

# Monthly Economic Update June 2025

## Table of Contents

<b>1. Economic Performance.....</b>	<b>1</b>
<b>2. Inflation .....</b>	<b>1</b>
<b>3. Poverty Datum Lines .....</b>	<b>2</b>
<b>4. Financial Sector .....</b>	<b>4</b>
<b>5. Various Sectors of the Economy.....</b>	<b>7</b>
<b>6. Regional Economies .....</b>	<b>11</b>
<b>7. Global Economy .....</b>	<b>13</b>
<b>8. Commodities Markets .....</b>	<b>16</b>

## 1. Economic Performance

### a) Domestic Economy

The AfDB gave Zimbabwe a conservative forecast of 5% growth in 2025, rebounding from 2% in 2024 following an El Niño-induced agricultural slump. This contrasts with a more optimistic 6% forecast by the Government. Growth is expected to be driven by a strong recovery in agriculture, increased infrastructure investment and momentum in the mining sector.

On the fiscal front, Government revenue exceeded 2024 Fourth Quarter targets due to strong tax collections and currency devaluation. However, expenditures surged, mainly due to social spending in response to the El Niño-induced drought. Exchange rate volatility distorted fiscal performance, prompting calls for tighter expenditure control and improved public financial management.

On the external front, China's move to scrap tariffs on imports from African nations, including Zimbabwe, is expected to boost exports particularly in agriculture and mining sectors. However, FDI fell by 6.4% in 2024, reflecting investor caution amid ongoing macroeconomic risks. The table below outlines Zimbabwe's economic growth forecasts:

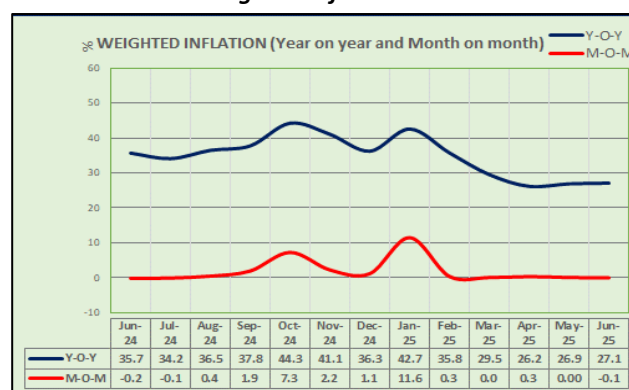
<b>Zimbabwe Economic Growth Forecasts (%)</b>			
<b>Year</b>	<b>2023</b>	<b>2024</b>	<b>2025</b>
<b>IMF (Apr 2025)</b>	2.0	6.0	4.6
<b>World Bank (Jun 2025)</b>	2.0	6.0	4.6
<b>GOZ (Nov 2024)</b>	5.5	2.0	6.0
<b>AfDB</b>		2.0	5.0

## 2. Inflation

### a. Weighted Inflation

Weighted inflation, which captures price movements in both local and foreign currencies, rose slightly to 27.1% year-on-year in June 2025, up from 26.9% in May 2025. Despite this uptick, month-on-month inflation edged down to -0.1% from 0.0% in May 2025, indicating continued cooling in short-term price pressures. Within the Consumer Price Index (CPI), Water, Electricity, Gas & Other Fuels recorded a modest 0.1% increase, reflecting rising utility and fuel costs. In contrast, Food and Non-Alcoholic Beverages declined by 0.5% month-on-month, pointing to some relief in food price inflation. The following graph illustrates the current trend of weighted inflation in Zimbabwe.

**Weighted Inflation Trend**



Source: ZIMSTATS & RBZ – June 2025

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

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

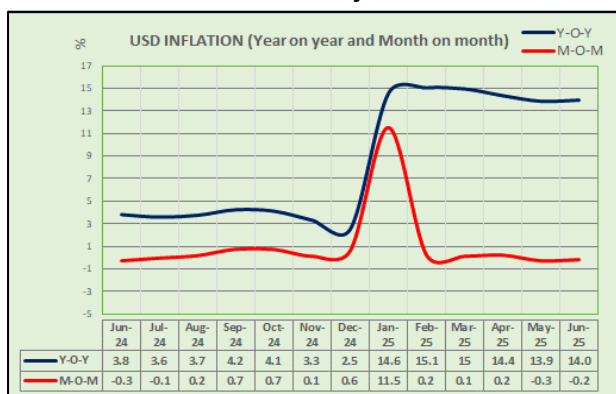
3 Month Inflation Forecasts (%)		
Month	Y-O-Y	M-O-M
July-25	27.6	0.3
Aug-25	27.2	0.0
Sept-25	24.9	0.1

Source: ZB Financial Holdings – June 2025

### b. USD Inflation

Year-on-year USD inflation rose by 0.1 percentage points to 14.0% in June 2025, up from 13.9% in May 2025. On a month-on-month basis, inflation also increased slightly, reaching -0.2%, compared to -0.3% in May 2025, indicating a modest easing of deflationary pressure. The slight uptick in inflation is primarily attributed to the Education component, which rose by 0.3% in the month under review. The graph below illustrates the recent trend in USD inflation in Zimbabwe.

**Zimbabwe USD Inflation Trend**

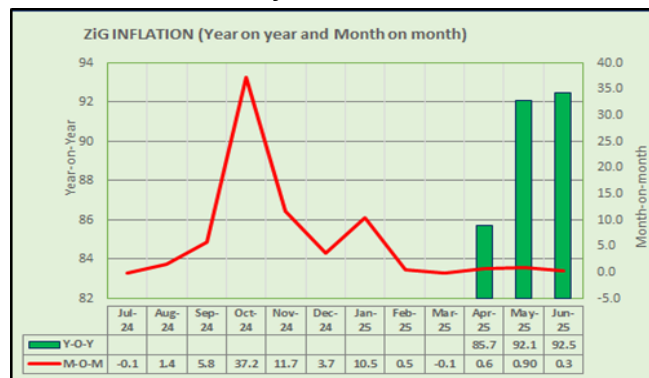


Source: ZIMSTATS & RBZ- June 2025

### c. ZiG Inflation

Local currency-denominated prices continue to show significant volatility, with no clear signs of stabilization. On a year-on-year basis, ZWG inflation rose slightly to 92.5% in June 2025, up from 92.1% in May 2025. Month-on-month, inflation fell to 0.3%, compared to 0.9% in the previous month. The main contributors to the monthly decrease were lower costs in Housing, Water, Electricity, Gas & Other Fuels, as well as Communication and Transport services. The graph that follows illustrates recent trends in ZWG inflation.

**ZWG Inflation Rate Trend**



Source: ZIMSTATS & RBZ – June 2025

Looking ahead, the RBZ expects the temporary inflationary pressures triggered by the September 2024 spike to dissipate by the end of 2025. This normalization is projected to bring annual inflation below 30% by December 2025, marking a substantial deceleration in price growth.

### Strategic insights and takeaways:

- Inflation remains elevated, with ZWG prices volatile and USD inflation showing modest normalization. Weighted inflation signals persistent long-term pressures, though short-term dynamics are softening.
- Achieving the RBZ's sub-30% target by year-end hinges on exchange rate stability, tighter policy coordination and easing external costs, especially in energy and food.

## 3. Poverty Datum Lines

The Total Consumption Poverty Line (TCPL), which reflects the minimum monthly income required to meet both basic food and non-food needs, rose marginally by 0.04% in June 2025, increasing from ZWG1,279.60 in May 2025 to ZWG1,280.05. For a household of six, this translates to ZWG7,680.30 per month.

Meanwhile, the Food Poverty Datum Line (FPDL) which represents the cost necessary to meet a basic nutritional requirement of 2,100 calories per person per day declined slightly by 0.2% to ZWG874.23 in June 2025. For a six-member household, this equates to ZWG5,245.38, accounting for approximately 68.3% of the total household consumption poverty line. Below is a tabulated summary of the poverty datum lines for the past five months:

**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.

Month	TCPL	% Change	PDL	% Change
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
May-25	1,279.60	1.3	876.03	1.6
Jun-25	1,280.05	0.04	874.23	-0.2

Source: ZIMSTATS – June 2025

**Strategic insights and takeaways:**

- The June 2025 PDL data shows slight stability in Zimbabwe's cost structure, with a minor drop in food prices and a small rise in non-food expenses.
- While this signals short-term relief, rising non-food costs may put more pressure on households, requiring policy attention on wage adequacy, food security and public service affordability to protect vulnerable populations.

**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.

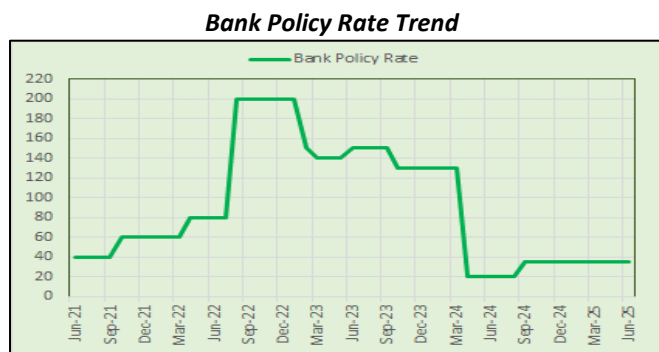
## 4. Financial Sector

### a) Interest Rates

The RBZ's Monetary Policy Committee, on 16 June 2025, reaffirmed the continuation of some policy measures regarding interest rates as follows:

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



Source: RBZ – June 2025

As of 27 June 2025, the weekly average minimum lending rates in ZiG were recorded at 42.29% for individuals and 40.48% 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
6-Jun-25	42.25	40.42	3.81	5.66	5.95
13-Jun-25	42.29	40.42	3.81	5.66	5.95
20-Jun-25	42.34	40.51	3.81	5.66	5.95
27-Jun-25	42.28	40.58	3.81	5.66	5.95
Average	42.29	40.48	3.81	5.66	5.95

Source: RBZ – June 2025

In US Dollar terms, the most recent weekly average minimum lending rates stood at 13.32% for individuals and 10.31% 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
6-Jun-25	13.28	10.32	1.67	3.72	4.38
13-Jun-25	13.31	10.34	1.67	3.72	4.38
20-Jun-25	13.33	10.31	1.67	3.72	4.38
27-Jun-25	13.35	10.26	1.67	3.72	4.38
Average	13.32	10.31	1.67	3.72	4.38

Source: RBZ – June 2025

### Strategic insights and takeaways:

- Since 27 September 2024, the RBZ has maintained a tight monetary policy with consistent measures aimed at stabilizing the ZiG and curbing inflation.
- This strategy has increased ZiG usage to 43% of transactions as of the end of May 2025, up from 26% at the end of April 2024.
- However, high interest rates continue to constrain credit growth, underscoring the need for gradual policy easing.
- Generally, there is a trade-off between stability and Economic growth, going forward there is need for a balancing act regarding policy direction.

### b) Foreign Currency Market

The U.S. dollar continued to weaken in June 2025, depreciating against 14 of the 18 currencies in our analysis basket on a monthly average basis. The steepest decline was a 2.59% drop against the Russian Ruble. In contrast, the dollar appreciated against four currencies, most notably gaining 2.56% versus the Argentine peso, largely due to Argentina's ongoing macroeconomic volatility. The table below details these exchange rate movements, highlighting the evolving landscape of global currency markets.

**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.

### Exchange rate analysis (Monthly Averages)

Exchange Rate Analysis (Monthly Averages)			
Currency/US\$	May-25	Jun-25	Change (%)
Argentine Peso	1149.61951	1179.102456	2.56
Australian Dollar	1.553789	1.539542	-0.92
Botswana Pula	13.553047	13.409944	-1.06
Brazilian Real	5.667593	5.551094	-2.06
British Pound	0.748697	0.737734	-1.46
Canadian Dollar	1.386239	1.368086	-1.31
Chinese Yuan Renminbi	7.220012	7.182611	-0.52
Euro	0.886863	0.86823	-2.10
Hong Kong Dollar	7.799111	7.84811	0.63
Indian Rupee	85.197485	85.925651	0.85
Japanese Yen	144.712469	144.575149	-0.09
Norwegian Krone	10.306335	10.060708	-2.38
Russian Ruble	80.815638	78.722414	-2.59
South African Rand	18.126774	17.862398	-1.46
Swedish Krona	9.664335	9.562132	-1.06
Swiss Franc	0.829373	0.814368	-1.81
South Korean Won	1391.94429	1366.405439	-1.83
Zimbabwean Gold	26.8641	26.95836333	0.35

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

A comparison of month-end exchange rates shows a similar pattern, with the dollar declining against 12 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\$	2-Jun-25	30-Jun-25	Change (%)
Argentine Peso	1180.12137	1191.3896	0.95
Australian Dollar	1.540215	1.521566	-1.21
Botswana Pula	13.430284	13.314066	-0.87
Brazilian Real	5.705752	5.428701	-4.86
British Pound	0.738134	0.728796	-1.27
Canadian Dollar	1.370197	1.361993	-0.60
Chinese Yuan Renminbi	7.199478	7.163789	-0.50
Euro	0.874874	0.849572	-2.89
Hong Kong Dollar	7.84443	7.850109	0.07
Indian Rupee	85.370437	85.728724	0.42
Japanese Yen	142.780612	144.173249	0.98
Norwegian Krone	10.087102	10.09663	0.09
Russian Ruble	79.196463	78.213395	-1.24
South African Rand	17.878334	17.718655	-0.89
South Korean Won	1376.96434	1353.5739	-1.70
Swedish Krona	9.537819	9.488165	-0.52
Swiss Franc	0.817534	0.793948	-2.89
Zimbabwean Gold	26.9213	26.9457	0.09

Source: x-rates; RBZ © ZB Financial holdings

### Strategic insights and takeaways:

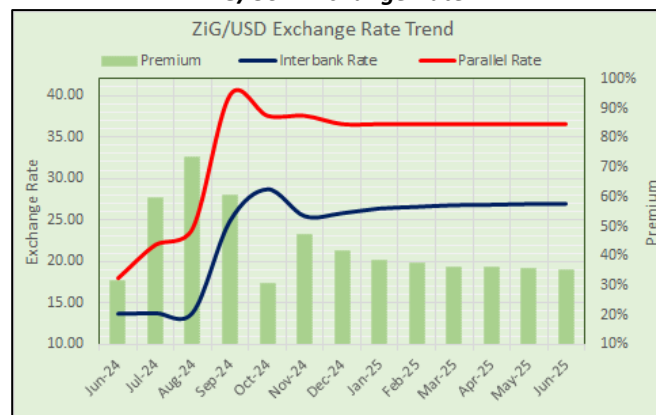
- The dollar's depreciation in June reflects shifting investor sentiment amid expectations of USA Fed policy easing and rising fiscal concerns.

- Strength against fragile currencies highlights selective safe-haven demand.
- Currency movements impact trade, corporate margins and portfolios, underscoring the need for active foreign exchange risk management.

### c) Zimbabwe Gold (ZiG) Exchange Rate

In June 2025, the Zimbabwe Gold (ZiG) continued its depreciating trend for the seventh consecutive month, weakening by 0.13% against the U.S. dollar on the interbank market. The official exchange rate slid from ZiG26.91 per USD on 31 May 2025 to ZiG26.95 per USD by 30 June 2025. In contrast, the parallel market rate remained stable, averaging ZiG36.50 per USD throughout the month. As a result, the exchange rate premium, the gap between the official and parallel market rates narrowed slightly, declining from 36% in May 2025 to 35% in June 2025. The graph below illustrates trends in both interbank and parallel exchange rates from June 2024 to June 2025.

### ZiG/USD Exchange Rate



Source: RBZ & ZB Financial Holdings – June 2025

### Strategic insights and takeaways:

- The exchange rate remained relatively stable.
- The slight narrowing of the exchange rate premium suggests possible early alignment between official and parallel markets.
- However, the persistent gap highlights structural issues: forex shortages and dominance of the informal market.

### d) Equities Markets & Corporate Briefs

The Zimbabwe Stock Exchange (ZSE) showed positive momentum in June 2025, with local-currency market capitalization increasing by 1.7% month-on-month, rising from ZWG59.64 billion to ZWG60.68 billion. In USD terms, market capitalization grew by 1.6%, climbing from US\$2.22

**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.



billion to US\$2.25 billion. The All-Share Index also edged higher, closing at 197.23 points, a modest 0.2% gain from May's 196.85, reflecting broad-based bullish sentiment among investors.

Conversely, the Victoria Falls Stock Exchange (VFEX) experienced a slight decline during the same period. Market capitalization dipped by 0.02%, decreasing from US\$1.24 billion to US\$1.23 billion. The All-Share Index followed suit, falling marginally by 0.03% to 107.21 points, down from 107.24 in May. The table below summarizes the monthly performance of both markets over the past four 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
Jun-25	197.23	60,681.15	2,251.98	107.21	1,234,900
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

Source: ZSE & VFEX – June 2025

**Strategic insights and takeaways:**

- *The continued depreciation of the ZiG amid a broad-based bearish pressure reflects the weakening of the USD globally and its persistent shortage in Zimbabwe's local market.*

## 5. Various Sectors of the Economy

### a) External Sector

Latest data from ZIMSTAT indicate that Zimbabwe's merchandise exports rose sharply to US\$727.3 million in May 2025, a 9.6% increase from US\$663.8 million recorded in April 2025. This growth was largely driven by higher export volumes of refined gold (50.2% of total exports), nickel mattes (19.1%) and tobacco (4.5%).

On the import side, merchandise imports increased to US\$882.1 million, up by 9.8% from US\$803.7 million in the previous month. The import basket remained dominated by mineral fuels, oils, and related products (20.8%), followed by machinery & mechanical appliances (16.2%) and vehicles (8.2%).

As a result, the trade deficit widened to US\$154.8 million in May 2025, an increase of 10.7% from US\$139.8 million in April 2025. The graph below illustrates trends in external trade statistics since May 2024.



Source: ZIMSTATS – June 2025

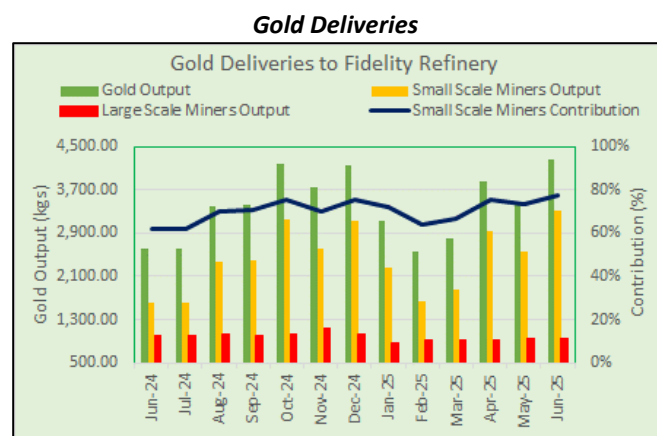
#### Strategic insights and takeaways:

- Zimbabwe's exports grew in May 2025, led by gold, nickel and tobacco. However, a persistent trade deficit fuelled by dependence on imported energy and capital goods and a limited export base continues to pressure the current account and foreign reserves, underscoring ongoing structural challenges in the external sector.
- The country needs a deliberate strategy on import substitution and export value addition to reduce the deficit. Some of the measures include promoting local beneficiation, banning raw chrome and lithium exports by 2027 to encourage value addition.

### b) Mining Sector

Zimbabwe's mining sector is a vital economic driver, projected to have earned US\$5.9 billion in foreign exchange in 2024, with plans to double this to US\$12 billion in 2025. Platinum Group Metals (PGM) from the Unki, Mimosa and Zimplats mines contributed 28% of forex inflows in 2024. The Government is promoting local beneficiation, banning raw chrome and lithium exports by 2027 to encourage value addition. Regional cooperation, such as a pipeline Memorandum of Understanding with Zambia, is expected to further support sustainable mining growth.

Meanwhile, gold deliveries to Fidelity Gold Refinery increased by 22% in June 2025, from 3,488.06 kgs in May 2025 to 4,265.49 kgs. Small-scale miners accounted for approximately 78% of total deliveries in June 2025, up from 73% recorded in the previous month, while large-scale miners accounted for the remainder. The graph below summarizes the activity in gold production.



Source: FGR – June 2025

#### News and Highlights in the Mining Sector.

- Hwange Colliery Company invested over US\$8 million to revive its coke oven battery, which had been inactive for over a decade. The plant aims to produce more than 18,000 tonnes monthly. This move is expected to boost both local and international demand for coking coal and support energy generation.
- Construction of the Zim Win Mine in Mutawatawa, Uzumba-Maramba-Pfungwe, is 90% complete, with commissioning expected later in 2025. Backed by a US\$15 million investment, the gold mine targets a monthly output of 20kg and aims to create 200 direct jobs. The project supports Zimbabwe's rural

industrialisation efforts and reflects growing interest in gold amid strong global prices.

- Global Union Alloy's US\$12 million chrome processing plant in Kwekwe is 40% complete, with two furnaces under Phase 1 set to begin operations by July 2025. The project is expected to create over 500 jobs and produce 35,000 tonnes of ferrochrome per month when fully operational.

### c) Agriculture Sector

Zimbabwe's agriculture sector continues to perform strongly, with early preparations underway for the 2025/26 irrigated crop. Grain and oilseed deliveries to the Grain Marketing Board are rising, with total intake projected between 120,000 and 150,000 tonnes. The 2025 cotton season was launched with a production target of 61,000 tonnes, marking a significant increase from 13,600 tonnes recorded last season. Government support and favourable rainfall patterns have bolstered output across key staples.

As of 27 June 2025, cumulative tobacco sales increased by 47.0%, reaching 321 million kilograms compared to the same period last year, reflecting a significant rise in volumes sold. However, the average price declined by US\$0.09 per kilogram. Despite the price drop, the cumulative revenue rose by 43.2%, totalling US\$1.08 billion compared to the previous period as shown by the table below.

**Cumulative Tobacco Sales: Day 79 (27th June 2025)**

	2024	2025	Change
Cumulative Quantity Sold (million kgs)	218,632,317	321,407,880	47.0%
Average Price (US\$/kg)	3.44	3.35	-0.09
Cumulative value (US\$)	752,095,170	1,076,716,398	43.2%

Source: TIMB – June 2025

### News Highlights in the Agriculture Sector.

- The 2025 cotton marketing season began on June 9, with seed cotton prices set at a 70:30 ratio of US dollars to ZiG currency. Prices range from US\$0.41/kg (Grade A) to US\$0.30/kg (Grade D). Sales are projected to hit 61,000 tonnes, up from 13,600 tonnes last season, supported by 697 buying points.
- As of early June 2025, Zimbabwe has planted over 105,000 hectares of wheat out of a 120,000 hectares target, signalling strong progress toward a projected 600,000-tonne harvest. Government

support through inputs and irrigation has accelerated the efforts.

- Zimbabwe's horticulture sector is growing rapidly, aiming for US\$2 billion by 2030 under the Horticulture Recovery and Growth Plan. Key crops like blueberries, pica-nuts and potatoes have surged.
- The Grain Marketing Board (GMB) is set to open 1,800 depots nationwide to handle an expected 2.2 million tonnes of maize from the 2024/2025 season. Farmers are encouraged to sell at GMB-approved prices, with enhanced transport support.
- The AI-powered grain silo construction at Mutare's GMB depot is 80% complete and is scheduled for completion in July 2025. The project is expected to provide a storage capacity of 56,000 tonnes.

### d) Energy Sector

During the month under review, Zimbabwe recorded a 10.6% increase in electricity generation, largely driven by a 14% rise in output from Hwange Power Station. Meanwhile, Kariba Power Station showed notable improvement, averaging around 407MW in output. As a result, total average electricity generation stood at 1,505 MW, still falling short of the national peak demand of 1,900 MW. This persistent supply gap poses a risk to critical sectors, particularly winter wheat farming, which alone requires approximately 150 MW to support uninterrupted irrigation.

**Daily Electricity Supply**

Average Maximum Supply (MW)	May-25	Jun-25	Change
Hwange	918	1,048	14.1%
Kariba	393	407	3.5%
IPPS	49	50	1.1%
Total	1,361	1,505	10.6%

Source: ZPC – June 2025

### News Highlights in the Energy Sector

- Liquefied Petroleum Gas (LPG) consumption in Zimbabwe surged by 68% in Q1:2025, reaching 26.8 million kilograms, up from 15.98 million kg in the same period last year, according to the Zimbabwe Energy Regulatory Authority. The rise reflects growing reliance on LPG as an alternative energy source.
- Rural Electrification Agency completed a 120kW solar plant at Tshitulipasi Business Centre in Beitbridge, powering over 40 homes, a clinic, school and other institutions. The project is driving rural industrialisation, improving livelihoods and essential services.

**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 Rural Electrification Fund is constructing a 160-kW solar mini-grid in Gutu to power schools, clinics, businesses and government offices. Nearly complete, the project is set to enhance rural electrification, boost industrialisation and improve educational services.
- Zimbabwe signed a Government Project Support Agreement with InfraCo Africa to develop the 30MW Vungu Solar Project. This initiative aims to diversify energy sources, boost renewable energy investment and increase power supply.

### **e) Manufacturing Sector**

In 2024, Zimbabwe's manufacturing sector led national GDP contributions, accounting for over 15% of output, driven by a rebound in production, exports and value addition. Capacity utilization surged from 12% in 2020 to 51%, reflecting revitalized industrial activity. The local pharmaceutical sector has grown significantly, with locally produced essential medicines rising from 15% to 36% and exports reaching US\$5.2 million in 2023. To sustain this momentum, a pharmaceutical revolving fund is expected to offer affordable industry financing. Continued investment and Government incentives remain critical to deepening manufacturing's economic impact.

#### **News Highlights in the Manufacturing Sector**

- National Foods Limited commissioned three plants in Harare, advancing Zimbabwe's industrialisation and import substitution goals. The US\$22.7 million investment is expected to boost local production, supports farmers, retains foreign currency and creates jobs.
- Nampak Zimbabwe invested US\$2.3 million to expand operations and improve generator capacity at Megapak. Despite this, Q1:2025 revenue dropped 23% due to low demand and competition. The company focuses on cost management and awaits finalization of a US\$25 million deal for a majority stake sale.

### **f) Property Sector**

Zimbabwe's property sector is shifting rapidly as suburban areas outpace traditional Central Business Districts (CBDs). Harare's CBD suffers from a 60% office vacancy rate, with 31% of buildings reported in poor condition due to aging infrastructure and inadequate services. In contrast, suburbs like Borrowdale, Highlands and Newlands attract businesses and residents with better security, amenities and higher rents averaging US\$10 per square meter, compared to US\$6 in the CBD.

The sector saw nearly US\$2 billion in investment during Q4:2024, led by housing, office parks, and retail developments, driven by diaspora inflows and USD-denominated leases. Retail trends include converting large department stores into smaller units catering to SMEs, reflecting broader commercial decentralization.

Additionally, the Government plans a nationwide assessment of illegal settlements to explore regularisation aligned with national housing policies and UN urban development goals. However, infrastructure deficits and financing challenges remain key obstacles to sustainable growth.

#### **News Highlights in the Property Sector**

- Zimbabwe's Dombotombo Housing Project in Marondera is 96% complete, with four blocks set to accommodate 64 civil servant families. The project is funded by the Government as part of its one-million housing unit initiative.
- The ED Block, part of Harare's Millennium Park, is nearing completion and will feature 86 luxury apartments. Developed by WestProp at a cost of US\$100 million, the project aims to create a vibrant live-work-play environment in Borrowdale West.
- The Infrastructure and Development Bank of Zimbabwe (IDBZ) is developing 1,300 housing stands in Masvingo. Phase Two, on 100 hectares, aims for completion within a year.
- Beitbridge Municipality plans to develop 1,600 high-density residential stands to ease a housing backlog of over 16,800 applicants. The project includes essential infrastructure like water, sewer, and roads, supported through public-private partnerships.

### **g) Tourism Sector**

Zimbabwe's tourism sector is rebounding strongly in 2025, driven by improved air connectivity, growing visitor numbers and infrastructure upgrades. Passenger traffic at airports rose 5%, with Robert Gabriel Mugabe International Airport handling 486,611 travellers in the first four months of 2025. Tourist arrivals surged by 83%, with Victoria Falls alone attracting over 61,000 visitors in Q1:2025 up from 44,000 the previous year. Tourism revenues reached US\$839 million in the first nine months of 2024, with projections exceeding US\$1 billion in 2025. Key growth drivers include diaspora

travel, strategic marketing, luxury safari experiences and the expansion of domestic tourism.

#### **News Highlights in the Tourism Sector**

- Air Zimbabwe is selling two Boeing 777-200ER aircraft to raise capital and modernise operations under its turnaround strategy. The plan includes expanding routes, restoring training schools and enhancing governance. The sale supports efforts to streamline the fleet and improve competitiveness on domestic and regional routes. Bids are expected to close on July 25, 2025.
- Rainbow Tourism Group's Heritage Expeditions Africa saw a 20% revenue growth in Q1:2025, driven by increased demand for tours across Zimbabwe.
- African Sun Limited is refurbishing key hotel properties in 2025, including Holiday Inn Harare, Elephant Hills Resort and Victoria Falls Hotel. To fund the upgrades, it is selling non-core assets.

#### **h) Insurance Sector**

Zimbabwe's insurance sector is undergoing a significant transformation, driven by strong regulatory reforms, capital requirement realignment and industry consolidation. While penetration remains low at around 1.6%, recent efforts by the Insurance and Pensions Commission (IPEC) and Government are targeting improved market stability, broader coverage and increased professionalism. The gazetting of Statutory Instrument 67 of 2025 marked a pivotal moment, ushering in USD-denominated capital thresholds, enhanced governance and modernised compliance frameworks. Innovation, especially in microinsurance and digital systems, is gaining traction, particularly in informal and underserved markets. Despite these strides, challenges persist in capital adequacy, consumer trust and digital infrastructure.

#### **News Highlights in the Insurance Sector**

- Gross Written Premiums (GWP): Projected at US\$2.51 billion in 2025.
- Insurance Penetration Rate: Approximately 1.6% (down from 1.8% in 2023)
- Statutory Instrument 67 of 2025 (June) set USD-based capital minimums as follows
  1. Life insurers: US\$2 million
  2. Reinsurers: US\$2 million
  3. Short-term insurers: US\$1.5 million
  4. Funeral assurers: US\$500,000
  5. Micro-insurers: US\$100,000
  6. Insurance brokers: US\$100,000

#### ***Strategic insights and takeaways:***

- *Improvements in electricity generation is on the right track and is encouraging as energy is key to all sectoral growths.*
- *As a country we need to create basic infrastructure necessary to spur growth of the other sectors. Road and energy infrastructure continue to be the backbone of economic transformation and revival. Zimbabwe requires significant improvements in its basic infrastructure to support development and improve citizens' quality of life. Other key areas needing attention include water and sanitation, and ICT infrastructure.*

**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.

## 6. Regional Economies

The World Bank has lowered sub-Saharan Africa's 2025 growth forecast to 3.7%, citing global challenges such as rising trade barriers, weakened commodity demand and political instability. Falling interest rates and improved public finances are expected to aid growth, but high debt and borrowing costs continue to pose risks. The region is nearing a balanced budget in 2024, driven by fiscal discipline. Despite global headwinds, sub-Saharan Africa is among the few regions expected to experience growth acceleration, echoing IMF projections. The following table shows Sub-Saharan's economic growth forecast:

Sub-Saharan Africa Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>World Bank (Jun 2025)</b>	3.5	3.7	4.1
<b>IMF (Apr 2025)</b>	4.0	3.8	4.2

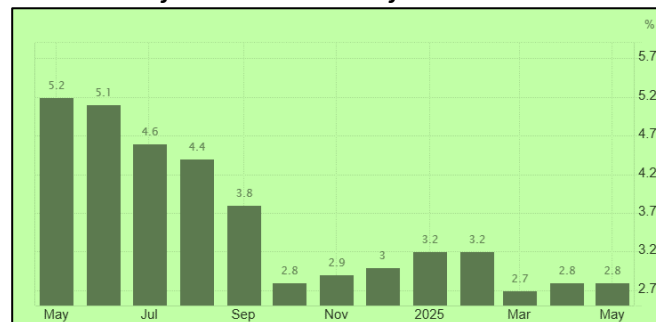
### a) South Africa

South Africa is bracing for a significant economic slowdown as looming U.S. tariffs are expected to reduce GDP growth by up to 0.5% and put thousands of export-related jobs at risk. The South African Reserve Bank has eased interest rates to support the economy, and exporters are seeking alternative markets. However, major risks persist due to uncertain global trade conditions, domestic infrastructure constraints and the outcome of critical trade negotiations ahead of August 2025. Meanwhile, the World Bank has lowered South Africa's 2025 GDP forecast by 1.1 percentage points to 0.7%. The following table shows South Africa's economic growth forecast:

South Africa Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>World Bank (Jun 2025)</b>	0.5	0.7	1.1
<b>IMF (Apr 2025)</b>	0.8	1.1	1.5

South Africa's annual inflation rate held steady at 2.8% in May 2025, matching the figure recorded in April 2025. On a monthly basis, the Consumer Price Index (CPI) rose by 0.2%, slightly below the 0.3% increase seen in April 2025, marking the smallest monthly rise in five months. The graph that follows illustrates the country's inflation trend.

**South Africa Year-on-Year Inflation Rate Trend**



Source: Statistics South Africa – June 2025

### Strategic insights and takeaways:

- South Africa's economic slowdown is not isolated, as it reverberates across the Southern African region. For Zimbabwe, the key risk lies in the spill over effects on trade, remittances and regional logistics, underscoring the need for diversified trade partnerships, improved domestic resilience and enhanced regional cooperation.

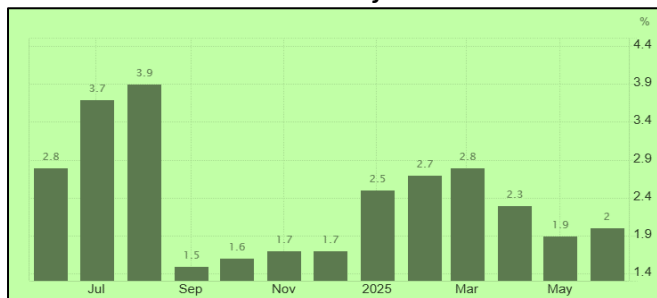
### b) Botswana

Botswana is navigating a period of mounting economic strain, largely triggered by the continued decline in its diamond industry, which traditionally accounts for over 80% of export revenue and a major share of fiscal income. The downturn in diamond sales from around US\$6 billion in 2022 to US\$2.7 billion in 2024 has led to significant budgetary pressures, job losses and a second consecutive year of economic contraction. Meanwhile, the World Bank has lowered Botswana's 2025 GDP forecasts by 4.7 percentage points to 0.6%. The following table shows Botswana's economic growth forecast:

Botswana Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>World Bank (Jun 2025)</b>	-3.0	0.6	4.2
<b>IMF (Apr 2025)</b>	-3.0	-0.4	2.3
<b>MoF (Feb 2025)</b>	-3.1	3.3	-

Botswana's annual inflation rate rose to 2% in June 2025, from a five-month low of 1.9% in May 2025. The annual inflation remained below the lower bound of the medium-term objective range of 3 – 6 percent and was lower than the 2.8% recorded in June 2024. On a monthly basis, consumer prices edged up by 0.2%, after a 0.1% decrease in the prior month.

#### **Botswana Year-on-Year Inflation Rate Trend**



Source: Central Statistics Office, Botswana – June 2025

#### **Strategic insights and takeaways:**

- Botswana's economy is contracting due to a sharp decline in diamond revenues, rising unemployment and a widening fiscal deficit. This downturn poses risks for Zimbabwe, including reduced remittances, weaker trade flows and regional investment slowdowns.

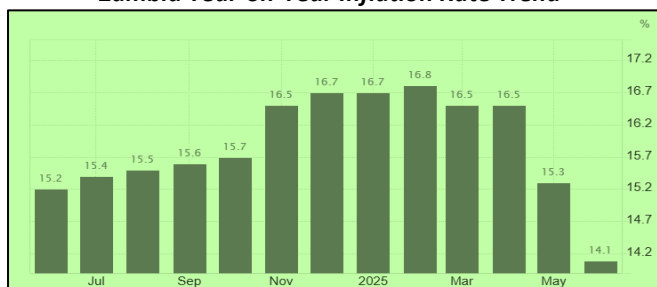
#### **c) Zambia**

Zambia's economy is showing signs of recovery, with improved business confidence, stable macro indicators and a positive credit rating outlook. The Purchasing Managers' Index (PMI) fell to 50.3 in June 2025, and the kwacha strengthened, while inflation and reserves improved. However, high unemployment, rising living costs and overdependence on mining persist. Meanwhile, the World Bank revised Zambia's 2025 economic growth forecast downward by 0.4 percentage points, to 5.8%. The following table displays Zambia's economic growth projections:

Zambia Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jun 2025)	4.0	5.8	6.4
IMF (Apr 2025)	4.0	6.2	6.8

Zambia's annual inflation rate eased for the second consecutive month, reaching 14.1% in June 2025, as the continued strength of the kwacha helped temper import costs. The monthly Consumer Price Index (CPI) rose by 0.2%, following a 0.3% increase in the previous month.

#### **Zambia Year-on-Year Inflation Rate Trend**



Source: Central Statistics of Zambia – June 2025

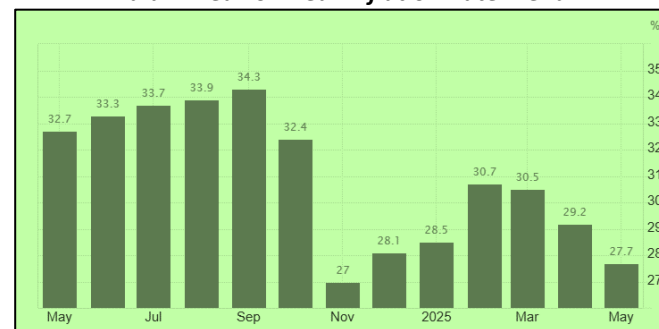
#### **d) Malawi**

Malawi faces a deepening economic crisis, with growth slowing to 1.8% in 2024 and inflation remaining high in 2025. Food insecurity worsens as maize production falls short, while fiscal deficits is expected to balloon to 8.7% of GDP in 2025 amid rising debt and stalled restructuring talks. The private sector continues to struggle with forex shortages, power cuts and trade restrictions. Meanwhile, the World Bank projects economic growth of 2.0% in 2025, a 2.2 percentage point downward revision. The following table displays Malawi's economic growth projections:

Malawi Economic Growth Forecasts (%)			
Year	2024	2025	2026
World Bank (Jun 2025)	1.8	2.0	2.4
IMF (Apr 2025)	1.8	3.5	3.3
MoF (Feb 2025)	1.8	3.2	-

Meanwhile, Malawi's inflation rate has remained significantly high, with a recent statistic indicating a decline to 27.7% in May 2025 from 29.2% the previous month. This decrease was largely attributed to a drop-in food price, particularly maize. On a monthly basis, inflation rose by 0.6% in May 2025, compared to a decline of 2.9% recorded in April 2025.

#### **Malawi Year-on-Year Inflation Rate Trend**



Source: Reserve Bank of Malawi – June 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.



## 7. Global Economy

Global economic growth is projected to slow to 2.3% in 2025, with forecasts downgraded in 70% of economies due to trade tensions and policy uncertainty. US policy remains a major source of uncertainty for the global economy. But as other countries respond, signs are emerging of a deeper transformation – and of a reconfiguration of global-trade and financial flows. Developing economies face particularly weak growth, averaging 3.8%, while global trade and investment slow and debt levels rise. Inflation remains above pre-pandemic levels. The World Bank has downgraded the global economic output for 2025 by 0.4 percentage points to 2.3%. The following table displays global economic growth projections:

Global Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>OECD</b>	3.3	2.9	2.9
<b>World Bank (Jun 2025)</b>	2.8	2.3	2.4
<b>IMF (Apr 2025)</b>	3.3	2.8	3.0

Global trade rebounded by around US\$300 billion in the first half of 2025, driven by strong US imports and EU exports. But while the aggregate picture is encouraging, most of the gains were in developed economies while developing-country exports and south-south flows have been relatively weak. The data also point to a decline in trade concentration and nearshoring, indicating a gradual shift away from hyper-centralized production networks and towards more politically aligned and diversified trade relationships. Diverging industrial policies and geopolitical risks may only reinforce this dynamic.

### Strategic insights and takeaways:

- *The global economic slowdown signals reduced demand for Zimbabwe's exports, tighter financial conditions and limited external support.*
- *Trade wars initiated by USA have made other nations to rethink and diversify their markets. This has a chance of creating other economic powerhouses.*

#### a) United States of America

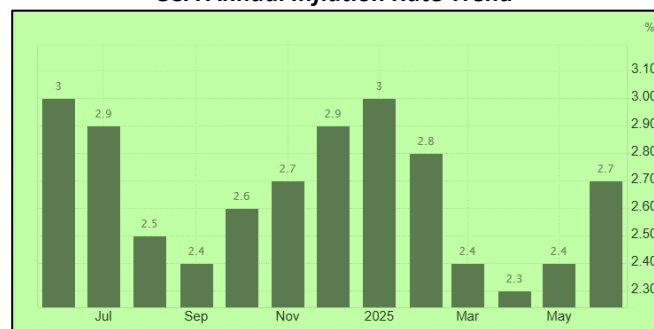
The U.S. economy contracted by 0.5% in Q1:2025, its first decline in three years driven by a surge in pre-tariff imports and weakening consumer demand. Growth was further hampered by escalating trade policy uncertainty, rising inflation expectations and tighter financial conditions. Consumer sentiment dropped sharply amid equity market volatility, with supply chain disruptions especially in the auto sector adding pressure. According to the World Bank, growth

is now forecasted to slow to 1.4% in 2025. The following table displays USA economic growth projections:

USA Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>OECD (Jun 2025)</b>	2.8	1.6	1.5
<b>World Bank (Jun 2025)</b>	2.8	1.4	1.6
<b>IMF (Apr 2025)</b>	2.8	1.8	1.7

Meanwhile, the annual inflation rate in the US accelerated for the second consecutive month, reaching 2.7% in June 2025, up from 2.4% in May 2025. On a monthly basis, the CPI rose by 0.3%, marking the largest increase in five months and up from 0.1% in May 2025.

**USA Annual Inflation Rate Trend**



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

#### b) China

China's economy grew by 5.3% year-on-year in the first half of 2025, driven by strong industrial production and resilient exports, despite heightened U.S. trade tensions. GDP expanded by 1.1% quarter-on-quarter in Q2:2025, keeping China on track to meet its 4.5% annual growth target. Frontloaded trade and effective macroeconomic policies supported performance. However, risks remain high heading into the second half of 2025, with renewed tariff uncertainty and possible escalations as the U.S.–China trade truce approaches its August 12 expiry. The following table displays China's economic growth projections:

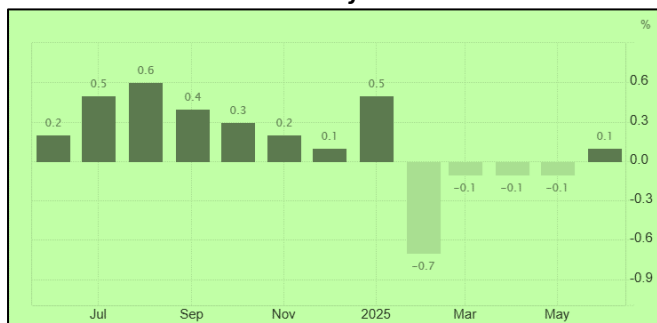
China Economic Growth Forecasts (%)			
Year	2024	2025	2026
<b>OECD (Jun 2025)</b>	5.0	4.7	4.3
<b>World Bank (Jun 2025)</b>	5.0	4.5	4.0
<b>IMF (Apr 2025)</b>	5.0	4.0	4.0

China's annual inflation rate rose by 0.1% in June 2025, reversing a 0.1% decline over the previous three months. It marked the first annual increase in consumer inflation since January 2025, driven by increased consumer goods subsidies from Beijing and easing trade risks with the U.S. On a



monthly basis, the CPI fell by 0.1% after a 0.2% drop in May 2025, marking the fourth monthly decline this year.

#### **China Year-on-Year Inflation Rate Trend**



Source: National Bureau of Statistics of China– June 2025

#### **Strategic insights and takeaways:**

- China's steady growth and rising consumer demand offer export market opportunities for Zimbabwe, especially in agriculture and minerals sub sectors.

#### **c) Germany**

Germany's economy is set to return to growth in 2025 after two years of contraction, with forecasts now projecting 0.4% GDP expansion, boosted by stronger Q1:2025 performance and significant fiscal stimulus. Government stimulus measures including €46 billion in tax relief and €500 billion in infrastructure spending are expected to drive investment and consumption, though exports remain a drag. Trade tensions, especially with the U.S., pose key downside risks. 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

On the inflation front, Germany's annual inflation rate fell to 2% in June 2025 down from 2.1% in each of the previous two months. On a monthly basis, the CPI was flat at 0.0%, following a 0.1% increase in May 2025. The graph that follows illustrates Germany's inflation trend.

#### **Germany Year-on-Year Inflation Rate Trend**



Source: Federal Statistics Office – June 2025

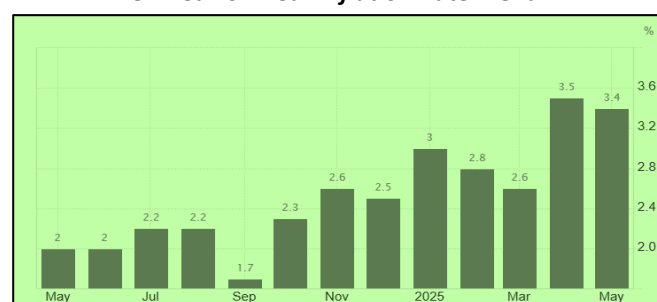
#### **d) United Kingdom**

The UK economy unexpectedly contracted for a second consecutive month in May 2025, with GDP falling by 0.1% following a 0.3% decline in April 2025. The downturn was driven by declines in industrial output and construction, despite marginal growth in the services sector. Meanwhile, exports to the U.S, the UK's largest trading partner have cooled after a tariff-driven surge earlier in the year. UK now faces mounting pressure to stimulate growth, potentially through further tax reforms, amid global trade disruptions and domestic policy 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, the annual inflation rate in the UK edged down to 3.4% in May 2025 from 3.5% in April. On a monthly basis, the Consumer Price Index (CPI) rose by 0.2%. The graph that follows illustrates the country's inflation trend.

#### **UK Year-on-Year Inflation Rate Trend**



Source: Office for National Statistics – June 2025

#### **e) United Arab Emirates (UAE)**

The UAE's economy expanded by 4% in 2024, reaching AED1.776 trillion, with non-oil GDP rising 5% to AED1.342 trillion and accounting for 75.5% of total output. Key growth

**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.

drivers included transport, construction and finance. The results reflect effective diversification efforts, resilience, and progress toward the UAE 2031 vision of an AED 3 trillion economy, despite global uncertainties and regional economic challenges.

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

Meanwhile, Dubai's annual inflation rate held steady at 2.37% in June 2025, unchanged from May 2025, according to the Dubai Statistics Centre. Modest increases in housing and food prices were offset by continued deflation in the transport and communication sectors. This stability reflects a mixed inflation environment, with core consumer categories exhibiting diverging trends.

**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.

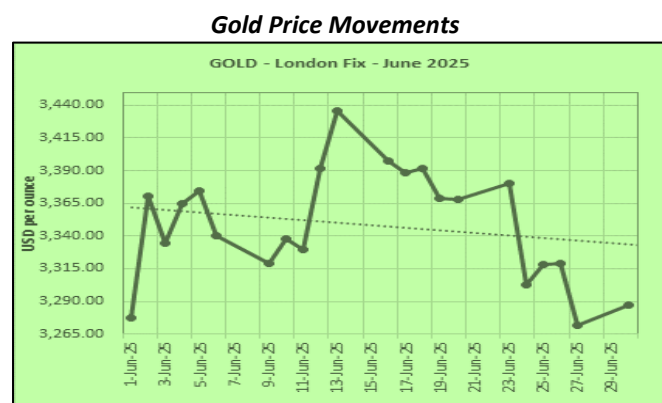
## 8. Commodities Markets

Commodity Average Prices	May 2025	June 2025	Percentage Change (%)
	Price (US\$)	Price (US\$)	
Gold (oz)	3,278.37	3,350.00	2.2%
Platinum (oz)	1,018.87	1,237.10	21.4%
Silver (oz)	32.67	35.89	9.8%
Oil (barrel)	63.72	69.51	9.1%

### a) Gold

Gold remains a top-performing asset heading into the second half of 2025, with prices up 26% year-to-date, according to the World Gold Council's mid-year outlook. The surge is driven by a weaker US dollar, geopolitical tensions, investor demand and robust central bank purchases.

In June 2025, gold prices exhibited notable volatility but followed an overall downward trend. However, on a monthly average basis, price surged by 2.2%, increasing from US\$3,278.37/oz in May 2025 to US\$3,350.00/oz in June 2025. This increase reflects heightened global demand amid ongoing tariffs wars and persistent inflation concerns in advanced economies. The following graph depicts daily gold price trend for the month under review.



Source: KITCO – June 2025

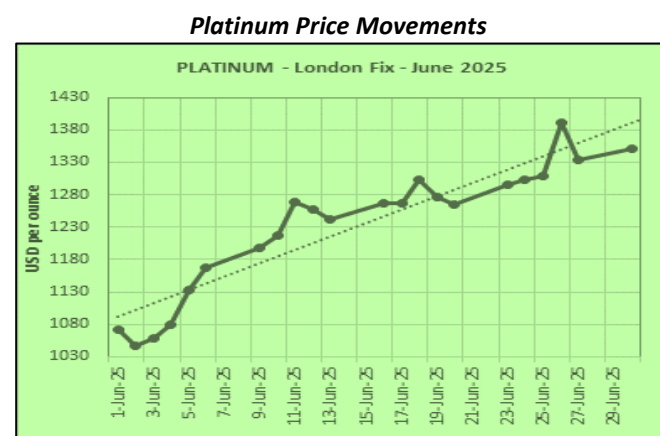
Central bank buying is expected to remain strong, though slightly below 2022 levels, while elevated prices may limit consumer demand and prompt more recycling. The broader outlook points to a “seesaw” second half, with falling interest rates and persistent uncertainty likely to sustain gold’s appeal. Gold prices could rise to the edge of \$4,000 per ounce by year-end – or they could finish with single-digit annual gains – depending on how geopolitical and macroeconomic risks ultimately impact the yellow metal’s key drivers, according to the World Gold Council (WGC).

### Strategic insights and takeaways:

- The elevated gold price environment may provide a near-term boost to Zimbabwe’s gold export revenues, which remain a critical source of foreign currency.
- Market consensus anticipates moderate upside potential in the second half of the year, with possible gains of up to 5%, though a deterioration in global conditions could push prices up by as much as 15%. Conversely, widespread conflict resolution and a pickup in global trade could trigger a correction of up to 17%.

### b) Platinum

Platinum prices showed a strong upward trend throughout the month of June 2025. The monthly average price surged by 21.4%, rising from US\$1,018.87/oz in May 2025 to US\$1,237.10/oz in June 2025. Platinum rallied in June due to supply concerns, strong jewellery demand amid high gold prices and its broad industrial use. The following graph depicts the trend of daily platinum prices during the month under review.



Source: KITCO – June 2025

The platinum price has surged over 20 percent year-to-date, propelled by a sharp rebound in Chinese demand and a tightening global supply picture that analysts say may signal a prolonged market deficit.

### Strategic insights and takeaways:

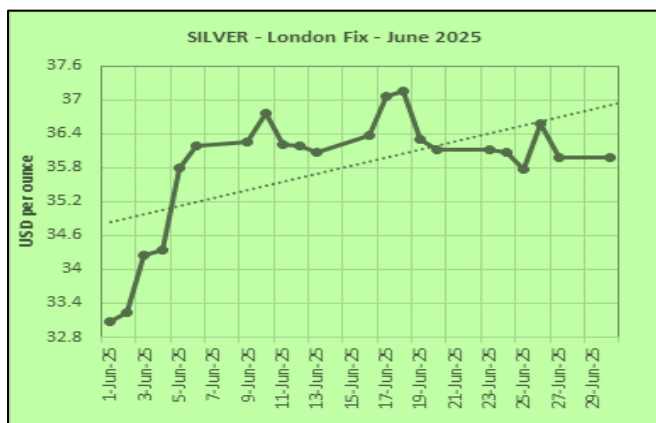
- As a top global producer of platinum group metals (PGMs), Zimbabwe stands to benefit economically from rising platinum prices, which could boost export revenues, mining sector investment and government royalties.
- The renewed Chinese interests point to structural issues in the platinum group metals (PGMs) market which ended in deficit in 2024, with global production forecast still below 2010 to 2021 annual average 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.

### c) Silver

Silver prices followed an overall uptrend with significant volatility. Month on month, average silver prices increased by 9.8% from US\$32.67/oz in May 2025 to US\$35.89/oz in June 2025. Silver prices were primarily driven by a combination of factors including heightened geopolitical and economic uncertainties according to the Silver Institute. The following graph depicts the daily silver price trend for the month under review.

**Silver Price Movements**

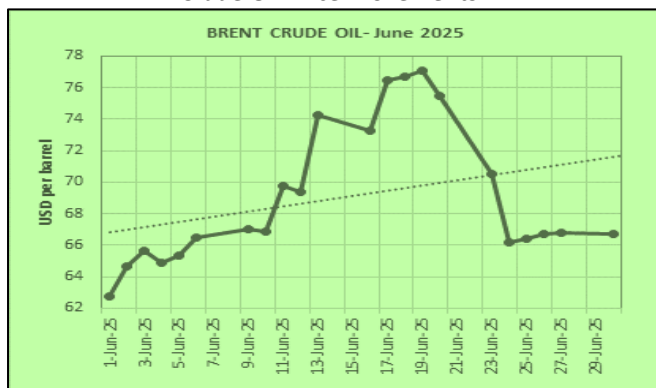


Source: KITCO – June 2025

### d) Crude Oil

Crude oil prices trended upward in June 2025. Crude oil prices are rising due to a temporary U.S.-China tariff cut boosting market sentiment, a better-than-expected U.S. inflation report easing recession fears and strong demand for refined fuels amid reduced refining capacity. The average monthly price rose by 9.1%, rising from US\$63.72/barrel in May 2025 to US\$69.51/barrel in June 2025. The following graph depicts daily crude oil price trend for the month under review.

**Crude Oil Price Movements**



Source: Oil Price.com – June 2025

### **Strategic insights and takeaways:**

- *Rising crude oil prices could pose challenges for Zimbabwe's import-dependent economy, increasing fuel costs, transportation expenses and overall inflation especially given the country's limited foreign currency reserves.*

**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.