Morning Note

Wednesday, 26 August 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe opens today with a stronger equity tape, sharply higher exchange turnover and evidence of banking-sector capacity. The ZSE All Share gained 0.66% to 481.17 as ordinary-equity turnover rose to ZiG54.39m. VFEX moved differently, easing 0.67% to 253.26 despite turnover rising to US$1.31m. The divergence argues against calling the session uniformly risk-on, but the breadth of higher ZSE indices and the step-up in traded value make liquidity the first signal to test today.

First Capital Bank reported half-year profit of US$16.73m, total assets of US$390.10m and a 27% capital adequacy ratio against a 12% minimum, then declared an interim dividend of 0.31 US cents a share. CBZ separately said bank assets reached about US$1.5bn and advances US$454m, while US$150m of new external facilities had been secured. Together, the updates point to room for credit growth. The investment test is whether funding converts into well-priced, performing assets without weakening capital or liquidity.

Operating conditions are also shifting outside listed-bank results. Stanbic launched StanPay for payments, transfers and cash access using a Zimbabwean identity document, widening competition for transaction flows. Consumer-protection policy implementation is gathering pace, raising the value of traceable supply chains while increasing compliance demands. In agriculture, white maize was quoted at US$365 a tonne, with 480 tonnes offered against about 3,000 tonnes of demand. Processors may therefore face tighter procurement and working-capital conditions even though the price remained below import parity.

External markets provide support rather than a clean tailwind. The rand firmed while South Africa's leading indicator fell for a third month. Global equities rose as oil and US Treasury yields declined, while gold held near a three-month high. The controlled GCV26 settlement was US$4,658.20/oz, down 0.07%, and the latest eligible BZV26 settlement was US$92.17/bbl, carrying its prior 1.72% fall. Stable official references help planning, but conviction should still rest on cash conversion, capital headroom and evidence that Tuesday's market depth persists.

At a Glance

ZSE All Share
+0.66%

VFEX All Share
-0.67%

ZSE turnover
ZiG 54.39m

VFEX turnover
US$ 1.31m

Gold
US$ 4,658.20/oz

Brent
US$ 92.17/bbl (24 Aug)

Investors Lens

- Treat Tuesday's turnover surge as a liquidity test. Repeat breadth and value across several counters would matter more than another index gain on concentrated activity.
- Bank growth is strongest where capital, funding tenor and asset quality move together. First Capital's 27% ratio and CBZ's new facilities make deployment discipline the next test.
- Maize tightness and stronger consumer enforcement favour businesses with procurement cover, trusted distribution, traceable supply chains and reliable cash conversion.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	481.17	+0.66%
ZSE Top 10 Index	484.41	+0.72%
ZSE Top 15 Index	497.56	+0.59%
ZSE Medium Cap Index	497.77	+0.42%
VFEX All Share Index	253.26	-0.67%
ZSE equity turnover	ZiG 54.39m	+1,023.73%
VFEX equity turnover	US$ 1.31m	+987.86%
USD/ZiG	26.6291 (24 Aug)	0.00%
USD/ZAR	16.0238 (24 Aug)	-0.06%
Gold	US$ 4,658.20/oz	-0.07%
Brent	US$ 92.17/bbl	-1.72%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
Fidelity	+14.29%
TN Cyber	+6.30%
Proplast	+3.67%
ZB	+2.71%
Meikles	+2.60%

ZSE Leading Fallers

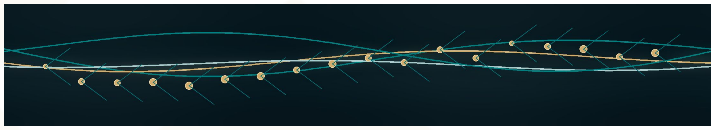
Counter	Movement
Ariston	-12.02%
StarAfr.	-6.65%
ZHL	-3.92%
RTG	-2.09%
ZSE	-0.78%

VFEX Leading Risers

Counter	Movement
Edgars	+20.00%
Kavango	+5.26%

VFEX Leading Fallers

Counter	Movement
Padenga	-5.35%
Simbisa	-1.29%



Key Local Developments

Exchange liquidity jumps

The ZSE All Share rose 0.66% to 481.17, with the Top 10 up 0.72%, Top 15 up 0.59% and Medium Cap up 0.42%. ZSE ordinary-equity turnover increased 1,023.73% to ZiG54.39m. VFEX's All Share fell 0.67% to 253.26, while turnover rose 987.86% to US$1.31m. The stronger activity matters, but one session cannot establish durable liquidity. Breadth, concentration and repeat participation are the next tests.

First Capital shows buffer

First Capital Bank reported half-year profit of US$16.73m and total assets of US$390.10m. Its capital adequacy ratio was 27% against a 12% minimum, and the interim dividend was 0.31 US cents a share. The result combines earnings growth with capital headroom. Watch deposit pricing, loan growth, impairments and distribution cover as the balance sheet expands.

CBZ adds funding capacity

CBZ said bank assets rose from about US$1.4bn to US$1.5bn and advances from US$359m to US$454m. External credit lines declined to US$115m after a repayment, but US$150m of new facilities had been secured and another US$100m was under discussion. The facilities support growth capacity in infrastructure, mining and agriculture. Returns will depend on drawdown cost, tenor matching, project execution and collections.

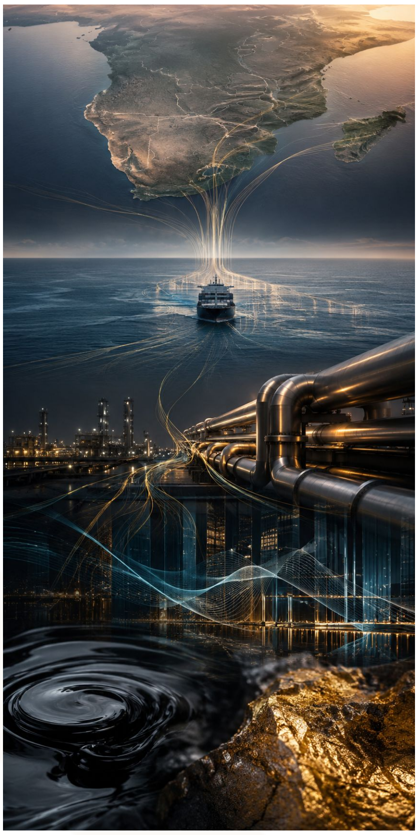
Maize supply stays tight

The Zimbabwe Mercantile Exchange weekly update placed white maize at US$365 a tonne, up 4.09%, with 480 tonnes offered against buyer requirements of about 3,000 tonnes. The benchmark remained about US$39 below estimated import parity. The gap signals tight nearby availability rather than an automatic import case. Millers and food producers need to manage procurement timing, quality, location and financing, while growers receive a firmer marketing signal.

SwitzView Interpretation

The local signal is a test of conversion. Stable references, bank capital, new credit lines, access and higher turnover create capacity, but value appears only when capacity becomes productive credit, active transaction flows, repeat liquidity and distributable cash. Tight maize availability and stronger compliance show where working capital can absorb the benefit. Selective stance therefore favours capital headroom, procurement control and transparent milestones over headline growth.

Regional & Global Developments



Rand firms as leading signal softens

The rand strengthened 0.4% to 15.9550 per US dollar as the SARB's composite leading indicator fell 1.4% month on month in June, its third decline. Dollar weakness and commodities supported the currency. Zimbabwe may gain some imported-cost relief, but the softer indicator cautions against assuming stronger South African demand.

Oil and yields support risk assets

Global equities rose as oil and US Treasury yields fell. The Nasdaq gained 0.7%, US yields fell by as much as eight basis points and energy shares weakened. Lower yields and oil can ease Zimbabwe's financing and import burden, but debate over US bond buybacks and fiscal credibility means the move did not improve fundamentals.

Gold holds a high-price backdrop

Gold reached its highest level since mid-May before momentum eased ahead of US inflation data. The controlled GCV26 settlement was US$4,658.20/oz, 0.07% below its prior frozen level. The broader price environment remains supportive for Zimbabwe's gold-linked receipts, while safe-haven demand signals continuing policy and geopolitical uncertainty.

IMF flags structural growth barriers

The IMF said medium-term G20 growth prospects remain weak and highlighted poorly designed regulation, weak public-investment management, underdeveloped capital markets and institutional constraints. The message is careful calibration, not indiscriminate deregulation. For Zimbabwe, credible institutions and project discipline determine whether new funding becomes productive capacity.

Today’s Watchlist

- ZMX auction: watch offered tonnage, volume and whether the US$365 maize signal holds at the 11:00 Agricultural Show auction.
- Exchange depth: test whether ZSE and VFEX turnover remains broad, or quickly reverts after Tuesday's roughly eleven-fold increases.
- Bank price discovery: monitor the response to First Capital's results and any further detail on CBZ's new facilities and deployment pipeline.
- Global catalysts: Nvidia earnings and US PCE inflation will test the technology rally, dollar, Treasury yields and gold's high-price support.

SwitzView Takeaway

Zimbabwe's opportunity set is becoming more measurable. Bank capital and funding capacity, wider payment access and higher exchange turnover are constructive only when they convert into performing credit, active users, repeat liquidity and cash. Maize tightness and stronger consumer enforcement reward procurement control and traceable operations, while external gold support is offset by softer regional leading indicators and global policy risk. Today's highest-information signals are market breadth, auction volumes and clearing prices, and credible detail on credit deployment. Strong balance sheets and transparent execution remain more persuasive than headline growth alone.

Selected public sources

First Capital Bank; Zimbabwe Mercantile Exchange; Consumer Protection Commission; International Monetary Fund; Reuters

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