

Morning Note

Saturday, 24 October 2026



SwitzView Morning View

Protecting output can create as much financing value as adding capacity. Friday's fresh-produce reporting highlights spoilage in hot conditions, while Stanbic's sustainability discussions focus on making projects investable. A cooling or processing asset could preserve more of the crop already produced. Its repayment case still depends on paid utilisation, reliable power and maintenance. A useful environmental or social purpose strengthens the opportunity only when the operating model can turn the benefit into collected revenue.

The same distinction applies to construction. Masvingo's asphalt plant remains under development, with commissioning expected before year-end. The Home Makers Expo offers a current route to customers without establishing completed sales. Capital may be committed before output or affordable demand becomes dependable. Completion milestones, usable capacity and a realistic collection timetable give a clearer financing picture than equipment installed or enquiries received. Delay belongs in the cash requirement from the outset.

Friday's exchange gains also need a conversion test. ZSE's All Share rose 0.45% and VFEX advanced 1.07%, while turnover fell on ZSE and increased on VFEX. Higher portfolio marks do not establish the cash available from a particular holding at the required size. For weekend obligations, the relevant support is liquidity already available and the timing of any future sale and settlement. Broad market activity cannot substitute for the conditions facing the actual security. A cash reserve also absorbs the cost and time of converting the position.

October's preliminary surveys show expansion in the euro area, UK and Japan alongside price pressure. Demand opportunities can coexist with costly inputs and credit. The useful sensitivity is the interval between a business paying more and recovering that cost from customers. Financing looks more dependable where output remains saleable, the asset stays usable and collections can withstand a delay. Growth adds value when the operating support and cash buffer needed to deliver it are affordable.

At a Glance

ZSE All Share
+0.45%

VFEX All Share
+1.07%

ZSE turnover
ZiG 9.43m

VFEX turnover
US\$ 2.81m

Gold
US\$ 4,010.00/oz

Brent
US\$ 111.66/bbl



Investors Lens

- Storage finance depends on paid throughput and avoided losses. Power, maintenance and spoilage responsibility belong in the operating cash model.
- Construction exposure starts before an asset earns income. Verified delivery milestones help distinguish usable progress from demand still to be proven.
- External growth can accompany cost pressure. Orders, customer repricing and facility terms determine how much additional cash the business needs.

Market Dashboard

Indicator	Latest Available	Movement
ZSE All Share Index	480.97	+0.45%
ZSE Top 10 Index	470.54	+0.38%
ZSE Top 15 Index	481.28	+0.35%
ZSE Medium Cap Index	558.19	+0.71%
VFEX All Share Index	276.94	+1.07%
ZSE equity turnover	ZiG 9.43m	-11.21%
VFEX equity turnover	US\$ 2.81m	+3.09%
USD/ZiG	26.5775	-0.02%
USD/ZAR	16.6107	+0.54%
Gold	US\$ 4,010.00/oz	-1.24%
Brent	US\$ 111.66/bbl	-1.33%
RBZ policy rate	27.5%	Unchanged

ZSE Leading Risers

Counter	Movement
Uni Frt	+12.44%
Hippo	+10.09%
Dairibord	+9.09%
CassAgri	+6.95%
ZB Fin	+5.67%

ZSE Leading Fallers

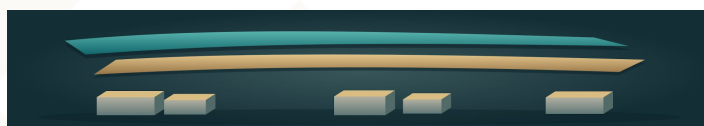
Counter	Movement
Meikles	-7.52%
TN Cyber	-1.87%
Ariston	-0.74%
Tanganda	-0.25%
Delta	-0.02%

VFEX Leading Risers

Counter	Movement
Simbisa	+4.11%
Padenga	+3.88%

VFEX Leading Fallers

Counter	Movement
Zimplow	-19.33%
Invictus	-17.31%



Key Local Developments

Stanbic focuses on investable projects

Stanbic's Sustainability Conference, reported on 23 October, addressed investable development projects rather than a committed facility. A credible operating model, accountable counterparties and a repayment source must support the intended benefit. The recurring cost of keeping the asset useful belongs alongside construction in the financing case.

Produce losses put storage in focus

Chronicle's 23 October report describes produce spoilage in hot conditions and calls for storage, cooling and processing. It establishes neither a national loss rate nor a guaranteed return. Saleable output can differ from the quantity purchased. Paid throughput, seasonal use and reliable operation determine whether preservation leaves enough margin for the facility and its customers.

Masvingo plant still faces start-up risk

The Herald reports continuing construction of Masvingo's asphalt plant, with commissioning expected before the end of 2026. This is prospective capacity. Contractors and suppliers still depend on usable output, supply terms and payment timing. Forecasts need to allow for completion and start-up exposure, then sufficient demand to cover recurring costs. Better input access alone does not establish dependable receipts.

Property expo needs commercial follow-through

The Home Makers Expo was launched ahead of its advertised 23 to 25 October showcase in Harare. The meeting point for suppliers and customers does not prove completed sales or funded developments. Enquiries become useful when they produce affordable commitments and deliverable orders. Deposits, construction payments and final settlement determine how much working capital the resulting business requires.

SwitzView Interpretation

Local finance needs to identify where value can be lost before collection. Storage protects saleable quantity; maintenance protects usable capacity; delivery terms and customer commitments protect the payment route. Each needs an owner and cash if performance slips. Following delivery to a paid receipt exposes these dependencies together. It also separates a usable asset from capacity requiring further spending, placing support costs within the credit assessment.



Regional & Global Developments

Euro-area expansion loses momentum

S&P Global's 23 October flash composite output index for the euro area eased to 51.9 from 53.1, with elevated price pressure. Expansion therefore continues alongside a less comfortable margin setting. For Zimbabwean exporters and tourism operators, the survey frames a demand sensitivity rather than proving orders. Customer commitments, cancellations and payment behaviour give more direct evidence of the cash available to support financing. A workable margin case allows for positive sales while cost recovery takes longer.

UK growth still carries cost pressure

The UK flash composite rose to 53.1 from 52.0 in S&P Global's 23 October release, alongside persistent cost pressure. Stronger activity could help businesses serving UK customers, but the benefit depends on the segment and actual purchases. It establishes neither uniformly stronger household spending nor lower borrowing costs. Orders and customer repricing need to match cash for imported inputs and delivery.

Japan survey flags imported-cost exposure

Japan's October flash composite remained at 52.3, with S&P Global's 23 October commentary identifying higher input-cost pressure and softer business confidence. This is a supply and demand signal, not a forecast of Zimbabwean activity. Projects using imported equipment and components could face costs different from their budgets. The useful sensitivity follows the actual supplier contract, delivered price and timetable. Firm quotations and workable delivery obligations give stronger project evidence than the survey. A business may need to fund procurement before it can recover a higher cost from customers; the collection interval still matters where demand is sound.

Today's Watchlist

- Today's property showcase can test specific quotations, affordable deposits and deliverable orders beyond general customer interest.
- Weekend produce sales can test saleable stock, storage and collection speed. Quantity reaching a paying customer supports the next cycle.
- The advertised mine-safety programme closes today. Site-specific application, technical ownership and funded maintenance matter.
- Friday's sessions anchor weekend liquidity planning. Cash for dated obligations should not assume a Saturday sale at a closing mark.



SwitzView Takeaway

Return depends on preserving the value created at each stage of delivery. A storage asset can protect output while an unfunded power or maintenance bill interrupts that benefit. A project with sound eventual demand can still run short of cash before commissioning or collection. The stronger financing case identifies who carries each interruption, how much liquidity a delay consumes and whether customer terms can absorb a higher cost. Usable capacity and repeat collected receipts give the outlook more substance. Funding the asset and the support needed to keep it productive are therefore one connected commercial assessment.

Selected public sources

The Herald; Chronicle; ZBC News; S&P Global Market Intelligence; Mining Zimbabwe

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