



PRESS STATEMENT

MOSI-OA-TUNYA GOLD COIN NOW IN THE MARKET

Pursuant to the resolution of the Monetary Policy Committee of 24 July 2022 and the Bank's Press Statement of 4 July 2022, the Bank has today released the first batch of 2,000 Mosi-oa-Tunga Gold Coins to market.

Local agents commenced selling the gold coins on an agency basis, at the initial price of US\$1,823.8 per gold coin or ZWL805,745.35. Gold coins can also be purchased in denominated currencies such as the South African Rand, Botswana Pula, Australian Dollar, British Pound and Euro.

The Bank shall publish from tomorrow 26 July 2022, the Mosi-oa-Tunya gold coin price by 0800 hours daily, which shall be based on the previous day's London Bullion Market Association (LBMA) PM Fix plus 5% to cover the cost of production and distribution of the gold coins.

The gold coins have the following specifications: -

- Denomination 1 Oz, for the time being;
- Material Gold;
- Purity 22 karats (91.67%);
- Diameter 32 mm;
- Weight 33.93g;
- Shape Round;

- Edge Type Reeded with serial number engraved;
- Quality Proof; and
- Thickness 2.63mm.

The gold coins have the following qualities;

- i Liquid Asset Status;
- ii Prescribed Asset Status;
- iii Collateral Acceptability;
- iv Tradable;
- v Serial numbering; and
- vi Central Bank buy-back when required by the holder of the gold coin.

The Mosi-oa-Tunya gold coins are being sold with an accompanying bearer certificate with the following security features;

- Relief background features;
- Numbering'
- Guilloche Pattern border;
- Guilloche Pattern underground;
- Hologram Feature
- Variable QR Code; and
- Security paper with watermark

The following selling arrangements are being applied for different buyers:-

- i. Domestic buyers including individuals may buy in local currency or foreign currency;
- ii. Domestic corporates including institutional investors will be allowed to buy gold coins in local currency or foreign currency, subject to quantity restrictions where it is deemed necessary;

- iii. Exporting entities shall buy Mosi-oa-Tunya gold coins in foreign currency, from their retained export portions. Notwithstanding this requirement, exporters whose annual export receipts in 2021 were less than US\$1 million, shall require a specific Exchange Control approval to be permitted to utilise a portion of their surrender portion that is payable in local currency, to purchase the gold coins;
- iv. Local banking institutions shall not be allowed to buy Mosi-oa-Tunya gold coins for own portfolios up until such a time as the Reserve Bank may grant the permission. Thus, for the time being, banks can only receive the coins from the Reserve Bank for onward selling to their customers on behalf of the Reserve Bank; and
- v. Non-resident (international) buyers shall only buy the Mosi-oa-Tunya gold coins in denominated foreign currencies.

The gold coins are an alternative investment product for those who want to store value. Gold is a safe and secure reserve asset throughout the world.

The Bank would like to remind the investing public that purchases of the gold coins will be done in line with KYC principles. In this regard, the Bank will not allow banks to lend for the purposes of purchasing gold coins as this will put pressure on the ability of banks to settle their transaction at the Reserve Bank.

Furthermore, the Bank will also not allow liquidation of blocked funds for purposes of buying gold coins. Since the Government has already put in place a resolution framework for dealing with blocked funds under the Finance Act, No. 7 of 2021.

The Bank shall be releasing additional gold coins into the market on a demand basis, guided by the agents.



John P. Mangudya

Governor

25 July 2022