Morning Note

Wednesday, 9 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe's official currency and inflation backdrop remained comparatively calm. The RBZ USD/ZiG average eased 0.48% to 26.7253, August ZiG inflation was 0.10% month on month and 2.89% year on year, and the bank policy rate stood at 30%. Stability is supportive, but investors still need evidence of foreign-currency availability, productive-credit transmission and disciplined liquidity. The durability of the setting will be tested by transaction access, credit volumes and consistent fiscal restraint, not the printed rate alone.

The 8 September tape shows selective local pressure. The ZSE All Share fell 1.53%, the Top 10 lost 2.07% and the Top 15 declined 1.79%, while the Medium Cap index gained 0.70%. Turnover fell 10.59% to ZiG 6.67m. VFEX eased 0.11%, but turnover rose 348.62% to US$ 1.19m and was concentrated in a small group of counters. Direction, breadth and liquidity therefore need to be read together rather than reduced to one index or turnover headline.

External prices remained defensive. Gold was US$ 4,355.80/oz on 8 September, down 1.12%, while Brent rose 0.79% to US$ 97.92/bbl. Higher oil raises freight and production-cost risk, while elevated gold supports export receipts but demands price discipline. Businesses with fuel-intensive distribution or thin margins face the clearest sensitivity if the energy premium persists. Commodity support reaches investors only after power, sustaining capital, royalties and settlement costs.

The rand weakened 0.20% to 16.0240 per US dollar as South African GDP contracted 0.2% quarter on quarter. Local themes included agricultural import substitution, pension assets of US$ 3.47 billion, added air capacity and a larger VFEX capital base. The common investment test is execution: funding, cash conversion, governance and usable liquidity. Regional demand, liability currency and access to working capital will separate resilient operators from firms supported mainly by an attractive theme. Operating results and settlement evidence should confirm whether capacity and policy initiatives are producing durable returns.

At a Glance

ZSE All Share
-1.53%

VFEX All Share
-0.11%

ZSE turnover
ZiG 6.67m

VFEX turnover
US$ 1.19m

Gold
US$ 4,355.80/oz

Brent
US$ 97.92/bbl

Investors Lens

- Read the ZSE fall beside lower turnover and positive mid-cap breadth; do not treat one index as the whole market.
- Test VFEX depth across several sessions before treating concentrated turnover as durable liquidity.
- Prioritise currency matching, working-capital discipline and fuel pass-through where oil and regional growth pressure margins.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	446.09	-1.53%
ZSE Top 10 Index	440.80	-2.07%
ZSE Top 15 Index	454.16	-1.79%
ZSE Medium Cap Index	498.85	+0.70%
VFEX All Share Index	264.00	-0.11%
ZSE equity turnover	ZiG 6.67m	-10.59%
VFEX equity turnover	US$ 1.19m	+348.62%
USD/ZiG	26.7253	-0.48%
USD/ZAR	16.0240	+0.20%
Gold	US$ 4,355.80/oz	-1.12%
Brent	US$ 97.92/bbl	+0.79%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
ZHL	+7.16%
TN Cyber	+6.46%
Fidelity	+1.09%
Willdale	+0.28%
FBC	+0.16%

ZSE Leading Fallers

Counter	Movement
Delta	-4.25%
Meikles	-4.00%
Masimba	-1.04%
CBZ	-0.96%
Ariston	-0.45%

VFEX Leading Risers

Counter	Movement
Caledonia	+9.05%
Old Mutl	+0.93%

VFEX Leading Fallers

Counter	Movement
Seed Co	-4.78%
TSL	-3.04%

Key Local Developments

Agriculture targets import bill

Zimbabwe is intensifying efforts to reduce an agricultural import bill estimated near US$ 2 billion through local food and input production. The investable test is funded execution across seed, fertiliser, irrigation, storage, processing and distribution. Weather, power and working capital remain constraints. Procurement milestones and realised output will show whether the programme creates durable substitution rather than temporary protection.

Pension assets reach US$ 3.47bn

Pension assets rose about 2% to US$ 3.47 billion, while contribution arrears also increased. The larger pool supports long-term domestic capital, but member outcomes depend on collection, asset quality, liquidity and liability matching rather than nominal growth alone. Concentration, valuation discipline and the capacity to rebalance remain important in shallow markets.

VFEX capital base expands

Old Mutual's listing helped lift VFEX market capitalisation to about US$ 8.12 billion in August. A larger base improves visibility, but free float, daily participation, settlement and follow-on issuance will determine whether it translates into deeper liquidity. The 8 September turnover increase was concentrated, so market capitalisation alone does not establish tradeable depth. Sustained institutional participation is the more useful confirmation.

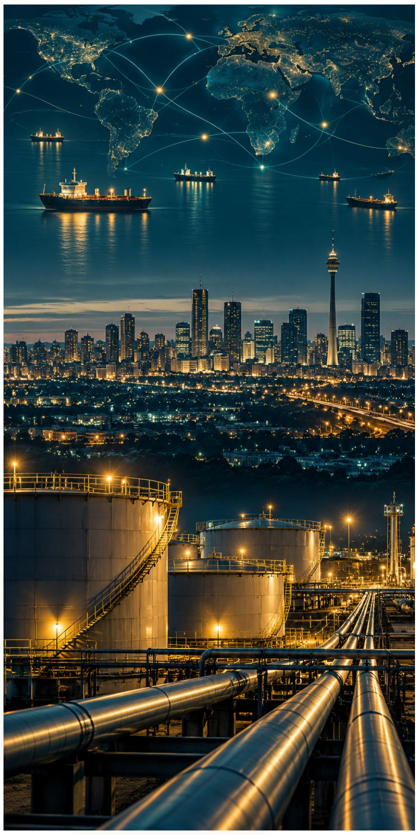
Corporate and capacity signals

Fastjet extended A320 service through December, Stanbic opened a Chiredzi branch, and Redwing sought voluntary corporate rescue. The developments point in different directions, reinforcing the need to assess demand, operating cash flow, creditor outcomes and financed milestones company by company. Balance-sheet strength and governance will determine how each signal reaches investors. Delivery against disclosed funding, timetable and accountability milestones is the next test.

SwitzView Interpretation

The local backdrop is constructive on nominal stability but selective in market price discovery. Lower inflation and a 30% policy rate can support planning, while agriculture, aviation and financial sector developments create targeted opportunities. Yet weak ZSE large caps, concentrated VFEX turnover and elevated global energy risk argue against a broad market call. Emphasise cash conversion, currency alignment, governance, pricing power and realistic exit capacity.

Regional & Global Developments



Oil risk stays elevated

Houthi attacks on Saudi energy facilities increased supply and shipping concerns as Brent reached US$ 97.92/bbl. Persistent strength would pressure Zimbabwean freight, transport and production costs; physical disruption and the duration of the risk premium matter more than one headline move. Inventory response, insurance and freight will indicate whether the shock broadens into sustained inflation pressure. Importers with weak pass-through or long replenishment cycles carry the clearest margin risk.

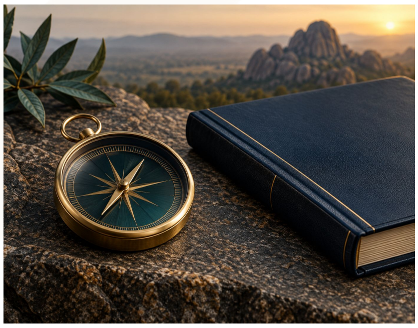
South Africa contracts

South African GDP fell 0.2% quarter on quarter in Q2 after six quarters of growth, while the rand weakened 0.20% to 16.0240 per US dollar. Softer regional demand can affect Zimbabwean exports, services, tourism and remittances. Production data, power reliability and policy response will show whether the contraction is temporary. Currency weakness may lower some import costs while reducing translated regional earnings, so the net effect depends on each company's revenue and cost mix.

Global positioning shifts

United States equities weakened as oil revived inflation concerns and expensive technology valuations came under pressure. The yen held near a seven-month high as investors reduced carry exposure, while copper reached a record and China's exports accelerated despite weak domestic demand. Together these moves favour disciplined valuation, lower leverage and diversification across funding currencies and liquidity sources. Correlated deleveraging can reach emerging assets even when local fundamentals have not changed, so position size and refinancing buffers matter.

Today's Watchlist



- Local tape: test whether ZSE weakness broadens and turnover recovers from ZiG 6.67m; on VFEX, require repeat activity across more counters before calling the surge durable liquidity.
- Oil and South Africa: watch physical energy disruption, freight and insurance costs, rand direction, policy response and industrial data for evidence that external pressure is persisting.
- Local execution: track funded agricultural inputs, pension arrears, Redwing rescue disclosures, Fastjet load factors, working-capital conditions and cash conversion against dated milestones.

SwitzView Takeaway

Zimbabwe's nominal backdrop is calmer, but the corrected equity signal is selective. USD/ZiG eased, inflation remained low and the policy rate was 30%, while ZSE large caps weakened on lower turnover and VFEX activity surged in a concentrated pocket. Fresh Gold and Brent data show supportive export pricing alongside higher energy costs. Agriculture, aviation and financial developments offer targeted themes, but durable value depends on funded delivery. Prefer cash-generative, well-governed businesses with manageable leverage, currency-aligned economics and realistic exit capacity. Demand dated operating evidence before raising conviction.

Selected public sources

Reuters; Reserve Bank of Zimbabwe; fastjet Zimbabwe; Business Weekly; AfricanFinancials