



TREASURY QUARTERLY BULLETIN:

Jan-Mar 2013

Ministry of Finance

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INTRODUCTION

1. This 2013 First Quarter Treasury Bulletin provides recent economic data on the economy with particular attention on macro-economic and fiscal developments during the period January - March 2013.

ECONOMIC HIGHLIGHTS

- Although economic growth is projected to improve in 2013 to around 5%, from an estimated 4.4% in 2012, output in key sectors such as agriculture and manufacturing show signs of slowing down.
- Output of some agricultural commodities, particularly maize, are set to be revised downwards owing to the dry spell conditions, which prevailed during the last part of the season.
- Minerals output, however, remain on the increase.
- Manufacturing capacity utilisation remains constrained by unreliable supply of power and financing challenges.
- In tourism, preparations for the United Nations World Tourism Organisation (UNWTO) General Assembly are on track.

- Annual inflation remains contained below 3%.
- Public finances position was supported by positive revenue performance with the first quarter outturn at US\$838 million against a target of US\$825 million. Expenditures were contained within the resource envelope, save for domestic arrears which arise on account of the misalignment between service consumption and budgetary resources as well as billing challenges on the part of utilities.
- Broad money supply has been hovering around US\$3.8 billion since October 2012 reflecting economic stagnation and the liquidity challenges.
- The 2013 first quarter exports at around US\$805 million reflect a slow down since 2012 against faster growth in imports, which stood at US\$2.3 billion during the same period. A scenario where imports persistently constitute three times the size of exports is clearly unsustainable.
- The debt overhang, preliminarily validated at US\$5.9 billion remains an impediment on growth prospects. Efforts on resolution of the debt issue are ongoing.

REAL SECTOR

Agriculture

- Agriculture has been projected to grow by 6.4% in 2013. The growth was anticipated to be driven mainly by tobacco, soya beans, maize and poultry.
- The table below summaries the projected outputs for 2013.

Selected Agricultural outputs ("000" tons)					
	2009	2010	2011	2012	2013
Tobacco (flue cured)	58.6	123.4	132.9	144.5	170.0
Maize	1,240.0	1,328.0	1,452.0	968.0	1,100.0
Beef	93.0	95.0	94.0	94.0	94.1
Cotton	211.0	270.0	250.0	350.0	283.0
Sugar	2,544.7	2,974.0	3,264.6	4,476.9	4,500.0
Horticulture	35.0	43.0	45.0	51.0	54.3
Poultry	42.0	45.0	65.0	70.5	80.0
Groundnuts	216.0	186.0	231.0	120.0	130.0
Wheat	48.0	41.5	53.1	17.0	17.4
Dairy (m lt)	56.3	58.8	63.0	64.5	70.0
Coffee	2.6	2.5	2.7	1.9	1.5
Soybeans	115.0	70.0	84.0	70.5	114.8
Pork	8.0	9.0	13.0	13.8	15.0
Overall Growth (%)	<i>37.6</i>	<i>34.8</i>	<i>9.9</i>	<i>4.6</i>	<i>6.4</i>

- However, due to the dry spell that the country experienced during the end of the 2012/13 season, output for some commodities is set to be revised downwards as yields are expected to have been

affected by the dry spell and the limited availability of fertilisers in the country.

5. The conclusion of the Crop and Livestock Assessment Report will ascertain crop output for the season.

Performance of Selected Crops

Maize

6. Maize output for the 2012/2013 season is set to be revised downwards due to the dry spell experienced during the last part of the season. Given limited access to top dressing fertilizers by most farmers, maize yields are likely going to be impacted negatively and may be lower than the current national average of 0.6 tons/hectare, which will impact on the production potential for the 2012/13 season.
7. However, the overall picture will be clearer after the conclusion of the Crop and Livestock Assessment Report for the period.

Tobacco

8. The tobacco crop is anticipated to have performed better than last year in terms of output and value.

9. This largely reflects the increase in the number of tobacco growers, which were estimated at 82 833 growers as shown below.

Registered Growers for 2013 season

Grower Sector	Number of registered growers	Percentage
A1	35 755	43
A2	6 278	8
Communal Area	32 966	39
Small Scale Commercial	7 834	10
TOTAL	82 833	100

Source: TIMB

10. As at 28 March 2013, total tobacco deliveries through 3 Auction Floors were 42.8 million kgs, valued at US\$159.9 million. The average price was US\$3.74 per kg. Over the same period in 2012, US\$128.0 million was realised from the sale of 34.5 million kgs at an average price of US\$3.71. This translates to a 23.9% increase in volume and a 24.9% increase in value over the same period.
11. The Table below indicates the breakdown of tobacco output and sales figures.

Tobacco Seasonal Sales Statistics as at 28 March 2013

Seasonal	Total Auction	Contract	Total 2013	Total 2012	% Change
Mass sold(kg)	16, 745, 559	26, 037,456	42, 783,015	34, 533,260	23.89
Value(US\$)	61, 792, 164	98, 085,682	159, 877,846	128,017,309	24.89
Average price (US\$/kg)	3.69	3.77	3.74	3.71	0.89

Source: TIMB

Cotton

12. According to seed distributed to farmers, output for the crop is estimated at around 300 000 tones.
13. In order to guarantee viability of cotton growing, farmers are expecting prices ranging between US\$0.8 and US\$0.9 per kg for the 2013 marketing season, compared to US\$0.35 that was obtaining during the 2012 marketing season.

Food Security

14. According to the Zimbabwe National Statistics Agency (ZIMSTAT), the country has to date imported 432 400 tons of maize to meet the cereal gap of 436 211 tons.
15. A total of 1.4 million people are currently receiving assistance through Government and humanitarian agencies.
16. Currently, Government is also negotiating with the Zambian Government for importation of 150 000 tons of maize valued at US\$60 million, as part of the Grain Importation Programme.

17. The grain importation programme will be funded by both Government and private sector players, in view of the limited capacity of the fiscus.

International Agriculture Commodity Prices

18. International agricultural commodity prices remained relatively unchanged during the months as measured by the FAO Food Price Index, which averaged 141.0 in March 2013.

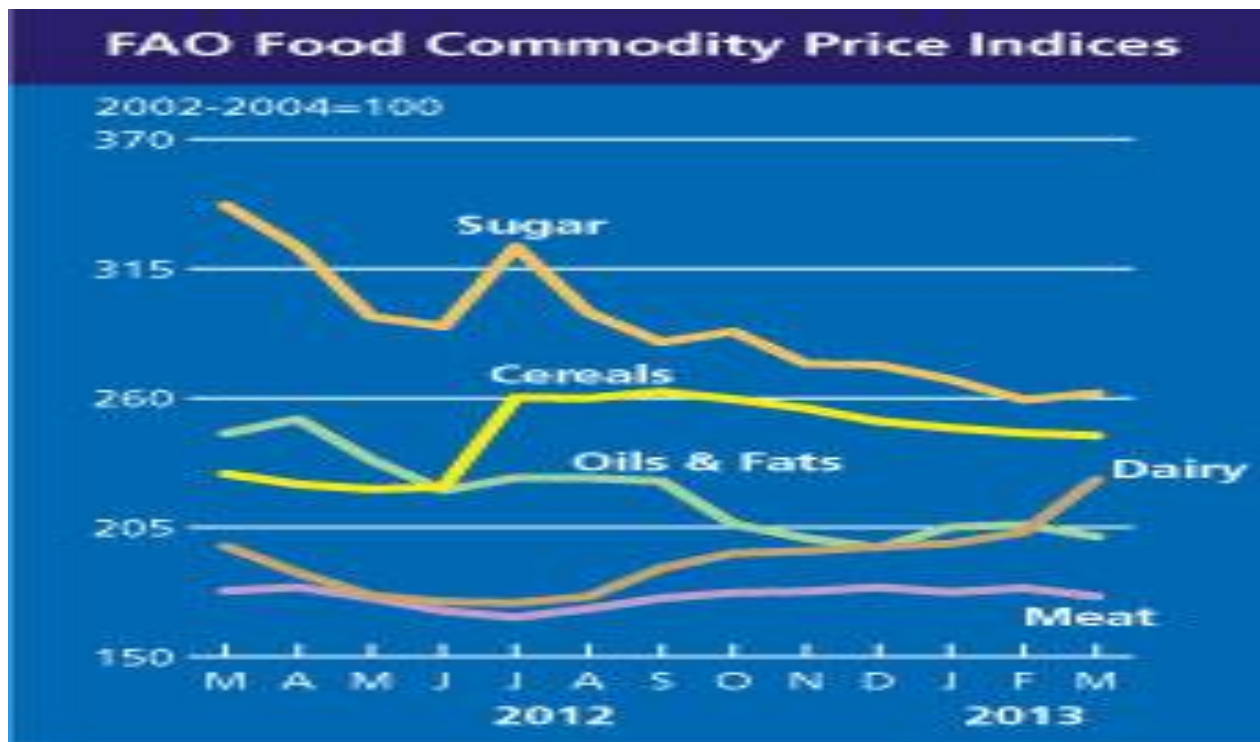
FAO Food Price Indices

Date	Food Price Index	Meat Price Index	Dairy Price Index	Cereals Price Index	Oils Price Index	Sugar Price Index
1/2012	142.3	116.5	138.2	148.9	156.2	223.5
2/2012	144.1	119.1	135.1	151.3	159.6	228.8
3/2012	144.4	119.0	131.7	152.3	163.7	228.6
4/2012	142.4	120.1	124.1	149.3	167.7	216.6
5/2012	136.8	117.0	117.7	147.9	156.3	196.9
6/2012	134.0	113.3	115.9	148.5	147.5	194.1
7/2012	142.3	111.5	115.6	173.9	151.1	216.8
8/2012	142.1	114.0	117.4	173.8	151.0	198.0
9/2012	144.2	116.9	125.5	175.5	150.2	189.6
10/2012	143.4	118.5	129.7	173.4	138.0	192.7
11/2012	141.7	118.9	130.4	170.8	134.0	183.5
12/2012	140.9	120.0	131.5	167.2	131.4	183.2
1/2013	139.7	117.9	131.6	164.2	136.3	177.9
2/2013	139.9	119.0	134.8	162.8	136.9	172.1
3/2013	141.0	116.7	149.6	162.1	133.5	174.0

Source: FAO

19. The FAO Food Price Index averaged 141 points in March 2013, up 1 percent (1.1 points) from February, but 3.4 percent below March 2012. The small increase in March was mainly the result of a 14.8

percent surge in the dairy sub-index, which carries a weight of 17 percent within the FAO Food Price Index. The changes in prices were more contained for the other commodity groups.



Source: FAO

Mining

20. In the 2013 National Budget, the mining sector was projected to grow by 17.1%.
21. Strong external demand for primary commodities, particularly of platinum and gold will continue to support higher production levels to

drive growth in this sector. The anticipated recovery of mineral prices coupled with on-going investment in the sector as well as the resumption of production of nickel and asbestos were also positive assumptions for the sector.

22. In the first quarter of 2013, the volume of output increased for most minerals except for gold.
23. Platinum output for the first quarter of 2013 was 3,296.23 kgs compared to 2 725.7 kgs produced during the same period in 2012 as shown in the table below.

Monthly Mineral Production—January-March 2013

MINERAL	Jan 2013	Feb 2013	March 2013	Q1 2013 Actual	Quarterly Ave(Proj)	Variance
Gold \kg	1,088.4431	1,066.3810	1,111.3945	3,266.22	4,250	-984
Nickel \t	739.37	882.88	775.10	2,397.34	2,500	-103
Coal \t	161,716.00	169,622.00	-	331,338.00	500 000	-168,662
Asbestos \t	160	236.72 -	217.00	613.72	0.00	+613.72
Chrome \t	9,223.00	11,142.00	11,609.00	31,974.00	70500	-385,26
Platinum \kg	1,007.59	1,219.61	1,069.03	3,296.23	3,125	+171.23
Palladium \kg	767.75	422.63	802.01	2,492.39	2,500	-7.61
Copper \t	599.43	702.63	651.95	1,954.01	-	
Rhodium \kg	87.81	103.38	92.08	283.27	-	

Source: Chamber of Mines and Fidelity Printers

Quarterly Performance of Selected Minerals

Mineral	Q1-2009	Q1-2010	Q1-2011	Q1-2012	Q1-2013
Gold/kg	1241	2405	3237	3 494.87	3,266.22
Asbestos	1951.75	507.75	-	-	613.72
Platinum/kg	1712	2159	2571	2 725.7	3,296.23
Palladium/kg	1338	1729	2105	2 111.9	2,492.39
Coal/t	401578.75	667045.75	640513.5	526 542	331,338.00
Nickel/t	1214.5	1533.5	1998	2 052.2	2,397.34

Gold Production

24. Gold output for the first three months of 2013 was 3,266.22 kgs compared to 3.494.87 kgs produced in the first quarter of 2012.
25. The 2013 first quarter output is also marginally below the quarterly average output projected at 4 250kgs, if the country is to meet its annual target of 17 tonnes.

Gold Producers and their Deliveries: January – March 2013(Kgs)

Owner Name	Jan-13	Feb-13	March 2013	Total
BRONFIELD MINES (PVT) LTD. [Brompton]	2.5046	9.3331	3.6554	15.4931
CALCITE [Isabella]	0.0000	0.0000	0.0000	0.0000
CALEDONIA HOLDINGS [Blanket]	149.4817	112.9533	109.3906	371.8256
DTZ-OZGEO PVT LTD [Mutare]	15.7877	26.0948	19.6604	61.5429
DTZ-OZGEO PVT LTD [Mutare]	4.1938	0.0000	7.6178	11.8116
DURATION GOLD ZIMBABWE (PVT) LTD. [Horn]	0.0000	1.0831	0.0000	1.0831
DURATION GOLD ZIMBABWE (PVT) LTD. [Anthens]	0.0000	0.0000	0.0000	0.0000
DURATION GOLD ZIMBABWE (PVT) LTD. [Queens]	12.7812	6.8571	6.7594	26.3977
DURATION GOLD ZIMBABWE (PVT) LTD. [Gaika]	1.1820	0.5177	0.0000	1.6997
DURATION GOLD ZIMBABWE (PVT) LTD. [Sunace]	0.0000	0.2507	0.0000	0.2507
DURATION GOLD ZIMBABWE (PVT) LTD. [Durban]	0.0000	0.0000	0.0000	0.0000
FALCON MINES [Camperdown]	0.0000	0.0000	0.0000	0.0000
FALCON MINES [Dalny]	16.0843	13.9322	23.2488	53.2653
FALCON MINES [Lulu]	10.5343	23.1774	29.8768	63.5885
FALCON MINES [Jim/Camperdown]	0.0000	0.0000	0.0000	0.0000
FALCON MINES [Golden Quarry]	0.0000	1.0408	8.0834	9.1242
FALCON MINES [Whistlecock/Riverlea]	0.0000	0.0000	0.0000	0.0000

Owner Name	Jan-13	Feb-13	March 2013	Total
FARVIC CONSOLIDATED MINES (PVT) LTD	6.3539	3.9892	8.1903	18.5334
F.A STEWART (PVT) LTD. [Jessie]	15.8939	15.9347	9.4184	41.2470
F.A STEWART (PVT) LTD. [London Wall]	0.0000	0.2468	0.0000	0.2468
FORBES & THOMPSON [Long John]	41.6617	39.2856	42.8964	123.8437
FORBES & THOMPSON [Vubachikwe]	0.0000	0.0000	0.0000	0.0000
JOHN MACK AND COMPANY [Golden Valley]	31.1383	28.7869	28.8536	88.7788
LABENMON INVESTMENTS (PVT) LTD.	0.0000	0.0000	5.1094	5.1094
LABENMON INVESTMENTS (PVT) LTD.	7.0570	2.5742	2.6415	12.2727
MATABELELAND MINERALS (PVT) LTD. [Turk]	38.3490	51.9059	53.8330	144.0879
METALLON GOLD ZIMBABWE (PVT) LTD. [Acturus]	30.9744	30.3116	27.6349	88.9209
METALLON GOLD ZIMBABWE (PVT) LTD. [How]	75.8477	97.2956	91.3860	264.5293
METALLON GOLD ZIMBABWE (PVT) LTD. [Mazowe]	34.5850	31.3206	24.8631	90.7687
METALLON GOLD ZIMBABWE (PVT) LTD. [Redwing]	8.5620	8.4335	4.2321	21.2276
METALLON GOLD ZIMBABWE (PVT) LTD. [Shamva]	55.9530	56.4950	41.8096	154.2576
MIXNOTE INVESTMENTS(PVT) LTD.	3.2720	4.8546	4.8924	13.0190
MWANA AFRICA [Freda Rebecca]	175.6327	125.4672	88.2295	389.3294
OLYMPUS GOLD MINES [Old Nic]	5.3493	6.9834	6.8985	19.2312

Owner Name	Jan-13	Feb-13	March 2013	Total
PAN AFRICAN MINING (PVT) LTD.	11.7878	15.5359	13.3831	40.7068
PAN AFRICAN MINING (PVT) LTD. [Muriel]	5.8960	6.0749	7.4700	19.4409
PAN REEF MINING COMPANY (PVT) LTD. [Indarama]	0.0000	0.0000	0.0000	0.0000
RIO TINTO ZIMBABWE LTD. [Dump Retreatment]	2.7258	16.9091	5.9340	25.5689
RIO TINTO ZIMBABWE LTD [Renco]	23.6201	31.1482	48.9829	103.7512
ZMDC [Jena Mines (PVT) LTD.]	18.0500	26.8551	21.6613	66.5664
ZMDC [Sabi Consolidated Mines (PVT) LTD.]	18.7929	16.1535	22.1638	57.1102
Small scale producers	143.3994	150.4202	221.5749	515.3945
Chamber of mines	120.9931	104.1591	121.0427	346.1949
Total	1,088.4431	1066.3810	1,111.3945	3,266.22

Source: Fidelity Printers and Refiners and Chamber of mines

Manufacturing

Capacity Utilisation

26. According to the Confederation of Zimbabwe Industries (CZI) 2012 Manufacturing Sector Survey Report, average capacity utilisation dropped to 44.2% in the last quarter of 2012 from 2011's average of 57.2%.

Average Capacity Utilisation By Subsector:2012

Manufacturing Subsector	Average Capacity Utilization (%)
Bakers	40.0
Battery	76.5
Building(construction and related)	59.5
Car Assemblers	30.3
Electric Appliances Manufacturers	43.8
Engineering Iron and Steel	36.7
Food, Dairy and Beverages	58.2
Grain Millers	30.0
Chemical	41.6
Leather and Allied	27.5
Paints and Inks	30.5
Pharmaceuticals	58.0
Plastic, Packaging and Rubber	46.1
Paper, Printing and Publishing	58.3
Textiles and Clothing	34.4
Timber Process	53.8

CZI-Manufacturing Sector Survey Report-2012

27. Low capacity utilisation is mainly on account of challenges related to power and financing, among other factors as indicated in the table below.

Major Capacity Constraints

Capacity Constraint	Percentage
Working Capital Constraints	32.3
Low Local Demand	13.3
Antiquated machinery and machine breakdowns	11.4
Power and water shortages	9.9
Competition from imports	9.5
Drawbacks from the current economic environment	8.4
High cost of doing business	8.0
Shortage of raw materials	5.3
other	1.9

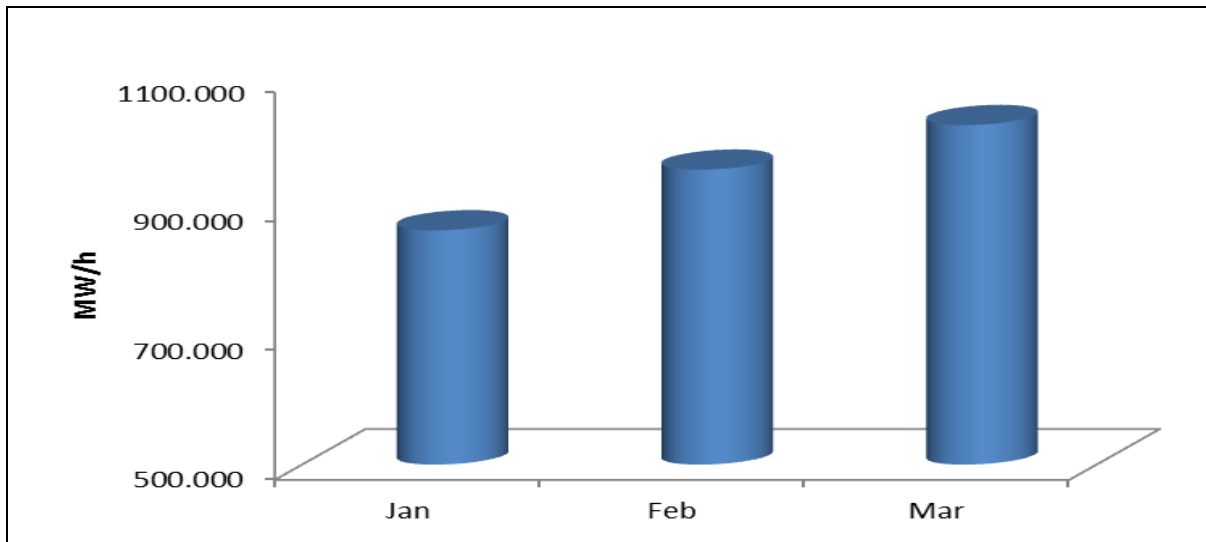
CZI-Manufacturing Sector Survey Report-2012

28. However, some companies especially those in the food and beverages industry continue to post increased production volumes owing to continued refurbishing and installation of new machinery.

Energy

29. Electricity generation capacity on major power stations during the quarter recorded some slight improvements due to on-going maintenance work. However, shortage of coal at Harare Power Station was a constraint, resulting in generation failure at the Station.

Electricity Generation (Jan-Mar 2013)



30. Overall, power supply remains a major challenge affecting the performance of the general industry.

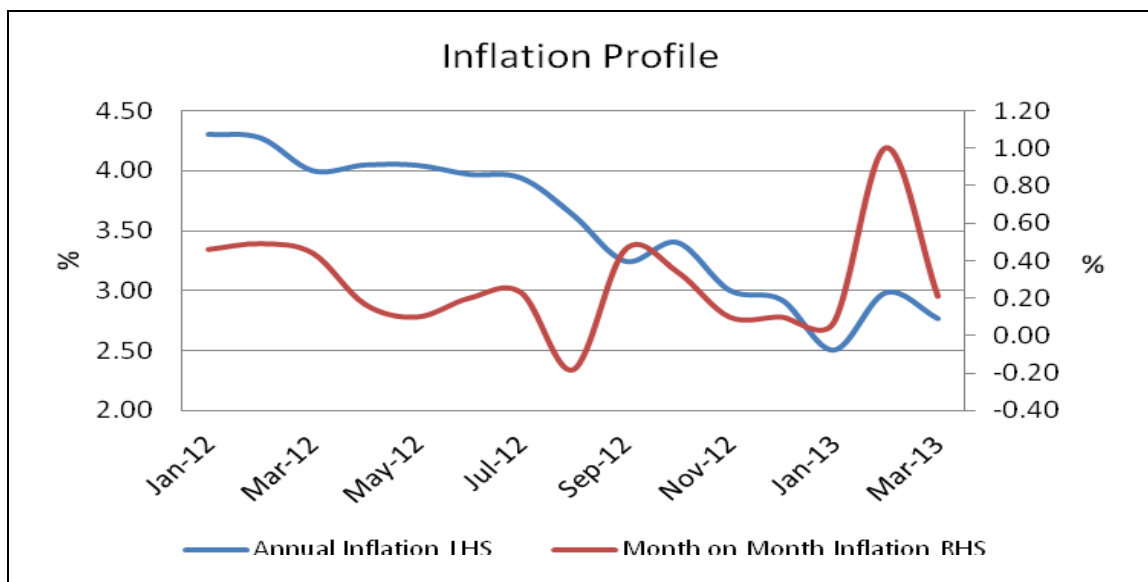
INFLATION

31. The general price level in the economy remains under control, falling below target.

Inflation Targets against Actuals (Jan-Mar 2013)

	Target (MOM)	Actual (MOM)	Target (YOY)	Actual (YOY)
January	0.5	0.07	3.0	2.5
February	0.9	1.00	3.1	3.0
March	0.5	0.21	3.2	2.8

32. During the first quarter of 2013, the country continued to experience stable price levels as reflected by the annual inflation for January, February and March, which recorded 2.5%, 2.98% and 2.76, respectively. This was largely attributed to depressed demand due to liquidity constraints and depreciation of the rand which provides much relief to importers.
33. However, there was a surge in month on month inflation from 0.07% in January to 0.95% in February before sliding down to 0.2% in March. Major price increases were recorded in the category of bread and cereals, clothing and footwear, rentals and hospital services.



34. Notwithstanding the marginal increase in both month on month and annual inflation for the month of February inflation in the outlook

period will remain under control mainly due to depressed demand on the back drop of liquidity challenges.

BUDGET PERFORMANCE

Revenues

35. Cumulative revenue collections for the period January to March 2013 amounted to US\$838 million against a target of US\$825.3 million, resulting in a positive variance of US\$12.7 million.

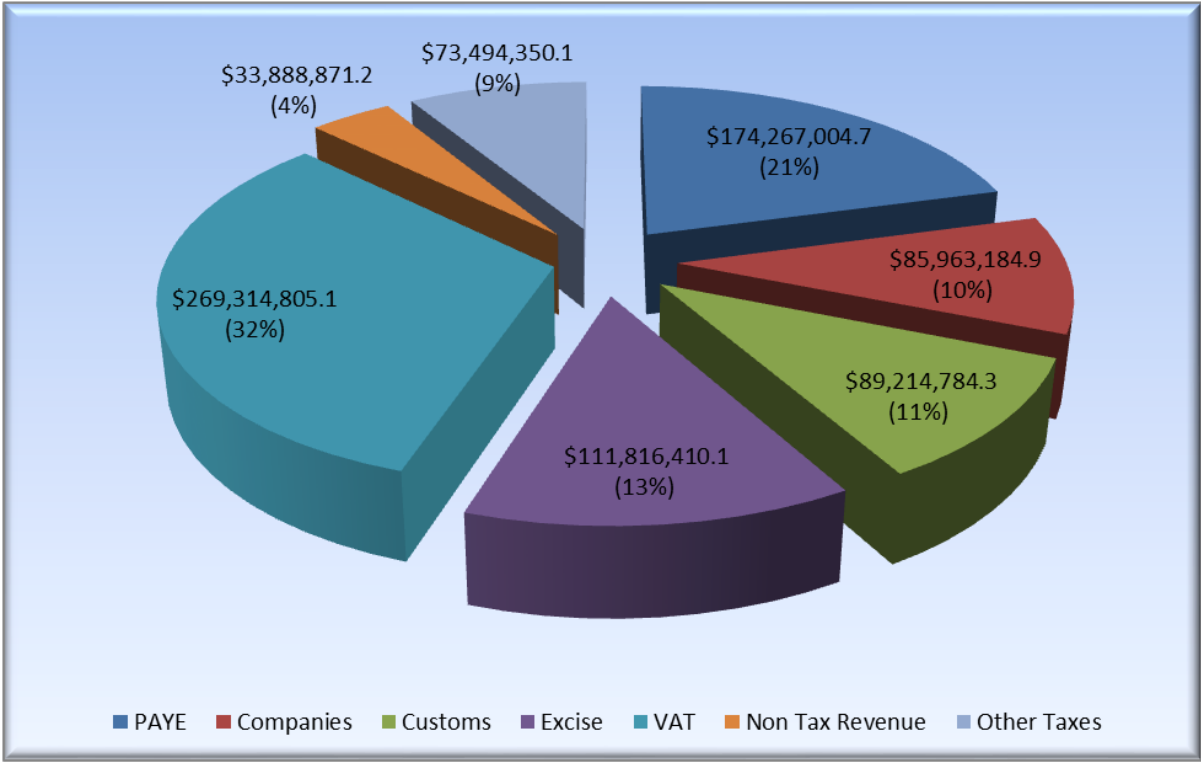
36. The Table below indicates fiscal developments for the period Jan – March 2013.

	Jan Actual	Feb Actual	March Actual	March Target	Cumulative Actual	Quarter 1 Target	Variance
	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	(\$m)	
Total Revenue Including Zimra Grant	254.5	269.5	514	301.9	838	825.3	12.6
Tax Revenue	245.3	258.8	300	286	804.1	780.2	3.06
Total Non-tax Revenue	9.2	10.7	14	15.9	33.9	45.2	-24.95
<i>O/ W diamonds</i>	-	-	-	5	5	15.0	-15.0
Total Expenditure Inc Retained Zimra Grant	225.5	324.6	317.0	301.9	862.8	825.3	-37.5
Current Expenditure	220.3	288.1	307.6	269.8	813.4	760.3	-53.0
<i>O/W Employment Costs</i>	123.1	168.0	158.2	142.5	447.3	427.5	-19.7
Capital Expenditure	5.1	36.1	9.4	32.1	49.1	60.6	11.5

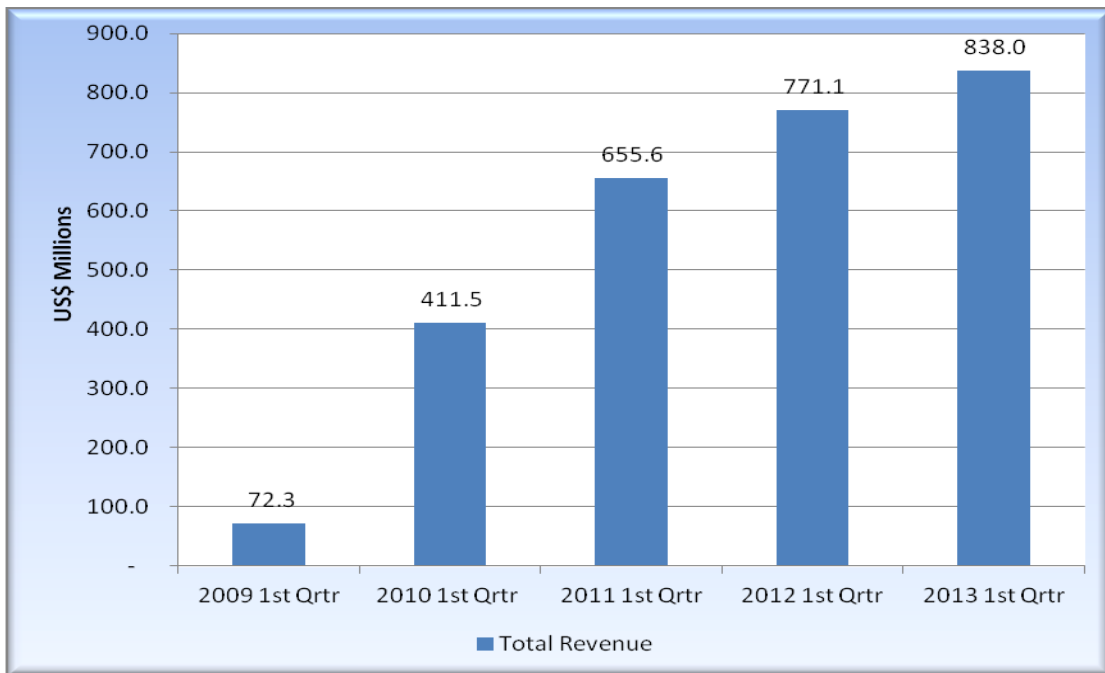
37. Of the quarterly collections of US\$838 million, the bulk was from tax revenues which contributed US\$804.1 or 96% while non tax revenue accounted for 4% at US\$33.9 million. The underperformance of non tax revenue was mainly as a result of low diamond dividends.

38. Major contributors to total tax revenues were Value Added Tax (32.1%), US\$269.3 million; Pay As You Earn (20.8%) US\$174.3 million; excise duty (13.3%), US\$111.8 million, customs duty (10.7%), US\$89.2 million; corporate tax (10.3%) and US\$86.0 million as indicated on the chart below.

Main Tax Heads (in US\$)

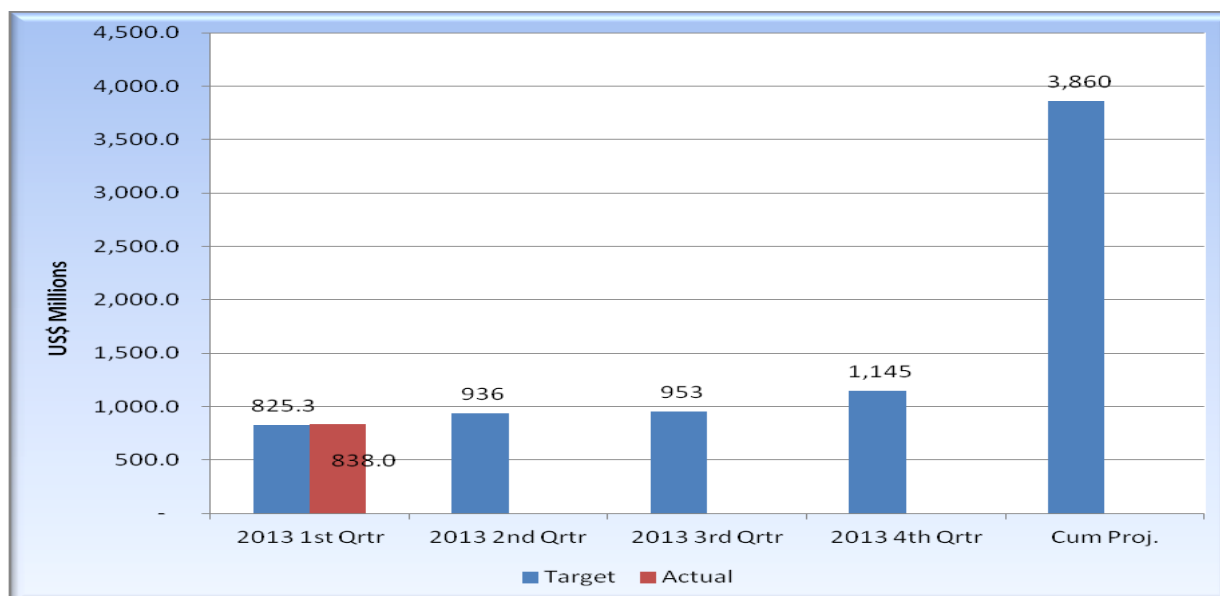


39. The 2013 first quarter revenue collections were the highest collections when compared to the same periods in 2009, 2010, 2011 and 2012 as shown on the graph below.



The 2013 Revenue Prospects

40. Given revenue performance in the first quarter where collections were above the target by 2.5% when the economy was performing at low levels from the annual shutdown, it is likely that Government will meet its revenue projections.



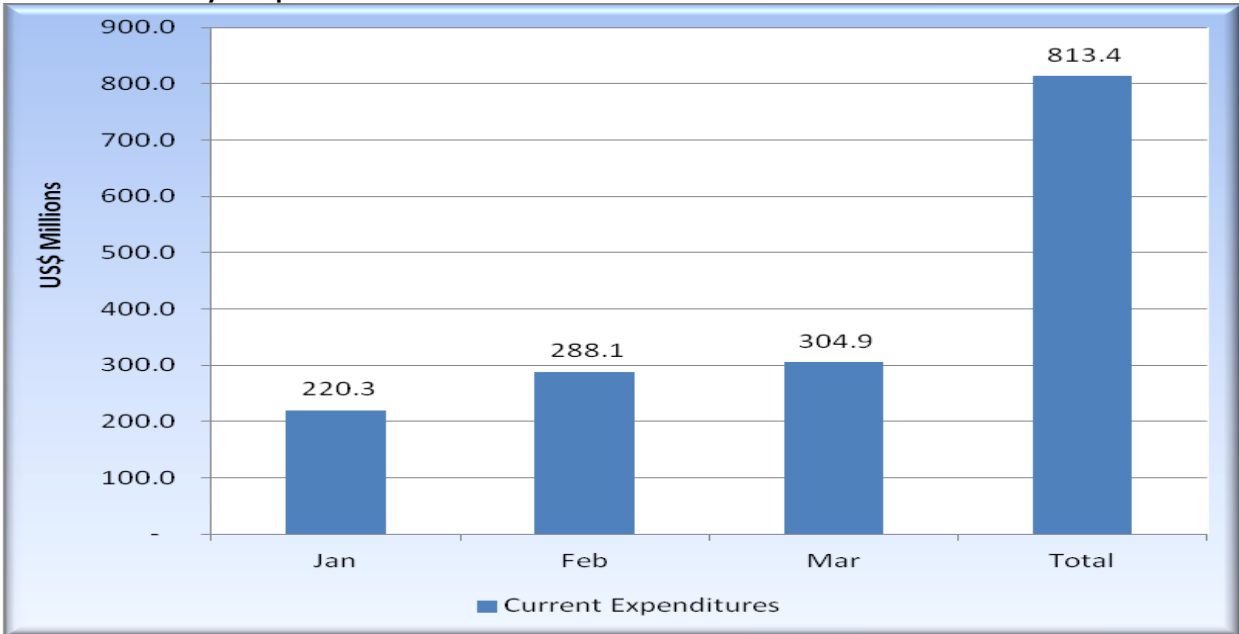
Note: Agreed targets with IMF

Expenditures

41. Cumulative expenditures for the first quarter of 2013 amounted to US\$862.8 million against planned expenditures of US\$825.3 million. Of this amount, recurrent expenditures were at US\$813.4 million (94.3%), while capital expenditure accounted for US\$49.1 million, representing 5.7% of total expenditures.

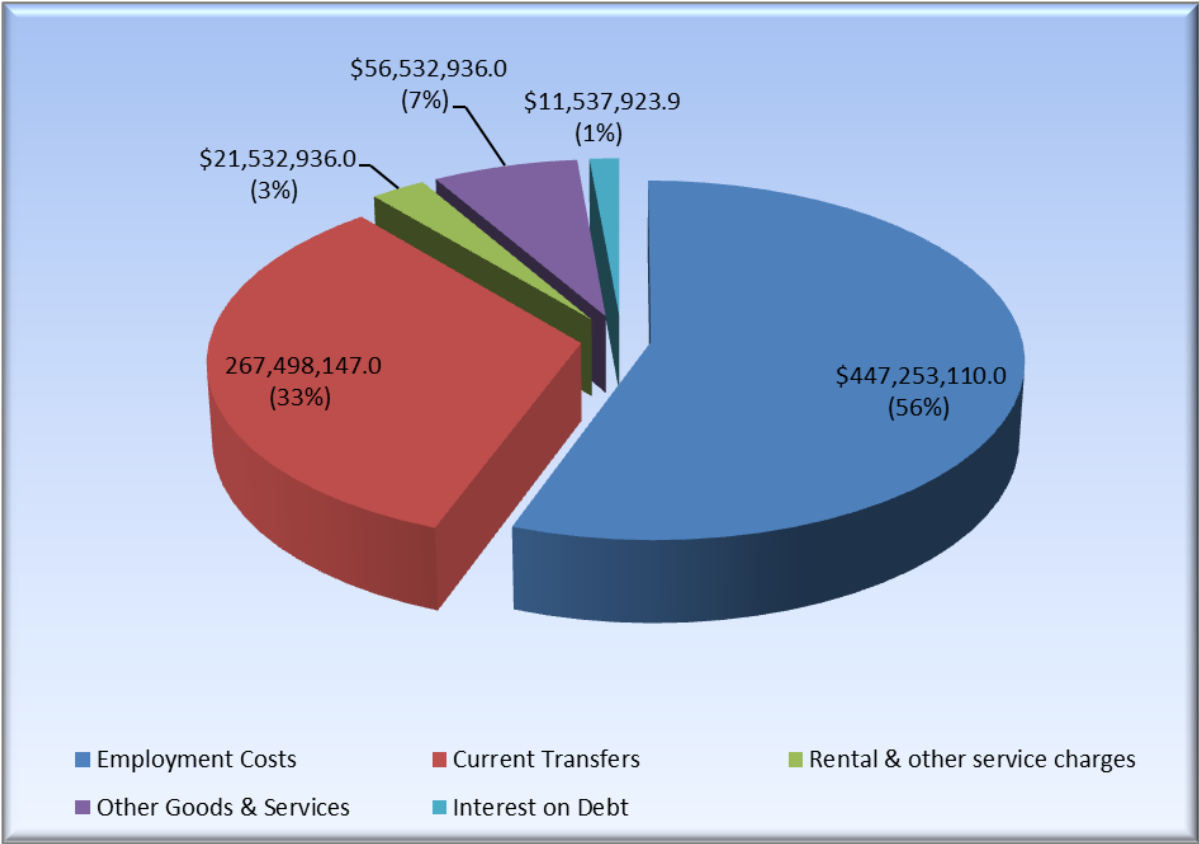
Recurrent Expenditures

2013 Monthly Expenditures



42. Employment costs were the highest under recurrent expenditures at US\$447.3 million, accounting for 55% of total recurrent expenditures for the first quarter of 2013.
43. Current transfers to grant aided institutions, which includes state universities, social sectors among other institutions were the second highest spender of Government resources at US\$276.5 million, which is 34% of total expenditures.

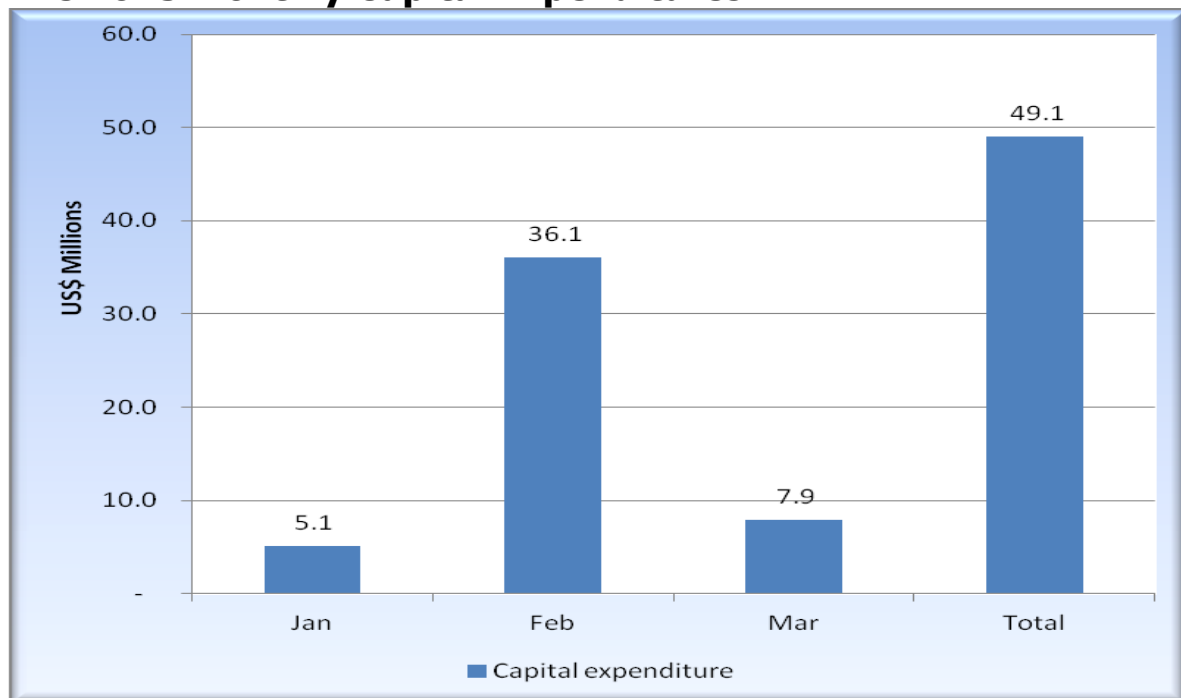
The 2013 Major Recurrent Expenditures



Capital Expenditures

44. Total capital expenditures amounted to US\$49.1 million against a target of US\$60.6 million, mainly as a result of low revenue inflows, most of which were directed to recurrent expenditures.

The 2013 Monthly Capital Expenditures



FINANCIAL SECTOR

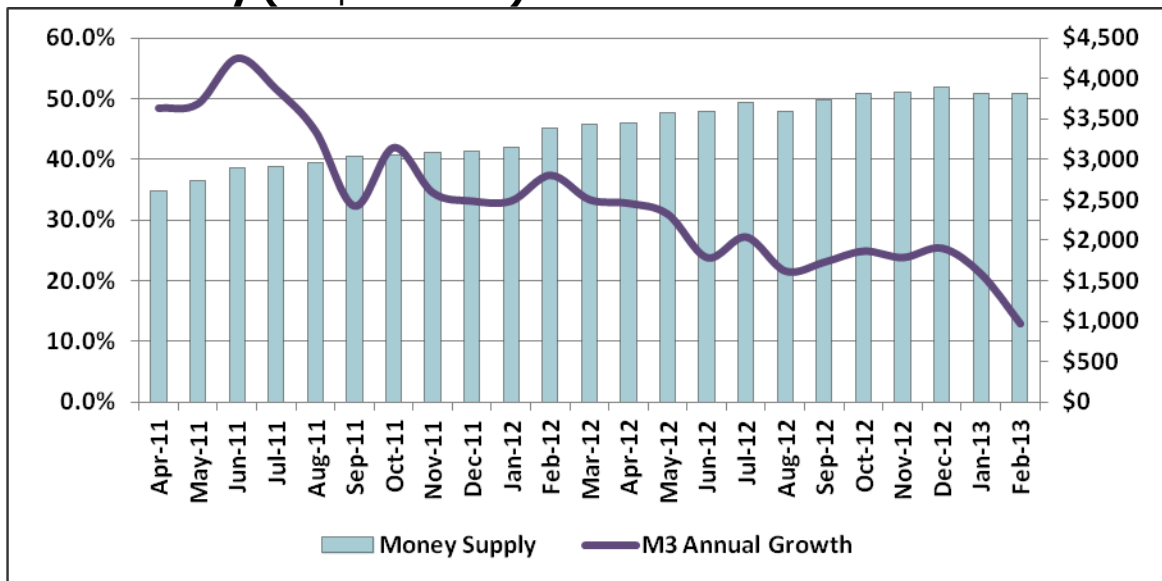
Banking Sector

Money Supply

45. As at 28 February 2013, broad money stood at US\$3,813.62 billion representing an annual increase of 12.9% compared to an annual growth of 21.1% which was as at 31 January 2013.

46. Broad money has remained stationary, hovering around US\$3.8 billion since October 2012, reflecting the unrelenting liquidity challenges which are being experienced in the economy.
47. The Table below depicts the annual growth rate in broad money and the trend in money supply since 2011.

Broad Money (US\$ Millions)

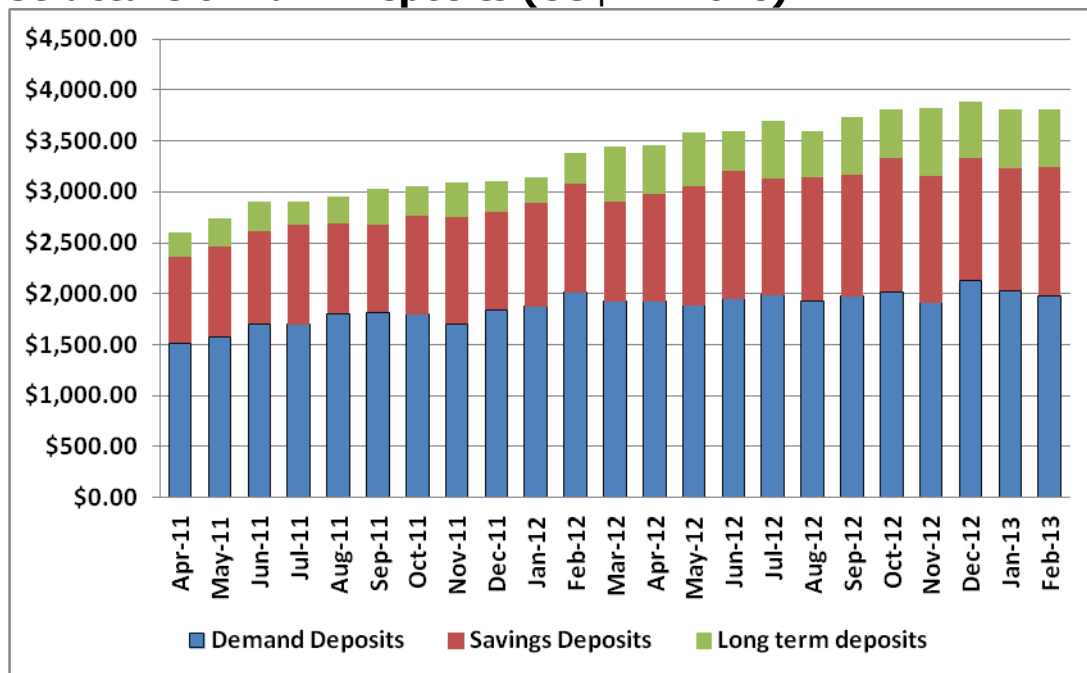


Source: Reserve Bank of Zimbabwe

48. In the month of February 2013 the structure of the bank deposits was as follows; demand deposits (51.9%) followed by savings and short term deposits (33.3%) and long term deposits (14.8%).
49. There was a marginal increase in savings and short term deposits whilst a decline was recorded in demand deposits.

50. This could be attributable to the Memorandum of Understanding signed between banking institutions and the Reserve Bank of Zimbabwe which allowed for a floor interest rate to be applied to 30-day deposits.

Structure of Bank Deposits (US\$ millions)

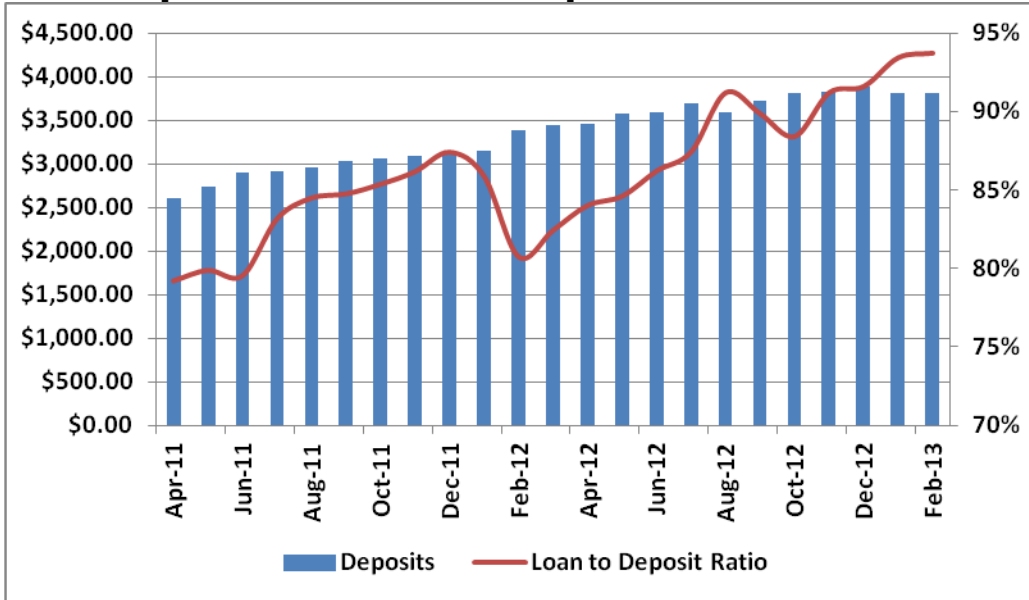


Source: Reserve Bank of Zimbabwe

Loans and Advances

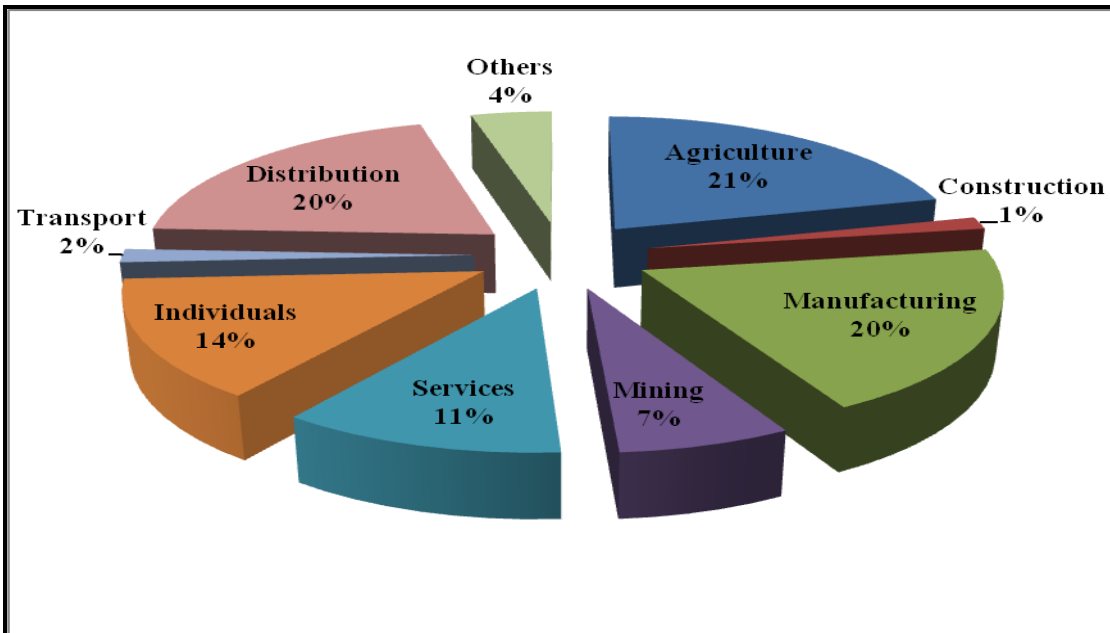
51. The loans and advances to the private sector was US\$3.575 billion in February 2013 compared to US\$3.559 billion in January 2013. This represented a loan to deposit ratio of 94%.

Total Deposits and Loan to Deposit Ratio to Private Sector



Source: Reserve Bank of Zimbabwe

52. The loan distribution was as follows: Agriculture (21%), Distribution (20%), Manufacturing (20%), Individuals (16%) and Mining sector (7%).



Source: Reserve Bank of Zimbabwe

Zimbabwe Stock Exchange

53. Increased foreign investor participation on the stock market resulted on a rally in the month of January which continued in the month of February before slowing down in the month of March.
54. The industrial index was 152.4 points as at 01 January 2013 and gained a further 21% during the first quarter to close at 183.88 points as at 31 March 2013.
55. Mixed trading characterized the mining index during the first quarter of the year. The index opened the year 2013 at 65.12 points and firmed to 83.0 points at the end of February before decreasing to 66.21 as at 31 March 2013.
56. Hence the mining index only gained 2% during the first quarter of the year.
57. However, total market capitalisation which was US\$3,963 billion at the beginning of the year increased by 19.2% during the first quarter to US\$4,726.3 billion at the end of 31 March 2013.

Zimbabwe Stock Exchange Performance: 2009 – 2013



Source: Reserve Bank of Zimbabwe

EXTERNAL SECTOR

Exports

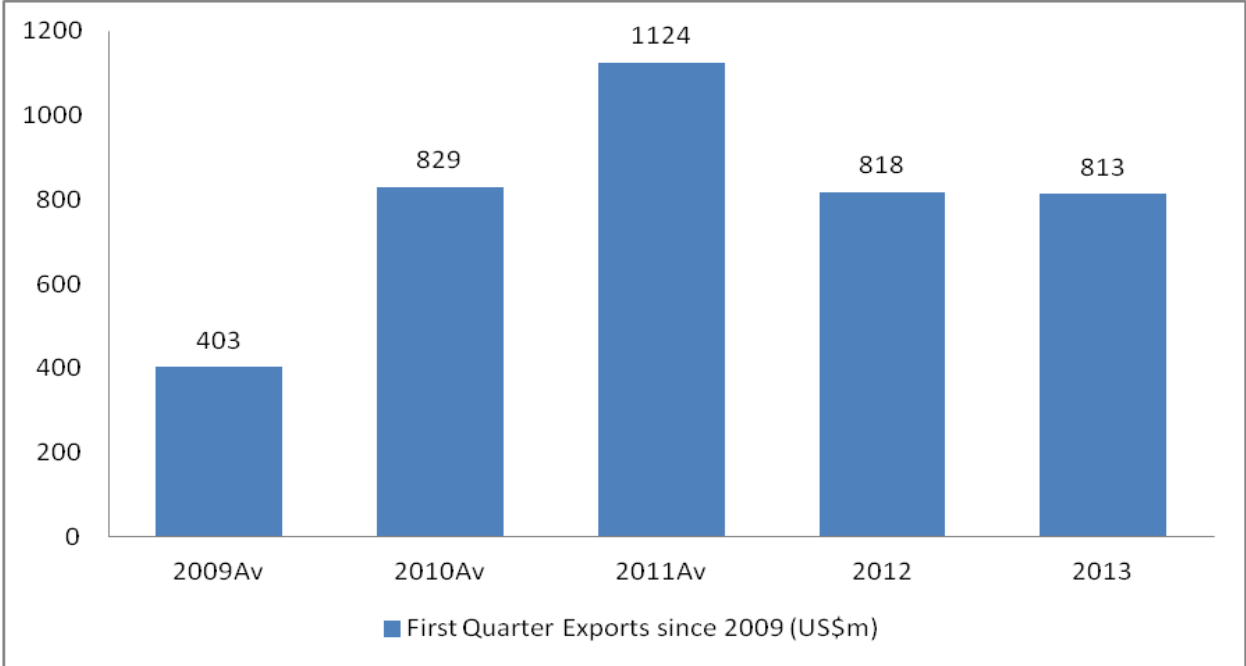
58. Exports for the first quarter stood at US\$ 813.5 million, compared to US\$818.3 million declared in the same period in 2012. This represents a decrease of 1% in 2013.
59. Exports performance has remained subdued over the years as a result of the underperformance of the manufacturing and agriculture sectors due to factors such as the high cost of borrowing, old machinery and high cost of utilities among other factors.

60. The main drivers of exports during the quarter were minerals and tobacco, which account for about more than 80% of exports. The table below shows the quarterly exports for 2012 and 2013.

Quarterly exports: 2012 & 2013

Month	2012	2013
Jan	256,888,780	280,512,519
Feb	253,796,669	279,057,033
March	307,654,316	254,008,776
Total	818,341,777	813,578,329

Source: ZIMSTAT



Source: ZIMSTAT

Mineral Exports

61. Mineral exports stood at US\$568 million compared to US\$611 million realized in the corresponding period in 2012, representing a 7% decrease.
62. Platinum dominated mineral exports with US\$223 million, followed by diamonds (US\$155 million) and gold (US\$154 million) as indicated in the Table below.

Mineral Exports Shipments: 1st Quarter: 2013

Mineral	2013	2012
Platinum	223,019,923	216,392,871
Diamonds	155,134,397	223,366,542
Gold	154,256,899	151,524,210
Other	35,810,093	20,090,808
Total	568,221,312	611,374,431

Source: Computerised Export Payments Exchange Control System (CEPECS), RBZ

Diamond Exports

63. The total diamond exports for the first quarter amounted to US\$155 million, of which Mbada Diamonds had the highest export shipments of US\$ 61.9 million, followed by Diamond Mining Company with US\$32.8 million, as shown in the Table below.

Diamond Exports: 2013

Mining Company	US\$
Mbada Diamonds	61,869,829
Marange Resources	9,222,195
Murowa Diamonds	19,506,404
Anjin Investments	30,423,920
Diamond Mining Corporation	32,801,921
DTZ-OzGeo	833,715
Limpopo Mineral Resources	118,517
Vivid Facets P/L	357,896
Total	155,134,397

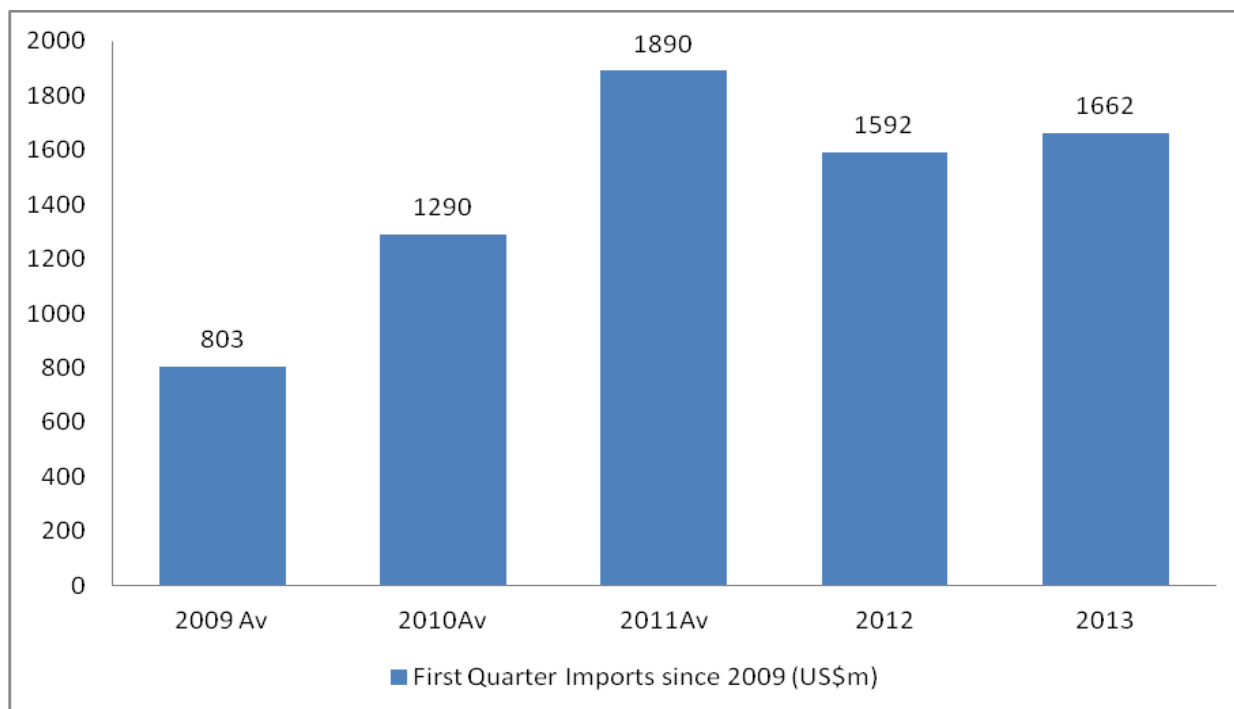
Source: Computerised Export Payments Exchange Control System (CEPECS), RBZ

Imports

64. Imports in the first quarter stood at US\$1.66 billion as compared to US\$1.59 billion recorded during the same period in 2012. This represents 4% increase. Imports were mainly driven by consumables, fuel and motor vehicles.
65. Imports for the retail and distribution sector remains high, reflecting low production in the agriculture and manufacturing sectors which normally produces goods currently being imported, such as grain, groceries and others.

Month	2012	2013
Jan	609,638,407	619,516,948
Feb	470,581,796	509,884,323
March	512,171,049	532,691,536
Total	1,592,393,264	1,662,092,806

Source: ZIMSTAT



Source: ZIMSTAT

DEBT MANAGEMENT

66. Preliminary figures issued by the Ministry of Finance Debt Office, indicates that the country's debt stood at around US\$5.9 billion as at December 2012. Of this amount, around US\$2.8 billion is owed to Paris Club, US\$0.535 billion is owed to the Non Paris Club and US\$2.5 billion is owed to multilateral institutions.
67. The following table summarizes the status of Zimbabwe's Public and Publicly Guaranteed Debt as at 31 December 2012.

Summary of Zimbabwe Debt Arrears

Creditor		US\$ Billion
Bilateral	Paris Club	2.860
	Non-Paris Club	0.535
Multilateral	IMF	0.110
	AFDB	0.569
	EIB	0.302
	World Bank	0.786
	Other	0.9
Total		5.9

68. The Government is engaging multilateral financing institutions such as the IMF, World Bank and AfDB, on the resolution of the country's debt overhang under a recovery programme-Zimbabwe Accelerated Re-engagement Economic Programme (ZAREP).

STATISTICAL TABLES

Monthly Revenue Performance: January – March 2013

	Jan-13	Feb-13	Mar-13	Cumulative
Total Revenue Including Zimra Grant	254,502,364.7	269,457,405.7	313,999,640.0	837,959,410.3
Tax Revenue	245,291,304.7	258,828,013.1	299,951,221.4	804,070,539.1
Tax on Income and profits	92,159,226.3	97,734,752.7	135,598,254.9	325,492,233.9
Individuals	62,761,331.9	55,575,917.6	55,929,755.2	174,267,004.7
Companies	16,418,982.6	11,747,265.8	57,796,936.4	85,963,184.9
Domestic dividend and interest	3,081,626.0	70,137.8	4,172,065.9	7,323,829.7
Tobacco Levy		301,483.9	1,839,560.2	2,141,044.1
Royalties	6,259,119.5	26,001,779.8	10,853,017.3	43,113,916.7
Other income taxes	868,115.5	1,336,827.8	1,901,535.9	4,106,479.1
Vehicle Carbon Tax	2,770,050.7	2,701,340.0	3,105,384.0	8,576,774.7
TAX ON GOODS & SERVICES				
Customs duties	24,376,463.1	27,200,299.4	37,638,021.8	89,214,784.3
Oil products	-	-		
Other(Prime & Surtax)	24,376,463.1	27,200,299.4	37,638,021.8	89,214,784.3
Excise duties	30,599,735.4	34,752,231.0	46,464,443.7	111,816,410.1
Beer	10,117,668.1	8,218,369.5	13,994,398.2	32,330,435.8
Wines and Spirits	1,071,508.1	702,577.9	979,185.7	2,753,271.8
Tobacco	2,517,539.5	1,624,680.0	2,099,032.9	6,241,252.4
Second Hand Motors Vehicles	387,671.0	556,073.0	453,879.3	1,397,623.3
Fuels	16,505,348.6	23,650,530.6	28,937,947.5	69,093,826.7
Value Added Tax (VAT)	97,041,720.4	96,604,456.4	75,668,628.2	269,314,805.1
VAT on Domestic Goods	67,872,356.4	68,682,535.2	46,395,926.2	182,950,817.8

Imported Goods & Services	37,572,399.9	39,220,806.1	46,878,179.3	123,671,385.2
Refunds	(8,403,035.8)	(11,298,884.8)	(17,605,477.3)	(37,307,397.9)
Other indirect taxes	1,114,159.4	2,536,273.6	4,581,872.8	8,232,305.8
Non-tax Revenue	9,211,060.0	10,629,392.6	14,048,418.6	33,888,871.2
Revenue from Investments & Property	562,896.4	563,756.2	1,382,442.6	2,509,095.2
Govt Property rent, interest and dividends etc.	562,896.4	563,756.2	1,382,442.6	2,509,095.2
Fees: Govt./Dept facilities & services	6,750,729.15	7,629,799.7	10,761,380.8	25,141,909.7
Pension Contribution	69,599.5	227,211.9	44,595.3	341,406.7
Gvt sales,licences,fines etc	812,727.7	1,266,884.3	580,966.7	2,660,578.7
Judicial Fines	561,437.3	450,349.3	383,753.4	1,395,540.0
Refunds of Miscellaneous Payments from Votes	6,484.99	382,834.2	463,355.9	852,675.1
Miscellaneous	398,427.3	94,080.3	412,665.5	905,173.0
Automated Teller Machine (ATM)	48,757.7	14,476.7	19,258.3	82,492.7
Retained & Prepaid Revenue(Others)	8,820,230.7	8,197,500.8	(9,060,372.6)	7,957,359.0
Aids Levy	2,306,222.8	1,679,344.3		3,985,567.0
Noczim Levy	5,139,396.4	5,286,291.8		10,425,688.2
Toll fees	1,374,611.6	1,231,864.8		2,606,476.4
Prepayment Account	7,774,048.7	3,011,832.0	(9,060,372.6)	1,725,508.1

Expenditure Performance: January – March 2013

	Jan-13	Feb-13	Mar-13	Cumulative
				-
Total expenditure and net lending including ZIMRA Grant	225,474,909.8	324,553,003.4	312,815,875.7	862,843,788.9
				-
Current Expenditure	220,329,265.8	288,088,222.4	304,937,075.7	813,354,563.9
				-

Goods and services	134,132,091.0	206,797,040.0	184,389,362.0	525,318,493.0
Employment Costs	123,071,218.0	167,980,111.0	156,201,781.0	447,253,110.0
Domestic Travel Expenses	501,411.0	757,012.0	11,527,073.0	12,785,496.0
Foreign Travel Expenses	3,553,812.0	4,743,852.0	5,077,053.0	13,374,717.0
Communication, Supplies and Services	130,733.0	7,927,341.0	315,104.0	8,373,178.0
Education supplies and Services	1,500.0	4,300.0	4,052.0	9,852.0
Medical Supplies and services	94,700.0	935,212.0	337,335.0	1,367,247.0
Office supplies and services	86,085.0	205,198.0	236,773.0	528,056.0
Training expenses	136,461.0	277,541.0	68,849.0	482,851.0
Rental and other service charges	2,318,587.0	15,920,119.0	3,293,741.0	21,532,447.0
Institutional provisions	590,626.0	1,763,982.0	1,299,337.0	3,653,945.0
Other	99,442.0	1,189,732.0	474,841.0	1,764,015.0
Maintenance of capital works	1,650,197.0	2,248,178.0	1,594,510.0	5,492,885.0
Programmes	1,897,319.0	2,844,462.0	3,958,913.0	8,700,694.0
Interest on debt	536,206.8	264,444.4	10,737,272.7	11,537,923.9
Foreign			10,496,161.6	10,496,161.6
Domestic	536,206.8	264,444.4	241,111.1	1,041,762.4
Current transfers	85,660,968.0	81,026,738.0	109,810,441.0	276,498,147.0
Pensions	34,853,900.0	37,304,000.0	33,729,300.0	105,887,200.0
Other grants and transfers	50,807,068.0	43,722,738.0	76,081,141.0	170,610,947.0
Capital expenditure	5,145,644.0	36,064,781.0	7,878,800.0	49,089,225.0
Breeding stock				-
Furniture and Equipment		4,400.0	564,697.0	569,097.0
Vehicles, Plant and Mobile equipment		485,000.0		485,000.0
Acquisition of buildings	1,850,644.0	5,449,877.0	481,803.0	7,782,324.0
Intangible assets		500,000.0		500,000.0
Feasibility studies		100.0		100.0
Capital transfers	3,295,000.0	29,625,404.0	2,368,300.0	35,288,704.0
Equity participation			4,464,000.0	4,464,000.0
Repayments				-

Net Lending	-	400,000.0	-	400,000.0
Long-term loans (net)	-	400,000.0	-	400,000.0
Loan and debt		400,000.0		400,000.0
Recoveries				-
Investments	-			463,355.9
Short-term loans (net)	-	-	-	412,665.5
Lending				19,258.3
Recoveries				-
				(9,060,372.6)
Other Grants	-	7,445,619.1	-	7,445,619.1
Noczim Grant		5,139,396.4		5,139,396.4
Aids Grant		2,306,222.8		2,306,222.8

Source: MOF

Balance of Payments Summary

BOP SUMMARY (US\$m)							
	2009 Actual	2010 Actual	2011 Actual	2012 Estimate	2013 Proj.	2014 Proj.	2015 Proj.
CURRENT ACCOUNT (excl.official transfers)	-1140.3	-1917.8	-3127.2	-2563.4	-2653.2	-2496.7	-2375.7
TRADE BAL f.o.b	-1599.8	-1844.4	-3065.9	-2686.6	-2654.6	-2526.5	-2432.8
Exports f.o.b	1613.3	3317.5	4496.1	4023.6	4419.0	4879.6	5307.2
Imports f.o.b	3213.1	5161.8	7562.0	6710.2	7073.6	7406.0	7740.0
NON FACTOR SERVICE(Net)	-266.2	-448.5	-653.7	-472.8	-653.1	-696.0	-749.1
Receipts	182.4	223.6	274.8	273.0	290.6	311.4	335.1
Payments	448.6	672.1	928.5	745.8	943.7	1007.4	1084.2
INCOME(Net)	-200.4	-197.7	-210.3	-218.0	-241.0	-252.4	-264.1
Interest	-116.8	-117.0	-122.0	-123.5	-143.3	-150.4	-157.5
Receipts	2.4	0.7	0.7	3.3	3.5	3.6	3.8
Payments:Public & Pvt Sectors	119.2	117.6	122.7	126.8	146.8	154.0	161.3
Other Income (Net)	-83.6	-80.7	-88.3	-94.5	-97.7	-102.1	-106.6
Receipts	79.4	83.7	87.5	91.6	95.8	100.2	104.8
Payments	163.0	164.4	175.9	186.0	193.5	202.2	211.4
PRIVATE TRANSFERS(Net)	926.0	572.8	802.7	814.0	895.5	978.2	1070.3
Receipts	938.8	586.1	816.4	828.1	911.0	996.1	1091.0
Payments	12.8	13.3	13.7	14.1	15.5	18.0	20.7
CAPITAL ACCOUNT (Incl. Official Transfers)	-656.5	617.5	1561.1	1148.1	1941.1	1894.5	1822.7
Grants	391.0	231.0	210.0	230.0	217.5	219.4	222.4

BOP SUMMARY (US\$m)							
	2009 Actual	2010 Actual	2011 Actual	2012 Estimate	2013 Proj.	2014 Proj.	2015 Proj.
Direct Investment (Net)	105.0	123	373.4	353.5	334.0	703.0	805.0
Portfolio Investment (Net)	67.0	63.1	10.0	99.2	100.0	160.0	194.0
Long Term Capital (net) - Loans	-127.9	4.7	723.4	30.9	589.0	383.0	530.9
Government	-141.0	-168.1	-60.7	-136.1	26.8	104.8	182.2
Receipts	0.0	0.0	93.1	0.0	150.0	210.0	295.0
o/w World Bank	0.0	0.0	0.0	0.0	0.0	0.0	0.0
ADB	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Payments	141.0	168.1	153.8	136.1	123.2	105.2	112.9
o/w World Bank	44.0	38.1	33.2	28.6	25.1	28.6	25.1
ADB	44.0	38.1	20.6	2.8	1.6	2.8	1.6
Public Enterprises	-39.4	-134.3	-24.7	-19.9	423.1	194.1	257.6
Receipts	0.0	0.0	0.0	0.0	460.0	224.0	275.0
Payments	39.4	134.3	24.7	19.9	36.9	29.9	17.4
Private Sector	52.5	307.0	808.8	186.9	139.1	84.1	91.2
Receipts	53.0	349.9	987.0	367.4	550.0	450.0	470.0
Payments	0.5	42.9	178.3	180.5	410.9	365.9	378.8
Short term capital (net) -Loans	-1091.6	196.1	244.3	434.6	700.7	429.1	70.4
Government	-1300.0	0.0	0.0	0.0	0.0	0.0	0.0
Public Enterprises	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Private	257.0	167.1	179.0	343.4	810.0	433.8	88.4
Change in DMBs NFA	-48.6	29.1	65.3	91.1	-109.3	-4.7	-18.0
Errors and omissions	-70.2	888.2	972.9	937.8	0.0	0.0	0.0
Overall Balance	-1867.0	-412.1	-593.3	-477.5	-712.1	-602.3	-553.0

BOP SUMMARY (US\$m)							
	2009 Actual	2010 Actual	2011 Actual	2012 Estimate	2013 Proj.	2014 Proj.	2015 Proj.
Financing	1867.0	412.1	593.3	477.5	712.1	602.3	553.0
Change in RBZ Usable Reserves	-270.1	78.5	15.7	53.7	-65.6	-21.5	-26.0
Net use of Fund resources	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchases	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Repurchases	0.0	0.0	0.0	0.0	0.0	0.0	0.0
SDR Allocations	420.0	0.0	0.0	0.0	0.0	0.0	0.0
Change in Other Liabilities	148.4	21.5	-12.4	46.8	-26.3	4.0	2.0
Privatisation Proceeds	0.0	0.0	0.0	0.0	0.0	0.0	0.0
o/w: Foreign Direct Investment Portfolio	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EXCEPTIONAL FINANCING	1568.6	312.0	590.1	377.0	609.5	516.0	507.6
O/W: Debt Forgiveness	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Rescheduling	53.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt-Equity Swaps	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt-Bond Swaps	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Debt Refinancing	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accumulation of External Payment Arrears	1515.6	312.0	590.1	377.0	609.5	516.0	507.6
Financing Gap (-) / Surplus (+)	0.0	0.0	0.0	0.0	-194.5	-103.7	-69.4
<i>(Memorandum Items)</i>							
Gross Official Reserves(US\$m) - At 50%	360.0	477.3	426.7	432.1	401.0	412.0	421.0
Import Cover (months) - At 50% (Goods only)	1.3	1.1	0.7	0.8	0.7	0.7	0.7

BOP SUMMARY (US\$m)							
	2009 Actual	2010 Actual	2011 Actual	2012 Estimate	2013 Proj.	2014 Proj.	2015 Proj.
Gross Official Reserves(US\$m) - At 100%	365.8	477.3	427.2	425.0	404.0	416.0	425.0
Import Cover (months) - At 100% (Goods & Services)	1.2	1.0	0.6	0.7	0.6	0.6	0.6
Usable Reserves (US\$m)*	275.8	197.3	181.6	127.9	193.5	215.0	241.0
Net DMBs Reserves	541.5	512.4	447.1	356.0	465.3	470.0	488.0
Other Liabilities	515.4	536.9	524.5	571.3	545.0	549.0	551.0
External Payment Arrears	4587.0	4899.0	5489.1	5866.1	6475.6	6991.7	7499.3
Current account /GDP(%)-Exc. Grants (Revised GDP)	-19.3%	-23.1%	-31.1%	-22.1%	-20.7%	-19.4%	-17.8%
GDP (US\$m) market prices	5899.0	8289.6	10068.0	11597.0	12803.1	12885.9	13371.8
Export Growth (%)	-2.8%	105.6%	35.5%	-10.5%	9.8%	10.4%	8.8%
Import Growth (%)	22.2%	60.7%	46.5%	-11.3%	5.4%	4.7%	4.5%
Food	117.6	-25.3	-7.5	42.6	-13.3	-3.7	-4.7
%							
Non-Food	8.0	86.4	53.0	-15.2	7.7	5.5	5.3
Food %							
NOTES							
* Sign reversal - run down(+); buildup (-)							
1. Non-factor services include Shipments, Transport and Travel							
2. Income include interest (Payments on due basis/scheduled)							
3. Private Transfers include Homelink, Humanitarian Aid and Migrant effects							
4. Other income include Dividends, Profits and Compensation of employees							
5. DMB Reserves include holdings of foreign notes and coins and other investments							

SOURCE: RBZ/Ministry of Finance and Economic Development

Inflation December 2008 – March 2013

Month	CPI	Month on Month	Year on Year
		Inflation (%)	Inflation (%)
8-Dec	100		
9-Jan	97.7	-2.3	
9-Feb	94.6	-3.2	
9-Mar	91.7	-3.1	
9-Apr	90.7	-1.1	
9-May	89.9	-0.9	
9-Jun	90.4	0.6	
9-Jul	91.3	1	
9-Aug	91.7	0.4	
9-Sep	91.2	-0.5	
9-Oct	92	0.9	
9-Nov	91.9	-0.1	
9-Dec	92.3	0.5	-7.7
10-Jan	93	0.7	-4.8
10-Feb	93.9	1	-0.7
10-Mar	95	1.2	3.6
10-Apr	95.1	0.1	4.8
10-May	95.3	0.2	6
10-Jun	95.2	-0.1	5.3
10-Jul	95.1	-0.1	4.2
10-Aug	95	-0.1	3.6
10-Sep	95.1	0.1	4.3
10-Oct	95.3	0.2	3.6
10-Nov	95.7	0.5	4.2
10-Dec	95.3	-0.4	3.2
11-Jan	96.3	0.9	3.5
11-Feb	96.8	0.5	3
11-Mar	97.5	0.8	2.7
11-Apr	97.6	0.1	2.7
11-May	97.7	0.1	2.5
11-Jun	97.9	0.2	2.9
11-Jul	98.2	0.3	3.3
11-Aug	98.3	0.1	3.5
11-Sep	99.2	0.8	4.3
11-Oct	99.3	0.1	4.2
11-Nov	99.8	0.5	4.2
11-Dec	100	0.2	4.9
12-Jan	100.4	0.5	4.3
12-Feb	100.9	0.5	4.3
12-Mar	101.4	0.4	4
12-Apr	101.6	0.2	4
12-May	101.7	0.1	4
12-Jun	102	0.2	3.9

Month	CPI	Month on Month	Year on Year
		Inflation (%)	Inflation (%)
12-Jul	102.2	0.2	4
12-Aug	101.9	-0.2	3.6
12-Sep	102.4	0.5	3.2
12-Oct	102.6	0.3	3.4
12-Nov	102.8	0.1	3
12-Dec	102.9	0.1	2.9
13-Jan	100.1	0.1	2.5
13-Feb	101.0	1.0	3.0
13-Mar	101.9	0.2	2.8

Source: ZIMSTAT