



SNAPSHOT ON RECENT MONETARY, CURRENCY, PRICE, AND FINANCIAL DEVELOPMENTS

For Quarter 3 2026

“The Reserve Bank’s prudent monetary policy stance, coupled with complementary fiscal policy measures has kept annual inflation in single digits since January 2026. Annual inflation fell to 2.9% in August 2026, the lowest local-currency inflation rate since 1980, before rising modestly to 3.7% in September 2026, but remains well within the desired benchmark band of 3-7% under the SADC macroeconomic convergence criteria. Monthly inflation averaged 0.4% through September 2026, supporting the outlook for single-digit inflation in the near to medium term. Accordingly, the Monetary Policy Committee (MPC) began gradually normalising monetary policy by reducing the Bank Policy rate from 35% to 30% in June 2026 and to 27.5% in September 2026. Strong performance under the ongoing 10-month International Monetary Fund (IMF) Staff-Monitored Programme (SMP), together with the Reserve Bank’s prudent monetary policy management, is expected to reinforce price, currency and exchange-rate stability, enhance economic resilience, and lay a firm foundation for international re-engagement...” Dr. J. Mushayavanhu, Governor

1 MAJOR HIGHLIGHTS AND ACHIEVEMENTS IN Q3 2026

This Quarterly Snapshot highlights key monetary and financial sector developments during the third quarter of 2026 characterised by continued macroeconomic stability. In line with the Monetary Policy Communication Strategy, the Reserve Bank remains committed to providing timely and evidence-based insights on prevailing economic conditions and high-frequency indicators underpinning the monetary policy stance.

Notable achievements realised in the third quarter of 2026 include the following:

- Progress on the Conditions Precedent (CPs) for the transition to mono-currency, with the weighted score improving from 50.1% in August to 54.9% in September 2026 owing to improved performance in reserves accumulation and sustained single digit inflation.
- Sustained single-digit ZiG annual inflation since January 2026, with August inflation at 2.9%, the lowest local currency inflation reading since 1980.
- Annual ZiG inflation increased modestly to 3.7%, driven largely by higher rentals as well as fuel and lubricants. This reflects renewed tension in the Middle East, which pushed oil prices above US\$100 per barrel in September 2026.
- Monthly ZiG inflation remained low and stable, averaging 0.4% in the nine months to September 2026, supported by firmly anchored inflation expectations.
- The Monetary Policy Committee at its Q3/2026 meeting reviewed the Bank Policy Rate from 30% per annum to 27.5% in view of the benign inflation environment and to support the economy’s growth momentum.
- The Reserve Bank continued to issue the ZiG Denominated Term Deposit Facility Bills to further develop the yield curve for domestic local currency instruments and promote a domestic savings culture.
- The ZiG/US\$ exchange rate remained stable oscillating between ZiG25-27 per US dollar, with the parallel market premium narrowing to below 15% during the third quarter of 2026.
- Reserve money growth was contained within targets agreed between the Reserve Bank and IMF under the ongoing 10-month-long Staff Monitored Programme (SMP). The Reserve Bank’s self-assessment shows that reserve money as at end September 2026 stood at an estimated ZiG7.5 billion, well within the agreed targets with the Fund.
- Robust foreign currency inflows estimated at US\$15.9 billion over the period January - September of 2026, compared to US\$11.9 billion in the same period in 2025.
- Reflecting robust foreign currency inflows, the country recorded consecutive trade surpluses during Q3 2026, with the surplus increasing from US\$320.0 million in July 2026 to US\$526.5 million in August 2026.
- Consistent accumulation of foreign currency reserves reached US\$2 billion in September 2026, representing about 2.0 months of import cover.
- Foreign currency reserves backing the local currency, equivalent to around 6 times cover of ZiG reserve money and about 1.4 times the total ZiG deposits.
- ZiG uptake on the National Payment System improved, with the proportion of ZiG transactions sustained above 40% in Q3 2026.
- The financial sector and the national payment system exhibited continued resilience, soundness and stability over the review period.

Prudent money supply management and fiscal discipline resulted in continued macroeconomic stability during the third quarter of 2026. This increased stability helped anchor inflation expectations. The Reserve Bank will continue to pursue prudent monetary policy measures that promote price stability, while supporting sustainable economic growth.

The data included in this Quarterly Snapshot is sourced from Official data providers, the Reserve Bank of Zimbabwe for monetary and financial statistics and the Zimbabwe National Statistics Agency (ZIMSTAT) for inflation and international trade statistics.

3 Key Monetary Policy Rates (Per Annum): As at 30 September 2026

Bank Policy Rate 27.5%	ZiGDTDF -Interest Rate – 30 days 8%	ZiGDTDF -Interest Rate – 90 days 11%	TFF All-Inclusive On-Lending Rate 22.5%	Minimum Savings Deposit Rate ZiG = 4.35% US\$ = 2.15%	Minimum Time Deposit Rate ZiG = 7.18% US\$ = 4.41%
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Key Monetary Policy Indicators: As at 30 September 2026

ZiG Inflation (September 2026) <i>Month-on-Month 0.5%</i> <i>Year-on-year 3.7%</i>	ZiG currency in circulation <i>ZiG 693 million (2.19% of ZiG bank deposits)</i>	Interbank Exchange Rate (ZiG/US\$) End-period September 2026 <i>26.7965</i>	Lending to Government <i>Nil</i>	Month-on-Month Growth in ZiG Deposits <i>5.07%</i>	
Total foreign currency receipts (Jan to Sep 2026) <i>US\$15.9 billion (est.)</i>	Trade Balance August 2026 <i>US\$0.53 billion</i>	Current Account Surplus Q3 2026 <i>Over US\$1.38 billion (proj.)</i>	Foreign currency ZiG Reserve Money Cover <i>About 6 times</i>	Total Reserves Covering ZiG <i>US\$ 2.0 billion</i> <i>Import Cover : 2 months</i>	RBZ total intervention (FX supply) since April 2024 <i>US\$2.74 billion</i>

2 KEY MACROECONOMIC AND FINANCIAL INDICATORS

	Apr-24	Dec-24	Mar-25	Jun-25	Sep-25	Dec-25	Mar-26	Jun-26	Jul-26	Aug-26	Sep-26
ZiG Month-on-Month Inflation (%)	-	3.67	-0.06	0.28	-0.25	0.20	0.52	0.62	0.09	0.10	0.54
ZiG Annual Inflation (%)	-	-	-	92.5	82.7	15	4.4	4.7	3.2	2.9	3.7
Total ZiG Deposits (million)	4,098	11,958	14,593	16,387	16,763	18,310	21,541	26,872	28,852	30,103	31,629
Non-performing Loans (%)	-	3.37	3.34	2.90	3.07	3.47	3.64	3.19	-	-	-
Reserve Money (ZiG million)	1,239	3,516	3,785	4,658	4,732	5,307	5,732	6,607	7,372	7,782	7,476
Total Reserves in ZiG Backing the Local Currency (ZiG Million)	2,203	12,164	16,871	19,697	23,175	31,408	34,821	38,409	39,578	44,937	44,980
Market Position + NNCDs (ZiG million)	1,597	1,445	2,401	1,877	1,721	3,824	4,751	6,864	8,032	7,536	8,187
Cash and Nostro (USD million)	151	192	296	309	359	574	690	923	1,001	1,153	1,285
Gold Holdings (Kgs)	1,500	2,626	2,779	3,439	3,577	4,030	4,382	4,574	4,674	4,809	4,859
Gold Holdings Value (USD Million)	113	220	275	361	440	566	638	586	618	705	650
Total Reserve Covering ZiG (USD Million)	276	472	630	731	870	1,209	1,434	1,435	1,675	1,914	1,982
Uncovered Demand for Foreign Currency	--	12.27	14.84	17.52	10.22	29.74	36.17	16.08	7.78	12.28	9.10
WBWS Exchange Rate	13.43	25.7985	26.7654	26.9457	26.6439	25.9807	25.3209	26.7698	26.6845	26.6663	26.7965
Implied Exchange Rate	--	24.7374	22.5598	22.6416	19.2724	15.1464	15.2599	18.6933	19.4527	17.8635	18.8427

Source: Reserve Bank of Zimbabwe and ZIMSTAT, 2026

4 RESERVE BANK PERFORMANCE UNDER THE IMF-SMP

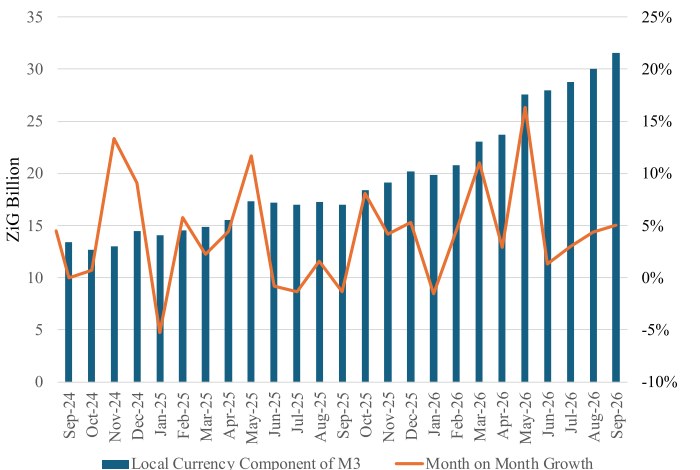
	End-March		End-June		End-Sept	
Quantitative Targets	Program	Actual	Program	Actual	Program	Provisional
Ceiling on changes in credit to the nonfinancial public sector from RBZ	0	0	0	0	0	0
Floor on changes in net official international reserves (US\$ million)	74	107	195	265	291	315
Ceiling on changes in ZiG monetary base of the RBZ (ZiG million)	602	425	2,023	1,296	2,537	2,169

•The Reserve Bank successfully met all the Quantitative Targets (QTs) and made significant progress on meeting the SMP structural benchmarks (SBs), following the second SMP Review Mission in September 2026.

•The Reserve Bank’s self-assessment of agreed Q3 SMP targets shows a positive performance with all targets comfortably met.

5 EFFICIENT AND OPTIMAL MONEY SUPPLY MANAGEMENT

Broad Money Supply ZiG Currency Component



Source: Reserve Bank of Zimbabwe, 2026

- The month-on-month growth in the local currency component of broad money (M3) averaged 5.2% from January to September 2026.
- Money supply growth was consistent with inflation and economic growth targets, underpinned by a prudent monetary policy stance.
- The Reserve Bank will continue to ensure that money supply growth remains under check to sustain durable macroeconomic stability.

6 PROMOTING A DOMESTIC SAVINGS CULTURE

ZiG Denominated Term Deposit Facility Issues and Tenor

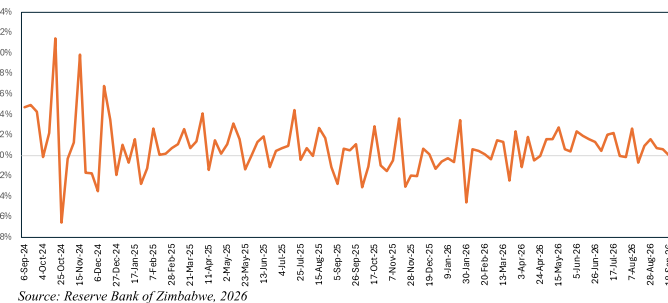
Issue No.	Issue Date	Tenor	Issued rate	Nominal (ZiG)	% of nom.
Issue 1	04-Jun-26	90-day	11.00%	331,600,000.00	35%
Issue 2	11-Jun-26	30-day	8.00%	110,000,000.00	11%
Issue 2	11-Jun-26	90-day	11.00%	25,600,000.00	3%
Issue 3	09-Sep-26	30-day	8.00%	490,500,000.00	51%
TOTAL				957,700,000.00	100.0%

Source: Reserve Bank of Zimbabwe, 2026

- On 9 September 2026, the Reserve Bank went into the market with its third ZiGDTDF offer to raise ZiG500 million for 30 days at an interest rate of 8% per annum.
- The uptake, comprising corporates and banks, was 98%, with subscriptions amounting to ZiG490.5 million, reflecting its attractiveness as an alternative savings instrument.
- Since inception on 4 June 2026, the three ZiGDTDF issuances have attracted a total of ZiG957.7 million, promoting a domestic savings culture and supporting monetary and price stability.

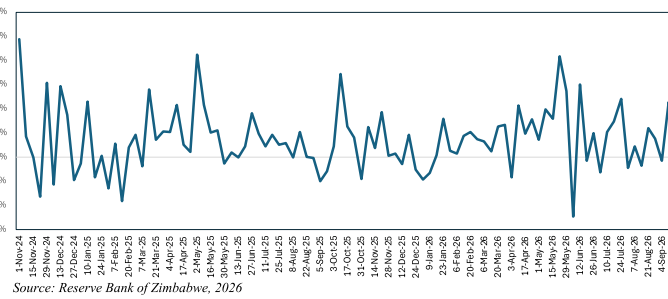
7 DEVELOPMENTS IN WEEKLY BANK LOANS

ZiG Loan Growth (%) (September 2024 to September 2026)



Source: Reserve Bank of Zimbabwe, 2026

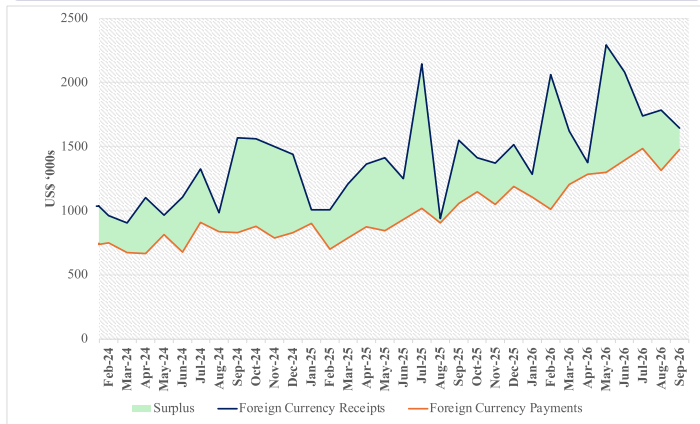
Foreign Currency Loan Growth (%) (November 2024 to September 2026)



Source: Reserve Bank of Zimbabwe, 2026

- During the third quarter of 2026, the weekly average growth of ZiG-denominated loans was 0.76% and 0.89% for foreign currency-denominated loans. The stability of both ZiG- and US dollar-denominated loan growth reflects the Reserve Bank’s prudent money supply management.
- The growth in loans has been critical in sustaining credit to the productive sectors critical to support economic activity.

8 FOREIGN CURRENCY RECEIPTS AND PAYMENTS

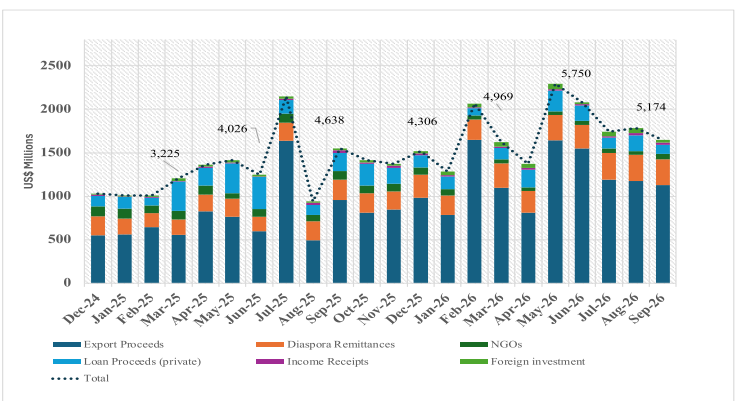


Source: Reserve Bank of Zimbabwe, 2026

*September 2026 numbers are provisional estimates.

- For the period January to September 2026, total foreign currency inflows are estimated at US\$15.9 billion, against total payments of US\$11.6 billion.
- The robust foreign currency inflows surpassed foreign currency payment requirements translating to a cumulative surplus of US\$4.3 billion.

9 FOREIGN CURRENCY RECEIPTS

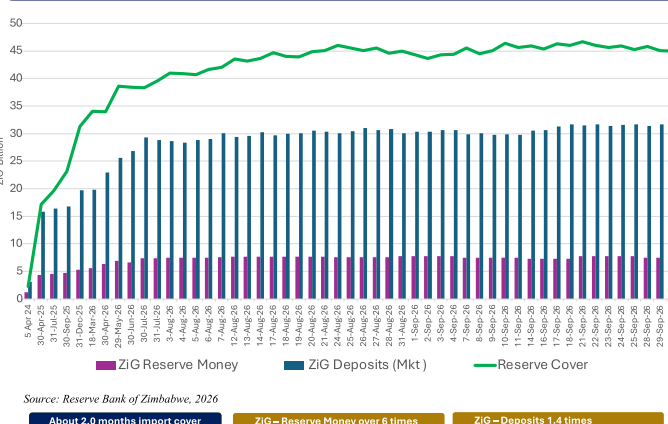


Source: Reserve Bank of Zimbabwe, 2026

*September 2026 numbers are provisional estimates.

- Total foreign currency receipts increased by 33.7% to US\$15.9 billion during the first nine months of 2026, compared to US\$11.9 billion in the same period in 2025, benefiting from increased exports of tobacco and lithium sulphates as well as favourable prices for gold and PGMs.
- Export earnings dominated the basket of foreign currency receipts, accounting for 69% of total foreign currency receipts, on average in 2026, followed by Diaspora Remittances at 15% and loan proceeds at 9%.

10 ZIG RESERVE MONEY, BANK DEPOSITS AND FOREX RESERVE COVER

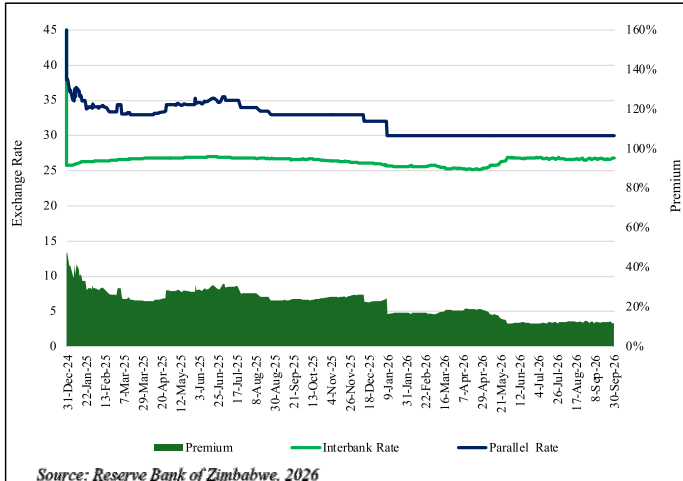


Source: Reserve Bank of Zimbabwe, 2026

About 2.0 months import cover ZiG – Reserve Money over 6 times ZiG – Deposits 1.4 times

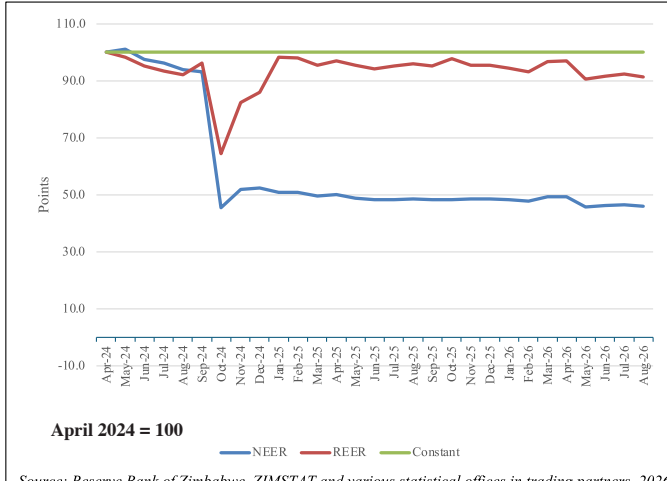
- The sustained increase in foreign currency inflows supported the Reserve Bank’s foreign currency accumulation strategy, which continued to yield positive results. As such, foreign currency reserves increased to nearly US\$2 billion in September 2026 from US\$1.4 billion in June 2026.
- The reserves are sufficient to cover about 6 times the stock of ZiG reserve money and about 2 times ZiG deposits, providing a strong base for backing the ZiG.
- Going forward, the continued reserve accumulation strategy will remain critical to bolster the stability of the ZiG currency and enhance resilience to external shocks.

Exchange Rate (Dec 2024 to Sept 2026)



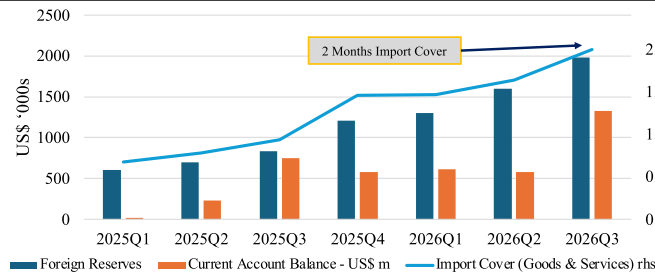
- The Reserve Bank's strategic intervention in the foreign exchange market since April 2024 amounting to US\$2.74 billion, supported the smooth functioning of the foreign exchange market, ensuring that all Bona-fide foreign payment requirements are met.
- As a result, the exchange rate remained stable during the third quarter of 2026, averaging ZiG26.70 per US dollar and closing the third quarter at ZiG26.80 per dollar.
- The parallel market exchange premium narrowed to around 15% for most of the third quarter of 2026.

REER & NEER Developments April 2024 to August 2026

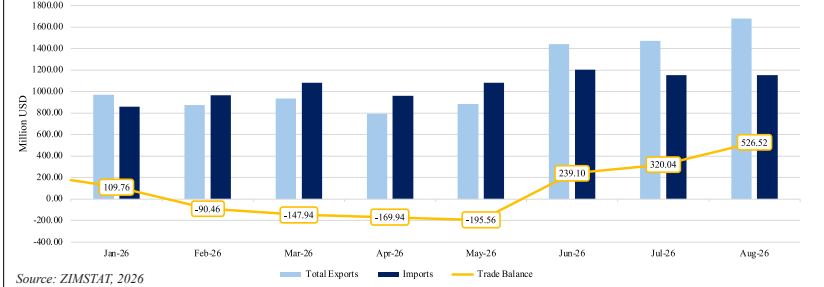


- The Nominal Effective Exchange Rate (NEER) depreciated modestly on the back of stable ZiG/US\$ exchange rate.
- Concomitantly, the Real Effective Exchange Rate (REER) depreciated marginally reflecting stable exchange rate dynamics and narrowing inflation differentials, supporting Zimbabwe's external price competitiveness competitiveness.

Current Account, Foreign Reserves, Import Cover and Dynamics

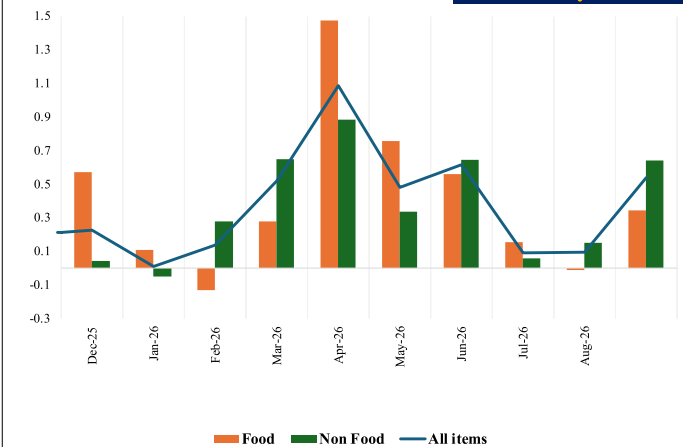


Exports, Imports and Trade Balance Dynamics



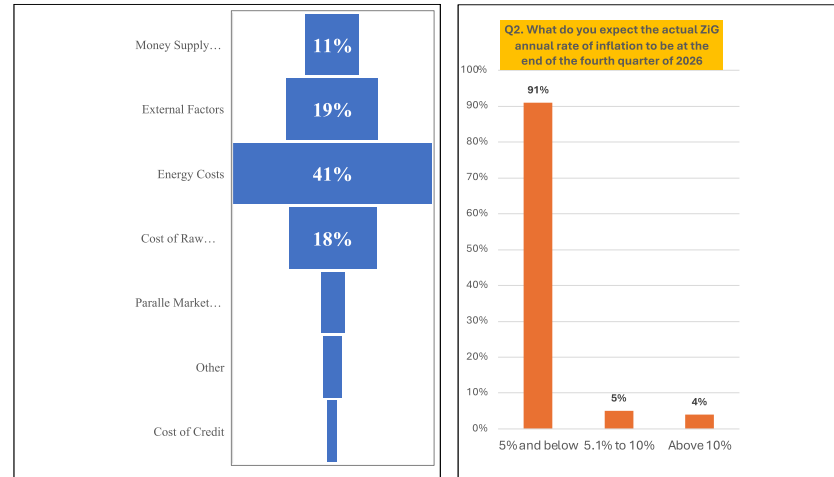
- The external sector position remained resilient in the third quarter of 2026, benefiting from robust remittance inflows, alongside favourable terms of trade, driven by higher international prices for key mineral exports, particularly gold, platinum group metals (PGMs) and Lithium.
- Monthly exports amounted to US\$1.7 billion in August 2026 compared to imports of US\$1.2 billion culminating in a trade surplus of US\$0.5 billion.
- Benefiting from the impressive merchandise trade performance and robust diaspora remittances, the current account is estimated to have registered a surplus of about US\$1.38 billion in Q3 2026, compared to US\$791.2 million recorded in Q3 2025.

ZiG Monthly Inflation



- Month-on-month ZiG inflation averaged 0.4% since January 2026, supported by a prudent monetary policy stance and optimal liquidity management.
- Annual ZiG inflation remained low and stable, dropping to a low of 2.9% in August 2026, the lowest since 1980, before increasing modestly to 3.7% in September 2026, largely driven by increases in rentals and fuel and lubricants.
- Notwithstanding pressure emanating from elevated international energy prices, the sustenance of annual ZiG inflation at levels below 5% reflected the firm

Respondents Inflation Expectations in Q4 2026



- The Reserve Bank commenced the Quarterly Inflation and Business Expectations Survey in Q3 2025, with survey participation improving ever since.
- The Q4 2026 survey results showed that 41% of respondents expect energy costs to be the major driver of inflation in Q4 2026, followed by external factors.
- This notwithstanding, respondents expected annual ZiG inflation to remain stable at around 5% or below during the fourth quarter of 2026, showing that inflation expectations have been well anchored.

14 PROGRESS TRACKER ON CPs FOR TRANSITION TO MONO-CURRENCY STATUS

No.	Condition Precedent	Measure of Success	Status
CP1	Durable macroeconomic stability, characterized by low and stable inflation at single-digit levels.	- Inflation sustained within the SADC benchmark of 3-7%. - Sustained Single-digit Inflation for 24 months. - Anchored Inflation Expectations	Current Status: 9 months Target: 24 months
CP2	Adequate foreign currency reserves of at least 3-6 months of imports cover in the medium to long-term.	- Achieve a minimum of 3 months of import cover and maintain reserves of up to 6 months of import cover in the medium to long term, consistent with the SADC convergence criteria. - Restored Market Confidence	Current Status: 2.0 months Target: 3-6 months
CP3	Efficient FX Trading system that promotes ease of access to FX by importers.	- Timely clearance of bona-fide foreign payment requests in the WBWS. - All invoices submitted for payment are met with no outstanding FX demand backlog. - Completed development of an enhanced FX trading System. Roll-out in Q4/2026 - Restored Market Confidence	Current Status: System Under Review Target: Q4/2026
CP4	Stable exchange rate dynamics with minimum over/undervaluation of ZiG.	- The real effective exchange rate maintained within +/- 10% over/undervaluation. - Sustained exchange rate stability for at least 24 months - Restored Market Confidence	Current Status: Stability Maintained Since Oct 2024 Target: 24 months
CP5	Increased demand for local currency (ZiG) – reallocation of the percentage of Government taxes and broadening the payment of public sector goods and services in local currency.	- Increasing the ZiG based transaction from the current 40% to achieve 60% in the medium term. - Increase in the proportion of taxes paid in ZiG to above 60% and target to achieve 100% in the medium term. - Restored Market Confidence	Current Status: 40% of Transactions & 26% of Government Tax Target: 60% & 100%, respectively
CP6	Financial sector stability.	- Stable banking sector characterised by: - Non-performing loans (NPL) ratio below the international benchmark of 5%, and - Capital adequacy ratio (CAR) above 12%. - Payment system uptime maintained above 95%.	Current Status: Achieved Target: 95%
CP7	Efficient and secure National Payments System to promote ease of payment in ZiG locally.	Payment system uptime maintained above 95%.	Current Status: Achieved Target: 95%
CP8	Fiscal and monetary policy cohesion with non-monetisation of the budget.	No recourse to inflationary central bank financing of the budget.	Current Status: Achieved Target: 95%

Source: Reserve Bank of Zimbabwe, 2026

Progress on the attainment of the Conditions Precedent continues to improve from the initial 50.1% in August 2026 to 54.9% in



CP No.	Conditions Precedent	Barometer	Weight	Score	Weighted Score
CP1	Price Stability (Sustained Single-digit Inflation for 24 months)		0.3	37.5%	12.5%
CP2	Foreign Currency Reserves (3-6 months import cover, international benchmark)		0.2	33.3%	6.7%
CP3	FX Market Trading Efficiency (Completed development of an enhanced FX trading System. Roll-out in Q4/2026)		0.05	70%	3.5%
CP4	Exchange Rate Stability (Sustained exchange rate stability for at least 24 months)		0.15	85%	12.8%
CP5	ZiG Adoption (At least 60% of transactions to be in ZiG.)		0.15	30%	4.5%
CP6	Financial Sector Stability Sustained		0.05	100%	5%
CP7	Payments System Efficiency Sustained (Payment System up-time of 99% is above the regional threshold of 95%.)		0.05	100%	5%
CP8	Monetary & Fiscal Policy Cohesion		0.05	100%	5%
Overall Weighted Score					54.9%

Source: Reserve Bank of Zimbabwe, 2026

- The overall weighted score of 54.9% was determined by a weighted average of progress on each of the CPs, with the weights reflecting the overall importance of each CP supporting the transition to mono-currency.
- Importantly, the barometer seeks to provide an objective and indicative measure of the status of achievement of the CPs and does not signal immediate transition to mono-currency, which remains a market-driven process.
- In this regard, the public is invited to make their own assessment and evaluation of the current monetary and financial conditions to establish consensus on the Central Bank's indicative observations.
- The Reserve Bank reiterates that the transition to mono-currency will be conditions-based and not date-dependent. At the time of transition, all domestic products and services will be exclusively transacted in local currency. However, foreign currency accounts will be maintained, and all USD-denominated contracts will be fulfilled in the same currency.
- Economic agents who might need to settle their foreign currency denominated obligations are expected to source the foreign currency from the foreign exchange market. On the other hand, economic agents in need of settling domestic currency payments but holding foreign currency will have to convert their foreign exchange to local currency to make domestic payments.

- The prevailing price, currency and exchange rate stability in the economy has been supported by the Reserve Bank's prudent monetary policy stance and supportive fiscal policy, providing a conducive environment for growth.
- The Zimbabwean economy remains on course to achieve the 5% growth projected for 2026, reflecting strong performance in agriculture, mining and services sectors.
- In the remaining 3 months of 2026, ZiG inflation is expected to remain low and stable, in single digits, ending the year 2026 below 7%, underpinned by well-anchored inflation expectations.
- Reflecting robust external sector performance, the current account is projected to register an improved surplus of at least US\$3.5 billion in 2026, up from US\$2.1 billion in 2025.
- The increased foreign currency inflows will support continued buildup of reserves beyond the current 2 months import cover by the end of 2026.
- Adequate foreign currency supply will also support imports of critical equipment and raw-materials to support economic activity.
- The financial sector is expected to continue demonstrating resilience in 2026, underpinned by robust supervisory and regulatory frameworks that safeguard prudential soundness.
- The Reserve Bank affirms its commitment to continue to “walk the talk” and “stay the course” of prudent monetary policy measures supported by deliberate efforts to promote the demand for the local currency.
- The sustained progress on price, currency and exchange rate stability will support the transition to mono-currency which will continue to be a gradual market lead process as opposed to date based.

Monthly Inflation: Measures the rate of change in the Consumer Price Index (CPI) from one month to the next.

Disinflation: Refers to a deceleration in the rate of inflation and occurs when the general price level is still increasing but at a slower pace than before.

Reserve Money: Measures the stock of the Central Bank's most liquid liabilities, which include currency issued, statutory reserves and banks' excess reserves at RBZ.

Broad Money: Also known as money supply, measures the total stock of banking sector liabilities, including all deposits and banknotes and coins (currency) in circulation.

Total Deposits: Measures the amount of all deposits in the banking sector, inclusive of foreign currency denominated deposits.

Total Foreign Reserves in ZiG Backing the Local Currency: Measures the value of cash, foreign exchange reserves including gold and other precious minerals, backing the stock of ZiG reserve money or ZiG deposits in the banking sector.

Non-Performing Loans: Measures the value of loans that have not met scheduled (re)payments for 90 days compared to total loans in the banking sector.

Market Liquidity Position: Refers to the amount of liquidity in the market comprising of excess reserves (banks' deposits at Reserve Bank) and the total holding of non-negotiable certificates of deposits (NNCDs), which is available for banks to effect transactions through the national payment system platforms. A positive position signifies market surpluses while a negative position would imply shortages.

Cash and Nostro Balances: Refers to the amount of foreign currency held by the Reserve Bank in cash and balances held with other banks outside Zimbabwe.

Gold Holding (kgs): Refers to the total volume in kilograms of gold that the Reserve Bank of Zimbabwe holds.

Gold Holdings Value: Measures the value of the total volume of gold held by the Reserve Bank expressed in ZiG millions.

Other Reserves (in-kind royalties): refers to the value of other minerals excluding gold that are received by the Reserve Bank as royalties.

Nominal Effective Exchange Rate (NEER): is the ratio of an index of a country's average exchange rate for a month to a weighted average of exchange rates for currencies of selected countries normally the country's main trading partners.

Real Effective Exchange Rate (REER): is a measure of the NEER adjusted to an index of consumer price indices (CPIs) of a country's main trading partners.

Equilibrium Exchange Rate: refers to the level of the exchange rate that is consistent with economic fundamentals where the economy experiences both internal (price stability and sustained growth) and external balance (sustainable current account position).

Uncovered Foreign Currency Demand: Refers to the total demand for foreign exchange reported by authorised dealers to the Reserve Bank, which could not be met by the supply of foreign exchange in the willing buyer – willing seller (WBWS) market.

Willing-Buyer Willing-Seller (WBWS) Exchange Rate: Refers to the average ZiG to US\$ exchange rate set in the FX market by authorised dealers.

Implied Exchange Rate: Is the ratio of ZiG bank deposits to FX reserves

ZiG Denominated Term Deposit Facility Bill (ZiGDTDF): A modern liquidity sterilisation instrument introduced under the 2026 Monetary Policy Statement to support Reserve Money management, exchange rate stability and orderly liquidity conditions in the banking sector.

Dr. John Mushayavanhu
Governor
5 October 2026