Morning Note

Friday, 4 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwean markets sent a split signal on 3 September. The ZSE All Share fell 4.20% to 465.93, with the Top 10 down 5.06% and Top 15 down 4.82%, while turnover rose 147.25% to ZiG 4.94m. VFEX moved the other way: the All Share gained 2.46% to 265.78 and turnover rose 340.46% to US$ 2.38m. Higher participation makes both moves more informative than the thin prior session, but security-level liquidity still matters.

External-flow indicators were more constructive. July exports were about US$ 1.47bn against imports of US$ 1.15bn, producing a US$ 320.6m surplus, 34.1% wider than June. Lithium concentrate sales reached about 816,774 tonnes worth US$ 1.247bn, versus 663,833 tonnes worth US$ 243m in the comparable period. The mix supports hard-currency generation but remains exposed to mineral concentration and prices. The gap between value and volume keeps commodity pricing central to the external-flow signal and future cash generation.

Domestic investment is building around real bottlenecks. CPMZ launched work to increase Beira-Harare pipeline capacity from 3m to 5m cubic metres a year by end-2027, a 67% increase. Stanbic Bank reported first-half profit after tax up 26% to ZiG 858.4m and qualifying core capital of ZiG 4.5bn, about US$ 168.7m. Value still depends on project completion, cash conversion and disciplined capital deployment.

Local financial conditions remain relatively stable but expensive. USD/ZiG strengthened 0.23% to 26.6539, while USD/ZAR fell 0.35% to 16.0373 on the same-date ECB fallback. The policy rate stayed at 30%. Gold was a Controlled Carry at US$ 4,382.25/oz for 2 September, up 0.67%, because the latest available RBZ fixing was dated 2 September.

Global pricing remains the near-term risk valve. Spot gold rose 2.3% to about US$ 4,488.54 on 3 September as yields and the dollar eased, while Brent futures settled near US$ 95.52 amid renewed U.S.-Iran tensions and lower Hormuz traffic. The controlled Brent dashboard remains a Controlled Carry at US$ 88.24/bbl from 25 August. U.S. payrolls can quickly reset yields, bullion and funding costs.

At a Glance

ZSE All Share
-4.20%

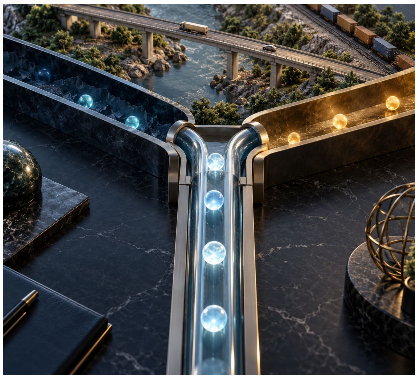
VFEX All Share
+2.46%

ZSE turnover
ZiG 4.94m

VFEX turnover
US$ 2.38m

Gold
US$ 4,382.25/oz (2 Sep)

Brent
US$ 88.24/bbl (25 Aug)



Investors Lens

- Treat ZSE and VFEX moves as stronger than the prior thin session, but require repeat turnover and executable depth.
- Hard-currency generation matters most; trade and lithium receipts remain concentrated and price sensitive.
- Pipeline value depends on execution, financing and tariffs, not announced capacity.
- Keep rates and oil in the risk budget: payrolls can reprice gold and funding, while high oil lifts import costs.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	465.93	-4.20%
ZSE Top 10 Index	466.13	-5.06%
ZSE Top 15 Index	477.04	-4.82%
ZSE Medium Cap Index	495.32	-0.35%
VFEX All Share Index	265.78	+2.46%
ZSE equity turnover	ZiG 4.94m	+147.25%
VFEX equity turnover	US$ 2.38m	+340.46%
USD/ZiG	26.6539	-0.23%
USD/ZAR	16.0373	-0.35%
Gold	US$ 4,382.25/oz (2 Sep)	+0.67%
Brent	US$ 88.24/bbl (25 Aug)	-4.82%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
NMBZ	+14.41%
ZSEH	+13.94%
TN Cyber	+5.48%
Meikles	+3.19%
ZB	+2.79%

ZSE Leading Fallers

Counter	Movement
SeedCo	-14.26%
CBZ	-14.13%
FML	-10.85%
Masimba	-10.30%
ART	-9.38%

VFEX Leading Risers

Counter	Movement
EagleREIT	+16.65%
TSL	+12.62%

VFEX Leading Fallers

Counter	Movement
Caledonia	-10.06%
Edgars	-4.56%

Key Local Developments

ZSE and VFEX diverge as participation rises

The ZSE All Share fell 4.20% to 465.93, with Top 10 down 5.06%, Top 15 down 4.82% and Medium Cap down 0.35%. Turnover rose to ZiG 4.94m from ZiG 2.00m. VFEX gained 2.46% to 265.78 as turnover climbed to US$ 2.38m from US$ 539.59k. Higher value traded makes the moves more useful than the prior session, but concentration and executable depth still need testing.

July trade surplus strengthens external flows

July exports were about US$ 1.47bn, imports about US$ 1.15bn and the trade surplus US$ 320.6m, 34.1% wider than June. Semi-manufactured gold, other mineral substances and nickel mattes dominated exports. The surplus supports foreign-currency availability, but the mix remains concentrated in minerals and a limited set of destination markets. Concentration still limits diversification even as the headline balance improves.

Fuel corridor expansion moves into execution

CPMZ launched a 67% expansion of the Beira-Harare pipeline from 3m to 5m cubic metres of annual capacity by end-2027, including new pumping stations. The project could add about two billion litres of annual transport capacity. The case is improved supply resilience and throughput, balanced against construction, financing, tariff and completion risk.

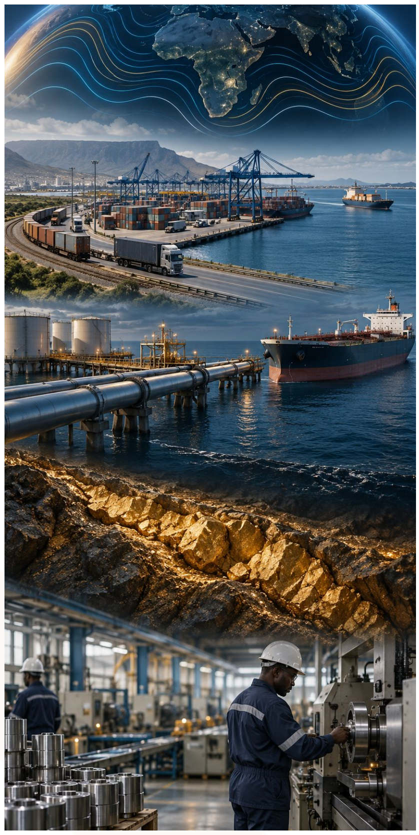
Lithium receipts rise faster than tonnage

Lithium concentrate sales reached about 816,774 tonnes worth US$ 1.247bn, versus 663,833 tonnes worth US$ 243m in the comparable period. Volume rose about 23% while value rose about 413%, pointing to a large price effect. The transmission is positive for mining cash flow and exports, but remains exposed to lithium prices, product mix and cost discipline. The divergence also raises sensitivity to product grade, contract terms and price normalisation.

SwitzView Interpretation

SwitzView reads stronger external cash generation against tighter market execution. Trade, lithium and gold support receipts, while the pipeline can ease a real constraint. The ZSE decline came on higher turnover, making the equity signal more meaningful than the prior thin session. Stronger exports still face imported-cost and funding risk: high oil can erode the benefit and a 30% policy rate keeps capital tight. The key filter is cash conversion and clear repayment or exit routes.

Regional & Global Developments



Rand strengthens ahead of U.S. jobs data

Reuters reported the rand firmer on 3 September as the dollar weakened and gold rose ahead of U.S. payrolls. For Zimbabwe, the transmission is through South African import pricing and ZAR-linked costs. A stronger rand can raise import costs even when domestic FX is stable.

Oil risk stays elevated on Middle East escalation

Brent futures settled near US$ 95.52 after renewed U.S.-Iran strikes and lower vessel traffic through the Strait of Hormuz. The dashboard retains the controlled EIA Europe spot observation of US$ 88.24/bbl from 25 August rather than substituting the futures price. Zimbabwe is a net fuel importer, so sustained strength would lift logistics, backup-power and inflation risk.

Gold rallies as Fed expectations soften

Spot gold rose 2.3% to about US$ 4,488.54 as Fed Governor Christopher Waller signalled support for unchanged rates if inflation moderates. Lower yields and a softer dollar supported bullion. For Zimbabwe, higher gold can support exports, but mine outcomes still depend on production, grades, costs and capital intensity.

U.S. payrolls become the next pricing pivot

Markets shifted focus to the 4 September U.S. employment report after mixed labour indicators and bond-market stress. The release can reset expectations for the September Fed decision, Treasury yields and the dollar. For Zimbabwean portfolios, the relevant channels are offshore hurdle rates, risk appetite, gold, oil and the cost of hard-currency funding rather than a direct domestic policy link.

Today’s Watchlist

- U.S. payrolls: watch the 4 September report and its effect on Treasury yields, the dollar, gold and hard-currency funding costs.
- ZSE/VFEX liquidity: test whether the turnover surge persists, breadth improves and the largest moves attract repeat volume.
- Gold and oil: watch whether bullion holds its rally and Hormuz risk keeps Brent elevated; this balances export receipts against imported costs.
- Local FX: monitor USD/ZiG and USD/ZAR after U.S. data. Stable local FX with stronger trade flows would support the external-liquidity reading.

SwitzView Takeaway

The 3 September evidence is constructive on hard-currency generation and infrastructure, but less comfortable on listed-market execution. July trade produced a wider surplus, lithium sales value accelerated, gold remained elevated and the Beira-Harare corridor moved into expansion. At the same time, the ZSE fell sharply on higher turnover, local funding remains expensive and oil risk is elevated. The practical filter is cash conversion: favour balance sheets and projects that match funding currency to revenue, can absorb imported-cost volatility and show executable liquidity or repayment routes. Confirmation should come from repeat ZSE/VFEX participation, stable local FX and the global yield response to U.S. payrolls.

Selected public sources
ZimStat; CPMZ; The Herald; Business Times Zimbabwe; Reuters