

22 October 2026

Global markets

In the news

President Trump says now may be the closest the US has been to ending Russia's war in Ukraine. Meanwhile, the US ordered some diplomats and their families to leave Saudi Arabia due to threats posed by Houthi militants, as the Iran-backed group continues to launch attacks from Yemen.

Foreign exchange

The rand's post-MTBPS gains have lost some momentum as global risk aversion and renewed US dollar strength temper investor sentiment. Elevated oil prices and rising US inflation expectations have reinforced hawkish Federal Reserve pricing, keeping the DXY supported around 101.6 and creating a more challenging backdrop for emerging market currencies. Although the rand benefited from a constructive MTBPS and softer domestic inflation, USD/ZAR has stabilised around 16.33-16.42, with higher oil prices and weaker gold prices limiting scope for further near-term gains.

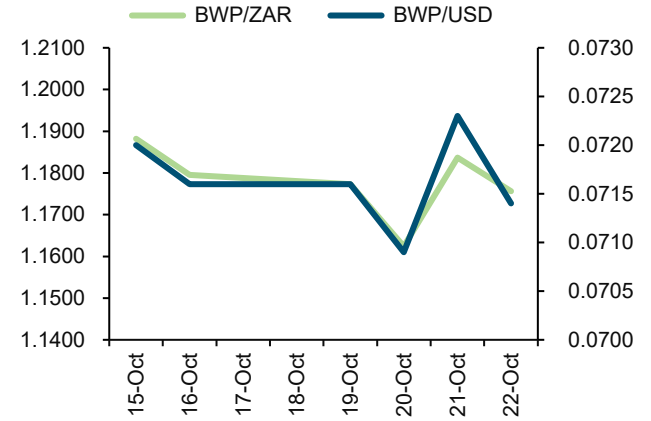
Commodities and fixed income

Oil remains the dominant global risk factor, with Brent rising above US$110/bbl following renewed attacks on Saudi energy infrastructure and escalating disruptions across key oil-producing regions. The move has intensified concerns around global inflation and reinforced expectations of higher interest rates for longer. In fixed income markets, rising inflation expectations continue to support a hawkish US rates outlook. By contrast, South African bonds rallied strongly after softer-than-expected September inflation and a highly bond-supportive MTBPS, which included lower bond issuance, reduced inflation-linked bond supply and plans for a bond buyback programme. The result was a broad decline in local yields, particularly in the belly and long end of the curve, supported further by strong demand at the latest infrastructure bond auction.

Botswana

Foreign exchange

The Botswana pula is a little changed from its previous close in early trade Thursday. The South African rand and bonds gained after Finance Minister Enoch Godongwana unveiled new rules to ensure fiscal sustainability in his mid-term budget statement. The Botswana ula continues to take its cues from global developments.



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

Money markets

Market liquidity closed the day at BWP5.292bn, significantly higher than the BWP3.115bn recorded in the previous session. Interbank market activity totalled BWP150m, transacted at a weighted average rate of 5.50%, while the repo market remained inactive, with no transactions recorded during the session. 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	5.50%	5.43%	0.07%	▲
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 22, 2026	October 21, 2026	Variance	Trend
6-m T-bill	29-Jul-25	6.27%	6.27%	0.00%	▬
12-m T-bill	30-Nov-25	6.60%	6.60%	0.00%	▬
BW016	05-May-27	6.50%	6.50%	0.00%	▬
BW014	05-Sept-29	7.73%	7.73%	0.00%	▬
BW011	10-Sept-31	9.18%	9.18%	0.00%	▬
BW012	13-Jun-40	12.00%	12.00%	0.00%	▬
BW015	02-Sept-43	12.20%	12.20%	0.00%	▬
BOTSGB0635	06-Jun-35	9.98%	9.98%	0.00%	▬
BOTSGB1150	02-Nov-50	12.35%	12.35%	0.00%	▬

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