



UPDATE ON RESERVE MONEY

AS AT 4TH DECEMBER 2020

RESERVE MONEY

1. Reserve money declined by ZW\$172.43 million to ZW\$17.75 billion as at week ending 4 December 2020, from ZW\$17.92 billion recorded during the previous week.
2. The decrease in reserve money largely reflected declines of ZW\$228.66 million and ZW\$50.51 million in other deposits at RBZ and banks' liquidity (RTGS balances), respectively.
3. Partially offsetting the decline in market liquidity were increases of ZW\$57.54 million in required reserves and ZW\$7.03 million in currency issued, during the week under review.

Table 1: Reserve Money Developments (ZW\$ Billions)

								PRELIMINARY ESTIMATES		
	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Week Ending 20 Nov-20	Week Ending 27 Nov-20	Week Ending 04 Dec-20
Currency Issued by RBZ	1.34	1.46	1.67	1.90	2.06	2.14	2.12	2.14	2.13	2.18
Banking Sector Deposits at RBZ	10.20	12.08	10.42	11.46	10.06	10.25	13.38	16.12	15.56	15.57
<i>Statutory (Required) Reserves</i>	<i>1.21</i>	<i>1.39</i>	<i>0.89</i>	<i>1.05</i>	<i>1.24</i>	<i>1.40</i>	<i>1.68</i>	<i>1.80</i>	<i>1.92</i>	<i>1.98</i>
<i>Banks' RTGS Liquidity</i>	<i>8.90</i>	<i>10.70</i>	<i>9.53</i>	<i>10.41</i>	<i>8.83</i>	<i>8.85</i>	<i>11.70</i>	<i>14.32</i>	<i>13.64</i>	<i>13.59</i>
Other Deposits	0.92	0.28	0.58	2.79	0.26	0.34	0.02	0.12	0.23	0.00
Reserve Money	12.46	13.82	12.65	16.15	12.38	12.73	15.52	18.37	17.92	17.75

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	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Week Ending 20 Nov-20	Week Ending 27 Nov-20	Week Ending 04 Dec-20
Memorandum Items										
Currency Issued/Reserve Money Ratio (%)	10.8	10.5	13.2	11.8	16.6	16.8	13.7	11.63	11.89	12.28
Currency in Circulation /Deposits Ratio (%)	2.0	1.9	1.2	0.9	0.7	0.7	0.7	1.1	1.1	1.2
Monthly Change in RTGS Balances (%)	18.5	19.0	-10.9	-9.2	-15.2	0.3	32.2	27.51	-4.74	-0.37
Monthly Change in Reserve Money (%)	6.5	10.9	-8.4	27.6	-23.3	2.8	21.9	20.92	-2.44	-0.96
Government Deposits at RBZ (Stock)	2.97	2.09	7.46	6.02	9.52	10.45	5.47	4.33	5.15	6.54
Monthly Inflation (%)	17.6	15.1	31.7	35.5	1.4	-0.5	1.4	2.2	2.2	NA
Inter-Bank Exchange Rate	25.00	25.00	57.36	76.76	83.40	81.44	81.35	81.71	81.82	81.88