

Monthly Economic Update May 2025

Table of Contents

1. Economic Performance.....	1
2. Inflation	1
3. Poverty Datum Line.....	2
4. Financial Sector	4
5. Various Sectors of the Economy.....	7
6. Regional Economies	10
7. Global Economy	13
8. Commodities Markets	16

1. Economic Performance

a) Domestic Economy

Zimbabwe's economy remains on course to meet its 4.6% projected growth this year, recovering steadily from the El Niño-induced drought (IMF). Key sectors are showing resilience, with agriculture leading the rebound, evidenced by strong performances in wheat, tobacco, and horticulture. The energy sector has also marked progress, with daily electricity generation now reaching 1,600MW, a significant milestone.

On the external front, Zimbabwe's re-engagement strategy with international partners remains a focal point. The ongoing assessment under the IMF's Staff Monitored Programme (SMP) underscores the Government's commitment to fiscal and structural reforms. While the SMP does not provide direct financial assistance, its successful implementation is a critical stepping stone toward restoring access to concessional financing, facilitating debt resolution, and rebuilding investor confidence. However, the economy is not immune from global turbulence. The spill-over effects of U.S. trade tariffs and the recent depreciation of the U.S. dollar—driven by geopolitical uncertainties and shifts in monetary policy—have introduced additional complexities, particularly for Zimbabwe's dollarized economy, where exchange rate volatility and tightening credit conditions pose risks to price stability and external sector management.

As the mid-year policy review approaches, the private sector's expectations are centred on much-needed fiscal and monetary adjustments. The current tax regime, with its labyrinth of over fifty distinct levies, remains a significant burden on businesses, stifling formalization, and competitiveness. Reforms to streamline this system are

imperative to unlock private sector potential. Simultaneously, the upcoming monetary policy statement will be closely watched for measures to address liquidity shortages, stabilize the local currency, and reinforce macroeconomic stability—a delicate balancing function as policymakers navigate inflationary pressures while sustaining the fragile recovery. 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

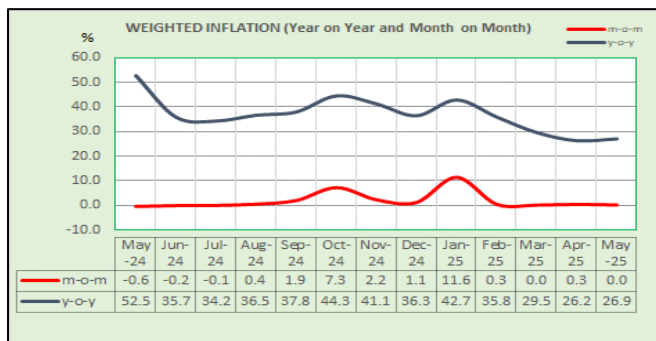
2. Inflation

a. Weighted Inflation

Weighted inflation, which combines local and foreign currency price movements, remained stable with modest increases during the month under review. Year-on-year, it edged up slightly by 0.3 percentage points to 26.9%. Meanwhile, the month-on-month rate declined to 0% from 0.3% in April 2025, indicating price stability between the two months. Across all categories—including Food & Non-alcoholic Beverages, Alcoholic Beverages & Tobacco, Health, and Transport—price changes were minimal, with variations remaining below 20 basis points.

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.

Weighted Inflation Trend



Source: ZIMSTATS & RBZ – May 2025

Meanwhile, barring significant alterations, our 3-month econometric forecasts for cumulative weighted inflation are indicated in the table below:

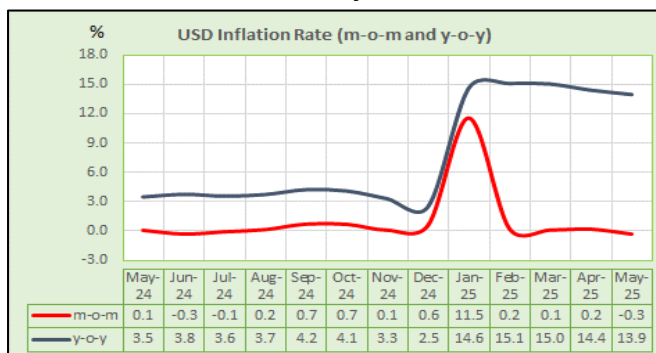
3 Month Inflation Forecasts (%)		
Month	Y-O-Y	M-O-M
June-25	31.9	3.6
July-25	30.8	-0.9
Aug-25	31.5	0.9

Source: ZB Financial Holdings – May 2025

b. USD Inflation

Year-on-year USD inflation, declined by 0.5 percentage points to 13.9% in May 2025. Month-on-month, inflation also dropped to -0.3%, down from the 0.2% recorded in April 2025. Despite recent declines, USD inflation remains elevated, driven by the dollar's depreciation in global markets. The following graph illustrates the current trend of USD inflation in Zimbabwe.

Zimbabwe USD Inflation Trend



Source: ZIMSTATS & RBZ- May 2025

Strategic insights and takeaways:

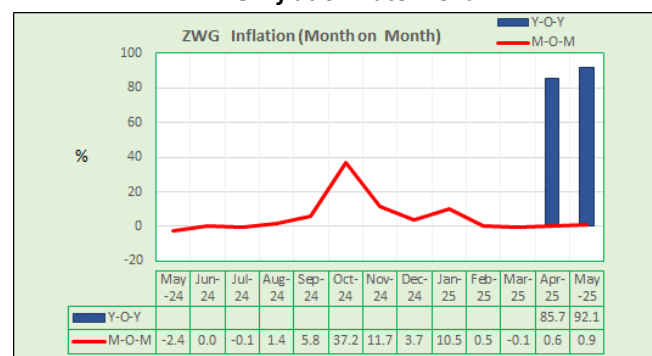
- Policy reversals and heightened macroeconomic uncertainty in the U.S. have triggered a sell-off of

dollar-denominated assets, exacerbating downward pressure on the currency. In Zimbabwe, these external factors—rather than domestic conditions—are arguably the dominant influence on USD inflation trends now.

c. ZiG Inflation

Local currency-denominated prices are continuously showing no signs of stability. On a year-on-year basis, the ZWG inflation rate increased from 85.7% in April 2025 to 92.1% in May 2025. Meanwhile, month-on-month, the rate rose to 0.9% from 0.6% during the same comparable period. Food and Transport were the most volatile commodities, recording month-on-month CPI changes of 1.6% and 1.4%, respectively. The following graph illustrates the current trend of ZWG inflation.

ZWG Inflation Rate Trend



Source: ZIMSTATS & RBZ – May 2025

Going forward, the Reserve Bank of Zimbabwe (RBZ) anticipates the transitory inflationary pressures from the September 2024 spike to fully dissipate by year-end. This normalization is projected to drive annual inflation below the 30% threshold by December 2025, marking a significant deceleration in price growth.

3. Poverty Datum Lines

The Total Consumption Poverty Line (TCPL), representing the minimum income to meet basic food and non-food needs, rose by 1.3% in May 2025, from ZWG1,263.41 in April 2025 to ZWG1,279.60. For a six-member household, this equates to ZWG7,677.6.

In May 2025, the Food Poverty Datum Line (FPDL), which represents the cost of meeting the nutritional needs of 2,100 calories per person, also increased by 1.6% to ZWG876.03. For a household of six, this amounts to ZWG 5,256.18, which makes up 68.5% of total household costs. Below is a

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.

tabulated summary of poverty datum lines for the past 5 months.

Month	TCPL (ZiG)	% change	FPDL (ZiG)	% change
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	1,263.40	0.2	862.06	-0.2
May-25	1,279.60	1.3	876.03	1.6

Source: ZIMSTATS – May 2025

Strategic insights and takeaways:

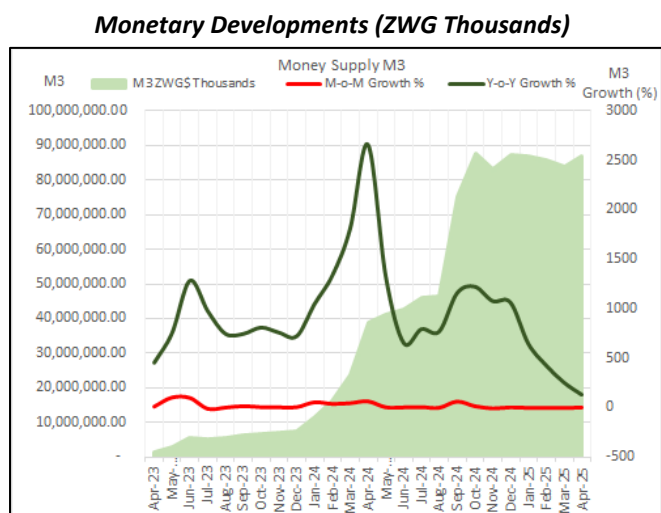
- *Social protection programs must concentrate on food affordability measures to achieve meaningful welfare improvements, given food's dominant share in household budgets.*
- *Cost containment strategies will prove most effective when centred on food price controls, as this sector's volatility disproportionately impacts overall consumption patterns and policy outcomes.*

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.

4. Financial Sector

a) Money Supply

According to the latest RBZ data, Broad Money (M3) rose by 3.81% month-on-month in April 2025, reaching ZiG87.00 billion from ZiG83.11 billion in March 2025. This marks a sharp reversal from the 2.7% decline recorded in the previous month. However, on a year-on-year basis, M3 growth decelerated significantly to 124.5% in April 2025, down from 254% in March 2025, reflecting a tightening in monetary dynamics. The graph below illustrates these monetary trends from April 2023 to April 2025.



Source: RBZ – May 2025

Strategic insights and takeaways:

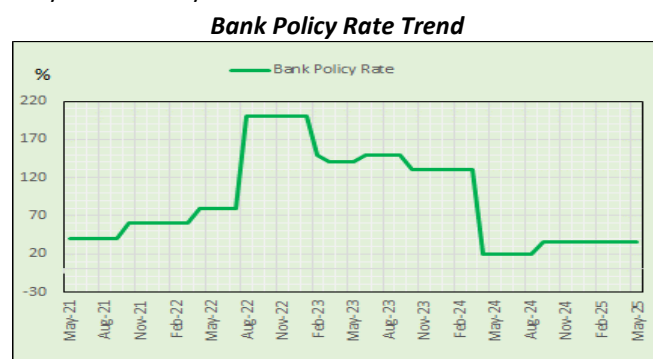
- Quantitative tightening can stabilize markets, keep inflation in check, and lower demand, but it also comes with risks. One main issue that arises from tight monetary policy is the volatility of financial markets due to the lack of liquidity in the market.
- For Zimbabwe, the tight monetary policy has resulted in liquidity constraints and resultant stabilised monetary conditions, as evidenced by positive month-on-month and year-on-year trends of selected economic parameters i.e. exchange rate and money supply. However, sustainability concerns loom due to imminent Government obligations, including supplier payments and road construction debt settlements. Concurrently, rising market demand for increased ZWG circulation to facilitate smoother transactions may exert upward pressure on the money supply.

b) Interest Rates

The Reserve Bank of Zimbabwe's Monetary Policy Committee last convened on March 28, 2025. The policy resolutions adopted during this meeting remain in full effect and are as follows:

- Maintaining the bank policy rate at 35%.
- Maintaining the statutory reserve requirements for demand and call deposits for both local and foreign currency at 30%.
- Maintaining 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 May 2021 to May 2025.



Source: RBZ – May 2025

As of 30 May 2025, the weekly average minimum lending rates in ZiG were recorded at 42.96% for individuals and 40.54% 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 5.98%, 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) Interest Rates (Minimums)					
Week Ending	Lending Rates (%)		Deposit Rates (%)		
	Individual Clients	Corporate Clients	Savings	1-Month	3-Months
2-May-25	42.15	40.37	3.81	5.66	5.95
9-May-25	42.2	40.37	3.81	5.66	5.95
16-May-25	44.54	41.41	3.81	5.66	5.95
23-May-25	42.23	40.27	3.81	5.66	5.95
30-May-25	43.66	40.27	3.81	5.68	6.09
Average	42.96	40.54	3.81	5.66	5.98

Source: RBZ – May 2025

In US Dollar terms, the most recent weekly average minimum lending rates stood at 13.01% for individuals and 10.24% for corporates, whilst the latest average minimum deposit rates for savings, 1-month, and 3-month deposits

were recorded at 1.67%, 3.76%, and 4.37%, 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) Interest Rates (Minimums)					
Week Ending	Lending Rates (%)		Deposit Rates (%)		
	Individual Clients	Corporate Clients	Savings	1-Month	3-Months
2-May-25	13.09	10.43	1.67	3.72	4.38
9-May-25	13.12	10.39	1.67	3.72	4.38
16-May-25	12.62	9.73	1.67	3.72	4.38
23-May-25	13.33	10.33	1.67	3.72	4.38
30-May-25	12.91	10.32	1.67	3.94	4.33
Average	13.01	10.24	1.67	3.76	4.37

Source: RBZ – May 2025

Strategic insights and takeaways:

- Interest rates remain elevated depicting a sustained monetary policy stance as expected. This underscores the RBZ's objective to attain monetary policy consistence and foster public confidence in the apex bank's operations

c) Foreign Currency Market

The U.S. dollar extended its downward trend in May 2025, depreciating against 14 of the 18 currencies in our analysis basket (monthly average basis). The most significant decline was a 4.2% drop against the South African rand (ZAR), reflecting investor flight from U.S. assets amid market uncertainty. However, the dollar showed strength against four currencies, with its sharpest gain (2.92%) coming against the Argentine peso—a response to Argentina's ongoing macroeconomic instability. The table below details these exchange rate movements, highlighting the evolving landscape of global currency markets.

Exchange rate analysis (Monthly Averages)

Exchange Rate Analysis(Monthly Average)			
Currency/US\$	Apr-25	May-25	Change (%)
Argentine Peso	1117.01567	1149.61951	2.92
Australian Dollar	1.592313	1.553789	-2.42
Botswana Pula	13.787167	13.553047	-1.70
Brazilian Real	5.783031	5.667593	-2.00
British Pound	0.761462	0.748697	-1.68
Canadian Dollar	1.398634	1.386239	-0.89
Chinese Yuan Renminbi	7.291225	7.220012	-0.98
Euro	0.891211	0.886863	-0.49
Hong Kong Dollar	7.764031	7.799111	0.45
Indian Rupee	85.602044	85.197485	-0.47
Japanese Yen	144.354086	144.712469	0.25
Norwegian Krone	10.565813	10.306335	-2.46
Russian Ruble	83.297227	80.815638	-2.98
South African Rand	18.922006	18.126774	-4.20
South Korean Won	1439.9478	1391.944287	-3.33
Swedish Krona	9.785461	9.664335	-1.24
Swiss Franc	0.83493	0.829373	-0.67
Zimbabwean dollar	26.80149	26.86405484	0.23

Source: X-Rates; © ZB Financial holdings

Our month-end exchange rate analysis confirms the trend observed in monthly averages, with the U.S. dollar depreciating against 13 of the 18 tracked currencies. The table below provides a comprehensive breakdown of these movements, offering valuable insights into end-of-month currency market dynamics.

Exchange Rate Analysis (End Period)

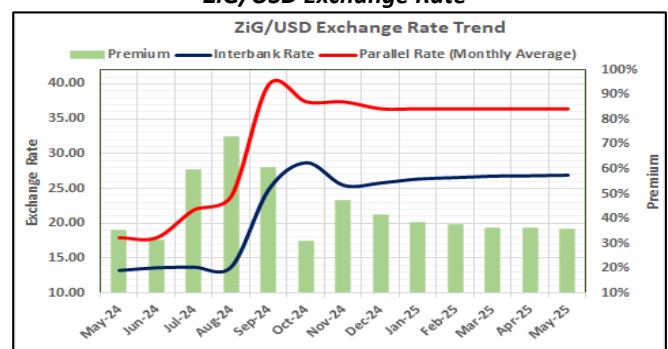
Exchange Rate Analysis(end period)			
Currency/US\$	1-May-25	31-May-25	Change (%)
Argentine Peso	1173.895736	1187.291153	1.14
Australian Dollar	1.569374	1.554599	-0.94
Botswana Pula	13.676972	13.461721	-1.57
Brazilian Real	5.672746	5.726373	0.95
British Pound	0.753396	0.74307	-1.37
Canadian Dollar	1.384847	1.374139	-0.77
Chinese Yuan Renminbi	7.272041	7.199052	-1.00
Euro	0.88657	0.881258	-0.50
Hong Kong Dollar	7.757016	7.840843	1.08
Indian Rupee	84.651514	85.509413	1.01
Japanese Yen	145.483046	144.053811	-0.98
Norwegian Krone	10.457988	10.212131	-2.35
Russian Ruble	82.102896	77.698389	-5.36
South African Rand	18.645263	17.981405	-3.56
South Korean Won	1438.059296	1382.623069	-3.85
Swedish Krona	9.772591	9.592897	-1.84
Swiss Franc	0.832082	0.822389	-1.16
Zimbabwe Gold	26.8158	26.9102	0.35

Source: X-Rates; © ZB Financial holdings

d) Zimbabwe Gold Exchange Rate

During the reviewed month, the ZWG continued its descent, depreciating by just 0.35% against the U.S. dollar in the interbank market. The official rate moved from ZWG26.82 per USD at the end of April to ZWG26.91 by the end of May, while the parallel market remained stable at an average of ZWG36.50 per USD for the entire month. The graph below illustrates trends in both interbank and parallel exchange rates from May 2024 to May 2025.

ZiG/USD Exchange Rate



Source: RBZ & ZB Financial Holdings – May 2025

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.

Strategic insights and takeaways:

- *The persistent 36.5% gap between the official and unofficial rates highlights structural weaknesses in the currency market, indicating unresolved, ongoing demand-supply imbalances. Meanwhile, the relative stability in the parallel market suggested some success in liquidity containment measures, which have helped stabilize exchange rates and prevent further depreciation pressures.*
- *When a population has lived through multiple currency collapses, restoring faith in a new monetary system requires more than technical fixes, it demands a fundamental rebuilding of confidence in economic institutions. More time is required to recreate the confidence in the economy considering the memories of past failures remain fresh.*

e) Equities Markets & Corporate Briefs

The Zimbabwe Stock Exchange (ZSE) rallied in May 2025, with local-currency market capitalisation climbing 2.7% month on month from ZWG58.08 billion to ZWG59.64 billion while USD-denominated cap gained 2.3% to US\$2.25 billion, up from US\$2.17 billion. The All-Share Index closed at 196.85 points, up 2.6% from April's 191.95, signalling broad-based bullish sentiment.

In contrast, the Victoria Falls Stock Exchange (VFEX) slumped in May 2025, with market capitalization tumbling 6.6% from US\$1.32 billion to US\$1.24 billion while the All-Share Index plunged 6.5% to 107.24 points (down from 114.67), reflecting broad-based bearish pressure amid the depreciation of the USD on the global financial market and its tenacious shortage on the local market. The following table highlights the monthly performance of both markets over the past 4 months.

ZSE and VFEX Market Performance Indicators

Date	ZSE Market Summary			VFEX Market Summary	
	All Share	Mkt Cap (ZiGmil)	Mkt Cap US\$ mil	All Share	Mkt Cap US\$'000
May-25	196.85	59,641.08	2,216.30	107.24	1,235,200
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	2,334.00	106.11	1,220,060

Source: ZSE & VFEX – May 2025

Strategic insights and takeaways:

- *Historically, the stock exchange has served as a haven for excess liquidity. However, with liquidity now tightly constrained, market performance remains heavily subdued. Many blue-chip stocks are trading below intrinsic value, weighing on overall bourse capitalization. However, patient investors stand to reap substantial gains once liquidity distortions subside, unlocking fair equity valuations and driving a rebound in share prices.*

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.

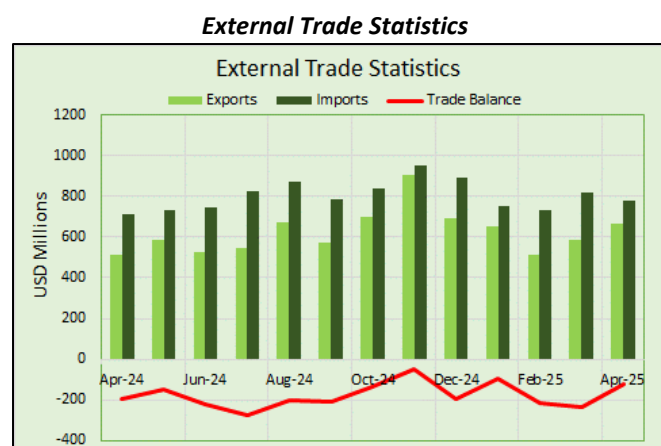
5. Various Sectors of the Economy

a) External Sector

ZIMSTAT's latest data shows that Zimbabwe's merchandise exports grew by 13.6% to US\$662.6 million in April 2025, up from US\$583.1 million in March 2025. Industrial supplies dominated exports (at 92.8%), with semi-manufactured gold (45.9%), nickel mattes (14.9%), and processed tobacco (10.7%) being the key contributors.

On the import side, merchandise imports dropped by 4.4% to US\$781.3 million, from US\$ 848.3 million in the previous month. 31.1% of the goods imported were industrial supplies, followed by the Fuels and Lubricants category, which accounted for 22.3%.

The net result was a narrowed trade deficit of US\$118.7 million, down by 49.5% from US\$235.2 million recorded the previous month. The graph below illustrates trends in external trade statistics since March 2024.



Source: ZIMSTATS – May

Strategic insights and takeaways:

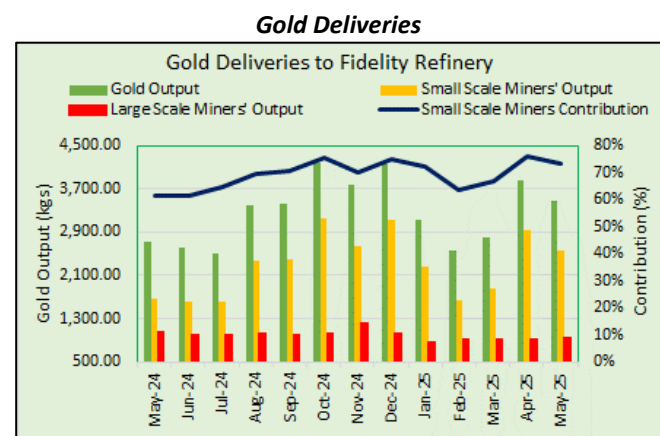
- Over-reliance on undiversified industrial supply exports creates idiosyncratic risk, as any downturn in global commodity prices would directly destabilize export revenues. There is need to accelerate value addition and expand the export product range to hedge the nation against such risk
- Fuels and lubricants still account for a significant portion of imports, highlighting ongoing energy insecurity. There is a need to accelerate renewable energy projects (solar, biofuels) and revive local fuel production.
- The sharp decline in the trade deficit is positive, but sustainability depends on export diversification and continued import management. If export growth is

driven by short-term commodity price hikes, a future price drop could reverse gains.

b) Mining Sector

Zimbabwe's mining sector continues to demonstrate resilience, with a projected growth rate of 7% in 2025, reinforcing its position as the backbone of the country's economy. As the largest contributor to foreign currency inflows, the sector remains the proverbial "goose that lays the golden egg," sustaining other critical sectors such as manufacturing and agriculture. However, despite its pivotal role, the industry remains shackled by long-standing structural and policy-related challenges, inclusive of obscenely high taxes & royalties as well as high energy costs that stifle its full potential.

Meanwhile, gold deliveries to Fidelity Gold Refinery declined by 9.45% from 3,853.58 kgs in April 2025 to 3,488.06kgs in May 2025. Small-scale miners accounted for approximately 73% of total deliveries in May 2025, down from 76% recorded in the previous month, while large-scale miners accounted for the remainder. The graph below summarizes the activity in gold production.



Source: FGR – May 2025

In the Platinum industry, production is projected to drop by 4% to 491,000 ounces in 2025, falling short of last year's record high, according to the World Platinum Investment Council. The drop reflects the depletion of semi-finished inventory that bolstered last year's output.

News and Highlights in the Mining Sector.

- To capture greater value from its lithium resources, Zimbabwe will ban exports of unprocessed lithium concentrates effective January 2027.
- Zimbabwe's diamond exports soared 912% in April 2025, jumping from US\$3.66 million to US\$33.47

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.

million compared to March 2025, according to Zimstat data. Despite this impressive performance, the sector faces significant challenges, including U.S. tariffs starting at 10% (with potential increases due to political tensions) and rising competition from lab-grown diamonds. These are artificially made stones, chemically identical to natural ones that are often sold at an 80% discount.

- Caledonia Mining Corporation Plc has reported stronger capital generation on Zimbabwe's Victoria Falls Stock Exchange (VFEX) compared to the New York Stock Exchange (NYSE), signalling growing investor interest in the country's resource-backed equities as VFEX gains traction in revitalizing local capital markets.

c) Agriculture Sector

Zimbabwe's agricultural sector is demonstrating remarkable adaptability, shifting from its traditional maize-dominated model toward climate-smart diversification and technological innovation. The accelerated adoption of drought-resistant small grains (millet and sorghum) by smallholders reflects hard-won lessons from recurrent droughts, while commercial producers are achieving record wheat and berry outputs – the latter benefiting from growing European and Middle Eastern demand.

The sector's modernization is gaining momentum through precision agriculture technologies, such as satellite-guided irrigation and automated monitoring systems observed on progressive farms. This digital transition, while still in its initial stages, is enhancing crucial water efficiency.

Despite notable progress, Zimbabwe's agricultural sector continues to face significant structural challenges. Smallholder farmers encounter severe financing constraints, unreliable electricity access, and fertilizer prices that are significantly higher than regional benchmarks. These domestic hurdles are compounded by persistent climate vulnerabilities, necessitating cautious, adaptive strategies to ensure the sector's long-term sustainability and growth.

News Highlights in the Agriculture Sector.

- The government's focus on agro-ecological crop tailoring is yielding results, with traditional grain production rising in arid regions, enhancing food security, and revitalizing local farming. Sorghum production surged by 432%, from 82,063 tonnes last season to 436,784 tonnes in the 2024/25

season. Pearl millet increased by 797%, from 20,977 tonnes to 188,261 tonnes, while finger millet rose by 136%, from 4,070 tonnes to 9,605 tonnes this year.

- Wheat farmers have already cultivated 66,000 hectares, surpassing half of the Government's seasonal target of 120,000 hectares. To address challenges like pest control, the Government has adopted drone technology to manage quelea birds, which are notorious for destroying crops. Furthermore, there is a significant emphasis on building cross-sector collaborations to optimize wheat farming. *These proactive measures demonstrate a dedication to boosting agricultural productivity, which is vital for ensuring food security.*
- CBZ Holdings Limited is enhancing partnerships with the Government and key players in the oilseed sector (cotton, sunflower, and soybeans) to reduce risks through structured financing and offtake agreements. At the National Oilseed Conference in Kadoma, CBZ representative noted that structured financing goes beyond credit and involves smart capital with risk mitigates like warehouse receipts, insurance, and technical support. Moreover, financing must cover the entire value chain and requires market certainty to be effective, which offtake agreements help secure.
- Zimbabwe's tobacco exports have generated US\$381 million this season, with 62.3 million kilograms of semi-processed tobacco shipped to key markets including the Far East (which accounted for 34.8 million kg worth US\$269.6 million at \$7.75/kg), Europe (5.06 million kg worth US\$27 million at \$5.33/kg), the Middle East, Africa, and Oceania (28,560 kg worth US\$241,332 at US\$8.45/kg), as the country continues to focus on value addition and beneficiation to maximize returns from its tobacco industry.
- The Zimbabwe Mercantile Exchange (ZMX) has introduced warehouse and trading platform fees to strengthen its Warehouse Receipt System (WRS) and spot market trading platform for agricultural commodities ahead of the 2025 season. The WRS operates through certified warehouses that store commodities and issue receipts serving as proof of ownership. This initiative aligns with the Ministry of Finance's 2025 Budget Strategy, which promotes ZMX for agricultural marketing to boost farmer incomes and reduce post-harvest losses, while the Grain Marketing Board (GMB) will focus exclusively

on procuring grain and maintaining strategic grain reserves.

d) Energy Sector

The sector is demonstrating resilience, gradually recovering from the devastating effects of the El Niño-induced drought, while ongoing maintenance programs are yielding positive results. A key milestone was achieved during the month under review, with a record output of 1,619 MW recorded on 23 May 2025. This surge was driven by enhanced production at the Hwange Thermal Power Station, which ramped up to 1,176 MW—a significant increase from its average of 900 MW. The improvement followed the successful reconnection of Units 1, 2, and 3, contributing 212 MW initially and later scaling to 260 MW, alongside the return of Unit 4 after passing rigorous pressure and safety tests. Despite this progress, challenges persist. The nation continues to grapple with power shortages, as daily electricity demand now averages around 2,200 MW, up from 1,900 MW, resulting in ongoing blackouts.

News Highlights in the Energy Sector

- Solar-powered households and businesses now add 65 megawatts (MW) to Zimbabwe's national grid via net metering, playing a crucial role in achieving energy stability. Experts estimate this capacity can supply around 50,000 medium-sized homes. The power utility, ZESA, aims to increase net metering contributions to 100 MW by 2025 and another 100 MW by 2026, potentially powering an additional 150,000 homes annually and narrowing the supply-demand gap. ZESA Holdings announced this milestone to Zimpapers, highlighting its significance for the country's electricity situation.
- Daily power generation at Kariba Hydropower Station is projected to rise to approximately 500 megawatts (MW) this winter after the Zambezi River Authority (ZRA) increased water allocations to Zimbabwe's power utility, ZESA. Recent higher water inflows into Lake Kariba have allowed the ZRA to allocate more water to both Zimbabwe and Zambia for electricity production.
- Padenga Holdings has revised the completion timeline for its solar power installations at Eureka Mine and Pickstone Peerless Mine to December 2025, extending from the original December 2024 target, as part of its strategy to cut energy costs - which currently account for about 25% of mining expenses - and reduce dependence on the national grid. The group is implementing a 7MW solar plant at Eureka Mine and a 5MW facility at Pickstone, projects that will not only lower operational costs

but also decrease the mines' carbon footprint through cleaner energy solutions.

- Zimbabwe's energy sector is expanding, with the Zimbabwe Energy Regulatory Authority (ZERA) having licensed 171 Independent Power Producers (IPPs), 48 of which are now operational. IPPs have significantly boosted electricity generation, currently averaging 120 megawatts (MW) daily—a notable increase from 50 MW earlier this year.

e) Manufacturing Sector

Zimbabwe's manufacturing sector is demonstrating sound resilience this year, emerging as a key driver of economic recovery. The sector's expansion is fuelled by strong performances in agro-processing, textiles, and construction, supported by improved raw material availability and growing domestic demand. Encouragingly, increased investment in industrial upgrades reflects growing confidence in the sector's long-term potential. Businesses are modernizing operations to enhance productivity and competitiveness, laying the groundwork for sustainable expansion. However, significant challenges persist. A substantial portion of manufacturing capacity remains underutilized, representing untapped potential for greater output and employment. At the same time, the sector continues to rely heavily on imported inputs, highlighting opportunities to strengthen domestic value chains.

News Highlights in the Manufacturing Sector

- Nestlé Zimbabwe will add a fifth roller dryer at its Harare plant to meet rising Cerevita cereal demand from diaspora and regional markets. This follows a US\$7m fourth dryer installation that increased capacity by 35%, cementing Zimbabwe as Nestlé's Cerevita hub for East/Southern Africa. Current monthly output stands at 730 tonnes. The move is part of Nestlé's US\$40 million plus decade-long Zimbabwe investment.

f) Property Sector

Zimbabwe's property market continues to defy broader economic challenges, with the residential segment leading growth as households and investors increasingly view, real estate as a stable store of value. The surge in cluster housing developments and purpose-built student accommodation reflects evolving demand dynamics, while sustained diaspora investment further fuels expansion.

This bullish activity is now attracting sophisticated investment vehicles, most notably the imminent launch of Eagle REIT – a ground-breaking USD-denominated real

estate investment trust set to debut on the Victoria Falls Stock Exchange (VFEX). As the nation's first USD- USD-denominated REIT, its listing could mark a watershed moment, deepening capital markets and providing institutional investors exposure to Zimbabwe's real estate boom.

News Highlights in the Property Sector

- Zimre Holdings Limited (ZHL) has begun construction of the US\$43 million Eagle Heights Mixed-Use Development in Victoria Falls under the Eagle Real Estate Investment Trust (REIT). This project aims to create job opportunities for the local community. Spanning 12.3 hectares, Eagle Heights will transform the town into a modern investment hub, featuring hospitality, medical, retail, and residential infrastructure. Civil works, including roads and stormwater drainage, are nearing completion, with 95% of this phase already finished.

Strategic insights and takeaways:

- *The sector's dual role – serving as both a hedge against currency volatility and catalyst for financial innovation – positions it as a rare bright spot in the economy. However, sustaining this momentum will require policy stability and continued diaspora confidence to overcome structural hurdles. Eagle REIT's performance may soon serve as the ultimate barometer of international investor appetite for Zimbabwean property assets.*

6. Regional Economies

The dramatic shift in the global landscape has clouded this year's economic outlook for Sub-Saharan Africa and the IMF is holding firm on its reduced 3.8% growth forecast for the region. Facing several challenges that include policy volatility, soaring borrowing costs, and dwindling external financing - regional policymakers must navigate increasingly complex terrain. The IMF recommends urgent structural reforms to enhance resilience, emphasizing four critical

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.

pillars: boosting domestic revenue, improving spending efficiency, managing debt burdens, and building shock absorbers for future crises. With fiscal space constrained and debt levels elevated, these measures represent Africa's best path forward in an uncertain global environment. The following table shows Sub-Saharan's economic growth forecast for 2025 to 2026:

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

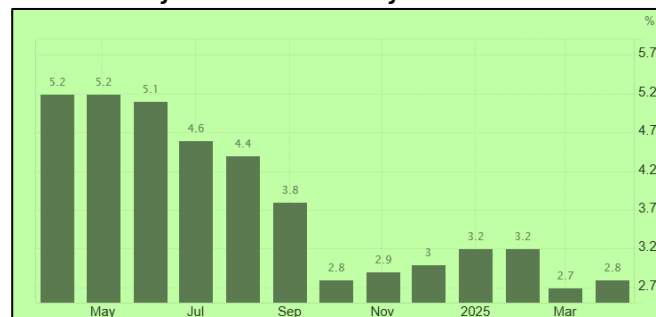
South Africa's economy exhibited modest growth of 0.1% in Q1 2025, narrowly avoiding a technical recession. The expansion was fuelled by resilient household consumption—a sign of lingering consumer confidence despite high interest rates—along with stronger agricultural exports, particularly citrus, maize, and wine shipments. Yet these green shoots remain vulnerable to deep-rooted challenges. Crippling electricity blackouts continue to disrupt business activity, while port and rail inefficiencies constrain export potential. Most alarmingly, unemployment remains subdued with youth joblessness exceeding 45%—a social time bomb that threatens long-term stability. The rebound also appears uneven across sectors. While agriculture and other service industries show vitality, manufacturing and mining—traditional growth engines—continue to underperform due to energy shortages and logistical constraints. With global demand weakening and domestic structural reforms progressing slowly, South Africa's path to sustainable growth remains fraught with obstacles. 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

The latest available data shows that South Africa's annual inflation rate rose modestly to 2.8% in April 2025, up from 2.7% in March—the lowest figure in five years. The increase was driven by higher costs in housing and utilities (particularly electricity, gas, and fuel, up 11.6%), food and beverages (including alcohol and tobacco), as well as restaurant and accommodation services. On the other hand, transport prices provided downward pressure, declining by 3.9% (a steeper fall than March's 2.4% drop), due to a 13.4% decrease in fuel costs. Month-on-month, consumer prices grew by 0.3%, slightly slower than the 0.4% increase seen in

March. The graph that follows illustrates the country's inflation trend.

South Africa Year-on-Year Inflation Rate Trend



Source: Statistics South Africa – May 2025

b) Botswana

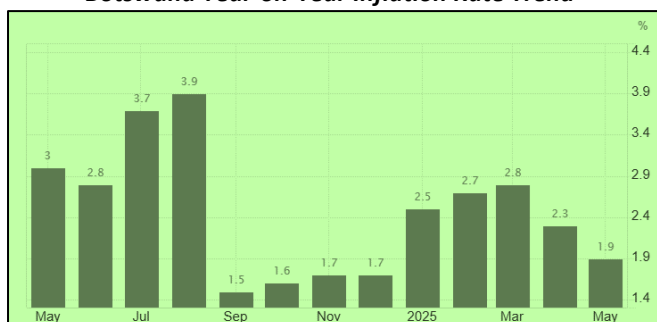
The nation's economy continues to falter under the weight of a collapsing diamond sector and broader financial strains. With global diamond sales plummeting by 50% over the past two years, Botswana faces mounting debt pressures and worsening unemployment. The crisis has now reached a tipping point—Debswana, the pivotal 50/50 joint venture between De Beers and the Botswana government, announced plans to cut 1,000 jobs, slashing 20% of its workforce. This devastating blow will further inflame the country's already-critical 27% unemployment rate, underscoring the severe risks of Botswana's overreliance on a single commodity. In response, Botswana is scrambling to diversify its economy, accelerating copper and uranium mining projects, ramping up agro-industrial development, and courting tech investment. However, these efforts face significant hurdles, including infrastructure gaps and global commodity volatility. Without swift and structural reforms, the road to economic stability remains precarious. 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 inflation rate declined to 1.9% year-on-year in May 2025, down from 2.3% in April, as price pressures eased across key categories. The slowdown was driven by falling transport costs and reduced prices for housing and utilities, accompanied by softer inflation for food and non-alcoholic beverages, alcoholic drinks and tobacco, clothing and footwear, and healthcare. However, upward price movements persisted for furnishings and household equipment, recreation and culture, and communication

services, while education costs remained unchanged. On a monthly basis, consumer prices dropped 0.1% in May, marking a reversal from the 0.8% increase recorded in the previous month.

Botswana Year-on-Year Inflation Rate Trend



Source: Central Statistics Office, Botswana – May 2025

c) Zambia

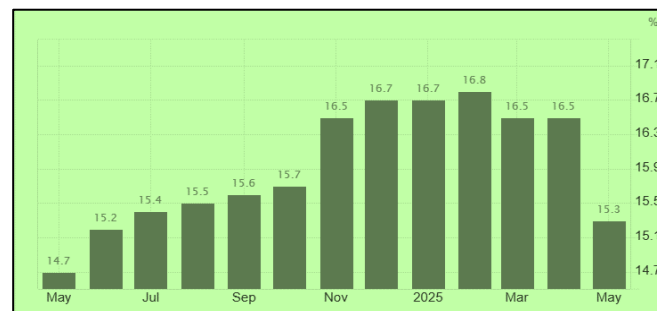
Zambia's economy is showing signs of revitalization, driven by a rebound in key sectors following the El Niño-induced drought. Agriculture and energy are leading this recovery, contributing to improved economic performance. The export sector is also diversifying beyond copper, with growing trade in agro-products and ceramics signalling positive structural shifts. However, the recovery remains fragile. High debt levels continue to constrain fiscal flexibility, while global economic uncertainties pose additional risks. Navigating these challenges will require prudent policy management to sustain growth momentum and build resilience against external shocks. 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

In May 2025, Zambia's annual inflation rate dropped to 15.3%, down from 16.5% in April. Food inflation continued to slow for the third consecutive month, reaching 17.9% compared to 18.7% the previous month, as improved rainfall contributed to lower prices for corn meal and vegetables. Non-food inflation also declined, falling to 11.6% from 13.4%. Month-over-month, consumer prices increased by just 0.3%, a slower pace than April's 1% rise.

Zambia Year-on-Year Inflation Rate Trend



Source: Central Statistics of Zambia – May 2025

d) Malawi

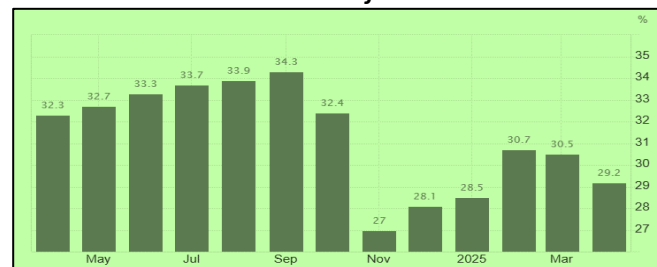
Malawi's economy continues to demonstrate resilience, supported by steady performance in agriculture, mining, and tourism—key sectors that provide stability despite ongoing headwinds. However, significant risks remain, with debt distress and exchange rate volatility posing persistent threats to macroeconomic stability. Elevated inflation further complicates the outlook, underscoring the urgent need for monetary policy reforms and debt restructuring to restore fiscal sustainability. 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	-

Meanwhile, the latest available data depicts that Malawi's inflation rate declined to 29.2% in April 2025, down from 30.5% in March. The drop was primarily due to lower food inflation, which fell to 35.8% from 37.7%. However, non-food inflation edged up slightly to 19.4%, compared to 19.2% the previous month which reduced the magnitude of overall inflation decrease. On a monthly basis, the inflation rate for April was -2.9%.

Malawi Year-on-Year Inflation Rate Trend



Source: Reserve Bank of Malawi – May 2025

7. Global Economy

The Global economy faces a pivotal transformation as the era of unfettered globalization recedes, replaced by rising protectionism and economic nationalism. Major economies are increasingly prioritizing self-sufficiency over integration, as seen in the 15% year-on-year surge in trade barriers (WTO, 2025) and escalating tariff wars—most notably between the U.S., China, and the EU. This retreat from multilateralism has dimmed growth prospects, with the OECD projecting a slowdown from 3.3% in 2024 to 2.9% in 2025–26. The deceleration will be most pronounced in advanced economies like the U.S., Canada, and China where trade constraints compound domestic headwinds such as weakening consumer demand and property market instability. While emerging markets show relative resilience at 3.4% growth, they remain vulnerable to spill overs from currency volatility and tighter dollar liquidity. The IMF warns that prolonged fragmentation could permanently reduce global output by 1.8% by 2030—a risk that demands urgent policy coordination at forums like the G20 to redefine rules for a fractured economic order. The following table provides a summary of the global economic projections as anticipated by different institutions.

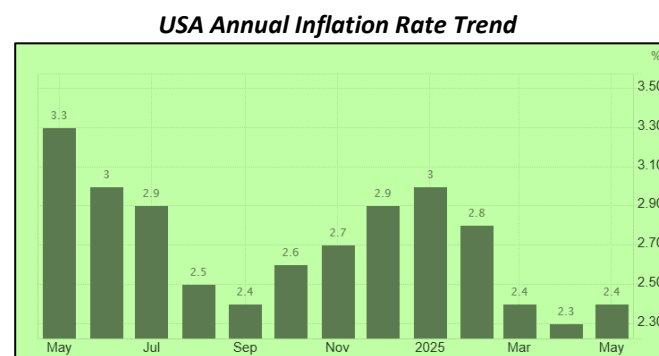
Global Economic Growth Forecasts (%)			
Year	2024	2025	2026
OECD	3.3	2.9	2.9
World Bank (Jan 2025)	2.7	2.7	2.7
IMF (Apr 2025)	3.3	2.8	3.0

a) United States of America

The American economy is showing signs of strain in response to newly enacted trade policies, contracting by 0.3% in the first quarter of 2025, marking the first decline in three years. A surge in capital outflows has accompanied this downturn, as both individual consumers and corporations rush to stockpile imported goods ahead of impending tariffs. This behaviour has sharply reduced domestic spending, further weakening economic growth. Compounding the issue, the Department of Government Efficiency (DOGE) has significantly slashed government expenditures, exacerbating the slowdown. With key drivers of growth—consumer spending, investment, and government outlays—all under pressure, fears of a looming recession are mounting. The outlook remains highly uncertain, leaving businesses and households in a state of unease. Whether this contraction is a temporary setback or the start of a deeper downturn remains to be seen, but the current trajectory has undeniably sparked widespread concern. The table below shows the state's economic projections as suggested by different authorities.

USA Economic Growth Forecasts (%)			
Year	2024	2025	2026
OECD (Jun 2025)	2.8	1.6	1.5
World Bank (Jan 2025)	2.8	2.3	2.0
IMF (Apr 2025)	2.8	1.8	1.7

Meanwhile, the U.S. annual inflation rate increased slightly to 2.4% in May 2025, up from April's 2.3%, marking the first rise in four months. However, it remained below the anticipated 2.5%. The uptick was caused by higher prices for food, transportation services, used cars, and new vehicles. In contrast, shelter inflation eased marginally to 3.9% (from 4%), while energy costs continued to decline, dropping 3.5% after a 3.7% fall in April. Monthly, the Consumer Price Index (CPI) rose by just 0.1%, slower than April's 0.2% increase.



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

b) China

Despite U.S. trade restrictions, China's economy continues to demonstrate surprising strength, prompting major institutions like JPMorgan Chase and Goldman Sachs to revise their growth projections upward. This optimism stems from robust corporate earnings, attractive asset valuations, and China's deepening trade ties with Asia, Africa, and other key regions—buffering it against the full impact of Western tariffs. Global investors are increasingly drawn to Chinese markets, recognizing their relative stability and sustainable growth trajectory compared to overheated U.S. assets, which many now view as overvalued. With its diversified trade partnerships and controlled financial risks, China has managed to sustain investor confidence even as other major economies face turbulence. The OECD projects China's growth at 4.7% this year—a slight dip from last year's 5% but still a robust performance amid global uncertainty. The following table displays China's economic growth projections as anticipated by different influential institutions:

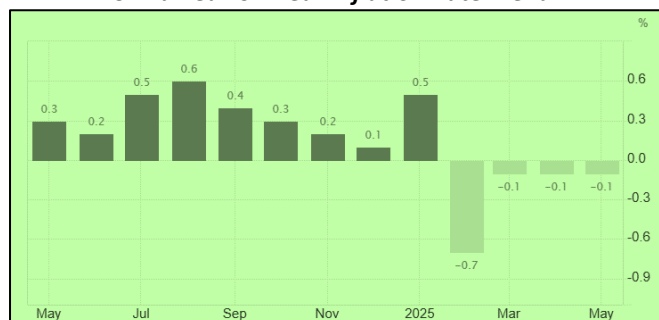
Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial 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.

China Economic Growth Forecasts (%)

Year	2024	2025	2026
OECD (Jun 2025)	5.0	4.7	4.3
World Bank (Jan 2025)	4.9	4.5	4.0
IMF (Apr 2025)	5.0	4.0	4.0

Meanwhile, China experienced a 0.1% year-on-year decline in consumer prices in May 2025, extending a trend observed over the previous two months. This marked the country's fourth consecutive month of deflation, reflecting persistent economic pressures from U.S. trade tensions, weak domestic consumption, and employment uncertainties. While non-food prices remained unchanged for the second straight month (with rises in housing, apparel, healthcare, and education balancing a steeper transport cost decline), food prices accelerated their downward trend (-0.4% vs -0.2%) for the fourth month. Notably, core inflation (excluding food and energy) edged up to 0.6% - the strongest pace since January - after holding at 0.5% in March and April. Month-over-month, the CPI fell 0.2% in May, reversing April's 0.1% increase and registering the third monthly decrease this year.

China Year-on-Year Inflation Rate Trend



Source: National Bureau of Statistics of China– May 2025

On the interest rate front, China's central bank cut key lending rates to historic lows in May 2025, aligning with forecasts in its first reduction since October. The one-year and five-year loan prime rates (LPRs) were each trimmed by 10 basis points to 3.0% and 3.5%, respectively, supporting loans and mortgages. This follows recent monetary easing measures to stimulate and further insulate the economy amid U.S. trade tensions.

c) Germany

Europe's largest economy continues to grapple with stagnation, caught between weakening global demand and sluggish domestic conditions. The export engine that long powered Germany's growth is sputtering, with overseas sales on track for a second consecutive annual decline—reflecting softer demand from key trading partners and

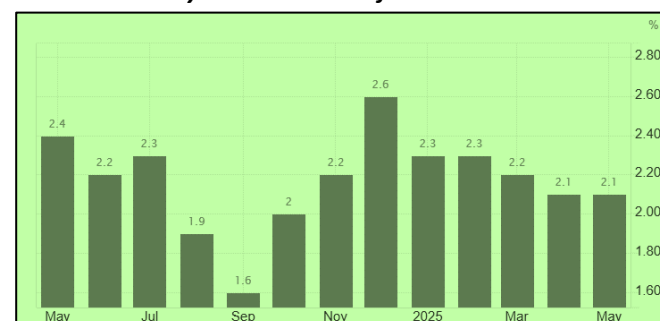
lingering supply chain adjustments. At home, high-energy costs and cautious consumer spending are dampening activity, while businesses remain hesitant to invest amid uncertainty over fiscal policy and the green transition. There are tentative hopes for a rebound next year as global trade shows early signs of stabilization, but recovery prospects remain fragile. The industrial sector, once Germany's pride, now faces structural challenges from rising competition and the costly shift toward sustainable production. Meanwhile, the services sector is providing only partial offset, unable to fully compensate for manufacturing weakness. Policymakers face mounting pressure to revive growth, but with fiscal space constrained by debt brake rules and the European Central Bank maintaining tight monetary policy, options appear. 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

Consumer price inflation remained stable at 2.1% year-on-year in May 2025, matching April's rate. The breakdown revealed diverging trends—goods inflation climbed further, with persistently high food costs, while energy prices extended their decline, though the pace of decrease moderated (-4.6% vs -4.5%). Key energy components like fuel, electricity, and heating oil continued to drive the sector's deflation. Meanwhile, services inflation softened, pulled down by cheaper international fares and telecom services. Core inflation (excluding volatile food and energy prices) dipped slightly to 2.8% from 2.9%. On a monthly basis, prices rose just 0.1%, marking a significant slowdown from April's 0.4% increase. The graph that follows illustrates Germany's inflation trend.

Germany Year-on-Year Inflation Rate Trend



Source: Federal Statistics Office – May 2025

d) United Kingdom

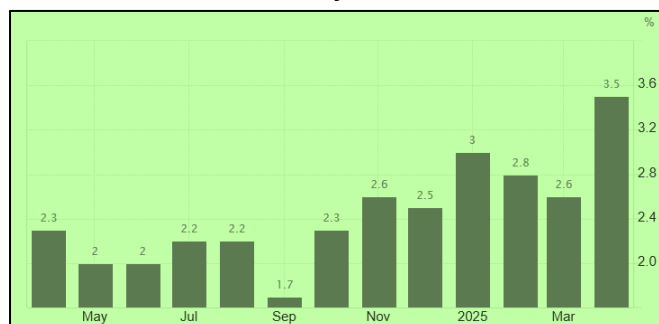
Disclaimer: This document may be legally privileged and/or confidential and has been prepared for informative purposes only. No liability whatsoever for any loss howsoever arising from the use of this review or its contents or otherwise arising in connection therewith shall be accepted by ZB Financial 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.

The UK economy is sending mixed signals, with real GDP expanding by 0.7% in Q1 2025, buoyed by impressive performance in services and production, while construction stagnated. However, momentum faltered in April as output contracted by 0.3%—the sharpest monthly decline since October 2023—as households and businesses grappled with higher energy bills, elevated national insurance contributions, and spill over effects from new U.S. tariffs. Though the labour market remains resilient with unemployment near historic lows, stubborn inflation and tight monetary policy continue to weigh on demand. With consumer confidence fragile and business investment hesitant, the Bank of England faces a delicate balancing act between supporting growth and taming price pressures. The OECD recently trimmed its 2025 UK growth forecast to 1.3%, underscoring the challenge of sustaining recovery amid global trade tensions and domestic fiscal constraints. The following table shows economic growth forecasts for the UK:

UK Economic Growth Forecasts (%)			
Year	2024	2025	2026
OECD (Jun 2025)	1.1	1.3	1.0%
IMF (Apr 2025)	1.1	1.1	1.4

Meanwhile, available information depicts that UK inflation surged to 3.5% in April 2025, up sharply from 2.6% in March, driven primarily by soaring housing and utility costs (7.8% vs 1.8%) following the Ofgem energy price cap hike. While housing rents rose more slowly, transport costs climbed due to new electric vehicle taxes, and recreation (notably overseas holidays) and food prices also pushed inflation higher. The only significant offset came from clothing and footwear discounts during seasonal sales. The graph that follows illustrates the country's inflation trend.

UK Year-on-Year Inflation Rate Trend



Source: Office for National Statistics – May 2025

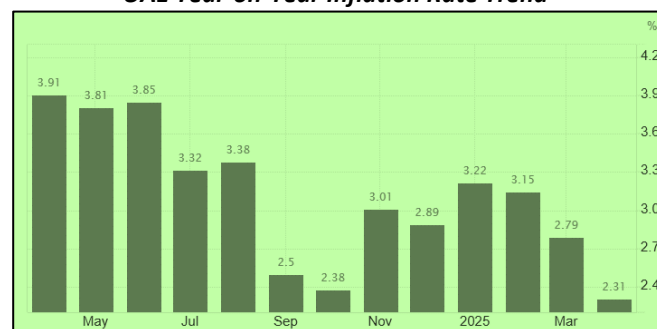
e) United Arab Emirates (UAE)

The UAE is cementing its position as a dynamic economic powerhouse, successfully transitioning from oil dependence amid global shifts toward sustainability. In 2024, its non-oil sector grew by an estimated 4.9%, accounting for over 70% of GDP—a testament to its successful diversification strategy and economic resilience. The country's progressive labour reforms and investor-friendly visa policies continue to attract global talent, while Emiratization initiatives strengthen local workforce integration. Fiscal discipline—underpinned by conservative budgeting and substantial sovereign wealth—ensures stability at both federal and emirate levels. This robust framework has prompted the IMF to upwardly revise growth projections: 4.0% in 2024 and 5.0% in 2025, signalling confidence in the UAE's sustainable economic trajectory.

UAE Economic Growth Forecasts (%)			
Year	2024	2025	2026
IMF (Apr 2025)	3.8	4.0	5.0

Meanwhile the latest available data from the government of Dubai show that in April 2025, the nation's inflation rate eased to 2.3%, marking the lowest level since mid-2023. This decline was primarily driven by falling fuel prices, which offset the continued upward pressure on housing costs. While housing remains the largest component of the Consumer Price Index (CPI), its year-on-year increase was partially balanced by a notable decrease in transport costs. On a monthly basis, prices rose by 0.3% in April 2025, following a 0.1% decrease in March 2025.

UAE Year-on-Year Inflation Rate Trend



Source: Government of Dubai – May 2025

Meanwhile, the Central Bank of the United Arab Emirates (CBUAE) kept its overnight deposit facility base rate at 4.40% on May 8, 2025, aligning with the US Federal Reserve's decision to hold borrowing costs unchanged anchor current favourable economic growth levels as well as contained sustainable inflation levels

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.

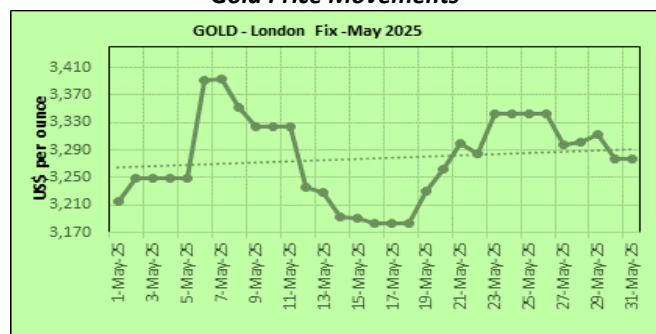
8. Commodities Markets

Commodity Average Prices	April 2025	May 2025	Percentage Change (%)
	Price (US\$)	Price (US\$)	
Gold (oz)	3,216.56	3278.37	1.9%
Platinum (oz)	956.33	1018.87	6.5%
Silver (oz)	32.21	32.67	1.4%
Oil (barrel)	66.22	63.72	-3.8%

a) Gold

Gold prices rose for the fifth straight month, climbing 1.9% from US\$3,216.56/oz in April to US\$3,278.37/oz in May 2025. After peaking at US\$3,392.25/oz early in the month, prices dipped to US\$3,182.95/oz mid-month before settling and closing at US\$3,277.55/oz. The upward trend was fuelled by tariff-related policy risks, higher inflation expectations, and delayed follow-through effects from April's dollar slump.

Gold Price Movements

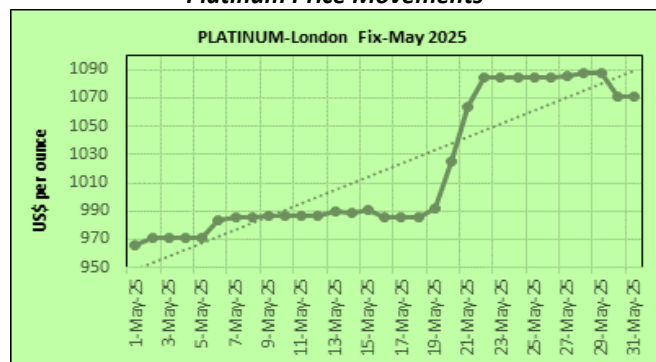


Source: KITCO – May 2025

b) Platinum

Platinum prices surged in May 2025, opening the month at a low of US\$966/oz before peaking at US\$1,088/oz and closing at US\$1,071/oz. The monthly average price rose by 6.5% to US\$1,018.87/oz, up from US\$956.33/oz in April, driven by robust demand and a persistent three-year market supply deficit. The following graph depicts the trend of daily platinum prices during the month under review.

Platinum Price Movements

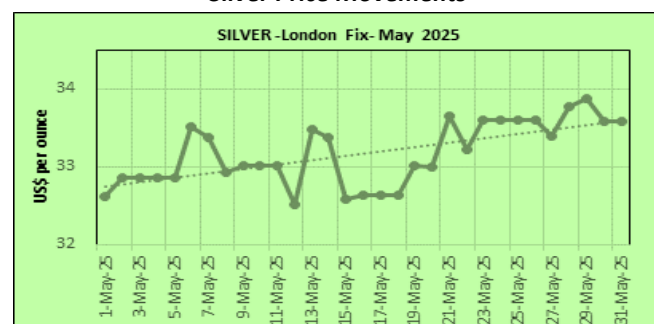


Source: KITCO – May 2025

c) Silver

Silver prices followed an uptrend characterised by significant oscillations within the US\$32.02/oz to US\$33.37/oz range and closed the reviewed month at US\$33.08/oz. Month on month, average silver prices increased by 1.4% from US\$32.21 in April 2025 to US\$32.67/oz in May 2025. The following graph depicts the daily silver price trend for the month under review.

Silver Price Movements

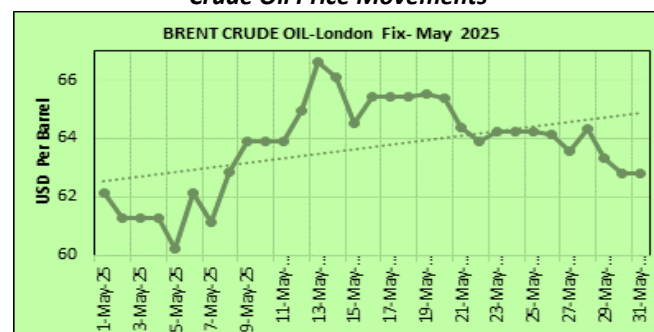


Source: KITCO – May 2025

d) Crude Oil

Crude oil prices retreated in May 2025, averaging US\$63.72 per barrel, a decrease of 3.5% month over month. The month experienced volatility, with prices dropping to US\$60.23 per barrel early on, peaking at US\$66.63 per barrel in the middle of the month, and closing at US\$62.78 per barrel due to subdued demand pressures. The following graph illustrates the daily crude oil price trend for the month under review.

Crude Oil Price Movements



Source: Oil Price.com – May 2025

The price movements are an outcome of trade tensions, which are continuously affecting financial and commodity markets amid OPEC+’s agreement to further unwind production cuts. Despite the US’s trade agreements with China and the UK, uncertainty is projected to keep on weighing on the world economy and, by extension, oil demand.

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.