Morning Note

Saturday, 29 August 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe enters the weekend with stronger liquidity but mixed market direction. ZSE turnover rose to ZiG 16.23m and VFEX turnover to US$ 1.88m. The Manager-authorised ZSE All Share pair is 466.46 and +0.65%; Top 10 fell 3.11%, Top 15 declined 2.67% and Medium Cap gained 1.49%. VFEX All Share advanced 0.96%. Higher turnover adds information, but the split indices keep the signal selective.

Movers also separate liquidity from breadth. ZIMRE, Dairibord and Willdale led ZSE gains, while Nampak, CBZ and Ariston posted double-digit declines. Seed Co International and Caledonia rose on VFEX, but First Capital and Invictus Energy fell. Monday must confirm whether participation persists across several counters rather than reflecting isolated orders.

Domestic monetary references were steady. The RBZ USD/ZiG average rose 0.02% to 26.4987, indicating marginal ZiG weakening, while the policy rate remained 30%. The SARB average increased 0.10% to ZAR 15.9792 per US dollar. Small daily moves do not remove operating pressure: cash cycles, invoice currency, inventory cover and foreign-currency access still shape company outcomes.

Execution points were measurable. Dairibord disclosed US$ 6.2m for solar and Steri Milk capacity in Chipinge. Pfuma Fund completed the US$ 6.94m Cork Corner acquisition through 69.4m additional units, adding a fully occupied asset while preserving cash. ZMX opened winter-wheat trading at US$ 478 per tonne and recorded 700 tonnes of white maize against 2,100 tonnes of buyer demand. Utilisation, net yield, repeat auction depth and replacement cost matter more than headline amounts.

External conditions became more demanding. Fed Chair Kevin Warsh signalled that policy may need to tighten if confidence in 2% inflation does not improve, lifting the dollar and yields while weighing on equities and open-market gold. The RBZ Gold PM fix was US$ 4,562.75/oz for 28 August, down 0.14%. Brent remained a Controlled Carry at US$ 88.24/bbl for 25 August, down 4.82%. The stance is selective: require repeat liquidity, visible demand and credible cash conversion.

At a Glance

ZSE All Share
+0.65%

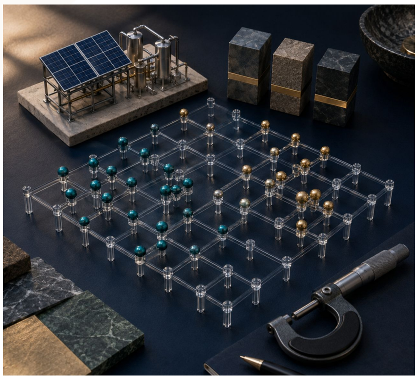
VFEX All Share
+0.96%

ZSE turnover
ZiG 16.23m

VFEX turnover
US$ 1.88m

Gold
US$ 4,562.75/oz 28 Aug

Brent
US$ 88.24/bbl 25 Aug



Investors Lens

- Liquidity confirmation: Friday's turnover recovery carries more information than the headline index alone. Monday must test repeat value, breadth and participation across several counters.
- Execution economics: Dairibord's capex, Pfuma's unit-funded acquisition and ZMX price discovery matter through utilisation, net income, dilution and repeat volume.
- Funding and currency: a 30% policy rate, slight rand weakness and a hawkish Fed signal favour shorter cash cycles, natural hedges and disciplined working capital.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	466.46	+0.65%
ZSE Top 10 Index	466.35	-3.11%
ZSE Top 15 Index	479.28	-2.67%
ZSE Medium Cap Index	497.21	+1.49%
VFEX All Share Index	258.64	+0.96%
ZSE equity turnover	ZiG 16.23m	+429.27%
VFEX equity turnover	US$ 1.88m	+1,134.96%
USD/ZiG	26.4987	+0.02%
USD/ZAR	15.9792	+0.10%
Gold	US$ 4,562.75/oz	-0.14%
Brent	US$ 88.24/bbl	-4.82%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
ZIMRE	+12.77%
Dairibord	+11.11%
Willdale	+5.67%
TN Cyber	+4.71%
ZSE Hldgs	+3.66%

ZSE Leading Fallers

Counter	Movement
Nampak	-13.75%
CBZ	-13.64%
Ariston	-11.25%
NMB	-4.03%
Hippo	-2.16%

VFEX Leading Risers

Counter	Movement
Seed Co	+12.09%
Caledonia	+9.67%

VFEX Leading Fallers

Counter	Movement
First Cap	-4.48%
Invictus	-1.53%

Key Local Developments

Turnover recovers as indices diverge

ZSE turnover increased 429.27% to ZiG 16.23m and VFEX turnover rose 1,134.96% to US$ 1.88m. The Manager-authorised ZSE All Share pair is 466.46 and +0.65%; Top 10 fell 3.11%, Top 15 declined 2.67% and Medium Cap gained 1.49%. VFEX All Share rose 0.96% to 258.64. ZIMRE, Dairibord and Willdale led ZSE gains, while Nampak, CBZ and Ariston fell sharply. Higher value traded improves price discovery, but dispersion requires security-level interpretation.

Dairibord links energy to processing

Dairibord disclosed a combined US$ 6.2m investment in Chipinge: US$ 2m for a 1 MW solar plant and US$ 4.2m for a Steri Milk facility. Management linked the projects to lower grid dependence, utility-cost control, reliable production and local milk demand. Energy security supports capacity use. Monitor commissioning, utilisation, throughput, farmer procurement and savings per unit of output.

Pfuma completes Cork Corner deal

Pfuma Fund completed the US$ 6.94m Cork Corner acquisition through 69.4m additional units. The Avondale property was reported fully occupied with a 7.8% gross yield. Unit settlement preserves development cash but shifts cost into dilution and future distributions. Net yield, lease duration, tenant concentration, maintenance and distributions will determine durable value.

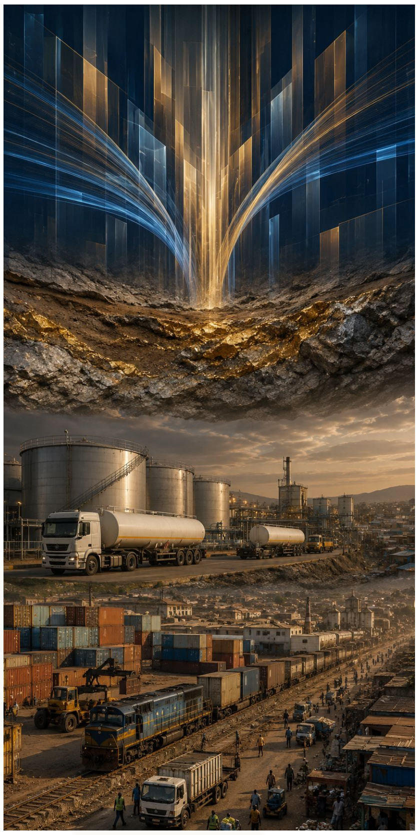
ZMX maize gap raises replacement risk

ZMX recorded 700 tonnes of white maize available against 2,100 tonnes of buyer demand, an indicated 1,400-tonne exchange-level gap. The exchange cautioned that supply is not a national stock measure. Maize was priced at US$ 365 per tonne, with higher landed replacement costs after logistics and the import levy. The relevance lies in processor margins, inventory cover, procurement timing, working capital and policy sensitivity.

SwitzView Interpretation

Local evidence is constructive on execution but still selective. Turnover recovered, Dairibord committed productive capex, Pfuma added an operating asset and ZMX provided price discovery. Each needs a conversion test: repeat trading, plant utilisation, net property income and auction depth. At a 30% rate and with modest rand weakness, resilient energy, visible demand, short cash cycles and disciplined funding matter more than announcements or one session's direction.

Regional & Global Developments



Fed signal turns more hawkish

Federal Reserve Chair Kevin Warsh said policy would have work to do if confidence in inflation returning to 2% did not improve. Markets raised the probability of a September hike. Zimbabwe's transmission is through the dollar, Treasury yields, hard-currency funding and higher hurdle rates for long-duration projects.

Gold reacts to rate expectations

Reuters reported open-market gold down about 2.9% after the Fed signal strengthened the dollar and rate expectations. The controlled RBZ dashboard series separately records the 28 August PM fix at US$ 4,562.75/oz, down 0.14%. Gold remains an export and liquidity channel, but high prices do not remove financing, grade, recovery or policy risk.

Brent carry keeps fuel costs in focus

The EIA Europe Brent Spot Price FOB series retained US$ 88.24/bbl for 25 August, 4.82% below 24 August, because no later eligible observation was available by the freeze. Reuters separately identified refined-product prices as the sharper concern. Zimbabwe's channel runs through landed fuel, freight, transport and alternative power costs rather than crude alone.

Euro-area sentiment improves

The European Commission reported the euro-area Economic Sentiment Indicator rising 1.3 points to 98.4 in August and employment expectations increasing to 98.9. Both remained below their long-term average of 100. External demand has not collapsed, but access, logistics and customer concentration remain more immediate constraints for Zimbabwean exporters. Improvement remains marginal.

Today’s Watchlist

- Agricultural Show close: monitor attributable input-demand, technology-adoption and 2026/27 season evidence without treating attendance as earnings.
- Weekend Fed repricing: watch the dollar, yields and commodity sensitivity as markets digest the hawkish signal before Monday's open.
- Exchange confirmation: test Friday's turnover rebound through Monday value traded, breadth, repeat participation and index dispersion.
- Execution detail: track Dairibord commissioning, Pfuma net yield and dilution, and official maize-import or levy guidance.

SwitzView Takeaway

The 28 August picture broadens Zimbabwe's measurable opportunity set but does not justify a broad market conclusion. Turnover recovered on both exchanges, while Dairibord, Pfuma and ZMX added productive-capacity, operating-asset and price-discovery evidence. Index dispersion shows why activity must still be tested for repeat breadth. A 30% policy rate, modest rand weakness and a hawkish Fed signal keep funding cost and cash conversion central. Test Dairibord utilisation and savings, Pfuma net yield and dilution, grain replacement costs and repeat value traded on Monday. Actual commodity dates and the edition-specific ZSE override remain explicit.

Selected public sources

Reserve Bank of Zimbabwe; Zimbabwe Mercantile Exchange; U.S. Energy Information Administration; The Herald; Reuters