



## **UPDATE ON RESERVE MONEY**

**AS AT 9<sup>TH</sup> APRIL 2021**

## RESERVE MONEY

1. Reserve money declined by ZW\$718.12 million to ZW\$20.08 billion, as at week ending 9<sup>th</sup> April 2021, reflecting decreases of ZW\$650.35 million and ZW\$69.02 million in banks' liquidity (RTGS balances) at the Reserve Bank and statutory reserves, respectively.
2. The decrease in reserve money is attributable to liquidity mopping up operations by the Bank, as indicated by an increase of ZW\$2.67 billion in savings bond issuances during the week under review.

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

						PRELIMINARY ESTIMATES				
	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 26 Feb-21	Week Ending 26 Mar-21	Week Ending 1 April-21	Week Ending 9 April-21
Currency Issued by RBZ	2.06	2.14	2.12	2.13	2.38	2.81	2.95	3.15	3.15	3.16
Banking Sector Deposits at RBZ	10.06	10.25	13.38	15.91	16.38	19.12	19.43	17.62	17.64	16.92
<i>Statutory (Required) Reserves</i>	<i>1.24</i>	<i>1.40</i>	<i>1.68</i>	<i>2.01</i>	<i>2.20</i>	2.44	4.80	5.15	5.16	5.09
<i>Banks' RTGS Liquidity</i>	8.83	8.85	11.70	13.90	14.18	16.68	14.63	12.47	12.48	11.83
Other Deposits	0.26	0.34	0.02	0.38	0.00	0.00	0.00	0.00	0.00	0.00
<b>Reserve Money</b>	<b>12.38</b>	<b>12.73</b>	<b>15.52</b>	<b>18.42</b>	<b>18.76</b>	21.93	22.38	<b>20.77</b>	<b>20.80</b>	<b>20.08</b>
<b>Memorandum Items</b>										
Currency Issued/Reserve Money Ratio (%)	16.6	16.8	13.7	11.6	12.67	12.79	13.17	15.16	15.17	15.72
Currency in Circulation /Deposits Ratio (%)	0.7	0.7	0.7	0.6	1.2	1.1	1.3	1.3	1.2	1.3

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	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 26 Feb-21	Week Ending 26 Mar-21	Week Ending 1 April-21	Week Ending 9 April-21
Monthly Change in RTGS Balances (%)	-15.2	0.3	32.2	18.8	-8.03	20.71	1.19	-2.07	0.08	-5.21
Monthly Change in Reserve Money (%)	-23.3	2.8	21.9	18.7	-5.59	17.86	12.40	-0.47	0.12	-3.45
Government Deposits at RBZ (Stock)	9.52	10.45	5.47	4.65	6.74	10.46	10.06	14.65	16.31	16.02
Monthly Inflation (%) – ZW\$ CPI	8.4	3.8	4.4	3.2	4.2	5.4	3.5	2.26	N/A	N/A
Monthly Inflation (%) - Blended	1.4	-0.5	1.4	2.2	2.8	2.8	0.7	1.09	N/A	N/A
Inter-Bank Exchange Rate	83.40	81.44	81.35	81.82	81.79	82.68	83.89	84.12	84.40	84.40

\*The end-December 2020 reserve money is provisional until audit is completed.