



PRESS STATEMENT

RESOLUTIONS OF THE MONETARY POLICY COMMITTEE MEETING HELD ON 24 MARCH 2026

The Monetary Policy Committee (MPC) of the Reserve Bank of Zimbabwe met on 24 March 2026 to deliberate on recent macroeconomic and financial developments, as well as the outlook for the economy.

The MPC welcomed the sustained disinflation trend that has seen annual inflation reaching a single digit level of 4.1% in January 2026 for the first time in over three decades. Annual inflation continued to decline to 3.85% in February 2026 and is expected to remain low at less than 5% in March 2026. The low annual inflation was achieved against the background of a robust economic growth rate of above 6.6% realized in 2025. Economic growth prospects remain strong in 2026 despite the mid-season dry spell experienced in February 2026.

Reflecting strong export performance mainly driven by mining exports, particularly gold and PGMs, total foreign currency inflows increased to US\$3.35 billion during the first two months to February 2026 from US\$1.89 billion for the comparable period in 2025. The strong foreign currency inflows have helped rebuild foreign exchange reserves and support the stability in the foreign exchange market, while providing adequate backing for the local currency, ZiG.

The MPC took note of the overwhelming positive feedback from the nationwide BiG 5 ZiG banknotes education and awareness campaign from all Provinces and Districts across the country. The feedback shows that the country has embraced the upgraded BiG 5 ZiG Banknote Series and called on the Reserve Bank to sustain the prevailing price, currency and exchange rate stability to boost confidence in the local currency. The introduction of the upgraded ZiG Banknote Series on 7 April 2026 is, therefore, expected to improve transactional convenience for the public and support wider use of the local currency.

The MPC noted with concern the significant pass-through effects of the recent oil price shock to domestic prices, owing to geopolitical tensions in the Middle East. At the same time, the MPC acknowledged that the increase in fuel prices is a supply-side shock which cannot easily be managed through monetary policy. The increases in domestic fuel prices are likely to have second-round effects through adverse inflation expectations, which need an appropriate monetary policy response.

While the recent oil price shock is expected to increase prices in the near-term, the MPC assessed that the month-on-month inflation will slightly increase in March, April and May 2026, before returning to its steady state levels from June 2026. As a result, there will be a slight level shift in annual ZiG inflation, which, however, will stay within the single digit level throughout 2026 and the outlook.

In this regard, in order to limit the second-round effects of the fuel price increases and ensure that inflation expectations remain anchored to support continued low and stable single digit inflation, the MPC resolved to “*Stay the Course*” of the current monetary policy stance as follows:

- To maintain the Bank Policy rate at 35%; and
- To maintain the current statutory reserve requirements for savings and time deposits at 15%, and at 30% for demand and call deposits in both local and foreign currency.

The MPC welcomed the introduction of the export retention threshold of 90% for Small Scale Gold Miners. The policy, however, encountered some implementation challenges by Fidelity Gold Refinery. In addition, the Zimbabwe Mining Federation noted that some artisanal and small-scale miners are not banked and would require more time to open bank accounts. In this regard, the Committee resolved to temporarily suspend implementation of the policy while appropriate logistics are being put in place, for the smooth operationalisation of the proposed retention requirements.

The Reserve Bank reiterates that the continued strong foreign currency inflows and the resultant build-up of foreign currency reserve buffers will ensure mobilisation of adequate foreign currency resources to support critical imports, including fuel.

Going forward, the MPC will continue to carefully assess evolving international and domestic economic developments, outlook and the balance of risks to ensure that the monetary policy stance remains appropriate. The Committee will, therefore, remain vigilant to evolving risks and stand ready to swiftly implement appropriate policy changes to support continued low and stable inflation, and robust economic growth of upwards of 5% as enshrined in the National Development Strategy 2 (NDS 2).



Dr. John Mushayavanhu
GOVERNOR

24 March 2026