



## **UPDATE ON RESERVE MONEY**

**AS AT 14<sup>TH</sup> MAY 2021**

## RESERVE MONEY

1. Reserve money for the week ending 14<sup>th</sup> May 2021 increased by ZW\$477.09 million to ZW\$22.91 billion, compared to the position as at 7<sup>th</sup> May 2021.
2. The rise in reserve money reflected an increase of ZW\$196.44 million in banks' liquidity (RTGS balances) at the Reserve Bank, coupled with increases of ZW\$162.55 million and ZW\$118.11 million in currency in circulation and required reserves, respectively.

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

						PRELIMINARY ESTIMATES				
	Sep-20	Oct-20	Nov-20	Dec-20*	Jan-21	Week Ending 26 Feb-21	Week Ending 26 Mar-21	Week Ending 30 April-21	Week Ending 07 May -21	Week Ending 14 May -21
Currency Issued by RBZ	2.14	2.12	2.13	2.38	2.70	2.95	3.15	3.25	3.34	3.51
Banking Sector Deposits at RBZ	10.25	13.38	15.91	16.38	19.12	19.43	17.62	19.37	19.09	19.41
<i>Statutory (Required) Reserves</i>	<i>1.40</i>	<i>1.68</i>	<i>2.01</i>	<i>2.20</i>	<i>2.44</i>	4.80	5.15	5.73	5.92	6.04
<i>Banks' RTGS Liquidity</i>	<i>8.85</i>	<i>11.70</i>	<i>13.90</i>	14.18	16.68	14.63	12.47	13.64	13.17	13.37
Other Deposits	0.34	0.02	0.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Reserve Money</b>	<b>12.73</b>	<b>15.52</b>	<b>18.42</b>	<b>18.76</b>	<b>21.82</b>	<b>22.38</b>	<b>20.77</b>	<b>22.62</b>	<b>22.44</b>	<b>22.91</b>
<b>Memorandum Items</b>										
Currency Issued/Reserve Money Ratio (%)	16.8	13.7	11.6	12.67	12.39	13.17	15.16	14.38	14.91	15.31
Currency in Circulation /Deposits Ratio (%)	0.7	0.7	0.6	1.2	1.2	1.3	1.3	1.3	1.3	1.2

						PRELIMINARY ESTIMATES				
	Sep-20	Oct-20	Nov-20	Dec-20*	Jan-21	Week Ending 26 Feb-21	Week Ending 26 Mar-21	Week Ending 30 April-21	Week Ending 07 May -21	Week Ending 14 May -21
Monthly Change in RTGS Balances (%)	0.3	32.2	18.8	2.06	17.55	1.19	-2.07	-0.95	-3.41	1.49
Monthly Change in Reserve Money (%)	2.8	21.9	18.7	1.83	16.32	12.40	-0.47	0.34	-0.80	2.13
Government Deposits at RBZ (Stock)	10.45	5.47	4.65	6.74	10.31	10.06	14.65	11.38	11.53	12.17
Monthly Inflation (%) – ZW\$ CPI	3.8	4.4	3.2	4.2	5.4	3.5	2.26	1.58	n/a	n/a
Monthly Inflation (%) - Blended	-0.5	1.4	2.2	2.8	2.8	0.7	1.09	0.94	n/a	n/a
Inter-Bank Exchange Rate	81.44	81.35	81.82	81.79	82.68	83.89	84.12	84.50	84.53	84.61

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