Banco de Moçambique

INTERBANK MONEY AND FOREIGN EXCHANGE MARKETS BULLETIN

Markets and Reserves Management Department

No. 110/Year 26
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1. Introduction

This report presents developments in the Interbank Money Market and the Foreign Exchange Market in the second quarter of 2026, compared to the previous quarter.

At its regular session on 25 May 2026, the Monetary Policy Committee of the Banco de Moçambique (BM) decided to keep the monetary policy interest rate (MIMO rate) unchanged at 9.25%. This decision reflected the persistence of heightened uncertainty surrounding the duration of the conflict in the Middle East and its potential impact on global supply chains, the availability of goods, and international and domestic fuel and food prices.

Furthermore, the MPC decided to increase the reserve requirement ratio on domestic currency liabilities from 29.0% to 39.0% in order to sterilize excess liquidity in the banking system that could generate inflationary pressures.

In the money market, Treasury Bill (T-Bill) yields recorded slight increases during the reporting, while the interest rates on liquidity swap and reverse repo operations remained stable, in line with the MIMO rate.

With regard to the foreign exchange market (FX market), the Metical exchange rate against the US dollar (MZN/USD) remained stable throughout the second quarter of 2026. In terms of trading activity, transaction volumes increased compared with the previous quarter, in line with seasonal patterns and the corresponding period of 2025, reflecting extraordinary foreign exchange conversions as well as the resumption of liquefied natural gas (LNG) projects.

Compared with the first quarter of 2026, the main developments in the interbank markets during the second quarter of 2026 were as follows:

1.1. Interbank Money Market[1]

- Decrease in subscription volumes for Type A T-Bills and reverse repo operations, alongside an increase in subscription volumes for Type B T-Bills (Tables 3 and 4);
- Decrease in placements under the Standing Deposit Facility (SDF) and an increase in the use of the Standing Lending Facility (SLF) (Table 6);
- Increase in T-Bill yields across all maturities: 91-day (from 12.06% to 12.19%), 182-day (from 12.12% to 12.22%), and 364-day (from 12.23% to 12.26%) (Chart 2);
- Decrease in reverse repo (RR) rates for the 7-day maturity (from 9.34% to 9.25%) and the 1-month maturity (from 9.37% to 9.33%) (Chart 3);
- Decrease in interest rates on secured and unsecured interbank liquidity swaps, from 9.32% to 9.25% and from 9.29% to 9.25%, respectively (Charts 5 and 6).

It should be noted that, in the retail market, lending and deposit interest rates declined from 22.39% to 22.00% and from 4.91% to 4.34%, respectively, as shown in Chart 4 in the Annex.

1.2. Interbank Foreign Exchange Market

- Interbank transaction volumes increased by approximately 262.74% compared with the previous quarter (Table 7);
- Total turnover in foreign exchange transactions between commercial banks and their customers increased by approximately 19.0%, while the volume of financial derivatives transactions declined compared with the previous quarter (Table 8); and
- The effective and reference exchange rates remained virtually unchanged throughout the quarter, albeit the spread between the two widened slightly. At the end of the reporting period, the effective exchange rate and the reference exchange rate stood at MZN/USD 63.90 and MZN/USD 64.01, respectively (Chart 12).

[1] The interest rates referenced below are the weighted average interest rates for the period.

ANNEXES:

Table 1 - Unsecured Interbank Transactions

Period	Number of Operations	Amount (MZN million)	Average Rate (%)
Overnight	42	19,450.00	9.25
02 to 07 days	0	0.00	-
Q2 2026	42	19,450.00	9.25
Q1 2026	30	23,375.00	9.29

* Weighted Average Interest Rate (%)

Table 2 - Secured Interbank Transactions (Repo)

Period	Number of Operations	Amount (MZN million)	Average Rate (%)
Overnight	52	18,930.00	9.25
02 to 07 days	10	7,100.00	9.25
Q2 2026	62	26,030.00	9.25
Q1 2026	35	10,195.00	9.33

* Weighted Average Interest Rate (%)

Table 3 - Type A T-Bill Issuance

Maturity	Amount (MZN million)		Average Rate (%)
(days)	Offer	Subscription	
91	89,000.00	85,105.00	12.19
182	9,600.00	7,799.00	12.22
364	3,519.00	2,471.00	12.26
Q2 2026	102,119.00	95,375.00	12.19
Q1 2026	128,600.00	116,004.00	12.11

* Weighted Average Interest Rate (%)

Table 4 - Reverse Repo Transactions between the BM and Commercial Banks

Maturity (days)	Amount (MZN million)		Average Rate (%)
	Offer	Subscription	
Overnight	216,880.00	215,766.00	9.25
7 days	2,088,975.00	2,085,865.00	9.25
1 month	52,700.00	52,600.00	9.33
Q2 2026	2,358,555.00	2,354,231.00	9.25
Q1 2026	2,430,800.00	2,391,969.00	9.34

* Weighted Average Interest Rate (%)

Table 5 - Type B T-Bill Issuance

Maturity (days)	Amount (MZN million)		Average Rate (%)
	Offer	Subscription	
182	3,000.00	4,342.00	12.22
364	3,000.00	2,016.00	12.26
Q2 2026	6,000.00	6,358.00	12.24
Q1 2026	6,000.00	4,426.00	12.18

* Weighted Average Interest Rate (%)

Table 6 - Standing Facilities

Period	Lending				Deposit			
	Amount (MZN million)	No. of Days	Average Amount (MZN million)	Average Rate (%)	Amount (MZN million)	No. of Days	Average Amount (MZN million)	Average Rate (%)
April	900.00	1	900.00	12.25	145,256.36	20	7,262.82	6.25
May	0.00	0	0.00	N/A	155,766.06	20	7,788.30	6.25
June	82,750.01	21	3,940.48	12.25	94,405.56	21	4,495.50	6.25
Q2 2026	**83,650.02**	**22**	**4,840.48**	**12.25**	**395,427.98**	**61**	**6,482.43**	**6.25**
Q1 2026	**11,050.00**	**2**	**5,525.00**	**12.25**	**414,154.80**	**61**	**6,789.42**	**6.25**

* Weighted Average Interest Rate (%)

Table 7 - Transactions Between Commercial Banks

Period	Spot	
	Amount (USD million)	Weighted Average Exchange Rate (USD/MZN)
April	5.84	64.55
May	7.51	63.85
June	2.82	64.37
Q2 2026	**16.16**	**64.19**
Q1 2026	**4.46**	**64.34**

Table 8 - Foreign Exchange Transactions between Commercial Banks and their Customers

Period	Purchase	Sales	Derivatives	Total (USD million)
	Amount (USD million) *	Amount (USD million) *	Amount (USD million)	
April	678.60	745.03	236.22	1,659.84
May	571.54	615.10	204.23	1,390.88
June	767.94	668.30	188.25	1,624.49
Q2 2026	**2,018.08**	**2,028.44**	**628.70**	**4,675.21**
Q1 2026	**1,753.65**	**1,656.01**	**904.69**	**4,314.35**

* All currencies converted to USD

Chart 1: Overnight Interbank Interests Rates

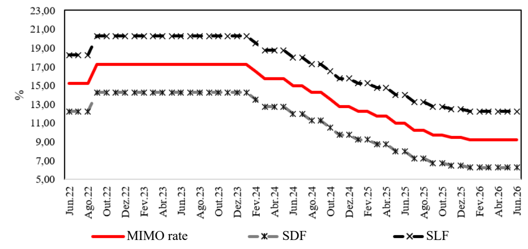

Chart 2: Primary T-Bill Market Interest Rates

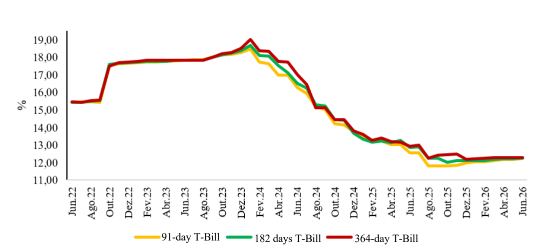

Chart 3: Reverse Repo Interest Rates

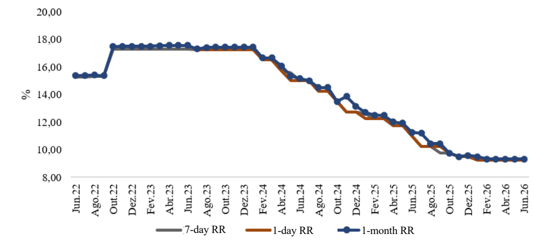

Chart 4: Retail Interest Rates

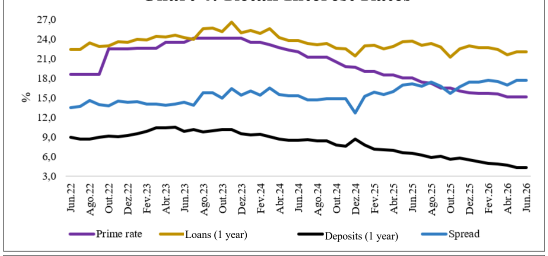

Chart 5: Unsecured Interbank Transactions

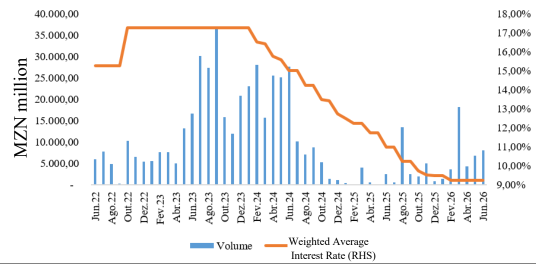

Chart 6: Secured Interbank Transactions (repo)

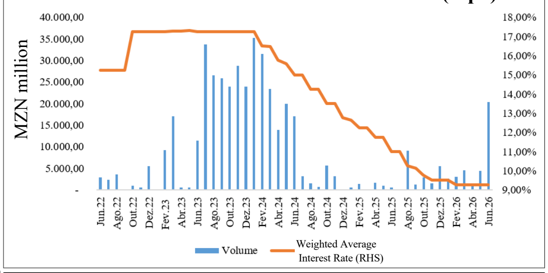

Chart 7: Primary T-Bill Market (type A)

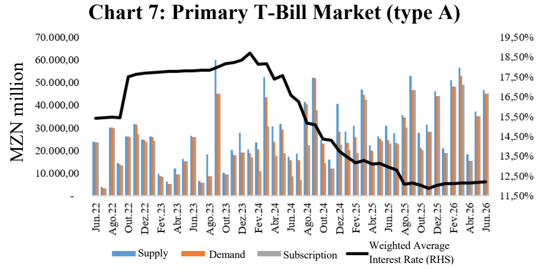

Chart 8: Primary T-Bill Market (type B)

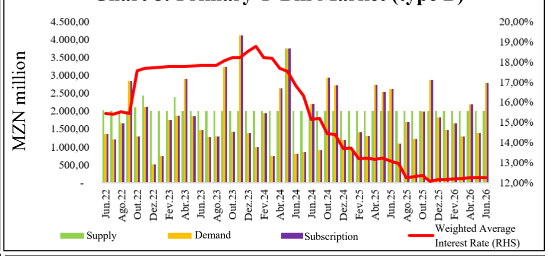

Chart 9: Reverse Repo Transactions

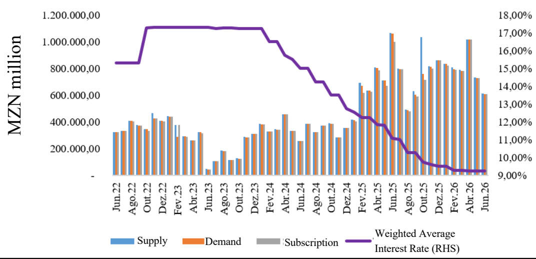

Chart 10: Foreign Currency Transactions Among Banks and Exchange Rates

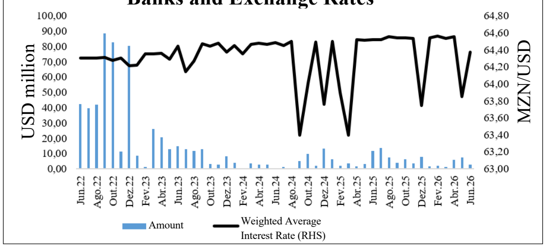

Chart 11: Transactions in Financial Derivatives

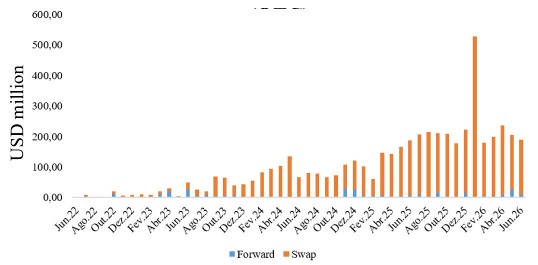

Chart 12: Exchange Rates