

SWITZVIEW
W E A L T H M A N A G E M E N T

WEEKLY MARKET ROUNDUP

MONDAY, 12 OCTOBER 2026

ZIMBABWE MARKETS, ECONOMY
AND INVESTMENT INSIGHTS

Monday 05 Oct'26 00:00:00
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Sunday 11 Oct'26 23:59:59



SwitzView Weekly View

Zimbabwe's week highlighted the distance between financial stability and dependable cash generation. The Reserve Bank of Zimbabwe's new third-quarter snapshot describes stronger external buffers and contained local-currency inflation. These are quarterly observations published during the week, rather than evidence that every business has secured cheaper credit or easier settlement. More predictable conditions can support budgeting, but their commercial value depends on how inventories, customer receipts and obligations are financed. National stability becomes useful when it reaches the terms on which a company can operate. Payment timing still determines the cash a business needs.

The IMF's approval of Zimbabwe's second Staff-Monitored Program review adds a policy milestone to that backdrop. It strengthens the record relevant to re-engagement, while the missed protected-spending target keeps budget delivery in focus. Continued reform and creditor discussions remain necessary; the review does not establish completed debt resolution. Listed trading supplied a different caution. The ZSE's much larger turnover week was concentrated in a major midweek session, while VFEX activity fell against an exceptional comparison week. Neither total alone establishes repeatable liquidity for a later institutional order. Counter-level activity and order size determine how the aggregate result translates into execution capacity.

Delivery was also central to corporate developments. Caledonia lowered Blanket Mine's annual production guidance after a difficult third quarter and described compressed-air and processing remedies. The expected recovery needs to become actual output and receipts. Meikles proposed selling its Victoria Falls Hotel Partnership interest, with proceeds intended for borrowing reduction and retail investment. Approvals and instalment timing will determine when that capital can be redeployed. These cases link investment value to equipment availability, cash collection and the returns from subsequent spending. Against persistent global energy and financing pressure, the stronger proposition is a business whose operating and funding timetable remains credible through the period before revenue arrives.

Week in Brief

- The RBZ's quarterly snapshot describes stronger reserves and contained inflation, supporting planning without confirming easier funding for every business.
- The IMF approved Zimbabwe's second programme review. Re-engagement advances, while missed priority spending keeps fiscal delivery in focus.
- ZSE turnover rose sharply through concentrated midweek trading. VFEX activity fell against an exceptional preceding week; depth needs a counter-level reading.
- The rand strengthened against the dollar. South African procurement can face a different cost signal from mainly dollar-funded purchases.
- Caledonia cut annual production guidance. Equipment and processing recovery will determine the conversion of retained gold into receipts.
- Meikles' proposed hotel-partnership disposal links debt reduction and retail investment to approvals, payment security and instalment timing. Announced consideration is not yet cash available to spend.



Investors' Lens

- Concentrated turnover leaves repeatable liquidity a separate question from the headline weekly trading total.
- Caledonia's equipment and processing recovery must become actual production and collected receipts.
- Meikles' capital-allocation case depends on approvals and the collection of staged proceeds.
- Currency and funding maturities shape the cash needed between purchases and customer payment.
- Energy costs affect the cash needed before revenue arrives.

Market Signals to Watch

- The spread of ZSE trading after Wednesday's exceptional session will indicate whether ordinary activity becomes broader and more repeatable across counters.
- Blanket Mine's compressor and processing progress will test recovery. Meikles' approval preparations and payment timetable will clarify when proceeds could be redeployed.
- The rand, supplier quotations and global energy costs will shape cash requirements for imported purchases through invoice currency and the interval before settlement.

Capital Markets

Zimbabwe Stock Exchange

The ZSE All Share Index closed at 476.22 on 9 October, down 0.83% from the preceding Friday. Top 10 and Top 15 also declined, while Medium Cap gained 1.02%. Price performance was uneven across benchmarks and counters. Ariston and First Mutual led advancing shares; Rainbow Tourism Group and Turnall were among the decliners.

Weekly turnover rose to ZWG246.43 million from ZWG46.53 million. Wednesday contributed about 88%, with Delta the dominant counter that day. The sharp increase records completed trading, rather than a general improvement in exit capacity. Activity on ordinary sessions and in each security remains relevant to the size of a later order. The listed-market picture also retains its own scope: exchange activity does not measure the whole domestic economy.

Victoria Falls Stock Exchange

The VFEX All Share Index ended at 269.47, down 1.24%. Turnover was US\$10.61 million against US\$49.50 million, with exceptional Econet InfraCo activity in the preceding week. Wednesday led current trading; Tuesday was quieter. Four counters advanced, led by Kavango Resources. Dollar denomination does not ensure execution at a quoted close: counter activity, order size and the exchange's varied operating exposures still matter.

Index	Prior Week Reference	This Week Close	Weekly Movement
All Share	480.19	476.22	-0.83%
Top 10	470.28	464.11	-1.31%
Top 15	480.62	476.45	-0.87%
Medium Cap	555.06	560.70	+1.02%
Market cap	ZWG106.683bn	ZWG105.722bn	-0.90%

Leading Riser

Counter	Movement
Ariston	+40.34%
FirstMutual	+24.32%
NMBZ	+20.37%
ZHL	+12.99%
CAFCA	+11.11%

Leading Faller

Counter	Movement
Rainbow	-14.11%
Turnall	-8.13%
Starafrika	-7.38%
Delta	-5.95%
CBZ	-5.88%

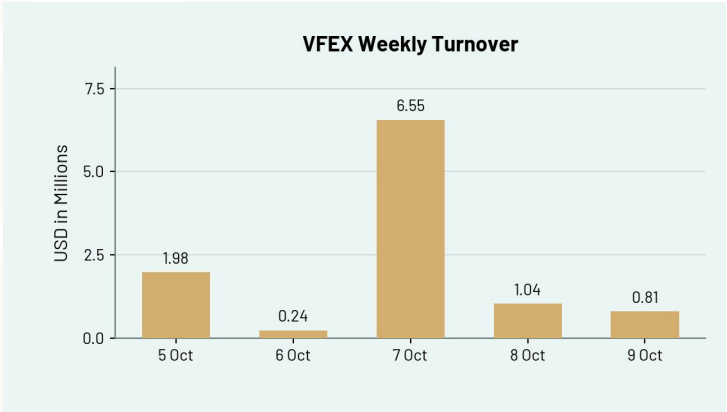
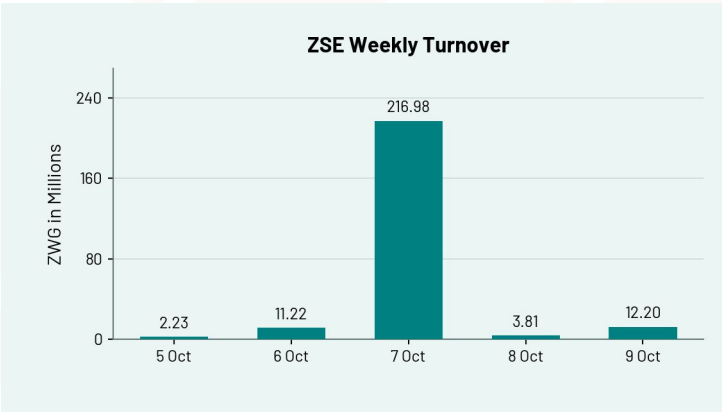
Index	Prior Week Reference	This Week Close	Weekly Movement
All Share	272.85	269.47	-1.24%
Turnover	US\$49.50mn	US\$10.61mn	-78.56%
Market cap	US\$8.2156bn	US\$8.1277bn	-1.07%

Leading Riser

Counter	Movement
Kavango	+14.22%
Invictus	+6.63%

Leading Faller

Counter	Movement
Simbisa	-11.22%
Axia	-6.00%



SwitzView Interpretation

Weekly turnover comparisons can misrepresent ordinary market depth. Zimbabwe's exchanges show why: a major transaction dominated the current ZSE week, while VFEX followed an exceptional previous week. Benchmark movements and uneven counter performance add valuation information. The meaningful liquidity measure is repeated participation around a contemplated institutional transaction.

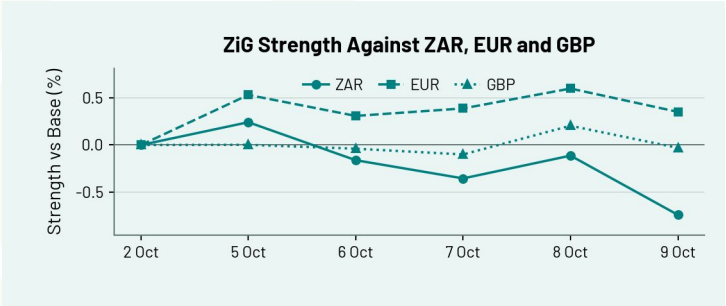
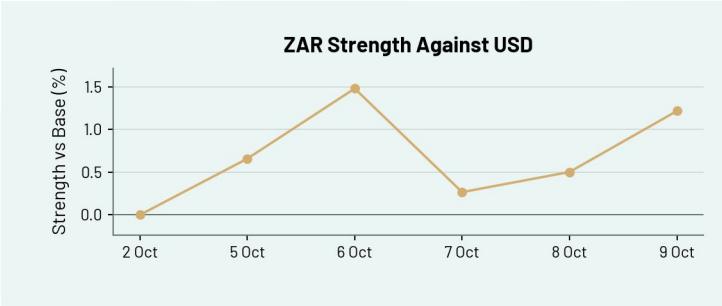


Currency Market

ZiG strengthened about 0.29% against the dollar and 0.35% against the euro from the 2 October base. Sterling was close to flat, while ZiG weakened against the rand. The mixed result matters where receipts, supplier invoices and financing obligations use different currencies. Contained official-rate movements can improve budgeting while leaving exposure between an expected receipt and the settlement date of a supplier obligation.

The rand gained about 1.22% against the dollar. An unchanged rand invoice can therefore require more dollars from a Zimbabwean importer, depending on settlement timing and supplier repricing. Rand revenue against dollar costs faces a different effect. Stronger national reserves support the backdrop, while contract currency, quotation validity and available funds determine the commercial terms of each individual purchase.

Currency	Prior Week Reference	This Week Close	Weekly Movement
USD/ZWG	26.7653	26.6875	-0.29%
GBP/ZWG	35.3503	35.3610	+0.03%
EUR/ZWG	30.1084	30.0035	-0.35%
ZWG/ZAR	0.6237	0.6191	-0.74%
USD/ZAR	16.7340	16.5331	-1.20%



Money Market

The Q3 publication confirmed a 27.5% bank policy rate and a 22.5% all-inclusive Targeted Finance Facility on-lending rate. These are reference settings, rather than a new weekly reduction. The practical question is whether a qualifying facility covers the interval between paying for inputs and collecting sales. Fees, collateral and repayment timing can change the effective cost even where the annual rate appears attractive.

The snapshot also describes minimum savings and time-deposit rates and quarterly loan growth. Currency and maturity remain central to cash management. Uptake of the earlier September ZiG term-deposit offer belongs to that earlier issuance, rather than a new auction this week. Predictable interest receipts have to be considered alongside purchases and debt service: funds committed until maturity may be unavailable when an operating obligation falls due.

SwitzView Interpretation

Currency and finance meet in the payment cycle. A firmer rand can increase procurement costs even with modest local-rate changes, while borrowing maturity determines how long that exposure stays funded. A deposit's return also has to be considered against the cash needed for purchases and debt service. The commercial test is alignment between invoice currency, collections and the dates on which obligations fall due.

Economy, Policy & Investment Themes

Economy and Policy

The RBZ's new Q3 snapshot reports September annual ZiG inflation of 3.7% and nearly US\$2 billion in reserves, against US\$1.4 billion in June. Reserve cover was about two months of imports. The publication describes a stronger buffer and more predictable domestic prices. Those national measures provide context for budgets, while settlement arrangements and the liquidity accessible to each business remain separate commercial questions. An expensive import bill can still absorb cash despite the larger reserve stock. For purchases with long lead times, supplier prices and delivery costs affect the cash committed before finished goods can be sold.

Estimated January–September foreign-currency receipts were US\$15.9 billion against payments of US\$11.6 billion. Their distribution and timing determine how national flows reach operating and investment decisions. Currency transition remains conditions-based and market-led, with no new fixed conversion date in the snapshot. Existing contracts and payment commitments therefore retain practical importance. The survey identifies energy costs as an anticipated Q4 inflation driver; that is an expectation, with the eventual effect dependent on fuel, power, transport and selling prices. Manufacturers, agriculture and logistics operators may experience those costs through production and distribution.

The IMF approved the second review of Zimbabwe's 10-month Staff-Monitored Program on 7 October. End-June quantitative targets and structural benchmarks were met, but the indicative protected social and priority-spending floor was missed. That distinction connects formal progress with the reliability of public expenditure. The Fund forecasts real growth of 5% in 2026 and 3.5% in 2027, with an El Niño-related drought among the risks. These remain projections. The review supports the re-engagement record; continued implementation and progress on arrears and debt resolution remain necessary before it can translate into wider financing access.



Real Assets & Alternative Investments

Meikles' 9 October circular proposes selling its subsidiary's 50% undivided Victoria Falls Hotel Partnership interest to African Sun for US\$15 million, plus applicable VAT. The extraordinary meeting is scheduled for 30 October; completion remains subject to shareholder and regulatory conditions. The proposal concerns a partnership interest, rather than a completed sale of the hotel's underlying land and buildings. This distinction keeps the asset and transaction stage clear when considering the capital that may become available.

The planned use includes US\$4 million to retire short-term borrowing and US\$7.8 million for retail expansion. Consideration would arrive in three US\$5 million instalments, with later payments due by December 2026 and March 2027. Timing and payment security connect the disposal to its funding benefit. Borrowing reduction could ease financing pressure, while retail investment must generate its own return after proceeds arrive. The assessment links the asset interest being sold, cash expected to be collected and the activities receiving that capital, without treating announced consideration as cash already available. Announced value and funds stay distinct until transaction conditions and payments are fulfilled.

Corporate and Regulatory Developments

Caledonia reported Blanket Mine Q3 production of 17,030 ounces against 19,106 a year earlier, subject to final refiner assays. Annual guidance fell to 69,000–72,500 ounces from 72,000–76,500. Compressed-air constraints and retained gold in the circuit prompted remedial work.

Expected recovery from mid-October depends on additional elution capacity. Group 2026 capex fell to US\$94.3 million from US\$103.3 million, mainly through timing, with some work expected in 2027. Deferred spending can ease near-term funding without materially reducing project scope. Recovery remains a management expectation.

SwitzView Interpretation

Improved monetary buffers support more predictable commercial budgets. Company performance still depends on implementation. Caledonia's compressed-air and processing programme must demonstrate recoverable output and receipts; Meikles' proposed redeployment depends on shareholder approvals and collected payments. These developments connect prospective returns with working-capital commitments throughout implementation. Commissioning problems or delayed payments can extend that period. Commercial value depends on operating performance and the returns generated by subsequent investment.

Regional Market

Kenya held its policy rate at 8.75% on 7 October. September inflation was 6.8%, against 6.6% in August, with global energy and food costs remaining concerns. The unchanged stance illustrates the balance between activity and imported price pressure. It does not establish the rate available to a Zimbabwean borrower. For regional counterparties, financing costs and customer purchasing power can affect inventory, demand and the ability to extend payment terms. Persistent external price pressure can limit the scope for easier financing even when some domestic conditions improve.

The rand's stronger weekly move adds a separate South African procurement signal. A Zimbabwean importer can face higher dollar costs for a rand invoice, while rand receipts against dollar expenses create a different exposure. The combined effect depends on supplier repricing, contract currency and settlement timing. Regional planning therefore connects demand, input costs and funding rather than reading an exchange-rate move in isolation. A business operating across currencies may need cash for a different period when customer receipts and supplier payments fall on different dates.



International Market

The IMF's 7 October assessment highlighted elevated energy prices and rising debt-service burdens, with oil around US\$100 a barrel. Zimbabwe's exposure runs through fuel, freight and imported production inputs. Transport and processing costs can enter several stages before goods reach customers. A favourable selling price may therefore leave less cash for expansion once operating costs, financing and replacement investment are considered. Commodity-linked income and imported costs can move in different directions, changing the amount retained from gross revenue.

Higher global borrowing costs also affect the terms of long-term project finance and the returns required to attract capital. A delayed revenue start is sensitive because interest can accumulate before receipts begin. Funding duration and a realistic delivery timetable belong in the same assessment. The global role of AI-related hardware and technology in goods trade highlights digital capacity, skills and reliable infrastructure as potential productivity channels; it does not establish comparable realised revenue or growth from domestic AI investment.

SwitzView Interpretation

Regional currency, energy and financing conditions can overlap in an operating budget. Domestic stability makes one part easier to plan, while imported inputs and debt service remain exposed. A resilient investment case connects revenue and costs to the period of committed funding, including the cash needed if commissioning or customer collections take longer than expected.

Investment Insight

Investment value becomes clearer when financial conditions are separated from a business's cash generation. Stronger monetary buffers can support planning; Caledonia's processing recovery has to demonstrate output, and Meikles' proposed redeployment depends on collected proceeds. Each has a timetable before cash becomes available. Equipment, approvals and payment security shape that interval.

Funding committed for less than the period needed to deliver and collect can expose a sound idea to refinancing pressure. Currency differences can also alter working capital when payment dates diverge. Listed portfolios face a related distinction between valuation and repeatable liquidity. A large transaction proves completed activity, while depth for a later order remains a separate question. The common task connects prospective returns with production, payment and proceeds.



Other Developments

- IPEC began a process to pay US\$200 each to 8,600 qualifying private occupational pensioners from a US\$1.75 million dividend. The means-tested phase prioritises lower 2019 conversion benefits and older beneficiaries. Further phases depend on dividends. This is separate from pre-2009 compensation.
- Parliament's 7 October sitting described a crime-management pilot at Warren Park and other police stations. Wider deployment depends on successful testing; a completed national rollout has not been established.
- The same sitting reported ongoing computer and Starlink deliveries to schools without fibre. The ICT Minister invited requests identifying schools still waiting, keeping actual connectivity distinct from assumed universal completion.

What to Watch Next Week

- Blanket Mine's expected processing recovery from mid-October will test the operating response. Commissioning and output will distinguish recoverable metal from cash receipts. Meikles' approval preparations will clarify the path to disposal proceeds.
- Trading after the concentrated comparison weeks will show whether ordinary sessions offer broader activity. The rand and South African supplier quotations will affect upcoming purchase costs through invoice currency and the interval before settlement.
- Priority spending and remaining IMF commitments will test fiscal delivery after the review. Energy and lender costs remain relevant to budgets, while IPEC payment progress depends on the targeted phase and further dividends.

SwitzView Weekly Takeaway

The week's central distinction is between a more stable financial backdrop and cash a business can actually use. The RBZ snapshot supports planning and the IMF review advances the policy record, while company delivery, approvals and collections determine practical outcomes. Caledonia's recovery and Meikles' proposed redeployment connect investment value to operating milestones and payment timing. For listed portfolios, concentrated turnover also leaves repeatable liquidity to be demonstrated. Against regional currency and global cost pressure, the stronger assessment joins credible receipts, realistic delivery and funding that lasts through the waiting period. Subsequent output, payment and trading activity will show how far favourable headlines become durable financial results.

Public Sources

- Reserve Bank of Zimbabwe
- European Central Bank
- International Monetary Fund
- Caledonia Mining Corporation Plc
- Meikles Limited
- Central Bank of Kenya
- Insurance and Pensions Commission
- Parliament of Zimbabwe

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