

Global markets

In the news

Global stock losses deepened as concerns about the artificial intelligence trade pushed investors out and treasury bills and bonds rallying on the backdrop of haven demand. The growth of corporate goods prices in Japan eased again while staying at elevated levels, indicating that inflationary pressure from input costs may have peaked for now.

Foreign exchange

The US dollar remains supported but is no longer gaining momentum, with the DXY easing from recent highs as lower US Treasury yields encourage some unwinding of crowded long-USD positions. The rand has been notably resilient, with USD/ZAR holding near 16.55 despite elevated oil prices, a firm dollar and risk-off market conditions. EUR/ZAR has fallen to multi-year lows while GBP/ZAR remains range-bound, indicating recent moves have been driven more by broad dollar strength than rand weakness. Attention now turns to tomorrow's US CPI release, which could determine whether the recent moderation in yields and the dollar continues.

Commodities and fixed income

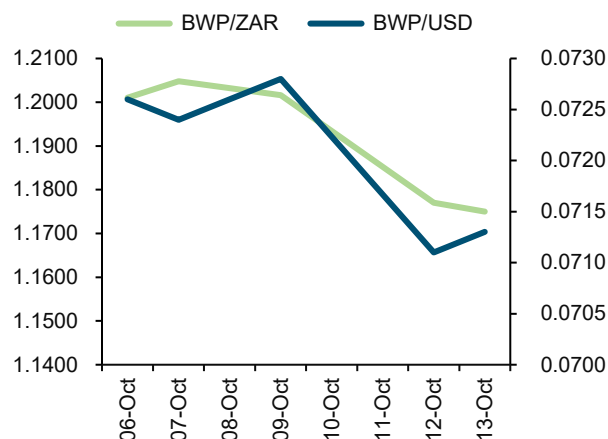
Brent crude remains above US\$105/bbl, supported by ongoing Middle East tensions and shipping disruptions that continue to sustain a sizeable geopolitical risk premium. While oil is not driving markets, it remains an important factor in the higher-for-longer rates narrative. In fixed income, US Treasury yields declined modestly as investors sought safety amid the sell-off in global technology stocks. However, local rates remained under pressure, with FRA, swap and SAGB yields moving higher as markets continue to price elevated policy rates for longer. Today's bond auction is expected to be well supported, particularly in the belly of the curve, given attractive yields and carry opportunities.

Botswana

Foreign exchange

The Botswana pula is little changed against the US dollar and trading within a tight range as global markets look for new direction ahead of the US headline inflation print. Key this week in global markets will be the US inflation print which analysts are expecting it to tick up to 3.6% from the previous 3.4%. Global markets are also closely tracking developments in the Middle East and their effects on oil prices, which is currently trading at US\$105/bbl. Looking ahead, the Botswana pula is expected to remain largely

influenced by developments in global financial markets and broader macroeconomic events.



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

Money markets

Market liquidity closed the day in a long position of BWP6.141bn, up from BWP4.748bn in the previous session. Interbank market activity amounted to BWP240m, transacted at a weighted average rate of 5.49%, while no repo market transactions were recorded during the day. 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%	5.25%	0.24%	▲	
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 13, 2026	October 12, 2026	Variance	Trend
6-m T-bill	29-Jul-25	6.27%	6.78%	-0.51%	▼
12-m T-bill	30-Nov-25	6.60%	7.98%	-1.38%	▼
BW016	05-May-27	6.50%	7.88%	-1.38%	▼
BW014	05-Sept-29	7.73%	8.85%	-1.13%	▼
BW011	10-Sept-31	9.18%	9.20%	-0.03%	▼
BW012	13-Jun-40	12.00%	12.25%	-0.25%	▼
BW015	02-Sept-43	12.20%	12.59%	-0.39%	▼
BOTSGB0635	06-Jun-35	9.98%	9.98%	0.00%	▬
BOTSGB1150	02-Nov-50	12.35%	12.95%	-0.60%	▼

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