

Global markets

In the news

US President Donald Trump said he had a call scheduled with Russian President Vladimir Putin to discuss a suspected plague case, amid growing global health concerns over the incident. The president's comments follow the death of a worker at an anti-plague research institute in Russia's Siberian region of Irkutsk, which led to almost 200 contacts reportedly being placed under observation.

Foreign exchange

The US dollar has recovered modestly, with the DXY back around 102 and EUR/USD easing towards 1.123 as higher US Treasury yields and geopolitical uncertainty support the greenback. Markets now price only around a 20% probability of an October Federal Reserve (Fed) hike, although a December increase remains firmly priced, leaving tonight's FOMC minutes as the key catalyst. Against this backdrop, USD/ZAR has weakened from around 16.50 to 16.57, pressured by the firmer US dollar, weaker gold, and higher oil prices. We expect the pair to trade around 16.60 with a modest upside bias; however, barring a hawkish surprise from the Fed or further escalation in geopolitical tensions, price action is likely to remain largely range bound.

Commodities and fixed income

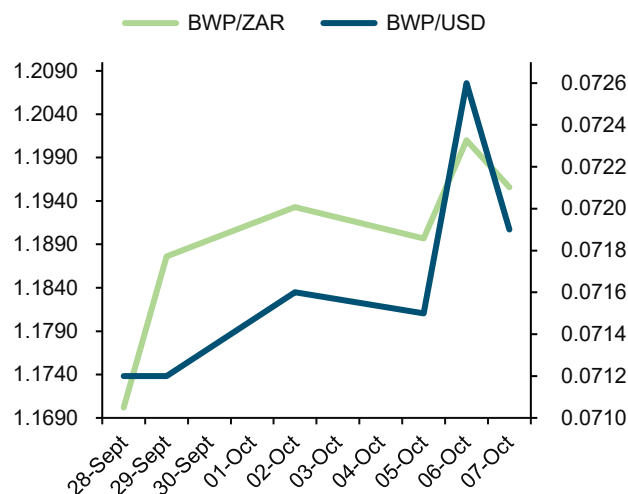
Brent crude has risen towards US\$101.50/bbl as escalating Saudi-Houthi tensions and the threat of a Gulf of Mexico storm renew supply concerns, despite improving Middle Eastern supply flows. Gold has eased to around US\$4,150/oz as the stronger dollar and higher yields weigh on precious metals. In fixed income, the 10-year US Treasury yield has returned to around 5.3%, with today's 10-year auction and tonight's FOMC minutes in focus. Locally, SAGBs rallied strongly following robust auction demand, with the 10-year yield declining 7.2bp to 9.06% and the curve bull-flattening. Attention now turns to today's National Treasury floating rate note auction, where demand is expected to remain well supported.

Botswana

Foreign exchange

The US dollar is slightly weaker but still holding on to its recent gains against the Botswana pula in early trade on Wednesday as traders extended their short bets against US government bonds as long-term yields hover near a 24- year high, signalling speculation that the selloff is likely to continue. Today global markets will be fixated on the release

of the US Fed minutes to give further clues on the next move as global inflationary pressures linger in global markets.



Source: Bank of Botswana, RMB Global Markets; data as of October 2026

Money markets

Market liquidity closed in a long position of BWP1.984bn, down from the previous day's long position of BWP2.270bn. Interbank activity remained robust, with volumes totalling BWP360m at a weighted average rate of 5.49%. The repo market recorded trading volumes of BWP400.7m at a weighted average rate of 5.50%. Moreover, the seven-day Bank of Botswana Certificate (BoBC) stop-out yield was 5.50%.

Credit Facility Rate				
Rate	Actual	Previous	Variance	Trend
Unsecured interbank yield	5.49%	5.20%	0.29%	▲
Secured interbank yield	0.00%	0.00%	0.00%	—
1-month BoBC	6.05%	6.05%	0.00%	—
91-day T-bill	6.75%	6.75%	0.00%	—
182-day T-bill	7.98%	7.98%	0.00%	—
MoPR	5.50%	5.50%	0.00%	—
Repo/Reverse repo rate	5.50%	5.50%	0.00%	—
Credit Facility Rate	8.50%	8.50%	0.00%	—
Standing Credit Facility	6.50%	6.50%	0.00%	—
Standing Deposit Facility	4.50%	4.50%	0.00%	—
FNBB Prime rate	7.01%	7.01%	0.00%	—

Government bonds					
Bond	Maturity	October 7, 2026	October 6, 2026	Variance	Trend
6-m T-bill	29-Jul-25	6.78%	6.78%	0.00%	▬
12-m T-bill	30-Nov-25	7.98%	7.98%	0.00%	▬
BW016	05-May-27	7.88%	7.88%	0.00%	▬
BW014	05-Sept-29	8.85%	8.85%	0.00%	▬
BW011	10-Sept-31	9.20%	9.20%	0.00%	▬
BW012	13-Jun-40	12.25%	12.25%	0.00%	▬
BW015	02-Sept-43	12.59%	12.59%	0.00%	▬
BOTSGB0635	06-Jun-35	9.98%	9.98%	0.00%	▬
BOTSGB1150	02-Nov-50	12.95%	12.95%	0.00%	▬

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