

Table of Contents

1. Economic Performance	1
2. Inflation	1
3. Financial Sector	2
4. Various Sectors of the Economy	4
5. Regional Economies	6
6. International Economies	7
7. Commodities Markets	9

Monthly Economic Update

March 2023

1. Economic Performance

a) Domestic Economy

Zimbabwe's economy is projected to grow at a modest growth rate in 2023 against a weakening global economic growth outlook, according to the World Bank. Zimbabwe's economic growth is projected to be around 3.6% in 2023, a slight increase from 3.4% recorded in 2022. Commenting on global growth projections, World Bank noted that growth in the sub-Saharan Africa region is more promising than the global outlook, as global growth is expected to decelerate to 1.7% this year, the weakest in three decades. Rising geopolitical tensions and trade fragmentation elsewhere as well as climate change shocks will result in a significant slowdown of growth. Weakening economic activities in the global economy will have spill over effects to emerging markets and developing countries, which includes Zimbabwe. Aggressive monetary policy tightening to contain high inflation, deteriorating financial conditions, and continued disruptions from the war in Ukraine are the drivers of this worsening economic performance on a global scale.

Meanwhile, the table below shows the growth projections for Zimbabwe.

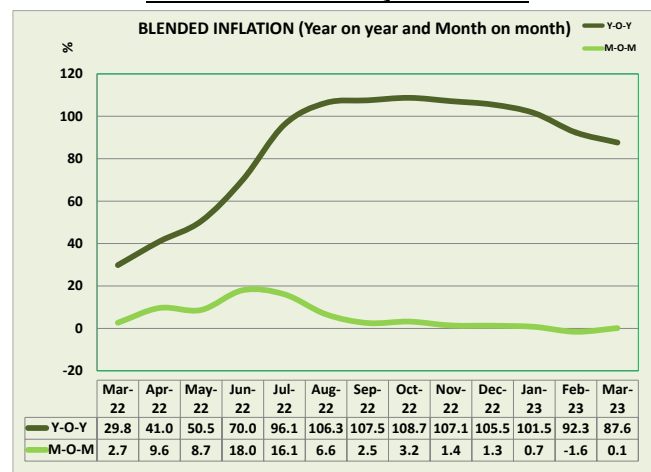
Zimbabwe Economic Growth Forecasts (%)			
Year	2022	2023	2024
World Bank	3.4	3.6	3.6
IMF	3.0	2.8	3.0
MOF	4	3.8	4.8

2. Inflation

Using the blended calculation system, annual inflation fell, for the fifth consecutive month, from 92.3% in February 2023 to 87.6% in March 2023. Using the same method,

monthly inflation gained 1.7 percentage points from minus 1.6% in February 2023 to 0.1% in March 2023. The following graph shows an annual blended inflation trend to date.

Zimbabwe Blended Inflation Trend



Going forward, all things being equal, our econometric forecasts indicate a projected slow down of blended year on year inflation (Y-O-Y) in the next 3 months as indicated below:

3 Month Inflation Forecasts (%)		
Month	Y-O-Y	M-O-M
Apr-23	69.3	-1.0
May-23	55.4	-0.3
Jun-23	30.6	-0.8

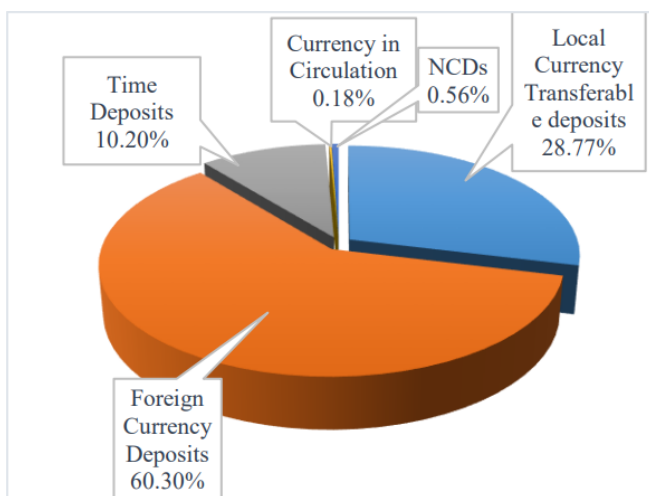
The Government is also expected to maintain strict fiscal and monetary policies in order to reduce the risks associated with inflation and exchange rates deterioration.

Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

3. Financial Sector

a) Money supply

According to the RBZ latest Monthly Economic Report as at January 2023, Broad money (M3) stock amounted to ZW\$2,697.36 billion in January 2023, compared to ZW\$2,338.23 billion recorded in December 2022. The money stock was composed of foreign currency deposits, 60.30%; local currency deposits, 39.52%; and currency in circulation, 0.18%. The following diagram shows the composition of money supply:



b) Interest Rates

The following table shows weighted lending rates and deposit rates for the period 27 January 2023 to 24 February 2023:

Weighted lending Rates and Deposit Rates

Week Ending	Weighted Lending Rates (%)		Deposit Rates (%)		
	Commercial Banks		Savings	1-Month	3-Months
	Individual Clients	Corporate Clients			
27-Jan-23	128.63	205.86	32.09	82.06	85.03
3-Feb-23	128.63	205.86	32.09	82.06	85.03
10-Feb-23	115.32	184.89	34.00	82.17	82.44
17-Feb-23	114.77	178.55	38.38	75	75.92
24-Feb-23	108.73	169.40	37.75	79.11	77.06
Average	119.22	188.91	34.86	80.08	81.10

c) Foreign Currency Market

During the period under review, the USD appreciated against 14 of the 18 currencies in our basket and depreciated against 4 currencies, when using the monthly average exchange rate analysis. The USD gained the most against the Zimbabwean Dollar (7.81%) as shown in the table below.

Exchange Rate Analysis: Monthly Average			
US\$/Currency	Feb-23	Mar-23	Change (%)
Zimbabwean Dollar	843.9333	909.8862	7.81%
Argentine Peso	191.9434	203.0922	5.81%
Russian Ruble	73.5176	76.3397	3.84%
Australian Dollar	1.4509	1.4981	3.25%
Norwegian Krone	10.2422	10.5339	2.85%
South Korean Won	1,279.5639	1,304.9614	1.98%
South African Rand	17.9236	18.2658	1.91%
Canadian Dollar	1.3454	1.3683	1.70%
Botswana Pula	13.0725	13.2233	1.15%
Chinese Yuan Renminbi	6.8405	6.8924	0.76%
Brazilian Real	5.1815	5.2091	0.53%
Japanese Yen	133.1010	133.6753	0.43%
Swedish Krona	10.4448	10.4768	0.31%
HongKong Dollar	7.8465	7.8487	0.03%
Swiss Franc	0.9258	0.9255	-0.03%
Euro	0.9345	0.9337	-0.09%
British Pound	0.8278	0.8241	-0.45%
Indian Rupee	82.6344	82.2593	-0.45%

Source: X-rates.com © ZB Financial Holdings

When analysing the exchange rates based on the opening period and closing period exchange rates, the USD appreciated against 7 currencies in our basket as shown in the following table:

Exchange Rate Analysis

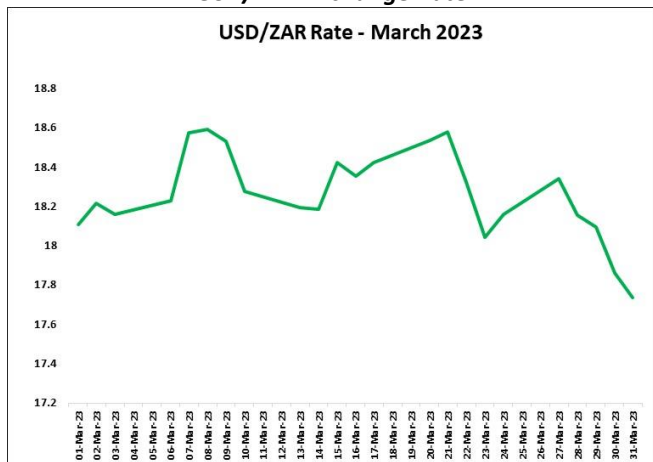
Exchange Rate Analysis			
US\$/Currency	01-Mar-23	31-Mar-23	Change (%)
Argentine Peso	197.5791	208.9835	5.77%
Zimbabwean Dollar	892.6349	928.5887	4.03%
Russian Ruble	75.2650	77.5016	2.97%
Australian Dollar	1.4775	1.4919	0.98%
Norwegian Krone	10.3823	10.4451	0.60%
South Korean Won	1,301.9885	1,303.7134	0.13%
HongKong Dollar	7.8494	7.8500	0.01%
Chinese Yuan Renminbi	6.8689	6.8689	0.00%
Indian Rupee	82.4288	82.1128	-0.38%
Canadian Dollar	1.3596	1.3527	-0.51%
Swedish Krona	10.4237	10.3447	-0.76%
Botswana Pula	13.3140	13.1285	-1.39%
Euro	0.9368	0.9198	-1.81%
South African Rand	18.1072	17.7359	-2.05%
Japanese Yen	135.8233	132.7759	-2.24%
Brazilian Real	5.1964	5.0707	-2.42%
British Pound	0.8309	0.8085	-2.70%
Swiss Franc	0.9387	0.9131	-2.73%

Source: X-rates.com © ZB Financial Holdings

Meanwhile, on average the South African Rand depreciated by 1.91% in March 2023 against the USD. The diagram below shows the trend of the South African Rand against the USD for March 2023:

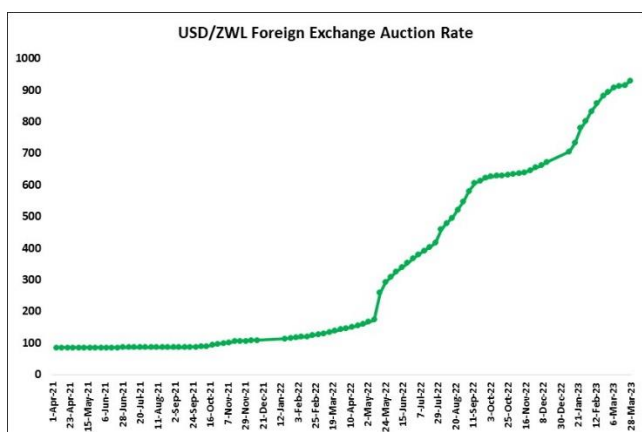
Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

USD/ZAR Exchange Rate

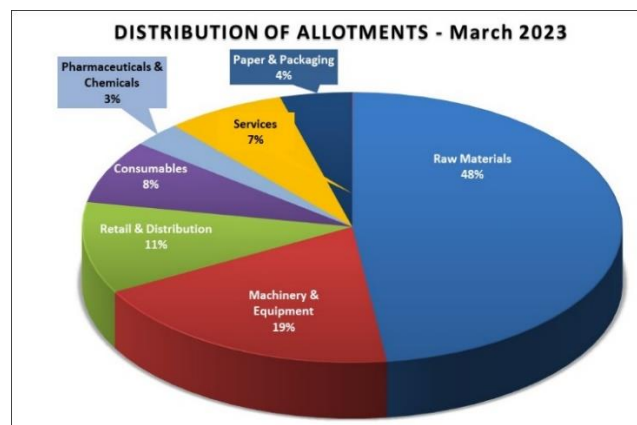


d) RBZ Forex Auction Market

The local currency continued to depreciate against the USD on the official foreign exchange market, as shown in the previous analysis. The following table shows the trend of the USD/ZWL exchange rate from April 2021 to March 2023:



Meanwhile, of the March 2023 foreign currency allocations, 48% was allocated to raw materials and 19% to machinery & equipment as shown in the following diagram:



e) Equities Market & Corporate Briefs

The ZSE Market capitalisation registered marginal decline from Z\$2,270 trillion in February 2023 to Z\$2.257 trillion during the month of March 2023. This comes as a number of firms are contemplating to move from the ZSE to the VFEX. Meanwhile, it is anticipated that the publication of strong financial results for the full financial year 2022 will rally up the two stock markets.

Zimbabwe Stock Exchange Performance Indicators

DATE	TURNOVER VALUE	TURNOVER VOLUME	INDUSTRIAL INDEX	MINING INDEX	MARKET CAP (RTGS) (Mln)
Mar-22	824,291,924.45	9,199,921.00	36,956.36	10,015.94	1,821,910.18
Apr-22	292,993,802.09	2,564,049.00	28,862.01	30,572.28	3,261,726.30
May-22	1,045,833,065.75	5,029,310.00	20,212.73	20,021.24	2,650,627.30
Jun-22	603,604,722.76	85,425,265.00	20,775.70	20,021.24	2,273,749.41
Jul-22	498,022,629.33	54,208,368.00	17,742.07	20,021.24	1,906,464.04
Aug-22	344,658,779.80	6,673,058.00	16,639.36	15,473.37	1,576,273.94
Sep-22	444,020,344.65	37,492,663.00	18,711.10	18,929.75	1,717,964.44
Oct-22	130,084,886.00	626,413.00	20,810.57	23,659.53	1,733,574.15
Nov-22	190,413,682.50	5,484,993.00	19,848.68	25,478.67	1,532,619.76
Dec-22	1,483,620,167.05	176,938,636.00	21,289.85	25,496.86	1,945,345.06
Jan-23	597,346,892.17	6,488,718.00	28,333.91	25,496.86	2,267,711.60
Feb-23	449,873,621.35	2,252,412.00	34,480.57	29,207.92	2,270,224.89
Mar-23	835,088,488.54	2,778,965.00	39,174.36	34,139.84	2,257,884.05

News Highlights in the Financial Sector

- Stratus Capital Partners (Private) Limited, an asset management firm, launched the Stratus Commodities Fund as part of the firm's intervention and contribution towards curbing post-harvest losses encountered by farmers perennially. The Stratus Commodities Fund has already fulfilled the Securities Exchange Commission of Zimbabwe (SECZIM) requirements.
- African Sun Limited (ASL), has listed on the Victoria Falls Stock Exchange (VFEX) to become the first tourism player on the United States dollar denominated bourse. With business interests

Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

organised into five divisions; City and Country Hotels, Resort Hotels, The Victoria Falls Hotel Partnership, Sun Leisure and Real Estate, ASL becomes the 11th listing since establishment of the VFEX in 2020.

- WestProp Holdings Limited, a property developer continues to strengthen its tentacles in Zimbabwe after announcing plans to list on the Victoria Stock Exchange (VFEX). This follows the recent transformation of the company from a private to public company.
- West Properties Company (WPC) has announced it will be listing on VFEX on the 29 April 2023, as a fresh listing as it seeks to raise US\$30 million on its initial public offering (IPO). WPC is a property development company in Zimbabwe, which also plays the role of planning and financing development of residential and commercial properties.
- First Capital Bank had laid up a roadmap that will see the bank list on Victoria Falls Stock Exchange (VFEX) by the end of Q2 2023.
- NMB banking is setting up for a microfinance division with the aim of providing more focused services to individuals and micro-businesses.
- NMB bank says it has been given the nod by the Reserve Bank of Zimbabwe (RBZ) to set up a US\$3,5 million property company which will be launched in the Q2 2023.
- The Infrastructure Development Bank of Zimbabwe (IDBZ) requires US\$1.5 billion funding to plug the Zimbabwe's infrastructure gap.

4. Various Sectors of the Economy

a) Energy sector

Hwange Power Station's Unit 7 was successfully synchronised with the national grid. The unit has not developed any problems and initial output reached 708 megawatts after the installation. Prior to that, late February, Hwange Thermal Station production levels had dropped to merely 74MW, the lowest for the country's biggest thermal station, which has an installed generation capacity of about 920MW. This had left Kariba Hydropower Station as the only anchor station, producing about 250MW.

Overall, Zimbabwe is trying to boost its power sources through various investments that include solar power and to lesser extent hydropower. All this is part of a Government

strategy to reduce energy-related emissions by about a third by the end of 2030.

News Highlights in the Energy Sector

- The bankability and feasibility study for the 1,000 Megawatt floating solar farm on Lake Kariba is expected to be completed in 2023 while work on the US\$1 billion proposed project will commence afterwards as the country races to reach energy self-sufficiency in line with the National Development Strategy.
- Invictus Energy, the Australian firm scouting for oil and gas in Zimbabwe's Cabora Bassa Basin region, intends to raise US\$6.733 million through a private placement to finance preparations for phase 2 exploration programmes and Mukuyu-2 appraisal well.

b) Mining

According to Zimbabwe Investment and Development Agency (ZIDA), lithium can surpass gold as a high forex earner for the Zimbabwe as investor interests in the sector keeps growing. The surge in global demand for electric cars, powered by lithium batteries, has increased the demand for minerals such as copper, lithium, graphite, and cobalt. The rapid development of the lithium-ion battery market in the world has accelerated the consumption of lithium resources. This means the cost of lithium and the usage of metal is increasing annually, which has resulted in a massive jump in lithium export earnings for numerous economies. Zimbabwe has the largest lithium reserves in Africa and fourth worldwide with some lithium mining projects in the exploration phase anticipated to kick-start production in 2023. Zimbabwe is aiming to supply 20% of global lithium demand when all the country's lithium resources have been fully utilized. The Government is hoping to use lithium mining as the main attraction to foreign investors, which could change the development prospects of Zimbabwe's lithium mining industry.

News and highlights in the Mining Sector

- Premier African Minerals is set to start commercial production at its Zulu Lithium Mine after receiving the required Government approvals and one final reagent supply.
- Bindura Nickel Corporation (BNC) is in a negotiation with a Zambian mining company over potential feedstock supply to utilise excess capacity at its

smelter in Bindura upon completion. The discussions with the Zambian firm, which is into copper and nickel production, is part of several projects by BNC to increase feedstock supply to its smelting plant, which is undergoing upgrades to increase capacity to 160,000 tonnes of nickel concentrate.

- Karo's platinum project remains on schedule and budget for the first ore to be milled by H2 2024, with trial mining expected to begin by the end of Q2 2023.

c) Agriculture

Wheat farmers have been assured of adequate electricity and water for irrigation of the cereal this season, as growers knuckle down on planting the crop, whose recommended sowing period is early April 2023 to end of May 2023. It is hoped that an estimated 85,000 hectares will be put under winter wheat this year for a projected best-ever output of 408,000 tonnes, which will surpass the 2022 record of 380,000 tonnes. Planting has commenced in areas such as Mashonaland West while distribution of inputs is ongoing. Government has made some arrangements with the Zimbabwe Electricity Supply Authority (ZESA) and Zimbabwe National Water Authority (ZINWA) to supply power and water, respectively, to farmers.

News Highlights in the Agriculture Sector

- Cavendish Lloyd Tobacco has been licensed by the Tobacco Industry and Marketing Board (TIMB) to contract and support Shisha tobacco production locally. Shisha is a type of combustible tobacco that has low nicotine content, differentiating it from the traditional flue-cured Virginia tobacco.
- As the Government upscales its re-engagement offensive with the international community, the horticulture sector is set to expand its export destinations to include the Belarusian US\$535 million market.
- The Government of Zimbabwe is pushing towards localising seed potato production and also reducing imports of the commodity that are bleeding the economy.
- Milk production in Zimbabwe has increased by 11% to 24 million litres during the first quarter of 2023 from 21 million litres during the same period in 2022. The increase was attributed to both the

government and private sector initiatives that were aimed at boosting the livestock sector.

d) Manufacturing

News Highlights in the Manufacturing Sector

- Zimbabwe is now producing 12 million litres of cooking oil per month, enough to meet local demand, according to Oil Expressers Association of Zimbabwe. Output, however, still remains markedly lower than the sector's installed capacity of 32 million litres per month.
- Beverages manufacturer Varun Beverages Zimbabwe aims to diversify into other sectors of the economy, including hospitality, healthcare, and education, as the firm seeks to increase revenue. Varun Beverages officially commissioned its first plant in the southern African country in February 2018 with an initial production capacity of 15 million bottles per month. By 2019, the company had expanded its capacity for carbonated beverages to 51 million bottles per month by adding three more production lines. The beverage manufacturer added three Husky manufacturing lines as part of the second stage of growth to backward integrate and create 510 million preforms from virgin resin annually.
- Approximately US\$20 million worth of investments were injected across the dairy value chain in 2022, with 60% channelled towards improving efficiency and capacity at the processing level, which includes the manufacture of cream, dairy beverages, fermented milk, ice cream and yoghurt, among many milk products. As such, capacity utilisation grew from as low as 40 % in 2020 to an average of 60 % in 2022, according to the Dairy Processors Association of Zimbabwe (DPAZ).
- The Reserve Bank of Zimbabwe (RBZ) says the country's manufacturing sector is on a massive expansion push after consuming roughly 70% of all foreign currency injected into the economy in 2022.

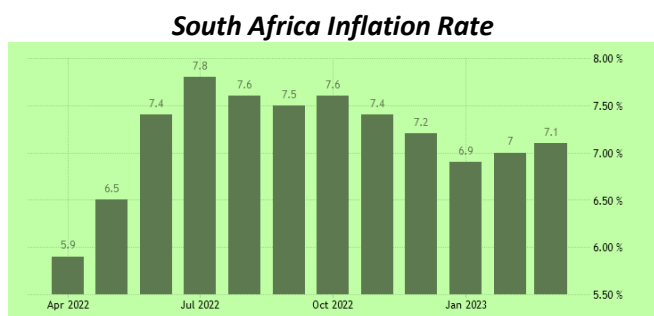
5. Regional Economies

Persistent higher borrowing costs for Sub-Saharan African nations as a result of global inflation and stricter monetary policies have increased pressure on currency rates. Since the spring of 2022, no nation has been able to issue a Eurobond. Due to a growing reliance on pricey market-based financing and a long-term drop in aid budgets, the interest burden on public debt is increasing. A region that is already grappling with severe macroeconomic imbalances is impacted by the absence of financing. In 2023, sub-Saharan Africa is expected to grow by 3.6%. A lack of money might lead nations to cut back on spending in vital development areas like infrastructure, health, and education, which would decrease the region's potential for progress.

a) South Africa

South Africa's economy is at risk of stagnating in 2023 as the country's electricity crisis continues to cause regular power cuts according to the IMF. In January, the South African Central Bank announced a GDP growth forecast of 0.3% for 2023, against 2% in 2022. However, the short-term outlook in the continent's leading industrial powerhouse has worsened, according to the International Monetary Fund (IMF). The following table shows economic growth forecasts for South Africa:

Meanwhile, South Africa's annual inflation rate rose for the second month to 7.1% in March 2023, from 7% in the prior month, against market expectations of 6.9% and still above the upper limit of the SARB's target range of 3%-6%. On a monthly basis, consumer prices inched up by 1% in March, the most in eight months and above market forecasts of a 0.9% increase. The following graph shows South Africa's inflation trend.

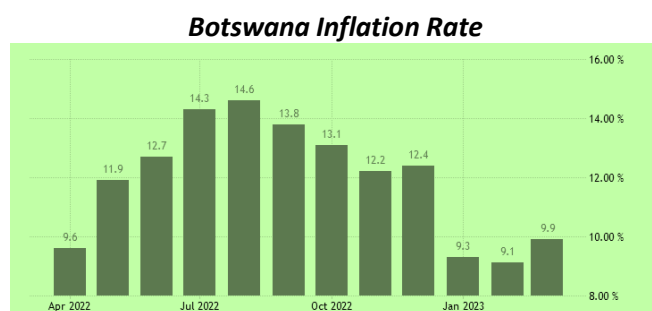


b) Botswana

The economy of Botswana is projected to expand by 4% in 2023, a decrease from 6.7% in 2022. The growth projections for Botswana through 2023 are shown in the table below.

Botswana Economic Growth Forecasts (%)			
Year	2022	2023	2024
World Bank	4.1	4.0	4.0
IMF	4.1	4.0	4.0

The annual inflation rate in Botswana picked up to 9.9% in March 2023 from an over one-year low of 9.1% in the previous month. Upward pressure came mostly from prices of food & non-alcoholic beverages (17.8% vs 17.3% in February); transportation (17% vs 14.3%) and miscellaneous goods & services (8.6% vs 8.5%). On a monthly basis, consumer prices surged by 1% in March, the most in eight months, after a 0.1% increase in the prior month. The following table shows Botswana's inflation trend:



c) Zambia

Zambia is putting a lot of effort into negotiating a debt restructuring with its creditors, particularly China. During the COVID-19 epidemic in 2020, Zambia was the first country in Africa to default on its sovereign debt; nevertheless, the restructuring of its external loans to creditors like China and Eurobond holders has been significantly delayed. The following table displays Zambia's economic growth projections in terms of performance:

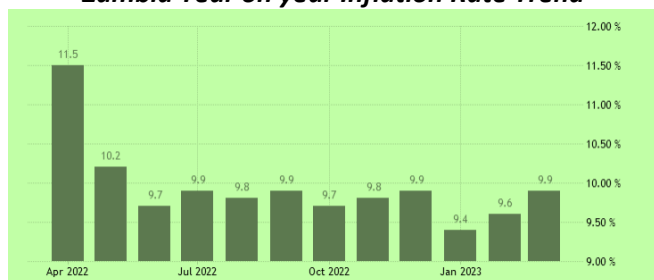
Zambia Economic Growth Forecasts (%)			
Year	2022	2023	2024
World Bank	3.0	3.9	4.1
IMF	2.9	4.0	5.0

Meanwhile, annual inflation rate in Zambia rose for the second month to 9.9% in March 2023, up from 9.6% in the previous month. It was the highest reading in three months, as a weaker currency pushed up the price of some imported products such as gasoline and cereals. Both food (11.8% vs 11.6% in February) and non-food inflation (7.3% vs 6.9%)

Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

quicken in March. On a monthly basis, consumer prices rose by 1% in March, the least in four months, slowing down from a 1.9% increase in the previous month. The following graph shows Zambia’s inflation trend.

Zambia Year on year Inflation Rate Trend



6. International Economies

According to the IMF’s April 2023 World Economic Outlook Report, tentative signs in early 2023 that the world economy could achieve a soft landing—with inflation coming down and growth steady—have receded amid stubbornly high inflation and recent financial sector turmoil. Although inflation has declined, as Central Banks have raised interest rates and food and energy prices have come down, underlying price pressures are proving sticky, with labour markets tight in a number of economies. Side effects from the fast rise in policy rates are becoming apparent, as banking sector vulnerabilities have come into focus and fears of contagion have risen across the broader financial sector, including nonbank financial institutions. Policymakers have taken forceful actions to stabilize the banking system. As discussed in depth in the Global Financial Stability Report, financial conditions are fluctuating with the shifts in sentiment.

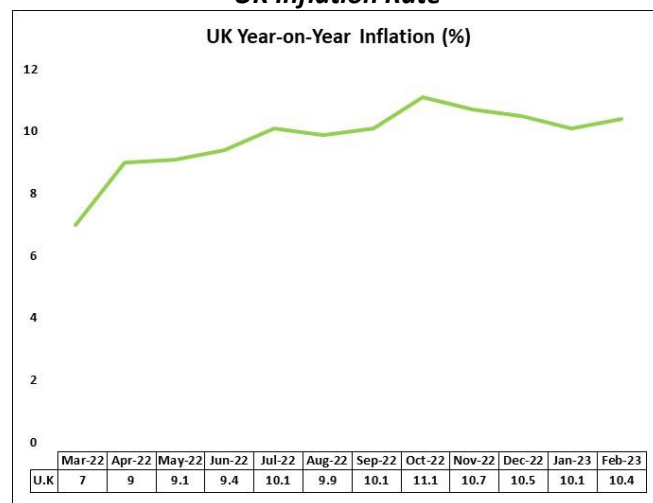
a) United Kingdom

The UK is set to be one of the worst-performing major economies in the world in 2023, according to the International Monetary Fund (IMF). IMF says the UK economy's performance in 2023 will be the worst among the 20 biggest economies, known as the G20, which includes sanctions-hit Russia. According to the IMF, the UK economy will shrink this year, although this is a small upgrade from its last forecast. IMF further warned of a "rocky road" for the global financial system. It follows the collapse of two US banks last month, closely followed by a rushed takeover of Swiss banking giant, Credit Suisse, by its rival UBS, which sparked fears of another financial crisis. The IMF had already forecast that the UK would experience a downturn this year and be bottom of the pile of the G7 - a group of the World's

seven largest so-called "advanced" economies, which dominate global trade and the international financial system. The UK topped the group in 2022 during the pandemic rebound. It now expects the UK economy to shrink by 0.3% in 2023 and then grow by 1% in 2024. Although the UK is forecast to have the worst economic performance this year, the IMF's latest prediction is slightly better than its previous expectation of a 0.6% contraction, made in January 2022.

On an inflation front, UK’s inflation increased from 10.1% in January 2023 to 10.4% in March 2023. The following Graph depict the UK annual inflation trend.

UK Inflation Rate



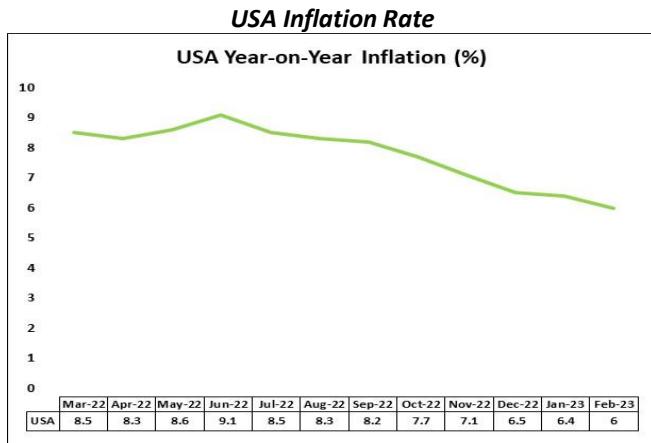
b) United States of America

The US is heading towards a crash landing after the near-death experience in the US banking sector. The country is suffering from rapidly tightening credit conditions, exacerbated by the banking crisis triggered by the collapse of Silicon Valley Bank. However, it is projected that over the course of the year 2023, the US economy will grow by 1.1%. The following table shows the U.S growth forecasts up to 2024.

U.S.A Economic Growth Forecasts (%)			
Year	2022	2023	2024
World Bank	1.9	0.5	1.6
IMF	1.6	1.0	1.9

Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

Annual inflation rate in the US slowed to 6% in February 2023, the lowest since September of 2021, in line with market forecasts, and compared to 6.4% in January. The following graph depicts the annual inflation trend in the United States.



c) China

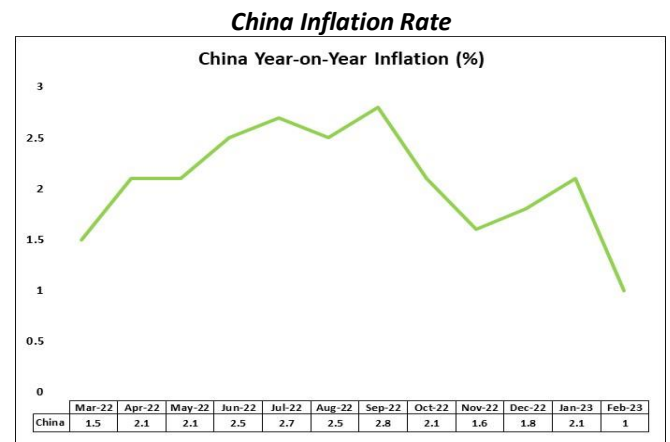
China's economy grew faster than expected in the first three months of 2023, as the country emerged from its tough Covid-19 restrictions. Compared to the same period last year, gross domestic product (GDP) grew by 4.5%, official figures show. The key measure of economic activity was driven up by a boost in household spending and rising factory activity. Beijing pledged to boost the world's second largest economy when it lifted coronavirus measures in December 2022.

On another note, separate data for March 2023, showed that retail sales, the main indicator of household consumption, jumped by 10.6%, compared to a year earlier. At the same time, output from the country's factories rose by 3.9%, although that slightly missed forecasts. Meanwhile, there was also evidence of a strong rebound for the country's airline industry. China Civil Aviation Administration data showed that more than 45 million air passenger trips were taken in March 2023, an almost threefold increase on the same time last year. The country resumed processing visa applications in March after announcing a major easing of restrictions. Investors had been eagerly waiting for the figures to get clues on the strength of China's recovery after the government lifted coronavirus measures. Beijing has also eased a three-year-long crackdown on big technology companies and property developers.

Authorities, including the People's Bank of China, have promised to increase support for China's economy to help curb unemployment but are limited in what measures they can take. Last year, China's GDP growth slumped to one of the lowest levels in nearly half a century due to coronavirus measures. The table below shows the China growth forecasts up to 2024.

China Economic Growth Forecasts (%)			
Year	2022	2023	2024
World Bank	2.7	4.3	5.0
IMF	3.2	4.4	4.6

In the interim, China's annual inflation rate fell to 1.0% in February 2023, from 2.1% in January 2023, missing market forecasts of 1.9%. This was the lowest inflation since February 2022, with prices of both food and non-food easing sharply, as consumers stayed cautious despite the removal of zero-COVID policy. The following graph shows China's annual inflation trend from March 2022 to February 2023.



Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.

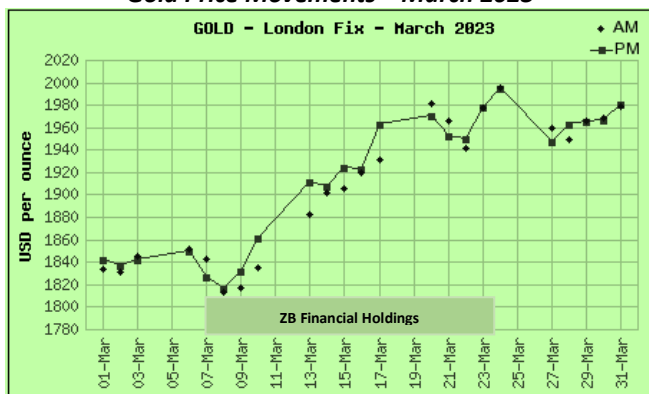
7. Commodities Markets

Commodity	February 2023 Price (US\$)	March 2023 Price (US\$)	Percentage Change
Gold	1,854.54	1,912.73	3.14%
Platinum	958.85	971.19	1.29%
Silver	22.01	21.92	-0.42%
Oil	76.87	73.37	-4.55%

a) Gold

On average, gold prices increased by 3.14% to US\$1,912.73/ounce in March 2023, from US\$1,854.54/ounce recorded in February 2023. The following graph shows the trend of daily gold prices in March 2022.

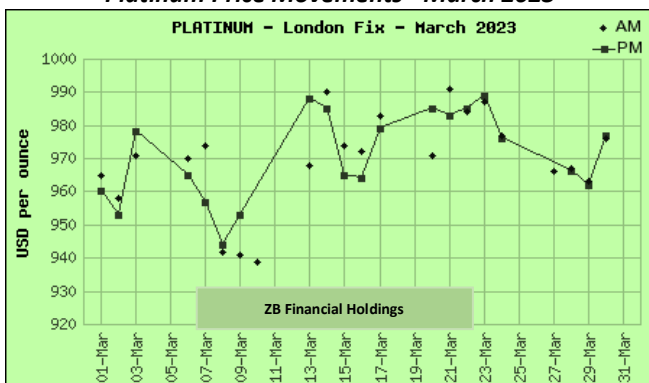
Gold Price Movements – March 2023



b) Platinum

Platinum prices extended gains by 1.29%, from a monthly average of US\$958.85 per ounce in February 2023 to US\$971.19 per ounce in March 2023. The increase was largely on account of prospects of a rise in investment demand as well as the picking industrial demand in China.

Platinum Price Movements - March 2023



c) Silver

The average price of Silver slightly decreased by 0.42% from US\$22.01/oz in February 2023 to US\$21.92/oz in March 2023. The graph below shows the daily trend of Silver price in March 2023.

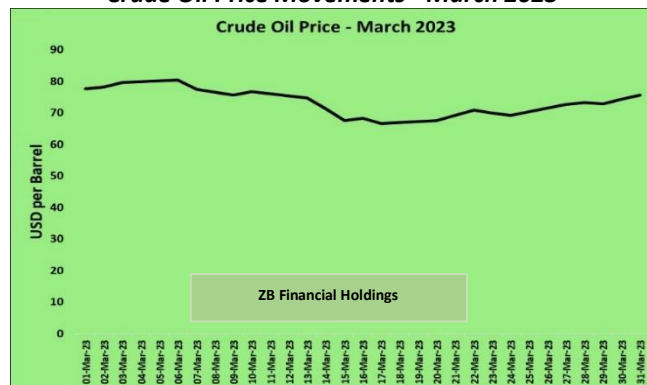
Silver Price Movements - March 2023



d) Crude Oil

Monthly average crude oil prices decreased by 4.55%, from US\$76.87 per barrel in February 2023 to US\$73.37 per barrel, in March 2023. The graph below shows the trend of crude oil price in March 2023.

Crude Oil Price Movements - March 2023



END

Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial Holdings, any of its directors, employees, or associates. Any person who makes use of this document shall be solely responsible for making his or her own independent investigation of the issues discussed in this report. ZB Financial Holdings accepts no responsibility whatsoever for the accuracy or completeness of the information contained in this document.