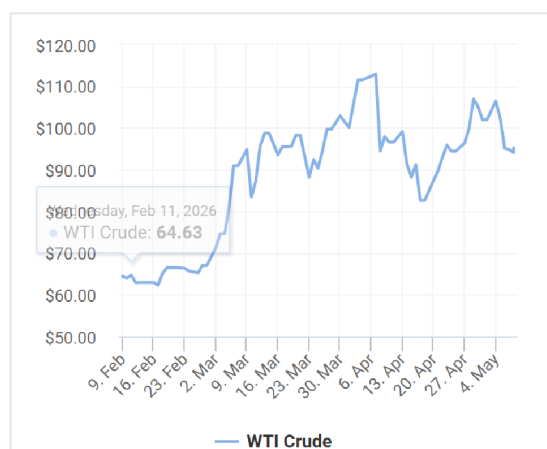


SMARTVEST April 2026 Newsletter

Renewed confidence in Global Markets

Fig 1: Oil Price Chart (WTI Crude, US\$/barrel)



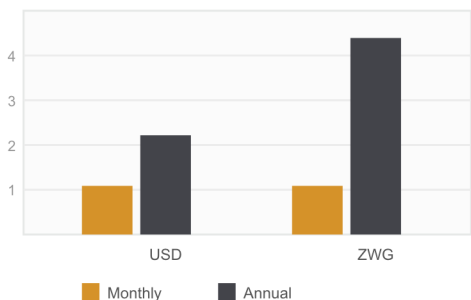
Source: Oilprice.com

April started on a positive note as there was a cease fire in the US-Iran conflict, however, the opening of the Strait of Hormuz remains a key issue as the two countries are yet to agree on a deal to end the conflict. Global equities rallied as confidence was renewed and there was a rotation back into AI stocks. The DJIA surged 7.14%, Nasdaq soared 15.29% and Nikkei closed the month 14.91% higher.

Oil markets experienced volatility as the UAE announced its departure from OPEC. The departure would imply that UAE can increase its oil output and will not be bound by OPEC quotas. The volatility is also fuelled by the continued disruption of the Strait Hormuz keeping oil prices high. Oil prices declined 2.83% in April. The price peaked at \$126 during the month. Gold gained 1.11% to close at \$4,560.79.

On the currency front, the USD weakened against major currencies as markets were optimistic over a potential resolution to the Middle East conflicts and anticipated Federal Reserve policy holds. The currency continues to face downward pressure as questions about the currency's dominance in global trade and finance continue to linger. The USD lost 2.04% against the British pound and 2.84% against the South African Rand.

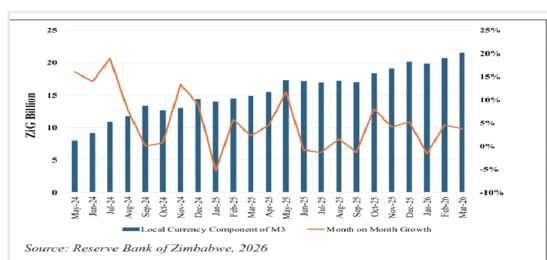
Fig 2: USD & ZWG Inflation (%)



Source: RBZ

Despite the surge in energy prices in the first quarter, inflation in the country has remained within single digit as businesses are seemingly absorbing the increase in the cost of production. Month on Month USD inflation stood at 1.1% whilst the year-on-year inflation stood at 2.2%. April inflation surged 0.6 percentage points when compared to the monthly inflation of 0.5% recorded in the previous month. On the ZWG front, month on month inflation stood at 1.1% compared to 0.5% recorded in March, and the year-on-year inflation stood at 4.4%.

Fig 3: Reserve Money Growth



Source: Reserve Bank of Zimbabwe, 2026

During the month, the central bank introduced new notes to support the wider use of the local currency. The ZiG has remained stable oscillating between 25 and 26 formally while trading at 30 on the parallel market. The premium between the two rates continue to be contained below 20%. The central bank highlighted that reserve money growth has been kept under check, with total local currency reserve money amounting to ZiG5.8 billion as at end March 2026, up from ZiG5.3 billion in December 2025.

According to the RBZ, foreign currency receipts amounted to US\$4.97 billion in first three months to March 2026, up from US\$3.22 billion in the same period in 2025. The increase in foreign currency receipts resulted in a trade surplus of US\$109.9 million and US\$46.4 million in January and February 2026, respectively. Consistent accumulation of foreign currency reserves, which stood at US\$1.4 billion, representing about 1.5 months of import cover as at 31 March 2026. Foreign currency reserves backing the local currency, equivalent to around 6 times cover of ZiG reserve money and almost double the total ZiG deposits.

A slowdown in momentum

Table 4: ZSE Performance

ZSE Index	March	April	Change
ALL SHARE	358.55	365.17	1.85%
ZSE Top 10	365.10	363.18	-0.53%
ZSE Top 15	377.83	377.99	0.04%
Medium Cap	358.24	399.47	11.51%
Small Cap	100.00	100.00	0.00%

Source: ZSE

Table 5: Top Movers

Name	March	April	Change
Tanganda	123.00	237.56	93.14%
Masimba	184.00	310.06	68.51%
Ariston	3.00	4.58	52.82%
TSL	464.93	600.00	29.05%
Mash	97.90	125.05	27.73%

Source: ZSE

Table 6: Laggards

Name	March	April	Change
Unifreight	300.00	180.00	-40.00%
FML	380.00	289.00	-23.95%
TNCI	12.19	10.05	-17.50%
ZSEH	120.00	101.97	-15.02%
Turnall	10.05	9.02	-10.25%

Source: ZSE

Equities extended gains although the momentum on the stock market is slowing down. The conflict in the Middle East has resulted in a surge in energy prices raising concerns on whether companies will be able to maintain their profitability levels due to a potential increase in the cost of production. Econet delisted from the stock exchange at the end of the first quarter resulting in the market capitalization declining by US\$1.2 billion. Continued delistings and cannibalisation to the VFEX has significantly altered the market and continues to shrink the investment opportunities available.

The All-share Index gained 1.85% whilst the Top 10 Index backtracked 0.53%. The Medium Cap Index rose 11.51%. The market recorded an outturn of 53.6 million shares worth ZWG 510.9 million. Market capitalisation stood at US\$3.29 billion when assessed using official rates.

Tanganda surged 93.14% to ZWG 2.38 as the company concluded its US\$8 million rights issue that was underwritten by Rutanhira Beverages, a subsidiary of Innscor. Masimba rose 68.51% to close the month at ZWG 3.10 as the company reported an increase in revenues of 10% to US\$61.5 million in its 2025 financial statements. TSL gained 29.05% to ZWG 6 and Mash eked out 27.73% to ZWG 1.25. FML lost 23.95% to ZWG 2.89 and TNCI continued under pressure easing 17.50% to ZWG 10.05.

Table 7: VFEX

Name	March	April	Change
Axia	13.81	13.01	-5.79%
Bindura	1.25	1.25	0.00%
Caledonia	6,900.00	5,900.00	-14.49%
Econet InfraCo	30.10	26.67	-11.40%
Edgars	3.00	20.00	566.67%
FCB	10.09	10.75	6.54%
Innscor	132.55	128.91	-2.75%
Invictus Energy ZDRs	15.00	15.00	0.00%
Kavango Resources	2.00	2.00	0.00%
Nedbank ZDRs	1,300.00	1,950.00	50.00%
Padenga	112.56	90.20	-19.86%
SeedCo Intl	28.05	31.77	13.26%
Simbisa	73.47	68.01	-7.43%
WestProp	1,000.00	1,000.00	0.00%
Zimplow	5.02	5.07	1.00%

Source: VFEX

On the VFEX, the market experienced some profit taking following the rally in the first quarter. However, demand for leading stocks has remained firm as investors remain optimistic about their financial performance going forward. During the period under review, African Sun delisted from the bourse whilst InfraCo got listed on the market. The market recorded an outturn of 117 million shares worth \$89.3 million. Market capitalisation of the market stood at \$3.49 billion. Clothing retailer Edgars surged 566.67%. Nedbank ZDRs gained 50% to \$19.50 and SeedCo Int rose 13.26% to \$0.3177. Padenga lost 19.86% to \$0.90 due to profit taking as well as investor focus on the \$37 million qualified in its financial statements. Econet InfraCo tumbled 11.4 to \$0.26 owing to profit taking.

Higher energy prices are contributing to stagflation pressures in the global economy. Inflation is going to increase whilst economic growth will slow down. Should Iran and the US strike a peace deal and the Strait of Hormuz opens then energy prices can be expected to decline and inflation expectations fall. Locally, the economic growth expectations have remained unchanged as the performance of the key sectors are expected to remain stellar. Whilst inflation rose in April, the surge has been on the back of increases in transport. It seems like the increment in the cost of production is yet to be factored in the prices of goods and services.

The preliminary outlook for the 2026/2027 cropping season in Zimbabwe suggests an increased risk of below-normal rainfall, mainly due to the possible

development of an El Niño weather pattern across Southern Africa. This will probably result in reduced cereal output that will result in maize imports.

On the monetary front, the thrust is to meet to conditions precedent to the transition to mono currency. Key amongst them is building foreign currency reserves for import cover, low inflation and exchange rate stability. Going forward, the central bank will likely continue implementing the tight monetary policy as they seek to curb increase in money supply as well as inflation. The stability that has been enjoyed so far is encouraging. This should help build confidence amongst the populace which is key if mono currency plans are to succeed.

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