



## **UPDATE ON RESERVE MONEY**

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

## RESERVE MONEY

1. Reserve money for the week ending 26<sup>th</sup> March 2021 fell by ZW\$99.09 million to ZW\$20.77 billion, compared to last week's position of ZW\$20.87 billion.
2. The decrease in reserve money largely reflected a decrease of ZW\$264.16 million in banks' liquidity at the Reserve Bank (RTGS balances), which was partially offset by increases of ZW\$163.64 million and ZW\$1.42 million in required reserves and currency issued, respectively.

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

								PRELIMINARY ESTIMATES		
	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 26 Feb-21	Week Ending 19 Mar-21	Week Ending 26 Mar-21
Currency Issued by RBZ	1.90	2.06	2.14	2.12	2.13	2.38	2.81	2.95	3.15	3.15
Banking Sector Deposits at RBZ	11.46	10.06	10.25	13.38	15.91	16.38	19.12	19.43	17.72	17.62
<i>Statutory (Required) Reserves</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>4.80</i>	<i>4.99</i>	<i>5.15</i>
<i>Banks' RTGS Liquidity</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>14.63</i>	<i>12.73</i>	<i>12.47</i>
Other Deposits	2.79	0.26	0.34	0.02	0.38	0.00	0.00	0.00	0.00	0.00
<b>Reserve Money</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>22.38</b>	<b>20.87</b>	<b>20.77</b>
<b>Memorandum Items</b>										
Currency Issued/Reserve Money Ratio (%)	11.8	16.6	16.8	13.7	11.6	12.67	12.79	13.17	15.08	15.16
Currency in Circulation /Deposits Ratio (%)	0.9	0.7	0.7	0.7	0.6	1.2	1.1	1.3	1.1	1.3

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	Jul-20	Aug-20	Sep-20	Oct-20	Nov-20	Dec-20*	Week Ending 29 Jan-21	Week Ending 26 Feb-21	Week Ending 19 Mar-21	Week Ending 26 Mar-21
Monthly Change in RTGS Balances (%)	-9.2	-15.2	0.3	32.2	18.8	-8.03	20.71	1.19	20.08	-2.07
Monthly Change in Reserve Money (%)	27.6	-23.3	2.8	21.9	18.7	-5.59	17.86	12.40	11.45	-0.47
Government Deposits at RBZ (Stock)	6.02	9.52	10.45	5.47	4.65	6.74	10.46	10.06	10.94	14.65
Monthly Inflation (%) – ZW\$ CPI	35.5	8.4	3.8	4.4	3.2	4.2	5.4	3.5	2.26	2.26
Monthly Inflation (%) - Blended	16.7	1.4	-0.5	1.4	2.2	2.8	2.8	0.7	1.09	1.09
Inter-Bank Exchange Rate	76.76	83.40	81.44	81.35	81.82	81.79	82.68	83.89	83.98	84.12

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