RMB

27 July 2026

Global markets

In the news

Oil prices tumbled more than 5% this morning as the United States and Iran paused military strikes over the weekend, prompting the market to unwind a geopolitical risk premium that had driven crude to multi-month highs last week.

Foreign exchange

USD/ZAR has retreated from 16.98 to around 16.70, but the broader technical outlook remains bullish above 16.57. Importers should remain protected against renewed upside, with 16.90 and 16.99 key resistance levels that could pave the way to 17.20. Exporters should monitor a break below 16.57, which would shift the outlook toward 16.40, particularly if US-Iran tensions continue to ease. This week's FOMC decision and US GDP and PCE data are the key macro catalysts, with a hawkish Fed likely to support the dollar. At the same time, the rand continues to benefit from favourable carry dynamics. EUR/ZAR and GBP/ZAR also retain a modest corrective bias, although downside is likely to remain limited by the broader geopolitical backdrop.

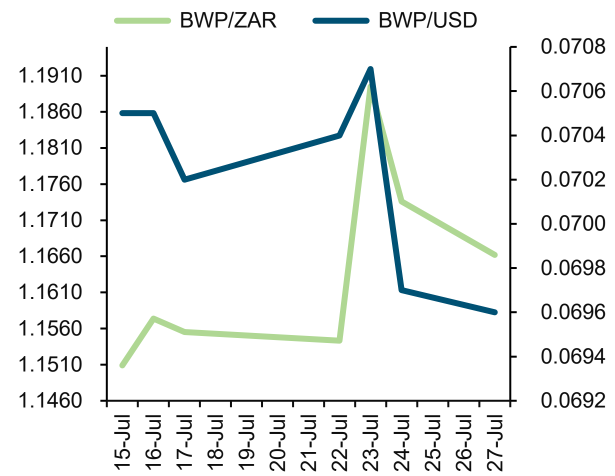
Fixed income and commodities

Brent crude remains the key market driver this week, with easing US-Iran tensions pulling prices below US$90/bbl after recent highs above US$100/bbl. However, continued attacks on Saudi energy infrastructure are sustaining geopolitical risk premia and keeping near-term volatility elevated. While our year-end forecast remains US$80/bbl, a sustained break above the key US$95.49/bbl technical threshold would reinforce upside momentum toward US$105–115/bbl. We therefore continue to recommend hedging strategies around the US$95/bbl level.

Botswana

Foreign exchange

The South African rand is strengthening against the pula and US dollar as easing tensions in the Middle East extended a sharp decline in oil prices, eroding demand for the green back's haven appeal and easing inflation concerns ahead of this week's Federal Reserve (Fed) meeting. The market expects the US Fed to leave interest rates unchanged while retaining a cautious tone after weeks of elevated oil prices and persistent inflation concerns.



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

Money markets

Market liquidity remained broadly stable, closing at BWP4,643m compared to BWP4,846m recorded at the end of the previous week. Interbank market activity softened, with volumes declining to BWP270m at a weighted average rate of 5.23%. 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	5.23%	5.68%	-0.45%	
Secured interbank yield	0.00%	0.00%	0.00%	
1-month BoBC	6.05%	6.05%	0.00%	
91-day T-bill	9.10%	9.10%	0.00%	
182-day T-bill	9.58%	9.58%	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**	**July 27, 2026**	**July 24, 2026**	**Variance**	**Trend**
6-m T-bill	29-Jul-25	9.58%	9.58%	0.00%	
12-m T-bill	30-Nov-25	10.50%	10.50%	0.00%	
BW016	05-May-27	10.50%	10.50%	0.00%	
BW014	05-Sep-29	10.60%	10.60%	0.00%	
BW011	10-Sep-31	11.75%	11.75%	0.00%	
BW012	13-Jun-40	12.58%	12.58%	0.00%	
BW015	02-Sep-43	12.85%	12.85%	0.00%	
BOTSGB0635	06-Jun-35	11.90%	11.90%	0.00%	
BOTSGB1150	02-Nov-50	13.18%	13.18%	0.00%	

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