

Monthly Economic Update April 2025

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1. Economic Performance

a) Domestic Economy

Zimbabwe's economic growth outlook for 2025 remains optimistic, driven by a recovery in agriculture, an improved electricity supply and robust performance in both manufacturing & mining sectors. Notably, the Zimbabwe International Trade Fair (ZITF) in April 2024 generated significant business leads, estimated between US\$296 million and US\$379 million. Key government-led initiatives, particularly in mineral beneficiation and industrialization, have strengthened economic activity, with platinum processing up by 15% and manufacturing output increasing by 12%. Key sectors such as agro-processing, textiles and construction have seen notable growth, while capital equipment imports surged nearly 20%, signalling ongoing industrial upgrades. Zimbabwe is also poised to benefit from the African Continental Free Trade Area (AfCFTA), with industrial exports to Africa forecasted to rise by 59%, bolstered by improved market access and value addition.

The European Union's trade and investment support to Zimbabwe, totalling €560 million and duty-free access to its markets, further contribute to economic momentum, especially in sectors like horticulture. While the recent US tariff hike may have minimal direct impact, its indirect effects through South Africa could potentially affect trade flows and maybe growth. The table below outlines Zimbabwe's economic growth forecasts:

Zimbabwe Economic Growth Forecasts (%)			
Year	2023	2024	2025
IMF (Apr 2025)	2.0	6.0	4.6
World Bank (Jan 2025)	4.5	3.3	6.0
GOZ (Nov 2024)	5.5	2.0	6.0

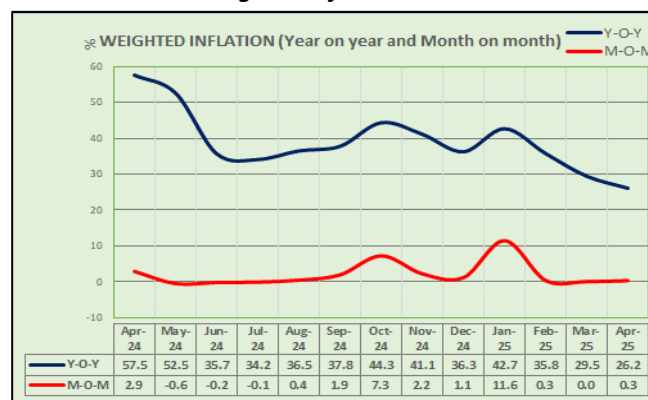
2. Inflation

Below is a brief outline of the inflation metrics, including the weighted inflation rate, USD inflation rate and Zig inflation rate, for the month under review.

a. Weighted Inflation

Weighted inflation, reflecting combined local and foreign currency price movements, eased to 26.2% year-on-year in April 2025, down from 29.5% in March 2025. The decline reflects exchange rate stability, tighter monetary policy and improved supply chains. However, month-on-month inflation rose slightly to 0.3% from 0.0%, indicating persistent localised pressures. Within the CPI, the Water, Electricity, Gas & Other Fuels category increased by 1.7%, driven by higher utility and fuel costs, while Food and Non-Alcoholic Beverages fell by 0.2%, showing some easing in food prices. As Zimbabwe operates under a multi-currency system, weighted inflation remains a key gauge for real purchasing power and informs monetary policy direction.

Weighted Inflation Trend



Source: ZIMSTATS & RBZ –April 2025

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Meanwhile, barring significant alterations, our 3-month econometric forecasts for cumulative weighted inflation are outlined below:

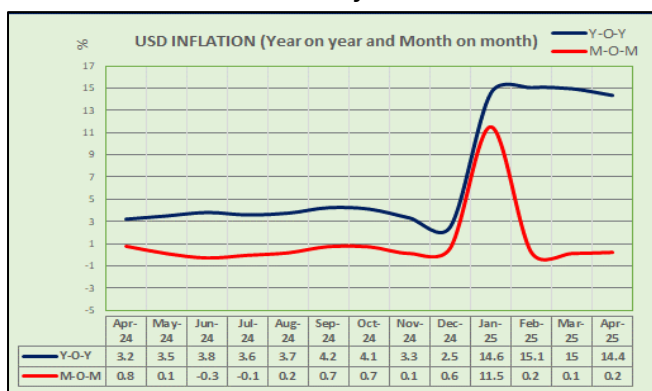
3 Month Inflation Forecasts (%)		
Month	Y-O-Y	M-O-M
May-25	33.5	5.2
June-25	36.2	1.8
July-25	36.8	0.3

Source: ZB Financial Holdings – April 2025

b. USD Inflation

Year-on-year USD inflation, measured by the all-items USD CPI, declined slightly by 0.6 percentage points to 14.4% in April 2025. Month-on-month inflation rose to 0.2%, up from 0.1% in March 2025. Despite modest movements, the persistently high annual inflation in USD terms reflects structural challenges such as currency volatility, elevated production costs and heavy reliance on imports. These are worsened by weak domestic supply and limited local alternatives for essentials like food, fuel and manufactured goods. The slight monthly increase may signal early signs of price pressure as the economy moves toward mid-year, a period often marked by higher demand and government spending. The following graph illustrates the current trend of USD inflation in Zimbabwe.

Zimbabwe USD Inflation Trend



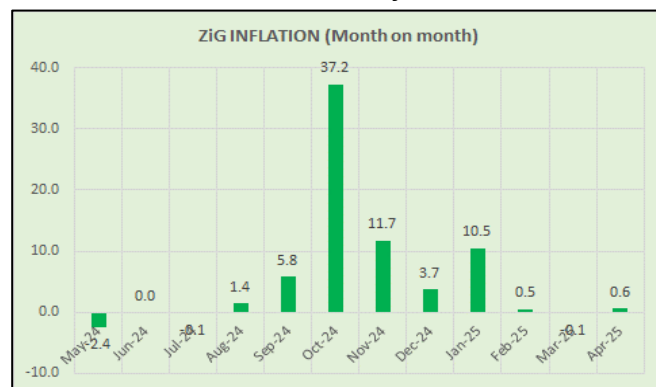
Source: ZIMSTATS & RBZ- April 2025

c. ZiG Inflation Rate

April 2025 marks one year since the Reserve Bank of Zimbabwe (RBZ) introduced the ZiG currency. The maiden Year-on-year inflation rate in ZiG terms stood at 85.7%, reflecting initial currency volatility and ongoing price realignments. On a month-on-month basis, inflation rose sharply to 0.6% in April 2025, up from -0.1% in March 2025,

indicating a 0.7 percentage point increase. Within the ZiG CPI, the Water, Electricity, Gas & Other Fuels category recorded a 1.7% increase, driven by rising utility and fuel costs. The following graph illustrates the current trend of ZiG inflation.

ZiG Month-on-Month Inflation Trend



Source: ZIMSTATS & RBZ – April 2025

3. Poverty Datum Line

The Total Consumption Poverty Line (TCPL), representing the minimum income to meet basic food and non-food needs, rose slightly by 0.2% in April 2025, from ZiG1,260.52 in March 2025 to ZiG1,263.41. For a six-member household, this equates to ZiG7,580.46, reflecting relative price stability amid easing inflation.

In April 2025, Zimbabwe's Food Poverty Datum Line (FPDL), which represents the cost of meeting the nutritional needs of 2,100 calories per person, decreased by 0.2% to ZiG862.06. For a household of six, this amounts to ZiG5,172.36, which makes up 68% of total household costs. The slight decline is likely due to improved food availability from the 2024/2025 harvest. However, the significant gap between the food poverty line and the total poverty line highlights the burden of non-food expenses, particularly for low-income urban households.

Month	TCPL	% Change	PDL	% Change
Dec-24	1,156.67	4.1	805.95	4.6
Jan-25	1,255.78	8.6	861.14	6.8
Feb-25	1,263.86	0.6	868.16	0.8
Mar-25	1,260.52	-0.3	864.20	-0.5
Apr-25	1,263.41	0.2	862.06	-0.2

Source: ZIMSTATS – April 2025

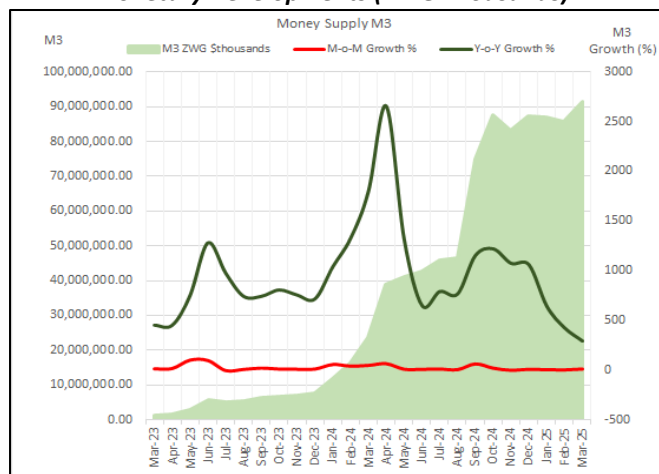
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4. Financial Sector

a) Money Supply

According to the latest RBZ data, Broad Money (M3) rose by 6.9% month-on-month in March 2025, reaching ZiG91.5 billion from ZiG86.6 billion in February 2025. This marks a sharp reversal from the 1.7% decline recorded in the previous month. However, on a year-on-year basis, M3 growth decelerated significantly to 286.5% in March 2025, down from 426.9% in February 2025, reflecting a tightening in monetary dynamics. The graph below illustrates these monetary trends from March 2023 to March 2025.

Monetary Developments (ZWG Thousands)



Source: RBZ – April 2025

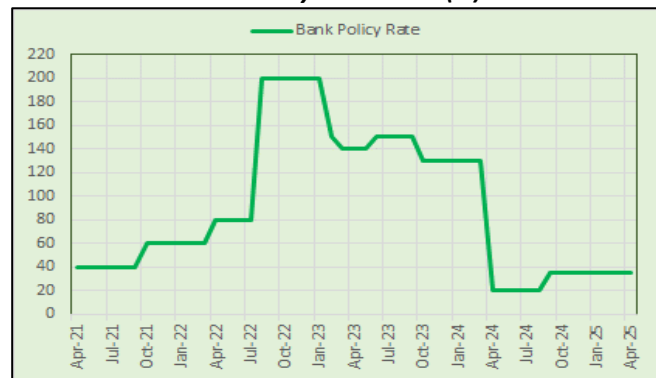
b) Interest Rates

The interest rate framework for Zimbabwe remained largely the same during the period under review. In fact, the RBZ's Monetary Policy Committee announced the following measure on 28 March 2025 regarding interest rates.

1. To maintain the bank policy rate at 35%.
2. To maintain the statutory reserve requirements for demand and call deposits for both local and foreign currency at 30%.
3. To maintain the statutory reserve requirements for savings and time deposits for both local and foreign currency at 15%.

The graph below shows the interest rate trend for the period March 2021 to March 2025.

Bank Policy Rate Trend (%)



Source: RBZ – April 2025

As of 25 April 2025, the weekly average minimum lending rates in ZiG were recorded at 42.36% for individuals and 40.50% for corporates. On the other hand, average minimum deposit rates for savings, 1-month and 3-month deposits were recorded at 3.81%, 5.66% and 5.95% respectively. The table below illustrates the trend in average minimum lending rates and average deposit rates denominated in ZiG.

Average Lending and Deposit Rates (ZiG)

LOCAL CURRENCY (ZiG)					
Lending Rates (%)			Deposit Rates (%)		
Week Ending	Commercial Banks (<i>minimums</i>)				
	Individuals Clients	Corporate Clients	Savings	1-Month	3-Months
4-Apr-25	42.28	40.45	3.81	5.66	5.95
11-Apr-25	42.20	40.47	3.81	5.66	5.95
17-Apr-25	42.79	40.64	3.81	5.66	5.95
25-Apr-25	42.16	40.43	3.81	5.66	5.95
Average	42.36	40.50	3.81	5.66	5.95

Source: RBZ – April 2025

In US Dollar terms, the most recent weekly average minimum lending rates stood at 13.01% for individuals and 11.05% for corporates, whilst the latest average minimum deposit rates for savings, 1-month, and 3-month deposits were recorded at 1.67%, 3.72% and 4.38% respectively. The table below illustrates the trend in average minimum lending rates and average deposit rates denominated in US\$.

Average Lending and Deposit Rates (USD)

FOREIGN CURRENCY (USD)					
Lending Rates (%)			Deposit Rates (%)		
Week Ending	Commercial Banks (<i>minimums</i>)				
	Individuals Clients	Corporate Clients	Savings	1-Month	3-Months
4-Apr-25	12.96	11.09	1.67	3.72	4.38
11-Apr-25	13.01	11.11	1.67	3.72	4.38
17-Apr-25	13.03	11.01	1.67	3.72	4.38
25-Apr-25	13.02	10.98	1.67	3.72	4.38
Average	13.01	11.05	1.67	3.72	4.38

Source: RBZ – April 2025

c) Foreign Currency Market

In April 2025, the U.S. dollar depreciated against 11 of the 18 currencies in our monitored basket, based on monthly average exchange rates, continuing the trend observed in March 2025. The most notable decline was against the Swiss Franc, with the dollar weakening by 5.65%, reflecting relative safe haven flows and policy divergence. On the other hand, the dollar appreciated against 7 currencies, recording its strongest gain of 4.78% against the Argentine Peso, driven by persistent macroeconomic instability in Argentina. The table below presents a detailed summary of monthly average exchange rate movements for all 18 currencies, offering insights into the shifting dynamics of global currency markets.

Exchange rate analysis (Monthly Averages)

Exchange Rate Analysis (Monthly Averages)			
Currency/US\$	Mar-25	Apr-25	Change (%)
Argentine Peso	1066.06817	1117.015672	4.78
Australian Dollar	1.588621	1.592313	0.23
Botswana Pula	13.656929	13.787167	0.95
Brazilian Real	5.766114	5.783031	0.29
British Pound	0.775864	0.761462	-1.86
Canadian Dollar	1.436007	1.398634	-2.60
Chinese Yuan Renminbi	7.251022	7.291225	0.55
Euro	0.926906	0.891211	-3.85
Hong Kong Dollar	7.77424	7.764031	-0.13
Indian Rupee	86.619276	85.602044	-1.17
Japanese Yen	149.175548	144.354086	-3.23
Norwegian Krone	10.725555	10.565813	-1.49
Russian Ruble	86.430629	83.297227	-3.63
South African Rand	18.304688	18.922006	3.37
Swedish Krona	10.182579	9.785461	-3.90
Swiss Franc	0.884884	0.83493	-5.65
South Korean Won	1457.65307	1439.947796	-1.21
Zimbabwean Gold	26.6742	26.80149	0.48

Source : x-rates.com ; RBZ © ZB Financial holdings

However, a closer analysis of opening and month-end exchange rates reveals a broader weakening of the U.S. dollar, which depreciated against 13 of the 18 currencies in the basket while appreciating against only 5. This divergence from the monthly average trends highlights intra-month volatility and shifting investor sentiment during April 2025. The table below provides a detailed breakdown of these month-end exchange rate movements across all 18 currencies, offering a clearer picture of the currency dynamics.

Exchange Rate Analysis (End Period)

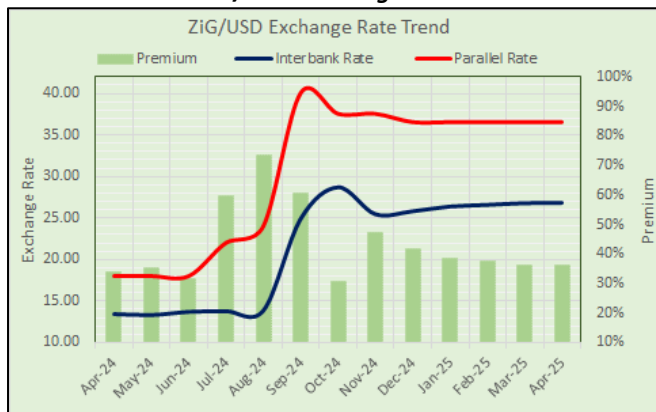
Exchange Rate Analysis(end period)			
Currency/US\$	1-Apr-25	30-Apr-25	Change (%)
Argentine Peso	1072.78571	1165.4256	8.64
Australian Dollar	1.592623	1.563017	-1.86
Botswana Pula	13.657739	13.689172	0.23
Brazilian Real	5.687737	5.661949	-0.45
British Pound	0.773835	0.749663	-3.12
Canadian Dollar	1.431797	1.380879	-3.56
Chinese Yuan Renminbi	7.270291	7.271706	0.02
Euro	0.925859	0.881275	-4.82
Hong Kong Dollar	7.780509	7.755219	-0.33
Indian Rupee	85.554357	84.605682	-1.11
Japanese Yen	149.400153	142.640204	-4.52
Norwegian Krone	10.457337	10.388661	-0.66
Russian Ruble	84.529386	81.794648	-3.24
South African Rand	18.386538	18.591502	1.11
South Korean Won	1471.23874	1425.99325	-3.08
Swedish Krona	9.996757	9.660891	-3.36
Swiss Franc	0.88265	0.822835	-6.78
Zimbabwean Gold	26.772	26.8158	0.16

Source: x-rates; RBZ © ZB Financial holdings

d) Zimbabwe Gold Exchange Rate

In April 2025, the ZiG depreciated for the fifth consecutive month, weakening by 0.19% against the U.S. dollar on the interbank market. The official exchange rate moved from ZiG26.77 per USD on 31 March 2025 to ZiG26.82 by 30 April 2025. In contrast, the parallel market rate remained unchanged, averaging ZiG36.50 per USD throughout the month. This persistent divergence between the two markets maintained the exchange rate premium at 36%, signalling continued distortions in foreign currency pricing. The graph below illustrates trends in both interbank and parallel exchange rates from April 2024 to April 2025.

ZiG/USD Exchange Rate



Source: RBZ & ZB Financial Holdings – April 2025

The Central Bank has maintained a tight monetary policy stance, with a focus on stabilizing the exchange rate and curbing inflation. As a result, the exchange rate is expected to remain relatively stable in the near-term future.

e) Equities Markets & Corporate Briefs

The Zimbabwe Stock Exchange (ZSE) recorded a modest decline in April 2025, with local currency market capitalization falling by 7.1% month-on-month to ZWG58.08 billion, down from ZWG62.53 billion. USD-denominated capitalization also declined by 7.3% to US\$2.17 billion from US\$2.34 billion. The ZSE All-Share Index closed at 191.95 points, a 6.5% decrease from March's 205.25 points, reflecting subdued investor sentiment and continued portfolio rebalancing.

In contrast, the Victoria Falls Stock Exchange (VFEX) posted solid gains during the month. Market capitalization rose by 4.2% to US\$1.32 billion from US\$1.27 billion, while the All-Share Index rose by 3.9% to 114.67 points from 110.32. The parallel improvement in both price and valuation metrics points to steady, liquidity-driven growth on the dollar-denominated bourse. The following table highlights the monthly performance of both markets over the past five months.

ZSE and VFEX Market Performance Indicators

Date	ZSE Market Summary			VFEX Market Summary	
	All Share	Mkt Cap ZWG mil	Mkt Cap US\$ mil	All Share	Mkt Cap US\$ thous
Apr-25	191.95	58,079.91	2,166.23	114.67	1,321,970
Mar-25	205.25	62,534.69	2,336.40	110.32	1,268,970
Feb-25	204.06	61,984.24	2,334.42	106.11	1,220,060
Jan-25	195.57	58,848.17	2,232.01	103.02	1,259,660
Dec-24	217.58	65,105.25	2,524.74	104.09	989,270

Source: ZSE & VFEX – April 2025

Zimbabwe's local equities market remained largely subdued in the first four months of the year, primarily due to persistent liquidity challenges that hampered trading activity

and dampened investor sentiment. Limited access to capital and constrained cash flow among institutional and retail investors contributed to reduced volumes and market turnover, highlighting the ongoing strain on the equities markets.

Meanwhile, Zimre Properties is set to list its Eagle Real Estate Investment Trust (REIT) on the Victoria Falls Stock Exchange (VFEX) through a listing by introduction on May 16, 2025. This will mark the first REIT to be listed on VFEX, offering new opportunities for investment in Zimbabwe's real estate sector.

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5. Various Sectors of the Economy

a) External Sector

According to the latest ZIMSTAT data, Zimbabwe's merchandise exports rose sharply to US\$581.9 million in March 2025, a 13.5% increase from US\$512.6 million recorded in February 2025. This growth was driven by higher export volumes of manufactured gold (42.4% of total exports), nickel mattes (16.5%) and tobacco (15.7%).

On the import side, merchandise imports increased to US\$809.9 million, up 10.9% from US\$730.4 million in the previous month. The import basket remained dominated by mineral fuels, oils, & related products (20.1%), followed by cereals (11.7%) and machinery & mechanical appliances (10.8%).

The net result was a widened trade deficit of US\$228.0 million in March 2025, an increase of 4.7% from US\$217.9 million in February 2025. While the month-on-month export performance was strong, the persistent trade imbalance reflects structural challenges, including heavy reliance on imported energy and capital goods and a narrow export base vulnerable to global commodity price fluctuations. These imbalances are likely to persist in the near term, posing continued pressure on the current account and foreign currency reserves. The graph below illustrates trends in external trade statistics since March 2024.

External Trade Statistics



Source: ZIMSTATS – April 2025

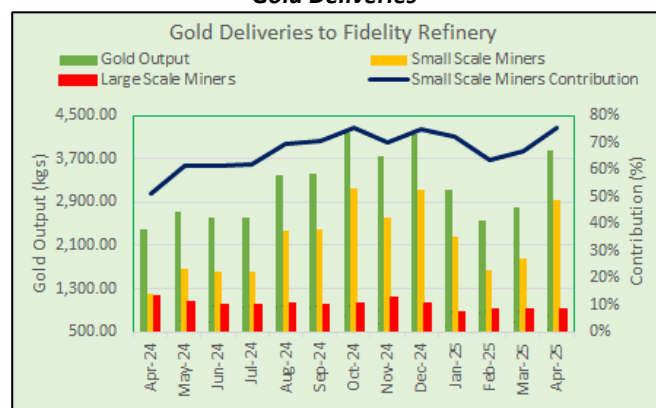
b) Mining Sector

This sector remains a cornerstone of the economy, with mineral exports rising 16% in volume to 1.02 million tonnes in Q1:2025. However, export revenue declined by 27% to US\$555.2 million, mainly due to weak platinum group metal prices. Despite this, the sector showed resilience through diversified exports such as spodumene, high-carbon

ferrochrome and coke. Gold outperformed, with earnings up 30% to US\$396 million, driven by record prices and increased output. Major firms are boosting investment, signalling long-term confidence. Yet, challenges persist, including power shortages reducing output by 10% and unfavourable forex retention rules impacting profitability and reinvestment capacity.

Meanwhile, gold deliveries to Fidelity Gold Refinery increased by 38% in April 2025, from 2,793.81 kgs in March 2025 to 3,863.58 kgs. Small-scale miners accounted for approximately 76% of total deliveries in April 2025, up from 67% recorded in the previous month, while large-scale miners accounted for the remainder. The graph below summarizes the activity in gold production.

Gold Deliveries



Source: FGR – April 2025

News and Highlights in the Mining Sector.

- Padenga Holdings Limited is investing US\$30 million in 2025 to enhance gold production and operational efficiency, with US\$29 million directed to its mining subsidiary, Dallaglio Investments. Major allocations include US\$13 million for underground shaft construction at Pickstone, US\$6 million for performance upgrades at Eureka and US\$3.8 million for exploration drilling. The goal is to increase gold output to 85,000 to 90,000 ounces in 2025, positioning Padenga as Zimbabwe's second-largest gold producer.
- Caledonia Mining Corporation's Blanket Mine delivered a record gold output of 18,671 ounces in Q1:2025, exceeding the 17,050 ounces produced in Q1:2024. This performance was driven by operational enhancements and increased milling efficiency, with 201,755 tonnes processed, 13.4%

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above expectations. With this momentum, Blanket Mine remains firmly on track to achieve its 2025 production target of 74,000 to 78,000 ounces.

- Kavango Resources secured a US\$5 million interest-free convertible loan facility from the Comarton Managed Pension Funds' Investments Consortium to support gold mine development in Zimbabwe. The funding, to be disbursed in three tranches over 12 months, is expected to finance mine construction and a gold processing plant, ahead of the company's planned listing on the Victoria Falls Stock Exchange. Focused on historic high-grade sites in Matabeleland, Kavango aims to commence production within a year.
- The Government plans to establish 20 gold centres across Zimbabwe by 2026 to curb gold leakages and strengthen support for small-scale miners. This initiative builds on the success of the Bubi and Makaradzi Gold Centres, which have provided critical technical assistance and resources, helping formalize and boost productivity in the artisanal and small-scale mining sector.
- Kuvimba Mining House is finalizing a Build-Operate-Transfer (BOT) agreement with international investors to develop a cutting-edge lithium processing plant at its Sandawana Mine in Mberengwa. With an estimated 100 million tonnes of high-grade lithium ore, Sandawana is ranked as the world's fifth-largest lithium reserve. Construction is expected to commence by mid-2025, and once operational, the facility is projected to produce up to 500,000 tonnes of lithium concentrate annually, potentially generating revenues of US\$250 million.

c) Agriculture Sector

The agricultural sector is showing robust growth despite climatic and economic challenges. The 2024/25 season saw significant gains, with maize production reaching 2.29 million metric tonnes, up 6.4% from the previous season. Cash crops performed strongly, including a 15% rise in tobacco, 52% increase in cotton and a 303% surge in sunflower output, driven by improved inputs and climate-smart farming. Preparations for the 2025 winter season are on track, with 135,250 hectares targeted for cereals, including 120,000 hectares for wheat, projecting 600,000 metric tonnes, well above national demand which stands at

around 360,000 metric tonnes per annum. Water levels are 88.5% full, ensuring irrigation capacity. The Government is focusing on 21 critical enablers like power, inputs and policy support, while 150 megawatts of electricity was ringfenced for winter wheat production. Livestock production also shows growth, with a 5.7 million cattle herd and increased beef output.

At the ongoing tobacco auction, cumulative sales declined by 7.7% as of the end of April 2025, compared to the same period last year, reflecting a significant decrease in quantities sold. The average price also fell by US\$0.16 per kilogram.

Cumulative Tobacco Sales: Day 36 (25th April 2025)

	2024	2025	Change
Cumulative Quantity Sold (million kgs)	112,981,065	104,322,524	-7.7%
Average Price (US\$/kg)	3.57	3.41	-0.16

Source: TIMB – April 2025

News Highlights in the Agriculture Sector.

- The expansion of the GMB depot in Kwekwe, which includes seven new silos and a high-capacity drying system capable of processing 200 tonnes of grain per hour, was completed. This upgrade improves Zimbabwe's post-harvest efficiency by enabling on-site drying of grain with up to 24% moisture. It is part of a national initiative to bolster food security, with 14 silo projects currently underway across the country, each with a 56,000-tonne capacity. Once all are completed, Zimbabwe's strategic grain reserve capacity is expected to increase to 1.5 million tonnes.
- The berry sector is experiencing rapid growth, with export earnings increasing by 351%, from US\$11.1 million in 2020 to US\$50.1 million in 2024. Export volumes also surged by 149%, reaching 6,240 tonnes. Key markets for 2024 include the Netherlands, Hong Kong and Germany, where berries are fetching up to US\$14 per kilogram. Blueberry exports alone soared from US\$1 million in 2018 to US\$50 million in 2024. With 2025 export projections at 10,000 tonnes, Zimbabwe aims to reach 30,000 tonnes by 2030, driven by an annual growth rate of 34.3% in the berry sector.
- According to the Horticultural Development Council (HDC), Zimbabwe's horticulture sector is poised for significant growth, with the potential to reach US\$2.4 billion in annual export revenue, contingent on US\$800 million in investments. The sector's area is expected to expand from 90,000 hectares to over

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132,000 hectares. Fresh produce alone is projected to contribute US\$1.38 billion annually, supporting over 378,000 jobs.

- Zimbabwe's pig farming sector is experiencing steady growth, with 224,625 pigs slaughtered commercially in 2024, producing 17,482 tonnes of meat, up from 220,000 in 2023. This growth highlights the sector's resilience and upward trajectory since 2020. With a commercial sow population nearing 129,000, the sector aims to reach 25,000 tonnes of pork by 2025, generating an estimated US\$73 million annually.
- Zimbabwe's dairy sector is experiencing robust growth, with Q1: 2025 milk production reaching 28 million litres, a 14% increase compared to the same period last year. This positive trend is largely driven by effective government-private sector collaboration. However, challenges such as high production costs, limited access to affordable finance and the need for further infrastructure development persist. Despite these obstacles, stakeholders are optimistic about achieving national milk self-sufficiency by 2025, with a target to meet the annual demand of approximately 130 million litres.

d) Energy Sector

In the month under review, Zimbabwe recorded a 5.7% increase in electricity generation, largely driven by a 39% rise in output from Hwange Power Station. Despite this improvement, generation at Kariba Power Station declined significantly, averaging only 263MW, down from 471MW in the previous month due to persistently low water levels in Kariba Dam. Consequently, total average electricity generation stood at 1,361MW, falling short of the national peak demand of 1,900MW. This continued supply gap poses a risk to critical sectors, particularly the upcoming winter wheat farming, which alone requires approximately 150MW to ensure uninterrupted irrigation.

Daily Electricity Supply

Average Maximum Supply (MW)	Mar-25	Apr-25	Change
Hwange	736	1,030	39.9%
Kariba	471	263	-44.2%
IPPS	81	68	-15.9%
Total	1,288	1,361	5.7%

Source: ZPC – April 2025

Looking ahead, electricity shortages are expected to persist in the short term due to a technical fault at Hwange, resulting in increased load shedding across all user groups. Additionally, the country faces a shortage of 6,000

transformers, largely due to rampant vandalism, further straining power distribution.

News Highlights in the Energy Sector

- Zimbabwe's Hwange Repowering Project is nearing final Cabinet approval, aiming to increase power generation capacity from 340MW to 800MW through a partnership with Jindal Africa under a rehabilitate-operate-transfer (ROT) model. All technical and commercial details have been finalized and are currently under review by the Public-Private Partnership Committee.
- According to ZIDA, Zimbabwe's energy sector led all investment inflows in Q1:2025, attracting approximately US\$2.72 billion in projected investments. This was largely driven by a transformative US\$2 billion, 600MW coal-fired power project in Kalungwizi, Binga. The project is expected to significantly strengthen the national power grid, with major benefits for energy-intensive sectors such as mining and manufacturing.
- Caledonia Mining has sold its 12.2MW solar plant in Gwanda to Cross Boundary Energy for US\$22.35 million, securing a Power Purchase Agreement to ensure continued energy supply to Blanket Mine. Built in 2023 for US\$14.3 million, the plant has generated over 57,700 MWh, meeting 20% of the mine's power requirements.

e) Manufacturing Sector

Zimbabwe's manufacturing sector displayed resilience in 2024, with manufacturing output growing by 12%, supported by robust performance in agro-processing, textiles, and construction. Job creation rose from 11% to 14%, signalling gradual recovery and stability. Capital equipment imports surged by 20%, indicating ongoing industrial upgrades and investor confidence in the sector's long-term potential.

However, the sector still faces significant challenges, notably the underutilization of 47.7% of its manufacturing capacity. This inefficiency, coupled with continued reliance on imports, underscores the urgent need to stimulate domestic production.

News Highlights in the Manufacturing Sector

- Proplastics Limited, a leading manufacturer of plastic pipes in Zimbabwe, is expanding its capacity to meet the expected surge in demand driven by government projects. The company is focusing on supplying products for water & sewer reticulation,

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irrigation, and construction, in anticipation of increased demand linked to national development initiatives.

f) Property Sector

Zimbabwe's property sector remains cautiously optimistic, with the government aiming to achieve its revised target of one million housing units by the close of 2025. This ambitious goal is supported by a growing synergy between the public and private sectors, highlighting a concerted effort to address the country's significant housing gap and boost urban infrastructure development.

However, the sector faces notable challenges. Masimba Holdings pointed to tight liquidity conditions that are restricting effective project execution. These financial constraints have resulted in cash flow bottlenecks and an expanding debtors' book, emphasizing the need for enhanced access to capital to sustain sectoral growth and mitigate financial pressures.

News Highlights in the Property Sector

- A ground-breaking ceremony for a new low-cost housing project under Operation Nehemiah took place in the Retreat area of Waterfalls, Harare. Spearheaded by the United Family International Church, the project is expected to initially offer 600 residential stands, with plans to expand to at least 1,000 through further developments in areas such as Norton.
- Henock Ranching launched a new urban development project on the outskirts of Bulawayo, spanning 58 hectares. The gated lifestyle estate, designed to accommodate up to 8,000 residents, will feature a hotel, clubhouse, restaurant, sporting facilities, an agri-tech centre and a central cultural plaza. Powered by a 20MW solar plant, the project is expected to incorporate energy-neutral housing technologies, aligning with sustainable development goals.

g) Tourism Sector

In the first quarter of 2025, Zimbabwe saw a remarkable rebound in its tourism sector, welcoming 1.5 million tourists. This surge in tourist visits is attributed to targeted marketing campaigns, improved infrastructure, and enhanced service delivery at key tourist destinations.

The aviation sector has also demonstrated growth, with air traffic movements increasing by over 5% and cargo volumes rising to 17 tonnes in 2024, up from 15 tonnes the previous

year. The expansion of international airlines, new routes and stronger international cooperation have fuelled this growth, aligning with Zimbabwe's broader policy priorities aimed at boosting investment and economic opportunities.

Additionally, Zimbabwe's participation in Expo 2025 in Osaka will serve as a strategic platform to enhance global visibility. The government aims to boost tourist arrivals by 15% annually, grow trade and investment deals by 10% and build stronger international partnerships, positioning the country as a premier destination for tourism, business, and cultural engagement.

News Highlights in the Tourism Sector

- Hotels in Victoria Falls enjoyed a strong Easter season, with average occupancy rates climbing to 70%, up from 52% in 2024. This increase reflects growing tourist confidence and heightened interest in one of Zimbabwe's top destinations.
- The Victoria Falls Rainforest saw a significant rise in tourist arrivals during the first quarter of 2025, welcoming over 60,000 visitors, up from just over 50,000 in the same period last year.
- The Robert Gabriel Mugabe International Airport is undergoing major upgrades, including a new domestic terminal and a 70-room hotel to enhance passenger capacity and services. These developments aim to establish Zimbabwe as a regional aviation hub, boosting tourism and trade.
- Albwardy Investments, the UAE-based owner of the Hyatt Regency Meikles Hotel, is expanding its presence in Zimbabwe's tourism sector. After completing extensive refurbishments at the Meikles Hotel, the investor has reaffirmed its commitment to helping Zimbabwe increase its hotel room capacity from 6,000 to 20,000 over the next five years, driven by confidence in the country's tourism potential.

6. Regional Economies

The IMF forecasts Sub-Saharan Africa's growth to moderate to 3.8% in 2025 from 4.0% in 2024, due to weaker global demand, subdued commodity prices and tighter financial conditions. In contrast, the World Bank projects a slight uptick to 3.5%, driven by improved private consumption and investment. Inflation continues to ease, falling to 4.5% in 2024 but expected to edge up to 4.6% through 2027 due to currency stability and policy tightening.

The region remains burdened by high debt, with majority of countries at considerable risk of debt distress. Poverty remains widespread, with 464 million people in extreme poverty, and persistent challenges include climate change, conflict, and weak institutional capacity to manage shocks. For Zimbabwe, these dynamics warrant cautious, adaptive fiscal and monetary strategies aligned with regional headwinds. The following table shows Sub-Saharan's economic growth forecast:

Sub-Saharan Africa Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Apr 2025)	3.3	3.5	4.3
IMF (Apr 2025)	4.0	3.8	4.2

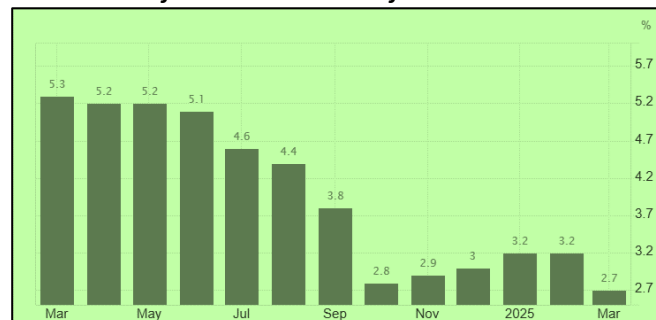
a) South Africa

South Africa's economic growth outlook remains subdued, with the IMF projecting growth at 1.1% in 2025 and 1.5% in 2026. The forecast has been revised downward by 0.5 percentage points for 2025 and 0.3 percentage points for 2026, reflecting slowing momentum from a weaker-than-expected 2024 outturn, deteriorating sentiment due to heightened uncertainty and a deeper slowdown in major economies. Despite these challenges, improvements in mining and manufacturing offer potential. However, fiscal constraints and a high debt-to-GDP ratio continue to limit government spending on development projects. The following table shows South Africa's economic growth forecast:

South Africa Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	0.8	1.8	1.9
IMF (Apr 2025)	0.8	1.1	1.5

Meanwhile, South Africa's inflation rate declined sharply to 2.7% in March 2025, down from 3.2% in February 2025, reflecting easing price pressures. On a month-on-month basis, consumer prices rose by 0.4%, decelerating from the 0.9% increase recorded in February 2025. This slowdown suggests moderating fuel prices. The graph that follows illustrates the country's inflation trend.

South Africa Year-on-Year Inflation Rate Trend



Source: Statistics South Africa – April 2025

The Monetary Policy Committee opted to maintain the repo rate at 7.5%, marking a continued pause in the policy tightening cycle. This decision reflects a cautiously balanced approach by the South African Reserve Bank (SARB), aiming to anchor inflation expectations while supporting fragile economic growth.

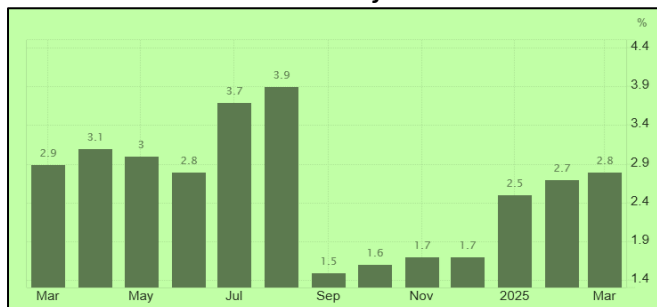
b) Botswana

Growth is expected to contract slightly in 2025, primarily due to softening global diamond demand, Botswana's main export commodity. Despite this, non-mining sectors such as tourism, services, and construction are showing encouraging signs of recovery, bolstered by improved public investment. Fiscal policy remains supportive, with government expenditure directed toward infrastructure and social services, though the fiscal deficit is projected to persist due to elevated public spending and modest revenue growth. The government continues to emphasize economic diversification through its Reset Agenda, aiming to reduce overreliance on diamonds and foster private sector-led growth. The following table shows Botswana's economic growth forecast:

Botswana Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	1.0	5.3	4.9
IMF (Apr 2025)	-3.0	-0.4	2.3
MoF (Feb 2025)	-3.1	3.3	-

Botswana's year on year inflation rate rose to 2.8% in March 2025, marking a third consecutive monthly increase. The upward pressure was primarily driven by higher prices in the miscellaneous goods and services category. On a month-on-month basis, consumer prices increased by 0.2% in March 2025, following a 0.3% rise in February 2025. The graph that follows illustrates the country's year on year inflation trend.

Botswana Year-on-Year Inflation Rate Trend



Source: Central Statistics Office, Botswana – April 2025

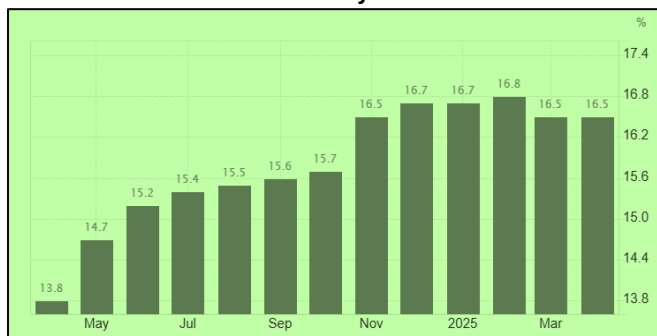
c) Zambia

Zambia's economy is rebounding from the El Niño-induced drought that severely impacted agriculture and electricity supply in 2024. The recovery is supported by improved performance in the mining and agriculture sectors, as well as growing momentum in services. The government aims to reduce the fiscal deficit to 3.1% of GDP in 2025, down from 6.4% in 2024, through fiscal consolidation and enhanced domestic revenue mobilization. However, challenges remain, including high public debt, which is projected to decline from 126% of GDP in 2023 to 100% in 2025 following debt restructuring efforts. Despite this progress, Zambia continues to face structural challenges such as prevalent poverty and unemployment rates. The following table displays Zambia's economic growth projections:

Zambia Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	1.2	6.2	6.6
IMF (Apr 2025)	4.0	6.2	6.8

Meanwhile, Zambia's annual inflation rate remained steady at 16.5% in April 2025, unchanged from the previous month. Food price growth slowed during the month, supported by favourable rains that eased pressure on food imports. On a monthly basis, prices rose by 1% compared to the previous month. The graph that follows illustrates Zambia's inflation trend.

Zambia Year-on-Year Inflation Rate Trend



Source: Central Statistics of Zambia – April 2025

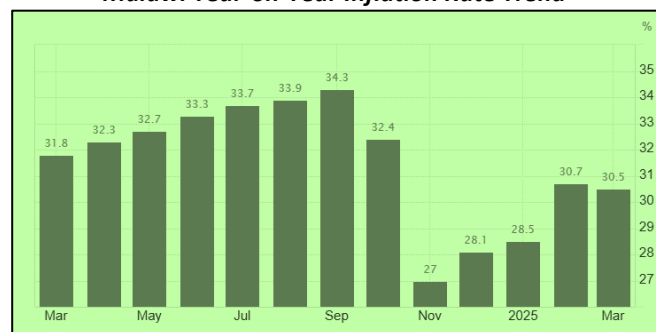
d) Malawi

Malawi's GDP is projected to grow between 2.0% and 3.5% in 2025, insufficient to reverse the ongoing decline in per capita income. The economic growth in 2025 will be driven by improvements in the agriculture, mining, and tourism sectors. However, persistent foreign exchange shortages continue to constrain the importation of essential goods, exacerbating inflationary pressures and undermining economic stability. The country's fiscal deficit is projected to widen slightly to 9.5% of GDP in the 2025/26 fiscal year, up from 9.6% in 2024/25, primarily due to increased recurrent expenditures and substantial interest payments on public debt. Public debt remains elevated, estimated at 86% of GDP, prompting the government to engage in debt restructuring negotiations with both official and commercial creditors to ease fiscal pressures. The 2025/26 national budget, totalling MK8.05 trillion allocates 75% to recurrent expenditures, including MK2.17 trillion for interest payments, leaving limited fiscal space for development initiatives. The following table displays Malawi's economic growth projections:

Malawi Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	1.8	4.2	3.3
IMF (Apr 2025)	1.8	3.5	3.3
MoF (Feb 2025)	1.8	3.2	-

Malawi's year-on-year headline inflation rate for March 2025 declined by 0.2 percentage points to 30.5%, from the 30.7% recorded in February 2025. Although food prices fell by 0.8% during the month, rising prices of non-food items, which rose 0.7% limited the overall decline in inflation. The graph that follows illustrates Malawi's inflation trend.

Malawi Year-on-Year Inflation Rate Trend



Source: Reserve Bank of Malawi – April 2025

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7. International Economies

The IMF projects global GDP growth to reach 2.8% for 2025, a downward revision of 0.5 percentage points from earlier forecasts primarily due to the adverse effects of heightened U.S. tariffs and growing trade uncertainties. Similarly, the World Bank anticipates a growth rate of 2.7% for both 2025 and 2026, signalling a stabilization at lower levels. Global trade growth is expected to slow to 1.7% in 2025, reflecting a significant downward revision driven by escalating trade tensions and persistent policy uncertainty. The following table displays global economic growth projections:

Global Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	2.7	2.7	2.7
IMF (Apr 2025)	3.3	2.8	3.0

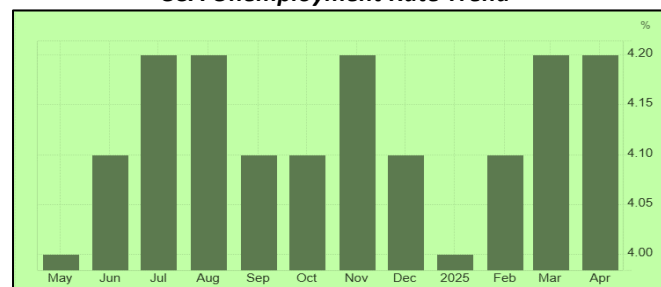
a) United States of America

The U.S. economy is projected to grow by 1.8% in 2025, representing a 0.9 percentage point downward revision due to trade disruptions and weaker consumer spending. The first quarter of 2025 marked the first quarterly contraction in three years, heightening concerns about a potential recession. The Federal Reserve maintained interest rates at 4.3%, aiming to balance inflationary pressures with slowing economic growth. While the administration has pursued policies such as tariffs, tax cuts and deregulation, these measures have contributed to economic instability. Against this backdrop, the table below presents U.S. economic growth projections from various institutions.

USA Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	2.8	2.3	2.0
IMF (Apr 2025)	2.8	1.8	1.7

The U.S. unemployment rate stood at 4.2% in April 2025, unchanged from March 2025. The number of unemployed individuals rose by 82,000 to 7.17 million, while total employment increased by 436,000, reaching 163.94 million. The graph that follows illustrates USA's unemployment trend.

USA Unemployment Rate Trend



Source: U.S. Bureau of Labor Statistics – April 2025

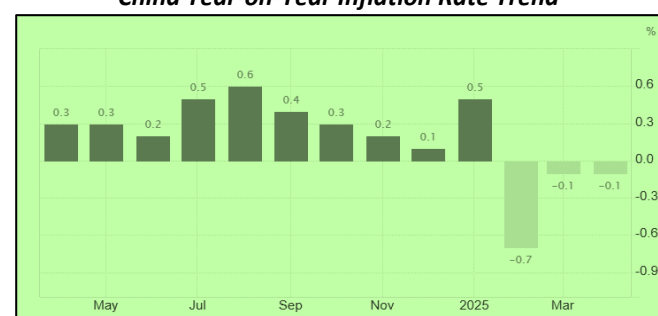
b) China

China's economic growth is projected to slow to 4.0% in 2025, down from 5.0% in 2024, as escalating trade tensions with the U.S. and structural domestic challenges weigh on activity. The imposition of 145% U.S. tariffs on Chinese goods has disrupted exports, leading to a contraction in factory activity and heightened investor uncertainty. In response, Chinese authorities have implemented monetary measures, including a 1 trillion-yuan liquidity injection and interest rate cuts, to support the economy. Ultimately, expectations are that the two parties will go on the negotiation table regarding the tariff issue. However, fiscal stimulus remains constrained by a record-high 4% budget deficit target and declining tax revenues. The ongoing property sector crisis, marked by defaults from major developers like Evergrande, continues to dampen investment and consumer confidence. The following table displays China's economic growth projections:

China Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jan 2025)	4.9	4.5	4.0
IMF (Apr 2025)	5.0	4.0	4.0

In April 2025, China's consumer prices saw a slight drop of 0.1% year-on-year, marking the third consecutive month of deflation. This decline was attributed to the ongoing impact of trade tensions with the US. However, on a monthly basis, the CPI edged up by 0.1%, reversing the 0.4% drop in March 2025 and recording the first increase in three months.

China Year-on-Year Inflation Rate Trend



Source: National Bureau of Statistics of China– April 2025

Meanwhile, the People's Bank of China left its key lending rates unchanged for the sixth consecutive month in April 2025, as it monitors the evolving impact of U.S. trade disputes before implementing further stimulus measures. The one-year loan prime rate (LPR), a benchmark for most corporate and household loans was maintained at 3.1%, while the five-year LPR, used as a reference for property mortgages, remained at 3.6%.

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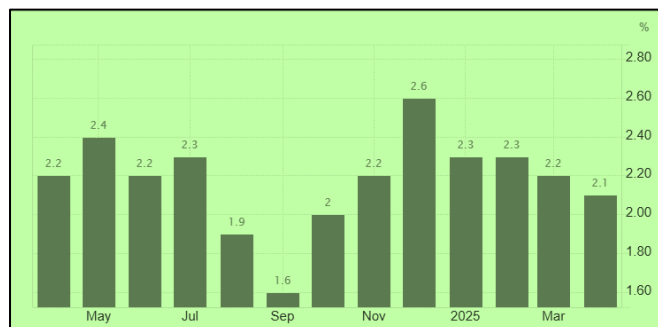
c) Germany

Germany's economy is projected to stagnate in 2025, with the IMF revising its growth forecast from 0.3% to 0%, primarily due to the adverse effects of U.S. tariffs on German exports, particularly in the automotive and machinery sectors. This marks the third consecutive year of economic stagnation, following declines of 0.3% in 2023 and 0.2% in 2024. The manufacturing sector, a cornerstone of Germany's export-driven economy, continues to face challenges from high energy costs and declining global demand. In response, the incoming government under Chancellor Friedrich Merz plans to implement measures such as relaxing debt rules to boost defence spending and establishing a significant infrastructure fund to stimulate growth. The following table shows Germany's economic growth projections:

Germany Economic Growth Forecasts (%)			
Year	2024	2025	2026
IMF (Apr 2025)	-0.2	0.0	0.9
BMI (Mar 2025)	0.2	0.6	1.2

Germany's consumer price inflation eased for the second consecutive month, reaching 2.1% in April 2025, according to a preliminary estimate. On a monthly basis, consumer prices rose by 0.4%, following a 0.3% increase in March 2025. The graph that follows illustrates Germany's inflation trend.

Germany Year-on-Year Inflation Rate Trend



Source: Federal Statistics Office – April 2025

d) United Kingdom

The United Kingdom's economy is projected to grow by 1.1% in 2025, down from earlier forecasts of 1.6%, according to IMF estimates. This slowdown is attributed to the adverse effects of global trade tensions, particularly U.S. tariffs and domestic fiscal constraints. The Bank of England projects that U.S. tariffs will reduce the UK's economic output by 0.3% over the next three years. At the same time, the UK secured a trade agreement with the U.S. that lowers tariffs

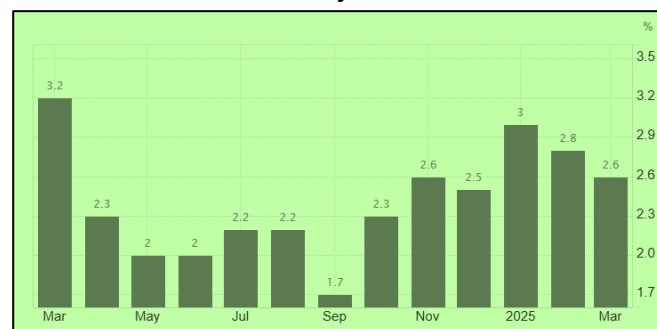
on British cars, steel and aluminium, while raising average tariffs on other UK goods.

Domestically, the Finance Minister faces growing pressure to implement further tax increases, following a recent employer tax hike that has contributed to slower economic growth. The National Institute of Economic and Social Research (NIESR) estimates that weaker-than-expected growth could result in a £57 billion budget deficit in the 2029/30 fiscal year. The following table shows economic growth forecasts for the UK:

UK Economic Growth Forecasts (%)			
Year	2024	2025	2026
IMF (Apr 2025)	1.1	1.1	1.4

The annual inflation rate in the UK slowed to 2.6% in March 2025, down from 2.8% in February 2025. Compared to the previous month, the Consumer Price Index (CPI) rose by 0.3%, slightly below February's increase of 0.4%. Annual core inflation also eased, declining to 3.4% from 3.5%. The graph that follows illustrates the country's inflation trend.

UK Year-on-Year Inflation Rate Trend



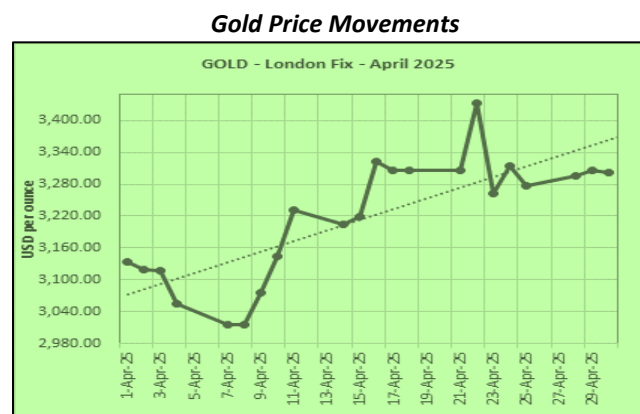
Source: Office for National Statistics – April 2025

8. Commodities Markets

Commodity Average Prices	Mar 2025	April 2025	Percentage Change (%)
	Price (US\$)	Price (US\$)	
Gold (oz)	2,977.63	3,216.56	8.0
Platinum (oz)	977.77	956.33	-2.2
Silver (oz)	33.13	32.21	-2.8
Oil (barrel)	71.63	66.22	-7.5

a) Gold

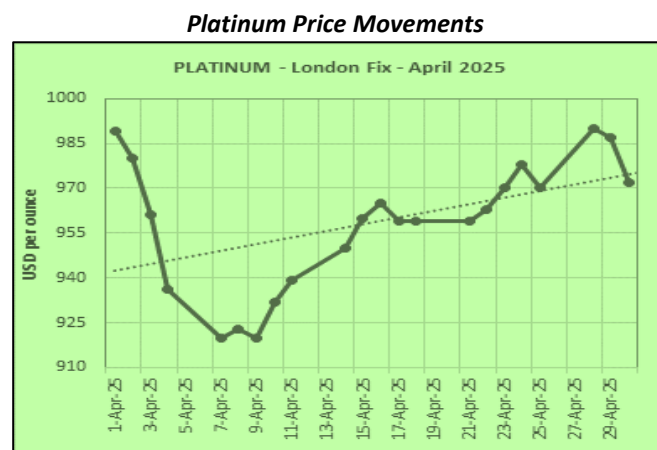
In April 2025, gold prices exhibited notable volatility, though on an upward trend, reflecting heightened global demand amid ongoing tariffs wars and persistent inflation concerns in advanced economies. The monthly average price surged by 8.0%, increasing from US\$2,977.63/oz in March 2025 to US\$3,216.56/oz in April 2025. The elevated price environment may provide a near-term boost to Zimbabwe's gold export proceeds, which remain a critical source of foreign exchange. The following graph depicts daily gold price trend for the month under review.



Source: KITCO – April 2025

b) Platinum

Platinum prices showed an upward trend toward the end of April 2025, closing the month at US\$972/oz. However, on a monthly average basis, prices declined by 2.2%, falling from US\$977.77/oz in March 2025 to US\$956.33/oz in April 2025. The dip in average prices reflects earlier market softness during the month, driven by weaker industrial demand and ongoing uncertainty in the global auto sector, which remains a key driver of platinum consumption. The following graph depicts the trend of daily platinum prices during the month under review.



Source: KITCO – April 2025

c) Silver

Silver price took a dip during the first ten days of April then took a turn reversing the losses but ended on a lower note. Average monthly silver price declined by 2.8%, falling from US\$33.13/oz in March 2025 to US\$32.21/oz in April 2025. The dip in average prices reflects early-month softness, influenced by shifting investor sentiment and subdued industrial demand. The following graph depicts daily silver price trend for the month under review.



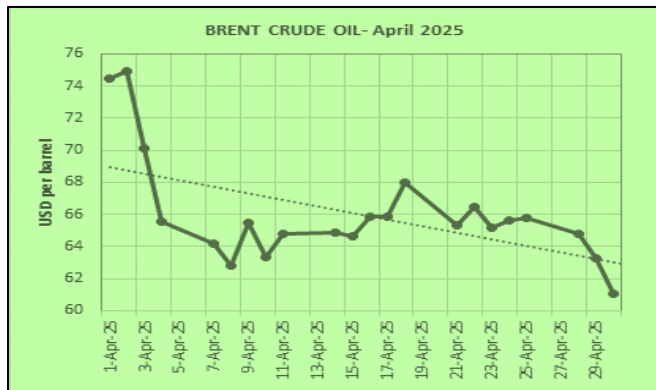
Source: KITCO – April 2025

d) Crude Oil

Crude oil prices trended downward in April 2025, reflecting softening global demand and easing supply concerns. The average monthly price declined by 7.5%, falling from US\$71.63/barrel in March 2025 to US\$66.22/barrel in April 2025. This downturn was driven by escalating trade tensions, a revised-down global demand outlook and rising non-OPEC+ supply. Lower oil prices may ease imported inflation pressures for net importers like Zimbabwe, particularly in

fuel and transport-related costs. The following graph depicts daily crude oil price trend for the month under review.

Crude Oil Price Movements



Source: Oil Price.com – April 2025

END

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