



UPDATE ON RESERVE MONEY

AS AT 15TH OCTOBER 2021

RESERVE MONEY

1. Reserve money decreased by ZW\$1.94 billion to ZW\$26.11 billion during the week ending 15th October 2021, compared to the previous week's position of ZW\$28.05 billion.
2. The decline in reserve money largely reflected a decrease of ZW\$2.03 billion in banks' liquidity (RTGS balances) at the Central Bank, partially offset by increases of ZW\$72.02 million and ZW\$14.63 million in required reserves and currency issued, respectively.
3. The fall in market liquidity was largely on the back of liquidity mopping up operations by the Bank, through issuance of non-negotiable certificates of deposits (NNCDs).

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

								PRELIMINARY ESTIMATES		
	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Week Ending 01 Oct -21	Week Ending 08 Oct -21	Week Ending 15 Oct -21
Currency Issued by RBZ	3.15	3.25	3.65	3.90	4.51	4.75	4.77	4.81	4.81	4.83
Banking Sector Deposits at RBZ	16.10	19.37	22.57	20.95	20.43	23.74	21.47	23.47	23.24	21.28
<i>Statutory (Required) Reserves</i>	<i>5.16</i>	<i>5.73</i>	<i>6.66</i>	<i>7.27</i>	<i>7.86</i>	<i>8.22</i>	<i>9.26</i>	<i>9.26</i>	<i>9.04</i>	<i>9.11</i>
<i>Banks' RTGS Liquidity</i>	<i>10.94</i>	<i>13.64</i>	<i>15.91</i>	<i>13.68</i>	<i>12.57</i>	<i>15.53</i>	<i>12.22</i>	<i>14.21</i>	<i>14.20</i>	<i>12.17</i>
<i>Other Deposits</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>	<i>0.00</i>
Reserve Money	19.25	22.62	26.22	24.84	24.94	28.50	22.24	28.28	28.05	26.11

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	Mar-21	Apr-21	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Week Ending 01 Oct -21	Week Ending 08 Oct -21	Week Ending 15 Oct -21
Currency Issued/ Reserve Money Ratio (%)	16.37	14.38	13.92	15.68	18.09	16.67	18.18	17.01	17.16	18.50
Currency in Circulation /Deposits Ratio (%)	1.4	1.3	1.1	1.4	1.4	1.5	1.5	1.2	1.4	1.3
Monthly Change in RTGS Balances (%)	-5.24	-0.95	16.62	-14.00	-8.12	23.52	-21.31	4.73	-0.09	-14.29
Monthly Change in Reserve Money (%)	13.99	0.34	15.89	-5.23	0.40	14.23	-7.90	3.34	-0.80	-6.92
Government Deposits at RBZ (Stock)	15.73	11.38	7.11	12.12	9.56	10.68	13.84	11.88	18.06	17.37
Monthly Inflation (%) – ZW\$ CPI	2.26	1.58	2.54	3.88	2.56	4.19	4.73	n/a	n/a	n/a
Monthly Inflation (%) - Blended	1.09	0.94	1.80	4.49	0.67	1.32	1.94	n/a	n/a	n/a
Inter-Bank Exchange Rate	84.40	84.50	84.73	85.42	85.64	86.06	87.67	87.67	88.55	90.08