SWITZVIEW
WEALTH MANAGEMENT

WEEKLY MARKET ROUNDUP

MONDAY, 31 AUGUST 2026

ZIMBABWE MARKETS, ECONOMY AND INVESTMENT INSIGHTS

Monday 24 Aug'26 00:00:00
to
Sunday 30 Aug'26 23:59:59

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SwitzView Weekly View

This week shifted investment from stabilisation toward execution. Karo Platinum added a Special Mining Lease and a binding concentrate-purchase term sheet, improving tenure and route-to-market visibility. Caledonia added a Motapa resource, while Dairibord showed capacity investment converting into higher volumes and earnings. The stronger signal is capital translating into productive capacity and cash.

Funding developments point in the same direction. NMB disclosed external credit lines above US$200 million, with US$50 million drawn in H1 and another US$70 million expected before year-end. First Capital reported 27% capital adequacy against a 12% minimum, deposits of US$249 million and a US$165 million loan book. CBZ is pursuing a US$600 million infrastructure-bond programme. Capital is widening, but value depends on tenor, pricing and deployment.

Listed markets remained selective. The ZSE All Share fell 1.78%, with Top 10 and Top 15 also lower, while Medium Cap rose 0.70%. ZSE turnover fell sharply against a prior week distorted by a CBZ block, making base effects more relevant than a liquidity conclusion. VFEX moved differently: its All Share gained 1.53% and turnover rose 16.81%, though activity remained concentrated. Repeatable depth matters as much as headline direction.

Currency conditions were comparatively stable on verified observations. The 21 August base and 24, 27 and 28 August RBZ rates show limited endpoint movement, while 25 and 26 August remain gaps. ZiG strengthened 0.49% against the US dollar by 28 August, while the accepted ECB-derived series left the rand broadly unchanged by Friday after a larger midweek move. Planning visibility improved, but reference-rate stability is not currency-access certainty.

The global backdrop tightened into Friday. A hawkish rates outlook pushed the US two-year Treasury yield to about 4.36%, strengthened the dollar and weighed on US equities and precious metals. Brent ended Friday around US$89, its first weekly decline in four weeks. Higher yields and a firmer dollar raise Zimbabwe's external funding hurdle, while commodity volatility changes revenue and input-cost assumptions. The conclusion is disciplined execution, funding resilience and cash conversion.

Week in Brief

- Karo added tenure and concentrate-purchase milestones, improving route-to-market visibility while financing and commissioning remain next.
- Caledonia reported a maiden Motapa resource of 379,000 oz measured and indicated plus 131,000 oz inferred, without establishing a reserve.
- Dairibord reported 78.3m litres of first-half sales, US$82.56m revenue, US$5.54m operating profit and US$3.25m profit after tax.
- NMB disclosed external credit lines above US$200m, while CBZ is pursuing a US$600m infrastructure-bond programme.
- August ZiG inflation was 0.10% month on month and 2.89% year on year, supporting stable planning.
- The ZSE ended weaker on broad measures while Medium Cap rose 0.70%; turnover was distorted by the prior week's CBZ block.
- VFEX finished firmer, with the All Share up 1.53% and weekly turnover up 16.81%, though activity remained concentrated.
- Higher US yields, a firmer dollar and weaker equities and metals raised the external funding hurdle Friday.

Investors’ Lens

- Execution evidence matters more than labels; project milestones should ultimately convert into cash.
- ZSE turnover needs a base-effect lens after the prior week's exceptional CBZ block.
- Currency gaps should stay visible rather than be smoothed into false precision.
- Funding access matters, but cost, tenor, security and repayment timing remain decisive.
- Higher global yields and a firmer dollar increase the value of balance-sheet flexibility.

Market Signals to Watch

- Karo financing, construction, commissioning and first concentrate after lease and offtake milestones.
- CBZ's first infrastructure-bond tranche and whether NMB's external lines are deployed on workable tenors.
- Normalised ZSE turnover and breadth, firmer VFEX activity, and whether ZiG stability persists without masking access constraints.
- Higher US yields and dollar strength, and whether gold, silver and oil stabilise as funding and valuation conditions reset.

Capital Markets

Zimbabwe Stock Exchange

The ZSE closed weaker on broad and large-cap measures. The All Share fell from 474.92 on 21 August to 466.46 on 28 August, down 1.78%. The Top 10 dropped 2.35% and the Top 15 fell 2.49%, while Medium Cap rose 0.70%. Market capitalisation declined 2.71% to ZWG102.63 billion. The divergence shows the move was not uniform, with heavyweight weakness offset by selected mid-cap resilience.

Weekly equity turnover was ZWG161.16 million versus ZWG2.60 billion in the preceding week, a 93.81% fall dominated by the exceptional CBZ block on 21 August. Current activity was also concentrated, including heavy CBZ and Delta trading. Dairibord led the endpoint risers and Ariston the fallers. The useful signal is continued dependence on blocks and issuer-specific flows rather than a simple conclusion that ordinary liquidity collapsed.

Index	Prior Week Reference	This Week Close	Weekly Movement
All Share	474.92	466.46	-1.78%
Top 10	477.59	466.35	-2.35%
Top 15	491.50	479.28	-2.49%
Medium Cap	493.75	497.21	+0.70%
Market cap	ZWG105.49bn	ZWG102.63bn	-2.71%

Leading Riser

Counter	Movement
Dairibord	+29.61%
Willdale	+15.96%
Unifreight	+15.00%
Fidelity	+14.29%
Masimba	+12.98%

Leading Faller

Counter	Movement
Ariston	-27.48%
Zimre	-18.95%
Nampak	-13.75%
CBZ Hldgs	-13.73%
Mash	-7.97%

Victoria Falls Stock Exchange

VFEX ended firmer: the All Share rose from 254.75 to 258.64, up 1.53%, while weekly turnover increased 16.81% to US$3.92 million. Recorded market capitalisation rose 3.75% to US$8.31 billion, though a methodology discontinuity limits its use as a pure return measure. Caledonia and Edgars led the risers, while Axia and Padenga led the fallers. The direction was stronger than ZSE, but activity remained concentrated, so security catalysts still matter.

Index	Prior Week Reference	This Week Close	Weekly Movement
All Share	254.75	258.64	+1.53%
Turnover	US$3.36mn	US$3.92mn	+16.81%
Market cap	US$8.01bn	US$8.31bn	+3.75%

Leading Riser

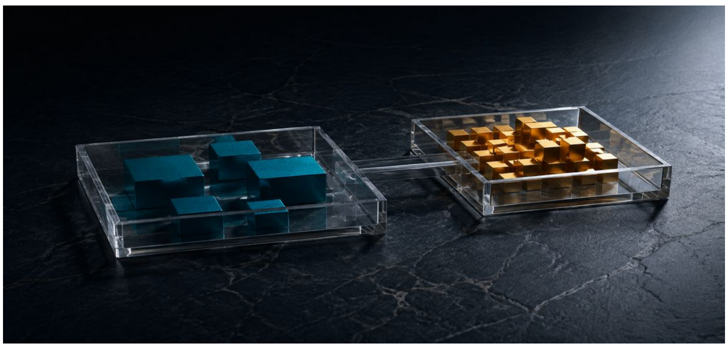
Counter	Movement
Caledonia	+31.14%
Edgars	+20.00%

Leading Faller

Counter	Movement
Axia	-2.74%
Padenga	-1.92%

SwitzView Interpretation

ZSE and VFEX gave different weekly signals. ZSE weakness was concentrated in broad and large-cap measures, with turnover distorted by the prior week's exceptional block, while VFEX posted a firmer index and higher turnover but remained concentrated. The durable test is execution quality: liquidity, free float, trading continuity and issuer evidence matter as much as index direction.

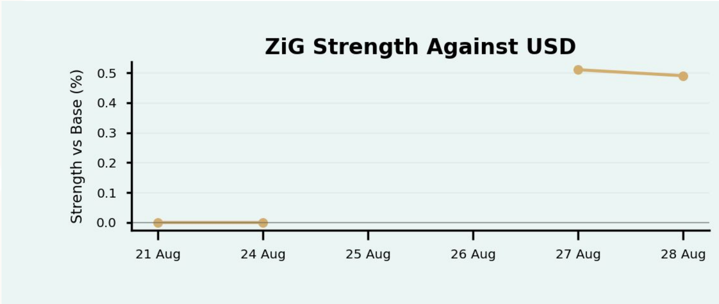


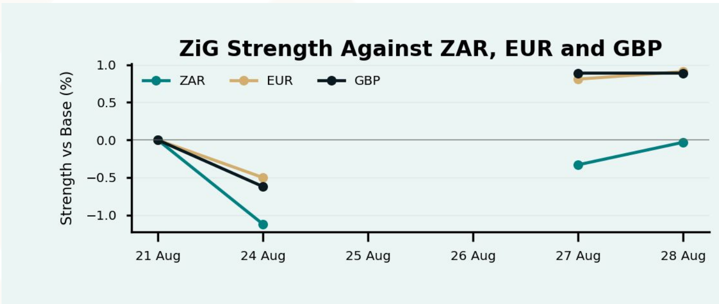
Currency Market

Verified ZiG reference-rate observations remained in a narrow range. The base is 21 August, with RBZ values available for 24, 27 and 28 August; 25 and 26 August remain explicit gaps because exact AVG values were unavailable. By 28 August, ZiG had strengthened 0.49% against the US dollar, 0.89% against sterling and 0.91% against the euro, while weakening 0.03% against the rand. The missing dates remain visible breaks and are not interpolated.

The accepted ZAR/USD series is the complete ECB-derived series fixed upstream. ZAR strength was 0.00% at the 21 August base, +0.01% on 24 August, +0.10% on 25 August, +0.56% on 26 August, +0.12% on 27 August and +0.02% on 28 August. The practical reading is stability with qualification: useful for planning, but separate from currency availability, settlement speed and financing cost.

Currency	Prior Week Reference	This Week Close	Weekly Movement
USD/ZWG	26.6291	26.4987	+0.49%
GBP/ZWG	36.3277	36.0067	+0.89%
EUR/ZWG	31.1348	30.8538	+0.91%
ZWG/ZAR	0.6045	0.6043	-0.03%
USD/ZAR	16.0044	16.0018	+0.02%





Money Market

Funding availability is broadening. NMB disclosed more than US$200 million of external credit lines, with US$50 million drawn in the first half and another US$70 million expected before year-end. First Capital reported 27% capital adequacy against a 12% minimum, deposits of US$249 million and a US$165 million loan book. Outcomes still depend on borrower quality, pricing, tenor and cash-generating deployment.

CBZ's proposed US$600 million infrastructure-bond programme adds a capital-markets route, with a first US$100 million tranche. Placement would test appetite for longer-dated infrastructure exposure, while pricing and deployment remain important. Dairibord illustrates the corporate side: borrowing supported capital expenditure and working capital while finance costs rose. Leverage creates value only when capacity and inventory convert into operating cash fast enough to exceed funding cost.

SwitzView Interpretation

Currency and money-market conditions support steadier planning without removing liquidity risk. Narrow rate movement reduces pricing volatility, while external lines, strong bank capital and proposed bond issuance widen funding options. A stable reference rate does not guarantee settlement, and announced funding is not capital deployed. The stronger signal is repeatable financing reaching assets on tenors aligned with cash cycles.

Economy, Policy & Investment Themes

Economy and Policy

Domestic macro conditions remain relatively stable. August ZiG inflation was 0.10% month on month and 2.89% year on year, while US-dollar inflation was also low. The benefit is better visibility for pricing, budgeting and short-cycle procurement. The next test is whether lower inflation produces more predictable working-capital cycles and investment planning without complacency about currency access, imported costs or financing conditions.

Dairibord increased first-half sales volumes by 26% to 78.3 million litres and revenue by 28% to US$82.56 million. Operating profit more than doubled to US$5.54 million and profit after tax reached US$3.25 million. Earlier capacity investment supported growth in beverages and other product lines, making throughput and earnings a stronger signal than capital expenditure alone. Improved operating cash generation strengthens that reading, although finance costs remain part of the conversion equation.

Financial-sector developments point from balance-sheet capacity toward deployment. NMB's external lines, First Capital's 27% capital adequacy ratio and CBZ's proposed infrastructure-bond programme show that bank funding and market-based capital can both support productive investment. Their quality will be judged by credit discipline, tenor, pricing and the cash-generating performance of financed assets. More available capital increases opportunity, but it also increases execution risk when project selection or monitoring is weak.

The global backdrop became less accommodating into Friday. Higher US Treasury yields and a firmer dollar raise the hurdle rate for external capital, while late-week moves in gold, silver and oil show how quickly commodity assumptions can change. Domestic stability is most valuable when used to improve project economics, funding resilience and operating discipline before external conditions become more restrictive. Businesses with long construction periods or repeated refinancing needs retain material timing risk.

Real Assets & Alternative Investments

Karo Platinum's milestones improve the structure around a major Zimbabwe mining project. The Special Mining Lease provides clearer tenure, while the binding concentrate-purchase term sheet strengthens the route toward commercial offtake. These steps reduce uncertainty but do not remove financing, construction, commissioning or ramp-up risk. The next test is how quickly this certainty converts into production, saleable concentrate and cash flow.

Caledonia's maiden Motapa resource adds a measurable step in Zimbabwe's gold-development pipeline. The estimate includes 379,000 ounces measured and indicated plus 131,000 ounces inferred. A mineral resource is not a reserve and does not establish economic extraction, but it gives mine planning and economic studies a clearer technical base. Technical definition has improved while development decisions remain ahead.

The projects sit at different stages. Karo is moving through tenure, route-to-market and execution stages, as Motapa is moving through geological definition toward technical evaluation. Both strengthen when risks are reduced together and remaining dependencies stay transparent. Capital commitment should reflect the stage of evidence achieved.

Corporate and Regulatory Developments

Dairibord's first-half results show operating leverage from prior investment. Higher volumes, US$5.54 million of operating profit and US$3.25 million of profit after tax show installed capacity being utilised, while borrowing costs still need monitoring against cash generation.

First Capital adds a balance-sheet view, with 27% capital adequacy, US$249 million of deposits and a US$165 million loan book. CBZ's bond and NMB's external lines widen the toolkit. The common issue is deployment quality: capital creates value when directed into productive assets on terms borrowers can service through operating cash.

SwitzView Interpretation

Domestic evidence is more useful because it is measurable. Low inflation supports planning, companies are showing whether investment is generating throughput, banks are disclosing funding capacity and projects are adding commercial milestones. The common question is conversion: whether stability, capital and project rights become cash flow. A stable macro print cannot repair a weak business model, and a large funding line cannot compensate for poor execution. Volume growth, leverage discipline, routes to market and cash conversion matter more as global financing conditions tighten.

Regional Market

South African miners are accelerating private renewable-energy procurement to lower costs and reduce grid dependence. Companies are combining self-generation, joint ventures and long-term offtake contracts while retaining Eskom baseload. The regional relevance is commercial: reliable energy now affects mine competitiveness, project finance and operating risk. Zimbabwean mining and industrial projects increasingly compete for capital against peers able to show integrated energy strategies, while private power creates opportunities for generation, transmission, equipment and services.

The rand was relatively steady late in the week as softer South African producer-inflation data offered domestic support while a firmer US dollar limited appreciation. That balance matters for Zimbabwe through trade, import pricing and the ZWG/ZAR relationship. It also shows that domestic fundamentals and the global dollar cycle can pull in different directions. Project economics therefore need to absorb both local operating conditions and external financing or currency shocks rather than assuming one regional signal will dominate.

International Market

Global markets closed Friday with a sharper focus on rate risk. More hawkish Federal Reserve communication pushed the US two-year Treasury yield to about 4.36%, strengthened the dollar and weighed on US equities. Spot gold fell more than 3% and silver more than 4% on Friday. Brent ended around US$89 per barrel and recorded its first weekly decline in four weeks. For Zimbabwe, the mix affects the discount rate on long-duration capital, export-price assumptions and imported fuel costs through different channels.

Fund flows became more selective rather than simply defensive. Global equity funds recorded their first weekly outflow after a thirteen-week inflow streak, with US$5.87 billion leaving equity funds as withdrawals from US funds outweighed inflows elsewhere. Bond funds still attracted capital, though at a slower pace, while precious-metals funds drew inflows despite Friday's price weakness. The pattern shows reallocation across regions, duration and defensive exposures. Sustained US yield or dollar strength would tighten external financial conditions for frontier issuers.

SwitzView Interpretation

The regional and global environment rewards resilience. Southern African miners are treating power security as a competitiveness issue while global rates have become more restrictive. Zimbabwe absorbs these forces through trade, imported costs, commodity revenues and funding. Reliable energy, strong cash conversion, diversified funding and room to absorb volatility remain more durable advantages than a simple directional macro view.

Investment Insight

Evidence quality is improving at project and company level. Karo has tenure and offtake milestones, Motapa has a maiden resource, Dairibord is showing capacity-to-volume conversion and banks are disclosing wider funding channels. Each can be tested against the next milestone rather than a headline.

Mining projects still need to finance, construct, commission and sell reliably. Banks must convert funding access into secured credit, while borrowers must turn leverage into operating cash before refinancing conditions tighten. The useful lens is an evidence chain in which rights, funding, route to market, output and cash generation reinforce one another.

Domestic inflation and verified reference rates were stable, but ZSE turnover remained block-sensitive and global yields and the dollar became less supportive. Balance-sheet flexibility and cash conversion remain key tests of resilience.

Other Developments

- Caledonia published a Blanket Mine resource estimate on 28 August; significance will depend on mine planning, reserve conversion and life-of-mine decisions.
- First Capital's first-half results included an interim dividend, highlighting the balance between shareholder returns, regulatory buffers and credit capacity.
- Dairibord declared a US$773,723 interim dividend, equal to 0.22 US cents per share and payable on 21 September, adding a cash-return signal after stronger profitability and cash generation.
- CBZ's US$600 million infrastructure-bond programme seeks longer-duration funding; the first US$100 million tranche will test participation, pricing, tenor and deployment.

What to Watch Next Week

- Karo: financing completion, construction, commissioning and first saleable concentrate after the mining-lease and concentrate-purchase milestones.
- Funding: final terms and placement of CBZ's first infrastructure-bond tranche, plus deployment of NMB's external credit lines into productive sectors.
- Markets and currencies: normalised ZSE turnover and breadth, firmer VFEX activity, and whether ZiG reference-rate stability continues without masking access constraints.
- Global conditions: whether higher US yields and dollar strength persist, whether gold, silver and oil stabilise, and how this affects funding costs and project valuations.

SwitzView Weekly Takeaway

The week offered more useful evidence because the strongest developments concerned execution rather than ambition. Karo added tenure and route-to-market milestones, Motapa gained a maiden resource, Dairibord showed prior capacity investment converting into output and earnings, and banks disclosed wider funding channels. Markets remained selective: ZSE broad and large-cap measures weakened, Medium Cap rose and turnover was distorted by the prior week's exceptional block, while VFEX was firmer but concentrated. Domestic inflation and verified reference rates stayed stable, yet higher US yields and a firmer dollar raised the external funding hurdle. The practical test is whether current stability becomes repeatable cash generation, funding resilience and liquid execution before conditions change.

Public Sources

- Reserve Bank of Zimbabwe
- European Central Bank
- Tharisa plc
- Caledonia Mining Corporation plc
- Dairibord Holdings Limited
- First Capital Bank Limited
- Reuters
- The Herald