

RMB

16 November 2026

Global markets

In the news

Treasury Secretary Scott Bessent is urging Nvidia to make a "dramatic" leadership shakeup and come clean about its compliance with export controls on its AI chips. Nvidia's interim CEO Collet Kress will be under intense scrutiny as the company reports quarterly results after Jensen Huang's exit over a scandal involving sales of AI chips to Chinese entities.

Foreign exchange

The dominant driver of FX markets remains the sharp repricing in US interest rate expectations. Stronger inflation data and hawkish Federal Reserve (Fed) commentary have pushed US Treasury yields above 5% and lifted the DXY to around 103.4, creating a challenging environment for emerging-market currencies. The rand has come under significant pressure, with USD/ZAR rising from around 16.36 a week ago to near 16.95, reflecting broad-based US dollar strength rather than South Africa-specific factors. With the market increasingly pricing a higher terminal Fed rate and prolonged policy restraint, USD/ZAR could test the 17.00 level in the near term unless US yields retreat or Fed expectations moderate.

Commodities and fixed income

The global rates narrative continues to outweigh developments in commodity markets. Although Brent crude has fallen sharply from above US$117/bbl to around US$95/bbl, providing a disinflationary impulse and relief for oil importers such as South Africa, the benefit has largely been overshadowed by rising US yields and a stronger dollar. Gold has also weakened, falling towards US$3,870/oz as higher real yields reduce its appeal. In fixed income markets, the hawkish repricing of the US rates outlook has filtered through to local bonds, with FRAs, swaps and South African Government Bonds (SAGB) all moving higher as investors contend with elevated global yields and a weaker rand. While lower oil prices offer some support to the inflation outlook, the dominant influence on rates remains the expectation of higher US interest rates for longer.

Botswana

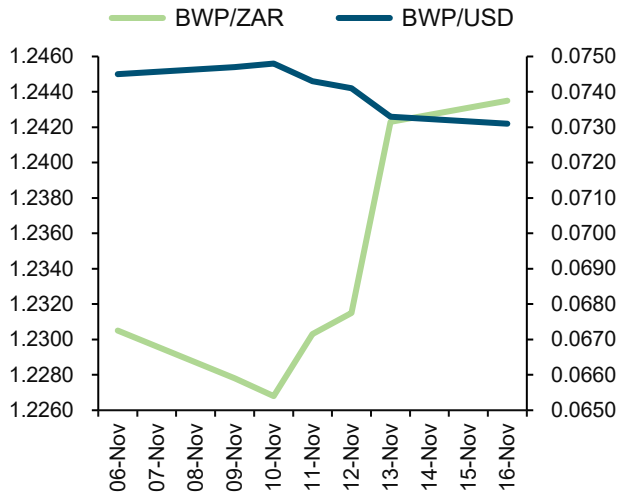
Inflation eases further to 7.6% in October

Botswana's headline inflation rate eased further to 7.6% y/y in October 2026, from 7.8% in September, extending the disinflation trend observed since July. The moderation was primarily driven by softer transport-related price pressures, although transport remained the largest contributor to headline inflation at 3.9ppt, accounting for just over half of the overall inflation rate. Miscellaneous goods and services contributed 1.1ppt, while housing and food contributed 0.7ppt and 0.6ppt, respectively. Monthly, consumer prices increased by 0.2%, with modest gains recorded in alcoholic beverages and tobacco (+0.5%), health (+0.5%), and furnishing and household equipment (+0.4%).

All-tradeables inflation slowed to 8.6% y/y from 8.8% in September, while imported tradeables inflation edged lower to 9.8% from 9.9% and domestic tradeables inflation decelerated sharply to 5.0% from 5.8%. Meanwhile, non-tradeables inflation remained unchanged at 6.1%, suggesting domestic price pressures remain relatively sticky. Core inflation also eased, slowing to 5.0% from 5.3% in September.

Foreign exchange

The US dollar continues to assert its dominance in global markets as the recent hawkish statements by the US Fed and sticky inflation steer it into a rally. Federal Reserve Bank of Kansas City President Jeff Schmid said inflation is running too hot and that policymakers have more work to do. The Fed's preferred price gauge climbed 3.6% in September from a year earlier, a level Schmid called "uncomfortably" above the central bank's 2% target and highlighted that the Fed has the tools to address inflation and also bears the responsibility to achieve price stability.



Source: Bloomberg; data as of November 2026

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Money markets

Market liquidity closed at BWP4.111bn, down from the BWP4.440bn in the previous trading session. Banks remained inactive in the interbank market, while no repo transactions were recorded during the session. Meanwhile, 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	5.50%	5.50%	0.00%	
Secured interbank yield	0.00%	0.00%	0.00%	
1-month BoBC	5.92%	6.01%	-0.09%	
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	November 16, 2026	November 13, 2026	Variance	Trend
3-m T-bill	31-Mar-27	5.83%	5.83%	0.00%	
6-m T-bill	31-May-27	6.01%	6.01%	0.00%	
12-m T-bill	30-Nov-27	6.80%	6.80%	0.00%	
BW016	05-May-27	6.00%	6.00%	0.00%	
BW014	05-Sept-29	7.13%	7.13%	0.00%	
BW011	10-Sept-31	7.38%	7.38%	0.00%	
BW012	13-Jun-40	10.99%	10.99%	0.00%	
BW015	02-Sept-43	11.90%	11.90%	0.00%	
BOTSGB0635	06-Jun-35	9.15%	9.15%	0.00%	
BOTSGB1150	02-Nov-50	11.95%	11.95%	0.00%	

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