



UPDATE ON RESERVE MONEY

AS AT 17TH DECEMBER 2021

RESERVE MONEY

1. Reserve money decreased by ZW\$366.51 million to ZW\$28.38 billion during the week ending 17th December 2021, compared to the previous week's position of ZW\$28.75 billion.
2. The fall in reserve money largely reflected declines of ZW\$245.97 million and ZW\$179.02 million in banks' liquidity (RTGS balances) at the Reserve Bank and currency issued, respectively. Government deposits at the Central Bank increased by ZW\$403.34 million, resulting in liquidity withdrawal from the market.
3. Partially offsetting the decline was an increase of ZW\$58.48 million in required reserves.

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 03 Dec -21	Week Ending 10 Dec -21	Week Ending 17 Dec -21
Currency Issued by RBZ	3.25	3.65	3.90	4.51	4.75	4.77	4.81	5.05	5.32	5.14
Banking Sector Deposits at RBZ	19.37	22.57	20.95	20.43	23.74	21.47	19.54	23.20	23.43	23.24
<i>Statutory (Required) Reserves</i>	5.73	6.66	7.27	7.86	8.22	9.26	9.54	18.71	19.43	19.49
<i>Banks' RTGS Liquidity</i>	13.64	15.91	13.68	12.57	15.53	12.22	10.00	4.49	4.00	3.75
<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	22.62	26.22	24.84	24.94	28.50	22.24	24.36	28.25	28.75	28.38

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	Apr-21	May-21	Jun-21	Jul-21	Aug -21	Sep -21	Oct -21	Week Ending 03 Dec -21	Week Ending 10 Dec -21	Week Ending 17 Dec -21
Currency Issued/ Reserve Money Ratio (%)	14.38	13.92	15.68	18.09	16.67	18.18	19.76	17.86	18.50	18.10
Currency in Circulation /Deposits Ratio (%)	1.3	1.1	1.4	1.4	1.5	1.5	1.2	1.4	1.3	1.2
Monthly Change in RTGS Balances (%)	-0.95	16.62	-14.00	-8.12	23.52	-21.31	-18.14	-0.18	-11.00	-6.15
Monthly Change in Reserve Money (%)	0.34	15.89	-5.23	0.40	14.23	-7.90	-7.19	1.07	1.76	-1.28
Government Deposits at RBZ (Stock)	11.38	7.11	12.12	9.56	10.68	13.84	13.49	16.32	16.76	17.16
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	2.06	2.06	2.06
Inter-Bank Exchange Rate	84.50	84.73	85.42	85.64	86.06	87.67	97.14	105.69	108.67	108.67