Morning Note

Friday, 18 September 2026

SWITZVIEW
WEALTH MANAGEMENT

SwitzView Morning View

Zimbabwe's 17 September market signal was split but more informative than a thin session. The ZSE All Share fell 0.70% to 456.15 as the Top 10, Top 15 and Medium Cap indices declined, while ZSE turnover rose 56.63% to ZiG 11.92 million. VFEX moved the other way: its All Share gained 0.86% to 266.88 and turnover increased 85.07% to US$ 1.01 million. Higher cash participation improves price discovery, but durable depth still depends on whether liquidity persists and broadens to more counters.

Policy signals widened options without removing execution risk. Government plans to reopen private grain imports after a below-normal rainfall outlook and possible El Nino risk for 2026/27. This can reduce shortage risk for food and feed users, but landed costs still depend on foreign currency, freight and border logistics.

The RBZ also rejected 2027 as a fixed lending cutoff, supporting longer bank contracts for lenders and borrowers while leaving FX conversion, repricing and asset-liability risks to be managed explicitly.

Corporate and investment developments point to a conversion test. Varun Beverages' proposed 48.79% Dairibord stake is under Competition and Tariff Commission review, with representations due by 1 October, while a separate shareholder filing and the planned VFEX migration add sequencing risk. ZIDA approved 184 second-quarter licences with projected investment of US$ 1.59 billion, led by mining and manufacturing, but is shifting attention from approvals to projects that reach construction and operation. Formal milestones matter more than headline values.

The external mix is supportive on one side and restrictive on another. The Federal Reserve raised its target range by 25 basis points to 3.75% to 4.00%, while the Bank of England held at 3.75% and warned that energy inflation could still require tightening. Gold rose 1.82% to US$ 4,341.39 per ounce, supporting Zimbabwe's export receipts, while Brent eased 0.95% to US$ 104.82 per barrel but remained expensive. High developed-market rates and oil above US$ 100 keep funding, freight and import-cost pressure elevated.

At a Glance

ZSE All Share
-0.70%

VFEX All Share
+0.86%

ZSE turnover
ZiG 11.92m

VFEX turnover
US$ 1.01m

Gold
US$ 4,341.39/oz

Brent
US$ 104.82/bbl

Investors Lens

- Treat the session as a liquidity test. Turnover improved on both boards, but sustained breadth across eligible sessions is needed before calling it deeper participation.
- Separate headlines from executable terms. Grain imports depend on foreign currency, freight and delivery, while longer bank tenors need explicit currency and collateral clauses.
- Track Dairibord through formal CTC and issuer documents. The 48.79% proposal, separate filing and planned VFEX move create sequencing risk, not completed control.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	456.15	-0.70%
ZSE Top 10 Index	448.50	-0.57%
ZSE Top 15 Index	463.04	-0.64%
ZSE Medium Cap Index	519.87	-1.15%
VFEX All Share Index	266.88	+0.86%
ZSE equity turnover	ZiG 11.92m	+56.63%
VFEX equity turnover	US$ 1.01m	+85.07%
USD/ZiG	26.6691	-0.06%
USD/ZAR	16.3075	+0.29%
Gold	US$ 4,341.39/oz	+1.82%
Brent	US$ 104.82/bbl	-0.95%
RBZ policy rate	30.0%	Unchanged

ZSE Leading Risers

Counter	Movement
UniFrght	+14.94%
Ariston	+14.56%
TN Cyber	+6.52%
Proplast	+1.36%
Mash	+0.31%

ZSE Leading Fallers

Counter	Movement
Nampak	-11.06%
Gen Belt	-9.96%
Seed Co	-9.36%
Dairibord	-8.26%
BAT Zim	-5.88%

VFEX Leading Risers

Counter	Movement
Invictus	+14.24%
Simbisa	+4.71%

VFEX Leading Fallers

Counter	Movement
Axia	-1.38%
OldMutual	-0.98%

Key Local Developments

Equity liquidity rises as boards diverge

The ZSE All Share fell 0.70% to 456.15 while VFEX gained 0.86% to 266.88. Turnover rose 56.63% on ZSE to ZiG 11.92 million and 85.07% on VFEX to US$ 1.01 million. Cash activity adds information, but breadth and persistence are unproven.

Private grain imports reopen supply options

Government plans to lift the private-sector grain import ban after a below-normal rainfall outlook raised concern about the 2026/27 harvest. The move can reduce shortage risk for commercial food and feed users, but its margin effect depends on foreign currency, freight, origin markets, border logistics and licensing speed.

Dairibord proposal enters competition review

The Competition and Tariff Commission is assessing Varun Beverages Zimbabwe's proposed purchase of a 48.79% Dairibord stake, with representations due by 1 October. A separate filing by holders of more than 51% and the proposed VFEX migration mean investors must follow the seller perimeter, any later control step, remedies and formal issuer disclosures.

RBZ rejects a fixed 2027 credit cutoff

RBZ Governor John Mushayavanhu said banks should not cap loan tenors at 2027 on the assumption that the multicurrency regime must end then. A condition-based transition can support longer facilities, but lenders and borrowers still need clear settlement, conversion, repricing and asset-liability protections.

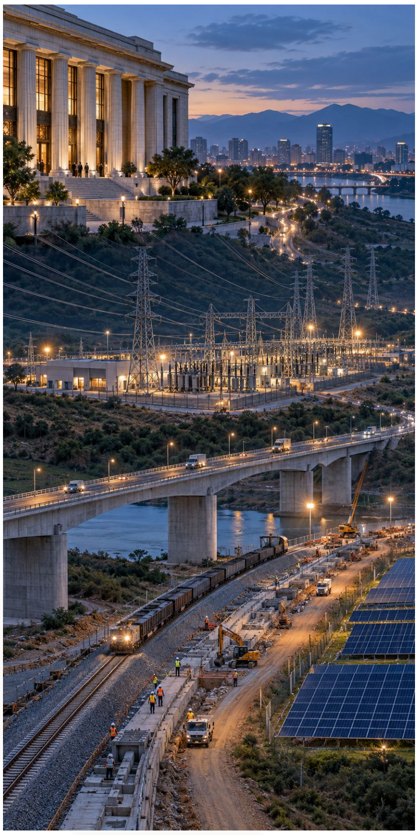
ZIDA shifts focus from licences to conversion

ZIDA approved 184 second-quarter licences with projected investment of about US$ 1.59 billion, including US$ 768.5 million in mining and US$ 496.7 million in manufacturing. The agency is placing more weight on whether projects reach construction and operation, making conversion rates, disbursed capital and bottleneck ownership the relevant tests.

SwitzView Interpretation

The evidence shares one rule: options matter only when they become operational. Turnover must persist and broaden; grain imports must arrive at viable cost; longer credit needs workable currency clauses; transactions require formal clearance; and licences need funded projects. This favours milestone-based monitoring over broad confidence calls, with each published implementation step carrying more weight than its opening headline.

Regional & Global Developments



Fed tightens as risk assets rebound

The Federal Reserve raised its target range by 25 basis points to 3.75% to 4.00% and projected one further increase in 2026. Global equities nevertheless recovered, while the US ten-year yield eased toward 4.95%, suggesting investors saw a credible inflation response without immediately pricing a severe growth shock. For Zimbabwe, the transmission runs through dollar funding costs, valuation discount rates, the dollar and commodity demand. High US rates can keep external finance expensive even when risk assets rally.

Bank of England holds with an energy warning

The Bank of England kept its policy rate at 3.75% in a 6-3 decision, paused active gilt sales for six months and warned that prolonged energy pressure could require tighter policy. Long-dated gilt yields fell after the announcement, showing the benefit of containing bond-market stress while preserving a firm inflation signal. The decision still leaves global financing, sterling-linked trade and imported inflation restrictive. Zimbabwean firms with UK-linked funding or customers should separate the immediate market relief from the longer energy risk.

Private-capital mobilisation reaches a record

The World Bank reported US$ 112 billion of private capital mobilised in the year to June 2026, up from US$ 69 billion a year earlier, alongside US$ 123 billion of its own commitments. Infrastructure accounted for about 40% of lending and regulatory reform for 26%, reinforcing the premium on standardised projects and shorter approval processes. The lesson for Zimbabwe is practical: available capital does not cure weak preparation, incomplete risk allocation, slow approvals or unfunded infrastructure.

Today's Watchlist

- Market depth: test whether ZSE and VFEX turnover remains elevated, broadens beyond event-driven counters and supports index direction in the next eligible completed sessions.
- Implementation: watch grain-import licensing, origin markets, foreign-currency access and delivery costs, together with evidence that longer bank tenors include workable currency clauses.
- Corporate execution: follow CTC representations through 1 October, issuer disclosures, VFEX sequencing and ZIDA project-conversion reporting.

SwitzView Takeaway

Zimbabwe enters the day with more options, not fewer risks. Equity turnover improved, private grain imports can widen supply, the RBZ removed a rigid credit assumption and ZIDA is focusing on project conversion. Yet every supportive signal still needs an operational proof point: repeated market depth, viable landed grain costs, enforceable currency clauses, formal Dairibord disclosures and funded investment milestones. Gold strength supports export receipts, but oil above US$ 100 and high developed-market rates keep cost and financing pressure elevated. The practical stance is selective and evidence-led: reward conversion, breadth and documented execution rather than headlines alone.

Selected public sources

Reserve Bank of Zimbabwe; Competition and Tariff Commission; Zimbabwe Investment and Development Agency; Federal Reserve; World Bank