



UPDATE ON RESERVE MONEY

AS AT 24TH DECEMBER 2021

RESERVE MONEY

1. Reserve money fell by ZW\$126.89 million to ZW\$28.25 billion during the week ending 24th December 2021, compared to the previous week's position of ZW\$28.38 billion.
2. The decline in reserve money largely reflected a decrease of ZW\$752.05 million in banks' liquidity (RTGS balances) at the Central Bank, which was partially offset by increases of ZW\$612.27 million and ZW\$12.89 million in required reserves and currency issued, respectively.
3. Government deposits at the Reserve Bank increased by ZW\$5.51 billion, resulting in liquidity withdrawal from the market.

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

								PRELIMINARY ESTIMATES		
	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Oct -21	Nov -21	Week Ending 10 Dec -21	Week Ending 17 Dec -21	Week Ending 24 Dec -21
Currency Issued by RBZ	3.65	3.90	4.51	4.75	4.77	4.81	4.91	5.32	5.14	5.15
Banking Sector Deposits at RBZ	22.57	20.95	20.43	23.74	21.47	19.54	23.28	23.43	23.24	23.10
<i>Statutory (Required) Reserves</i>	6.66	7.27	7.86	8.22	9.26	9.54	18.71	19.43	19.49	20.10
<i>Banks' RTGS Liquidity</i>	15.91	13.68	12.57	15.53	12.22	10.00	4.57	4.00	3.75	3.00
<i>Other Deposits</i>	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Reserve Money	26.22	24.84	24.94	28.50	22.24	24.36	28.19	28.75	28.38	28.25

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	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Oct -21	Nov -21	Week Ending 10 Dec -21	Week Ending 17 Dec -21	Week Ending 24 Dec -21
Currency Issued/ Reserve Money Ratio (%)	13.92	15.68	18.09	16.67	18.18	19.76	17.40	18.50	18.10	18.23
Currency in Circulation /Deposits Ratio (%)	1.1	1.4	1.4	1.5	1.5	1.2	1.1	1.3	1.2	1.2
Monthly Change in RTGS Balances (%)	16.62	-14.00	-8.12	23.52	-21.31	-18.14	-54.30	-11.00	-6.15	-20.04
Monthly Change in Reserve Money (%)	15.89	-5.23	0.40	14.23	-7.90	-7.19	15.72	1.76	-1.28	-0.45
Government Deposits at RBZ (Stock)	7.11	12.12	9.56	10.68	13.84	13.49	16.06	16.76	17.16	22.68
Monthly Inflation (%) – ZW\$ CPI	2.54	3.88	2.56	4.19	4.73	6.40	5.76	5.76	5.76	5.76
Monthly Inflation (%) - Blended	1.80	4.49	0.67	1.32	1.94	2.62	2.13	2.06	2.06	2.06
Inter-Bank Exchange Rate	84.73	85.42	85.64	86.06	87.67	97.14	105.67	108.67	108.67	108.67