Morning Note

Tuesday, 8 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe equities opened the week on a softer footing. The ZSE All Share fell 1.31% to 453.00, with the Top 10 down 1.41%, the Top 15 down 1.20% and the Medium Cap Index down 0.89%. Losses in Tanganda, RTG and Delta outweighed gains in Seed Co, TN CyberTech and Starafrica. Turnover rose 224.27% to ZiG 7.46 million, which points to heavier trading through the decline rather than a quiet price drift. The breadth of weakness suggests investors should wait for evidence of stabilisation before treating the turnover increase as conviction buying.

VFEX was steadier: the All Share eased 0.03% to 264.30. Caledonia, SeedCo International and Old Mutual advanced, while Eagle REIT, Invictus Energy and Pfuma retreated. Turnover fell 34.29% to US$264,159, so the near-flat headline masks a split market with light participation. The contrast with the ZSE keeps stock selection, liquidity and position size for local investors. Counter dispersion means the index alone gives an incomplete picture of risk.

The currency picture remained comparatively contained. The RBZ interbank midpoint was 26.8547 ZiG per US dollar, 1.11% above the prior-session comparison, while the rand strengthened marginally to 15.9657 per US dollar. The RBZ policy rate is 30% after the August reduction, and August ZiG inflation slowed to 2.89% year on year. Stable inflation and currency conditions can support valuation confidence, but liquidity conditions still matter for execution. Investors should continue to match asset currency to expected obligations and monitor the availability, not only the quoted level, of foreign exchange.

Global risk remains driven by the Middle East and commodity prices. Brent's latest eligible EIA observation was US$96.02 per barrel on 1 September, 6.99% above the comparator. The RBZ's previous-day Gold PM Fix was US$4,415.40 per ounce for the 4 September observation, 1.16% lower than the comparator but still elevated. Both readings are carried because no story-date observation was available at the production freeze. Energy-sensitive businesses face renewed cost pressure, while elevated gold supports defensive exposure but increases entry-price discipline.

At a Glance

ZSE All Share
-1.31%

VFEX All Share
-0.03%

ZSE turnover
ZiG 7,455,846

VFEX turnover
US$ 264,159

Gold
US$ 4,415.40/oz (4 Sep)

Brent
US$ 96.02/bbl (1 Sep)

Investors Lens

- Treat higher ZSE turnover through a broad decline as a signal to review concentration and liquidity, not as a standalone buying cue.
- Keep foreign-currency asset exposure aligned with liabilities: the ZiG moved, but the rand and VFEX headline were comparatively stable.
- Elevated oil and gold prices favour selective commodity exposure while raising imported-cost and inflation risks for fuel-sensitive businesses.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	453.00	-1.31%
ZSE Top 10 Index	450.13	-1.41%
ZSE Top 15 Index	462.45	-1.20%
ZSE Medium Cap Index	495.37	-0.89%
VFEX All Share Index	264.30	-0.03%
ZSE equity turnover	ZiG 7,455,846	+224.27%
VFEX equity turnover	US$ 264,159	-34.29%
USD/ZiG	26.8547	+1.11%
USD/ZAR	15.9657	-0.04%
Gold	US$ 4,415.40/oz (4 Sep)	-1.16%
Brent	US$ 96.02/bbl (1 Sep)	+6.99%
RBZ policy rate	30.00%	Unchanged

ZSE Leading Risers

Counter	Movement
Seed Co	+7.53%
TN Cyber	+2.92%
StarAfric	+1.28%
N/A	N/A
N/A	N/A

ZSE Leading Fallers

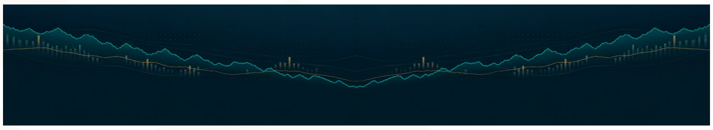
Counter	Movement
Tanganda	-14.77%
RTG	-13.92%
Delta	-1.75%
N/A	N/A
N/A	N/A

VFEX Leading Risers

Counter	Movement
Caledonia	+13.70%
SeedCoInt	+5.02%

VFEX Leading Fallers

Counter	Movement
EagleREIT	-8.67%
Invictus	-8.44%



Key Local Developments

Local markets: risk-off start

The ZSE All Share closed at 453.00, down 1.31%, with declines across the major segments. Tanganda and RTG recorded the largest percentage losses, while Delta also weakened. Turnover increased to ZiG 7.46 million, suggesting that the sell-off carried more participation than the preceding session. Follow-through and breadth in the next session will help distinguish de-risking from a temporary rotation.

VFEX: flat index, mixed breadth

VFEX ended almost unchanged at 264.30, down 0.03%, as gains in Caledonia, SeedCo International and Old Mutual were offset by losses in Eagle REIT, Invictus Energy and Pfuma. Turnover declined to US$264,159, reinforcing the need to distinguish price direction from tradeable liquidity. Counter-level dispersion remained substantial despite the quiet headline index move.

Policy and inflation backdrop

The RBZ policy rate stands at 30% following the August reduction from 35%. August ZiG inflation was 0.10% month on month and 2.89% year on year. The combination is incrementally supportive for financing conditions, although credit transmission, fiscal discipline and foreign-currency access remain the practical tests. Borrowing costs and the volume of productive credit will show whether easing reaches the real economy.

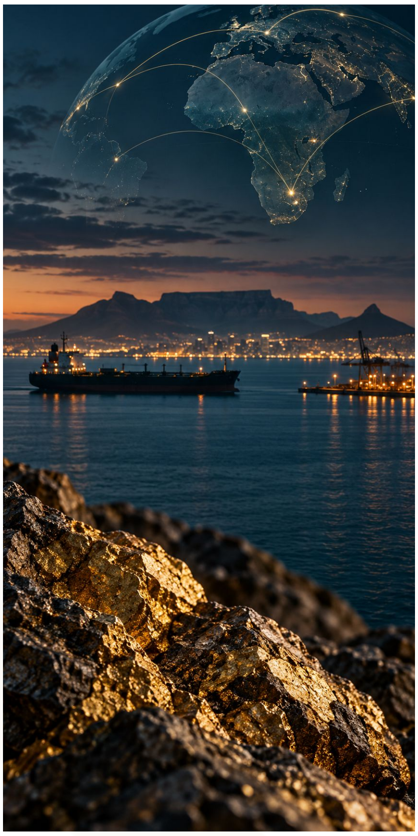
Infrastructure and capital pipeline

Public reporting highlighted planned upgrades to the fuel pipeline, transport initiatives around Kariba and Mt Hampden, and continued investment dialogue. These announcements may support construction, logistics and tourism activity, but investors should separate stated commitments from funded projects, procurement milestones and delivered cash flows. Financing structure, contractor selection and implementation dates remain the critical evidence points.

SwitzView Interpretation

The local signal is cautious rather than disorderly: ZSE breadth was negative and turnover rose, while VFEX was nearly flat on lower activity. A lower policy rate and subdued inflation improve the medium-term backdrop, yet global energy risk and uneven liquidity argue for selectivity. Portfolio decisions should emphasise cash-flow resilience, pricing power, currency matching and realistic exit capacity. Confirmation from subsequent market breadth and turnover will matter.

Regional & Global Developments



Oil risk stays elevated

Brent held near a six-week high as conflict in the Middle East and threats to shipping through the Strait of Hormuz kept supply risk in focus. The latest eligible EIA spot observation was US$96.02 per barrel on 1 September. Higher energy prices can support producers but pressure importers, transport costs and inflation expectations. For Zimbabwe, sustained strength would flow through fuel, logistics and production costs, even where the domestic currency is stable. Shipping access and the persistence of the risk premium are therefore more important than a single daily move.

Gold and rates

Gold remained elevated as investors weighed geopolitical risk and the outlook for United States interest rates after labour-market data. The RBZ previous-day Gold PM Fix was US$4,415.40 per ounce for 4 September. The metal retains a defensive role, but high prices can amplify volatility and entry-point risk. Zimbabwe's gold-linked export receipts may benefit from stronger pricing, although operating costs, production delivery and policy treatment still determine the cash-flow outcome for individual exposures.

Regional currency watch

The rand strengthened marginally to 15.9657 per US dollar on 7 September as investors awaited South African data and assessed global risk. For Zimbabwean portfolios, rand moves affect regional purchasing power, imported inputs and the translated value of South African assets alongside domestic ZiG and US-dollar exposures. The move was small, so attention remains on incoming activity and inflation data, global risk appetite and commodity terms of trade. Liability currency and investment horizon should guide whether short-term volatility requires action.

Today’s Watchlist

- ZSE breadth and turnover: whether Monday's higher activity develops into continued selling, a sector rotation or stabilisation, whether participation broadens, and whether large-cap pressure persists.
- Oil, gold and shipping headlines: any change in the Middle East risk premium, physical supply routes, freight conditions, imported-cost expectations and pass-through to local transport pricing.
- ZiG, rand and policy transmission: interbank pricing, local liquidity and evidence that the 30% policy rate reaches borrowers.

SwitzView Takeaway

The new week begins with a clear divergence: Zimbabwe's main board weakened on materially higher turnover, while VFEX was almost flat on lighter activity. That combination rewards disciplined security selection rather than broad market calls. Lower domestic inflation and a 30% policy rate improve the policy backdrop, but elevated oil and gold prices keep external risk prominent. Investors should favour resilient cash flows, manageable leverage, currency-aligned exposures and positions that can be exited without relying on thin liquidity. Confirmation from subsequent breadth, turnover and currency availability should precede larger allocation changes.

Selected public sources

Reserve Bank of Zimbabwe; South African Reserve Bank; U.S. Energy Information Administration; Reuters