



UPDATE ON RESERVE MONEY

AS AT 26TH MAY 2023

RESERVE MONEY

1. Reserve money increased by ZW\$88.76 billion to ZW\$423.98 billion during the week ending 26th May 2023, compared to ZW\$335.22 billion recorded in the previous week.
2. The growth in reserve money was attributed to an increase of ZW\$84.29 billion in foreign currency statutory reserves, largely due to valuation changes associated with exchange rate movements.
3. Partially offsetting the growth in reserve money were declines of ZW\$82.73 million and ZW\$14.68 million in currency issued and banks' liquidity (RTGS balances) at Central Bank, respectively.

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

								PRELIMINARY ESTIMATES		
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Week Ending 12-May-23	Week Ending 19-May-23	Week Ending 26-May-23
Currency Issued by RBZ	7.11	7.36	7.57	7.54	8.03	8.51	8.99	9.29	9.24	9.16
Banking Sector Deposits at RBZ	85.16	91.50	96.47	115.46	196.01	224.38	267.50	293.92	325.98	414.83
<i>Statutory (Required) Reserves</i>	85.06	91.40	96.37	115.36	195.91	224.28	267.40	293.82	325.87	414.72
<i>of which stat reserves - ZWL</i>	39.25	45.03	51.08	56.11	63.03	72.74	86.91	96.99	98.90	103.46
<i>of which stat reserves - FCA</i>	45.80	46.37	45.30	59.24	132.88	151.55	180.49	196.82	226.97	311.26
<i>Banks' RTGS Liquidity</i>	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.10	0.12	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	92.27	98.86	104.04	123.00	204.04	232.90	276.50	303.21	335.22	423.98

								PRELIMINARY ESTIMATES		
	Oct-22	Nov-22	Dec-22	Jan-23	Feb-23	Mar-23	Apr-23	Week Ending 12-May-23	Week Ending 19-May-23	Week Ending 26-May-23
Currency Issued /Deposits Ratio (%)	0.38	0.37	0.33	0.29	0.28	0.20	0.25	0.22	0.19	0.15
Monthly Change in RTGS Balances (%)	0.00	0.00	0.00	0.07	-0.07	0.00	0.00	-0.18	15.36	-12.68
Monthly Change in Reserve Money (%)	5.94	7.15	5.24	18.22	65.89	14.15	18.72	9.00	10.56	26.48
Government Deposits at RBZ (Stock)	156.14	175..27	150.85	271.36	467.95	397.37	290.54	298.13	328.73	323.18
Monthly Inflation (%) - Blended	3.20	1.37	1.26	0.73	-1.61	0.13	2.36	15.74	15.74	15.74
Inter-Bank Exchange Rate	632.77	654.93	684.33	796.52	889.13	929.86	1 047.44	1 235.35	1 432.50	1 931.71