



PRESS STATEMENT

FUNDING OF FOREIGN EXCHANGE AUCTION APPLICATIONS

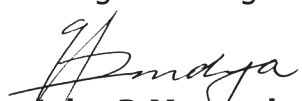
The Foreign Exchange Auction System which was introduced by the Bank on 23 June 2020 has been successful in achieving price stability in the national economy. The success has been achieved through market price discovery of the exchange rate and provision of a dependable foreign exchange market.

Since the inception of the Foreign Exchange Auction System, there has been a significant increase in both the number of bids and the value thereof from just under 100 bids valued at US\$11 million at the first auction to the current levels of over 500 bids valued at around US\$40 million at both the Main and SME auctions. The top 100 beneficiaries of the Foreign Exchange Auction System over the past eight months from 23 June 2020 to 28 February 2021, are listed hereunder for public information. It is also important to note that the same entities have been the major beneficiaries of the interbank foreign exchange market during the same period.

One of foreign exchange auction rules requires banks to ensure that applicants have enough local currency in their accounts to finance their bids. However, it has come to the attention of the Bank that some banks are not paying particular attention to this requirement and have instead been extending overdraft facilities to finance their customers' bids.

In line with the Bank's monetary targeting framework designed to control the growth of money supply, funding of bids through overdrafts and advances is discouraged. Where absolutely necessary, bank lending should be limited to a maximum of 50% of a bid. Under these exceptional circumstances, bidders would be required to have in their accounts a minimum balance equivalent to 50% to cover their bids.

Banks are further reminded to conduct full Know Your Customer (KYC) checks on their clients, and should not be complicit or connive in malpractices with their customers. The Bank's Exchange Control Division and the Financial Intelligence Unit (FIU) are continuously monitoring users of foreign exchange in the economy in order to deal with the malpractices. This exercise has resulted in 12 entities being banned from participating in the foreign exchange auction whilst 62 entities are under the FIU watch list. The banned entities' respective bankers have been warned against breach of the foreign exchange auction rules.


John P Mangudya
Governor
16 March 2021

**LIST OF THE TOP 100 BENEFICIARIES OF FUNDS FROM
THE FOREIGN EXCHANGE AUCTION SYSTEM
FOR THE PERIOD JUNE 2020 TO FEBRUARY 2021**

#	COMPANY	AMOUNT (USD)	PROPORTION
1	CANGROW TRADING (PVT) LTD	12,000,127	1.9%
2	STANBIC INVESTOR SERVICES (NOMINEES)	11,198,929	1.8%
3	BLUE RIBBON FOODS LTD	10,498,404	1.6%
4	SURFACE WILMAR PVT LTD	9,178,889	1.4%
5	NATIONAL FOODS LIMITED	8,306,107	1.3%
6	VARUN BEVERAGES ZIMBABWE PVT LTD	7,695,496	1.2%
7	SABLE CHEMICAL INDUSTRIES LIMITED	7,547,696	1.2%
8	ZIMBABWEAN BRANDS	6,205,024	1.0%
9	WILLOWTON GROUP (ZIMBABWE)	5,671,914	0.9%
10	WINDMILL (PVT) LTD	5,487,243	0.9%
11	UNITED REFINERIES P/L	5,094,302	0.8%
12	NEON SHADES PVT LTD	5,056,800	0.8%
13	DENDAIRY LIMITED	4,886,259	0.8%
14	MEGA MARKET	4,498,823	0.7%
15	FERTS SEED & GRAIN P/L	4,421,245	0.7%
16	NATPAK (PVT) LTD	4,361,120	0.7%
17	DAIRIBORD ZIMBABWE LIMITED	3,817,199	0.6%
18	ZIMBABWE SILICATES HOLDINGS	3,763,604	0.6%
19	PRODAIRY (PVT) LTD	3,575,974	0.6%
20	TELONE	3,565,905	0.6%
21	ZIMBABWE FERTILISER COMPANY LIMITED	3,365,159	0.5%
22	PAPERHOLE INVESTMENTS	3,361,285	0.5%
23	VALLEY SEEDS ZIMBABWE PVT LTD	3,350,000	0.5%
24	HAMPTONS INCORPORATED PVT LTD	3,215,607	0.5%
25	RAWFERT OFFSHORE SAL	3,162,000	0.5%
26	PURE OIL INDUSTRIES	3,132,500	0.5%
27	BLACKBOX INVESTMENTS PVT LTD	3,100,313	0.5%
28	ESSAR TUBES AND TOWERS	2,926,626	0.5%
29	AFRICA STEEL (PVT) LTD	2,743,840	0.4%
30	CRASTER INTERNATIONAL (PVT) LTD	2,713,204	0.4%
31	BOC GASES ZIMBABWE	2,702,266	0.4%
32	FARM AND CITY (CFI)	2,681,788	0.4%
33	OMNI TECHNOLOGIES	2,540,428	0.4%
34	HUNYANI PAPER & PACKAGING 1997 (PVT) LTD	2,538,544	0.4%
35	FASTJET ZIMBABWE P/L	2,491,604	0.4%
36	SCB SECURITIES SERVICES AC	2,487,039	0.4%
37	LOTUS STATIONERY MANUFACTURERS	2,379,849	0.4%

#	COMPANY	AMOUNT (USD)	PROPORTION
38	TETTOLA INVESTMENTS PVT LTD	2,366,771	0.4%
39	CHINA NANCHANG ENGINEERING P/L	2,323,280	0.4%
40	OILMARK PVT LTD	2,260,865	0.4%
41	ATRIA COMMODITIES P/L	2,250,321	0.4%
42	CENTRAL AFRICAN BUILDING SOCIETY (CABS)	2,233,983	0.3%
43	PANGOLIN PRODUCTS PVT LTD	2,222,423	0.3%
44	IETC ZIMBABWE (PVT) LTD	2,220,000	0.3%
45	TYREZIM PVT LTD	2,209,589	0.3%
46	EKEZAL ENTERPRISE PVT LTD	2,206,387	0.3%
47	BREASTPLATE SERVICES	2,149,710	0.3%
48	CITY GLASS & PAINT SUPPLIERS	2,145,512	0.3%
49	SYNDICATED RESOURCES PVT LTD	2,111,950	0.3%
50	REINFORCED STEEL CONTRACTORS ZIMBABWE (PVT) LTD	2,057,657	0.3%
51	ENGEN PETROLEUM ZIMBABWE (PVT) LTD	2,054,734	0.3%
52	MEGA MARKET MILLING PVT LTD	2,015,876	0.3%
53	ALL COMMODITY EXPORTS P/L	1,995,502	0.3%
54	PROBOTTLERS (PVT) LTD	1,976,469	0.3%
55	GRIPTON INVESTMENTS PRIVATE LIMITED	1,970,318	0.3%
56	INTREPID TRADING	1,964,270	0.3%
57	THE ZIMBABWE BATA SHOE COMPANY LTD	1,946,163	0.3%
58	MASHWEDE DIESEL SERVICES (PVT) LTD	1,941,978	0.3%
59	OLIVINE INDUSTRIES (PVT) LTD	1,935,440	0.3%
60	GERIBRAN SERVICES T/A TRANSERV	1,934,506	0.3%
61	INNSCOR DISTRIBUTION LTD	1,934,413	0.3%
62	ZUVA PETROLEUM PVT LTD	1,929,929	0.3%
63	DULY HOLDINGS LTD	1,929,900	0.3%
64	PROBRANDS (PVT) LTD	1,907,377	0.3%
65	BULLION COMMODITIES INTERNATIONAL	1,907,194	0.3%
66	NETONE	1,885,339	0.3%
67	AFGRI ZIMBABWE (PVT) LTD	1,878,117	0.3%
68	BARZEM P/L	1,875,016	0.3%
69	MEGA PAK ZIMBABWE PVT LTD	1,856,111	0.3%
70	CP CHEMICALS	1,851,433	0.3%
71	CAFCA LIMITED	1,790,002	0.3%
72	SONDELANI RANCHING	1,774,938	0.3%
73	PAZA BUSTER CAR SALES	1,724,942	0.3%
74	YZ HOLDINGS PVT LTD	1,716,688	0.3%
75	POMONA HARDWARE SUPPLIES (PRIVATE) LIMITED	1,692,075	0.3%
76	POLY PACKAGING PVT LTD	1,691,359	0.3%
77	VITAL LOGISTICS ZIMBABWE (PRIVATE) LIMITED	1,678,699	0.3%
78	POWERSPEED ELECTRICAL LTD	1,668,401	0.3%
79	BLOOMSHelter INVESTMENTS PVT LTD	1,653,469	0.3%
80	FLIK-NIK ENTERPRISES	1,652,453	0.3%

#	COMPANY	AMOUNT (USD)	PROPORTION
81	NATIONAL AIDS COUNCIL	1,650,000	0.3%
82	CREDFIN PVT LTD	1,618,623	0.3%
83	BRITISH AMERICAN TOBACCO ZIMBABWE P/L	1,612,101	0.3%
84	CONTINENTAL MILLERS PVT LTD	1,607,670	0.3%
85	CAPRI APPLIANCES P/L	1,593,774	0.2%
86	PROTON BAKERS (PVT) LTD	1,588,671	0.2%
87	GRAINCO (PVT) LTD	1,582,794	0.2%
88	PHARMACEUTICAL & CHEMICAL DISTRIBUTORS	1,552,171	0.2%
89	LEMONSEED INVESTMENTS PVT LTD	1,544,842	0.2%
90	PAROAN VISTA P/L	1,535,574	0.2%
91	PREMIER AUTO SERVICES	1,528,224	0.2%
92	TRAYLISH INVESTMENTS (PVT LTD	1,518,507	0.2%
93	IRVINES ZIMBABWE (PVT) LIMITED	1,514,535	0.2%
94	DRIP TECH IRRIGATION	1,511,908	0.2%
95	AE ELECTRICAL	1,508,987	0.2%
96	ORIGEN CORPORATION GROUP	1,470,405	0.2%
97	EDNAT MINING SOLUTION PVT LTD	1,453,578	0.2%
98	SANDVIK MINING AND CONSTRUCTION ZIMBABWE	1,450,000	0.2%
99	AGRICON EQUIPMENT (PVT) LTD	1,439,284	0.2%
100	ARENEL (PVT)LTD	1,429,718	0.2%
	SUBTOTAL	290,926,036	45%
	OTHER COMPANIES/INDIVIDUALS	348,576,671	55%
	TOTAL	639,502,707	100%

RESERVE BANK OF ZIMBABWE

16 March 2021