



UPDATE ON RESERVE MONEY

AS AT 19TH NOVEMBER 2021

RESERVE MONEY

1. Reserve money for the week ending 19th November 2021 declined by ZW\$272.36 million to ZW\$27.98 billion, compared to the previous week's position of ZW\$28.26 billion.
2. This decline in reserve money was largely reflected by a decrease of ZW\$684.27 million in banks' liquidity (RTGS balances) at the Reserve Bank. Government deposits at the RBZ rose by ZW\$17.13 billion during the week under review, thus contributing to withdrawal of liquidity from the market.
3. Partially offsetting the decline in reserve money were increases of ZW\$223.96 million and ZW\$187.95 million in required reserves and currency issued, respectively.

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

								PRELIMINARY ESTIMATES		
	Apr-21	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Oct -21	Week Ending 5 Nov -21	Week Ending 12 Nov -21	Week Ending 19 Nov -21
Currency Issued by RBZ	3.25	3.65	3.90	4.51	4.75	4.77	4.81	4.74	4.67	4.86
Banking Sector Deposits at RBZ	19.37	22.57	20.95	20.43	23.74	21.47	19.54	23.53	23.58	23.12
<i>Statutory (Required) Reserves</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>9.54</i>	<i>18.31</i>	<i>18.38</i>	<i>18.61</i>
<i>Banks' RTGS Liquidity</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>10.00</i>	<i>5.22</i>	<i>5.20</i>	<i>4.52</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	22.62	26.22	24.84	24.94	28.50	22.24	24.36	28.27	28.26	27.98

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	Apr-21	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Oct -21	Week Ending 5 Nov -21	Week Ending 12 Nov -21	Week Ending 19 Nov -21
Currency Issued/ Reserve Money Ratio (%)	14.38	13.92	15.68	18.09	16.67	18.18	19.76	16.75	16.54	17.38
Currency in Circulation /Deposits Ratio (%)	1.3	1.1	1.4	1.4	1.5	1.5	1.2	1.2	1.2	1.3
Monthly Change in RTGS Balances (%)	-0.95	16.62	-14.00	-8.12	23.52	-21.31	-18.14	-47.82	-0.35	-13.12
Monthly Change in Reserve Money (%)	0.34	15.89	-5.23	0.40	14.23	-7.90	-7.19	16.07	-0.04	-0.96
Government Deposits at RBZ (Stock)	11.38	7.11	12.12	9.56	10.68	13.84	13.49	11.63	13.14	30.27
Monthly Inflation (%) – ZW\$ CPI	1.58	2.54	3.88	2.56	4.19	4.73	6.40	5.76	5.76	5.76
Monthly Inflation (%) - Blended	0.94	1.80	4.49	0.67	1.32	1.94	2.62	5.76	2.13	2.13
Inter-Bank Exchange Rate	84.50	84.73	85.42	85.64	86.06	87.67	97.14	98.98	99.93	105.70