



## **UPDATE ON RESERVE MONEY**

**AS AT 13<sup>TH</sup> NOVEMBER 2020**

## RESERVE MONEY

1. Reserve money for the week ending 13<sup>th</sup> November 2020 declined by ZW\$767.47 million, to ZW\$15.19 billion, largely reflecting a decrease of ZW\$812.62 million in banks' liquidity (RTGS balances) at the Reserve Bank.
2. Partially offsetting the fall in banks' liquidity were increases in statutory reserves and currency issued by ZW\$30.41 million and ZW\$14.72 million, respectively.

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

								PRELIMINARY ESTIMATES		
	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Week Ending 30 Oct-20	Week Ending 06 Nov-20	Week Ending 13 Nov-20
Currency Issued by RBZ	1.31	1.34	1.46	1.67	1.90	2.06	2.14	2.12	2.13	2.15
Banking Sector Deposits at RBZ	8.79	10.20	12.08	10.42	11.46	10.06	10.25	12.83	13.75	12.97
<i>Statutory (Required) Reserves</i>	<i>1.21</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>1.71</i>	<i>1.74</i>
<i>Banks' RTGS Liquidity</i>	<i>7.58</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>11.15</i>	<i>12.05</i>	<i>11.23</i>
Other Deposits	1.61	0.92	0.28	0.58	2.79	0.26	0.34	0.09	0.08	0.08
<b>Reserve Money</b>	<b>11.71</b>	<b>12.46</b>	<b>13.82</b>	<b>12.65</b>	<b>16.15</b>	<b>12.38</b>	<b>12.73</b>	<b>15.04</b>	<b>15.96</b>	<b>15.19</b>

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	Mar-20	Apr-20	May-20	Jun-20	Jul-20	Aug-20	Sep-20	Week Ending 30 Oct-20	Week Ending 06 Nov-20	Week Ending 13 Nov-20
<b>Memorandum Items</b>										
Currency Issued/Reserve Money Ratio (%)	11.2	10.8	10.5	13.2	11.8	16.6	16.8	14.11	13.35	14.12
Currency in Circulation /Deposits Ratio (%)	2.2	2.0	1.9	1.2	0.9	0.7	0.7	1.3	1.3	1.3
Monthly Change in RTGS Balances (%)	26.3	18.5	19.0	-10.9	-9.2	-15.2	0.3	-9.41	8.03	-6.75
Monthly Change in Reserve Money (%)	24.8	6.5	10.9	-8.4	27.6	-23.3	2.8	-6.69	6.14	-4.81
Government Deposits at RBZ (Stock)	2.85	2.97	2.09	7.46	6.02	9.52	10.45	5.48	7.02	6.66
Monthly Inflation (%)	26.6	17.6	15.1	31.7	35.5	1.4	-0.5	1.4	NA	NA
Inter-Bank Exchange Rate	25.00	25.00	25.00	57.36	76.76	83.40	81.44	81.35	81.67	81.67