Morning Note

Thursday, 27 August 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe opens with an active but divided market signal. The ZSE All Share fell 0.71% to 477.75, with the Top 10, Top 15 and Medium Cap indices also lower, even as ordinary-equity turnover rose 51.92% to ZiG82.63m. Nearly all reported value came from CBZ, Delta and TN CyberTech, so the larger turnover reflects concentrated repositioning rather than confirmed market-wide depth. VFEX moved the other way, gaining 0.60% to 254.78 while turnover dropped 64.78% to US$461.15k. Price and participation therefore need to be read separately.

Official references add a similarly mixed cost signal. The RBZ USD/ZiG midpoint strengthened 0.40% to 26.5391, while the controlled ECB USD/ZAR cross fell 0.45% to 15.9160 rand per dollar. Both moves help imported-input assumptions at the margin, but one observation is not a trend. Gold's approved PM-fix level was US$4,631.50/oz, although a same-source comparator was unavailable and no movement can be stated. Brent was carried from 25 August at US$88.24/bbl, down 4.82%, offering directionally better pressure but leaving energy costly.

The local project pipeline is constructive but milestone-dependent. Econet completed a large migration of its telecommunications and mobile-money operations to Google Cloud, with resilience and faster releases as stated aims. Hilton signed with Terrace Africa for a 140-room Hilton Garden Inn in Harare, targeted to open in early 2029. Agricultural research and the Victoria Falls solar meeting broaden the opportunity set. Value depends on service performance, funding, construction and named contracts.

External conditions raise the hurdle for conversion. US July PCE inflation reached 3.7% year on year and 0.2% month on month, strengthening the dollar and lifting expectations of a Federal Reserve rate rise. Global equities remained orderly, oil eased and gold fell, while South African miners accelerated renewable-power contracting to manage Eskom risk and costs. The practical stance is selective: require repeat liquidity, stable currency prints and funded operating milestones before treating active news flow as broad confirmation. Execution matters more than sentiment alone.

At a Glance

ZSE All Share
-0.71%

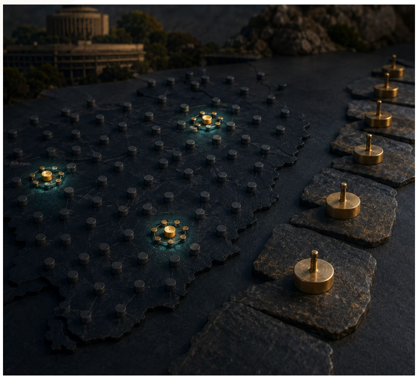
VFEX All Share
+0.60%

ZSE turnover
ZiG 82.63m

VFEX turnover
US$ 461.15k

Gold
US$ 4,631.50/oz

Brent
US$ 88.24/bbl 25 Aug



Investors Lens

- Treat the ZSE turnover increase as a concentration test. Repeat value across more counters would indicate improving depth; another session dominated by a small cluster would not.
- VFEX's 0.60% gain came with 64.78% lower turnover. The price move is constructive, but stronger participation is needed before it carries broad rerating significance.
- Currency firmness and lower carried Brent help imported-cost assumptions at the margin, while a 30.0% policy rate keeps financing discipline and project sequencing central.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	477.75	-0.71%
ZSE Top 10 Index	482.47	-0.40%
ZSE Top 15 Index	494.39	-0.64%
ZSE Medium Cap Index	487.66	-2.03%
VFEX All Share Index	254.78	+0.60%
ZSE equity turnover	ZiG 82.63m	+51.92%
VFEX equity turnover	US$ 461.15k	-64.78%
USD/ZiG	26.5391	-0.40%
USD/ZAR	15.9160	-0.45%
Gold	US$ 4,631.50/oz	N/A
Brent	US$ 88.24/bbl	-4.82%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
ZSE Fin.	+14.80%
Masimba	+13.04%
Willdale	+5.74%
Dairibord	+0.19%
Meikles	+0.14%

ZSE Leading Fallers

Counter	Movement
TN Cyber	-14.97%
ZHL	-14.52%
GBH	-14.29%
Mash	-7.97%
Ariston	-7.22%

VFEX Leading Risers

Counter	Movement
First Cap	+5.24%
Econet IF	+1.15%

VFEX Leading Fallers

Counter	Movement
Old Mut.	-1.54%
Axia	-1.40%

Key Local Developments

Liquidity rises as breadth weakens

The ZSE All Share fell 0.71% to 477.75 as the Top 10, Top 15 and Medium Cap indices also declined, while turnover increased 51.92% to ZiG82.63m. CBZ, Delta and TN CyberTech represented about 98.7% of reported value. VFEX gained 0.60% to 254.78, but turnover fell 64.78% to US$461.15k. The session shows tradability in selected names, not yet deeper participation.

Econet completes cloud migration

Econet completed an almost year-long move of its telecommunications and mobile-money operations, including EcoCash and Econet InfraCo, to Google Cloud. Management linked the migration to resilience, continuity and faster releases, with potential to serve other Zimbabwean organisations. Service stability, release cadence, enterprise customers and disclosed cost or revenue effects are the next evidence of value.

Hilton signs Highlands property

Hilton agreed with Terrace Africa to introduce a 140-room Hilton Garden Inn in Harare's Highlands Precinct, targeted to open in early 2029. It can support business travel and commercial activity, but remains a pipeline commitment. Planning approvals, financing, contractor appointment and construction progress will determine whether it converts into delivered investment.

Solar meeting opens funding channel

Representatives from about 40 African countries gathered in Victoria Falls for an International Solar Alliance meeting scheduled for 25 to 27 August. Objectives included an Africa Solar Facility and a Zimbabwe Declaration prioritising solar in agriculture. The meeting broadens project preparation, financing and regional coordination, but is not generation capacity. Named projects, financing terms, procurement and construction timetables are the proof points.

SwitzView Interpretation

The local signal is opportunity formation without broad confirmation. Higher ZSE turnover, a firmer ZiG and cloud, hospitality and solar initiatives create channels for liquidity, productivity and capital formation, but each needs proof. Concentrated trading requires wider breadth; currency gains require persistence; cloud value requires operating metrics; and projects require funded milestones. With the policy rate at 30.0%, financing and execution discipline remain decisive.

SWITZVIEW WEALTH MANAGEMENT

Regional & Global Developments

US inflation lifts the rate hurdle

US July PCE inflation was 3.7% year on year and 0.2% month on month. The dollar strengthened and market-implied odds of a September Federal Reserve rate increase rose to about 40%. Zimbabwe's transmission runs through a firmer dollar, tighter financing and higher valuation hurdles. The data shift expectations but do not guarantee an increase.

Oil eases as inventories rise

Oil futures settled lower for a third session as supply fears eased and EIA reported a 95,000-barrel increase in US crude inventories to 428.9m barrels. Gasoline and distillate stocks declined, limiting a simple surplus conclusion. Controlled EIA Brent carried US$88.24/bbl for 25 August, down 4.82%, improving fuel-cost direction without making energy cheap.

Gold falls after the inflation print

Spot gold fell more than 1% as the dollar strengthened. The RBZ Previous Day's Gold PM Fix was US$4,631.50/oz for 26 August, with no same-source move. The level supports Zimbabwe's gold receipts but remains sensitive to rates and the dollar.

Miners accelerate renewable power

South African mining groups increased renewable-power procurement to reduce Eskom dependence and costs. Anglo's Envusa Energy was generating 520 MW, while Sibanye had contracted 835 MW and expected renewables to provide 64% of group energy demand by end-2028. The regional signal strengthens the case for bankable solar, storage and grid-integration projects.

Today's Watchlist

- ZSE breadth: test whether higher turnover extends beyond CBZ, Delta and TN CyberTech and supports broader positive participation.
- VFEX liquidity: watch whether the index holds its gain as turnover recovers from US$461.15k and demand broadens beyond selected names.
- Official references: monitor the next RBZ USD/ZiG midpoint, same-method USD/ZAR cross and controlled gold and Brent readings.
- Delivery milestones: look for Econet operating metrics and named financing, procurement or project commitments from the hotel and solar pipeline.

SwitzView Takeaway

Zimbabwe's opportunity set is widening, but the strongest signal is still conditional execution. Higher ZSE turnover was concentrated, VFEX gained on lower activity and the firmer ZiG and rand cross need repeat observations. Cloud migration, a new hotel signing and a regional solar-finance channel can support productive capacity, yet their value depends on operating performance, funding and delivery dates. Hotter US inflation and a stronger dollar keep the valuation hurdle high even as carried Brent eases. The next useful evidence is broader exchange participation, stable official references and projects that disclose named counterparties, committed capital and measurable milestones.

Selected public sources

Reserve Bank of Zimbabwe; Econet Wireless Zimbabwe; Hilton; International Solar Alliance; Reuters