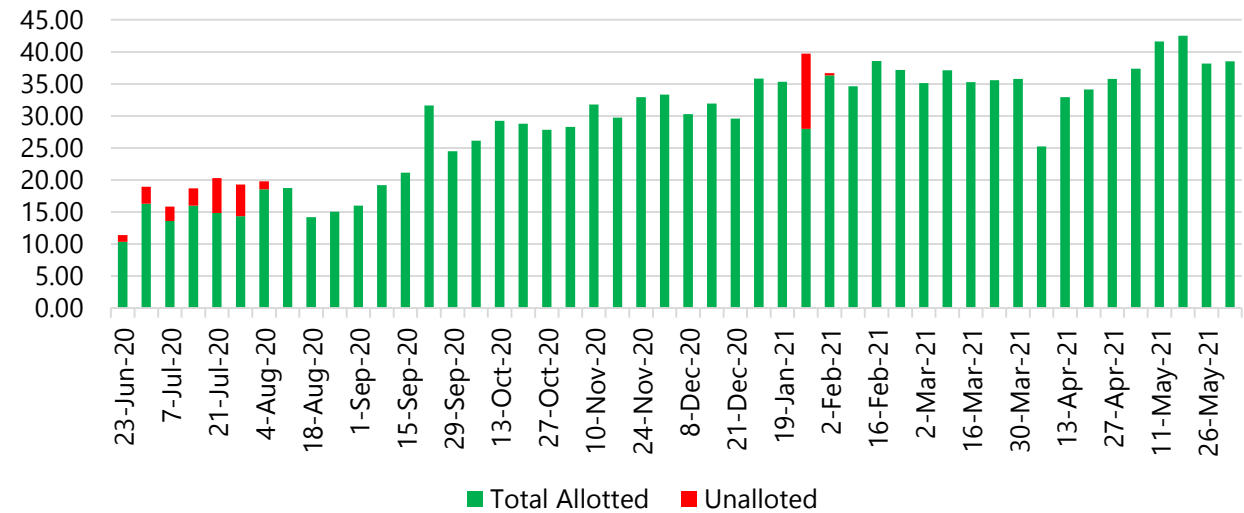
Sources: GlobalPetrolPrices.com



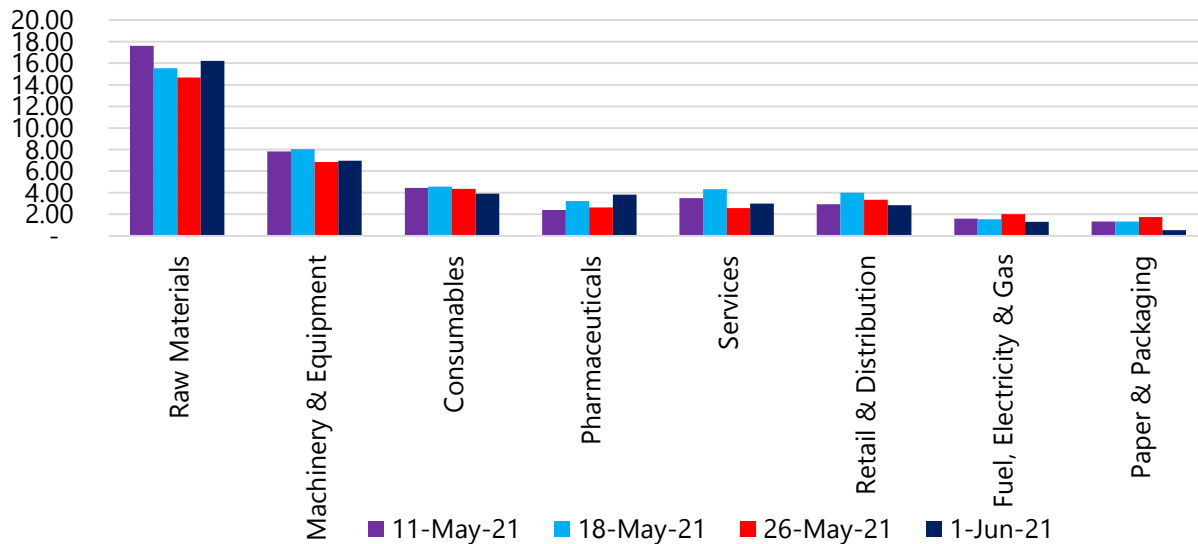
Graph 4: FX Auction Market Bid Rates Trend



Graph 5a: Foreign Currency Auction Allotment Trends



Graph 5b: FX Allotments Per Sector

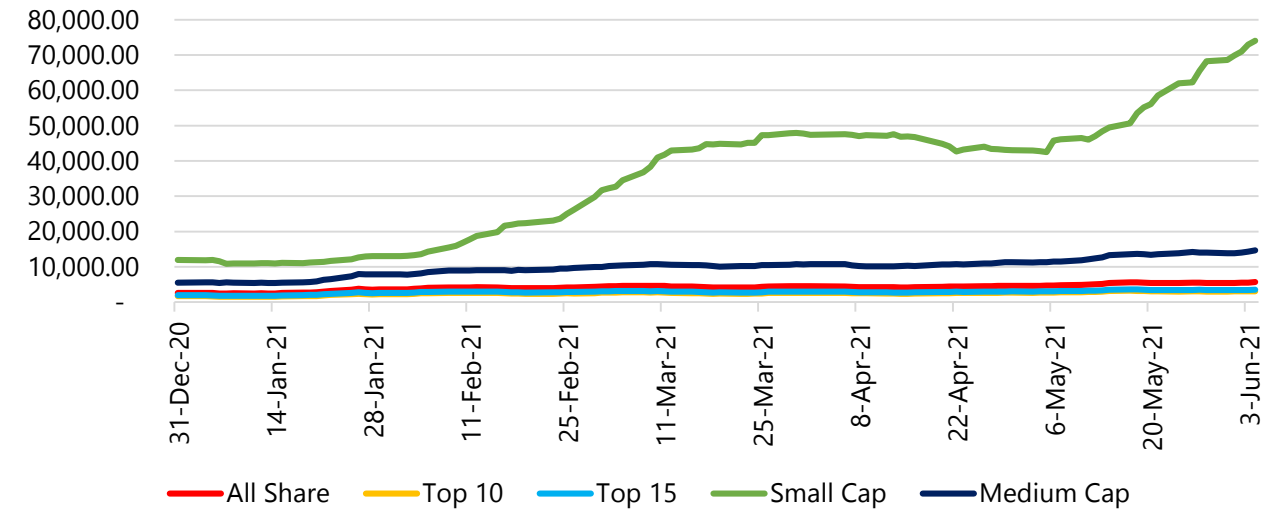


Foreign Currency Market Developments

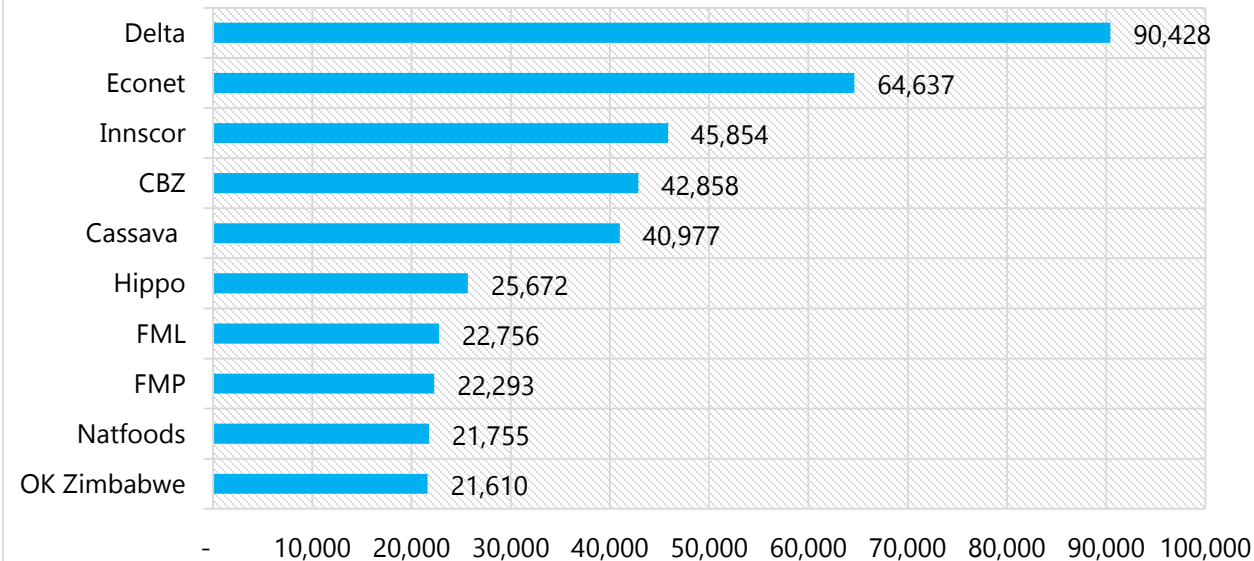
- The ZW\$ marginally declined by 0.05% against the U.S dollar to trade at ZWL\$84.77/USD during the last auction held by the RBZ on Tuesday, 01 June 2021-**Graph 4**. The highest and lowest accepted bid rates were unchanged at 89.0 to 82.0 on the main auction, respectively.
- The total number of allotted bids increased from 735 to 670. However, total allotment for the week marginally increased by 0.9% to US\$38.5m, from US\$38.2m that was allotted during the previous week – **Graph 5a**.
- The largest weekly allotments were for raw materials (US\$16.2m), machinery & equipment (US\$7.0m), consumables (US\$3.9m), Pharmaceuticals (US\$3.8m), services (US\$3.0m) and retail & distribution (US\$2.9m) - **Graph 5b**.



Graph 6: ZSE Indices



Graph 7: ZSE Top 10 Counters By Market Capitalisation- ZWL\$m



Source: ZSE

Table 2: ZSE Movers and Shakers

Movers	28-May-21	4-Jun-21	Weekly Change (%)
FMP	1,139.58	1,800.50	58.0%
DZLH	1,821.69	2,456.60	34.9%
GetBucks	296.10	372.14	25.7%
Masimba	2,969.43	3,565.46	20.1%
Delta	5,862.74	7,000.17	19.4%
Shakers	28-May-21	4-Jun-21	Weekly Change (%)
MedTech	16.98	15.00	-11.7%
Proplastics	2,844.00	2,600.00	-8.6%
Edgars	360.26	330.00	-8.4%
Padenga	3,200.53	3,000.02	-6.3%
Afdis	6,400.00	6,000.00	-6.3%

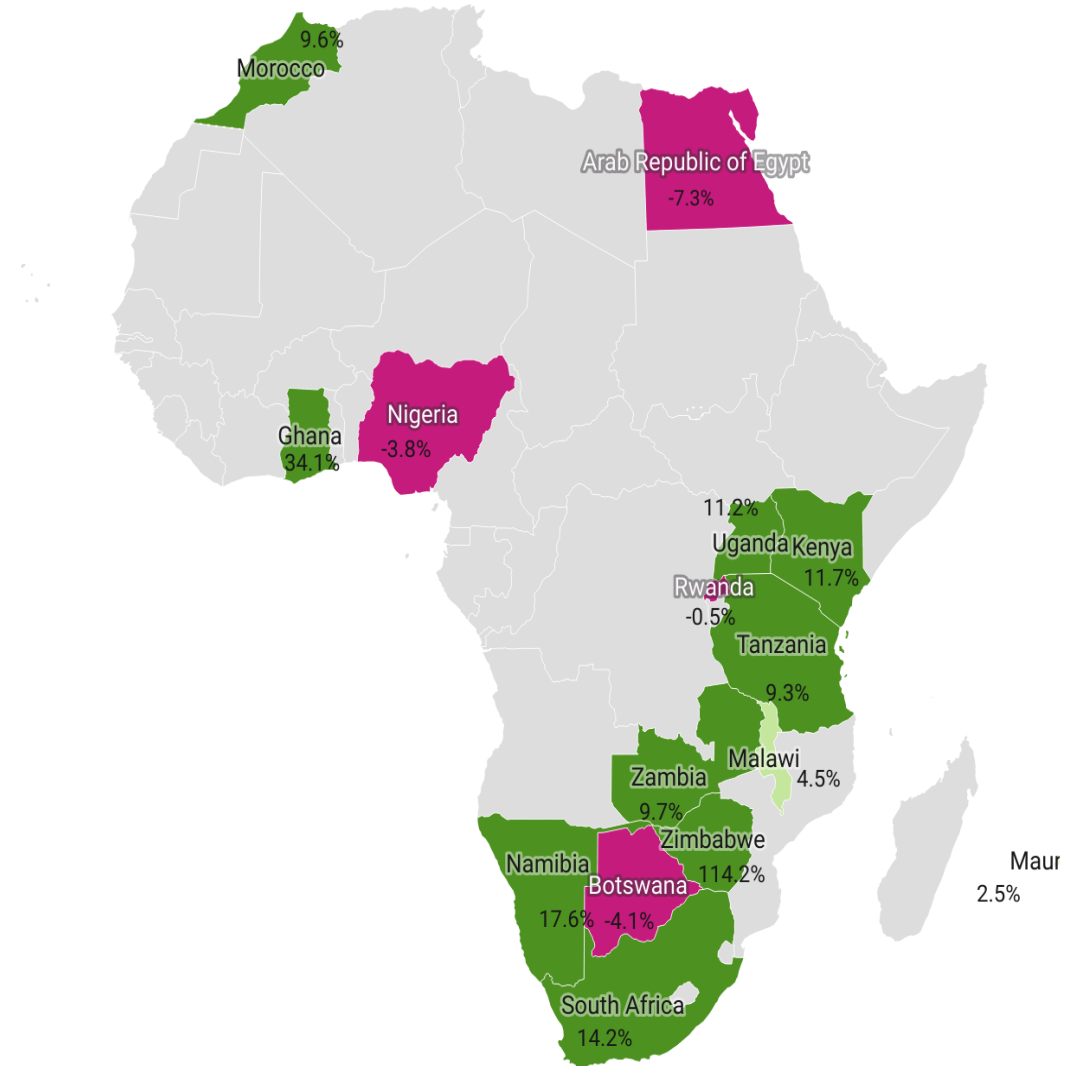
- On the ZSE, all indices recorded weekly gains led by the Small Cap (+8.5%) and Medium Cap (4.6%). The benchmark All Share Index gained by 4.3% to close the week at 5,646.12 points –**Graph 6**.
- FMP led the market movers with a weekly gain of 58.0%, followed by DZLH (+34.9%), GetBucks (+25.7%), Masimba (+20.1%) and Delta (+19.4%). However, market gains were offset by losses in MedTech (-11.7%), Proplastics (-8.6%), and Edgars (-8.4%) -**Table 2**.
- Delta remained the largest counter on the ZSE with a market capitalisation to ZWL\$90.4b, followed by Econet (ZWL\$64.6b), Innscor (ZWL\$45.8b), CBZ (ZWL\$42.9b) and Cassava (ZWL\$41.0b) -**Graph 7**.
- Meanwhile, ZB Financial Holdings announced that the publication of the Group’s financial results for the year ended 31 December 2021 was further deferred to no later than 30 June 2021. This followed after the bank missed the extended deadline of 31 May 2021 due to outstanding audit processes.



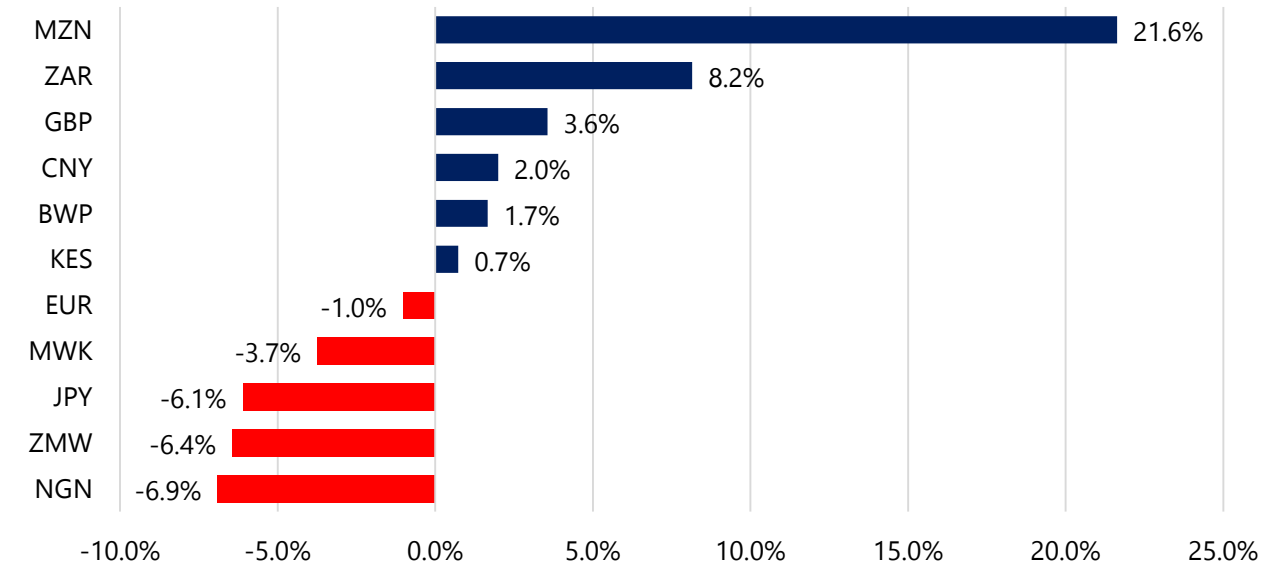
REGIONAL & GLOBAL FINANCIAL MARKETS

- On the global markets, major international benchmarks in the U.S and Europe recorded modest gains amid mixed signals from the U.S jobs report which showed that 559k new jobs were created while labour force participation rate marginally declined to 61.6% from 61.7% in May 2021. In Asia, stock markets declined after Japan extended its covid-19 state of emergency in Tokyo and other areas by three more weeks to 20 June 2021.
- The U.S DJIA and U.K's FTSE 100 gained 0.7% for week, while China's Shanghai Composite Index and Japanese Nikkei 225 Stock Average recorded declines of 0.2% and 0.7% respectively.
- In African, most stock markets recorded weekly gains, led by Ghana (+7.5%) and Zimbabwe (+4.3%). Resultantly, Zimbabwe extended its YTD gain to 114.2%. Other notable YTD gains were recorded for Ghana (+34.1%), Namibia (+17.6%) and South Africa (+14.2%)- **Chart 1**.
- On the currencies market, the U.S dollar index recorded a marginal gain of 0.1% for the week to 90.14. **Graph 8** below depicts YTD performances of major currencies against the U.S dollar as at 04 June 2021.

Chart 1: Selected African Equities Markets- YTD Performances



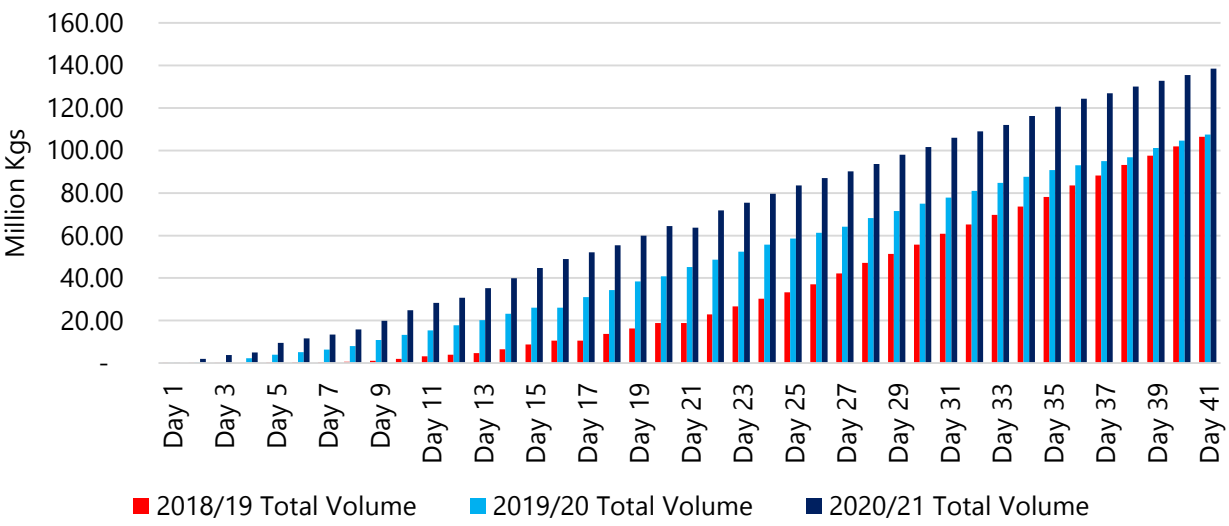
Graph 8: Major Currencies vs the USD-YTD Movements-04 June 2021



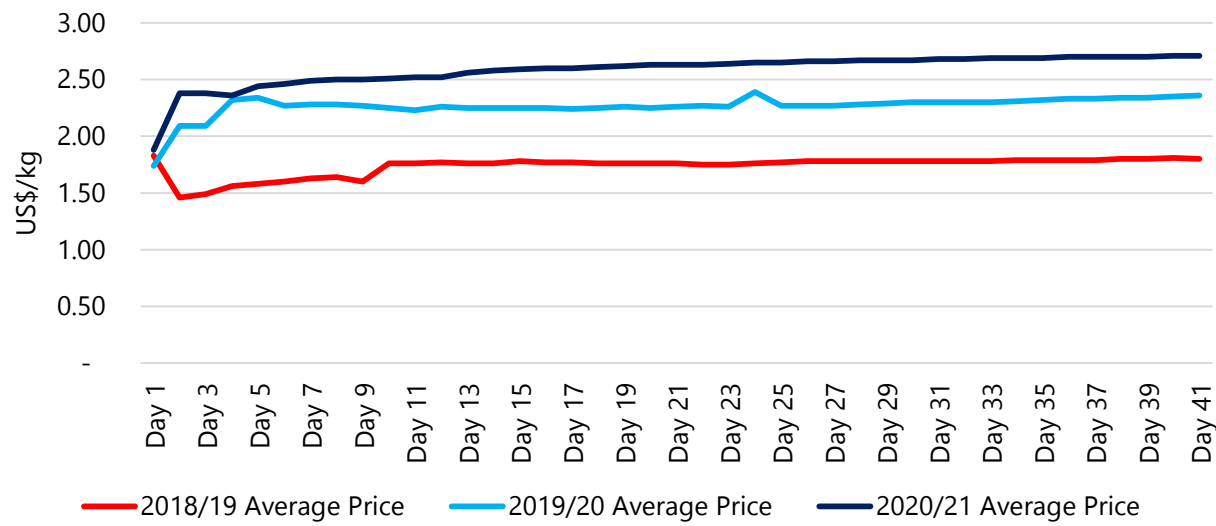


ZIMBABWE | THE 2020/21 TOBACCO MARKETING SEASON

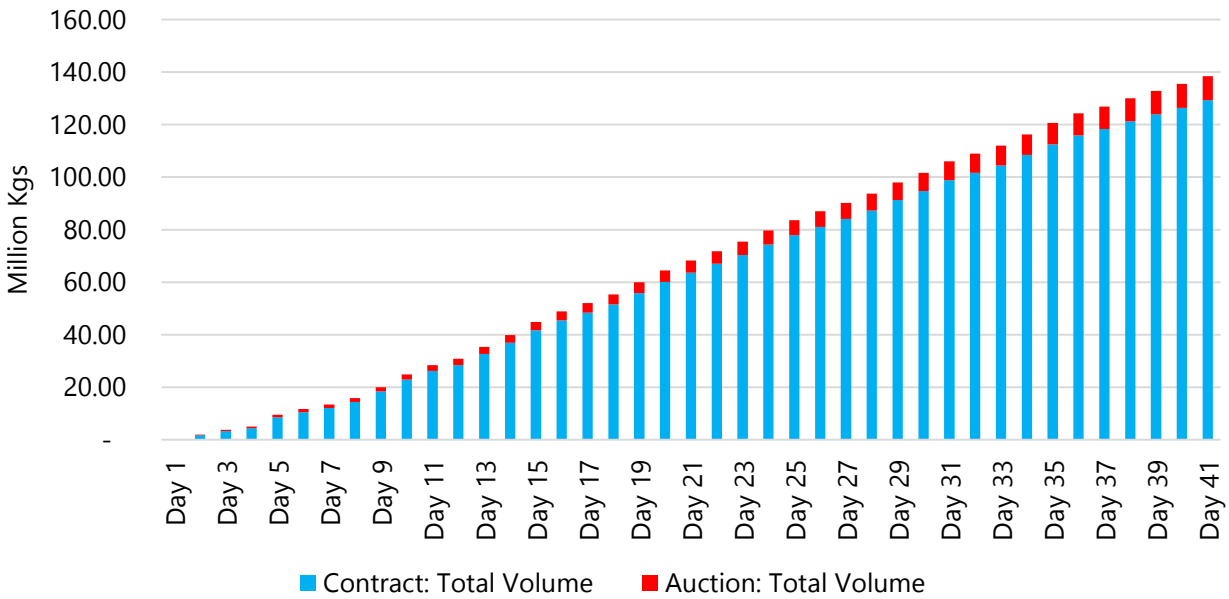
Cumulative Tobacco Sales Volume Trends (2019-2021)



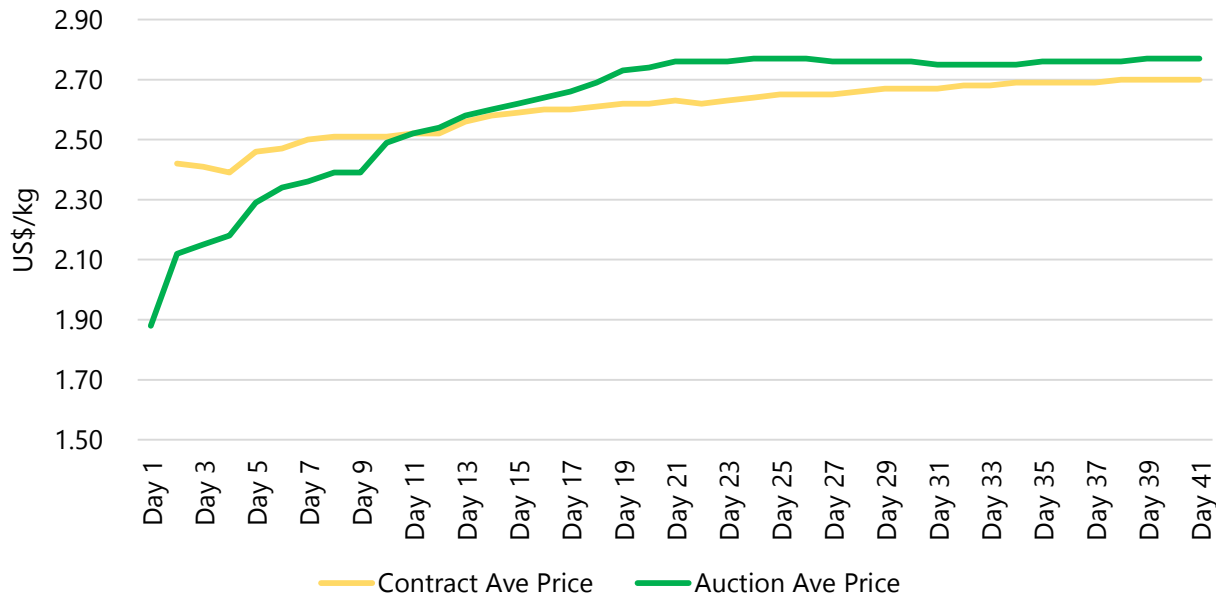
Tobacco Daily Average Price Trends (2019-2021)



2020/21 Cumulative Sales Volume - Contract vs Auction



2020/21 Average Prices- Contract vs Auction





GLOBAL COMMODITY PRICE MOVEMENTS

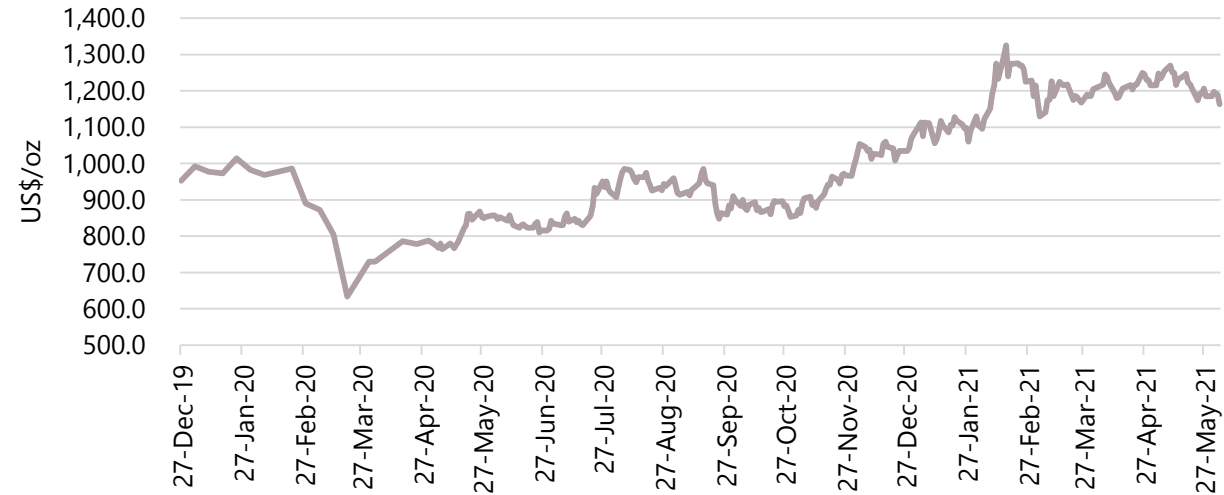
MINERALS



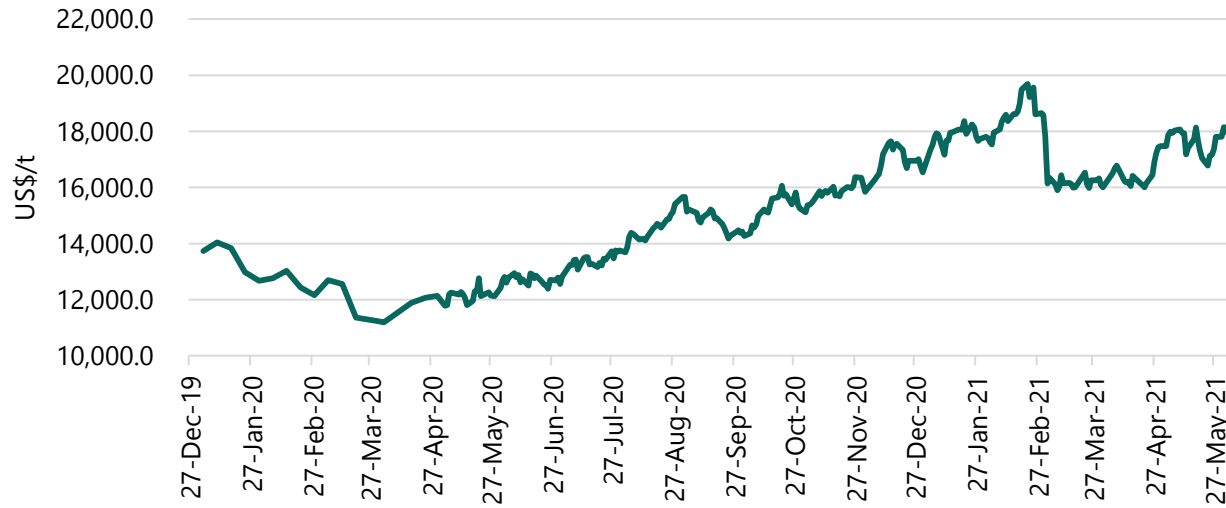
Gold prices - US\$/oz



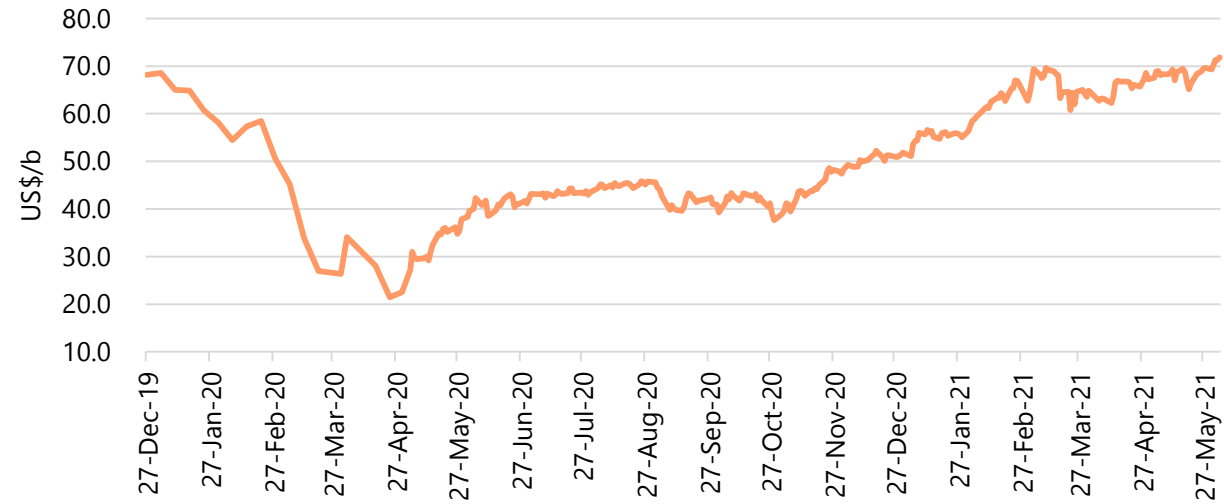
Platinum - US\$/oz



Nickel price - US\$/t



Oil prices - US\$/b



Source: Quandl

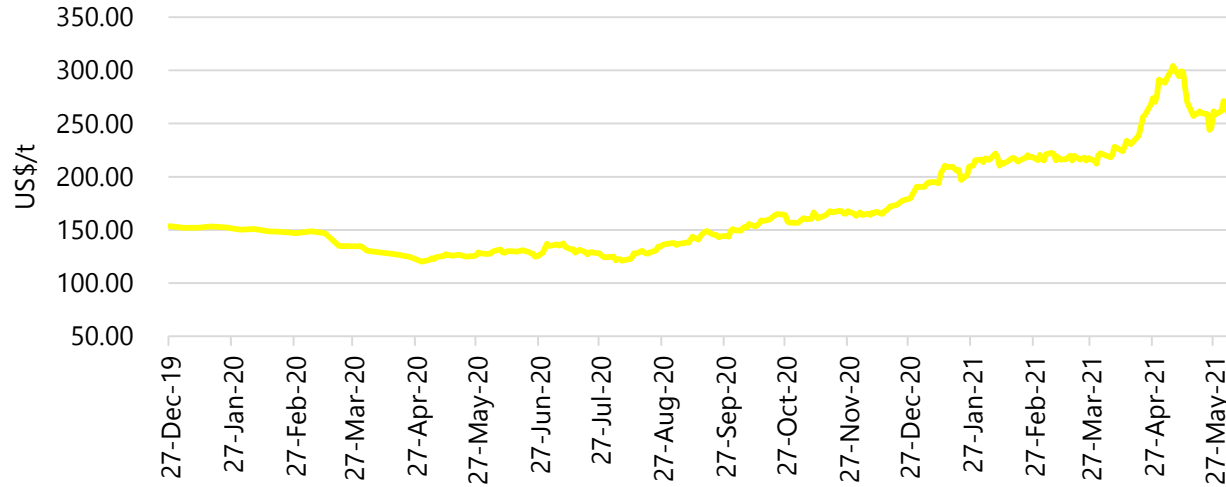


GLOBAL COMMODITY PRICE MOVEMENTS

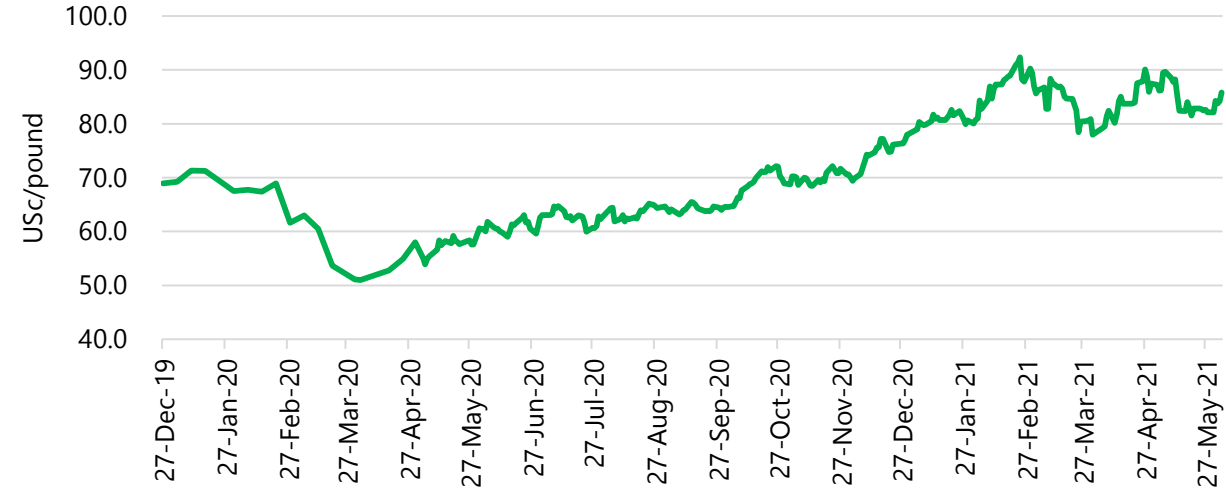
AGRIC COMMODITIES



Corn - US\$/t



Cotton - USc/pound



Wheat - US\$/t



Sugar - USc/pound



Source: Quandl

Date	Event	Period	Forecast	Previous
Local				
08 June 2021	RBZ Foreign Exchange Auction Market	09 - 15 June 2021		84.7653
10 June 2021	Zimplot AGM (Time: 1000hrs; Venue: Head Office, 36 Birmingham Road, Southerton)			
Regional & International				
07 June 2021	South Africa GDP q/q (y/y)	Q1 2021	2.5% (-3.2%)	6.3% (-4.1%)
07 June 2021	China CPI m/m (y/y)	May 2021	-0.1% (1.6%)	-0.3% (0.9%)
08 June 2021	Euro Zone ZEW Economic Sentiments	June 2021		
09 June 2021	Crude Oil Inventories		-3.576m	-5.080m
10 June 2021	OPEC Monthly Report			
10 June 2021	European Central Bank "EBC" Interest Rate Decision	June 2021		0.00%
10 June 2021	U.S CPI m/m (y/y)	May 2021	0.4% (4.7%)	0.8% (4.2%)
10 June 2021	U.S Federal Budget	May 2021		-US\$226.0b

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