



## **UPDATE ON RESERVE MONEY**

**AS AT 16<sup>TH</sup> JULY 2021**

## RESERVE MONEY

1. Reserve money for the week ending 16<sup>th</sup> July 2021 fell by ZW\$149.39 million to ZW\$24.31 billion, compared to last week's position of ZW\$24.46 billion.
2. The decrease in reserve money largely reflected a decrease of ZW\$456.83 million in banks' liquidity at the Reserve Bank (RTGS balances), which was partially offset by increases of ZW\$188.64 million and ZW\$118.81 million in required reserves and currency issued, respectively.

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

						PRELIMINARY ESTIMATES				
	Nov-20	Dec-20*	Jan-21	Feb-21	Mar-21	Week Ending 30 April-21	Week Ending 28 May -21	Week Ending 30 June -21	Week Ending 9 July -21	Week Ending 16 July -21
Currency Issued by RBZ	2.13	2.38	2.70	2.95	3.15	3.25	3.61	3.90	4.35	4.47
Banking Sector Deposits at RBZ	15.91	16.38	19.12	19.43	16.10	19.37	19.77	20.28	20.11	19.84
<i>Statutory (Required) Reserves</i>	<i>2.01</i>	<i>2.20</i>	<i>2.44</i>	<i>4.80</i>	<i>5.16</i>	<i>5.73</i>	<i>6.36</i>	<i>7.27</i>	<i>7.19</i>	<i>7.38</i>
<i>Banks' RTGS Liquidity</i>	<i>13.90</i>	<i>14.18</i>	<i>16.68</i>	<i>14.63</i>	<i>10.94</i>	<i>13.64</i>	<i>13.41</i>	<i>13.01</i>	<i>12.92</i>	<i>12.46</i>
Other Deposits	0.38	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00	0.00
<b>Reserve Money</b>	<b>18.42</b>	<b>18.76</b>	<b>21.82</b>	<b>22.38</b>	<b>19.25</b>	<b>22.62</b>	<b>23.38</b>	<b>24.17</b>	<b>24.46</b>	<b>24.31</b>
Currency Issued/Reserve Money Ratio (%)	11.6	12.67	12.39	13.17	16.37	14.38	15.43	16.12	17.80	18.40

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	Nov-20	Dec-20*	Jan-21	Feb-21	Mar-21	Week Ending 30 April-21	Week Ending 28 May -21	Week Ending 30 June -21	Week Ending 9 July -21	Week Ending 16 July -21
Currency in Circulation /Deposits Ratio (%)	0.6	1.2	1.2	1.3	1.4	1.3	1.2	1.1	1.4	1.4
Monthly Change in RTGS Balances (%)	18.8	2.06	17.55	1.19	-25.24	-0.95	-0.41	-0.90	4.66	-3.54
Monthly Change in Reserve Money (%)	18.7	1.83	16.32	12.40	-13.99	0.34	1.04	1.23	3.94	-0.61
Government Deposits at RBZ (Stock)	4.65	6.74	10.31	9.86	15.73	11.38	7.56	12.69	16.54	15.60
Monthly Inflation (%) – ZW\$ CPI	3.2	4.2	5.4	3.5	2.26	1.58	2.54	3.88	n/a	n/a
Monthly Inflation (%) - Blended	2.2	2.8	2.8	0.7	1.09	0.94	1.80	4.49	n/a	n/a
Inter-Bank Exchange Rate	81.82	81.79	82.68	83.89	84.40	84.50	84.73	85.42	85.51	85.51

\*The end-December 2020 reserve money is provisional until audit is completed.