BOTSWANA DAILY MARKET UPDATE

RMB

30 July 2026

Global markets

In the news

China’s top officials struck a more supportive tone on the economy but stopped short of announcing fresh stimulus at a key meeting, after growth slipped near the bottom of Beijing’s target. The US retaliated against Iranian strikes on American forces with a fresh wave of attacks, escalating a conflict that is spreading wider across the Middle East.

Foreign exchange

Currency markets remain focused on the implications of the Federal Reserve's (Fed) latest policy decision, with the FOMC leaving interest rates unchanged in a 9-3 vote. While markets interpreted Fed Chair Kevin Warsh's comments as relatively dovish, investors remain cautious ahead of next week's US non-farm payrolls report and the Jackson Hole Economic Symposium in late August, both of which could significantly influence the policy outlook. Following the Fed announcement, USD/ZAR briefly declined to 16.66 but struggled to extend gains despite broader US dollar weakness and stronger performance across other high-yielding currencies. Technical analysis identifies 16.54 as the key support level, with a sustained break potentially opening the way towards 16.30. While near-term trading is expected to remain volatile amid a busy global data calendar including Eurozone GDP, the Bank of England decision, and US inflation and growth data the combination of a more dovish-than-expected Federal Reserve and South African Reserve Bank suggests limited justification for a materially weaker rand over the medium term.

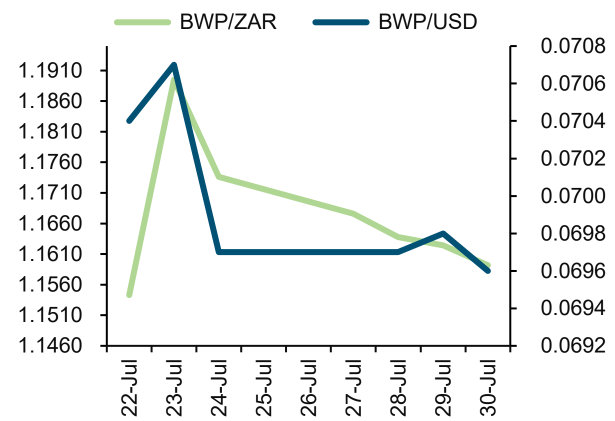
Fixed income and commodities

Commodity markets remained dominated by renewed geopolitical tensions after fresh US strikes on Iran pushed Brent crude above US$90/bbl, extending the sharp rebound from below US$83/bbl earlier in the week. Despite higher oil prices increasing inflation risks, markets appear increasingly accustomed to geopolitical-driven price swings, limiting broader contagion across financial markets. In fixed income markets, the Federal Reserve's decision to keep rates unchanged prompted a sharp bear steepening of the US Treasury yield curve, with the 30-year Treasury yield reaching its highest level in 19 years as investors reduced expectations of near-term rate hikes while maintaining longer-term tightening expectations. Investor attention now turns to today's US core PCE inflation, second-quarter GDP and jobless claims data, where any upside surprise in inflation could reverse the market's recent dovish interpretation of the Fed and place renewed upward pressure on global bond yields.

Botswana

Foreign exchange

The US dollar slightly weakened against the Botswana pula in early trade on Thursday after the US Fed left its benchmark rates unchanged. US Fed Chair Kevin Warsh’s communication style has left investors doubting his commitment to curb inflation, putting pressure on him to back up his words with interest rate hikes. Warsh’s performance came shortly after Fed officials decided in a 9-3 vote to leave rates unchanged, as they have done all year. The decision was widely expected, and investors took it in stride. Warsh, however, didn’t offer a clear explanation for the move or say he would support raising rates should inflation fail to slow. The continued escalation in the Middle East has enforced upward pressure on global inflation and expectations with no end in sight. The Botswana pula will continue to take its cue from global events.



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

Money markets

Market liquidity closed the day at BWP4,621m compared to BWP4,367m recorded at the end of the previous week. Interbank market activity declined to BWP220m at a weighted average rate of 5.20%. Moreover, the seven-day Bank of Botswana Certificate (BoBC) stop-out yield was 5.50%.

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

Credit Facility Rate				
Rate	Actual	Previous	Variance	Trend
Unsecured interbank yield	5.20%	5.17%	0.03%	▲
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%	▬

Government bonds					
Bond	Maturity	July 30, 2026	July 29, 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%	▬

FXPH +267 395 6749
Tshiamo Kgame tshiamo.kgame@rmb.co.bw; Sapphire Mahlaka Sapphire.Mahlaka@rmb.co.bw; Baile Corrigan: bcorrigan@rmb.co.bw; Takunda Charumbira Takunda.Charumbira@rmb.co.bw; Boikanyo Lekoko boikanyo.lekoko@rmb.co.bw; Lame Koboyakgomo Lame.Koboyakgomo@rmb.co.bw; Ross Rakanyane Ross.Rakanyane@rmb.co.bw; Same Makwiti smakwiti@rmb.co.bw