



UPDATE ON RESERVE MONEY

AS AT 10TH JUNE 2022

RESERVE MONEY

1. Reserve money increased by ZW\$3.97 billion to ZW\$33.24 billion during the week ending 10th June 2022, due to an increase of ZW\$3.83 billion in required reserves.
2. An increase of ZW\$3.83 billion in required reserves signifies tightening of monetary policy, since these balances are sterilized in the books of the Reserve Bank, and are not available for on-lending by banks.
3. Currency issued also rose by ZW\$132.51 million over the week under review, reflecting increased demand for cash by the transacting public.

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

								PRELIMINARY ESTIMATES		
	Oct -21	Nov -21	Dec -21*	Jan -22	Feb -22	Mar-22	Apr-22	Week Ending 27-May-22	Week Ending 03-Jun-22	Week Ending 10-Jun-22
Currency Issued by RBZ	4.81	4.91	5.15	5.09	5.19	5.34	6.11	6.27	6.27	6.40
Banking Sector Deposits at RBZ	19.54	23.28	20.79	21.41	22.62	22.54	23.12	22.98	23.01	26.84
<i>Statutory (Required) Reserves</i>	9.54	18.71	19.78	20.41	20.83	21.54	23.01	22.88	22.91	26.74
<i>Banks' RTGS Liquidity</i>	10.00	4.57	1.01	1.01	1.79	1.00	0.10	0.10	0.10	0.10
<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	24.36	28.19	25.94	26.51	27.81	27.89	29.23	29.25	29.27	33.24
Currency Issued/ Reserve Money Ratio (%)	19.76	17.40	19.86	19.21	18.67	19.15	20.92	21.43	21.41	19.25

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	Oct -21	Nov -21	Dec -21*	Jan -22	Feb -22	Mar-22	Apr-22	Week Ending 27-May-22	Week Ending 03-Jun-22	Week Ending 10-Jun-22
Currency Issued /Deposits Ratio (%)	1.5	1.2	1.1	1.2	1.0	1.0	0.98	0.97	0.71	0.98
Monthly Change in RTGS Balances (%)	-21.31	-18.14	-54.30	-77.89	77.68	-44.18	-89.59	0.51	-0.36	-0.15
Monthly Change in Reserve Money (%)	-7.90	-7.19	15.72	-7.95	4.93	0.26	4.82	0.02	0.07	13.56
Government Deposits at RBZ (Stock)	13.84	13.49	10.80	34.62	30.65	27.77	18.57	29.45	30.03	34.30
Monthly Inflation (%) – ZW\$ CPI	4.73	6.40	5.76	5.76	6.99	6.31	15.55	20.97	n/a	n/a
Monthly Inflation (%) - Blended	1.94	2.62	2.13	2.06	3.09	2.66	9.63	8.68	n/a	n/a
Inter-Bank Exchange Rate	87.67	97.14	105.67	108.67	124.02	142.42	159.35	298.55	309.07	326.72