

RMB

29 October 2026

Global markets

In the news

The European Central Bank is set to keep borrowing costs steady as it weighs bond-market turmoil in France and a renewed advance in energy costs.

Foreign exchange

Markets remain supportive of the US dollar following the Federal Reserve's (Fed) decision to keep rates unchanged while maintaining a hawkish bias in its communication. Persistent inflation concerns, resilient US growth and market expectations for a potential December rate hike continue to underpin the US dollar despite a modest pullback in the DXY towards 102. For the rand, USD/ZAR remained range-bound around 16.60-16.69 as investors weighed the Fed's commitment to price stability against the prospect of easing oil prices later in the year. While near-term US dollar strength remains a headwind, technical indicators suggest upside in USD/ZAR may be becoming more limited, with scope for renewed rand strength over the coming weeks.

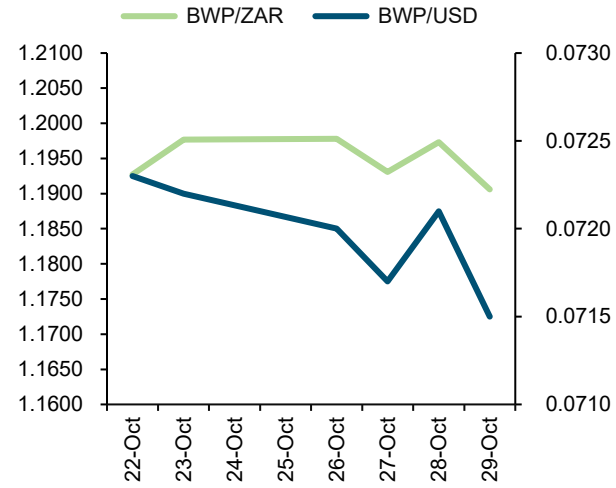
Commodities and fixed income

Oil prices remain elevated, with Brent holding around US$110/bbl as geopolitical risks in the Middle East and ongoing tensions in Eastern Europe continue to support a sizeable risk premium. While near-term risks remain skewed to the upside, the market's steep backwardation suggests investors expect supply concerns to ease over time, supporting the view that oil prices could moderate towards year-end. In fixed income markets, the Fed's hawkish stance and still-elevated inflation expectations continue to reinforce the higher-for-longer rates narrative, with markets pricing a strong possibility of additional tightening in December. Although inflation expectations have softened somewhat alongside lower fuel price pressures, bond markets remain sensitive to both inflation dynamics and developments in energy markets.

Botswana

Foreign exchange

The Botswana pula is broadly unchanged against the US dollar. Fed Chairman Kevin Warsh has signalled that the central bank remains on track to raise interest rates again this year, citing the strength of the US economy and persistent inflationary pressures. Warsh used his assessment of the economy's strength to signal the Fed's job is not yet done, reinforcing expectations that officials will raise borrowing costs in December.



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

Money markets

Market liquidity closed the day at BWP4.153bn, declining from BWP4.874bn in the previous session. The interbank market recorded BWP200m in trades at 5.50%, while no repo transactions were conducted during the day. 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%	5.50%	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%	–

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Government bonds					
Bond	Maturity	October 29, 2026	October 28, 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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