Morning Note

Saturday, 12 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Friday's close sharpened the distinction between price direction and trading depth. The ZSE All Share gained 0.44% to 453.25, with the Top 10, Top 15 and Medium Cap indices also advancing, but equity turnover fell 41.06% to ZiG 4.12m. VFEX paired a 1.05% rise to 266.77 with value traded of US$ 2.87m, up from US$ 180,331. The firmer indices are constructive, yet VFEX supplied the stronger liquidity confirmation. Repeat breadth and executable depth remain the test when markets reopen. Index gains alone do not settle the liquidity test.

A steadier currency backdrop offers planning visibility without reducing the cost of capital. The RBZ USD/ZiG average strengthened 0.09% to 26.6531, USD/ZAR was almost unchanged at 16.1587 and the policy rate remained 30%. Gold rose 0.76% to US$ 4,350.36/oz. Brent fell 2.98% to US$ 104.42/bbl after a volatile week but still leaves fuel, freight and imported inputs exposed to renewed disruption. Treasury teams therefore need currency matching and liquidity buffers after a quiet exchange-rate session.

Domestic opportunity is moving into execution tests. The Competition and Tariff Commission is reviewing Varun Beverages Zimbabwe's proposed 48.79% acquisition of Dairibord, with representations due by 1 October. SECZim is expanding tokenisation engagement through its Regulatory Sandbox. Verify Engineering is seeking US$ 28m for battery assembly in Mutare, while the Mutare Dry Port is expected to begin operating in the first quarter of 2027. Approvals, safeguards, committed capital and operating delivery will decide whether these themes create durable value.

External conditions raise the proof threshold. August US consumer prices rose 0.4% month on month and 3.4% year on year, keeping a Federal Reserve increase in play and the US 10-year Treasury yield near 5%. Global equity funds recorded US$ 15.52bn of outflows in the week to 9 September as bond funds attracted money. Zimbabwean opportunities with visible cash collection, matched funding, sound governance and credible exit routes should therefore compete better than long-duration projects dependent on approvals, delayed receivables or uncommitted finance.

At a Glance

ZSE All Share	+0.44%
VFEX All Share	+1.05%
ZSE turnover	ZiG 4.12m
VFEX turnover	US$ 2.87m
Gold	US$ 4,350.36/oz
Brent	US$ 104.42/bbl

Investors Lens

- Separate Friday's ZSE price gains from liquidity quality: turnover fell 41.06%, while VFEX combined a 1.05% index rise with a rebound to US$ 2.87m of value traded.
- Treat the Varun-Dairibord proposal, tokenisation and Mutare projects as milestone-driven opportunities; approvals, safeguards, financing and operating proof matter.
- Protect margins and funding capacity against oil, freight and global-rate volatility even though USD/ZiG and USD/ZAR were comparatively stable.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	453.25	+0.44%
ZSE Top 10 Index	446.83	+0.41%
ZSE Top 15 Index	460.80	+0.40%
ZSE Medium Cap Index	511.36	+0.54%
VFEX All Share Index	266.77	+1.05%
ZSE equity turnover	ZiG 4.12m	-41.06%
VFEX equity turnover	US$ 2.87m	+1,492.53%
USD/ZiG	26.6531	-0.09%
USD/ZAR	16.1587	+0.08%
Gold	US$ 4,350.36/oz	+0.76%
Brent	US$ 104.42/bbl	-2.98%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
Masimba	+15.00%
Ariston	+7.78%
Delta	+2.70%
SeedCo	+2.27%
Willdale	+2.27%

ZSE Leading Fallers

Counter	Movement
RTG	-9.17%
ZSE Hldgs	-6.23%
Mash	-3.10%
Proplast	-0.00%
CBZ	-0.00%

VFEX Leading Risers

Counter	Movement
Nedbank	+16.45%
Caledonia	+8.04%

VFEX Leading Fallers

Counter	Movement
Edgars	-2.44%
Simbisa	-2.14%

Key Local Developments

Two exchanges rise, but liquidity confirms only one

The ZSE All Share gained 0.44% to 453.25 on 11 September, while equity turnover fell 41.06% to ZiG 4.12m. VFEX rose 1.05% to 266.77 as turnover increased to US$ 2.87m from US$ 180,331. Masimba led ZSE gains at 15.00% and Nedbank led VFEX at 16.45%. The session was constructive, but VFEX had the clearer improvement in trading depth. Repeat activity will show whether that depth persists.

Varun-Dairibord deal enters competition review

The Competition and Tariff Commission is investigating Varun Beverages Zimbabwe's proposed acquisition of a 48.79% shareholding in Dairibord and has invited representations by 1 October. The review tests potential effects on competition and the public interest. Investors should treat timing, structure and completion as conditional, while assessing strategic and operating implications separately from approval.

SECZim advances regulated tokenisation testing

SECZim plans deeper engagement on tokenisation and other fintech innovations through its Regulatory Sandbox. New issuance, ownership, settlement and access models may follow, but commercial value depends on investor protection, custody, settlement reliability, legal clarity and licensed participation. Near-term evidence should come from tested use cases and approved operating arrangements.

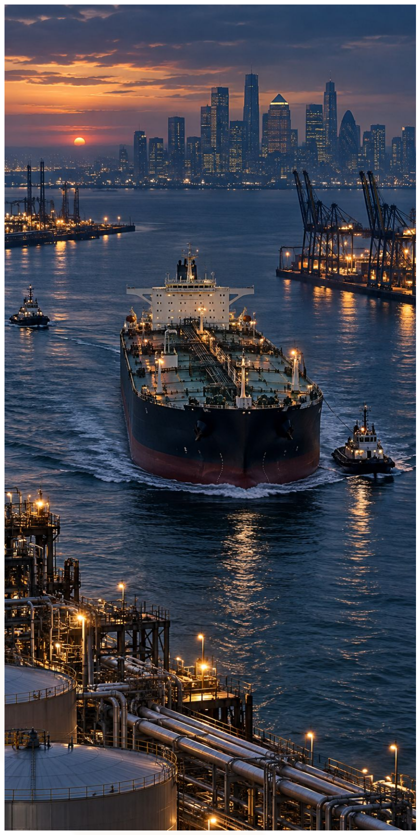
Mutare projects widen the productive-capital pipeline

Verify Engineering is seeking US$ 28m for lithium-ion battery assembly in Mutare, while the Mutare Dry Port under construction is expected to start operations in the first quarter of 2027. The projects could extend mineral value addition and improve Beira Corridor logistics. Committed finance, power, procurement, certification, construction and measurable operating economics remain decisive. Users will need measurable time and cost savings.

SwitzView Interpretation

Zimbabwe's opportunity set is broadening, but capital should follow proof. Friday's gains carried more weight where turnover recovered. Transactions, fintech and infrastructure require approvals, safeguards, finance and cash collection before becoming investable. With the policy rate at 30% and global yields near 5%, projects matching hard-currency costs with resilient revenue and a short path to cash flow should face a lower execution discount.

Regional & Global Developments



Brent retreats, but freight and fuel risk persist

Brent fell 2.98% to US$ 104.42/bbl on 11 September from US$ 107.63/bbl after trading near US$ 110 during a volatile session. Shipping disruption and elevated tanker freight kept supply-route risk in focus. The lower close eases the immediate price level, but does not remove the exposure of Zimbabwean transport, aviation, mining, manufacturing and distribution margins. A prolonged disruption can lift freight, insurance and inventory costs even when spot crude retreats. Duration and pass-through timing matter more than one daily close.

US inflation keeps the rate hurdle high

August US consumer prices rose 0.4% on the month and 3.4% from a year earlier, while core inflation increased 0.3% month on month. The data kept a Federal Reserve increase in consideration for 15-16 September and the US 10-year Treasury yield close to 5%. Gold gained 0.76% to US$ 4,350.36/oz, but a higher global discount rate still makes long-duration and less-liquid assets compete against a demanding risk-free benchmark. The transmission to Zimbabwe is strongest through dollar funding, valuation hurdles and investor risk budgets.

Fund flows show selective risk appetite

Global equity funds recorded US$ 15.52bn of net outflows in the week to 9 September, while global bond funds received US$ 8.95bn and regional equity flows diverged. Capital has not disappeared, but investors are demanding better compensation for energy, duration and liquidity risk. Frontier assets therefore need clearer cash-flow visibility, governance and exit capacity. For Zimbabwe, that reinforces selectivity even where domestic projects and market prices are improving.

Today's Watchlist

- Markets: test whether Monday's ZSE turnover confirms Friday's price gains and whether VFEX sustains both index strength and deeper value traded across more than one session and a broader set of counters.
- External costs: follow Brent, Gulf shipping, tanker freight, gold, the dollar and the US 10-year yield ahead of the Federal Reserve decision on 16 September.
- Execution: monitor the Varun-Dairibord review and financing, construction, licensing and operating milestones for the Mutare battery and dry-port projects, including evidence of committed capital.

SwitzView Takeaway

Friday's close left Zimbabwe with constructive local prices but a higher bar for conviction. VFEX combined a 1.05% index gain with stronger turnover, while the ZSE rose as trading value fell. Stable currency pairs improve planning, yet a 30% policy rate, Brent at US$ 104.42/bbl and global yields near 5% keep funding and operating costs demanding. Opportunities are visible in food and beverages, market technology, battery assembly and logistics, but the advantage lies in approvals secured, capital committed and cash flows demonstrated. Portfolios and treasuries should preserve liquidity, match currencies and favour assets whose governance, revenue collection and exit routes can withstand renewed energy or rate volatility.

Selected public sources

Competition and Tariff Commission; Securities and Exchange Commission of Zimbabwe; Verify Engineering; Ministry of Transport and Infrastructural Development; Reuters