



## **UPDATE ON RESERVE MONEY**

**AS AT 7<sup>TH</sup> OCTOBER 2022**

## RESERVE MONEY

1. Reserve money declined by ZW\$1.96 billion to ZW\$85.14 billion during the week ending 7<sup>th</sup> October 2022, compared to the previous week's position of ZW\$87.10 billion.
2. The decline in reserve money was due to decreases of ZW\$1.06 billion and ZW\$0.88 billion in foreign currency and local currency statutory reserves, respectively. Currency issued also declined by ZW\$20.83 million.
3. These declines were partially offset by an increase of ZW\$0.82 million in Banks' liquidity (RTGS Balances) at Central Bank.

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

								PRELIMINARY ESTIMATES		
	Feb -22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Week Ending 23-Sep-22	Week Ending 30-Sep-22	Week Ending 07-Oct-22
<b>Currency Issued by RBZ</b>	5.19	5.34	6.11	6.27	6.27	6.51	6.65	6.81	6.84	6.82
<b>Banking Sector Deposits at RBZ</b>	22.62	22.54	23.12	22.95	27.28	29.01	30.81	77.42	80.26	78.32
<i>Statutory (Required) Reserves</i>	20.83	21.54	23.01	22.86	27.18	28.91	30.69	77.32	80.16	78.21
<i>of which stat reserves - ZWL</i>								33.48	36.21	35.33
<i>of which stat reserves - FCA</i>								43.85	43.95	42.87
<i>Banks' RTGS Liquidity</i>	1.79	1.00	0.10	0.10	0.10	0.10	0.12	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
<b>Reserve Money</b>	<b>27.81</b>	<b>27.89</b>	<b>29.23</b>	<b>29.22</b>	<b>33.55</b>	<b>35.52</b>	<b>37.47</b>	<b>84.24</b>	<b>87.10</b>	<b>85.14</b>

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	Feb -22	Mar-22	Apr-22	May-22	Jun-22	Jul-22	Aug-22	Week Ending 23-Sep-22	Week Ending 30-Sep-22	Week Ending 07-Oct-22
Currency Issued/ Reserve Money Ratio (%)	18.67	19.15	20.92	21.44	18.67	18.33	17.76	8.09	7.85	8.01
Currency Issued /Deposits Ratio (%)	1.0	1.0	0.98	0.65	0.61	0.54	0.57	0.43	0.41	0.43
Monthly Change in RTGS Balances (%)	77.68	-44.18	-89.59	-4.49	0.95	-1.00	21.19	-19.90	0.00	0.82
Monthly Change in Reserve Money (%)	4.93	0.26	4.82	-0.03	14.81	5.88	5.47	4.80	3.40	-2.25
Government Deposits at RBZ (Stock)	30.65	27.77	18.57	31.80	66.02	52.33	106.44	96.09	129.39	149.85
Monthly Inflation (%) – ZW\$ CPI	6.99	6.31	15.55	20.97	30.70	25.56	12.40	3.48	3.48	N/A
Monthly Inflation (%) - Blended	2.66	9.63	9.63	8.68	18.02	16.09	6.60	2.50	2.50	N/A
Inter-Bank Exchange Rate	124.02	142.42	159.35	301.50	370.96	443.88	546.83	614.27	621.89	626.97