Morning Note

Tuesday, 25 August 2026

SWITZVIEW WEALTH MANAGEMENT

SwitzView Morning View

Monday produced selective de-risking rather than broad acceleration. Karo Platinum signed a 25-year Special Mining Lease covering 23,903 hectares, giving its Great Dyke project defined tenure and a fiscal framework after more than US$240 million of investment. Phase 1 points to more than 1,000 jobs and annual output of 226,000 ounces of platinum-group metals. The agreement is material, but financing, construction and commissioning remain the decisive evidence.

Local equities closed higher on thin activity. The ZSE All Share rose 0.65% to 478.00 and VFEX added 0.09% to 254.98, while ordinary-share turnover fell 99.81% to ZiG4.84 million on ZSE and 76.06% to US$120.36 thousand on VFEX. Friday's ZSE comparator was distorted by concentrated CBZ flow, yet Monday still lacked broad depth. Official USD/ZiG was unchanged at 26.6291, USD/ZAR eased 0.06% to 16.0238 and the RBZ policy rate remained 30%. Gold gained 2.74% to US$4,661.40 per ounce while Brent fell 1.72% to US$92.17 on the same exact-contract basis.

The domestic agenda widened. The Zimbabwe Agricultural Show opened with about 640 exhibitors, all halls subscribed and foreign participation at 18%, creating a forum for orders, finance and technology. Government's SME review could lower formalisation friction if procedures and costs change. PAAB's finding that about 29.4% of selected listed-company statements lacked clean opinions keeps functional currency, fair value and audit quality in the capital-cost discussion. Fodder-bank and treated-stover guidance turns El Nino risk into a current planning issue.

Externally, a firm rand and stronger gold supported the backdrop, while Hormuz disruption separated crude benchmarks from delivered-product economics. Dangote increased African product availability, but freight, insurance and contracts determine whether southern Africa benefits. High US term premia and land-resilience finance remain relevant to project hurdle rates. Tuesday's thesis is conversion: legal certainty must become funded construction, participation must become transactions, reform must lower friction and positive index direction must be confirmed by executable liquidity.

At a Glance

ZSE All Share	+0.65%
VFEX All Share	+0.09%
ZSE turnover	ZiG 4.84m
VFEX turnover	US$ 120.36k
Gold	US$ 4,661.40/oz
Brent	US$ 92.17/bbl

Investors Lens

- Karo: treat the lease as legal and fiscal de-risking; funding, construction and commissioning are the next tests.
- Markets: separate positive index direction from a session with sharply lower ordinary-share turnover.
- Costs: read lower Brent with freight, insurance and product availability; pump-price relief is not automatic.
- Quality: SME reform and reporting matter only where procedures, disclosures and capital access improve.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	478.00	+0.65%
ZSE Top 10 Index	480.96	+0.71%
ZSE Top 15 Index	494.66	+0.64%
ZSE Medium Cap Index	495.70	+0.39%
VFEX All Share Index	254.98	+0.09%
ZSE equity turnover	ZiG 4.84m	-99.81%
VFEX equity turnover	US$ 120.36k	-76.06%
USD/ZiG	26.6291	0.00%
USD/ZAR	16.0238	-0.06%
Gold	US$ 4,661.40/oz	+2.74%
Brent	US$ 92.17/bbl	-1.72%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
RioZim	+14.96%
StarAfr.	+9.81%
ART	+9.09%
Revitus	+7.36%
CAFCA	+6.16%

ZSE Leading Fallers

Counter	Movement
MIZ ETF	-7.69%
Tigere	-2.72%
Ariston	-2.00%
TN Cyber	-1.08%
Meikles	-0.96%

VFEX Leading Risers

Counter	Movement
EagleREIT	+14.29%
First Cap	+3.34%

VFEX Leading Fallers

Counter	Movement
Caledonia	-13.59%
Edgars	-11.11%

Key Local Developments

Karo lease moves the project to execution

Karo Platinum signed a 25-year Special Mining Lease covering 23,903 hectares after more than US$240 million of investment. The agreement is not first production; financing, construction and commissioning are next.

Indices rose while ordinary-share liquidity thinned

The ZSE All Share gained 0.65% to 478.00 and VFEX added 0.09% to 254.98. Ordinary-share turnover fell to ZiG4.84 million and US$120.36 thousand. Friday's CBZ concentration affects the comparator, but Monday lacked broad depth.

Agricultural Show raises the conversion test

About 640 exhibitors opened the week, all halls were subscribed and foreign participation rose to 18%. Conversion into orders, technology, finance and distribution is the commercial measure.

SME review targets formalisation friction

Government is reviewing the SMEs Act and policy framework, including registration, licensing, tax navigation, finance and market access. The economic benefit depends on lower total compliance cost and visible service value.

PAAB findings keep reporting risk active

More than 70% of selected listed-company statements reviewed had clean opinions and about 29.4% did not. Functional currency, Treasury Bill valuation, expected credit loss and audit quality remain issuer-specific comparability tests.

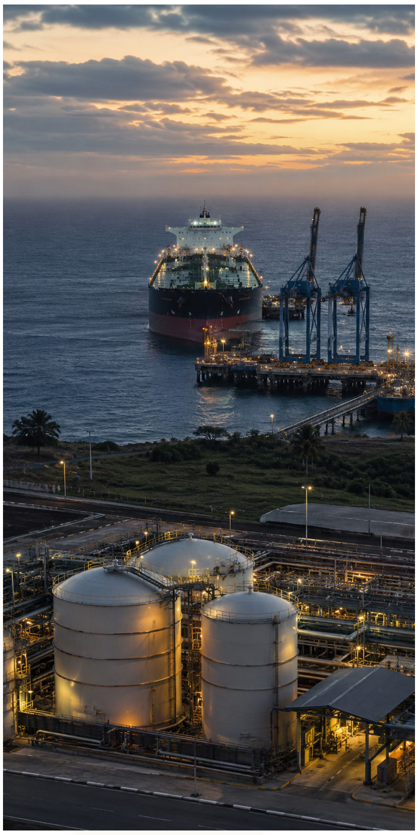
Solar and climate plans need operating proof

Victoria Falls was preparing to host delegates from more than 45 African countries for a solar meeting, while livestock guidance promoted fodder banks and treated stover ahead of El Nino risk. Named financing and practical farm execution are the next evidence.

SwitzView Interpretation

Monday's strongest signals changed constraints but did not complete outcomes. Karo's lease reduces tenure and fiscal uncertainty, yet project value still depends on capital and construction. Higher equity indices did not resolve shallow turnover. SME reform, audit oversight, solar ambition and climate guidance matter only when they alter procedures, funding, disclosures or preparedness. The common discipline is to rank funded execution above announcement volume.

Regional & Global Developments



Rand strength changes import translation

The rand held near a multi-month high as the dollar softened and gold strengthened. The controlled SARB close moved to 16.0238 per US dollar, a 0.06% daily firming. Zimbabwe can gain from better regional sentiment while facing a slightly higher US-dollar translation of rand invoices.

Hormuz risk separates crude from delivered fuel

War-risk transport costs and constrained product movements mean a lower Brent settlement need not pass directly into landed prices. Zimbabwe's exposure runs through freight, insurance, inventory and refined-product availability. The useful watch is the delivered barrel, not the crude benchmark alone.

Dangote expands African product supply

Nigeria's seaborne petroleum-product exports have risen sharply, with shipments to Africa near 120,000 barrels a day in the second quarter. Additional regional supply can diversify sourcing, but distance, grades, logistics and contracts determine whether southern African buyers benefit.

Global finance keeps project hurdles high

US Treasury maintained regular auctions while preparing larger long-bond buybacks as term yields stayed elevated. At UNCCD COP17, the African Development Bank signalled an intention to mobilise US$500 million over five years for resilience in eight African countries. Persistent term premia can lift frontier funding costs and project discount rates. For Zimbabwe, eligibility, currency structure and risk sharing determine transmission.

Today's Watchlist

- Karo execution: financing, capital needs, construction sequence and first-production timing.
- Market depth: turnover, breadth and executable volume after Monday's thin close.
- Agricultural Show: named orders, finance partnerships and technology deployments.
- Solar and drought finance: bankable projects, eligible countries and risk-sharing terms.
- Rand and fuel: settlements, freight, insurance and refined-product availability.

SwitzView Takeaway

Monday's evidence supports selective confidence with a high execution threshold. Karo's lease removes a material project constraint, but financing and construction must now carry the story. Positive ZSE and VFEX closes were not matched by broad ordinary-share liquidity. The Agricultural Show, SME review, reporting oversight and solar agenda can improve operating conditions only if they produce transactions, simpler procedures, stronger disclosures or funded projects. Official FX was stable, gold strengthened and Brent declined, yet energy costs remain exposed to product availability, freight and insurance. The practical allocation lens is conversion from announcement to cash flow, breadth and measurable implementation.

Selected public sources

Tharisa plc; Reserve Bank of Zimbabwe; The Herald; Reuters; Google Finance