RMB

25 September 2026

Global markets

In the news

Stocks are on the rise this morning as advancing US-Iran diplomatic talks in New York lifted sentiment, and oil prices fell on ceasefire hopes, oil flows are low through the Strait of Hormuz, and widening Houthi strikes on Saudi Arabia kept investors cautious.

Foreign exchange

The US dollar remains firmly supported, with the DXY above 101 as hawkish Fed commentary and higher-for-longer rate expectations reinforce dollar strength. Against this backdrop, the rand remains under pressure despite the South African Reserve Bank's (SARB) 25bp rate hike, with USD/ZAR moving back above 16.40 as external factors outweigh support from higher domestic rates. Elevated oil prices and the narrowing South Africa-US yield differential remain key headwinds, with USD/ZAR potentially testing 16.46 in the near term. Attention now shifts to next week's US non-farm payrolls, where softer labour data could temper Fed expectations, lower US yields and provide some relief to the rand.

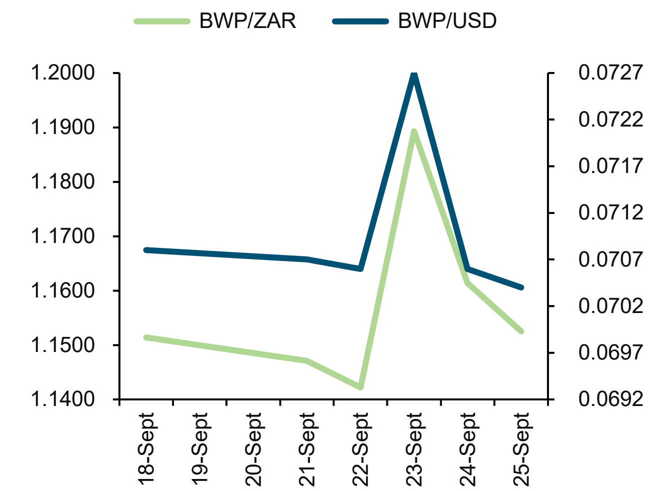
Commodities and fixed income

Brent crude remains elevated around US$105/bbl despite renewed US-Iran diplomatic efforts, suggesting markets continue to price meaningful geopolitical supply risks. In fixed income, hawkish Fed expectations have pushed US Treasury yields sharply higher, with the 2-year around 4.90% and the 10-year near 5.21%, contributing to tighter global financial conditions. South African bonds are also under pressure following the SARB's 25bp hike and the broader global bond sell-off, with higher global term premia weighing on local duration demand. Consequently, demand at today's inflation-linked bond auction may be relatively cautious, although the I2046 is expected to attract comparatively stronger interest given its yield and liquidity characteristics.

Botswana

Foreign exchange

The US dollar is weakening against the South African rand and the pula, supported by improving risk sentiment amid growing hopes of a diplomatic agreement between Iran and the US. Treasuries are selling off, driving benchmark yields to multi-decade peaks as surging private sector activity, persistent energy shocks and a barrage of hawkish central bank commentary forced fixed income desks into aggressive repricing of the global cost of capital.



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

Money markets

Market liquidity closed at BWP2.270bn from BWP2.463bn that was recorded in the previous session. Interbank activity traded BWP660m at a weighted average rate of 5.44%, while no repo transactions were recorded. 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	5.44%	5.44%	0.00%	▬
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**	**September 25, 2026**	**September 24, 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%	▬

FXPH +267 395 6749
Email: dlrmbbotswanafxph@rmb.co.za