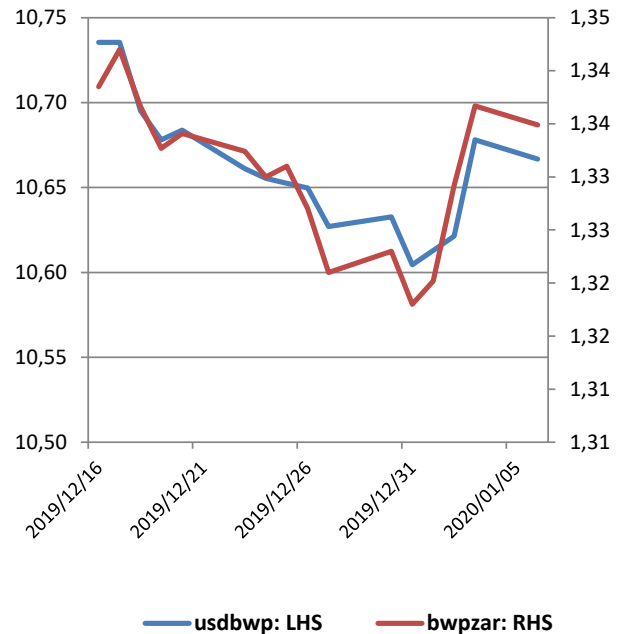


06 January 2020
Currencies

The rand began the week subdued on Monday morning as concern about mounting tension in the Middle East. The rand has been the worst performing among emerging-market currencies tracked by Bloomberg over the past five days. It ended last week down by almost 2% as emerging markets took a knock as tensions ratcheted up. US President Donald Trump on Sunday threatened to slap sanctions on Iraq after the latter's parliament voted for foreign troops to leave the country, including those of the US.



Source: Business Day Live

One BWP equals of listed currency

	Current	End of Dec19	Trend	
USD	0,0937	0,0924	↑	1,50%
ZAR	1,3349	1,3470	↓	-0,90%
EUR	0,0836	0,0833	→	0,45%

One USD equals of listed currency

	Current	Previous 2 week	Trend	
BWP	10,6667	10,8267	↑	1,48%
ZAR	14,2556	14,5099	↑	-1,75%
EUR	1,1197	1,1147	↑	0,45%

Money Market

The Pula Market Liquidity decreased from a long position of P3,048mio to a long position of P2,668mio.

BWP Deposit Rates Offered by Bank Gaborone

	> 1 Mil	> 3 Mil	> 10 Mil
Call	0,95%	1,15%	1,35%
14 Day	2,15%	2,35%	2,75%
28 Day	2,35%	2,55%	2,75%
88 Day	3,65%	3,75%	3,85%
182 Day	3,80%	3,90%	4,00%
365 Day	4,00%	4,10%	4,20%

Bank Gaborone also offers competitive rates on amounts >1million

Indicative rates:	3 Months	6 Months	12 Months
SA Rand Deposit	5,20%	6,00%	6,75%
US Dollar Deposit	1,00%	1,20%	1,55%

Global Market News

Tensions in the Middle East after the killing of a top Iranian general by the US erased new year gains for a gauge of world shares on Monday as investors pushed safe-haven gold to a seven-year high and oil jumped to its highest since September. The US detected a heightened state of alert by Iran's missile forces, as President Donald Trump warned the US would strike back, "perhaps in a disproportionate manner", if Iran attacked any American person or target. Iraq's parliament on Sunday recommended all foreign troops be ordered out of the country after the US killing of the Iranian military commander and an Iraqi militia leader in a drone strike on a convoy at Baghdad airport. The dollar was steadier against other majors, with the euro a tad firmer at \$1.1172.

Source: Business Day Live

Oil prices rose a further 2% on Monday, pushing Brent above \$70 a barrel, as rhetoric from the US, Iran and Iraq fanned tensions in the Middle East after a US air strike which killed a top Iranian military commander. Heightening concerns about an escalation in conflict in the Middle East and the possible effect on oil supplies. The region accounts for nearly half of the world's oil production, while a fifth of the world's oil shipments pass through the Strait of Hormuz. In the US, US crude stocks fell by their most since June as exports exceeded four-million barrels per day for the first time in history, the Energy Information Administration said on Friday. Elsewhere, bad weather shut all four oil export terminals in eastern Libya on Sunday and the closure could last three days, port sources said.

Source: Business Day Live

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