

SM/10/108  
Correction 2

May 28, 2010

To: Members of the Executive Board  
From: The Secretary  
Subject: **Zimbabwe—Staff Report for the 2010 Article IV Consultation**

The attached corrections to SM/10/108 (4/30/10) have been provided by the staff:

**Typographical Errors**

**Page 5, Figure 1, panel 1 caption:** for “Following a significant improvement in policies, a” read “Following a significant improvement in policies, a nascent economic recovery started in 2009”

**Page 5, Figure 1, panel 2 caption:** for “Revenue collection improved in 2009, as the economy strengthened, Tanzi effects were eliminated, and tax policy” read “Revenue collection improved in 2009, as the economy strengthened, Tanzi effects were eliminated, and tax policy and administration improved”

Questions may be referred to Mr. Kramarenko (ext. 34357), Mr. Engstrom (ext. 35941), and Ms. Verdier (ext. 36737) in AFR.

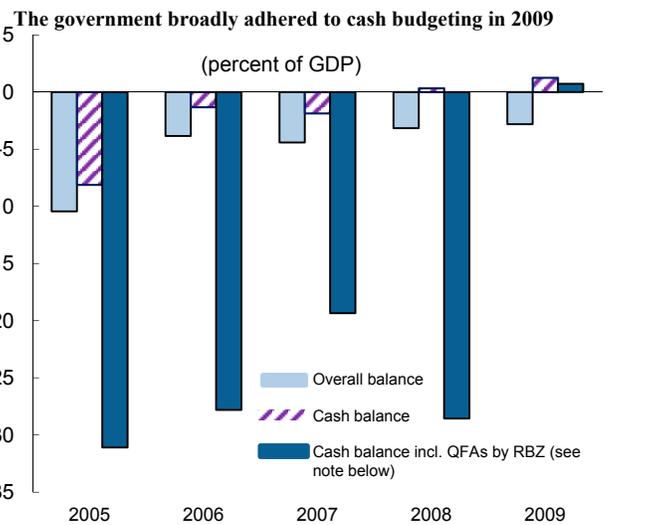
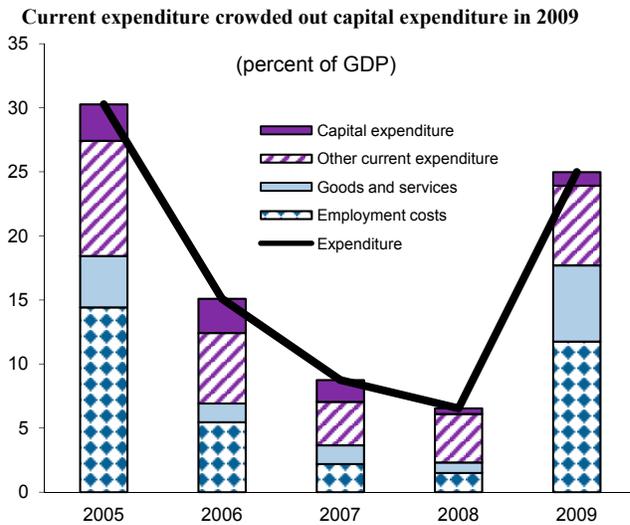
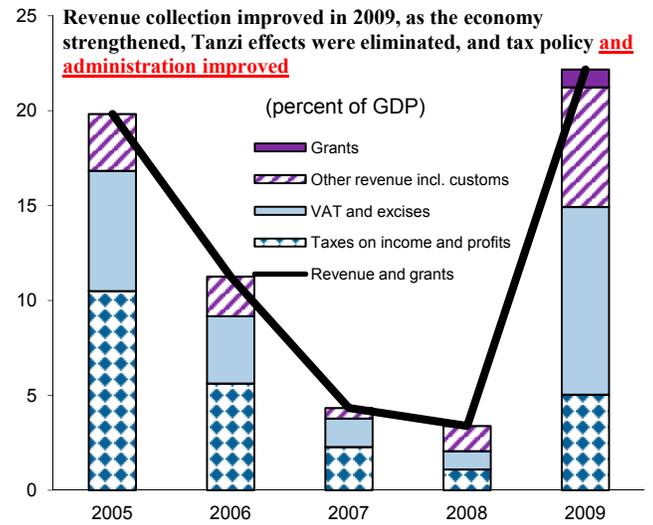
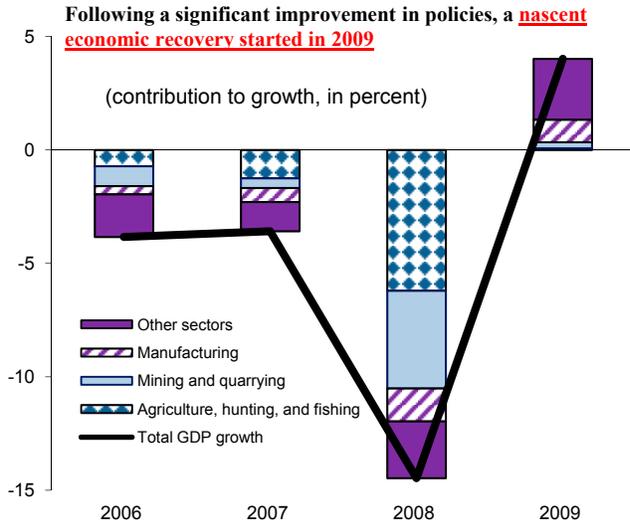
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Att: (1)

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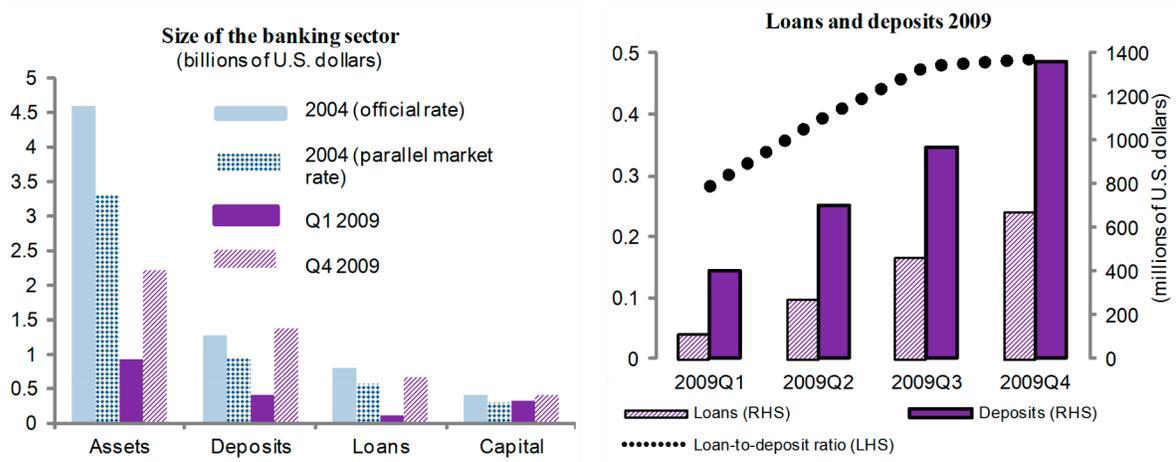
**Figure 1. Zimbabwe: Recent Economic and Budgetary Performance**



Note: Quasi-fiscal activities (QFAs) by the Reserve Bank of Zimbabwe (RBZ) included election-related expenses, transfers to parastatals, subsidized directed lending, below-cost provision of equipment and fertilizers to farmers, and allocation of foreign exchange at subsidized exchange rates.

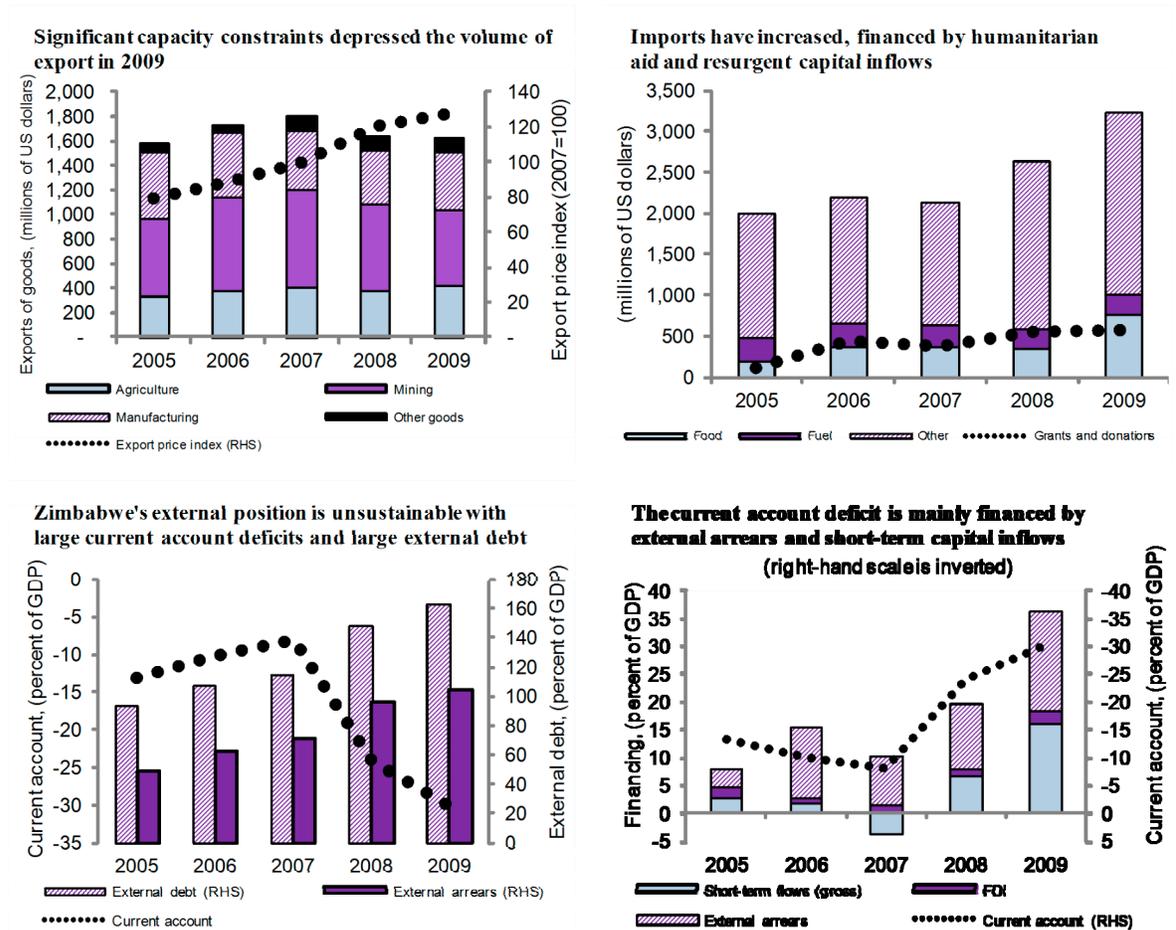
Sources: Zimbabwe authorities and IMF staff estimates.

**Figure 2. Zimbabwe: The Banking System Is Returning to Its Size before Hyperinflation**



Source: Zimbabwe authorities.

**Figure 3. Zimbabwe: The External Position Remains Precarious**



Sources: Zimbabwe authorities and IMF staff estimates.