



## **UPDATE ON RESERVE MONEY**

**AS AT 16<sup>TH</sup> SEPTEMBER 2022**

## RESERVE MONEY

1. Reserve money increased by ZW\$1.60 billion to ZW\$80.38 billion during the week ending 16<sup>th</sup> September 2022, compared to the previous week's position of ZW\$78.77 billion.
2. The growth largely reflected increases of ZW\$826.61 million and ZW\$762.71 million in local and foreign currency statutory reserves, respectively. Banks' liquidity (RTGS balances) at the Central Bank also increased by ZW\$24.94 million.
3. This increase was partially offset by a decline of ZW\$10.21 million in currency issued.

**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 2-Sep-22  | Week Ending 9-Sep-22 | Week Ending 16-Sep-22 |
| <b>Currency Issued by RBZ</b>         | 5.19    | 5.34   | 6.11   | 6.27   | 6.27   | 6.51   | 6.65   | 6.68                  | 6.80                 | 6.79                  |
| <b>Banking Sector Deposits at RBZ</b> | 22.62   | 22.54  | 23.12  | 22.95  | 27.28  | 29.01  | 30.81  | 58.12                 | 71.97                | 73.59                 |
| <i>Statutory (Required) Reserves</i>  | 20.83   | 21.54  | 23.01  | 22.86  | 27.18  | 28.91  | 30.69  | 58.02                 | 71.87                | 73.46                 |
| <i>of which stat reserves - ZWL</i>   |         |        |        |        |        |        |        | 30.69                 | 31.46                | 32.29                 |
| <i>of which stat reserves - FCA</i>   |         |        |        |        |        |        |        | 27.33                 | 40.41                | 41.17                 |
| <i>Banks' RTGS Liquidity</i>          | 1.79    | 1.00   | 0.10   | 0.10   | 0.10   | 0.10   | 0.12   | 0.10                  | 0.10                 | 0.13                  |
| <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>                  | 27.81   | 27.89  | 29.23  | 29.22  | 33.55  | 35.52  | 37.47  | 64.80                 | 78.77                | 80.38                 |

|  |         |        |        |        |        |        |        | PRELIMINARY ESTIMATES |                      |                       |
|--|---------|--------|--------|--------|--------|--------|--------|-----------------------|----------------------|-----------------------|
|  | Feb -22 | Mar-22 | Apr-22 | May-22 | Jun-22 | Jul-22 | Aug-22 | Week Ending 2-Sep-22  | Week Ending 9-Sep-22 | Week Ending 16-Sep-22 |
| Currency Issued/ Reserve Money Ratio (%) | 18.67   | 19.15  | 20.92  | 21.44  | 18.67  | 18.33  | 17.76  | 10.30                 | 8.63                 | 8.45                  |
| Currency Issued /Deposits Ratio (%)      | 1.0     | 1.0    | 0.98   | 0.65   | 0.61   | 0.54   | 0.57   | 0.43                  | 0.44                 | 0.42                  |
| Monthly Change in RTGS Balances (%)      | 77.68   | -44.18 | -89.59 | -4.49  | 0.95   | -1.00  | 21.19  | 0.00                  | 0.00                 | 24.85                 |
| Monthly Change in Reserve Money (%)      | 4.93    | 0.26   | 4.82   | -0.03  | 14.81  | 5.88   | 5.47   | 78.13                 | 21.56                | 2.04                  |
| Government Deposits at RBZ (Stock)       | 30.65   | 27.77  | 18.57  | 31.80  | 66.02  | 52.33  | 106.44 | 106.76                | 130.88               | 114.08                |
| Monthly Inflation (%) – ZW\$ CPI         | 6.99    | 6.31   | 15.55  | 20.97  | 30.70  | 25.56  | 12.40  | 3.48                  | 3.48                 | 3.48                  |
| Monthly Inflation (%) - Blended          | 2.66    | 9.63   | 9.63   | 8.68   | 18.02  | 16.09  | 6.60   | 2.50                  | 2.50                 | 2.50                  |
| Inter-Bank Exchange Rate                 | 124.02  | 142.42 | 159.35 | 301.50 | 370.96 | 443.88 | 546.83 | 559.88                | 585.10               | 604.18                |