

17 November 2026

Global markets

In the news

The US Federal Reserve Bank of Cleveland President Beth Hammack favors small and steady increases in interest rates, but the central bank may need to consider larger moves if inflation pressures worsen. Former Bank of Japan Governor Haruhiko Kuroda said that if inflation becomes more serious, rate hikes will naturally have to accelerate, and rates may even have to rise above the neutral rate.

Foreign exchange

The US dollar remains the dominant driver of FX markets, supported by elevated US Treasury yields and ongoing hawkish Federal Reserve (Fed) rhetoric. With the DXY trading around 103.5, near its strongest levels since early 2025, pressure on emerging-market currencies persists despite an improving commodity backdrop. The rand briefly tested 17.00 before easing, reflecting the impact of higher US yields rather than domestic factors. While lower oil prices should begin providing some support to South Africa's inflation outlook and external balance, any rand recovery is likely to remain shallow while US rates and the US dollar stay elevated. Near term, USD/ZAR could retrace towards 16.92, although a sustained move above 17.00 would shift focus back to 17.10.

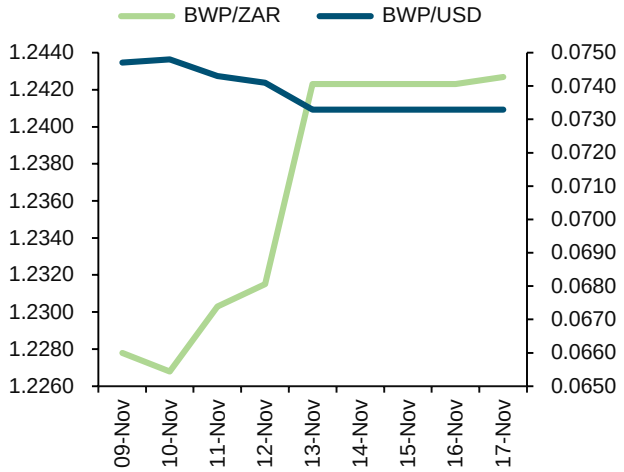
Commodities and fixed income

Brent crude has fallen sharply to around US$91/bbl from above US$117/bbl in late October as geopolitical risk premia continue to unwind and expectations of a better-supplied oil market gain traction. The decline supports oil-importing economies such as South Africa by reducing inflation pressures and improving terms of trade. However, gold remains weak near US$3,875/oz as higher US real yields increase the opportunity cost of holding the metal, creating a mixed commodity backdrop. In fixed income markets, lower oil prices have improved sentiment towards shorter-dated bonds, while the long end remains constrained by elevated US yields above 5%. As a result, local rates have found support at the front end of the curve, but duration demand remains limited as investors continue to navigate the challenging global rates environment.

Botswana

Foreign exchange

The US dollar held on to its recent gains against the major peers as hawkish sentiments from several US Fed members trickle into global markets, with markets effectively pricing in a US Fed hike at the next Federal Open Market Committee (FOMC) meeting in December. Also key this week is a meeting between the US President, Donald Trump, and his Russian and Chinese counterparts, Xi Jinping and Vladimir Putin this Thursday.



Source: Bloomberg; data as of November 2026

Money markets

Market liquidity closed at BWP3.677bn, declining from BWP4.111bn recorded in the previous trading session. Interbank market activity amounted to BWP250m, and no repo transactions were recorded. 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%	5.92%	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%	–

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Government bonds					
Bond	Maturity	November 17, 2026	November 16, 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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