



## **UPDATE ON RESERVE MONEY**

**AS AT 26<sup>TH</sup> FEBRUARY 2021**

## RESERVE MONEY

1. Reserve money for the week ending 26<sup>th</sup> February 2021 increased by ZW\$2.47 billion, to ZW\$22.38 billion, largely reflecting an increase of ZW\$2.28 billion in statutory required reserves.
2. The increase in statutory required reserves followed the adjustment in the statutory reserve ratio, from 2.5% to 5% for demand and/or call deposits, which was announced in the Monetary Policy Statement of 18<sup>th</sup> February 2021.

### 3. The Table 1: Reserve Money Developments (ZW\$ Billions)

								PRELIMINARY ESTIMATES		
	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 19 Feb-21	Week Ending 26 Feb-21
Currency Issued by RBZ	1.67	1.90	2.06	2.14	2.12	2.13	2.38	2.81	2.93	2.95
Banking Sector Deposits at RBZ	10.42	11.46	10.06	10.25	13.38	15.91	16.38	19.12	16.98	19.43
<i>Statutory (Required) Reserves</i>	<i>0.89</i>	<i>1.05</i>	<i>1.24</i>	<i>1.40</i>	<i>1.68</i>	<i>2.01</i>	<i>2.20</i>	<i>2.44</i>	<i>2.52</i>	<i>4.80</i>
<i>Banks' RTGS Liquidity</i>	<i>9.53</i>	<i>10.41</i>	<i>8.83</i>	<i>8.85</i>	<i>11.70</i>	<i>13.90</i>	<i>14.18</i>	<i>16.68</i>	<i>14.46</i>	<i>14.63</i>
Other Deposits	0.58	2.79	0.26	0.34	0.02	0.38	0.00	0.00	0.00	0.00
<b>Reserve Money</b>	<b>12.65</b>	<b>16.15</b>	<b>12.38</b>	<b>12.73</b>	<b>15.52</b>	<b>18.42</b>	<b>18.76</b>	<b>21.93</b>	<b>19.91</b>	<b>22.38</b>
<b>Memorandum Items</b>										

							PRELIMINARY ESTIMATES			
	Jun-20	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 19 Feb-21	Week Ending 26 Feb-21
Currency Issued/Reserve Money Ratio (%)	13.2	11.8	16.6	16.8	13.7	11.6	12.67	12.79	14.73	13.17
Currency in Circulation /Deposits Ratio (%)	1.2	0.9	0.7	0.7	0.7	0.6	1.2	1.1	1.3	1.3
Monthly Change in RTGS Balances (%)	-10.9	-9.2	-15.2	0.3	32.2	18.8	-8.03	20.71	6.01	1.19
Monthly Change in Reserve Money (%)	-8.4	27.6	-23.3	2.8	21.9	18.7	-5.59	17.86	5.31	12.40
Government Deposits at RBZ (Stock)	7.46	6.02	9.52	10.45	5.47	4.65	6.74	10.46	8.48	10.06
Monthly Inflation (%) – ZW\$ CPI	31.7	35.5	8.4	3.8	4.4	3.2	4.2	5.4	3.5	3.5
Monthly Inflation (%) - Blended	29.4	16.7	1.4	-0.5	1.4	2.2	2.8	2.8	0.7	0.7
Inter-Bank Exchange Rate	57.36	76.76	83.40	81.44	81.35	81.82	81.79	82.68	83.76	83.89

\*Provisional until audit is completed.