Morning Note

Saturday, 5 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe enters the weekend with a sharper distinction between macro stability and investable execution. The World Bank says stabilisation improved growth and lowered inflation, but informality remains high and real earnings have weakened. Its baseline points to moderate growth, while stronger reform could lift the trajectory through macro discipline, infrastructure and a more predictable business climate. The practical test is whether stability widens formal activity and purchasing power.

Friday's market session did not confirm that transition. The ZSE All Share fell 1.49% to 459.01 as the Top 10 lost 2.06% and the Top 15 declined 1.88%; the Medium Cap rose 0.91%. Turnover dropped 53.48% to ZiG 2.30m. VFEX softened 0.53% to 264.38 as turnover fell 83.09% to US$ 402.00k. The breadth and liquidity split argues for caution with one-session direction.

Corporate signals are selective. Bank guarantees and renewed supplier deliveries reopened OK Zimbabwe's working-capital cycle, but deferred legacy debts leave the recovery unfinished. NMBZ's cash-or-scrip dividend, Hippo Valley's AGM agenda and PPC executive share purchases place liquidity, capital allocation and governance alongside operating recovery.

The external price mix is supportive and costly. USD/ZiG strengthened 0.36% to 26.5591 and USD/ZAR fell 0.55% to 15.9700. Gold's controlled observation rose 1.94% to US$ 4,467.15/oz on 3 September, supporting hard-currency receipts. Brent rose 6.99% to US$ 96.02/bbl on 1 September, raising fuel, logistics and backup-power risk.

Global rates remain the final transmission channel. Stronger U.S. employment data pushed yields higher and increased rate-hike expectations, a headwind for long-duration assets and hard-currency funding. Zimbabwe's 30% policy rate is unchanged, so domestic capital remains expensive even as the currency pair steadies. The investable signal therefore depends on repeat liquidity, credible cash conversion and delivery against reform and operational commitments.

At a Glance

ZSE All Share
-1.49%

VFEX All Share
-0.53%

ZSE turnover
ZiG 2.30m

VFEX turnover
US$ 402.00k

Gold
US$ 4,467.15/oz (3 Sep)

Brent
US$ 96.02/bbl (1 Sep)

Investors Lens

- Treat Friday's equity moves as provisional until turnover and breadth recover across both exchanges.
- Separate macro stability from earnings delivery; informality and weak real income constrain demand.
- Follow OK Zimbabwe's restocking through availability, supplier terms and cash conversion, not announcements alone.
- Keep oil, U.S. yields and the rand in the risk budget because they transmit into imported costs and funding.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	459.01	-1.49%
ZSE Top 10 Index	456.55	-2.06%
ZSE Top 15 Index	468.05	-1.88%
ZSE Medium Cap Index	499.84	+0.91%
VFEX All Share Index	264.38	-0.53%
ZSE equity turnover	ZiG 2.30m	-53.48%
VFEX equity turnover	US$ 402.00k	-83.09%
USD/ZiG	26.5591	-0.36%
USD/ZAR	15.9700	-0.55%
Gold	US$ 4,467.15/oz (3 Sep)	+1.94%
Brent	US$ 96.02/bbl (1 Sep)	+6.99%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
Star Afr	+10.08%
TN Cyber	+9.51%
Dairibord	+4.22%
Willdale	+1.16%
Ariston	+0.69%

ZSE Leading Fallers

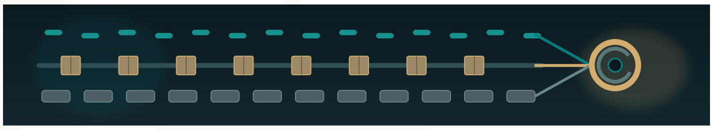
Counter	Movement
ZSEH	-6.63%
CBZ	-4.47%
Delta	-1.87%
Mash	-0.88%
Tanganda	-0.48%

VFEX Leading Risers

Counter	Movement
Seed Co	+7.14%
Invictus	+5.49%

VFEX Leading Fallers

Counter	Movement
Edgars	-14.74%
Caledonia	-11.01%



Key Local Developments

World Bank links the upside case to reform execution

The World Bank says macro stability helped lower inflation and strengthen growth, but high informality and weak real earnings still limit inclusion. Its baseline projects moderate growth, while stronger reform could lift performance through fiscal and monetary discipline, infrastructure and a more predictable business climate. The investable case rests on implementation that expands formal activity, household demand and reliable public services rather than on stability alone.

ZSE and VFEX soften as turnover contracts

The ZSE All Share fell 1.49% to 459.01, with the Top 10 down 2.06% and Top 15 down 1.88%; the Medium Cap index gained 0.91%. ZSE turnover declined 53.48% to ZiG 2.30m. VFEX fell 0.53% to 264.38 as turnover dropped 83.09% to US$ 402.00k. Lower value traded reduces the confidence that can be placed in one session's index moves and keeps security-level liquidity central to execution.

OK Zimbabwe restocking reopens the operating cycle

OK Zimbabwe started restocking after two banks provided guarantees and suppliers resumed deliveries. Creditors also deferred legacy debts and some branches began reopening. This can restore availability and customer traffic, but remains an early repair. The retailer entered rescue with supplier debts above US$ 30m; durable improvement depends on margins, supplier confidence and cash conversion.

Issuer actions bring capital allocation into focus

NMBZ offered shareholders a cash-or-scrip interim dividend, giving investors a direct liquidity choice. Hippo Valley called an AGM for 28 September that includes approval of a 1.550 US cent final dividend, director elections and US$ 178,710 in directors' fees. PPC also disclosed retention-share purchases by its chief executive. The events differ in form, but each directs attention to governance, incentives and the balance between cash preservation and shareholder returns.

SwitzView Interpretation

SwitzView separates stability from investability. Lower inflation and steadier currency create room, but high informality, weak real earnings and a 30% policy rate restrict demand and capital formation. Friday's lower exchange turnover needs confirmation. Bank guarantees can restart retail supply, flexible dividends can preserve capital and governance votes can improve accountability. The common filter is repeat cash flow, deeper liquidity and execution after initial support fades.

Regional & Global Developments

U.S. jobs data raises the global discount rate

U.S. payrolls increased by 162,000 and unemployment held at 4.1%. Markets responded with higher yields and stronger expectations of further tightening. For Zimbabwean portfolios, the main channels are offshore hurdle rates, dollar funding and valuation pressure rather than a direct change in domestic policy. A firmer dollar would add pressure to imported finance.

Oil strength lifts the imported-cost hurdle

Brent futures remained elevated as risks around the Strait of Hormuz tightened the supply outlook. The controlled dashboard observation is US$ 96.02/bbl for 1 September, up 6.99%. Sustained strength would raise fuel, transport and backup-power costs for local businesses and households.

Gold remains supportive but operationally selective

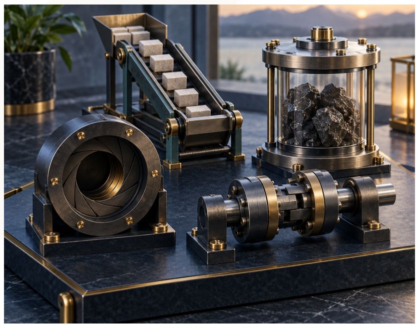
The controlled gold observation rose 1.94% to US$ 4,467.15/oz on 3 September. Higher bullion can support export receipts and mine revenues, but outcomes still depend on volumes, grades, costs and capital intensity. The commodity signal is therefore helpful without being uniform across producers.

Rand and regional logistics shape landed costs

USD/ZAR fell 0.55% to 15.9700 on 4 September, while South Africa's restored Cape Mainline offered a separate freight-continuity signal. Zimbabwe's exposure runs through import pricing, regional risk appetite and corridor reliability. The useful test is whether currency and logistics conditions remain stable enough to reduce delivered costs. Freight continuity matters as much as a favourable spot rate.

Today’s Watchlist

- Market liquidity: watch whether the next ZSE and VFEX sessions reverse Friday's steep turnover declines.
- Retail execution: look for evidence that OK Zimbabwe's restocking reaches branches and supports repeat sales.
- External prices: monitor oil, gold and U.S. yields for changes in imported costs and hard-currency receipts.
- Policy transmission: track USD/ZiG, USD/ZAR and implementation signals around the World Bank reform path.



SwitzView Takeaway

Stability is visible, but the weekend signal is about proof rather than broad confidence. The World Bank's upside case requires disciplined reform, infrastructure and formal job creation. Markets offered weak confirmation as turnover contracted. Guarantees, flexible dividends and governance decisions can reopen activity, but do not erase obligations or execution risk. Gold and a firmer regional currency offer support, while high oil, global yields and a 30% policy rate keep capital expensive. Improvement should appear in repeat liquidity, stronger cash conversion, restored product availability and completed projects. Until those signals broaden, selectivity and balance-sheet discipline matter more than headline momentum.

Selected public sources

World Bank Group; Zimbabwe Stock Exchange; NMBZ Holdings; Hippo Valley Estates; Reuters